



Colac Otway
SHIRE

AGENDA

ORDINARY COUNCIL MEETING
OF THE
COLAC-OTWAY SHIRE
COUNCIL

28 NOVEMBER 2012

at 3:00 PM

COPACC, Gellibrand Street Colac

An audio recording of this meeting is being made for the purpose of verifying the accuracy of the minutes of the meeting. In some circumstances the recording may be disclosed, such as where Council is compelled to do so by court order, warrant, subpoena or by any other law, such as the Freedom of Information Act 1982.

COLAC-OTWAY SHIRE COUNCIL MEETING

28 NOVEMBER 2012

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NOTICE is hereby given that the next *ORDINARY COUNCIL MEETING OF THE COLAC-OTWAY SHIRE COUNCIL* will be held in COPACC, Gellibrand Street Colac on 28 November 2012 at 3.00 pm.

AGENDA

1. 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

4. MAYORAL STATEMENT

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

Colac Otway Shire encourages community input and participation in Council decisions. Council meetings provide an opportunity for the community to ask Council questions, either verbally at the meeting or in writing.

Please note that Council may not be able to answer some questions at the meeting. These will be answered later.

Council meetings enable Councillors to debate matters prior to decisions being made. I ask that we all behave in a courteous manner.

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Thank you. Now 30 minutes is allowed for question time. 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. This 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.

5. QUESTION TIME

6. DECLARATION OF INTEREST

7. CONFIRMATION OF MINUTES

- Ordinary Council Meeting held on the 24/10/12
- Statutory Council Meeting held on the 7/11/12

Recommendation

That Council confirm the above minutes.

OFFICERS' REPORTS

Chief Executive Officer

- OM122811-1 CEO'S PROGRESS REPORT TO COUNCIL
- OM122811-2 OATH OF OFFICE
- OM122811-3 APOLLO BAY INDOOR POOL BUSINESS DEVELOPMENT PLAN PROJECT COMMITTEE

Corporate and Community Services

- OM122811-4 FORREST MEN'S SHED
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- OM122811-9 DECLARATION OF ROAD AS UNUSED - ROAD ABUTTING 190 SPRINGS ROAD, YEO
- OM122811-10 WATSONS ACCESS BRIDGE - RE-EVALUATION OF LOAD LIMIT
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- OM122811-12 WYE RIVER PARKING - MORLEY AVENUE, WYE RIVER

Sustainable Planning and Development

- OM122811-13 COLAC MARKETING BRAND
- OM122811-14 REGIONAL DEVELOPMENT AUSTRALIA FUND (RDAF)

General Business

- OM122811-15 MINUTES OF COLAC COMMUNITY LIBRARY AND LEARNING CENTRE JOINT COMMITTEE
- OM122811-16 ASSEMBLY OF COUNCILLORS

Notices of Motion

- OM122811-17 NOTICE OF MOTION - APOLLO BAY AIRFIELD LICENCE AGREEMENT

Rob Small
Chief Executive Officer

CHIEF EXECUTIVE OFFICER

ITEM	
<u>OM122811-1</u>	<u>CEO'S PROGRESS REPORT TO COUNCIL</u>
<u>OM122811-2</u>	<u>OATH OF OFFICE</u>
<u>OM122811-3</u>	<u>APOLLO BAY INDOOR POOL BUSINESS DEVELOPMENT PLAN PROJECT COMMITTEE</u>

OM122811-1

CEO'S PROGRESS REPORT TO COUNCIL

AUTHOR:	Rhonda Deigan	ENDORSED:	Rob Small
DEPARTMENT:	Executive	FILE REF:	F11/3291

EXECUTIVE**2012 Council Elections**

Council elections were held in Victoria on 27 October 2012. Of the 14 candidates standing for election, the following seven people were elected:

Cr Terry Woodcroft
 Cr Chris Smith
 Cr Stephen Hart
 Cr Mick McCrickard
 Cr Brian Crook
 Cr Michael Delahunty
 Cr Lyn Russell.

The new Councillors took the Oath of Office on 29 October 2012 and participated in a Councillor Induction Program over 30 and 31 October 2012.

At a Statutory Council meeting held on 7 November 2012, Cr Lyn Russell was elected Mayor for a term of two years and Cr Stephen Hart was elected to the position of Deputy Mayor for a one year term.

The Executive team congratulates our new and returning Councillors and looks forward to working with them to achieve positive outcomes for this Shire over the next four years.

On a sadder note, we farewelled three Councillors from the previous Council term, Cr Buchanan, Cr Stuart Hart and Cr Higgins. We thank these gentlemen for their past contributions to this Shire and wish them well in future endeavours.

South West Sustainability Partnership

The CEO as Chair of this group, attended a meeting of the South West Sustainability Partnership in Warrnambool on 25 October 2012. The agenda included discussion on the Great South Coast Street Smart Lighting Project Management.

White Ribbon Ambassador

In his capacity as a White Ribbon Ambassador, the CEO attended an event in Melbourne on 25 October 2012. White Ribbon is an organisation that works to prevent male violence against women. It is a male-led campaign that believes that most men are good and that good men abhor such violence. Their pledge is not to be violent themselves and to speak out aloud about such acts or derogatory behavior to women. White Ribbon also believes in the capacity of the individual to change and to encourage change in others.

G21 Regional Alliance**G21 Board Meeting**

Cr Hart, as the then Mayor, and the CEO attended the G21 Board meeting on 26 October 2012 hosted by the Golden Plains Shire. Agenda items included:

- Investment Policy Protocols
- G21 Canberra Delegation
- G21 Board Charter
- Councillors' Induction Process to the G21 Board.

The Mayor, Deputy Mayor, Cr Crook and the CEO attended the G21 Annual General Meeting on 15 November 2012. Cr Crook and Cr Stephen Hart were recognised at that meeting for their contributions to G21 over the last 12 to 13 months.

Skenes Creek to Wild Dog Creek Coastal Path Working Group

The CEO as the Colac Otway Shire representative, attended a meeting of this group on 12 November 2012. Discussion at the meeting included:

- A review of the path alignment, vegetation offsets and coastal stability
- Planning and legislative implications
- Tender Brief.

Barwon-South Western Region: Liveability Committee

The CEO attended a meeting of the Barwon South Western Region Liveability Committee in Geelong on 12 November 2012. This committee is made up of representatives from local government, Victoria Police and government departments. Items discussed at the meeting included:

- Aboriginal Initiatives in Barwon South West (BSW) region
 - Mapping Project
 - BSW Aboriginal Youth Council
- Working Group/Project Reports
 - Towards Liveable Communities – Colac
 - Towards Liveable Communities – Portland
 - Crime Prevention Reference Groups
 - Corio/ Norlane
- Winda Mara Project (final report)
- G21 and Great South Coast – Initiatives relevant to Liveability Committee (family violence). In particular a project against family violence led by Warrnambool City Council for Great South Coast Councils.
- Whittington Community Renewal
- National Disability Insurance Scheme

Great South Coast CEOs' Forum

The CEO attended the meeting of the Great South Coast (GSC) CEOs' Forum in Warrnambool on 16 November 2012. As the first meeting of the group following the Council elections, the agenda included:

- Presentation – Building Value Through Internal Audit – next steps
- Post-election de-brief
- MAV shared services
- Great South Coast Economic Profile
- Councillor inductions
- Council Plans
- Great South Coast Group Directors and Chair
- Proposed new Board structure

Great South Coast 2012 Regional Forum

The Mayor and Acting CEO attended the Great South Coast 2012 Regional Forum held in Port Fairy on 23 November 2012. The aim of the forum was to set a guiding vision for the future of the GSC region.

CORPORATE & COMMUNITY SERVICES

Maternal & Child Health

Statistics – October 2012

Number of infants enrolled from birth notifications	24
First Time mothers	12

Key Ages and Stages Consultations

Home visits	17	8mths	14
2wks	13	12mths	14
4wks	9	18mths	8
8wks	19	2yrs	12
4mths	12	3.5yrs	20

Other services provided include:

- 110 Additional consultations
- 52 Phone consultations
- 8 Opportunistic immunisations
- 35 Referrals (3.5 year old referrals being the highest group)
- 90 Counselling sessions provided (significantly increased number)
- New Parents Groups - 4 sessions in Colac
- 30 Families currently enrolled under Enhanced Home Visiting Service (Vulnerable and at risk families).
- 14 consultations which identified particular needs.

Carlisle River Celebration of 50 years of Maternal and Child Health Services

The Carlisle River community celebrated over 50 years of localised maternal and child health services on 23 November 2012. This event was organised by a small group of dedicated local mothers who have traced the history of the service which first commenced in Carlisle River in 1959, with the maternal and child health nurse visiting mothers in their homes. An official centre was opened at the Carlisle River Hall in 1961. During the 1970s a playgroup was introduced, and in 1983 the playgroup joined the Victorian Playgroup Association.

Former users of the Carlisle River Infant Welfare Service, as well as maternal and child health nurses were invited to the get together and celebrate the service as well as providing a chance to reminisce and socialise.

Rural Access

Business Awards

Otway Business Inc. and Colac Otway Shire were proud to announce a new accessibility category into the Colac Otway Business Awards. The award recognised a business which is accessible and inclusive of people of all abilities and this year was presented by Council's Rural Access Officer.

The inaugural Accessibility Award for 2012 went to Corio Bay Sports Treatment Clinic which has increased the accessibility and inclusiveness of their services, particularly over the past twelve months. These services include complete home visits for people who are unable to

get to the clinic, gym programs for people of all abilities and the provision of a masseur service at St. Laurence and Colanda.

Fun in the Square

Council will host "Fun In The Square" on Wednesday 5 December 2012 between 3:30 – 6:30 pm in the Memorial Square, Colac. Magician "Dazzling Dan the Magic Man" will be performing and Wheelchair Rugby Paralympic Gold Medallist Josh Hose is guest speaker for the event. An array of kids activities are planned, including a Jumping Castle and a range of local musical acts will perform throughout the afternoon. Food stalls will also be available.

This event is one of a number being held during the week to celebrate the 20th Anniversary of International Day of People with a Disability.

The event will also be an opportunity to celebrate Diversity and share ideas on how we can create an environment that is both physically and socially supportive of walking and cycling by contributing comments toward Council's Active Transport Strategy via the Active Transport Talk Shop.

Children & Family Services

Family Day Care (FDC) has a busy period ahead with a CPR training update for Educators scheduled for the 29 November 2012.

Although we have a new Educator going through induction with our service in December 2012 we still have a waiting list and are hoping to recruit more Educators in the coming months.

The Educators have undertaken a series of three training sessions with Caroline Fewster, an early childhood academic, author and presenter, with the last session being on Tuesday 11 December 2012. Caroline is the Head of Programs and Children's Services at Bond University. As an early Childhood Education Consultant, she works extensively with many Children's Services throughout Australia, developing customised professional development programs for early childhood practitioners.

Feedback from Children's Services' organisations indicates the success for her workshops and programs are attributed to the 'wonderful, practical and creative ideas' she brings to demonstrate to participants during workshops and programs.

This program focuses on the element and standards of the NQF in relation to *Quality Area 1: Educational Program*. Educators will be engaged in the following processes:

- Critical reflection on children's learning and development, both as individuals and in groups, used to implement the program.
- The documentation about each child's program and progress which is made available to families.
- Each child's learning and development assessment as part of an on-going cycle of planning, documentation and evaluation.

Older Persons & Ability Support Services (OPASS)

Community Based Respite

Community Based Respite continues to provide flexible ways to meet individual and family respite needs, with most of these focusing on independence and community participation. In-Home support has also provided Carers with the opportunity for social interaction.

Key Points

- Disability support respite services are currently being provided to 29 local families (32 individuals) with ages ranging from 4 to 61 years of age.
- Support is provided to 7 children/young people and 25 adults.
- 4 people that were receiving support to access community based activities are now doing so independently, which makes additional hours available for other families, or families that require additional support.
- There has been an increase in people with complex needs accessing respite support.
- There has been an increase in families with carers over the age of 60 seeking services (8 Carers currently meet this criteria).
- Services are provided to 9 families that live in the rural area (5 kms or further out of Colac)
- Families of young adults in the 18 – 25 year old age group continue to access the most respite services, with 13 people (45%) within this age range.
- 7 families access weekend respite support.
- 5 families access respite support to meet working commitments.

Working partnerships between Community Based Respite and the following community facilities/services provide people with a range of options to meet their individual needs. This also provides information and options for families to make informed decisions about the services they access.

<ul style="list-style-type: none"> • Blue Water Fitness Centre • COPACC • Colac Community Library and Learning Centre • Colac Neighbourhood House • Scouting Organisations • Western District Employment Access • Colac Cinemas • Colac Bowls • Local cricket club • Active Taxi's • Colac Transit • V-Line • Home and Community Care Services 	<ul style="list-style-type: none"> • Colanda and DHS Disability Accommodation Support • Straight Shooters Pool Hall • Viper Gym • Geelong Football Club • Anam Cara House • Rural Access • Otway Community College • Red Rock Regional Theatre and Gallery • Parks and Gardens • Markets/fairs/festivals • Cafes and restaurants • OCR FM Community Radio • Local disability support services
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Respite support is provided by a team of dedicated Community Care Workers at a variety of times and days of the week. The Older Persons and Ability Support Service (OPASS) has recently recruited additional respite staff to meet the demand for evening and weekend support. This has been the final step in integrating the Community Based Respite program into the OPASS unit. Individual supports have been increased and group based supports reduced, providing people with the opportunity of choosing who they spend their leisure time with, and what activities they engage in.

Environmental Health

Health Education Activities

Of a total of 367 food premises, 47 inspections were carried out in October 2012.

- 17 inspections of selling points for tobacco were carried out to ensure legislative requirements are being met
- 21 septic tank inspections were carried out with 9 permits to install and 3 permits to use being issued
- 2 food recalls were received
- 2 complaints were investigated in relation to possible leaks from septic systems
- 3 events were inspected including the Birregurra Festival, the Colac Show and the Warrion Flower Show
- Staff attended a 3 day annual conference of the Environmental Health Professionals of Australia.

RECREATION ARTS AND CULTURE

EVENTS

Opera in the Otways (17 November 2012)

Operatic tenor singer Jonathon Welch, who established the choir of Hard Knocks, prepared a program of opera pieces from composers including Verdi, Puccini and Mozart. Music director Dr David Kram who has worked in Milan, New York and London, directed an ensemble in the lighthouse's foreground. A highlight of the program was a presentation of the indigenous opera, Pecan Summer, by Debra Chetham who also was the featured soprano on the day. Unfortunately the quality of the event was not matched by the attendance. A mixture of local food and wine from the region was available.

Stonyfest (17 November 2012)

Stony Rises Land Management Network hosted a fundraiser at the Stoneyford Hall including children's activities, environmental awareness and live music.

2013 Australia Day Celebrations – Apollo Bay

Council in conjunction with the Apollo Bay Community will host Australia Day Celebrations in Apollo Bay on Saturday 26 January 2013. Celebrations will be held at the Apollo Bay foreshore from 11.30am until 3.30pm. In addition to the official Australia Day Ceremony, including the Australia Day Awards and the Citizenship Ceremony, there will be free children's activities and live entertainment showcasing Apollo Bay bands and groups.

Council and the community have been working on a sustainability and conservation theme for the day inviting a number of local conservation and sustainability groups onto the foreshore to run educational activities. Other free activities include a community BBQ, an 8 metre rock climbing wall and a native animal nursery where children can experience native Australian animals such as frogs, lizards, crocodiles and snakes.

Upcoming Events

Events which will be held throughout the Colac Otway Shire in December 2012 will be the Forrest 2 Day Mountain Bike Festival (1 and 2 December), Fun in the Square for one and all at Colac (5 December), Ulysses Motorbike Toy Run (8 December) and "Colac City Bands" – Carols by Candlelight in Memorial Square (14 December).

RECREATION

Central Reserve Oval Redevelopment

The Central Reserve Oval Redevelopment is progressing to schedule with the following works having been completed:

- Stripped 50mm from existing surface
- Cut and filled base level
- Completed installation of new irrigation system including new tank and pump
- Completed sub-surface drainage system
- Installed new goal post footings
- Commenced construction of new sand-based layer.

The placement of the sand-based layer will be completed first week of December 2012 with the Santa Ana couch to be planted immediately following this time.

The project is currently progressing on time and to budget.

Pirron Yallock Recreation Reserve

A community meeting was held on 8 November 2012 to discuss the closure of the Pirron Yallock Recreation Reserve clubrooms with the broader community. Council has communicated extensively with the key user groups, however the community meeting was a great opportunity to discuss the issues which led to the closure of the facility. In excess of 80 people attended the meeting which reinforced the importance of the facility to the community.

The focus will be on interim accommodation for the Stoneyford Cricket Club through the provision of a site hut and access to the external toilets. In addition, Council in partnership with the key user groups has commenced the development of a master plan to guide the future development of the Recreation Reserve. This plan is anticipated to be completed by early 2013 and will provide direction on what happens with the existing building. A thorough community engagement process will offer the broader community an opportunity to have input into the development of the master plan.

Wye River Open Space Development

Council in partnership with the Otway Coast Committee and the Harrington Memorial Park Advisory Committee is developing an application to seek funding from the State Government for the development of open space in Wye River. The project will include a river walk connecting the foreshore with bush tracks at the back of the town along with infrastructure upgrades in Harrington Memorial Park. Improvements include a new shelter, BBQ facilities, picnic furniture, access improvements, landscaping and signage.

Active Transport Strategy and Plan

Council is preparing an Active Transport Strategy to assist in bringing about positive change in the Shire to increase the uptake of walking and cycling for transport and health. Council has planned a thorough community engagement process to inform the Strategy which includes:

- Meetings with internal (Council officers) and external stakeholders.
- A Facebook page developed specifically for this project to capture community views and ideas on the topic. An Active Transport logo has been positioned on the front page of the Council website linking to a dedicated webpage providing further background information on the project.
- An online survey which is available for completion throughout November 2012. The survey is also available in hard copy and made available at key community contact points across the Shire.

- A series of community based “Talk shops” will be held in early December 2012. The Talk shops will provide the community with an opportunity to “drop in” at designated stations to share their thoughts and ideas on this topic and learn more about Active Transport. Talk shop dates and locations:

Colac Active Transport Talk shop

Wednesday 5 December 2012 (as part of Fun in the Square event)

3.30pm - 6.30pm

Memorial Square, Colac

Birregurra Active Transport Talk Shop

Thursday 6 December 2012

4.00pm -7.00pm

Birregurra Heath Centre

Apollo Bay Active Transport Talk Shop

Saturday 15 December

Apollo Bay Foreshore (as part of the Apollo Bay Market)

8.00am- 2.00pm

For more information, and dates of the ‘talk shops’ go to:

http://www.colacotway.vic.gov.au/Page/Page.asp?Page_Id=4110&h=-1

Full updates on the Strategy can also be found on Facebook via the following link:
<https://www.facebook.com/#!/pages/Colac-Otway-Shire-Active-Transport-Strategy/483580658343364?ref=ts>

COPACC

Programme

Following on from a successful October 2012 programme, November started with a bang at COPACC with Tom Burlinson performing to a near capacity crowd on COPACC’s main stage on 2 November 2012.

The following day more than 60 members of Colac and district community choirs, including COPACC’s Soup and Song Choir and COPACC’s children’s choir, attended master classes with Jonathon Welch, founder of the Choir of Hard Knocks, at COPACC.

On Sunday 4 November 2012, the choirs returned to COPACC to rehearse Happy Together with The Choir of Hope & Inspiration, formerly the Choir of Hard Knocks, forming a mass choir of more than 80 people. The community choirs took to the stage to perform in their own right in front of an audience of more than 200 people in the auditorium. The show included a performance by the Choir of Hope and Inspiration and finished with the mass choir performing The Turtles classic song “Happy Together”. The weekend was extremely well received and one of COPACC’s most successful community engagement projects.

Business Events

November is one of COPACC’s busiest months of the year with the culmination of the year for three of Colac’s Dance schools. Hundreds of Colac and district dance students attended COPACC this month for rehearsals and performances of their end of year concerts on the main stage.

Business event bookings remained strong this month with a number of businesses hiring COPACC’s function rooms for end of year committee and board meetings.

BLUEWATER FITNESS CENTRE

Redevelopment Project

The design phase of the Bluewater Fitness Centre Redevelopment is well underway with numerous design meetings held with Sutera Architects, the Project Team and the two Project Reference Groups. The concept design is progressing well and it is anticipated that detailed design will commence mid December 2012. Opportunity exists for the broader community to provide input into the design by contacting Council's Recreation, Arts and Culture Unit or the Bluewater Fitness Centre.

Patronage

October 2012 was a very busy month at Bluewater. There were 4,308 membership visits and 1,605 casual visits to the centre for the month. These figures do not include learn to swim programming or venue hirers.

Programs

There are currently 296 students enrolled in Bluewater's Learn to Swim program along with a number of private groups and one-on-one swimming lessons taking place in Term 4. In addition, school swimming programs are being conducted for Sacred Heart Primary School, Alvie Consolidated State School, Hampden Specialist School, Colac Primary School and Colac Specialist School. Colac Secondary College and Trinity College are also accessing the facility for training and education programs during term 4.

Group Fitness

Bluewater's first boot camp started on 22 October 2012 with 40 people enrolled. So far there has been great feedback about the 6 week program which concludes on 1 December 2012 with a presentation breakfast.

Membership

Participation in the *Colac Goes Off* sale day on October 27 2012 saw 54 new members take advantage of the 30 day trial memberships on offer. The total membership numbers climbed back over 1,000, finishing the month with 1,026 members.

INFRASTRUCTURE and SERVICES

CAPITAL WORKS UNIT

Cressy Shelford Road Agreement

Identified as an action in the Cressy Shelford Road Management Plan, an investigation into the formalisation of a fire break along the Cressy Shelford Road Reserve has commenced. To assist in the investigation, a road survey of the proposed alignment is currently being undertaken. Council is also awaiting replies from adjacent landholders who have been contacted in order to address issues of access and egress to the proposed worksite (i.e. the protected grasslands).

Old Beechy Rail Trail

Colac Railway Station section

Plans for this section of the trail have been circulated to adjacent property owners and effected parties, with feedback indicating general acceptance. Infrastructure & Services is moving towards inviting tenders for the construction of this section of the Trail as soon as possible.

Dinmont to Ditchley section

Further review of the alignment through a gully section has been undertaken, with revegetation assessments currently being completed to determine permit requirements. It is anticipated confirmation of alignment and permit requirements will be determined by mid December which will enable tendering of the construction works.

Beech Forest to Ferguson section

Meetings have occurred on-site with two (2) property owners and meetings with other property owners planned. Meetings were favourable and agreeable. It is anticipated that works will commence in 2013.

Parking Management - Morley Avenue, Wye River

A 'No Stopping' zone will be established along the ocean side of Morley Avenue in December 2012. This was found to be the preferred solution after consultation with the public after letters were sent out to residents informing them of this and the intention to install the zone. Local Laws has ordered the required signs and will coordinate the installation of sign posts with Cosworks. A yellow edge line will be installed to emphasise the 'No Stopping' zone. Infrastructure & Services proposes to review the 'No Stopping' zone at the end of the summer period to determine its effectiveness.

Project Development and Planning

Project planning is progressing for the 2012/13 Capital Works and Major Projects program. Contractors have performed pavement testing and design and provided Council with a report for three (3) road reconstruction jobs in Apollo Bay. A development meeting to select the preferred design for each job was held in mid-November 2012 and construction plans are currently being developed. The sites are Murray Street, McLaren Parade and Seymour Crescent.

CCTV Camera System – Colac CBD

Council has engaged CPD Consulting Pty Ltd to undertake the technical design and specification development for the implementation of the CCTV Camera System to be established within Colac's CBD. Key stakeholder consultation will continue with Colac Police and the Colac Liquor Accord prior to undertaking a tendering process. It is still anticipated a tender will be advertised by the end of November 2012.

SUSTAINABLE ASSETS

The following is a summary of the routine road and footpath network inspections completed for the month of October 2012:

Routine Road and Footpath Inspections

<i>Eliminyt Urban Road Inspections</i>	A number of signs that were found to be either damaged or missing are to be ordered and will be installed by Cosworks upon delivery of replacements.
<i>Rural Link Roads (e.g. Old Beech Forest Road, Carlisle Gellibrand Road, Colac Lorne Road, etc)</i>	A number of signs were found to be either damaged or missing. Replacement signs will be erected by Cosworks upon delivery. All missing and damaged guide posts have been replaced. Potholing in gravel roads which comprise the link road network was identified as an issue. These areas have been recorded and forwarded to Cosworks for attention. Minor embankment failures and other small slips were noted, particularly along roads in the Otways. This generally relates to small amounts of debris slumping into table drains. This spoil requires removal to ensure that drains are free flowing.

<i>Rural Towns Footpath Inspection</i>	The footpath networks in the townships of Cressy, Beeac, Birregurra, Forrest, Gellibrand, Beech Forest and Lavers Hill have all been inspected. All identified maintenance issues have been recorded and reported to Cosworks for programming.
<i>Apollo Bay Footpath Inspections</i>	All footpaths in the Apollo Bay area have been inspected. The overall condition of footpaths in the township is generally good with isolated areas of cracking, displacement or other defects evident. These areas are recorded and reported for maintenance following standard operating processes under our Road Management Plan.
<i>Rail Crossings</i>	A number of signs were found to be either damaged or missing. Signs requiring replacement have been ordered to be erected on arrival by Cosworks.
<i>Footpath Renewal Program 2012/13</i>	Work is continuing on the two packages of works currently allocated to Council contractors. The works, in areas both north and south of Murray Street are expected to be completed by 31 December 2012.

Building Maintenance and Renewal

<i>Public Toilets</i>	Council's painting contractor has been engaged to re-paint the Public Toilets at the following locations - the Carlisle River Recreation Reserve, Hesse Street Comfort Station, Lake Colac Foreshore and Lavers Hill.
<i>Birregurra Park Public Toilets</i>	The construction of the new public toilets is proceeding in accordance with the works schedule. The slab has been poured, services have been roughed in and the structure is close to completion. It is expected that the toilets will be completed and commissioned by early December 2012.
<i>Birregurra Hall and Adjacent Public Toilets</i>	Council has accepted a quotation to connect the Birregurra Public Hall and the adjacent public toilets to the sewer. Works will commence following completion of the new public toilets and includes decommissioning of the septic systems which service each of these buildings.
<i>COPACC</i>	<p><u>Fire Safety</u> A Fire Services Engineer has inspected the proscenium fire curtain and associated deluge system in Auditorium 1. We are currently awaiting a detailed report and recommendations for bringing the installation into compliance with current regulations.</p> <p><u>Floor Coverings</u> Advice has been sought from an independent flooring contractor to recommend floor covering options to replace the existing carpet in full, or in stages. This is for the purposes of developing a scope of works for inclusion in Council's future Annual Building Renewal Programmes.</p> <p>A quotation has also been provided to repair a number of joints in the existing floor carpet as a temporary measure. Council officers are presently reviewing this before proceeding further.</p> <p><u>Waste Water</u> Sewer blockages in the sewer line that services the public toilets and various basins and other sink outlets in COPACC have been experienced in recent months. This has occurred on two (2) separate</p>

	<p>occasions during major functions at the Centre.</p> <p>CCTV investigations of the sewer line has revealed that it has subsided which is causing the gathering of sewage in the low spot in the drain creating a blockage. Council officers are presently reviewing a number of options to remedying this problem to prevent future reoccurrences of this problem.</p>
<i>Rae Street Office Redevelopment</i>	Works have started on the refurbishment of the offices at Rae Street with Stage 1 due for handover on the 12 December 2012. Stage 1 includes renovations to the first floor of the building.
<i>Apollo Bay Library Extension</i>	<p>Works continue at the Apollo Bay Library, with the concrete slab being completed and wall frames presently being constructed. A redesign of the roof is being worked through by Council's architect.</p> <p>The library is operating out of a temporary facility at the Nelson Street Office. Feedback is that this arrangement is working out well.</p>
<i>Pirron Yallock Reserve Clubrooms</i>	The closure of the clubrooms at Pirron Yallock Reserve has been the outcome of the audits & reports that we have been undertaking in recent weeks. This follows the issuing of an Emergency Order and then a Building Notice to show cause by the Building Surveyor. At this stage we are waiting on advice of what the plan is to move forward.

Knowledge Sharing

Members of both the Sustainable Assets and Finance Units recently paid a visit to Orange City Council to learn from their recent experiences in implementing the CIVICA Authority Asset Management Module. This was a fruitful exercise with much feedback being given as to the successes and lessons learnt from their implementation process. This information will be invaluable in the formulation and delivery of our plans for implementation of this software system. The Authority Asset Management application provides comprehensive facilities for managing all classes of Council Assets at an operational and strategic level.

COSWORKS

Works undertaken by Cosworks during the past month are as follows:

Minor Patching

Minor patching works were undertaken in all sections of the Shire. An increased effort was undertaken on sealed road repairs to keep up with potholes and edge breaks during the winter months.

Storm Damage

Over the past month there has been an increase in the average volume in fallen, hanging and dangerous trees due to strong wind damage. This has been widespread throughout the southern section of the shire.

Bridge Maintenance

Bridge maintenance works were undertaken on Howells Bridge (replaced nine bridge decking); Daffys Lane and Clancys Access Bridge (replaced two bridge decking); Pearces Bridge replaced three bridge decking; Christies Bridge (replaced damaged guard rail) and Joiner Park (replaced decking planks).

Road Regrading

Road regrading efforts have increased in all areas as weather conditions improve, but due to winter rains the gravel road network still has very soft road pavements.

Gravel Road Re-sheeting

Gravel road re-sheeting works were undertaken on Slater Street, Cockerills Road, Killala Road, Telford Street, Newcombe Street, Barham River Road, Cashins Road, Kettles Road, Barongarook Road and Lardeners Track. The total length of resheeting works completed this month was approximately 10km.

Routine Drainage Works

Routine Drainage works were completed in the last month in Wye River, Kennett River, Separation Creek, Apollo Bay and Marengo townships. Also works have been undertaken in the areas of Gellibrand, Carlisle River, Kawarren, Lavers Hill, Johanna and Elliminyt.

Sport Ovals

Mowing of the ovals continues as per program.

Tree Maintenance

Tree maintenance works were completed at Beeac township, Colac, Irrewillipe, Yeodene, Benwerrin–Mt Sabine Road, Harrington Park and Birregurra Yeodene Road. Colac township works continue on trimming street trees including those trees located under overhead powerlines.

Tree Removal

Dangerous trees were removed in Carr Street, Murray Street East, McKenzie Street, Nelson Street, Moomoowrong Road, Lucas Road and the Botanic Gardens. Tree stumps were ground off.

Township Mowing

Township mowing continues in accordance with the mowing program around Apollo Bay, Marengo, Gellibrand, Lavers Hill, Kawarren, Carlisle River, Beech Forest, Forrest, Barwon Downs, Loves Creek, Colac, Beeac, Birregurra and Cressy.

Reach Arm Mowing

Reach arm mowing works were undertaken in Bull Hill Road, Lardeners Track, Campiglis Road, Carlisle Gellibrand Road, Lyness Road, Moomoowrong Road, Devondale Road, Kents Road and Kawarren East Road.

Old Beechy Rail Trail

Works have been undertaken along the Old Beechy Rail Trail including removal of fallen and dangerous trees and application of anti slip treatments to small bridges.

MAJOR CONTRACTS/WASTE UNIT**Rural Landfill Risk Assessment Project**

A letter has been received from the Director, Knowledge Standards & Assessment, Environment Protection Authority (EPA) advising that the Victorian Government has allocated an amount of \$500,000 for EPA Victoria to undertake a Rural Landfill Risk Assessment Project focusing on the financial and environmental aspects of the rural landfills. It is expected that the project will help in providing an understanding of the financial pressures on Councils and the landfill operators in meeting the environmental standards.

The EPA has engaged URS Australia Pty Ltd and Fox Lane Consulting to undertake the Study jointly. The Colac Otway Shire has already been contacted by URS and Fox Lane for

gaining information with regards to the landfill sites within the Council. After initial discussions with URS and Fox Lane, it became apparent that the scope of study includes the operational landfill sites and not the closed landfill sites. Therefore, opportunity was not available to express the financial constraints faced due to the need to rehabilitate the closed landfill sites and in fulfilling the monitoring requirements.

Procurement of Dredge and Workboat – Port of Apollo Bay

The tendering process is currently underway for the procurement of a dredge and workboat for the Port of Apollo Bay. Open tenders were invited from competent suppliers by placing an advertisement in the local newspapers. A Tender Evaluation Panel has been formed comprising representatives of Colac Otway Shire, Department of Transport (DoT) – the funding agency and an independent Marine Consultant for undertaking a thorough evaluation of all tenders received. Currently the evaluation process is underway and it is expected that a report will be prepared and submitted to Council at the December 2012 Council meeting regarding the selection of the successful tenderer.

Wye River and Separation Creek Waste Service Review and Actions

Subsequent to the Council report tabled at the September 2012 Council meeting, onsite meetings have been held with the residents of the streets where safety issues have been identified. The street consultative meetings were held at the following locations:

- McRae Road, Wye River
- Morley Avenue, Wye River
- McRae Road Service Lane
- Dunoon Road, Wye River
- Sarsfield Street, Separation Creek
- Bass Avenue, Separation Creek

A number of remedial measures are in the process of being implemented and it is expected that the majority of these measures will be achieved prior to Christmas 2012 enhancing the safety aspects. Council staff are also working towards the longer term solutions requiring surveying and design works and the recommendations from the GHD Safety Review Report will be referred to future budget discussions as part of the future Capital Works Program.

Draft Victorian Waste and Resource Recovery Policy

Council has been notified of the State Government's Draft Victorian Waste and Resource Recovery Policy, dated October 2012, which is currently going through the consultation process. Mr Ryan Smith MP, Minister for Environment and Climate Change, has advised that the Discussion Paper released in March 2012 had generated a lot of debate and discussion across the State. Over 400 people attended the consultation forums across Victoria and 71 submissions were received. Taking into account the feedback received from the consultation forums and submissions, the current draft document has been prepared and further comments were sought from stakeholders, including local government, in response to this document by 23 November 2012.

The document has been read by the Waste Services staff and discussed in further detail by the member Councils at a Barwon Region Waste Management Group (BRWMG) meeting. A report will be prepared for the December Council meeting advising Council of the submission made and seeking endorsement.

E-Waste Collection

Currently discussions are being held with the contractors in regard to carrying out an E-Waste collection in Colac early in 2013. The date and location of a collection point is yet to be confirmed. This will then be followed by a collection in late February early March 2013 in

Apollo Bay for Coastal residents. Once the dates, collection points and contractors are finalised, Council will be able to advertise the up-coming collection events.

Southern Cross Recycling (SCR) – School Program

In conjunction with Barwon Region Waste Management Group (BRWMG), Council in 2011 had coordinated the collection of recycled products from schools within the Shire. Following an enquiry from one of the schools wishing to carry out the collection again the waste services staff have offered to co-ordinate the collection of recyclable material. This offer has been forwarded to all local schools within the Shire inviting them to participate in this program. Southern Cross Recycling acts as a wholesaler who collect items, pays schools a small amount for the quantity of recyclables collected and then on-sells the goods to charities. It is hoped that this program will encourage recycling within our communities.

Green Organic Soil Improvement Program (GOSIP) – On farm composting pilot program

The GOSIP program is an on farm composting program initiated by the Barwon Region Waste Management Group (BRWMG) aimed at low cost disposal of organic waste and enriching of farm soil. Colac Otway Shire has decided to participate in the program by supplying green waste to two (2) local farmers participating in the program. Green waste for the second test run will be supplied to the farms during November 2012. This program is being run by BRWMG in conjunction with the Upper Barwon Landcare Network.

Tenders

Tenders opened since the last reporting period:

- 1242 - Linemarking Services
- 1243 - Supply & Deliver 3-Tonne Tip Truck
- 1245 - Supply & Deliver 4WD Out-Front Mower
- 1246 - Supply & Deliver 5-Metre Tip Truck
- 1247 - Supply & Deliver Tandem Axle Float Trailer
- 1244 - Livestock Scanning Services

Tenders awarded since the last reporting period:

- 1221 - Bushfire Planning Project – to Tract Consultants

Tenders advertised since the last reporting period:

- 1248 - Supply & Deliver Backhoe/Loader, closed 21 November 2012
- 1249 - Supply & Deliver Reach Arm Mower, closed 21 November 2012
- 1255 - Asphalt Works, closing 5 December 2012

Major Quotations advertised since the last reporting period:

- Q2012/13-04 – Annual Weed Management Program, closed 20 November 2012

Subdivision Works

The following table shows the current status of various subdivisional works which will be handed over to Council when completion is approved:

Subdivision	Status
Apollo Bay Industrial Estate Stage (19 Lots)	A certificate of compliance has been issued and outstanding works guaranteed with a security bond. Fill to lots is continuing with surface drainage, landscaping and some ancillary works remaining.

202A Pound Road Stage 1 (13 Lots)	A certificate of compliance is expected to be issued following approvals from the referral authorities.
202A Pound Road Stage 2 (13 Lots)	Work is expected to commence in December or January 2013
Cants Road Stage 4 (Imperial Drive) (8 Lots)	Asphalt placement will soon complete the works for this subdivision.

Bituminous Sealing Works

The sealing program is on track to start around 1 December 2012 with work expected to be finished prior to Christmas. Cosworks has prepared all roads for sealing with aggregate carted to stacksites to allow the program to commence on time.

Bridge Design & Construction

VEC Civil Engineering has prepared concept plans for four (4) bridges to be replaced in 2012/2013. Bridges on Barham River Road, Upper Gellibrand Road, Carlisle Valley Road and Ganes Access are due to be constructed in 2013. Before works start, Council's Infrastructure & Services department will facilitate environmental and other requirements in conjunction with the Corangamite Catchment Management Authority (CCMA) and Department of Sustainability & Environment (DSE).

SUSTAINABLE PLANNING and DEVELOPMENT

Planning & Building

Birregurra Structure Plan

Consultant Hansen Partnership is preparing a revised draft Birregurra Structure Plan, taking into account submissions received late in 2010 and the outcomes of the Neighbourhood Character Study, the G21 Regional Growth Plan, Open Space Strategy and other strategic plans produced in the last few years. The Community Reference Group met on 13 November 2012 to further discuss the key recommendations of the revised draft. This meeting was open to attendance by the wider public. It is expected a revised draft Structure Plan document will be available for consideration by Council and placed on public exhibition early in 2013.

Planning Scheme Amendment C67 (Salinity Management Overlay)

Planning scheme amendment C67 is currently on public exhibition. The amendment applies a Salinity Management Overlay to land mapped in the Shire as being affected by salinity. It implements mapping produced through a regional salinity mapping project coordinated by the Corangamite Catchment Management Authority (CCMA) in 2006. The amendment will also update the policy references in the Municipal Strategic Statement concerning salinity. Written submissions must be received by 20 December 2012.

Apollo Bay Harbour Master Plan Planning Scheme Amendment

Officers are preparing a planning scheme amendment to implement the adopted Apollo Bay Harbour Master Plan, excluding the hotel and health and well being centre in accordance with the February 2012 resolution of Council. A final master plan document based on the approved plan is being produced to give greater guidance to its implementation, and this will form part of the amendment process. A small number of specialist consultants will be engaged over the next few months to provide technical input into the amendment documentation. Exhibition of the amendment will therefore not occur until early in 2013, following a further report to Council. Council will be asked to sign off on the amendment documentation before proceeding to the exhibition stage.

Planning Scheme Amendment C69 (Rural Living Strategy & Forrest Structure Plan)

An independent Panel heard submissions to this amendment at a hearing in Colac between 9 -11 October 2012. Several submitters made representations to the Panel. A report from the Panel with recommendations relating to submissions will be lodged with the Shire within six weeks of the hearing, and will be presented to Council for consideration early in 2013.

Heritage Strategy

Officers are currently working with Council's Heritage Advisor to develop a draft Heritage Strategy. A community 'drop-in' session was held in September 2012 to give residents and other stakeholders the opportunity to discuss the project with staff and a number of written submissions were received providing valuable input to the Strategy. The draft document is expected to be completed for public exhibition early next year.

Development of Bushfire Local Planning Policy

Consultant firm Tract and its sub consultant Terramatrix have been appointed to undertake this project which has been funded by a \$120,000 DPCD grant. The project will include development of schedules to the Bushfire Management Overlay for specific towns to introduce standardised requirements for planning applications to reduce the burden for permit applicants, Council and the CFA, and will include strategic assessments of the growth potential for Gellibrand, Forrest, Beech Forrest and Lavers Hill from a bushfire risk perspective (this is follow-on work from the recent Rural Living Strategy).

Planning Scheme Amendment C62 (Initiated by Barwon Water)

Barwon Water recently exhibited a planning scheme amendment which seeks to remove the interim Environmental Significance Overlay (ESO5) which applies over part of the Barham River potable water catchment and replace it with the permanent ESO3 control. The current interim control is due to expire on 30 June 2013. The amendment should have the positive benefit of introducing permit exemptions for buildings and works that currently do not exist in the interim control. The amendment was prepared by Barwon Water as the Planning Authority for the amendment. Written submissions were due to be lodged with Barwon Water by 12 November 2012.

State Government Development Contributions System Review

Development contributions are collected by Councils in growth areas at the planning permit stage for subdivision to assist in funding infrastructure to support that growth, however the development and implementation of development contributions schemes has proved extremely complex and costly, and to date has not been an option for Colac Otway Shire due to its relatively low growth rate.

Earlier this year the Minister for Planning appointed an Advisory Committee to provide advice on the final framework for a new standard development contributions system, leading to the release for public comment of a document titled "*A New Victorian Local Development Contribution System – A Preferred Way Forward*". The aim of the new framework is to remove some of the complexity and barriers to Councils utilising development contributions. Submissions on this document and the recommended framework were due by 31 October 2012. Officers consulted with other Councils in the region and prepared a response which identified a range of issues to be taken into account. Whilst Colac Otway Shire does not currently have a Development Contributions Plan, it is more likely to be justified for Colac in the future if predicted growth as identified in the G21 Regional Growth Plan occurs. It was therefore considered important that Council express its concerns with the new Framework to ensure that it best suits Council's needs in the future.

EPA Review of Separation Distance Requirements

The EPA is currently reviewing the separation distances (ie buffers) required for specific commercial land uses and has published a draft document '*Recommended Separation Distances for Industrial Residual Air Emissions*'. Council officers attended an EPA workshop to discuss the document on 30 October 2012 and have made a submission requesting that consideration be given to ensuring that small scale industrial operations do not become prohibited in small towns based on the separation distance requirements that apply.

It was submitted that in some instances, a proposed industrial operation can be so small scale that whilst the type of use proposed is listed in Clause 52.10 of the Planning Scheme and requires a minimum separation distance to a sensitive land use such as a house or school, the potential impact of the operation in question is negligible. Small scale uses such as the recently established microbrewery in Forrest have a significant potential to contribute to tourism and investment associated with the Great Otway National Park and Great Ocean Road.

Princes Highway Duplication – Planning Scheme Amendment

Officers have recently met with VicRoads to discuss planning for the duplication of the Princes Highway between Winchelsea and Colac and have lodged written comments to draft plans. VicRoads is currently finalizing a range of technical studies to support the Planning Scheme Amendment which will be exhibited by VicRoads for widening of the road reservation. Exhibition of the amendment is anticipated to occur late in 2012 or early in 2013. VicRoads will be the Planning Authority for the amendment.

Environment & Community Safety**Fire Danger Period Commenced on 1 November 2012**

The Fire Danger Period commenced on 1 November and Council accordingly has started inspecting people's properties to ensure they are being adequately maintained. Council has completed the first round of inspections in the northern part of the Shire and is very pleased with the community's commitment to helping to reduce the risk of grass fire. Council will now start inspecting the southern part of the Shire but landholders need to remember that they need to maintain their property to the required standard throughout the Fire Danger Period. Any landholders who are not adequately managing their property will be issued a Fire Prevention Notice. If they fail to comply with the notice Council will be forced to issue fines and organise for their property to be cleaned up. The Victorian Government has increased the fine for failing to comply with a fire prevention notice from \$244 to \$1,408. We encourage anybody with questions to contact Council to discuss their fire prevention measures. Council understands that every site presents a different set of challenges and is keen to work with our community to help people achieve compliance.

East Barwon River: Landholder Petition

A letter signed by 10 landholders that raised concerns over landholdings that abut the East Barwon River was tabled at the October Council Meeting. The letter was also sent to a number of other Government and statutory agencies. Council is currently investigating the issues raised that relate directly to Council and is discussing the other issues raised in the letter with the relevant agencies. A report will be submitted to Council in December 2012 providing more information on the issues and recommending how Council should respond.

Local Laws visit Kindergartens

Council's Local Laws Unit has taken a proactive approach to educating kindergarten children, who will be attending primary school next year, by donating a book on how a school crossing operates and giving practical demonstrations. Local Laws Officer Kevin Young attended 9 kindergartens throughout the Colac Otway Shire and spoke to 12 groups overall. The book titled "Lollipop Whistle's Woes" was purchased by Council through

School Crossings Victoria and donated to each venue that was visited. The children were enthusiastic and interested in how the school crossings operate and should have a better understanding of the rules in place at crossings when they attend school next year.

Economic Development

Regional Living Expo

Colac Otway Shire has agreed to attend the Regional Living Expo 2013 after the success of the 2012 event that attracted over 8,000 people. The Expo is for Melbourne people thinking of making the move to regional or rural Victoria. It will be held in mid April 2013 at the Exhibition Centre.

Colac High School Master Plan

The community survey has closed with well over 150 responses. The consultant team is currently working through responses as part of the process for presenting a draft plan for development in December 2012. A key factor in recommendations for a final plan will be the feasibility analysis of various options.

Tourism

Colac visitation during October 2012 was up by 3.3% on the previous year servicing more than 2,782 visitors through the door and over 288 customer calls.

GORVIC's visitation in October 2012 was down by 14% on the previous year with a total of 12,045 visitors through the centre. This is possibly due to the weather but also the increased use of on line booking services. E-mail enquiries were also down by 25% but phone calls to the centre were up by 6%.

There has been a good mix of both international and interstate visitors throughout the month of October 2012 particularly from the UK, Germany, Queensland and New South Wales.

The Interim Great Ocean Road Tourism Board will complete a draft proposal for Council by late November. This will be presented to a Council in a December workshop before an officer's report to Council to seek endorsement of recommendations.

Tourism membership renewal has reached 199 members so far with 15 more businesses that wish to rejoin but have not yet paid membership fees.

Otways Tourism has had an overwhelmingly supportive response from membership for a proposed Visiting Friends and Relatives (VFR) program. More than 60% of visitors to a region are visiting friends and relatives. The VFR program aims to:

- Educate residents about things to see, do and experience in their local area
- Encourage locals to take their friends and family out to their local area while they are visiting
- Assist with marketing of a range of local events, activities and industry promotions
- Create community pride.

The following is a list of recent coverage in the media:

- A feature on the Great Ocean Road in the Spring edition of Qantas Link's In Flight magazine
- Channel 9's "Farmer Wants a Wife" visited Chocolate Gannets and Apollo Bay.
- The 80th Great Ocean Road Celebration tour has also received state national coverage through print, social media and TV
- The 13th annual Birregurra Weekend Festival featured in the Herald Sun, Geelong Advertiser and Colac Herald.
- 2012 Amy's Gran Fondo featured in the Herald Sun, Geelong Advertiser and the Colac Herald

- Conservation Ecology Centre's new Tiger Quoll joeys received coverage in the Herald Sun, Geelong Advertiser and the Colac Herald.
- Hong Kong's Expat Living Magazine featured a 5 page article on the Great Ocean Road in their Best of Oz section.

Small Towns Improvement Program (STIP)

Projects underway:

- Beeac - upgrade of planter boxes and community noticeboard in the main street.
- Swan Marsh/Pirron Yallock - a master plan for the Pirron Yallock Recreation Reserve.
- Cressy - improvements to the Duverney Street precinct.
- Forrest – installation of a drinking fountain to be undertaken as a part of the overall Forrest main street streetscape upgrade project, which is due to commence.
- Beech Forest - planning continues on the removal of excess vegetation at the entrance to the township and a replant with Beech Trees and possibly rhododendrons.
- Barwon Downs – planning continues for the construction of a new combined community centre in the old school grounds area.

Signage Policy Review

A new overarching signage policy is to be developed for Colac Otway Shire to incorporate all forms of signage excluding that covered under the planning scheme. We have been working with Vic Roads on tourism signage improvements and rationalisation of directional signage in Colac, Apollo Bay and the Otways.

A draft policy will then be developed, which will be subject to comment and input from internal and external stakeholders before presentation to Council.

Business Development

70 people attended The ANZ Business Breakfast held on 19 October 2012. Guest speaker was Naomi Simson, Founding Director of Red Balloon.

We will be hosting a Barwon Water Business Lunch on 30 November 2012 at the Lake Bowling Club. It will be invitation only and part funded by both organisations.

Business visits will commence again in November 2012 with the Economic Development Unit seeking input to the 2013 Business Survey. It will focus mainly on skills gaps and training needs as well as business growth and export. We will also be seeking feedback on a proposed Colac leadership program.

Trade Training Centre (TTC)

Both the Colac Secondary College and the Trinity College Sites are on schedule for opening in 2013. The Gordon has agreed with the Colac Otway Vocational Education Cluster (COVEC) to be the lead Registered Training Organisation (RTO) at the Colac Secondary College site but to share the facility with local RTOs. This will ensure greater usage of the TTC and assist financial sustainability. South West TAFE is the RTO for the food and hospitality campus at Trinity College.

Attachments

Nil

Recommendation(s)

That Council notes the CEO's Progress Report to Council.

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**OM122811-2 OATH OF OFFICE**

|             |           |           |           |
|-------------|-----------|-----------|-----------|
| AUTHOR:     | Rob Small | ENDORSED: | Rob Small |
| DEPARTMENT: | Executive | FILE REF: | F12/7416  |

**Purpose**

To report that the Oath of Office has been taken by Cr Brian Crook, Cr Michael Delahunty, Cr Stephen Hart, Cr Michael McCrickard, Cr Lynette Russell, Cr Chris Smith and Cr Terrence Woodcroft following the declaration by the Victorian Electoral Commission (VEC) of the results of the 2012 Council elections.

The process has been conducted to comply with the *Local Government Act (1989)*.

**Declaration of Interests**

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

**Background**

I report that at 6.00pm on Monday 29 October 2012, Cr Brian Crook, Cr Michael Delahunty, Cr Stephen Hart, Cr Michael McCrickard, Cr Lynette Russell, Cr Chris Smith and Cr Terrence Woodcroft made the following Oath of Office, in accordance with section 63 of the *Local Government Act (1989)*, before me:

*"I will undertake the duties of the office of Councillor in the best interests of the people in the municipal district of the Colac Otway Shire and faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the Local Government Act 1989 or any other Act to the best of my skill and judgment."*

The minutes of this Council meeting will record that the Oath of Office has been taken by Cr Brian Crook, Cr Michael Delahunty, Cr Stephen Hart, Cr Michael McCrickard, Cr Lynette Russell, Cr Chris Smith and Cr Terrence Woodcroft.

The Oaths of Office have been signed and dated before the Chief Executive Officer and a copy of these are attached to this report.

**Council Plan / Other Strategies / Policy****Leadership and Governance**

Council will fulfil its leadership, statutory and legal obligations to its community and staff in a way that is: fair, ethical, inclusive, sustainable, financially responsible and meets the needs and practical aspirations of current and future generations.

**Issues / Options**

Nil

**Proposal**

It is proposed that Council note that Cr Brian Crook, Cr Michael Delahunty, Cr Stephen Hart, Cr Michael McCrickard, Cr Lynette Russell, Cr Chris Smith and Cr Terrence Woodcroft have taken the Oath of Office in accordance with section 63 of the *Local Government Act 1989*.

**Financial and Other Resource Implications**

Nil

**Risk Management & Compliance Issues**

The Oath of Office is required to be undertaken in accordance with section 63 of the *Local Government Act (1989)*.

**Environmental and Climate Change Considerations**

Nil

**Community Engagement**

Not applicable.

**Implementation**

The swearing in of the new Councillors has been conducted.

**Conclusion**

Cr Brian Crook, Cr Michael Delahunty, Cr Stephen Hart, Cr Michael McCrickard, Cr Lynette Russell, Cr Chris Smith and Cr Terrence Woodcroft have taken the Oath of Office signed in the presence of the Chief Executive Officer on 29 October 2012.

**Attachments**

1. Oath of Office - Councillors 2012

**Recommendation(s)**

***That Council note that Cr Brian Crook, Cr Michael Delahunty, Cr Stephen Hart, Cr Michael McCrickard, Cr Lynette Russell, Cr Chris Smith and Cr Terrence Woodcroft have taken the Oath of Office in accordance with section 63 of the Local Government Act 1989.***

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OM122811-3

APOLLO BAY INDOOR POOL BUSINESS DEVELOPMENT PLAN PROJECT COMMITTEE

| | | | |
|-------------|---------------|-----------|-----------|
| AUTHOR: | Rhonda Deigan | ENDORSED: | Rob Small |
| DEPARTMENT: | Executive | FILE REF: | F11/2991 |

Purpose

To seek Councillor representation on the Apollo Bay Indoor Pool Business Development Plan Project Committee.

Declaration of Interests

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

Background

The Apollo Bay Indoor Pool Business Development Plan Project Committee was formed in August 2011 to review the original feasibility study and business plan prepared in 2000/2001.

Council nominated two Councillors to participate on the Apollo Bay Indoor Pool Business Development Plan Project Committee at the 24 August 2011 Ordinary Council Meeting to ensure that Council was kept informed of the project and that Council's views were presented to the committee.

This committee is still active and would like to retain Councillor representation at its meetings. The Committee would be happy with one Councillor.

Council Plan / Other Strategies / Policy Community Health and Wellbeing

Council will promote community health and wellbeing in partnership with other health services. Through a partnership approach, Council will provide a broad range of customer focused health, recreational, cultural and community amenities, services and facilities.

Physical Infrastructure and Assets

Council will provide and maintain Council infrastructure and assets that meet community needs now and in the future.

Issues / Options

As Council has been represented on this committee since its inception, it is considered important that this involvement continue.

Proposal

That Council nominates a Councillor to participate on the Apollo Bay Indoor Pool Business Development Plan Project Committee. Continued Councillor representation on the project committee will ensure that Council is kept informed of the project and that Council's views are presented to the committee.

Financial and Other Resource Implications

There will be minor costs for Councillor travel to attend meetings but these are not significant and will be met through the Councillor travel budget.

Risk Management & Compliance Issues

There are no risk management and compliance issues relevant to this report.

Environmental and Climate Change Considerations

There are no risk management and compliance issues relevant to this report.

Community Engagement

The community engagement strategy follows the recommendations of the Colac Otway Shire Council Community Engagement Policy of January 2010, which details five levels of engagement – inform, consult, involve, collaborate and empower.

There will be no community engagement for the selection of the Councillor representatives as this is an internal process for the determination of Council.

Implementation

Should Council nominate a Councillor to the Apollo Bay Indoor Pool Business Development Plan Project Committee, attendance at meetings will be required as well as providing feedback on draft documents.

Conclusion

Continued Councillor representation on the Apollo Bay Indoor Pool Business Development Plan Project Committee will ensure Council is informed of the project and that Council’s views are presented to the committee.

Attachments

Nil

Recommendation(s)

That Council nominates Cr..... as the Committee Member to the Apollo Bay Indoor Pool Business Development Plan Project Committee.

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**CORPORATE AND COMMUNITY SERVICES**

| <b>ITEM</b>       |                                                               |
|-------------------|---------------------------------------------------------------|
| <u>OM122811-4</u> | <u>FORREST MEN'S SHED</u>                                     |
| <u>OM122811-5</u> | <u>ASSIGNATION OF LEASE - BOTANIC CAFE</u>                    |
| <u>OM122811-6</u> | <u>DEFINED BENEFIT SUPERANNUATION LIABILITY</u>               |
| <u>OM122811-7</u> | <u>FINANCIAL INFORMATION 2011/2012</u>                        |
| <u>OM122811-8</u> | <u>NAMING OF UNNAMED ROAD AS "ROWS LANE" BARONGAROOK WEST</u> |



**OM122811-4 FORREST MEN'S SHED**

|             |                                |           |           |
|-------------|--------------------------------|-----------|-----------|
| AUTHOR:     | Colin Hayman                   | ENDORSED: | Rob Small |
| DEPARTMENT: | Corporate & Community Services | FILE REF: | F11/4548  |

**Purpose**

The purpose of this report is to seek Council's approval of a long term licence over part of the land formerly used as a Council depot at 6 Blundy Street Forrest, in favour of the Forrest Men's Shed group.

**Declaration of Interests**

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

**Background**

Council agreed at its meeting on 28 September 2011 to provide the fledgling Men's Shed group at Forrest part of the Council's depot site in Forrest along with the use of two sheds on the same land to establish their operations. That agreement provided for a one year licence with a possible extension for one year.

It was envisaged that the Men's Shed group in the interim would make applications for State or Federal Government grants to construct a purpose built shed on a site yet to be determined.

In the meantime, Council has re-established its operations in the rear part of the Depot site. The group has now completed a lot of the works required to convert the existing Council shed into a more habitable Men's Shed accommodation and are of the view that establishing their more permanent operation on the 6 Blundy Street site would be more appropriate than in the rear of the site as originally proposed.

After discussing this arrangement with the Cosworks leadership team, agreement was reached and it is considered that the rear of the site where they are currently located will meet Cosworks needs which relate principally to storage.

At the Council meeting on 22 August 2012, Council resolved:

*"That Council:*

1. *Approves, in principle, the Licence for the use of the section of the Forrest depot fronting 6 Blundy Street and the two sheds located there for use by the Forrest Men's Shed group for a period of seven years with two rights of renewal at a rental of \$1 a year.*
2. *Advertises its intention to enter into such a Licence.*
3. *Assists the Forrest Men's Shed group in pursuing grant funding for a permanent facility on the same site, with a right to extend that use for a further two periods of seven years in accordance with the licence to occupy."*

## **Council Plan / Other Strategies / Policy Community Health and Wellbeing**

Council will promote community health and wellbeing in partnership with other health services. Through a partnership approach, Council will provide a broad range of customer focused health, recreational, cultural and community amenities, services and facilities.

### **Issues / Options**

#### Advertising

Following the Council meeting on 22 August 2012, adverts were placed on 31 August 2012 in the Colac Herald and the Apollo Bay News advising that Council was proposing to enter into a Licence for the use of part of the Forrest Depot for the purpose of a Men's Shed.

#### Licence

The following provides a summary of the details of the Licence:

|                    |                                                                 |
|--------------------|-----------------------------------------------------------------|
| Licensor:          | Colac Otway Shire                                               |
| Licensee:          | Forrest Men's Shed Inc.                                         |
| Property:          | Part 6 Blundy Street Forrest                                    |
| Term of Licence:   | Seven years with two options for an additional seven years each |
| Commencement Date: | 1 January 2012                                                  |
| Expiry Date:       | 31 December 2019                                                |
| Rent Payable:      | \$1.00 per year                                                 |

### **Proposal**

That Council resolves to approve the Licence for the use of part of the Forrest Depot for use by the Forrest Men's Shed group.

### **Financial and Other Resource Implications**

The Licence is for \$1 a year. This is in line with the Council's Leasing Policy where Community Service Groups receive the greatest discount or subsidy.

Advertisements were placed in the Colac Herald and the Apollo Bay News advising that Council was intending to enter into a licence for part of the Forrest Depot.

A six week submission time was provided for anyone to make a submission under section 223 of the *Local Government Act 1989*.

As at the end of the six week period on Friday 19 October 2012 no written submissions had been received.

### **Risk Management & Compliance Issues**

The Men's Shed organisation nationally has insurance cover for its members. The Forrest group is registered with this national body. The site contamination is an issue for some uses but would not be a concern for this use.

### **Environmental and Climate Change Considerations**

Not applicable.

### **Community Engagement**

The community engagement strategy has followed the recommendations of the Colac Otway Shire Council Community Engagement Policy of January 2010, which details five levels of engagement – inform, consult, involve, collaborate and empower.

The method selected has been to inform and consult. A copy of the draft agreement was provided to the Forrest Men's Shed Inc. for comment.

**Implementation**

Once Council has approved the Licence, the Licence to Occupy document will be signed by both parties. The commencement date of the Licence is 1 January 2013.

**Conclusion**

The use of part of the Forrest Depot site for a Men's Shed is an appropriate use of the site.

**Attachments**

1. Licence to Occupy - Forrest Men's Shed, 6 Blundy Street Forrest
2. Plan of Site

**Recommendation(s)*****That Council:***

- 1. Resolves to enter into a Licence for use of part of the Forrest Depot site fronting 6 Blundy Street with the Forrest Men's Shed Inc.***
- 2. Resolves that the Licence commences on 1 January 2013 for a period of seven years with two rights of renewal at a rental of \$1 a year.***

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OM122811-5

ASSIGNATION OF LEASE - BOTANIC CAFE

| | | | |
|-------------|--------------------------------|-----------|--------------|
| AUTHOR: | Paul Carmichael | ENDORSED: | Colin Hayman |
| DEPARTMENT: | Corporate & Community Services | FILE REF: | F11/3473 |

Purpose

The purpose of this report is to seek Council's support for the assignation of the existing lease of the Botanic Café, located in Colac Botanic Gardens from the current lessee, Otway Community College Inc (OCC) to St. Laurence Community Services.

Declaration of Interests

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

Background

As Council is aware, it has a current lease for the operation of the Botanic Café with Otway Community College Inc. The lease is due to expire in December 2016. Unfortunately, OCC went into voluntary administration in late October 2012, under the administration of Worells Solvency & Forensic Accountants.

Worells have subsequently negotiated the possible transfer of the Botanic Café business to St Laurence Community Services, who are currently operating the café under a licence agreement. Transferring the café business to St Laurence would require the existing lease to be assigned from OCC to St Laurence.

St Laurence has indicated that they would continue to operate the Botanic Café in the same manner as OCC, continuing to provide vocations and skills training to people with various disabilities. The café operation would be an extension of the services and operations they currently conduct in their role as a significant provider of community services throughout Victoria.

Council Plan / Other Strategies / Policy**Community Health and Wellbeing**

Council will promote community health and wellbeing in partnership with other health services. Through a partnership approach, Council will provide a broad range of customer focused health, recreational, cultural and community amenities, services and facilities.

Issues / Options

Agreeing to the assignation of the existing lease to St Laurence Community Services will mean the Botanic Café will remain operating and be able to continue to provide vocational and skills training to people in the community with physical and intellectual disabilities.

The operational future of the café would be uncertain if the lease is not transferred to St Laurence. Certainly there would be no guarantee the provision of vocational and skills training would continue.

Clause 1.9 of the current lease requires the consent of the Minister for Sustainability and Environment for the assignation to be obtained. The Dept of Sustainability and Environment (DSE) has advised that given the circumstances that have precipitated the change and that

the use of the facility will not change, it is unlikely the Minister (or his delegate) would withhold consent.

They have therefore provided a Transfer of Lease document that is required to be lodged with them for the Minister (or his delegate) to consider and consent to if appropriate.

Proposal

It is proposed that Council agrees to assign the lease of the Botanic Café to St Laurence Community Services for the remainder of the current term (i.e.: until 7 December, 2016), and to submit DSE's Transfer of Lease document to them for consideration and consent to the proposal.

The assigning of the lease would be subject to the transfer of St Laurence being completed and also agreeing to continuing to operate the Botanic Café in the same manner as OCC. The purpose to provide vocations and skills training to people with various disabilities. The café operation would be an extension of the services and operations they currently conduct in their role as a significant provider of community services throughout Victoria.

Financial and Other Resource Implications

As the lease provides for a nominal rent of \$1.00 per annum to be paid and this would not change under an assignation, there are no financial implications for Council in assigning the lease.

Risk Management & Compliance Issues

Nil

Environmental and Climate Change Considerations

Nil

Community Engagement

The community engagement strategy follows the recommendations of the Colac Otway Shire Council Community Engagement Policy of January 2010, which details five levels of engagement – inform, consult, involve, collaborate and empower.

The method selected would be “collaborate” and includes ensuring a valuable service to the community is able to continue by facilitating the transfer of provider responsibility from a former provider to a new provider.

Implementation

Once the consent of the Minister for Sustainability and Environment is received, the current lease will be assigned to St Laurence Community Services.

Conclusion

In order to facilitate the continued operation of the Botanic Café following the lessee (OCC) going into administration, it is proposed to assign the lease for the operation of the café to St Laurence Community Services.

The terms and conditions of the lease remain the same as those that applied to OCC.

Attachments

Nil

Recommendation(s)***That Council:***

- 1. Agrees to the current lease for the operation of the Botanic Cafe being assigned from Otway Community College Inc to St Laurence Community Services subject to:***
 - the completion of the transfer of Otway Community College Inc. to St Laurence Community Services; and***
 - St Laurence confirming that they will continue to operate the Botanic Café in the same manner as OCC. The purpose to provide vocations and skills training to people with various disabilities.***
- 2. Lodges a Transfer of Lease document with the Department of Sustainability & Environment (DSE) seeking Ministerial consent to the proposed lease assignation.***
- 3. Signs and seals the Transfer of lease document to be lodged with DSE.***
- 4. Proceeds to have the Botanic Café lease assigned from Otway Community College Inc to St Laurence Community Services Inc.***
- 5. Signs and seals all relevant documents related to the lease assignation.***

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OM122811-6

**DEFINED BENEFIT SUPERANNUATION LIABILITY**

|             |                                |           |           |
|-------------|--------------------------------|-----------|-----------|
| AUTHOR:     | Colin Hayman                   | ENDORSED: | Rob Small |
| DEPARTMENT: | Corporate & Community Services | FILE REF: | CLF11/8   |

**Purpose**

The purpose of this report is to provide further background and details to Council relating to the call on the Defined Benefit Superannuation Liability received from Vision Super and the immediate payment of part of the liability

**Declaration of Interests**

Colin Hayman, General Manager Corporate and Community Services who prepared the report is a member of the Defined Benefits Plan.

Vision Super is the superannuation fund of most council employees and accordingly an indirect interest exists on this basis.

**Background**

At the Special Council Meeting held on 19 September 2012 the following resolution was passed.

***That Council:***

- 1. Notes its concern about the financially unsustainable repeated calls to top up the Vision Super Defined Benefits Superannuation Scheme.***
- 2. Notes the actions of Glenelg and Moyne Shires.***
- 3. Instructs the CEO to gather information from all relevant sources and have a report for the new Council to consider, including the ability to withdraw from the Defined Benefits Superannuation Scheme.***
- 4. Calls for an independent review of Vision Super's investment strategy.***
- 5. Calls for a listing of Vision Super Board members who are members of the Defined Benefits Superannuation Scheme.***
- 6. Instructs the CEO to bring a report to the November 2012 Council meeting on this matter.***

This report provides further details and background.

**Key Dates:**

- |              |                                                                                                                                  |
|--------------|----------------------------------------------------------------------------------------------------------------------------------|
| 1993         | - Defined Benefits Scheme closed                                                                                                 |
| October 1998 | - Council signed and sealed The Local Authorities Superannuation Fund Authority Agreement. Under this agreement Council is bound |

to meet its ongoing requirements as an employer and the associated contributions into the Superannuation Fund.

|              |                                                                                                                                                                                                                                                                |
|--------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1998/99      | - 1 <sup>st</sup> Call                                                                                                                                                                                                                                         |
| 2002         | - Changed name to Vision Super                                                                                                                                                                                                                                 |
| 2003/04      | - 2 <sup>nd</sup> Call                                                                                                                                                                                                                                         |
| 2010/11      | - 3 <sup>rd</sup> Call                                                                                                                                                                                                                                         |
| 25 June 2012 | - Latest Actuarial investigation finalised                                                                                                                                                                                                                     |
| 1 July 2013  | - Latest call amount payable. Either by way of a single lump sum payment or by instalments over any period not exceeding fifteen years. Any monies not paid by the due date will accrue ongoing interest charged at the implied earning rate of the fund 7.5%. |

### **Vision Super**

The Local Authorities Superannuation Fund (LASF), known as Vision Super since 2002, is a not-for-profit industry fund for Victorian Local Government.

Vision Super is the Trustee of both the Defined Benefit Plan (closed since 1993) and an accumulation fund "LASPLAN". These plans are managed by the Local Authorities Superannuation Board (LASB) who acts on behalf of the three major categories of employers in the scheme, being Local Government, Water Industry and 'others'.

### **The difference between accumulation benefit and plans**

The majority of Australian super schemes are accumulation plans. In accumulation plans the member's retirement benefit is based on the amount of contributions made to their account, plus investment earnings less fees and tax. Unless an industrial or contractual agreement provides otherwise, employers generally only pay compulsory Superannuation Guarantee contributions for their employees (currently 9% of salary). The member receives no undertaking or guarantee as to the level of retirement benefit he or she will receive. The member bears all of the investment risk.

Unlike accumulation plans, the lump sum retirement benefit for a defined benefit member is based on a formula that takes into account years of membership, a benefit multiple and salary at retirement. The application of this formula results in a defined benefit member's retirement benefit being defined in advance. In defined benefit plans, the sponsoring employers bear all of the investment risk.

Known as the LASF Defined Benefits Scheme, members who commenced prior to 25 May 1988 have an on-going right to choose to take up to half of their lump sum benefit as a pension. The pension is payable for life, indexed to CPI. On the death of a pensioner, their surviving spouse is generally entitled to a reduced (two-thirds) pension.

The defined benefit super scheme was closed to any new entrants with the repeal of the *Local Authorities Superannuation Act* (LAS Act) in 1998.

On 30 June 1998, the State Government repealed the LAS Act. From 1 July 1998 LASF became a "regulated fund" under Commonwealth legislation; the *Superannuation Industry (Supervision) Act 1993*. Under the Act, actuarial investigations are required at least every 3

years. Since 1998 the following factors contributed to fluctuations in the financial position of the Plan:

- Closed, defined benefit plans become more volatile over time. No new members join the plan and the salary base on which contributions are based declines as working members progressively retire.
- As membership drops, so plans become more susceptible to changes in salary growth, inflation, investment returns and membership demographics.
- The lack of surplus from the years prior to becoming a regulated fund means there were no reserves to draw upon when the Plan suffered adverse experience.

Fluctuations in the financial condition of closed defined benefit plans are common. They explain the volatility in the condition of the LASF Defined Benefit Plan that has occurred.

- In 2002 there was an unfunded liability of \$127 million; largely caused by a downturn in share markets following the collapse of internet companies (the “dot.com bubble”) and the terrorist attacks in the USA.
- By 2005 the Plan had a (small) \$23 million surplus.

Assessing the financial position of a defined benefit plan involves the actuary making a comparison between the assets of the fund and the estimate of the total liabilities for present and past members, including pensioners. Establishing the appropriate funding level involves the actuary making assumptions about various economic, financial and demographic factors over the life of the current membership. The assumptions include:

- The rate of inflation
- The rate of salary increases amongst defined benefit members
- The return on investments
- Pensioner mortality rates
- The incidence of:
  - Resignations
  - Retirements
  - Death and disability claims.

### **Council Plan / Other Strategies / Policy Leadership and Governance**

Council will fulfil its leadership, statutory and legal obligations to its community and staff in a way that is: fair, ethical, inclusive, sustainable, financially responsible and meets the needs and practical aspirations of current and future generations

### **Issues / Options**

**The following information is taken from the MAV Fact Sheet on the Defined Benefit Shortfall.**

#### ***About the Defined Benefit Superannuation Shortfall***

*The MAV has two nominees appointed to Vision Super’s eight-person Board. Nominees from the Australian Services Union (ASU) hold four Board positions; the Victorian Water Industry Association (VWIA) holds one Board position; and the Victorian Employers Chamber of Commerce and Industry (VECCI) holds one position.*

*The MAV CEO has been involved in the Vision Super Board since 2003 at the request of member councils due to previous local government Board nominees having no formal report back requirements to the sector.*

### **Why do councils still have to contribute to Defined Benefit Plans?**

*Councils were amalgamated by the Kennett Government in 1994 and in 1998 State legislation governing LASF was repealed and responsibilities were transferred to the Commonwealth. At this time, authorities (including councils and other employers) were required to sign a legal Agreement to continue funding benefits for staff who were members of the Defined Benefit Plan as at 31 December 1993.*

*The LASF Defined Benefit Plan became a 'regulated fund' under Commonwealth legislation on 1 July 1998, which required it to be fully funded. Prior to this date it was exempt from being fully funded, and other public sector (state and federal government) defined benefit super schemes continue to be exempt up to this day.*

### **What does 'fully funded' mean?**

*In accordance with Commonwealth regulations, Vision Super must complete an actuarial review at least every three years to ensure that current assets are adequate to meet the benefits previously promised to members now and into the future. If a shortfall arises that cannot be addressed through an investment plan, then employers may be required to make top-up contributions.*

### **Can councils withdraw from the defined benefit scheme?**

*In 1998 State legislation was introduced and councils were required to sign a legally binding Agreement to continue funding defined benefits for staff that were part of the scheme prior to its closure in 1993.*

*A council would need to successfully negotiate with each of its existing defined benefit members and pensioners to reach agreement on a pay-out in lieu before it could withdraw from the Plan. This option could be more costly for communities than top up payments when there is a shortfall.*

*The Defined Benefit Plan is in run-off as members retire. When the scheme closed in 1993 it had almost 38,000 defined benefit members and 7,500 lifetime pensioners. This has since reduced to 4,949 defined benefit members still working for authorities (with an average age of 54 years) and 5,132 lifetime pensioners (with an average age of 79 years). Liabilities will continue to reduce over the next 20 years.*

## **Defined Benefits**

So called because entitlements are calculated according to pre-determined or 'defined' formulas.

- In accordance with regulations, Trustees are required to complete an actuarial review of superannuation funds at least every three years to ensure the current assets are adequate to meet the benefits that have previously been promised to members.
- An actuarial investigation was completed at 31 December 2011 and finalised on 25 June 2012 with a final unfunded liability. The Actuary recommended, and the Trustee accepted, that authorities should pay the \$453M shortfall of 2011, including interest, by 1 July 2013. Including Contributions Tax, the liability is \$532.94M.

- Vision Super advised in a letter dated 1 August 2012 that the Colac Otway's apportioned share of the unfunded liability inclusive of interest and Contributions Tax to 1 July 2013 is \$3.18M.
- This amount will be payable from 1 July 2013, either by way of a single lump sum payment or by instalments over any period not exceeding fifteen years. Any monies not paid by the due date will accrue ongoing interest charged at the implied earning rate of the fund 7.5% p.a.

Number of factors that impacted on the size of the call.

*"Amongst the major ones were:*

- *The significant fall in the markets between 30 June 2011 and 31 December 2011 – the portfolio lost 0.76% in that period.*
- *A change in the actuarial assumptions regarding the expected long-term return for the fund (it was reduced from 8.5% to 7.5% and increased the liability by \$117 million.*
- *A change in the methodology the Actuary was required to use to measure the Vested Benefit Index (VBI).*

*To highlight the significance of these changes, the VBI as at 30 June 2011 was 97% but it had fallen to 77% by 31 December 2011.*

*The VBI measures the assets in the Fund against the liabilities that would be payable if every member left the fund on a given day."*

*Vision Super Employer Report 2012*

## **Members**

When the Defined Benefit Plan closed in 1993 there were 37,753 Defined Benefits members and 7,449 lifetime pensioners. By December 2011 membership has reduced to Active 4,971 and 5,132 lifetime pensioners. The average age of members is 54.1 and lifetime pensioners is 79.1 years.

The Actuary projects that by 2031 there will be 205 members and 2,420 pensioners.

As at 30 June 2011 Colac Otway had 33 members. (excluding pensioners and other beneficiaries etc)

Contributions of 15.25% into the scheme are made up of employee contributions of 6.00% and employer contributions of 9.25%.

## **Unfunded Liability**

An unfunded liability is the difference between the present funds available and the actuary's estimate of total liabilities for past and present members.

A summary of the unfunded history for Colac Otway is as follows:

| Year Ending 30 June | Unfunded Liability (\$M) | Date Paid | COS Share \$M | Contributions Tax \$M | Total \$M |
|---------------------|--------------------------|-----------|---------------|-----------------------|-----------|
| 1997                | 321                      | 1998/99   | 1.38          | 0.25                  | 1.63      |
| 2002                | 127                      | 2003/04   | 0.73          | 0.13                  | 0.86      |
| 2008                | 71                       | 2010/11   | 0.49          | 0.09                  | 0.58      |

Colac Otway Shire and other authorities remain responsible for maintaining and funding the benefits that were promised to staff, and their beneficiaries at the time.

The methodology for apportioning unfunded liabilities between Authorities was developed by the 1997 Industry Working Party and endorsed by LASB and the State Government of the day.

It involves splitting the total unfunded liability amount into "pre June 1993" and "post June 1993" amounts. The lifetime pension amount is included in the "pre June 1993" amount. The defined benefit amount is split on the basis of the total of each member's actual period of membership before and after 30 June 1993. These two amounts are then assigned to individual Authorities.

The Defined Benefit unfunded liability amount and Colac Otway's share of this liability can be highlighted as follows:

|                                                | Total Defined Benefit Plan | Cos % Share | COS Liability \$M's |
|------------------------------------------------|----------------------------|-------------|---------------------|
| Unfunded Pension Liability                     | \$86,880,972               | 0.51671%    | \$448,925           |
| Pre 30 June 1993 Service (Active Members)      | \$92,079,900               | 0.51671%    | \$475,788           |
| Post 30 June 1993 service (Active members)     | \$274,039,128              | 0.64950%    | \$1,779,876         |
| Unfunded Liability (excl. contributions tax)   | \$453,000,000              |             | \$2,704,589         |
| Contributions Tax 15% (Gross up factor 1.1765) | \$79,941,176               |             | \$477,280           |
| Unfunded Liability (incl. contributions Tax)   | \$532,941,176              |             | \$3,181,869         |

- **Council paid an amount of \$100,000 on 18 September 2012.**
- **Current Balance 1 July 2013 = \$3,076,039**

### Actuarial Review

The actuary does a 3-yearly "Health Check", making long term assumptions. "Current assumptions with respect to key areas are shown below:



|                     | <b>Assumption from<br/>1 January 2012 (p.a)</b> |
|---------------------|-------------------------------------------------|
| Salary growth       | 4.5%                                            |
| Investment earnings | 7.5%                                            |
| Inflation           | 4.5%                                            |

*The experience of the Plan against assumptions at each actuarial review will determine whether there is a surplus or unfunded liability. As the plan winds down, variations in experience against assumptions will make funding potentially more volatile.*

*In 2012, the Actuary reduced expected long term investment earnings from 8.5% to 7.5%. This immediately increased the unfunded liability by \$117 million. With investment markets depressed, some people ask why the Plan is not invested 100% in cash. Long term, cash is expected to earn 4% p.a. Investing only in cash would have required the Actuary to reduce earnings from 8.5% to 4% p.a. This would have increased the unfunded liability by \$526.5 million, excluding tax."*

*Vision Super Employer Report 2012*

#### **Council's Resolution – 19 September 2012**

- 4. Calls for an independent review of Vision Super's investment strategy.**
- 5. Calls for a listing of Vision Super Board members who are members of the Defined Benefits Superannuation Scheme.**

#### **Re: Part 4**

A letter was received from the Acting Chief Executive Officer on 12 November 2012.

*"Given the performance of Vision Super's investments against the industry, there is little point in carrying out an independent review of the investment strategy. The table below shows the relative performance of Vision Super as measured by Super Ratings. It shows that Vision Super has had above median performance in all of its investment options over the last 7 years. Essentially, the under performance against the actuarial assumptions is a result of the markets during and following the global financial crisis.*

*An independent review would be time consuming and expensive and is not warranted. In any event, the Defined Benefit Investment strategy is regularly monitored by the Trustee and is undergoing a review at present as part of the normal investment review cycle."*

| <b>Superannuation Options (returns net of fees and tax to 30 June 2012)</b> |                |             |                  |                 |                    |                  |                 |                    |                  |                 |
|-----------------------------------------------------------------------------|----------------|-------------|------------------|-----------------|--------------------|------------------|-----------------|--------------------|------------------|-----------------|
|                                                                             | 1 year<br>rank | 1 year<br>% | 1 year<br>median | Above<br>median | 5 years<br>(% p.a) | 5 year<br>median | Above<br>median | 7 years<br>(% p.a) | 7 year<br>median | Above<br>median |
| <b>Premixed Options</b>                                                     |                |             |                  |                 |                    |                  |                 |                    |                  |                 |
| Just Shares                                                                 | 26/69          | -2.99       | -3.70            | √               | -3.18              | -3.80            | √               | 2.61               | 2.08             | √               |
| Growth                                                                      | 7/50           | 1.05        | -0.95            | √               | -0.17              | -1.74            | √               | 3.74               | 3.30             | √               |
| Balanced Growth                                                             | 5/50           | 2.32        | 0.45             | √               | 0.40               | 0.20             | √               | 3.99               | 3.96             | √               |
| Balanced                                                                    | 8/68           | 4.37        | 1.84             | √               | 2.84               | 0.79             | √               | 4.80               | 4.23             | √               |

|                              |       |       |       |   |       |       |   |      |       |   |
|------------------------------|-------|-------|-------|---|-------|-------|---|------|-------|---|
| Conservative                 | 6/115 | 6.12  | 3.98  | √ | 4.16  | 2.85  | √ | 5.21 | 4.41  | √ |
| <b>Single Sector Options</b> |       |       |       |   |       |       |   |      |       |   |
| Australian Equities          | 22/93 | -5.13 | -6.32 | √ | -1.81 | -2.99 | √ | 4.94 | 4.05  | √ |
| International Equities       | 36/95 | -2.29 | -3.02 | √ | -4.33 | -6.23 | √ | 0.45 | -1.60 | √ |
| Diversified Bonds            | 24/53 | 9.38  | 9.11  | √ | 7.23  | 6.91  | √ | 6.09 | 5.74  | √ |
| Cash                         | 8/81  | 4.65  | 3.97  | √ | 5.07  | 4.23  | √ | 5.10 | 4.58  | √ |

*\*Source: SuperRatings Fund Crediting Rate Survey June 2012  
(Past returns are not an indication of future returns).*

## Re: Part 5

*“Whilst we appreciate that you have requested a listing of Directors who are members of the Defined Benefits Superannuation Scheme, we are unable to provide this information at this time as it would be a breach of privacy. If your Council would like to pursue this matter further, we would need to request approval from each Director to release this information.”*

### **“Can the Trustee terminate the Defined Benefit Plan?”**

*The Trust Deed only empowers the Trustee to terminate the defined benefit division of LASF when there are no members or beneficiaries remaining and all benefits which could become payable have been paid.*

### **Can an Authority terminate its contribution obligations for current employees retrospectively?**

*The employers’ power to terminate contributions is subject to two requirements:*

- *The must be no unfunded liability amount at the time, and*
- *The Trustee must give its approval.*

*The Trustee could not properly give its approval if, for example, an authority still had members who were employees, deferred members or pensioners and the Actuary’s advice was that unfunded liabilities could arise in the future.”*

*Vision Super Employer Report 2012*

## **MAV Defined Benefit Superannuation Taskforce**

The Municipal Association of Victoria (MAV) has established a taskforce to provide advice to its board regarding the shortfall faced by Victorian Councils.

The taskforce includes a mixture of Councillors and officers from both metropolitan and rural councils.

The taskforce is also established to help accomplish the following objectives:

- Achieve a return of the scheme as an exempt public sector superannuation scheme under State legislation (requires support from both the Commonwealth and Victorian governments)
- Access borrowing through the Treasury Corporation of Victoria (TCV) to reduce the cost to councils of shortfall payments (requires agreement from the Victorian

Government)

- Exempt payments made by Councils to fund the shortfall from Commonwealth Government contributions tax and State WorkCover premiums (requires support from both the Commonwealth and Victorian governments)

The above objectives are aimed to achieve a self-sustaining scheme that minimises the frequency and quantum of call-ins.

The Taskforce has met four times with the last meeting of the Taskforce held on 29 November 2012, where the final report was to be finalised.

It was intended that the report would be discussed at the MAV Board meeting on 7 December 2012.

At this stage it is planned to release the report publically in mid December 2012 assuming it is accepted by the MAV Board at their meeting.

### **Proposal**

That Council notes the updated details and further background with respect to the call on the Defined Benefit Superannuation Liability received from Vision Super.

That Council transfers an amount of \$700,000 from the Pant Replacement Reserve to pay off as soon as possible part of the Defined Benefit Superannuation Liability.

### **Financial and Other Resource Implications**

Vision Super have calculated Council's share of the unfunded liability as \$2.70M plus contributions Tax of \$477,280. No payments will be required before 1 July 2013.

However, Vision Super have advised that early payments are possible to assist councils reduce the interest applicable to the call amounts which accrues from 31 December 2011.

The Federal Government Tax on superannuation contributions, currently 15% apply to the above amount.

There is also a workcover liability to the State Government that will be calculated separately.

Council has paid \$100,000 of the liability from funds in reserve.

The additional amount of the unfunded liability presents a significant financial challenge to Council.

Vision Super have been proactive to highlight a number of funding options for councils as follows:

1. Upfront payments – to reduce interest calculated at 7.5% from 31 Dec 2011 to 1 July 2013.
2. Borrowings – investigate potential to borrow from Treasury Corporation of Victoria (State Government Guaranteed).
3. A municipal bond issue.
4. Accessing a 15 year deferred funding plan - special arrangement entered into between the Trustee and the Regulator (APRA).

5. Some mix of upfront and deferred plan.

Officers recommend:

- a) Immediate payment of an amount of \$700,000 to be paid from the Plant Replacement Reserve.
- b) Payment of part of the remaining liability from possible savings or deferring of projects over the balance of the 2012/13 financial year.
- c) Payment of the balance through loan borrowings which will be further discussed as part of the development of the 2013/14 budget.

The payment of the \$700,000 will have an impact on the amount of interest revenue that Council receives, but it is seen as prudent to pay this amount off the liability immediately.

Council will also need to closely monitor:

- the level of the Plant Replacement Reserve to ensure that there are adequate funds in the Reserve to fund future Plant Replacement; and
- the level of the Working Capital Ratio if Council no longer receives significant grants in advance.

### **Risk Management & Compliance Issues**

Council is currently obliged to respond to the call by 1 July 2013.

In 1998 the State Government enacted legislation that repealed the Local Authorities Superannuation Act 1988 and transferred the fund to Commonwealth supervision under the Superannuation Industry (Supervision) Act 1993.

To put these changes into effect it was necessary to establish a Corporate Trustee (Local Authorities Super Pty Ltd) and transfer the funds governing rules from legislation to a Trust Deed.

Colac Otway Shire, as a participating employer was required under the Commonwealth Act to execute the documentation to give effect to the change from State to Commonwealth administration.

Council in October 1998 signed and sealed "The Local Authorities Superannuation Fund Authority Agreement".

Under this agreement the Colac Otway Shire is bound to meet its ongoing requirements as an employer and the associated contributions into the Superannuation Fund.

In turn, the Australian Prudential Regulation Authority (APRA) legislation requires that Trustees of Superannuation Funds maintain funds under their stewardship in a sound financial position at all times.

Actuarial projections suggest that fund membership, both active and lifetime pension members, will continue beyond 2031. Therefore there is significant ongoing risk, that lower than required performance of the fund will result, in future unfunded liability obligations on Council.

### **Environmental and Climate Change Considerations**

Nil

**Community Engagement**

The community engagement strategy follows the recommendations of the Colac Otway Shire Council Community Engagement Policy of January 2010, which details five levels of engagement – inform, consult, involve, collaborate and empower.

The method selected has been to inform and consult.

**Implementation**

If Council adopts this recommendation, an amount of \$700,000 will be paid to Vision Super as soon as possible to reduce the amount of Council's liability.

**Conclusion**

The magnitude of the call will have a significant impact on Local Government and Council's current and future operating budgets. The recommended immediate payment of \$700,000 is seen as financially responsible and represents the best approach to reduce the amount of the liability at this time.

Further discussions will need to occur as part of the 2013-14 budget process.

**Attachments**

Nil

**Recommendation(s)*****That Council:***

- 1. Receives this updated report on Defined Benefits Superannuation Liability.***
- 2. Agrees to an immediate payment of \$700,000 from Council's Plant Replacement Reserve towards Council's Defined Benefit Superannuation liability.***

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OM122811-7

FINANCIAL INFORMATION 2011/2012

| | | | |
|-------------|--------------------------------|-----------|-----------|
| AUTHOR: | Colin Hayman | ENDORSED: | Rob Small |
| DEPARTMENT: | Corporate & Community Services | FILE REF: | F11/4663 |

Purpose

The purpose of this report is to provide Council with financial information on the Colac Otway Shire as well as comparisons with those Councils in the Large Shire Grouping.

Declaration of Interests

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

Background

A report is prepared on an annual basis on financial information for both Colac Otway and other Councils.

The information is up to the 2011/2012 financial year and is taken from Annual Reports where the information is available.

The Large Shire Grouping consists of 16 Councils:

- 1 Bass Coast
- 2 Baw Baw
- 3 Campaspe
- 4 Colac Otway
- 5 Corangamite
- 6 East Gippsland
- 7 Glenelg
- 8 Macedon Ranges
- 9 Mitchell
- 10 Moira
- 11 Moorabool
- 12 Moyne
- 13 South Gippsland
- 14 Southern Grampians
- 15 Surf Coast
- 16 Wellington

The paper includes information on the following:

- A Colac Otway Shire Data 2004/05 to 2011/12
- B Colac Otway Shire Indicators/Ratios
- C Staff Numbers and Salary Expenditure 2010/11
- D Staff Numbers and Salary Expenditure 2011/12
- E Large Shire Grouping 2010/11 and 2011/12
- F Financial and Other Indicators 2011/12
- G Debt Management Borrowings
- H Financial Sustainability Indexes

Council Plan / Other Strategies / Policy**Leadership and Governance**

Council will fulfil its leadership, statutory and legal obligations to its community and staff in a way that is: fair, ethical, inclusive, sustainable, financially responsible and meets the needs and practical aspirations of current and future generations.

Issues / OptionsUsing Indicators and Data

"Indicators are measures of outputs or outcomes, individually and without associated explanations, they can only ever tell part of the story.

It is important to put indicator results in context and to remember that they only give an indication of where to start looking for the reasons behind differences. The usefulness of indicators is not in the numbers themselves but the analysis of why some local governments may appear to perform better than others, as well as insights as to how to improve their performance.

It may therefore be more useful to consider the combined results of several broad indicators in assessing performance rather than any one indicator on its own. When comparing one local government with another or assessing one local government's performance it is important to remember that the indicators do not on their own give the full picture of local governments performance.

Although indicators show the differences between local governments, they do not explain why these differences have arisen. Differences may arise for many reasons, such as democratic policy choices, geographic and demographic factors, population density and external funding decisions."

Local Government in Victoria 2009

Differences are reflected in different priorities and expenditure. Rates and charges may indicate:

- the provision of better or more extensive services
- particular problems associated with delivery of services
- particular disadvantages.

Local Government responsibilities and priorities vary with the circumstances, needs and expectations of their communities. Any evaluation of performance needs to be informed by consideration of the challenges faced by different Local Governments.

Key Findings and Recommendations

The report and information available indicates that Colac Otway Shire is addressing a number of challenges that face Council.

Over the last 7 years there has been an increased emphasis on key challenges to ensure that Colac Otway achieves certain targets as to ensure that the Council's financial position is improved.

- Increased asset renewal and maintenance spending;
- Moving to an underlying operating surplus.

It is also critical that levels of liquidity and debt are continually reviewed and managed responsibly.

Comparisons

This report provides a picture of the financial situation of the Colac Otway Shire and how the Shire compares with other Councils of similar size i.e. Large Rural Shire grouping.

The data that is available indicates that as at 30 June 2012, Colac Otway compares well with the Average of Large Rural Councils in most categories/key performance indicators.

The main areas for ongoing review that are being addressed are:

- The underlying operating deficit
- The level of capital expenditure
- The level of debt
- The level of cash
- Asset lives and depreciation.

Financial Sustainability Ratios

The last section of the report includes information on Financial Sustainability Indexes.

For a number of years the Victorian Auditor General has been assessing the Financial Sustainability of Councils using six indicators.

Colac Otway has been including information on the indicators in its Annual Report since 2007/08.

“Financial sustainability should be viewed from both a short and long term perspective. Short-term indicators relate to the Council’s ability to maintain a positive operating cash flow and adequate cash holdings and to generate an operating surplus over time. The indicators of this are the underlying result and liquidity indicators.

Long-term indicators signify whether there is adequate funding available to cover long-term debt and for spending on asset replacement to enable the entity to maintain the quality of service delivery, meet community expectations and the demand for services. The long-term indicators used in our analysis are indebtedness, self-financing, capital replacement and renewal gap.

The indicators have been analysed for Councils as a whole. In addition we have analysed them for each of the five categories of Councils, that is, inner metropolitan, outer metropolitan, regional cities, large shires and small shires. This provides a more detailed trend and comparative analysis for individual Councils.”

Victorian Auditor-General's Report
Local Government Results of the 2010/11 Audits

Attached to this report is a page showing the 6 ratios and an overall Sustainability Assessment for the period 2004/05 to 2011/12.

The information for the period 2004/05 to 2010/11 is taken from the annual results that the Victorian Auditor-General prepares after the end of each financial year.

The figures in the table for 2011/12 are yet to be confirmed by the Auditor-General.

The table indicates that for 2004/05 the Council was indicating an overall “high risk”. For the rest of the years the table indicates an overall “low risk”.

Proposal

The report is for Council’s information. The information in the report will further assist in the development of the Strategic Resource Plan and the Long Term Financial Plan.

Financial and Other Resource Implications

As noted the report provides details on a number of financial indicators and data.

The report will further assist in the development of the Strategic Resource Plan and the Long Term Financial Plan.

Risk Management & Compliance Issues

The report notes that it is important that Council continues to review a number of areas:

- The underlying operating deficit
- The level of capital expenditure
- The level of debt
- The level of cash
- Asset lives and depreciation.

Environmental and Climate Change Considerations

Not applicable

Community Engagement

The community engagement strategy follows the recommendations of the Colac Otway Shire Council Community Engagement Policy of January 2010, which details five levels of engagement – inform, consult, involve, collaborate and empower.

The method selected is to inform. The information will also be provided to Council's Audit Committee for consideration. Some parts of the information were provided to Councillors as part of the recent Council Induction Program.

Implementation

The report will also be provided to the Audit Committee for consideration and review.

The information in the report will provide data for use in the development of the Strategic Resource Plan and the Long Term Financial Plan.

Conclusion

The report indicates that as at 30 June 2012, Colac Otway compares well with the average of Large Rural Councils in most categories/key performance indicators.

It should be noted that Council faces ongoing challenges to ensure that it achieves certain targets to ensure that the Council's financial position is improved where possible.

One of the major ongoing challenges that Council faces is to maintain spending on capital works and existing assets at sufficient levels. This is a challenge faced by most Councils across Victoria.

Attachments

1. Financial Information 2011/2012
2. Victorian Auditor-General Financial Sustainability Ratios

Recommendation(s)

That Council notes the Financial Information 2011/2012 report.

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OM122811-8

## NAMING OF UNNAMED ROAD AS "ROWS LANE" BARONGAROOK WEST

|             |                                |           |              |
|-------------|--------------------------------|-----------|--------------|
| AUTHOR:     | Paul Carmichael                | ENDORSED: | Colin Hayman |
| DEPARTMENT: | Corporate & Community Services | FILE REF: | F11/3291     |

### Purpose

To gain Council's approval to commence statutory procedures to name an unnamed road reserve located between Ackerleys Road West and Irrewillipe Road, Barongarook West as "Rows Lane".

### Declaration of Interests

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

### Introduction

In order to apply names to roads Council is required to undertake a statutory procedure required by the *Local Government Act 1989*. The procedure requires Council to advertise its intention to apply names to the roads in question and consider submissions that may be received in response to the proposed names. Council is also required to write to property owners abutting the road to be named to advise them of the proposal.

Submissions to the proposed names are able to be lodged in accordance with the provisions of section 223 of the *Local Government Act 1989*.

### Background

The owners of a parcel of land currently addressed as 125 Ackerleys Road West, Barongarook West have requested the unnamed road reserve be allocated a name. They are in the process of building a house on this lot and will gain access to the property from the unnamed road reserve. Allocating a name to the road reserve will allow the property to be correctly addressed in accordance with property addressing guidelines (ie: to the road from which access is gained).

The subject road reserve runs north – south and is located between 125 Ackerleys Rd West and 1160 Irrewillipe Road, Barongarook West.

The applicants have suggested the road reserve be named "Rows Lane" after the person that owned this parcel of land after it was first laid out on the parish plan.

There are three properties that will be directly affected by this proposal, namely the abovementioned two abutting properties and 1140 Irrewillipe Road, Barongarook West. The two properties addressed to Irrewillipe Road would not need to be re-addressed but could in future if the owners wish this to be the case.

### Council Plan / Other Strategies / Policy Land Use and Development

Council will engage, plan and make decisions about land use and development that takes into account the regulatory role of Council, its diverse geography, social, community, economic and environmental impacts for current and future generations.

Applying a name to this unnamed road reserve will meet these objectives.

### **Issues / Options**

Available options are to:

- (a) take no action, or
- (b) commence statutory procedures to rename the road and land in question

### **Proposal**

On this basis it is proposed to commence statutory procedures pursuant to clause 5, Schedule 10 of the *Local Government Act 1989* to name the road reserve "Rows Lane".

### **Financial and Other Resource Implications**

Costs incurred by Council to undertake this procedure would include advertising of the proposal (approximately \$400).

There will also be a cost for the preparation and erection of two street nameplate signs once the name is applied to the access road.

### **Risk Management & Compliance Issues**

Not applicable.

### **Environmental and Climate Change Considerations**

Not applicable.

### **Community Engagement**

The community engagement strategy follows the recommendations of the Colac Otway Shire Council Community Engagement Policy of January 2010, which details five levels of engagement – inform, consult, involve, collaborate and empower.

The method selected would be inform and include advertising and writing to property owners affected by the proposal.

The proposal will be advertised and submissions considered in accordance with section 223 of the *Local Government Act 1989* and Council's Community Engagement Policy. This allows six weeks for submissions to be lodged. Submitters may speak in support of their submission at the meeting when Council considers submissions but must request in writing to do so when they lodge their submission.

### **Implementation**

The statutory process is expected to take two months to complete.

### **Conclusion**

As the proposal allows a newly constructed house to be properly and accurately addressed which will facilitate location of the house by emergency services etc, it is recommended Council conduct the required statutory process to name the unnamed road reserve as "Rows Lane".

### **Attachments**

1. Map - Unnamed Road to be named "Rows Lane"

**Recommendation(s)**

***That Council:***

- 1. Commences statutory procedures pursuant to clause 5, Schedule 10 of the Local Government Act 1989 to name the unnamed road reserve located between 125 Ackerleys Road West and 1160 Irrewillpe Road, Barongarook West as "Rows Lane".***
  
- 2. Considers any submissions that are received at the Council meeting to be held on 23 January 2013 at COPACC at 3.00 pm.***

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INFRASTRUCTURE AND SERVICES

| ITEM | |
|--------------------|---|
| <u>OM122811-09</u> | <u>DECLARATION OF ROAD AS UNUSED - ROAD ABUTTING 190 SPRINGS ROAD, YEO</u> |
| <u>OM122811-10</u> | <u>WATSONS ACCESS BRIDGE - RE-EVALUATION OF LOAD LIMIT</u> |
| <u>OM122811-11</u> | <u>PROPOSED LEASE AGREEMENT – 5 BEECH FOREST LAVERS HILL ROAD, BEECH FOREST</u> |
| <u>OM122811-12</u> | <u>WYE RIVER PARKING - MORLEY AVENUE, WYE RIVER</u> |

OM122811-9

**DECLARATION OF ROAD AS UNUSED - ROAD ABUTTING
190 SPRINGS ROAD, YEO**

| | | | |
|-------------|---------------------------|-----------|------------|
| AUTHOR: | Clive Brooker | ENDORSED: | Neil Allen |
| DEPARTMENT: | Infrastructure & Services | FILE REF: | F11/4290 |

Purpose

The purpose of this report is to provide Council the opportunity to consider declaring a section of government road as unused.

Declaration of Interests

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

Background

Council has recently received a request from the owners of 190 Springs Road to consider declaring the government road which bisects the property as unused. If Council considers it appropriate to do so then this will enable the Department of Sustainability and Environment (DSE) to issue an unused road licence for the area.

The area of land measures approximately 3.2 Ha and is fully described as the unused road east of Crown Allotment 81, Parish of Yeo and east of the southern part of Lot 2, PS333357, Parish of Yeo.

A narrow formed track has been constructed by the property owner over the northern half of this section of the road. The remainder of the road is unconstructed natural surface.

Council Plan / Other Strategies / Policy**Physical Infrastructure and Assets**

Council will provide and maintain Council infrastructure and assets that meet community needs now and in the future.

This proposal has been considered in accordance with Council's Closure of Unused Government Roads, Licensing of an Unused Road or Water Frontage Policy.

Issues / Options

There is a narrow formed track along the northern half of the section of road to be declared as unused. It is considered that the road is not presently required for future expansion of the road network in this area.

Declaration of this road as unused will not compromise access to any other abutting private property in the foreseeable future as all abutting parcels of land are owned by the applicant (refer attached locality plan).

Under section 400 of the *Land Act 1958* (the 'Act'), DSE requires agreement from Council that it considers the road is not reasonably required for public traffic. Upon the giving of any such notice any road or part of a road specified therein shall be an unused road and is then able to be licensed to the adjoining landowner. It is believed that it is intended to use this area of road for the purposes of grazing stock.

Should it be considered that this road is reasonably required for public use in the future, section 407(1) of the Act provides Council the authority to instruct DSE to cancel or amend the unused road licence. Where a licence has been cancelled or amended, the land to which that licence related to shall cease to be classified as an unused road and reverts back to the management of Council enabling the provision of access.

Advice was sought from the Environment and Community Safety unit with regard to both the conservation values of the site and the operational importance of the road for fire and emergency management purposes. The advice received was that the declaration of the road as unused and subsequent granting of a grazing licence by the DSE would not degrade the environmental values of the site or reduce the operational effectiveness of emergency services.

Proposal

It is recommended that Council seek further community feedback in relation to this matter and should advertise its intention to declare the section of road east of Crown Allotment 81, Parish of Yeo and east of the southern part of Lot 2, PS333357, Parish of Yeo as unused.

Financial and Other Resource Implications

There are no direct costs to Council in performing its legislative functions under the *Land Act 1958*. Council officer time will be required for the preparation of public notices. It is considered that this will have minimal impact on the performance of core duties.

Risk Management & Compliance Issues

At present part of the section of road to be declared as unused is listed on Council's Municipal Road Register and is classified as a 'Minor' road. The road register will need to be amended to reflect the change in status should this section of Springs Road be declared an unused road. This will mean that Council has no obligations to inspect, maintain or repair this section of road while its status of unused remains.

Environmental and Climate Change Considerations

The advice received from Council's Environment and Community Safety Department is that the environmental values of the site will not be compromised by the proposed use of the site.

Community Engagement

The community engagement strategy follows the recommendations of the Colac Otway Shire Council Community Engagement Policy of January 2010, which details five levels of engagement – inform, consult, involve, collaborate and empower.

The method selected would be consult and include Council giving public notice of its intention to declare a road as unused. In addition to this all abutting property owners will be written to advising them of Council's intention and their right to make submission.

All submissions received will be considered following section 223 of the *Local Government Act 1989*.

Applicable utility companies will also be advised of Council's intention to provide consent to declaring this road as unused to ensure consideration is given to the potential impacts on the management of services which may exist in the vicinity of this road.

Implementation

Advertising advising of Council's intention will be prepared upon resolution. This will also include the forwarding of required correspondence to all abutting property owners and utility agencies.

Conclusion

It is considered that the declaration of the section of government road abutting the property at 190 Springs Road, Yeo, as unused will not impact on service delivery and Council should advertise its intention to make this declaration pursuant to the provisions of the *Land Act 1958*.

Attachments

1. Locality Plan
2. Title Plan

Recommendation(s)***That Council:***

1. ***In accordance with section 223 of the Local Government Act 1989 and subject to an eight week notification period undertakes the following:***
 - a) ***Gives public notice of its intention to declare the section of road described as the unused road east of Crown Allotment 81, Parish of Yeo and east of the southern part of Lot 2, PS333357, Parish of Yeo as unused.***
 - b) ***If no objections are received and subject to Council complying with its statutory requirements instructs the Chief Executive Officer to advise the Department of Sustainability and Environment of Council's formal consent.***
 - c) ***If objections are received, holds a Special Council Meeting on 13 February at 1:00pm in COPACC to consider the objections. Formal advice of the time and place of the meeting will be provided to those parties wanting to be heard in support of their objections and will be advertised in the local media.***
 - d) ***If required, makes a final decision following preparation of a report by the General Manager Infrastructure and Services based on the recommendations of the Special Council Meeting to the following Council meeting.***

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**OM122811-11      WATSONS ACCESS BRIDGE - RE-EVALUATION OF LOAD LIMIT**

|             |                           |           |            |
|-------------|---------------------------|-----------|------------|
| AUTHOR:     | Adam Lehmann              | ENDORSED: | Neil Allen |
| DEPARTMENT: | Infrastructure & Services | FILE REF: | F11/3291   |

**Purpose**

The purpose of this report is to inform Council in relation to the status of the load limit applied to Watsons Access Bridge following the Council resolution on 26 October 2011.

**Declaration of Interests**

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

**Background**

At its Ordinary Meeting of 26 October 2011 Council resolved:

***That Council:***

1. ***Resolves to implement the following load limits***  
***Bridge No.    Road Name***  
***CS059        Watsons Access 5 tonnes Load Limit***
2. ***Provides a written response to all those parties who provided formal feedback through the public consultation process.***
3. ***Refers the work to rehabilitate the bridge to Council's Long Term Capital Works and Major Projects Program for detailed costing and prioritisation within the relevant programs.***
4. ***Works with the property owner in relation to the provision of permits to enable access when heavier loads are required.***
5. ***Requests that this load limit be brought before Council in 12 months time for re-evaluation.***

Regulatory signs were erected shortly after Council's resolution to put into effect the 5 tonne load limit on Watsons Access Bridge. This purpose of this load limit is to protect the bridge from further structural damage by trucks and in the interests of community safety.

Acknowledging the potential hardship that this situation could cause to the owner of the property which is directly accessed via this bridge, Council officers have issued permits to certain transport operators to access the bridge with vehicles with a gross mass in excess of the posted load limit. This particularly relates to heavy vehicles delivering fuel, fertilisers, feedstock, etc to the property. These permits are issued following an analysis by Council's consulting engineers to ensure that it is safe to use a particular vehicle configuration over this bridge. These permits place certain obligations on the permit holder to observe a number of conditions relating to vehicle speeds and limiting the number of trips across the structure.

**Council Plan / Other Strategies / Policy**  
**Physical Infrastructure and Assets**

Council will provide and maintain Council infrastructure and assets that meet community needs now and in the future.

**Issues / Options**

Some minor works have been completed on the Watsons Access Bridge since Council first advertised its intention to post a load limit on this structure. While this work has addressed some short term issues, a number of problems remain relating to major structural elements and it is doubtful that any additional carrying capacity has been achieved.

At this stage it is intended that the load limit of 5 tonnes remain in place on this bridge and that the interim permit system continue subject to further review. Watsons Access Bridge will be subject to ongoing routine inspection and maintenance in accordance with Council's Road Management Plan. Further structural assessments will be undertaken should there be any obvious signs of further deterioration in the condition of structural components.

As discussed in detail under the financial implications section of this report, Council has been able to accelerate some projects on its long term bridge replacement programme through external funding received via State Government grants.

The Victorian Government has committed \$160M to achieve an improvement in the maintenance, preservation and restoration of roads and bridges in rural Victoria under the Country Roads and Bridges Initiative. Forty Councils are eligible to seek up to \$1.0M each year for four years commencing 2011/12. The Colac Otway Shire Council is one of the eligible Councils that can seek funding on a project by project basis.

It has been assessed that, over the next five (5) years, Council will be required to invest approximately \$5.0M in capital expenditure to address the condition of those structures which have had load limits imposed. This level of expenditure is required to bring these bridges up to current vehicle loading demands. It is reasonably estimated that Council can afford to commit in the order of \$1.4M for the renewal and improvement of its bridges under a scenario where only rate revenue is used to fund critical bridge works over the next five (5) years. This leaves a funding gap of in the order of \$3.6M. This highlights the importance of programmes such as the Country Roads and Bridges Initiative continuing in the longer term to assist Council in managing the financial burdens placed on it in managing its infrastructure renewal needs.

**Proposal**

It is proposed that the present 5 tonne load limit remain in force until major works are completed on Watsons Access Bridge in accordance with the priorities of Council's Bridge Renewal Programme or is required to be reviewed should further structural assessments be required. Permits will be continued to be issued where it is safe to do so in order to minimise impacts to farming operations on the land which is serviced by this bridge. The structure will also be subject to ongoing management to comply with Council's Road Management Plan. The need for ongoing financial assistance from other levels of government has been highlighted and it is proposed that Council write to the State Minister of Roads, the Hon. Terry Mulder, MP seeking a commitment to extend the Country Roads and Bridges Initiative beyond the current four (4) year window.

**Financial and Other Resource Implications**

Council has committed \$1.368M to the Bridge Replacement Programme in its 2012/13 Capital Works budget. Over and above this, there is also a carryover amount of \$361,000 from 2011/12. All of these monies are derived from external funding programmes, being the Country Roads and Bridges Initiative (\$1.0M – 2012/13) and the Local Government

Infrastructure Program (\$361,000 – 2011/12 and \$368,000 – 2012/13). All of this funding has been committed to the replacement of four (4) bridges during 2012/13. This has been allocated based on the priorities listed in Council's long term Bridge Renewal Programme. These bridges are Barham River Road Bridge (CS048), Upper Gellibrand Road Bridge (CS249), Carlisle Valley Road Bridge (CS058), and Ganes Access Road Bridge (CS065).

Contracts were awarded for the design and construction of all four (4) bridges at Council's Special Council Meeting held 19 September 2012.

Project priority within this programme is assessed based on a number of key factors which include:

- Road Hierarchy
- Bridge Condition
- Structural Capacity
- Existing Traffic volumes
- Roads importance to industry, tourism, and commuters
- Urgency of remedial works
- Risk or Criticality.

Scoring of these criteria provides an overall priority which guides the development of Council's bridge works programme. The following table indicates Council's priorities in the short term based on present information.

| Program Year         | Bridge Asset ID | Road Name                     | Locality       | Bridge Location                                  | Total Project Cost (\$) |
|----------------------|-----------------|-------------------------------|----------------|--------------------------------------------------|-------------------------|
| 2013/14              |                 |                               |                |                                                  |                         |
|                      | CS041           | Lyness Road                   | Carlisle River | 1.5km From Colac Carlisle Rd                     | \$517,881               |
|                      | CS044           | Apollo Bay Recreation Reserve | Apollo Bay     | 0.1km From Rec Reserve Apollo Bay Entrance       | \$642,850               |
| <b>2013/14 Total</b> |                 |                               |                |                                                  | <b>\$1,160,731</b>      |
| 2014/15              |                 |                               |                |                                                  |                         |
|                      | CS047           | Pearces Access                | Apollo Bay     | 10.1km From Po Apollo Bay                        | \$226,636               |
|                      | CS052           | Veseys Access                 | Kawarren       | 0.05km From Colac-Lavers Hill Rd                 | \$171,600               |
|                      | CS055           | Raffertys Road                | Gellibrand     | 0.12km From Gellibrand East Rd                   | \$399,432               |
|                      | CS060           | Scorcis Access                | Johanna        | 5.4km From Gt Ocean Rd/Off Johanna Rd            | \$249,048               |
| <b>2014/15 Total</b> |                 |                               |                |                                                  | <b>\$1,046,716</b>      |
| 2015/16              |                 |                               |                |                                                  |                         |
|                      | CS059           | Watsons Access                | Yuulong        | 4.0km From Great Ocean Rd (0.3 Off Old Ocean Rd) | \$436,475               |
| <b>2015/16 Total</b> |                 |                               |                |                                                  | <b>\$436,475</b>        |

Based on long term funding forecasts, major structural works to Watsons Access Bridge are not programmed until 2015/16. The forecast funding profile follows external funding commitments which have been made or have been allocated by Council. At this stage, funding from the State Government's Country Roads and Bridges Initiative will not be

available beyond 2014/15. There have also been no further allocations made by Council specifically for bridge work from the Local Government Infrastructure Program beyond 2012/13. Following 2014/15, Council will be required to contribute its own source funds to deliver major bridge replacement projects.

The annual Bridge Renewal Programme is subject to ongoing review to make sure it is reflective in terms of changing priorities and considers alternative funding sources as opportunities present themselves.

### **Risk Management & Compliance Issues**

On 31 May 2001, the responsibilities for road authorities significantly changed. The High Court decision in the Brodie v Singleton Shire case reversed the previous Common Law position that road authorities were not liable for not taking action to remedy a problem with a road or bridge. This was commonly known as non-feasance immunity.

In 1991, Mr Brodie was travelling along a road within the Shire of Singleton. When crossing Forrester's Bridge, the timber structure partially collapsed causing injuries to Mr Brodie and damaging the truck he was driving. The driver and truck owner sued the Council alleging negligence in failing to detect white ants and/or dry rot in the bridge girders. The Council based its defence on the non-feasance rule.

The principal outcome from the High Court decision in Brodie is that road authorities must manage risk. Therefore the management of risk should be at the centre of all management processes for bridges, particularly for determining and monitoring intervention levels and prioritising bridge works, including capital works and maintenance programmes.

Council's Road Management Plan provides a risk management framework to demonstrate that it has satisfied its duty of care to road users. Through its road management function, Council is required to show that it has in place a reasonable regime for inspecting the road network for which it is responsible to discover defects and a system for planning and implementing repairs to overcome those defects. Should Council fail to do this it is unable to rely on the policy defence offered by the Road Management Plan and may be held liable under the *Road Management Act 2004*.

Based on the findings of the structural engineers report prepared for the Watsons Access Bridge in May 2011, Council became aware of the issues associated with this structure and it may have been liable had it not acted in a reasonable manner to impose a load limit on the bridge as an immediate risk mitigation strategy.

At present Council manages its risk by undertaking regular inspections of its bridge assets in order to detect and monitor deterioration or defects that may require repair or maintenance.

Inspections of varying detail are completed on a regular basis to continually monitor the condition and performance of the network of bridges which service the community. The following types of inspections are undertaken:

|                                                         |                                                                                                                                                                                                                                                                                                                                            |
|---------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Level 1 - Routine Maintenance Inspections</b></p> | <p>A visual inspection to check the general serviceability of a structure to road users and to identify any emerging defects. These inspections are undertaken on an annual basis in conjunction with routine maintenance activities. Additional inspections are also required after an abnormal event such as a severe flood or fire.</p> |
|---------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|



|                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|---------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Level 2 - Bridge Condition Inspections</b>     | Comprehensive visual inspections to assess the condition of a structure and its major components. The principal objectives are to identify significant defects in structural members above ground level, and to record the extent, severity and criticality of each defect and the appropriate remedial actions. The frequency of these inspections depends on the structure type and its current condition. Level 2 inspections are conducted on a rolling three (3) year cycle. |
| <b>Level 3 - Detailed Engineering Inspections</b> | This represents an inspection or investigation conducted on a needs basis to assess the structural condition and capacity a structure that has been identified as a potential candidate for rehabilitation, strengthening or replacement. This level of inspection may include materials testing and analysis, structural analysis or load testing in addition to the visual inspection to assess and quantify the condition, behaviour and rate of deterioration of a structure. |

All inspections are completed using a standardised approach in accordance with the VicRoads Road Structures Inspection Manual. Level 2 and Level 3 assessments are undertaken by suitably qualified and experienced structural engineers or bridge practitioners. Routine maintenance inspections are completed by Council's bridge crew.

### **Environmental and Climate Change Considerations**

There are no environmental or climate change considerations applicable at this time.

### **Community Engagement**

The community engagement strategy follows the recommendations of the Colac Otway Shire Council Community Engagement Policy of January 2010, which details five levels of engagement – inform, consult, involve, collaborate and empower.

The method selected would be inform and includes writing to the State Minister of Roads, the Hon. Terry Mulder, MP indicating the looming problems Council faces in managing the future demands presented by its ageing road and bridge infrastructure and the need for ongoing funding assistance to relieve some of this financial burden.

Council has actively promoted the issues relating to the failing condition of its timber bridges previously and the direct impacts that this will potentially have on the local community and local industry's ability to remain regionally and internationally competitive and it is considered that this advocacy role continue.

### **Implementation**

Watsons Access Bridge will continue to be managed in line with the standards of Council's Road Management Plan.

Correspondence will be prepared and sent to the Minister of Roads following resolution of Council advocating for the continuation of the Country Roads and Bridges Initiative beyond 2014/15.

### **Conclusion**

Council has certain responsibilities under the *Road Management Act 2004* to manage risks associated with its road and bridge infrastructure. Imposing and maintaining load limits on certain bridges is an appropriate management response for the purposes of extending the useful life of such structures and ensuring public safety. It is recommended that the 5 tonne

limit posted on the Watsons Access Bridge be retained and be reviewed subject to ongoing inspections and assessments.

**Attachments**

Nil

**Recommendation(s)*****That Council:***

- 1. Retains the existing 5-tonne load limit on Watsons Access Bridge and continues to manage the structure in accordance with Council's Road Management Plan.***
- 2. Subject to the proper assessments for safety, continues to issue permits on an as needs basis to transport operators whom require access over the bridge with vehicles with a gross mass in excess of the posted load limit.***
- 3. Continues to review the long term Bridge Renewal Programme to ensure that it is reflective of priority and available funding.***
- 4. Instructs the Chief Executive Officer to write to the Minister of Roads, the Hon. Terry Mulder, MP seeking a commitment to extend the Country Roads and Bridges Initiative beyond 2014/15.***

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**OM122811-11 PROPOSED LEASE AGREEMENT – 5 BEECH FOREST
LAVERS HILL ROAD, BEECH FOREST**

| | | | |
|-------------|---------------------------|-----------|------------|
| AUTHOR: | Adam Lehmann | ENDORSED: | Neil Allen |
| DEPARTMENT: | Infrastructure & Services | FILE REF: | 11/95690 |

Purpose

The purpose of this report is for Council to consider the proposal to enter into a lease agreement with Flow FM for the installation of radio broadcast equipment on an existing Council mast located at 5 Beech Forest Lavers Hill Road, Beech Forest.

Declaration of Interests

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

Background

Council has been approached by the owners of Flow FM which is a small radio broadcasting company which specialises in providing radio services to smaller regional and remote communities.

Flow FM operate a 24 hour / 7 days radio service on the FM band with mainly music format but with the inclusion of National, State, Local News, Regional Weather, Rural news and Rural Interviews. There are also announcer features with local content including local sport and community services. The broadcaster provides free announcements for small not for profit community groups and has been successful in building radio sites in a number of small communities and the resulting important local messages like fire, flood and weather warnings have proved invaluable.

Flow FM is Australian Communication & Media Authority (ACMA) licensed for broadcasting commercial radio in remote areas, including Victoria. Commercial licensees provide a wide range service to the community of interest. Flow FM Victoria has coverage areas in the Yarra Ranges, Snowfields, Mallee and Sunraysia areas. The company has identified a need to establish a presence in the Otways and Great Ocean Road areas and has assessed Beech Forest as a prime broadcast location for which they already have an ACMA license. They also have a license for Apollo Bay which will be explored further depending on the outcomes of a possible installation at Beech Forest. Flow FM has identified an existing Council tower which is located on Council property at 5 Beech Forest Lavers Hill Road, Beech Forest. This tower is used as part of Council's two way communication network and also incorporates a small equipment shed. Representatives of Flow FM have inspected both the tower and shed and have assessed that both are capable of accommodating their broadcasting equipment.

**Council Plan / Other Strategies / Policy
Leadership and Governance**

Council will fulfil its leadership, statutory and legal obligations to its community and staff in a way that is: fair, ethical, inclusive, sustainable, financially responsible and meets the needs and practical aspirations of current and future generations.

Issues / Options

The preferred option is that Council agrees in principle to enter into a lease with Flow FM to enable the installation of radio broadcast equipment. It is envisaged that there will be no significant impacts to Council's business operations should additional equipment be collocated on its existing infrastructure.

The alternative option is that Council does not agree to the lease. Given the need to improve communications across areas of the municipality for emergency, business, and social connectedness it is recommended that Council does not consider this option.

Council's Property Leasing Policy clarifies the limited situations in which Council will lease assets. In accordance with the Policy, tenants are grouped into four (4) main categories, these being:

- Community groups which provide a service to the community
- Not for profit recreation and sporting clubs
- Larger non-government agencies in receipt of grants or other income
- Commercial or residential tenants.

Flow FM is considered to be a commercial tenant and rental will be based on an agreed fair market value.

As Council's two way transmission equipment is presently installed on the tower, suitable provision in the term of the lease has been made to ensure that Council continues to enjoy unrestricted access to its equipment for the purposes of maintenance and works.

Proposal

That Council agrees to the terms and conditions of the draft Lease Agreement.

The initial term of the proposed lease is five (5) years with a single five (5) year further term option.

Representatives of Flow FM have agreed to pay \$1,000 in the first year of the lease which is subject to annual review in accordance with the terms of the lease. Council will also be reimbursed for electricity charges at the site which has been calculated to be \$1,500 in the first year and is subject to review.

All new lease agreements require formal resolution by Council. The following outlines the process for establishing a new lease:

- Internal discussions with regard to the particulars of proposed tenant with appropriate Council departments:
 - Check status of land
 - Confirm statutory requirements
 - Review proposal with respect to Council Property Leasing Policy
 - Seek legal advice where necessary
 - Assess relevance of any compliance with *Retail Leases Act 2003*.
- Negotiate terms and conditions of lease with tenant.
- Forward copy of lease to tenant for review.
- Where required advertise the intention to enter into a lease in Council's official newspapers inviting submissions pursuant to s223 of the *Local Government Act 1989* for a period of 6 weeks.
- Draft report for next Ordinary Council Meeting recommending execution of two copies of the Lease Agreement. This depends on the submission process as s223 of the *Local*

Government Act 1989 provides individuals and other parties the right to make a submission with respect to the proposed lease agreement.

- Arrange for tenant to sign lease.
- Update Lease Register (in accordance with s11(m) of the *Local Government (General) Regulations 2004* and store one original of Lease Agreement.
- Forward an original copy of Lease Agreement to tenant.

Financial and Other Resource Implications

Financial benefits will accrue to Council from leasing of this facility.

Council will receive a rental of \$1,500 per annum plus annual CPI increases during the term of the lease. The applicant will also be required to reimburse Council for electricity consumption.

Risk Management & Compliance Issues

All risk management and compliance issues are considered under the terms of the lease agreement. The applicant has been requested to determine the extent of any planning and building approvals which may be required for their proposal to proceed. Execution of the lease would be subject to such statutory approvals being obtained where necessary.

Environmental and Climate Change Considerations

There are no significant environmental or climate change implications arising from this proposal.

Flow FM's broadcast licence includes details of the technical specifications relating to the frequency, maximum effective radiated power, the site of the transmitter and any special conditions relating to the radiation pattern of the signal. The emission standards for a FM radio service are defined in the *Broadcasting Services (Technical Panel) Guidelines 2007*.

Community Engagement

The community engagement strategy will follow the recommendations of the Colac Otway Shire Council Community Engagement Policy of January 2010, which details five levels of engagement – inform, consult, involve, collaborate and empower.

The method selected would be inform. As the lease proposed is for a length of time for at least 10 years, the *Local Government Act 1989* (the 'Act') requires that Council must give notice of its intention to enter into a Lease Agreement and that any person may make a submission on this proposal under section 223 of the Act.

Implementation

It is intended to advertise Council's intention to enter into this Agreement with Flow FM and invite submissions in accordance with section 223 of the Act.

A further report on this matter will be prepared for Council after consideration of any submissions.

Conclusion

Flow FM's proposal to utilise Council land for the purposes of installing radio broadcast will improve access to media content for residents and visitors to the Otway and Great Ocean Road area.

It is recommended that Council agrees to the terms and conditions of the draft lease agreement and to give public notice of the proposed lease and invite submissions under section 223 of the *Local Government Act 1989*.

When Council has given consideration to any submissions received it may enter into the lease agreement.

Attachments

1. Ground Lease

Recommendation(s)***That Council:***

1. ***Agrees in principle to the terms and conditions of the draft Lease Agreement.***
2. ***Gives notice of intention to enter into this Agreement and invite submissions in accordance with section 223 of the Local Government Act 1989 to the proposal to enter into a lease.***
3. ***If no objections are received and subject to Council complying with its legal requirements and the applicant receiving statutory planning and/or building approvals where applicable, enters into a Lease with Flow FM for use of part the building and site at 5 Beech Forest Lavers Hill Road, Beech Forest for the purposes of installing radio broadcast equipment.***
4. ***If objections are received, holds a Special Council Meeting on 13 February 2013 at 1:00pm in COPACC to consider any objections. Formal advice of the time and place of the meeting will be provided to those parties wanting to be heard in support of their objections and will be advertised in the local media.***
5. ***If required, makes a final decision following preparation of a report by the General Manager Infrastructure and Services based on the recommendations of the Special Council Meeting to the following Council meeting.***

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**OM122811-12 WYE RIVER PARKING - MORLEY AVENUE, WYE RIVER**

|             |                           |           |            |
|-------------|---------------------------|-----------|------------|
| AUTHOR:     | John Wilson               | ENDORSED: | Neil Allen |
| DEPARTMENT: | Infrastructure & Services | FILE REF: | F11/3291   |

**Purpose**

The purpose of this report is to advise the steps taken and proposed to address the concerns of the Wye River and Separation Creek Progress Association and the Wye River Rural Fire Brigade with respect to the maintenance of access for emergency vehicles.

**Declaration of Interests**

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

**Background**

Local emergency service providers, as well as the Progress Association of Wye River and Separation Creek (WRSCPA), have been concerned for some time about haphazard parking of motor vehicles, especially during the busy summer season, which restricts access by emergency vehicles should such an emergency occur. According to a letter from the WRSCPA this issue dates back to at least 2009. Although this issue is reportedly more widespread in Wye River, the area of Morley Avenue was selected to be dealt with as a separate matter, and as a forerunner of a more widespread parking study of Wye River. Consultation to gauge community support was undertaken by way of a survey of local residents and nearby facility operators with regard to proposed alterations to parking conditions along Morley Avenue, Wye River. The survey offered three (3) options, as detailed below.

**Council Plan / Other Strategies / Policy****Physical Infrastructure and Assets**

Council will provide and maintain Council infrastructure and assets that meet community needs now and in the future.

**Issues / Options**

The survey offered three options being:

- Option 1 – Restrict parking to one side of Morley Avenue, ie. allow parking on the northbound side only.
- Option 2 – Prohibit parking on both sides of Morley Avenue.
- Option 3 – Maintain the existing on-street parking arrangements along Morley Avenue.

The community surveyed overwhelmingly selected the option to prohibit parking completely from the ocean side of Morley Avenue.

A total of 92 survey forms, with an accompanying cover letter, were distributed. Of the forms sent out, 43 surveys were returned, representing a very healthy return of nearly 47%. 32 respondents, representing almost 75% of the returned surveys, chose Option 1. Only one (1) respondent selected Option 2, eight (8) respondents selected Option 3, and two (2) respondents rejected all three options offered.

**Proposal**

Based on the outcome of the survey it is proposed to install signs and paint a yellow line at the edge of the seal to establish a “No Stopping” zone generally along the ocean side of Morley Avenue.

Through discussions with relevant departments, it was recommended that “No Stopping” signs be installed in preference to “No Parking” signs as it will enable clarity for all motorists and will be more readily administered.

Parking changes are shown on the attached map, “Proposed Parking Controls”.

**Financial and Other Resource Implications**

The proposal requires the installation of 18 signs and posts at approximately \$200 each, plus approximately 600 lineal metres of painted yellow edge line at approximately \$3.00 per metre, an all up estimated cost of \$5,400.

The costs will be sought from existing operational budgets.

**Risk Management & Compliance Issues**

The risk being managed by this proposal is the potential for emergency and other larger vehicles to be prevented from travelling along Morley Avenue, due to vehicles being parked in contravention of the Road Safety Road Rules 2009. Compliance with the proposed ‘No Stopping’ zones will enable emergency vehicles to have access at all times. Compliance measures will be undertaken within current resource availability.

The installation of the signs proposed is a power that Council has by way of being a responsible road authority through the *Road Management Act 2004*.

Prohibiting vehicles from parking on the ocean side of Morley Avenue will aid the passage of pedestrians using this section of road, as this side of the road should be clear of stopped vehicles.

Depending on the demand for parking, there is the potential for parking related problems to be transferred to other locations within Wye River.

**Environmental and Climate Change Considerations**

There are no environmental or climate change considerations created by this proposal.

**Community Engagement**

The community engagement strategy follows the recommendations of the Colac Otway Shire Council Community Engagement Policy of January 2010, which details five levels of engagement – inform, consult, involve, collaborate and empower.

The method selected has been to consult and has included Council inviting feedback by way of a survey offering three (3) options, distributed to residents, emergency services and nearby businesses. The survey was arranged via Post.

A letter reporting the outcome of the survey, and advising of Council’s intention to establish a ‘No Stopping’ zone on the ocean side of Morley Avenue has been sent out, based on the original survey distribution list.

A media release will be arranged to coincide with the installation of “No Stopping” signage, and Council will seek to have public notices placed on display in local business premises.



**Implementation**

It is expected that the signs and yellow edge line will be in place by mid December 2012, in time for the peak summer period.

A review of the performance of the 'No Stopping' zone over the initial summer period will be carried out in about April or May 2013, with the view as to whether the 'No Stopping' zone should remain in operation for 12 months of the year. In carrying out the review it is proposed to consult with the Wye River and Separation Creek Progress Association and the Wye River Rural Fire Brigade.

**Conclusion**

Council has responsibilities under the *Road Management Act 2004* to manage risks associated with its road and bridge infrastructure. Included in this would be the management of vehicles parked within the road reserve. Council should also act with the best interests of the community in mind. The maintenance of emergency vehicle access is a matter of concern to the community. The imposition of this proposed No Stopping zone will remove any potential for emergency vehicles to be blocked by parked vehicles, which should be of comfort to the community.

**Attachments**

1. Examples of signs proposed
2. Proposed Parking Controls - Map

**Recommendation(s)*****That Council:***

1. ***Endorses the decision to establish a 'No Stopping' zone generally along the ocean side of Morley Avenue, Wye River, south of the hotel.***
2. ***Supports a review be carried out of the operation of the 'No Stopping' zone, with regards to its effectiveness, at the end of the summer period.***

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SUSTAINABLE PLANNING AND DEVELOPMENT

| ITEM | |
|--------------------|---|
| <u>OM122811-13</u> | <u>COLAC MARKETING BRAND</u> |
| <u>OM122811-14</u> | <u>REGIONAL DEVELOPMENT AUSTRALIA FUND (RDAF)</u> |

OM122811-13**COLAC MARKETING BRAND**

| | | | |
|-------------|------------------------------------|-----------|------------|
| AUTHOR: | Michael Swanson | ENDORSED: | Jack Green |
| DEPARTMENT: | Sustainable Planning & Development | FILE REF: | 11/95806 |

Purpose

To seek Council's endorsement of the Colac Marketing Brand.

Declaration of Interests

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

Background

The Colac Otway Shire Economic Development Action Agenda 2009 - 2013 recognises Marketing and Promotion as a priority area for action and identifies that the focus should be on attracting a sustainable population.

"The development of a strategic marketing and promotion campaign targeting families and single professionals."

The 2010/11 budget included funds for the development of a Colac Marketing Strategy, which included the development of a brand that would encapsulate the strengths, and comparative advantage of Colac as a place to live. In May 2011, Council engaged Geelong based marketing company Brand Bureau (formerly Warne Marketing) to undertake the Colac Marketing Strategy.

The consultant brief included an aim to attract a sustainable population, in particular families and single professionals. The Colac Otway Shire Economic Development Agenda 2009 – 2013 states that families and single professionals "strengthen the longevity and productivity of the shire's labour force and because of life stage are more likely to have a more even 'work life' balance necessary for economic growth".

In the development of the Colac Marketing Strategy, Brand Bureau conducted research both locally and State wide. They also consulted with the Colac community, Colac business people, Otway Business Inc. (OBI), and Colac Otway Shire Council staff. A key focus was ensuring that the target market aim was correct. Brand Bureau found that the Economic Development Action Agenda proposition was supported and that this group would be a catalyst for sustainable growth.

The draft Colac Marketing Strategy initially included three options for a new Colac brand proposed to identify and differentiate Colac from other Victorian rural centres. As part of the development of the three concept brands feedback was sought from both the community and the identified target market. After testing the three concept brands 'Colac – Consider the Change' emerged as the preferred brand at that stage of the process.

Council officers presented a report to Council in December 2011 with a recommendation to adopt the Colac Marketing Strategy and the preferred brand. The report was not endorsed due to lack of support for the recommended brand option. The draft Marketing Strategy was

subsequently presented again in March 2012 without the brand recommendation to allow Officers more time to work with Brand Bureau on further brand development.

This included a special Council Workshop in April 2012 to gain Councillor and Senior Officer input into the creative design process. A workshop was also held with the Colac Youth Council in May 2012.

All input from the process of consultation, market research and special brand development workshops has been taken into consideration in developing a new brand which is now presented in this report for Council's deliberation.

Council Plan / Other Strategies / Policy Economic Development

Council is committed to facilitating a healthy and resilient economy through effective leadership, advocacy, and partnership.

Strategy 3. Support local business to develop and succeed.

Key Action 2. Enhance Colac's regional service centre status through the development of a Marketing strategy.

The Colac Otway Shire Economic Development Action Agenda 2009 - 2013 recognises Marketing and Promotion as a priority area for action and identifies that the focus should be on attracting a sustainable population.

"The development of a strategic marketing and promotion campaign targeting families and single professionals."

Issues / Options

A new brand to market the attraction of Colac is required to give strength to the Marketing Strategy adopted by Council in March 2012.

"The Colac Marketing Strategy will develop a Colac brand that will clearly identify and differentiate Colac from other Victorian rural centres. The brand will communicate the strengths, comparative advantage, and local passion for Colac and be able to be integrated into multiple uses and formats so that there is universal local acceptance and harmony in external recognition." Colac Marketing Strategy Brief 2011.

The Colac Marketing Strategy responds to the brief and has provided Council with an eye-catching, vibrant brand that can be used over the next 5 years to promote Colac and attract new residents to the Shire.

The Marketing Strategy is focused on Colac and so is the brand, but in the roll out of marketing campaigns including the 'Colac' website, phone application and collateral such as photographic images, film clips, posters, and banners, broader images of the Shire will also be used.

Colac is the centre of population, jobs, commerce, professional services, education, health services, manufacturing, construction and other industries in this municipality, in fact everything except the tourism industry which is centred around Apollo Bay.

Colac is the name people see over the highway when they divert from the Princes Highway to the Geelong Ring Road.

The intention of the recommended brand is that when people see the name 'Colac' they should think vibrant, attractive, peaceful lifestyle, jobs, community and all of the great things we have in abundance throughout the Shire. It is important to use the prominence of the name 'Colac' to reinforce this identity.

In the implementation of the Marketing Strategy images of our small towns will be used especially Birregurra, Gellibrand and Beeac for example, because they include beautiful historic streetscape aspects as well as attractive natural features and people experiencing a rural lifestyle. Colac would be the lead image and the surrounding rural landscape, farms, Otways and coast would be the background colour that communicates an emotional attachment.

The recommended brand 'Colac- Life, your way' includes a logo and tagline. The rationale supporting the logo is:

- Change perceptions of Colac
- See Colac as a diverse living option
- Liveable for all
- Freedom
- Career opportunities
- Safe
- Leisure
- Sophisticated
- Sense of community

The rationale supporting the tagline:

- Conveys the idea that the Colac is a lifestyle choice, and that it can be "tailored" to suit the person's needs
- Target audiences that are the "I" generation – iPhones, iPods, iPads. We are communicating the features of Colac with the tagline conveying the overall benefit of moving to Colac.
- Could be used as a platform for sub campaigns eg a campaign which focuses on employment opportunities, but reinforces "Life, Your Way" as the key message.

The image of the 'Colac – Life, your way' brand and an example of how the brand would be used is provided in Attachments 1 and 2.

Option 1 is to adopt 'Colac – Life, your way' as the Colac Marketing Brand. This option is preferred as it enables Council Officers to proceed with the implementation of the Colac Marketing Strategy.

Option 2 is to not adopt a new Colac Marketing Brand. This option would result in a marketing strategy with no defined image to hold together key campaign messages.

Option 1 is the preferred option.

Proposal

That Council adopt 'Colac – Life, your way' as the Colac Marketing Brand

Financial and Other Resource Implications

The Colac Marketing Strategy was funded within the 2010/11 Budget with \$20,000. An additional \$10,000 was allocated to the brand development phase of the marketing strategy from the Economic Development Strategy Implementation budget in the 2011/12 year. Further costs of \$6,200 have been incurred to undertake the development of new concept brands.

Risk Management & Compliance Issues

Due to the level of community consultation that has occurred during the development of the Colac Marketing Strategy and Marketing Brand there is an expectation from the community that the new Colac Marketing Brand will be adopted by Council. If Council is not to adopt the new Colac Marketing Brand, Council risks damaging its reputation with the community.

Environmental and Climate Change Considerations

There are no environmental considerations relevant to the report. Environmental issues will be considered throughout the completion of the project.

Community Engagement

The community engagement strategy followed the recommendations of the Colac Otway Shire Council Community Engagement Policy of January 2010, which details five levels of engagement – inform, consult, involve, collaborate and empower.

During the development phase of the Colac Marketing Strategy extensive community consultation was completed. The following table outlines the amount of consultation during each phase of the development that was completed as well as the level of engagement that was undertaken.

| Phase | IAP2 Spectrum | Methods | Timing |
|--|------------------|--|------------------|
| Ideas Generation and Issues Identification | Consult & Inform | Teleconferences / personal interviews
Focus groups
Survey | May 2011 |
| Ideas Prioritisation | Collaborate | Focus group | May 2011 |
| Concept evaluation | Collaborate | Focus group | June 2011 |
| Plan Exhibition | Consult | Provide plan to participants of previous phases via email or post
Provide plan for public comment via Council website | August 2011 |
| Plan Implementation | Inform | Advise public of plan implementation via Council website and media release | September 2011 |
| Concept development | Collaborate | Special Council Workshop
Youth Council workshop | April – May 2012 |

In the implementation phase Council officers would involve the community in the delivery of the collateral and promotion of 'Colac – Life, your way' brand. If the 'Colac – Life, your way' brand is adopted by Council a media release would be completed to inform the community.

Implementation

The Colac Marketing Strategy outlines priority actions to be implemented over the life of the strategy. The priority actions that the Economic Development Unit would complete if Council are to adopt the 'Colac – Life, your way' brand would be:

- Adaption of the 'Colac a Great Place' website to incorporate the new brand logo and image.
- Development of a downloadable phone application made free to the public.
- Design and production of marketing collateral.

Conclusion

The development of a Colac Marketing Strategy and Marketing brand is a key action in the Economic Development area of the Council Plan 2009 – 2013. Council approved funds for this purpose in the 2010/11 budget. In May 2011 Council engaged Brand Bureau (formerly Warne Marketing) to undertake the Colac Marketing Strategy.

Brand Bureau completed a high level of research and community consultation to identify the target market and guide the development of the strategy. Council adopted the Colac Marketing Strategy in March 2012 while endorsing further work to develop a brand that best identified Colac and the Shire.

The development process included Council and Youth Council workshops and a reassessment of all input to date in the Brand Bureau professional design process

The recommended brand includes images and a tagline that when people see the name 'Colac' people should think vibrant, attractive, peaceful lifestyle, jobs, community and all of the great things we have in abundance throughout the Shire. It is also important to use the prominence of the name 'Colac' to reinforce this identity.

This report seeks endorsement of 'Colac – Life, your way' as the new Colac Marketing Brand.

Attachments

1. 'Colac - Life, your way' - Recommended brand design and rationale
2. 'Colac - Life, your way' - Mock up of an advertisement with the recommended brand

Recommendation(s)

That Council adopts 'Colac – Life, your way' as the new Colac Marketing Brand.

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**OM122811-14 REGIONAL DEVELOPMENT AUSTRALIA FUND (RDAF)**

|             |                                    |           |            |
|-------------|------------------------------------|-----------|------------|
| AUTHOR:     | Mike Barrow                        | ENDORSED: | Jack Green |
| DEPARTMENT: | Sustainable Planning & Development | FILE REF: | 11/96461   |

**Purpose**

The purpose of this report is to advise Council on the opportunity to apply for capital works funds through the Federal Governments Regional Development Australia Fund (RDAF). Further to this, the report seeks Council's endorsement of recommended priorities.

**Declaration of Interests**

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

**Background**

The Regional Infrastructure Development Fund (RDAF) is a \$1 billion Federal Government program to support the infrastructure needs and economic growth of Australia's regions. The national program is designed to leverage Commonwealth, State, local government, private and not-for-profit investments for the long-term benefit of communities. RDAF supports regional infrastructure projects that will significantly improve economic and social outcomes and build on unique regional capabilities, capacity and potential. This includes infrastructure projects which could include economic, social or community infrastructure that will expand the development and growth of regional economies.

The Federal Government announced RDAF Rounds 3 and 4 on 1 November 2012. Round 3 is designed to specifically support communities with a population of 30,000 or less in rural, remote, regional and peri-urban areas. Round 4 is to fund regionally strategic infrastructure projects. \$50m is available in Round 3, with the maximum grant of \$500,000, and Round 4 provides \$175m, with a maximum of \$15 million per application.

Applicants may submit an application to both Round 3 and 4, although the applications must be for different projects. The following is a summary of the key information about RDAF Rounds 3 and 4.

| <b>ROUND 3</b>                                                                                | <b>ROUND 4</b>                                                                                  |
|-----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| \$50 million available                                                                        | \$175 million available                                                                         |
| Grants of \$50,000 to \$500,000                                                               | Grants of \$500,000 to \$15 million                                                             |
| Infrastructure projects                                                                       | Infrastructure projects                                                                         |
| Local government and not-for-profit organisations with an annual income of \$500,000 or more. | Local government and not-for-profit organisations with an annual income of \$1 million or more. |
| RDA committee selects up to five priority projects to proceed to full application.            | RDA committee selects up to three priority projects to proceed to full application.             |

|                                                                                                                                                                            |                                                                                                                                                                            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Two stage process: <ul style="list-style-type: none"> <li>• Expression of Interest – closes 6 December 2012</li> <li>• Application – closes 27 March 2013</li> </ul>       | Two stage process: <ul style="list-style-type: none"> <li>• Expression of Interest – closes 6 December 2012</li> <li>• Application – closes 11 April 2013</li> </ul>       |
| Advisory Panel considers all eligible applications and makes recommendations on most meritorious to the Minister.                                                          | Advisory Panel considers all eligible applications and makes recommendations on most meritorious to the Minister.                                                          |
| Strong preference will be given to projects that have partnership contributions. Preference will also be given to projects where these partner contributions include cash. | Strong preference will be given to projects that have partnership contributions. Preference will also be given to projects where these partner contributions include cash. |
| In-kind contributions will be accepted as partner contributions.                                                                                                           | In-kind contributions will be accepted as partner contributions.                                                                                                           |
| In Rounds 2 and 3, funds were only granted where there was a matching cash contribution.                                                                                   | In Rounds 2 and 3, funds were only granted where there was a matching cash contribution.                                                                                   |

Council Officers responsible for the types of projects eligible under RDAF have made the following assessment of eligible Colac Otway Shire projects and the opportunities with this particular fund.

### **Council Plan / Other Strategies / Policy Leadership and Governance**

Council will fulfil its leadership, statutory and legal obligations to its community and staff in a way that is: fair, ethical, inclusive, sustainable, financially responsible and meets the needs and practical aspirations of current and future generations.

### **Physical Infrastructure and Assets**

Council will provide and maintain Council infrastructure and assets that meet community needs now and in the future.

### **Economic Development**

Council is committed to facilitating a healthy and resilient economy through effective leadership, advocacy, and partnership.

### **Issues / Options**

There are a number of factors that must be considered when making application for competitive Federal or State Government Funds. Most important is the judgment on what project is the best option and what process to follow to achieve a successful grant outcome.

Council Officers prioritised projects on the basis of strategic fit, community benefit, risk, project readiness, and likelihood of success. Project applications must first of all have a strategic basis i.e. included in the Council Plan or other Council strategic document. They must also be recognised in the regional plans of G21 and the Great South Coast.

Community benefit is a broad term and could apply to almost any Council project but it is recommended that in this case it be direct and tangible as RDAF only supports hard infrastructure project.

The risk element is focused on the risk of not completing recommended projects. While Council may not be successful in either proposed application process, the likelihood of an adverse outcome in terms of community impact was discussed in terms relative to the aims of each project.

Project readiness is important, so that if a project is funded it can be delivered on time. The Federal Government has in recent years used the term 'shovel ready' which means that all or most of the significant detailed design works involved with a large capital works project have already been completed. The result of this requirement is that very few projects in smaller local government areas can be 'shovel ready' at one time.

Finally likelihood of success is enhanced by Council Officers' experience in grant application processes over many years including with Council and with State Government in grant application assessment. RDAF is a highly competitive process and the recommendations are made with that in mind.

As addressed above, the RDAF process includes an Expression of Interest (EoI) and formal application process. Projects submitted by regional Council's are vetted by the Regional Development Australia Committee through the EoI process and only a few selected for the formal application process.

The projects identified as eligible and ready for the EoI stage are:

- Colac Central Business District (CBD) and Entrances
- Central Reserve Master Plan Implementation
- Apollo Bay Harbour.

See attached table of option for each of these in Rounds 3 and 4. (Attachment 1 Table RDAF Rounds 3 and 4)

The Round 3 proposed projects differ from Round 4 in scope and cost. In the case of the CBD and Entrances projects, the Round 3 application is focused on the inner eastern entrance at Barongarook Creek and a section of Murray St between Queen and Gellibrand Streets. This project would enable Council to build cantilevered pedestrian bridges on each side of the Barongarook Creek Bridge and then remove the unsightly black wire mesh safety fence that currently exists on each side of this important entrance to the CBD. It would also enable streetscape beautification, plantings, bike lanes and amenities.

The proposed Round 4 CBD and Entrances project is for the same area but includes a significantly larger amount of capital works, enabling water sensitive urban design, coloured reseal of parking areas and bike lanes, redevelopment of footpaths, and mid block crossings as well as streetscape beautification, plantings, bike lanes and amenities.

The Central Reserve projects are substantially different with the Round 3 proposal including competition lighting for football and netball, netball courts compliance with international standards, a digital scoreboard, entrance upgrade, landscaping, signage. The Round 4 proposal includes the grandstand redevelopment.

The proposed Round 3 Apollo Bay Harbour project is focused on 'Mothers Beach' Car park while the Round 4 proposal is for a major section of works within the port management area providing the foundation infrastructure for greater public access to the precinct.

Please note that both tables attached include estimated scope and costs. These will change according to the amount of funds received if successful and the completion of further detailed design costing.

The three projects that were chosen for recommendation meet the RDAF program guidelines and selection criteria. They are endorsed in either the Council Plan or other strategic documents and have a level of recognition with either, or both, the Great South Coast and or the G21 regional partnerships.

Each of the projects is able to demonstrate community benefit. It could be argued that the CBD and Entrances project would have a higher impact on the community and have the added benefit of enhancing the appeal of Colac to visitors and potential new settlers.

There is risk involved with not completing each of the recommended projects in terms of not fulfilling community need, however significant funds are currently allocated to a part of the Central Reserve upgrade and the Apollo Bay Harbour Project is yet to commence a Planning Scheme Amendment process to complete a detailed concept plan for the precinct.

This leads to the question of project readiness. Since all projects have to be 'shovel ready' it is evident that of the three projects listed in Round 3 and 4, the Central Reserve project seems to be the closest to being able to commence quickly. Council would be relying on a separate grant process through the State Government to provide funds for the detailed design works required for the CBD and Entrances project. Some indicative cost estimate work was completed in 2009 for the proposed Round 4 Apollo Bay project.

Finally consideration has to be given to likelihood of success. Council has the option to apply in both Rounds 3 and 4 of RDAF, as long as we do not apply for the same project in each round. We could apply for different elements of the same project in each round but this may be risky in terms of creating confusion at the RDA Committee level and also once the projects go to assessment in Canberra if lucky enough to survive the regional process.

All project grants will need to have contributing funds from sources other than the Federal Government. Therefore a RDAF grant would also require Council and or State funds. Project grants over \$5 million will be required to be matched on at least a dollar for dollar basis. Council has State Government 'Local Government Infrastructure Program' (LGIP) funds in reserve for this purpose.

It should be borne in mind that in Round 3, Council would be competing with 8 municipalities in our region with populations under 30,000 with 5 possible projects to be considered.

In Round 4, Council would be competing with 9 municipalities including City of Greater Geelong for one of the nominated 3 projects.

Our project would likely receive more support if there were a cash contribution from Colac Otway Shire or partners in the project. The estimated maximum available of \$500,000 in the case of a Round 4 application for \$5m would be just 10% of the total project cost. RDAF in the past has favoured projects with dollar for dollar in matching funds. This leads Council Officers to reason that Council has a better chance with a proposal under Round 3 than Round 4.

Council has a number of options, including not making any submission to the RDAF process. Taking all factors into consideration, it is recommended that EoIs be submitted for the CBD and Entrances Project in Round 3 and the Central Reserve Grandstand Redevelopment in Round 4.

The Round 3 proposal provides a genuine chance of succeeding through the EoI process and would compete well with other applications across Australia.

The Round 4 proposal is less likely to succeed, but to nominate another CBD and Entrances Project in this Round would be counterproductive because the same project cannot be submitted to each round of funding. While differences could be drawn it would be unlikely for a highly competitive grant assessment process to recognise this as legitimately different.

### **Proposal**

The proposal supported by this report is that RDAF Eols be submitted for the CBD and Entrances Project in Round 3 and the Central Reserve Grandstand Redevelopment in Round 4.

### **Financial and Other Resource Implications**

If approved for a formal RDAF application matching funds would be required. \$500,000 has been set aside from the Local Government Infrastructure Fund for this purpose. Funds are not set aside for required detailed design work for the CBD and Entrance project if it is successful in the Eol process. The estimated cost of this for the section of the project to be delivered is \$200,000.

### **Risk Management & Compliance Issues**

The risk management issue relevant to submitting a RDAF Eol or an application is that the project should be 'shovel ready' and that funds must be available to match a potential grant.

In the case of the CBD and Entrances project, detailed design works have not been completed and rely on a successful grant application through the State Government Putting Locals First Program (PLFP). The application to PLFP would be for \$100,000 to be matched by a Council contribution of \$100,000.

This amount of Council contribution is not allocated in the Council budget and would need to be assessed through the budget preparation process for the 2013/14 Financial Year. If the PLFP grant application is unsuccessful Council would have to make a decision on whether to fund the detailed design in full. If the grant application is successful Council would have to make a decision on allocation of the matching funds.

### **Environmental and Climate Change Considerations**

There are no environmental considerations relevant to the report. Environmental issues will be considered throughout the completion of the project.

### **Community Engagement**

The community engagement strategy follows the recommendations of the Colac Otway Shire Council Community Engagement Policy of January 2010, which details five levels of engagement – inform, consult, involve, collaborate and empower.

The method selected would be 'Inform' and will be arranged through a media release.

### **Implementation**

If supported by Council the proposal above will be implemented immediately through the RDAF Eol process.

### **Conclusion**

The Regional Development Australia Fund (RDAF) is a competitive opportunity for local governments throughout Australia to apply for funds to complete much needed community infrastructure projects. Colac Otway Shire, like all local governments in rural areas, has many projects that require funding. This report identifies three high priority projects that meet the eligibility requirements for RDAF and have been assessed as the most likely to achieve success through the Eol and application processes.

The CBD and Entrances Master Plan represents a significant piece of strategic and urban planning work that attracted an extremely high level of community interest. Planisphere, in conjunction with Colac Otway Shire, received a commendation at the 2012 Planning Institute of Australia National Planning Awards for Excellence for this project, in the category of 'Best Planning Ideas - Small Projects'. Implementation of the Plan is the number one priority for Otway Business Inc. It is recommended by Council Officers that, for RDAF, the CBD and Entrances project should be the highest priority for Round 3

The proposed RDAF CBD and Entrances projects focus on the inner eastern entrance to the City of Colac. They are in essence the same project scaled to meet possible available funds. The Round 4 proposition includes works not affordable under Round 3 allocations.

It is believed that the highest probability for funding success lies in submitting the Round 3 proposed CBD and Entrances project.

The Central Reserve is recognised as a sporting precinct of regional significance and the redevelopment of the Central Reserve is supported by the G21 Sport and Recreation Pillar. While a grant application could be successful in RDAF Round 3 the high prominence of the precinct and the high cost of the stadium redevelopment lead Council Officers to believe that there is a greater chance of success for the Central Reserve in Round 4.

The redevelopment of the Apollo Bay Harbour has been a Council priority for the last ten years however the Master Plan for this precinct is only broadly scoped and through the imminent Planning Scheme Amendment process a more detailed plan will be developed. Council Officers believe the Harbour would not be a higher community priority than either the CBD and Entrances or the Central reserve proposed projects.

The recommendations in this report have been determined through a rigorous process across Council's Economic Development, Recreation Arts and Culture and Capital Works business units. On the basis of the combined experience and knowledge of key staff in these areas the recommendation to Council is that Eols be submitted for the CBD and Entrances Project in Round 3 and the Central Reserve Grandstand Redevelopment in Round 4.

#### **Attachments**

1. RDAF Table - Rounds 3 and 4

#### **Recommendation(s)**

***That Council applies for RDAF funding consideration through the Eol process for the CBD and Entrances Project in Round 3 and the Central Reserve Grandstand Redevelopment in Round 4.***

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GENERAL BUSINESS

| ITEM | |
|--------------------|---|
| <u>OM122811-15</u> | <u>MINUTES OF COLAC COMMUNITY LIBRARY AND LEARNING CENTRE JOINT COMMITTEE</u> |
| <u>OM122811-16</u> | <u>ASSEMBLY OF COUNCILLORS</u> |

OM122811-15 MINUTES OF COLAC COMMUNITY LIBRARY AND LEARNING CENTRE JOINT COMMITTEE

| | | | |
|-------------|--------------------------------|-----------|-----------|
| AUTHOR: | Colin Hayman | ENDORSED: | Rob Small |
| DEPARTMENT: | Corporate & Community Services | FILE REF: | 11/96218 |

Colac Community Library and Learning Centre (CCLLC) Joint Committee

It has been previously agreed to by Council that the minutes of the Joint Committee should be included in the Council agenda once any confidential items have been identified and the minutes have been confirmed by the Committee.

The minutes of the 15 August 2012 meeting of the Joint Committee are attached.

Attachments

1. Colac Community Library & Learning Centre Joint Committee Minutes - 15 August 2012

Recommendation(s)

That Council notes the minutes of the Colac Community Library and Learning Centre (CCLLC) Joint Committee for 15 August 2012.

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**OM122811-16 ASSEMBLY OF COUNCILLORS**

AUTHOR:	Rhonda Deigan	ENDORSED:	Rob Small
DEPARTMENT:	Executive	FILE REF:	F11/3291

**Assembly of Councillors**

A record must be kept of an assembly of Councillors which lists the Councillors attending, the matters discussed, disclosures of conflict of interest and whether a Councillor left the meeting after making a disclosure.

**Definition**

An “assembly of Councillors” is a defined term under section 76AA of the *Local Government Act 1989* (the Act). It is a meeting at which matters are considered that are intended or likely to be the subject of a Council decision or the exercise of a delegated authority and which is either of the following:

- A meeting of an advisory committee where at least one Councillor is present; or
- A planned or scheduled meeting that includes at least half the Councillors and at least one Council officer.

If a meeting fits either of these types the procedures applying to an assembly of Councillors must be complied with, irrespective of any name or description given to the committee or meeting.

**Advisory Committees**

Section 3(1) of the Act defines an advisory committee to be any committee established by the Council, other than a special committee, that provides advice to:

- the Council; or
- a special committee; or
- a member of Council staff who has been delegated a power, duty or function of the Council under section 98.

**Councillor briefings**

One type of meeting that is clearly an assembly of Councillors is the type of regular meeting, commonly referred to as a “Councillor Briefing” or similar name where Councillors and staff meet to discuss issues that are likely to come before Council for decision. While these meetings have no authority to make Council decisions, they are generally assemblies of Councillors and subject to conflict of interest disclosures.

**What records are to be kept.**

Section 80A of the Act requires that a record must be kept of an Assembly of Councillors which lists:

- the Councillors and members of Council staff attending;
- the matters discussed;
- disclosures of interest (if any are made); and
- whether a Councillor left the meeting after making a disclosure.

It is a requirement that the record of an assembly is to be reported to the next practicable Council meeting and be included in the minutes of that meeting, instead of being made available for public inspection.

The following Assemblies of Councillors have been held:

- Friends of Colac Botanic Gardens 11 October 2012
- Colac Livestock Selling Centre 19 October 2012
- Councillor Briefing Session 24 October 2012
- Councillor Induction Workshop 30 & 31 October 2012
- Pre Statutory Meeting Workshop 31 October 2012
- Councillor Briefing Session 7 November 2012
- Friends of Colac Botanic Gardens Meeting 8 November 2012
- Councillor Workshop 14 November 2012
- Australia Day Advisory Committee Meeting 14 November 2012

#### **Attachments**

1. Friends of Colac Botanic Gardens - 11 October 2012
2. Colac Livestock Selling Centre
3. Councillor Briefing Session - 24 October 2012
4. Councillor Induction Workshop - 30 & 31 October 2012
5. Pre Statutory Meeting Workshop- 31 October 2012
6. Councillor Briefing Session - 7 November 2012
7. Friends of Colac Botanic Gardens
8. Councillor Workshop - 14 November 2012
9. Australia Day Advisory Committee Meeting - 14 November 2012

#### **Recommendation(s)**

***That Council notes the Assembly of Councillors reports for:***

- ***Friends of Colac Botanic Gardens*** 11 October 2012
- ***Colac Livestock Selling Centre*** 19 October 2012
- ***Councillor Briefing Session*** 24 October 2012
- ***Councillor Induction Workshop*** 30 & 31 October 2012
- ***Pre Statutory Meeting Workshop*** 31 October 2012
- ***Councillor Briefing Session*** 7 November 2012
- ***Friends of Colac Botanic Gardens Meeting*** 8 November 2012
- ***Councillor Workshop*** 14 November 2012
- ***Australia Day Advisory Committee Meeting*** 14 November 2012

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NOTICES OF MOTION

| ITEM | |
|-------------|---|
| OM122811-17 | NOTICE OF MOTION - APOLLO BAY AIRFIELD LICENCE AGREEMENT (CR CHRIS SMITH) |

OM122811-18 NOTICE OF MOTION - APOLLO BAY AIRFIELD LICENCE AGREEMENT (CR CHRIS SMITH)

TAKE NOTICE that it is my intention to move at the Ordinary Council Meeting of the Colac Otway Shire to be held on 28 November 2012:

1. *That the two current operators at the Apollo Bay airfield be offered the opportunity to enter into either a three year OR a 3+3+3 licence agreement.*
2. *That the licence SCHEDULE and LICENCE CONDITIONS shall be the same for both operators as the previous licence granted to Apollo Bay Aviation with the commencement date of 1 November 2009 with the following exceptions:*
 - a. *The licence fee rate will be \$3.00/m2 each year*
 - b. *The annual increase in fees will be in line with the Consumer Price Increase (CPI)*
 - c. *That in the case of a 3+3+3 year licence, the licence will continue each three years unless:*
 - i. *There is a breach of the Schedule or Licence Conditions*
 - ii. *Council identifies through an Apollo Bay Airfield Management Plan that there is reason to terminate or alter the licence.*

Recommendation

That Council consider the contents of this Notice of Motion.

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## IN COMMITTEE

### **Recommendation**

***That pursuant to the provisions of Section 89(2) of the Local Government Act, the meeting be closed to the public and Council move “In-Committee” in order to deal with:***

| <b><i>SUBJECT</i></b>                                                                                               | <b><i>REASON</i></b>                                                                                            | <b><i>SECTION OF ACT</i></b>         |
|---------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|--------------------------------------|
| <b><i>Contract 1238 - Retail Electricity &amp; Associated Services (Procurement Australia Tender 1606/0104)</i></b> | <b><i>this matter deals with contractual matters</i></b>                                                        | <b><i>Section 89 (2) (d)</i></b>     |
| <b><i>2013 Colac Otway Shire Australia Day Awards</i></b>                                                           | <b><i>this matter may prejudice the Council or any person</i></b>                                               | <b><i>Section 89 (2) (h)</i></b>     |
| <b><i>Plant and Fleet Assets</i></b>                                                                                | <b><i>this matter deals with personnel matters; AND this matter may prejudice the Council or any person</i></b> | <b><i>Section 89 (2) (a) (h)</i></b> |



**ORDINARY COUNCIL MEETING**  
**WEDNESDAY, 28 NOVEMBER 2012**

**ATTACHMENTS**

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**CHIEF EXECUTIVE OFFICER**

**OM122811-2 Oath of Office**

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**CORPORATE AND COMMUNITY SERVICES**

**OM122811-4 Forrest Men's Shed**

Attachment 1: Licence to Occupy - Forrest Men's Shed, 6 Blundy Street  
Forrest..... 11

Attachment 2: Plan of Site 11

**OM122811-7 Financial Information 2011/2012**

Attachment 1: Financial Information 2011/2012..... 19

Attachment 2: Victorian Auditor-General Financial Sustainability Ratios 55

**OM122811-8 Naming Of Unnamed Road As "Rows Lane" Barongarook West**

Attachment 1: Map - Unnamed Road to be named "Rows Lane" ..... 57

**INFRASTRUCTURE AND SERVICES**

**OM122811-9 Declaration of Road as Unused - Road Abutting 190 Springs  
Road, Yeo**

Attachment 1: Locality Plan ..... 59

Attachment 2: Title Plan 61

**OM122811-11 Proposed Lease Agreement – 5 Beech Forest Lavers Hill Road, Beech Forest**

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**OM122811-12 Wye River Parking - Morley Avenue, Wye River**

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**SUSTAINABLE PLANNING AND DEVELOPMENT**

**OM122811-13 COLAC MARKETING BRAND**

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**GENERAL BUSINESS**

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**OM122811-16 Assembly of Councillors**

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**ORDINARY COUNCIL MEETING**  
**WEDNESDAY, 28 NOVEMBER 2012**

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**SUSTAINABLE PLANNING AND DEVELOPMENT**

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**GENERAL BUSINESS**

**OM122811-15 Minutes of Colac Community Library and Learning Centre Joint Committee**

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**Oath of Office**

**Local Government Act 1989 - SECT 63(1)**

I will undertake the duties of the office of Councillor in the best interests of the people in the municipal district of the Colac Otway Shire and faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the *Local Government Act 1989* or any other Act to the best of my skill and judgment.

Full Name: Brian Leslie Paul Crook

Signed: [Signature]

Before Me: [Signature]  
Rob Small, Chief Executive Officer

Dated: 29/10/2012

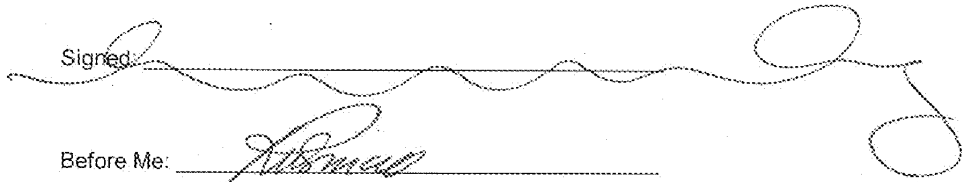


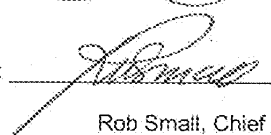
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Full Name: Michael David Delaney

Signed: 

Before Me:   
Rob Small, Chief Executive Officer

Dated: 07 Nov 2012





**Oath of Office**

**Local Government Act 1989 - SECT 63(1)**

I will undertake the duties of the office of Councillor in the best interests of the people in the municipal district of the Colac Otway Shire and faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the *Local Government Act 1989* or any other Act to the best of my skill and judgment.

Full Name: STEPHEN LESLIE HART

Signed: SLH

Before Me: [Signature]  
Rob Small, Chief Executive Officer

Dated: 29/10/2012



Oath of Office

Local Government Act 1989 - SECT 63(1)

I will undertake the duties of the office of Councillor in the best interests of the people in the municipal district of the Colac Otway Shire and faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the *Local Government Act 1989* or any other Act to the best of my skill and judgment.

Full Name: Michael McCrickard

Signed: [Signature]

Before Me: [Signature]  
Rob Small, Chief Executive Officer

Dated: 29/10/2012



Oath of Office

Local Government Act 1989 - SECT 63(1)

I will undertake the duties of the office of Councillor in the best interests of the people in the municipal district of the Colac Otway Shire and faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the *Local Government Act 1989* or any other Act to the best of my skill and judgment.

Full Name: LYNETTE EVELYN ROSS ELL

Signed: *Lynette E Russell*

Before Me: *Rob Small*  
Rob Small, Chief Executive Officer

Dated: 29/10/2012



Oath of Office

Local Government Act 1989 - SECT 63(1)

I will undertake the duties of the office of Councillor in the best interests of the people in the municipal district of the Colac Otway Shire and faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the *Local Government Act 1989* or any other Act to the best of my skill and judgment.

Full Name: CHRIS SMITH

Signed: [Signature]

Before Me: [Signature]  
Rob Small, Chief Executive Officer

Dated: 29/10/2012



Oath of Office

Local Government Act 1989 - SECT 63(1)

I will undertake the duties of the office of Councillor in the best interests of the people in the municipal district of the Colac Otway Shire and faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the *Local Government Act 1989* or any other Act to the best of my skill and judgment.

Full Name: Terrence Ronald Woodcock

Signed: [Signature]

Before Me: [Signature]  
Rob Small, Chief Executive Officer

Dated: 29/10/2012



## LICENCE to OCCUPY and USE SHED LOCATED AT 6 BLUNDY ST, FORREST

**Licensor: Colac Otway Shire**

**Licensee: Forrest Men's Shed Inc.**

### ***Grant of Licence***

This licence is granted by:-

Colac Otway Shire of 2-6 Rae Street, COLAC Vic 3250 (the Licensor)

to:-

Forrest Men's Shed Incorporated (the Licensee).

for the purposes referred to in Item 6 in Schedule 1 attached hereto.

The Licence is granted subject to the conditions set out hereunder.

### ***Conditions***

#### ***1. Basic Obligations***

##### **The Licence**

1.1 The licence pertains to the shed located on the property described in Item 1 of Schedule 1 for the term stated in item 2 of Schedule 1.

##### **Quiet Enjoyment**

1.2 The Licensee is entitled to quiet enjoyment of the premises described in Schedule 1 and may occupy such premises free of interruption or interference from the Licensor or anyone claiming to be or representing the Licensor.

##### **Duty to Pay Licence Fee**

1.3 The Licensee must pay the Licensor the Licence fee stated in Item 5 of Schedule 1.

#### ***2. Other Payments***

##### **Rates and Taxes**

2.1 The Licensee must pay all rates, levies, assessments and taxes imposed by any authority in relation to the property described in Item 1 of Schedule 1, with the exception of rates levied by the Colac Otway Shire. The Licensee will however be required to pay the annual Waste Management Charge Levied by the Colac Otway Shire if such charge is levied.

##### **Service /Utility Charges**

2.2 The Licensee must pay the charges levied for all utility services used or supplied to the subject land and will arrange at their own cost for separate meters to be installed prior to the commencement of the Licence.

##### **Legal Costs**

2.3 Each party will be responsible for payment of their own costs in connection with the preparation and execution of this Licence.

### **3. Comply with Laws and Severability**

- 3.1 This Licence is governed by the laws of the State of Victoria.
- 3.2 The Licensee must comply, at the Licensee's expense, with any law, statute or other requirement that affects this licence or the Licensee's occupation of the property. This includes ensuring that all employees, contractors and agents of the Licensee comply with all laws and statutes.
- 3.3 If a clause or part of a clause can be interpreted in a way that makes it illegal, unenforceable or invalid, but can also be interpreted in a way that makes it legal, enforceable and valid, it should be interpreted in the latter way. Any clause or part of a clause that is illegal, unenforceable or invalid shall be treated as being removed from this lease without affecting the rest of the Licence.

### **4. Premises**

#### **Purpose and Use of the Premises**

- 4.1 The Licensee must use the property and premises located thereon for the purpose stated in Item 6 of Schedule 1. The property and/or premises shall not be used for any other purpose without the written consent of the landlord and any relevant permits having been obtained.
- 4.2 The Licensee shall provide at their own cost all necessary tools, equipment, safety gear and materials required in connection to the purpose for which the premises is to be used
- 4.3 The buildings, fixtures and fittings located in the property shall be maintained in good working order by the Licensee at their own cost.
- 4.4 The fixtures and fittings shall be insured appropriately by the Licensee who shall maintain such insurance coverage at all times.
- 4.5 The Licensee shall ensure that all tools and equipment used in connection with the purposes for which the premises is to be used are regularly maintained in good working order and that all safety features required by Australian Standards at that point in time are provided and operable.

### **5. Liability and Indemnity**

#### **Exclusion of Liability**

- 5.1 The Licensor is not liable for any damage or loss to any property, or injury to any person, no matter how it occurs, except to the extent that the Licensor or someone acting for or on behalf of the Licensor is responsible for causing such damage, loss or injury, whether by intention or negligence.

#### **Indemnity**

- 5.2 The Licensee must continually indemnify the Licensor against any liability, loss, damage or expense arising for any reason as a result of the Licensee's occupancy of the property.
- 5.3 Such indemnity does not extend to any liability, loss, damage or expense arising for any reason as a result of actions or omissions by the Licensor or someone acting for or on behalf of the Licensor.
- 5.4 The Licensee must provide proof they have adequate insurance coverage for appropriate types of insurance relevant to the occupancy of the property, in particular public liability insurance.

### **6. Extension of Licence**

#### **Licensee's Right for Extension**

- 6.1 The Licensee has no right to exercise an option for the term of this licence.
- 6.2 Any option specified in Item 2 of Schedule 1 will be exercised at the discretion of the Licensor after consultation with the tenant. Such option shall however not unreasonably



be withheld by the Licensor if the terms of this Licence have been met and complied with by the Licensee, provided the subject property is not required for use by the Licensor.

- 6.3 Consultation regarding the exercise of an option for the term of this licence can be initiated by either party, but shall not be considered by the Licensor any earlier than six months before the expiration of the current term.

#### **Terms Applicable to An Extension of Term**

- 6.4 The extension of term granted by exercising an option referred to in Item 2 of Schedule 1 will be limited to the period of time referred to in the aforesaid item. The terms and conditions applicable to the extension term will be the same as those applicable to the initial term of the licence.

#### **Occupying Property After Expiration of Licence Period**

- 6.5 If for any reason the Licensee occupies the property after the expiration of the licence, (including options referred to in Item 2 of Schedule 1), the Licensee will continue to occupy the property on the following basis:-
- The Licence will be considered as a yearly Licence
  - The conditions applicable to this Licence shall apply to the period of continued occupancy
  - Either party may terminate the Licence by giving the other not less than eight weeks written notice.

### **7. Termination of Licence**

#### **Licensor's Entitlement to Terminate Licence**

- 7.1 The Licensor may terminate this licence at any time by giving the Licensee not less than eight weeks written notice of its intention.
- 7.2 Such notice shall only be given if any of the following occurs:-
- The Licensee has breached any obligation under this licence and fails to rectify such breach within the timeframe specified in writing by the Licensor or its agent in which to do so
  - The Licensee goes into liquidation, becomes bankrupt, insolvent or ceases to exist.

### **8. Licensee's Duties When Vacating Property**

- 8.1 The Licensee must ensure the property including buildings, fixtures and fittings are left in clean and operable condition (where appropriate). All rubbish and items of disused machinery, metal or any other material that is not affixed to the property is to be removed at the cost of the Licensee.
- 8.2 At the expiration of the licence or any extension term granted, or upon termination of the licence for any reason, all buildings, fixtures and fittings situated on the property that are owned or were provided by the Licensor remain the property of the Licensor
- 8.3 At the expiration of the licence or any extension term granted, or upon termination of the licence for any reason, all buildings, fixtures and fittings situated on the property that are owned or provided by the Licensee remain the property of the Licensee and must be removed from the property at the Licensee's cost and in accordance with the wishes of the Licensor.

### **9. Assignment of Licence**

- 9.1 The Licensee shall not assign the licence to another party.

**10. Breach of Licence**

- 10.1 If the Licensee breaches any obligation under this licence, the licensor may give the Licensee written notice of such breach and require the Licensee to rectify the breach within a time frame the Licensor considers reasonable, being not less than twenty eight (28) days.
- 10.2 The timeframe for rectification of breaches will as much as possible be determined in consultation with the Licensee however the Licensor maintains the right to arbitrarily specify a timeframe if an agreed timeframe cannot be reached with the Licensee.
- 10.3 If the Licensee fails to take remedial action within the required timeframe, the Licensor may arrange for such action to be taken and the cost incurred by the Licensor is to be reimbursed by the Licensee.
- 10.4 Any other right of the Licensor is not affected.

**11. Responsibility in Relation to Clients, Employees, Contractors etc**

- 11.1 The Licensee shall ensure that all employees, agents, contractors and all other people accessing the property do not do or fail to do anything on the premises that would, if the Licensee did or failed to do such action, would constitute a breach of the licence.
- 11.2 The Licensee shall ensure that all employees, agents, contractors and all other people accessing the property do not conduct any illegal activities on the property.
- 11.3 The Licensee shall ensure that all people attending the property for the purposes of engaging in minor carpentry and /or metalwork projects are suitably skilled to operate relevant tools and/or machinery required for such projects and use all safety features of such equipment when equipment or tools are being used
- 11.4 In addition to clause 11.3 above, the Licensee shall ensure that all people attending the property for the purposes of engaging in minor carpentry and /or metalwork projects wear appropriate protective safety gear at all times when engaging in these activities. Such gear shall at all times comply with relevant Australian Standards at that point in time.
- 11.5 The Licensee shall ensure that all contractors accessing the property for the purpose of conducting maintenance to the property are suitably qualified and experienced and conduct all necessary work in accordance with relevant building regulations, Australian Standards and industry codes of practice that apply at that time.
- 11.6 The Licensee shall obtain the Licensor's approval for any maintenance work to be undertaken prior to arranging for a contractor to do such work. The Licensee shall advise the Licensor when the works are completed so they may be inspected by the Licensor if required.
- 11.7 The Licensor will not unreasonably withhold approval for any required maintenance works to be undertaken provided the requirements of clause 11.5 are satisfied.

**12. Issue of Notices**

- 12.1 All notices issued to either party shall be posted to the address specified in Items 8 and 10 of Schedule 1 of this Licence (as appropriate).
- 12.2 It is the obligation of the parties to ensure the other party is advised in writing of any change of mailing address.
- 12.3 A notice will be deemed to have been served if it has been delivered by hand and left at the current mailing address or if sent by post, after the expiration of two business days
- 12.4 Where practicable, email advice of the posting of the notice should also be sent to the other party to make them aware the notice is being posted or delivered.

**13. Interest on Overdue Amounts**

- 13.1 The Licensee will be required to pay interest on any money that is due to the Licensor but not paid by the due date. Interest will be calculated daily and compounded monthly and shall be calculated from the due date until the outstanding amount is paid in full. The rate

of interest applicable shall be the penalty rate of interest applicable for the time being as set under the Penalty Interest Rates Act 1983.

- 13.2 Clause 12.2 shall not apply in relation to unpaid Waste Management Charge or any municipal rates and charges levied by the Colac Otway Shire. Interest on outstanding amounts in this instance shall be applied as prescribed by the Local Government Act 1989.

**14. Good and Services Tax (GST)**

- 14.1 If a party makes a taxable supply in connection with this licence for a consideration which represents the value of the supplied item, the party liable to pay for the taxable supply must also pay at the same time and in the same manner as the value, the amount of any GST payable in respect of that taxable supply.
- 14.2 Unless otherwise stated, the consideration payable by any party under this lease represents the value of any taxable supply for which payment is to be made.
- 14.3 A party's right to payment is subject to a valid tax invoice being issued to the party liable to pay for the taxable supply.

**15. Execution of Licence**

The parties having read and understood the terms and conditions of this licence agree to such terms and conditions and affix their signatures hereto:-

**Signed for and on behalf of the Colac Otway Shire:-**

..... **Chief Executive Officer**  
**Rob Small Colac Otway Shire**

**Signed for and on behalf of the Forrest Men's Shed Inc. by the delegated representative:-**

..... (Signature of representative)

**Name of Representative:** .....

**Address:**

**Dated the .....day of .....2012**

## Schedule 1

| <b>Item No:</b> | <b>Type of Item</b>                         | <b>Details</b>                                                                                                                                                                                                                   |
|-----------------|---------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1</b>        | <b>Property</b>                             | The property is addressed as 6 Blundy St, FORREST and is described as being Crown Allotment 4 Section A , Township of Forrest.<br><br>The subject land to which this licence relates is shown on the attached plan.              |
| <b>2</b>        | <b>Term of Licence</b>                      | Seven years with two options for an additional seven years each.<br><br>The options are renewable at the licensor's discretion.                                                                                                  |
| <b>3</b>        | <b>Commencement Date of Licence</b>         | 1 January 2013                                                                                                                                                                                                                   |
| <b>4</b>        | <b>Expiry Date of Licence</b>               | 31 December 2019                                                                                                                                                                                                                 |
| <b>5</b>        | <b>Rent Payable</b>                         | \$1.00 per annum payable in advance upon signing of the licence (if requested).                                                                                                                                                  |
| <b>6</b>        | <b>Use of Property</b>                      | The property is to be used as a social meeting place for men and to conduct minor carpentry and metalwork projects.                                                                                                              |
| <b>7</b>        | <b>Licensor</b>                             | Colac Otway Shire                                                                                                                                                                                                                |
| <b>8</b>        | <b>Address of Licensor</b>                  | PO Box 286, COLAC Vic 3250<br><br>Office located at 2-6 Rae St, COLAC Vic 3250                                                                                                                                                   |
| <b>9</b>        | <b>Licensee</b>                             | Forrest Mens Shed Incorporated                                                                                                                                                                                                   |
| <b>10</b>       | <b>Address of Licensee</b>                  | 6 Blundy Street, FORREST Vic 3236                                                                                                                                                                                                |
| <b>11</b>       | <b>Maintenance Responsibility</b>           | The licensee is responsible for maintaining:-<br>- all buildings, fixture and fittings located on the demised land. and<br>- the immediate physical surrounds of the subject property including the surrounding fence and gates. |
| <b>12</b>       | <b>Responsibility for Rates and Charges</b> | The licensee is responsible for payment of :-<br>- Waste Management Charge levied by Colac Otway Shire<br>- any taxes, charges or rates levied by other authorities.                                                             |
| <b>13</b>       | <b>Insurance</b>                            | The licensee is responsible to their own building contents insurance, public liability insurance, profession indemnity insurance and shall indemnify the landlord from any and all claims against it.                            |







# FINANCIAL INFORMATION

## 2011/2012

November 2012

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## 1. INTRODUCTION

### FINANCIAL INFORMATION

A report including a variety of financial information was first prepared in 2006 and has been updated on an annual basis.

#### PART 1

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2. KEY FINDINGS AND RECOMMENDATIONS
3. INFORMATION
  - A. Colac Otway Shire Data 2004/2005 to 2011/2012
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### STRATEGIC RESOURCE PLAN (SRP)

The following are the key project outcomes:

- Greater accuracy, consistency and reliability in recording and evaluating financial and technical infrastructure information;
- Better understanding of longer term financial sustainability position;
- Improved focus and funding of alternative service options and methods;
- Alignment between the financial and technical aspects of infrastructure management – a “Whole of Council” approach;
- Provision of a strong reliable information base for supporting any case to State and Federal Governments justifying targeted financial assistance; and
- Increased understanding by senior management and Councillors of long-term financial sustainability position.

The SRP includes information on the following:

- Link between Strategic Resource Plan and Council Plan
- Financial Sustainability
- Long-Term Borrowing Strategies
- Statutory and other Reserves
- Rating and other Revenue Strategies
- Asset Management
- Capital Works Programme
- Service Provision and Planning<sup>2</sup>
- Strategic Financial Plan

The SRP includes Council’s key strategic directions on each of these items.

### **PURPOSE OF THE SRP**

Council is required to prepare a SRP under Section 126 of the *Local Government Act (1989)*.

The purpose of the SRP is to:

- Establish a financial framework over the next 4 years to ensure Council's strategic objectives, as expressed in its Council Plan, are achieved;
- Provide an assessment of the resources (financial and non-financial) required to accomplish the objectives and strategies included in the Council Plan (non-financial resources are assumed to include human resources and Council's asset base, which are all referred to in various parts of the SRP);
- Establish a basis to measure Council's adherence to its policies and strategies; and
- Assist Council to comply with sound financial management principles, in accordance with the Local Government Act (1989) and to plan for the long-term financial sustainability of the municipality.

### **SRP OBJECTIVES**

The 2011-15 SRP is intended to achieve the following objectives in the 4-year time frame:

- Maintain the existing range and level of service provision and develop the capacity to grow and add new services;
- Maintain a strong cash position, ensuring Council remains financially sustainable in the long-term;
- Achieve underlying surpluses from operations;
- Maintain debt levels below prudential guidelines;
- Continue to pursue ongoing grant funding for strategic capital funds from the state and federal governments;
- Provide for rate increases that establish a funding level for a sustainability index of 100 percent, including increasing funding for capital works (asset renewal, expansion, upgrade) and asset maintenance; and
- Ensure critical renewal is funded annually over the timeframe of the SRP.

### **TIMING**

For 2012/2013 the following documents were considered at the same time:

- Draft Budget
- Revised Council Plan
- Strategic Resource Plan
- Long Term Financial Plan

This ensured consistency in the figures that are included in the various documents.

The SRP financial statements were prepared using the latest Budget 2012/13 information.

## **LONG TERM FINANCIAL PLAN (LTFP)**

The Long Term Financial Plan for 2012/2013 to 2021/2022 establishes a financial framework over the next 10 years to ensure Council's strategic objectives are achieved.

### **CONTENTS OF THE LTFP**

The LTFP includes sections on:

- Link between Long Term Financial Plan and Council Plan
- Financial Sustainability
- Long-term Borrowing Strategies
- Statutory and other Reserves
- Asset Management
- Service Provision and Planning
- Long Term Financial Plan

### **PURPOSE OF THE LTFP**

The purpose of the Long Term Financial Plan (LTFP) is to:

- Establish a financial framework over the next ten (10) years to ensure Council's strategic objectives are achieved;
- Provide an assessment of the resources (financial and non-financial) required to accomplish these objectives and strategies;
- Provide a basis for consecutive councils to establish and monitor longer term visions;
- Establish a basis to measure Council's adherence to its policies and strategies; and
- Assist Council to comply with sound financial management principles, in accordance with the *Local Government Act (1989)* and to plan for the long-term financial sustainability of the municipality.

### **LTFP OBJECTIVES**

The 2011-12 iteration of the LTFP is intended to achieve the following objectives in the 10-year time frame. It should be noted that these objectives are consistent with those in the Strategic Resource Plan:

- Maintain the existing range and level of service provision and develop the capacity to grow and add new services;
- Maintain a strong cash position, ensuring Council remains financially sustainable in the long-term;
- Achieve operating statement surpluses with the exclusion of all non-operational items such as granted assets and capital income;
- Maintain debt levels below prudential guidelines;
- Continue to pursue recurrent grant funding for strategic capital funds from the state and federal government;
- Provide for rate increases that establish a funding level for a sustainability and investment gap elimination, including increasing funding for capital works (asset renewal, expansion, upgrade) and asset maintenance; and
- Ensure critical renewal is funded annually over the timeframe of the LTFP.

**ANNUAL REVIEW OF LTFP**

Given the many and varied possible changes that may impact on Council's position over the next ten years it is vital that this plan be reviewed on an annual basis.

The challenge for Council, in the short-term, is to fund the appropriate level of investment in the community's assets and simultaneously accommodate the pressures of growth, including new capital investment and expanded service provision.

The other related issues are the risks and liabilities that Council and the community face if Council does not invest in asset renewal at an adequate rate.

The LTFP establishes the strategic financial direction for Council to meet the funding and investment challenges that lie ahead in the next 10-years. The LTFP is prepared in conjunction with the SRP and Council Plan to ensure the affordability of activities included in the Council Plan.

## 2. KEY FINDINGS AND RECOMMENDATIONS

The report and information available indicates that Colac Otway Shire is addressing a number of challenges that face Council.

Over the last 7 years there has been an increased emphasis on key challenges to ensure that Colac Otway achieves certain targets as soon as possible to ensure that the Council's financial position is improved.

- Increased asset renewal and maintenance spending;
- Moving from operating deficits to operating surpluses.

It is also critical that levels of liquidity and debt are continually reviewed and managed responsibly.

The need to improve Council's financial position has been supported by increased and improved data and information both internally eg. Infrastructure Renewal analysis and externally eg MAV, Price Waterhouse etc.

Even though different organisations use different measures the messages are consistent with respect to Infrastructure Renewal and Operating Deficits.

### COMPARISONS

This report provides a picture of the financial situation of the Colac Otway Shire and how the Shire compares with other Councils of similar size ie. Large Rural Shire grouping.

The data that is available indicates that as at 30 June 2012, Colac Otway compares well with the Average of Large Rural Councils in most categories/key performance indicators.

The main areas for ongoing review that are being addressed are:

- The underlying operating deficit;
- The level of capital expenditure;
- The level of debt;
- The level of cash; and
- Asset lives and depreciation.

The continued emphasis on these aspects will continue to ensure that Colac Otway improves its financial position.

It is also important that a review of useful lives of assets and depreciation rates is undertaken as the level of depreciation is high compared with like Councils.

**RECOMMENDATIONS**

1. **Strategic Resource Plan**  
*That the Strategic Resource Plan continues to be reviewed on an annual basis to ensure that it reflects the current financial position of Council.*
2. **Long Term Financial Plan**  
*That the Long Term financial Plan is reviewed and updated on an annual basis.*
3. **Updating Data**  
*That the data in the report is updated on an annual basis to ensure that the steps that have been taken are recorded to develop a greater understanding of trends both positive and negative.*
4. **Underlying Deficit**  
*That emphasis continues to be placed on achieving an Underlying Surplus on an ongoing basis.*
5. **Useful Lives of Assets**  
*That a review is undertaken of the useful lives of assets and depreciation rates on a regular basis.*
6. **Debt Management**  
*That Council continues to assess its borrowing capacity against the Prudential Guidelines set by State Government and the Long Term Financial Plan.*
7. **Financial Sustainability Indicators**  
*That Council continues to monitor the various indicators with respect to Financial Sustainability.*

### **3. INFORMATION**

#### **A - Colac Otway Shire Data 2004/2005 to 2011/2012**

Includes financial data for the period 2004/2005 to 2011/12 and a snapshot of the last 4 years of:

- Expenditure (Operating)
- Depreciation
- Revenue
- Rates and Charges
- Grants
- Operating Surplus (Deficit)
- Assets
- Loan Liability

#### **B - Colac Otway Shire - Indicators/Ratios 2004/2005 to 2011/2012**

The ratios listed include 5 that are included in the financial statements and another 6 that are part of the Indicators required to be reported by the Victorian Local Government Department.

#### **C - Staff Numbers and Salary Expenditure 2010/2011**

Provides details of staff numbers and Salary Expenditure for 2010/2011 for the Large Shire Grouping of Councils.

The information has been obtained from Annual Reports where available on the Internet. Not all staffing information re. staff numbers and EFT's has been obtained.

#### **D - Staff Numbers and Salary Expenditure 2011/2012**

Provides details of staff numbers and salary expenditure for 2011/12 for the Large Shire Grouping of Councils.

The information has been obtained from Annual Reports where available on the Internet. Not all staffing information re. staff numbers and EFT's has been obtained.

The figures provide a guide only, as they do not tell the full story.

#### **E - Large Shire Grouping 2010/11 and 2011/2012**

The information provides a variety of indicators of the Large Shire Grouping of 16 Councils.

**F - Financial and Other Indicators**

The information provides data for 2011/12 and a comparison against the average of the Large Rural Councils over a broad range of information.

**G – Debt Management/Borrowings**

The information provides details on debt management and details of Council's borrowings.

**H – Financial Sustainability Indicators**

The information provides further details on the Victorian Auditor-General's Financial Sustainability Indicators.



**A – COLAC OTWAY SHIRE DATA 2004/2005 TO 2011/12**

The following table provides data on various financial categories for the period from 2004/2005 to 2011/12 (8 year period).

Also included in this section is a snapshot in graph form of the last 4 years of:

- Expenditure (Operating)
- Depreciation
- Revenue
- Rates and Charges
- Grants
- Operating Surplus (Deficit)
- Assets
- Loan Liability

**WHAT DOES THE DATA SHOW?**

**INCOME**

|                                | 2004/05<br>\$'000 | %          | 2011/12<br>\$'000 | %          |
|--------------------------------|-------------------|------------|-------------------|------------|
| Rates & Charges                | 12,305            | 40         | 21,789            | 50         |
| Grants                         | 9,397             | 30         | 15,824            | 36         |
| User Charges, Fees & Fines     | 4,086             | 13         | 4,046             | 9          |
| Reimbursements & Contributions | 1,670             | 5          | 1,116             | 3          |
| Interest Income                | 386               | 1          | 590               | 1          |
| Other                          | 3,420             | 11         | 235               | 1          |
| <b>Total</b>                   | <b>31,264</b>     | <b>100</b> | <b>△43,600</b>    | <b>100</b> |

△Excludes contributions – Port of Apollo Bay

**OVER THE 8 YEAR PERIOD 2004/05 TO 2011/12**

**INCOME**

|                   |              |       |
|-------------------|--------------|-------|
| Total Income      | increased by | 39.5% |
| Rates and Charges | increased by | 77.1% |
| Grants            | increased by | 68.4% |

**EXPENSES**

|                      |              |       |                                   |
|----------------------|--------------|-------|-----------------------------------|
| Total Expenses       | increased by | 17.2% | (excluding super-additional call) |
| Employee Costs       | increased by | 78.1% |                                   |
| Depreciation         | increased by | 20.8% |                                   |
| Finance Costs        | increased by | 10.4% |                                   |
| Materials & Services | increased by | 24.3% |                                   |

**CAPITAL WORKS**

The 2011/12 total Capital Works is 98.3% higher than 2004/2005.

In 2004/05 Capital Works of \$5.8m were undertaken. For 2011/12 Capital Works of \$11.5m were undertaken.

**EMPLOYEE PROVISIONS**

|                    | 2004/2005<br>\$'000 | 2011/2012<br>\$'000 |
|--------------------|---------------------|---------------------|
| Annual Leave etc.  | 674                 | 1,306               |
| Long Service Leave | 1,109               | 2,336               |
| <b>Total</b>       | <b>2,892</b>        | <b>3,642</b>        |

Annual Leave provisions have increased by 93.8% while Long Service Leave Provisions have increased by 110.6%.

The provisions in 2011/12 include oncosts for superannuation and workcover. Oncosts were not included in 2004/05.

**STAFF NUMBERS**

Total Expenditure (Operating and Capital) has increased 39.6% over the 8 year period.

|              | 2004/05<br>\$'000 | 2011/12<br>\$'000 |
|--------------|-------------------|-------------------|
| Operating *  | 30,497            | 39,192            |
| Capital      | 5,778             | 11,464            |
| <b>Total</b> | <b>36,275</b>     | <b>50,656</b>     |

\*Excludes unfunded Superannuation and Landfill Rehabilitation

Staff numbers have increased (excludes vacant positions):

|       |                  |                                |
|-------|------------------|--------------------------------|
| Total | 23.7% (increase) | (2011/12 - 360* 2004/05 - 291) |
| EFT   | 17.1% (increase) | (2011/12 - 219* 2004/05 - 187) |

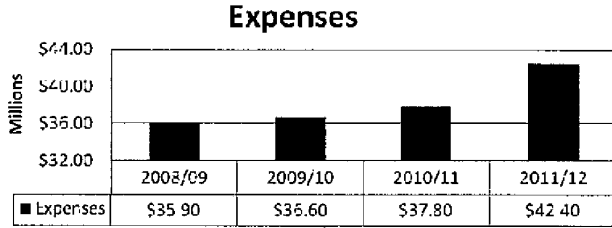
\* The EFT for 2011/12 is based on annual hours worked in each unit.

**A - COLAC OTWAY SHIRE DATA 2004/2005 TO 2011/12**

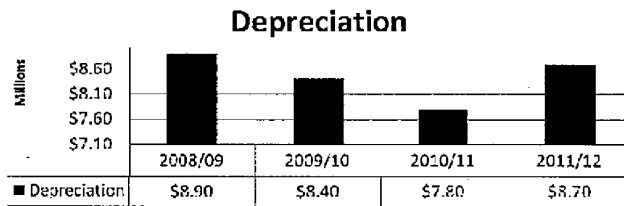
|                                                    | 2004/05 | 2005/06 | 2006/07 | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 |
|----------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Income \$'000                                      | 31,264  | 31,042  | 31,791  | 32,950  | 37,771  | 39,126  | 41,091  | 43,600  |
| Expenses \$'000                                    | 33,439  | 29,303  | 30,816  | 32,271  | 35,926  | 36,551  | 37,849  | 42,374  |
| Net Surplus/(Deficit) \$'000                       | (2,175) | 1,739   | 975     | 679     | 1,845   | 2,575   | 3,242   | 1,226   |
| Rates & Charges \$'000                             | 12,305  | 13,198  | 14,748  | 16,384  | 17,602  | 18,559  | 20,465  | 21,789  |
| Increase on Previous Year                          | 5%      | 7.3%    | 11.7%   | 11.1%   | 7.4%    | 5.4%    | 10.3%   | 6.5%    |
| Grants \$'000                                      | 9,397   | 11,534  | 9,635   | 10,818  | 13,066  | 12,276  | 14,322  | 15,824  |
| Employee Expenses \$'000<br>(excluding Super call) | 8,643   | 8,987   | 9,577   | 10,058  | 11,250  | 12,387  | 14,311  | 15,390  |
| Depreciation \$'000                                | 7,173   | 7,545   | 7,435   | 7,508   | 8,902   | 8,409   | 7,783   | 8,665   |
| Capital Works \$'000                               | 5,778   | 8,536   | 8,292   | 8,968   | 8,027   | 12,892  | 11,400  | 11,464  |
| Assets \$'000                                      | 198,462 | 207,058 | 208,010 | 237,186 | 247,927 | 253,852 | 253,956 | 287,274 |
| Cash \$'000                                        | 8,021   | 8,114   | 6,988   | 6,412   | 9,651   | 9,762   | 10,775  | 13,613  |
| Loans and Borrowings \$'000                        | 4,333   | 3,923   | 3,466   | 2,980   | 2,462   | 4,157   | 4,845   | 4,188   |
| Employee Provisions \$'000                         | 1,797   | 2,029   | 2,095   | 2,031   | 2,311   | 3,020   | 3,187   | 3,642   |
| Staff Nos - Total                                  | 291     | 290     | 288     | 289     | 287     | 331     | 324     | 360     |
| - EFT                                              | 187.2   | 183.9   | 185     | 186     | 189     | 211.8   | 212     | 219     |

**SNAPSHOT – LAST 4 YEARS**

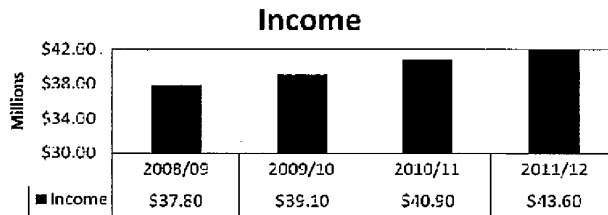
|                 |         |
|-----------------|---------|
| <b>Expenses</b> |         |
| 2008/2009       | \$35.9m |
| 2009/2010       | \$36.6m |
| 2010/2011       | \$37.8m |
| 2011/2012       | \$42.4m |



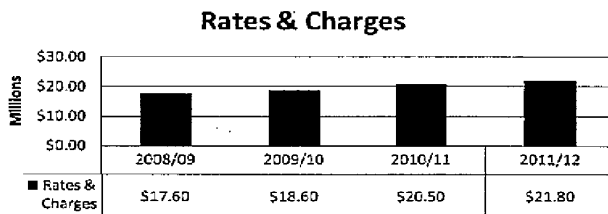
|                     |        |
|---------------------|--------|
| <b>Depreciation</b> |        |
| 2008/2009           | \$8.9m |
| 2009/2010           | \$8.4m |
| 2010/2011           | \$7.8m |
| 2011/2012           | \$8.7m |



|               |         |
|---------------|---------|
| <b>Income</b> |         |
| 2008/2009     | \$37.8m |
| 2009/2010     | \$39.1m |
| 2010/2011     | \$40.9m |
| 2011/2012     | \$43.6m |

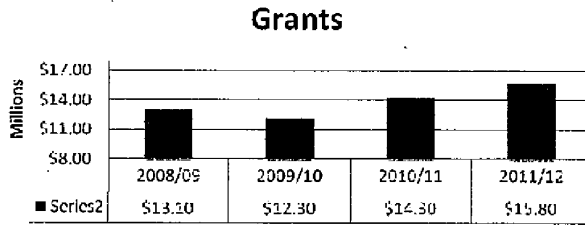


|                            |         |
|----------------------------|---------|
| <b>Rates &amp; Charges</b> |         |
| 2008/2009                  | \$17.6m |
| 2009/2010                  | \$18.6m |
| 2010/2011                  | \$20.5m |
| 2011/2012                  | \$21.8m |



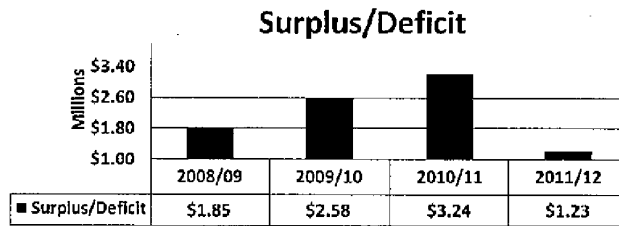
**Grants**

|           |         |
|-----------|---------|
| 2008/2009 | \$13.1m |
| 2009/2010 | \$12.3m |
| 2010/2011 | \$14.3m |
| 2011/2012 | \$15.8m |



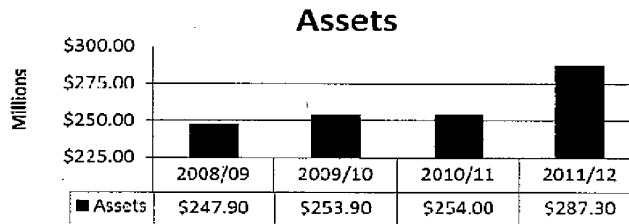
**Surplus/Deficit**

|           |                                 |
|-----------|---------------------------------|
| 2008/2009 | \$1.85m Surp                    |
| 2009/2010 | \$2.58m Surp                    |
| 2010/2011 | \$3.24 m Surp<br>(excluding AB) |
| 2011/2012 | \$1.23m Surp                    |



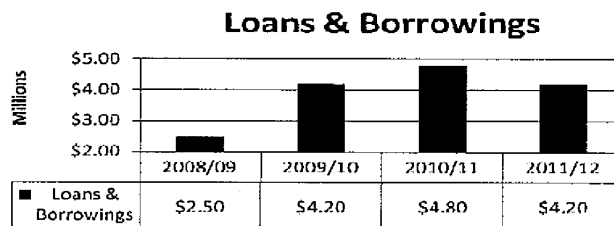
**Assets**

|           |          |
|-----------|----------|
| 2008/2009 | \$247.9m |
| 2009/2010 | \$253.9m |
| 2010/2011 | \$254.0m |
| 2011/2012 | \$287.3m |



**Loans and Borrowings**

|           |        |
|-----------|--------|
| 2008/2009 | \$2.5m |
| 2009/2010 | \$4.2m |
| 2010/2011 | \$4.8m |
| 2011/2012 | \$4.2m |



## **B - SHIRE INDICATORS/RATIOS 2004/2005 TO 2011/2012**

The ratios listed include 5 that are included in the financial statements, another 6 that are part of the Indicators reported by the Victorian Local Government Department and 5 from the Victorian Auditor General.

### **DEBT SERVICING RATIO**

Between 2004/05 and 2009/10 there was a steady decrease in the ratio.

The ratio increased in 2010/11 and 2011/12 as a result of the loan borrowing program undertaken.

### **DEBT COMMITMENT RATIO**

Between 2003/04 and 2009/10 there was a steady decrease in the ratio.

The ratio has increased in 2010/11 and 2011/2012 as a result of the loan borrowing program undertaken.

### **DEBT EXPOSURE RATIO**

The ratio has increased from 21.5% in 2004/2005 to 21.6% in 2011/12.

If the Unfunded Superannuation liability was excluded the % for 2011/2012 would reduce to 17.5%.

### **REVENUE RATIO**

The ratio has increased to 50% in 2011/12.

This has increased from 39.4% in 2004/05.

A Pricewaterhouse Coopers report indicates that where rates are less than 40% of Council revenue, there is an indication that own-source revenue generating capacity is constrained and that the Council is likely to have a degree of dependence on grants from other levels of government.

For the last four years the ratio has averaged 45.1%

### **WORKING CAPITAL RATIO**

The ratio has increased over the past few years as a result of grants received in advance and works incomplete as at 30 June. For 2011/12 the ratio is 273.0%.

Grants received in advance for 2011/12 are \$4.0m.

The aim is to have a ratio of at least 150% or 1.5:1.

### **VICTORIAN LOCAL GOVERNMENT DEPARTMENT**

The following 6 indicators/ratios are collected by the Victorian Local Government Department.

- Average Rates and Charges per Assessment
- Average Rates and Charges per Residential Assessment
- Average Liabilities per Assessment
- Operating Result per Assessment
- Average Operating Expenditure per Assessment
- Average Capital Expenditure per Assessment

Comparisons with other Councils in the Large Shire Grouping of the above 6 ratios for the 2011/2012 financial year are detailed in Part E of this report.

The 2011/2012 indicators for Councils have been included where information is available from Annual Reports.

### **VICTORIAN AUDITOR GENERAL FIGURES**

#### **UNDERLYING RESULT**

The figures indicate the Shire has moved to modest underlying surpluses. Needs to be closely monitored. It should be noted that other methods indicates that Council has an underlying deficit.

#### **LIQUIDITY RATIO**

Figures have not been included as same as the Working Capital ratio on previous page.

#### **SELF-FINANCING RATIO**

Results indicate that the Shire is generating enough cash from operations to fund the acquisition of new assets and the renewal of existing assets.

#### **INDEBTEDNESS RATIO**

The ratio has increased in 2011/12 to 40.6% due to the loan program undertaken and the recognition of the Unfunded Superannuation Liability.

#### **CAPITAL REPLACEMENT RATIO**

The figures show that Council has made significant improvements since 2004/05 in undertaking Capital Works.

#### **RENEWAL GAP RATIO**

The figures were first calculated in 2006/07. The figures for each year have been fairly constant except for 2008/09.

#### **SUMMARY**

These indicators are then categorised into Risk Levels – High, Medium, Low. For further details see Section I of this report. For 2011/12 Council will achieve a 'low' risk in four of the six Sustainability Ratios.

Further details are included in Part H of this report.

**B - COLAC OTWAY SHIRE INDICATORS/RATIOS 2004/2005 TO 2011/2012**

|                                                                                                                 | 2004/05 | 2005/06 | 2006/07 | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 |
|-----------------------------------------------------------------------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Debt Servicing Ratio (%)<br>(to identify the capacity of a Council to service its outstanding debt)             | 1.0%    | 0.9%    | 0.8%    | 0.7%    | 0.5%    | 0.4%    | 0.5%    | 0.8%    |
| Debt Commitment Ratio (%)<br>(to identify a Council's debt redemption strategy)                                 | 6.9%    | 5.3%    | 5.0%    | 4.4%    | 4.0%    | 2.4%    | 3.5%    | 4.6%    |
| Debt Exposure Ratio<br>(to identify a Council's exposure to debt)                                               | 21.5%   | 13.9%   | 12.1%   | 11.2%   | 11.4%   | 14.0%   | 12.3%   | 21.6%   |
| Revenue Ratio (%)<br>(to identify a Council's dependence on non-rate income)                                    | 39.4%   | 44.0%   | 46.4%   | 49.7%   | 46.9%   | 47.4%   | 36.2%   | 50.0%   |
| Working Capital Ratio<br>(to assess a Council's ability to meet current commitments)                            | 207.6%  | 243.2%  | 266.6%  | 226.0%  | 226.8%  | 218.1%  | 240.9%  | 273.0%  |
| Average Rates & Charges per Residential Assessment                                                              | \$907   | \$956   | \$1,069 | \$1,151 | \$1,228 | \$1,288 | \$1,400 | \$1,474 |
| Average Liabilities per Assessment                                                                              | \$885   | \$818   | \$698   | \$619   | \$695   | \$887   | \$977   | \$1,169 |
| Operating Result per Assessment                                                                                 | (\$161) | \$128   | \$71    | \$48    | \$129   | \$213   | \$222   | \$64    |
| Average Operating Expenditure per Assessment                                                                    | \$2,482 | \$2,142 | \$2,069 | \$2,246 | \$2,437 | \$2,528 | \$2,580 | \$2,794 |
| Average Capital Expenditure per Assessment                                                                      | \$429   | \$626   | \$601   | \$630   | \$564   | \$895   | \$780   | \$774   |
| <b>Victorian Auditor-General Ratios</b>                                                                         |         |         |         |         |         |         |         |         |
| Underlying Result                                                                                               | (16.7%) | 5.0%    | (5.0%)  | 0.8%    | 2.8%    | 5.2%    | 5.5%    | 1.8%    |
| Self-Financing Ratio<br>(to assess Council's ability to replace assets from cash generated by operations)       | 28.3%   | 22.5%   | 24.2%   | 25.8%   | 30.0%   | 31.5%   | 30.3%   | 33.2%   |
| Indebtedness Ratio<br>(to assess Council's ability to cover longer term liability from its own sourced revenue) | 39.3%   | 34.2%   | 31.3%   | 24.1%   | 20.0%   | 27.1%   | 33.8%   | 39.5%   |
| Capital Replacement Ratio<br>(comparison of the rate of spending on infrastructure with depreciation)           | 81%     | 113%    | 112%    | 119.4%  | 90.2%   | 169.6%  | 157.5%  | 142%    |
| Renewal Gap Ratio (comparison of rate of spending on Renewal and Upgrade with depreciation)                     | -       | -       | 109%    | 117%    | 84%     | 116.9%  | 118.8%  | 112.1%  |



### C - STAFF NUMBERS AND SALARY EXPENDITURE 2010/11

Provides details of staff numbers and salary expenditure for 2010/11 for the Large Shire Grouping of Councils.

The information has been obtained from Annual Reports where available. Not all staffing information re staff numbers and EFT's has been obtained.

As can be seen by the data a growing number of Councils are now not including EFT staff numbers in their Annual Reports.

The figures provide a guide only, as they do not tell the full story eg. depends on the level of contracting out of services.

|                       | Total Operating<br>Expenditure<br>\$<br>'000 | Total Employee<br>Expenditure<br>\$<br>'000 | % of Employee<br>Expenditure/Total<br>Operating<br>Expenditure<br>% | Total Capital<br>Expenditure<br>\$<br>'000 <sup>△</sup> | Staff<br>Numbers | EFT        |
|-----------------------|----------------------------------------------|---------------------------------------------|---------------------------------------------------------------------|---------------------------------------------------------|------------------|------------|
| <b>Colac Otway *</b>  | <b>37,703</b>                                | <b>14,311</b>                               | <b>38.0</b>                                                         | <b>11,400</b>                                           | <b>324</b>       | <b>212</b> |
| Bass Coast            | 51,657                                       | 19,744                                      | 38.2                                                                | 21,728                                                  | 420              | 311        |
| Baw Baw               | 60,957                                       | 20,166                                      | 33.1                                                                | 12,084                                                  | N/A              | N/A        |
| Campaspe              | 67,318                                       | 24,703                                      | 36.7                                                                | 14,153                                                  | 582              | N/A        |
| Corangamite           | 39,364                                       | 13,370                                      | 34.0                                                                | 11,648                                                  | 276              | N/A        |
| East Gippsland        | 68,546                                       | 16,638                                      | 24.3                                                                | 20,583                                                  | 352              | N/A        |
| Gleneilg              | 38,168                                       | 16,182                                      | 42.4                                                                | 13,253                                                  | N/A              | 206        |
| Macedon Ranges        | 53,001                                       | 22,753                                      | 42.9                                                                | 12,662                                                  | 615              | N/A        |
| Mitchell              | N/A                                          | N/A                                         | N/A                                                                 | N/A                                                     | N/A              | N/A        |
| Moira                 | 41,058                                       | 14,241                                      | 34.7                                                                | 9,610                                                   | 254              | 186        |
| Moorabool             | 41,895                                       | 13,374                                      | 31.9                                                                | 11,499                                                  | 261              | 177        |
| Moyne                 | 38,127                                       | 13,126                                      | 34.4                                                                | 14,977                                                  | 329              | 220        |
| South Gippsland       | 44,228                                       | 17,094                                      | 38.7                                                                | 12,057                                                  | 345              | N/A        |
| Southern<br>Grampians | 35,265                                       | 13,018                                      | 36.9                                                                | 8,193                                                   | 393              | 220        |
| Surf Coast            | 48,836                                       | 18,471                                      | 37.8                                                                | 21,928                                                  | 374              | 216        |
| Wellington            | 63,909                                       | 18,600                                      | 29.1                                                                | 23,325                                                  | 441              | 269        |
| <b>Averages</b>       | <b>48,669</b>                                | <b>17,053</b>                               | <b>35.5</b>                                                         | <b>14,607</b>                                           | <b>382</b>       | <b>224</b> |

## D - STAFF NUMBERS AND SALARY EXPENDITURE 2011/12

Provides details of staff numbers and salary expenditure for 2011/12 for the Large Shire Grouping of Councils.

The information has been obtained from Annual Reports where available. Not all staffing information re staff numbers and EFT's has been obtained.

The figures provide a guide only, as they do not tell the full story eg. depends on the level of contracting out of services.

In 2011/12 some Councils had additional capital expenditure as a result of rehabilitation works following floods.

|                       | Total<br>Expenditure<br>\$<br>'000 | Total Employee<br>Expenditure<br>\$<br>'000* | % of Employee<br>Expenditure/Total<br>Operating<br>Expenditure<br>% | Total Capital<br>Expenditure<br>\$<br>'000 <sup>△</sup> | Staff<br>Numbers | EFT        |
|-----------------------|------------------------------------|----------------------------------------------|---------------------------------------------------------------------|---------------------------------------------------------|------------------|------------|
| <b>Colac Otway</b>    | <b>42,374</b>                      | <b>15,390</b>                                | <b>36.3</b>                                                         | <b>11,375</b>                                           | <b>360</b>       | <b>219</b> |
| Bass Coast            | 59,873                             | 22,278                                       | 37.2                                                                | 18,360                                                  | 432              | 324        |
| Baw Baw               | 69,919                             | 21,292                                       | 30.5                                                                | 14,909                                                  | 408              | N/A        |
| Campaspe              | 72,572                             | 26,284                                       | 36.2                                                                | 25,919                                                  | 597              | N/A        |
| Corangamite           | 41,565                             | 13,736                                       | 33.1                                                                | 11,695                                                  | 277              | 189        |
| East Gippsland        | 85,265                             | 20,688                                       | 24.3                                                                | 22,853                                                  | 449              | 290        |
| Glenelg               | 43,814                             | 17,290                                       | 39.5                                                                | 9,586                                                   | N/A              | 231        |
| Macedon Ranges        | 61,926                             | 24,637                                       | 39.8                                                                | 18,482                                                  | 664              | N/A        |
| Mitchell              | 54,382                             | 17,709                                       | 32.6                                                                | 11,378                                                  | 426              | N/A        |
| Moirā                 | 47,130                             | 15,575                                       | 33.1                                                                | 12,496                                                  | 256              | 194        |
| Moorabool             | 47,457                             | 14,433                                       | 30.4                                                                | 16,056                                                  | 242              | 192        |
| Moyne                 | 42,585                             | 14,301                                       | 33.6                                                                | 11,716                                                  | 326              | 220        |
| South Gippsland       | 54,079                             | 19,068                                       | 35.3                                                                | 14,163                                                  | 361              | N/A        |
| Southern<br>Grampians | 38,662                             | 14,355                                       | 37.1                                                                | 11,577                                                  | 430              | 230        |
| Surf Coast            | 57,711                             | 19,452                                       | 33.7                                                                | 22,477                                                  | N/A              | 222        |
| Wellington            | 75,793                             | 21,005                                       | 27.7                                                                | 21,089                                                  | 445              | 266        |
| <b>Averages</b>       | <b>55,944</b>                      | <b>18,593</b>                                | <b>33.8</b>                                                         | <b>15,883</b>                                           | <b>405</b>       | <b>234</b> |

\* Total Employee Expenditure excludes the additional call for superannuation

<sup>△</sup>Total Capital Expenditure figures taken from Standard Statement of Capital works.

## **E - LARGE SHIRE GROUPING 2010/2011 AND 2011/2012**

The information provides a variety of indicators of the Large Shire Grouping of 16 Councils of which Colac Otway Shire is included.

- Bass Coast
- Baw Baw
- Campaspe
- Colac Otway
- Corangamite
- East Gippsland
- Glenelg
- Macedon Ranges
- Mitchell
- Moira
- Moorabool
- Moyne
- South Gippsland
- Southern Grampians
- Surfcoast
- Wellington

The information is taken from Annual Reports where available.

*"Indicators are measures of outputs or outcomes, individually and without associated explanations, they can only ever tell part of the story.*

*It is important to put indicator results in context and to remember that they only give an indication of where to start looking for the reasons behind differences. The usefulness of indicators is not in the numbers themselves but the analysis of why some local governments may appear to perform better than others, as well as insights as to how to improve their performance.*

*It may therefore be more useful to consider the combined results of several broad indicators in assessing performance rather than any one indicator on its own. When comparing one local government with another or assessing one local government's performance it is important to remember that the indicators do not on their own give the full picture of local governments performance.*

*Although indicators show the differences between local governments, they do not explain why these differences have arisen. Differences may arise for many reasons, such as democratic policy choices, geographic and demographic factors, population density and external funding decisions."*

Local Government in Victoria 2009

## **SUMMARY**

The indicators on the following pages indicate a number of points:

**(a) ALL RATES**

The Rates and Charges per assessment for 2011/12 indicates that Colac Otway was slightly above the average and the median for the group. This was similar for 2010/2011.

**(b) RESIDENTIAL RATES**

The Residential Rates and Charges per assessment for 2011/12 indicates that Colac Otway is slightly above the average and median for the group. There is a wide variety of figures ranging from \$919 to \$1,749.

**(c) LIABILITIES**

The Liabilities per assessment for 2011/12 indicates that Colac Otway is above the average and below the median for the group.

**(d) OPERATING RESULT**

The Operating Result per assessment for 2011/12 indicates that Colac Otway is well below the average median for the group.

**(e) OPERATING COSTS**

The Operating Expenditure per assessment for both 2010/11 and 2011/12 indicates that Colac Otway is below the average and median both years for the group.

**(f) CAPITAL EXPENDITURE**

The Capital Expenditure per assessment for 2011/12 indicates that Colac Otway is below the average and similar to the median for the group.

**(g) RENEWAL**

The % of infrastructure renewal indicates that Colac Otway is above the average and median for both years for the group.

**(h) RENEWAL AND MAINTENANCE**

The % of infrastructure renewal and maintenance indicates that Colac Otway is below the average and above the median for 2011/12 for the group.

**LARGE SHIRE GROUPING – 2010/2011**

|                    | ALL RATES                           |  | RESIDENTIAL RATES                               |  | OPERATING COSTS                         |                                       | CAPITAL EXPENDITURE      |                                          | RENEWAL                       |                                    | RENEWAL & MAINTENANCE |  | LIABILITIES |  | OPERATING RESULTS |  |
|--------------------|-------------------------------------|--|-------------------------------------------------|--|-----------------------------------------|---------------------------------------|--------------------------|------------------------------------------|-------------------------------|------------------------------------|-----------------------|--|-------------|--|-------------------|--|
|                    | Rates and charges per assessment \$ |  | Residential rates and charges per assessment \$ |  | Operating expenditure per assessment \$ | Capital expenditure per assessment \$ | Infrastructure renewal % | Infrastructure renewal and maintenance % | Liabilities per assessment \$ | Operating result per assessment \$ |                       |  |             |  |                   |  |
| Bass Coast         | 1,221                               |  | 1,141                                           |  | 1,864                                   | 566                                   | 69                       | 131                                      | 631                           | 454                                |                       |  |             |  |                   |  |
| Baw Baw            | N/A                                 |  | N/A                                             |  | N/A                                     | N/A                                   | N/A                      | N/A                                      | N/A                           | N/A                                |                       |  |             |  |                   |  |
| Campaspe           | 1,377                               |  | 916                                             |  | 3,363                                   | 707                                   | 76                       | 111                                      | 916                           | 3                                  |                       |  |             |  |                   |  |
| Colac Otway        | 1,400                               |  | 1,151                                           |  | 2,580                                   | 780                                   | 109                      | 105                                      | 977                           | 222                                |                       |  |             |  |                   |  |
| Corangamite        | 1,606                               |  | 863                                             |  | N/A                                     | 1,233                                 | N/A                      | N/A                                      | 1,399                         | 62                                 |                       |  |             |  |                   |  |
| East Gippsland     | 1,253                               |  | 1,100                                           |  | 2,354                                   | 696                                   | 83                       | 90                                       | 755                           | 217                                |                       |  |             |  |                   |  |
| Genelg             | 1,600                               |  | 828                                             |  | 2,751                                   | 794                                   | 44                       | 64                                       | 825                           | 270                                |                       |  |             |  |                   |  |
| Macedon Ranges     | 1,486                               |  | 1,446                                           |  | 2,649                                   | 575                                   | 36                       | 65                                       | 926                           | 349                                |                       |  |             |  |                   |  |
| Mitchell           | N/A                                 |  | N/A                                             |  | N/A                                     | N/A                                   | N/A                      | N/A                                      | N/A                           | N/A                                |                       |  |             |  |                   |  |
| Moira              | 1,402                               |  | 1,325                                           |  | 2,453                                   | 546                                   | 84                       | 90                                       | 1,514                         | 184                                |                       |  |             |  |                   |  |
| Moorabool          | N/A                                 |  | N/A                                             |  | N/A                                     | N/A                                   | N/A                      | N/A                                      | N/A                           | N/A                                |                       |  |             |  |                   |  |
| Moyn               | 1,148                               |  | 935                                             |  | 3,210                                   | 1,328                                 | 96                       | 98                                       | 722                           | 204                                |                       |  |             |  |                   |  |
| South Gippsland    | 1,464                               |  | 1,191                                           |  | 2,358                                   | 643                                   | 77                       | 87                                       | 501                           | 266                                |                       |  |             |  |                   |  |
| Southern Grampians | 1,223                               |  | 870                                             |  | 3,297                                   | 711                                   | 72                       | 84                                       | 1,101                         | (68)                               |                       |  |             |  |                   |  |
| Surfcoast          | 1,698                               |  | 1,638                                           |  | 2,766                                   | 1,122                                 | 37                       | 105                                      | 1,512                         | 487                                |                       |  |             |  |                   |  |
| Wellington         | 1,144                               |  | 879                                             |  | 1,931                                   | 644                                   | 52                       | 71                                       | 808                           | 301                                |                       |  |             |  |                   |  |
| <b>Median</b>      | <b>1,400</b>                        |  | <b>1,100</b>                                    |  | <b>2,649</b>                            | <b>707</b>                            | <b>74</b>                | <b>90</b>                                | <b>916</b>                    | <b>222</b>                         |                       |  |             |  |                   |  |
| <b>Average</b>     | <b>1,386</b>                        |  | <b>1,099</b>                                    |  | <b>2,750</b>                            | <b>796</b>                            | <b>70</b>                | <b>92</b>                                | <b>968</b>                    | <b>227</b>                         |                       |  |             |  |                   |  |

**LARGE SHIRE GROUPING – 2011/2012**

|                    | ALL RATES                           |  | RESIDENTIAL RATES                               |       | LIABILITIES                   |                                    | OPERATING RESULTS                       |                                         | OPERATING COSTS                       |                          | CAPITAL EXPENDITURE      |                                          | RENEWAL |  | RENEWAL & MAINTENANCE |  |
|--------------------|-------------------------------------|--|-------------------------------------------------|-------|-------------------------------|------------------------------------|-----------------------------------------|-----------------------------------------|---------------------------------------|--------------------------|--------------------------|------------------------------------------|---------|--|-----------------------|--|
|                    | Rates and charges per assessment \$ |  | Residential rates and charges per assessment \$ |       | Liabilities per assessment \$ | Operating result per assessment \$ | Operating expenditure per assessment \$ | Operating expenditure per assessment \$ | Capital expenditure per assessment \$ | Infrastructure renewal % | Infrastructure renewal % | Infrastructure renewal and maintenance % |         |  |                       |  |
| Bass Coast         | 1,303                               |  | 1,224                                           | 896   |                               | 455                                | 2,132                                   | 684                                     | 67                                    | 146                      |                          |                                          |         |  |                       |  |
| Baw Baw            | N/A                                 |  | N/A                                             | N/A   |                               | N/A                                | N/A                                     | N/A                                     | N/A                                   | N/A                      |                          |                                          |         |  |                       |  |
| Campospe           | 1,489                               |  | 1,290                                           | 652   |                               | 50                                 | 3,400                                   | 1,295                                   | 114                                   | 147                      |                          |                                          |         |  |                       |  |
| Colac Otway        | 1,474                               |  | 1,222                                           | 1,169 |                               | 64                                 | 2,794                                   | 774                                     | 84                                    | 94                       |                          |                                          |         |  |                       |  |
| Corangamite        | 1,686                               |  | 945                                             | 1,652 |                               | 884                                | 4,379                                   | 1,236                                   | N/A                                   | N/A                      |                          |                                          |         |  |                       |  |
| East Gippsland     | 1,304                               |  | 1,206                                           | 1,283 |                               | (167)                              | 2,857                                   | 766                                     | 69                                    | 82                       |                          |                                          |         |  |                       |  |
| Glenelg            | 1,537                               |  | 919                                             | 1,158 |                               | 327                                | 2,774                                   | 685                                     | 48                                    | 66                       |                          |                                          |         |  |                       |  |
| Macedon Ranges     | 1,562                               |  | 1,578                                           | 1,192 |                               | 644                                | 3,009                                   | 898                                     | 65                                    | 79                       |                          |                                          |         |  |                       |  |
| Mitchell           | N/A                                 |  | N/A                                             | N/A   |                               | N/A                                | N/A                                     | N/A                                     | N/A                                   | N/A                      |                          |                                          |         |  |                       |  |
| Moirra             | 1,402                               |  | 1,325                                           | 1,514 |                               | 184                                | 2,453                                   | 546                                     | 84                                    | 90                       |                          |                                          |         |  |                       |  |
| Moorabool          | N/A                                 |  | N/A                                             | 1,272 |                               | 263                                | 2,735                                   | 740                                     | N/A                                   | N/A                      |                          |                                          |         |  |                       |  |
| Moyne              | 1,291                               |  | 1,093                                           | 1,192 |                               | 343                                | 3,704                                   | 1,019                                   | 97                                    | 97                       |                          |                                          |         |  |                       |  |
| South Gippsland    | 1,464                               |  | 1,191                                           | 501   |                               | 266                                | 2,358                                   | 643                                     | 77                                    | 87                       |                          |                                          |         |  |                       |  |
| Southern Grampians | 1,313                               |  | 939                                             | 1,488 |                               | 211                                | 3,607                                   | 1,028                                   | 96                                    | 98                       |                          |                                          |         |  |                       |  |
| Surfcoast          | 1,804                               |  | 1,749                                           | 1,933 |                               | 338                                | 2,918                                   | 1,328                                   | 66                                    | 136                      |                          |                                          |         |  |                       |  |
| Wellington         | 1,230                               |  | 960                                             | 829   |                               | 203                                | 2,266                                   | 631                                     | 41                                    | 64                       |                          |                                          |         |  |                       |  |
| Median             | 1,464                               |  | 1,206                                           | 1,192 |                               | 265                                | 2,826                                   | 770                                     | 73                                    | 92                       |                          |                                          |         |  |                       |  |
| Average            | 1,452                               |  | 1,203                                           | 1,195 |                               | 290                                | 2,956                                   | 875                                     | 76                                    | 99                       |                          |                                          |         |  |                       |  |

## F - FINANCIAL AND OTHER INDICATORS 2011/2012

The following information provides general and financial data for the financial year 2011/12 taken from Annual Accounts and budget documentation.

The data is based on "Large Rural". The grouping includes 16 Councils.

### LARGE SHIRE GROUPING

The large Shire grouping includes sixteen Councils. Bass Coast, Baw Baw, Campaspe, Colac – Otway, Corangamite, East Gippsland, Glenelg, Macedon Ranges, Mitchell, Moira, Moorabool, Moyne, South Gippsland, Southern Grampians, Surf Coast and Wellington.

Below is data on each Council compared with Colac Otway.

Population is the ABS Estimated Resident Population at June 2009 and the No of Assessments is for 2011/12 taken from 2012/13 Budget documents.

|                    | Population    | No of Assessments | Area Sq kms  | Local Road Network kms | No of Councillors |
|--------------------|---------------|-------------------|--------------|------------------------|-------------------|
| <b>Colac Otway</b> | <b>21,817</b> | <b>14,505</b>     | <b>3,533</b> | <b>1,723</b>           | <b>7</b>          |
| Bass Coast         | 29,584        | 28,077            | 865          | 897                    | 7                 |
| Baw Baw            | 41,335        | 21,935            | 3,855        | 1,726                  | 9                 |
| Campaspe           | 38,790        | 19,940            | 4,526        | 3,200                  | 7                 |
| Corangamite        | 17,500        | 9,492             | 4,396        | 2,203                  | 7                 |
| East Gippsland     | 43,615        | 29,406            | 21,056       | 3,000                  | 8                 |
| Glenelg            | 21,146        | 13,897            | 6,212        | 2,631                  | 9                 |
| Macedon Ranges     | 42,015        | 20,394            | 1,747        | 1,500                  | 9                 |
| Mitchell           | 34,119        | 16,647            | 2,864        | 1,300                  | 9                 |
| Moira              | 29,127        | 16,672            | 4,057        | 3,547                  | 9                 |
| Moorabool          | 27,896        | 13,829            | 2,110        | 1,428                  | 7                 |
| Moyne              | 16,684        | 11,444            | 5,478        | 2,590                  | 7                 |
| South Gippsland    | 27,776        | 18,765            | 3,280        | 2,807                  | 9                 |
| Southern Grampians | 17,564        | 10,690            | 6,807        | 2,350                  | 7                 |
| Surf Coast         | 25,458        | 19,440            | 1,562        | 1,057                  | 9                 |
| Wellington         | 43,197        | 33,448            | 10,900       | 3,300                  | 9                 |
| <b>Average</b>     | <b>29,851</b> | <b>18,661</b>     | <b>5,203</b> | <b>2,204</b>           | <b>8.1</b>        |

### Summary

Colac Otway is less than the average in each of the 5 categories of data.

- 5<sup>th</sup> lowest population
- 6<sup>th</sup> lowest number of rateable properties
- 6<sup>th</sup> lowest area sq kms
- 5<sup>th</sup> lowest local road network kms

As indicated in Part E Indicators only ever tell part of the story.

The Large Shire Grouping of 16 Councils varies greatly:

|                    |                             |
|--------------------|-----------------------------|
| Population         | 16,684 to 43,615            |
| Assessments        | 9,492 to 33,448             |
| Area Sq Kms        | 865 sq kms to 21,056 sq kms |
| Local Road Network | 897 kms to 3,547 kms        |

The financial indicators on the following pages indicate a number of points:

- (a) Even though Colac Otway has had a surplus for the last 6 years and a surplus of \$1.23m in 2011/2012 it is still well under the average of \$6.6m. Colac Otway's surplus is the 2<sup>nd</sup> lowest in the Large Shire Grouping.
- (b) Even though Colac Otway had cash at the end of the 2011/12 year of \$13.61m it is still well under the average of \$18.22m. Colac Otway's level of cash is the 2<sup>nd</sup> lowest in the Large Shire Grouping.
- (c) Colac Otway's Depreciation as a % of total expenditure is slightly above the average of the Large Shire Grouping. Colac Otway's % is 20.5% compared with the average of 18.8%.
- (d) Colac Otway's Depreciation as a % of Total Assets is well over the average of the Large Shire Grouping. Colac Otway's % is 3.02% compared with the average 2.46%.

It should be noted that the gap has closed over the last few financial years.

- (e) Colac Otway's Total Outstanding loans of \$4.19m is well under the average of \$7.08m of the Large Shire Grouping. It is the 4<sup>th</sup> lowest.
- (f) Colac Otway's Principal Repayments of \$657,000 is the 4<sup>th</sup> lowest and well under the average of \$1.20m.
- (g) The Debt Commitment ratio indicates that Colac Otway is under the average of the Large Shire Grouping and is equal to the median.
- (h) For 2011/2012 Colac Otway had a Revenue Ratio of 50.0% which is well over the average of 43.9%.
- (i) Colac Otway Shire's Working Capital Ratio of 2.73 well is over the average of 2.22.



**LARGE SHIRE GROUPING 2011/2012**

|                    | TOTAL INCOME<br>\$'000 | TOTAL EXPENSES<br>\$'000 | SURPLUS/<br>(DEFICIT)<br>\$'000 | RATE & CHARGE<br>REVENUE<br>\$'000 | GOVERNMENT<br>GRANTS<br>\$'000 | DEPRECIATION<br>\$'000 | TOTAL<br>ASSETS<br>\$'000 | CASH &<br>INVESTMENTS<br>\$'000 |
|--------------------|------------------------|--------------------------|---------------------------------|------------------------------------|--------------------------------|------------------------|---------------------------|---------------------------------|
| Bass Coast         | 72,650                 | 59,873                   | 12,777                          | 37,506                             | 14,201                         | 9,762                  | 505,439                   | 24,307                          |
| Baw Baw            | 85,826                 | 69,919                   | 15,907                          | 35,246                             | 28,075                         | 10,615                 | 481,104                   | 14,239                          |
| Campaspe           | 83,368                 | 72,572                   | 10,796                          | 29,788                             | 30,886                         | 14,000                 | 570,319                   | 13,877                          |
| <b>Colac Otway</b> | <b>43,600</b>          | <b>42,374</b>            | <b>1,226</b>                    | <b>21,789</b>                      | <b>15,824</b>                  | <b>8,665</b>           | <b>287,274</b>            | <b>13,613</b>                   |
| Corangamite        | 49,955                 | 41,565                   | 8,390                           | 15,964                             | 15,271                         | 9,867                  | 394,449                   | 12,099                          |
| East Gippsland     | 80,288                 | 85,265                   | (4,977)                         | 39,466                             | 25,397                         | 15,706                 | 773,165                   | 30,664                          |
| Glenselg           | 48,391                 | 43,814                   | 4,577                           | 20,090                             | 18,926                         | 6,956                  | 321,250                   | 21,642                          |
| Macedon Ranges     | 75,176                 | 61,926                   | 13,250                          | 33,077                             | 19,450                         | 10,422                 | 546,241                   | 20,733                          |
| Mitchell           | 63,692                 | 54,382                   | 9,310                           | 25,186                             | 18,739                         | 9,989                  | 367,004                   | 17,588                          |
| Moira              | 55,050                 | 47,130                   | 7,920                           | 25,506                             | 22,779                         | 8,149                  | 589,674                   | 18,419                          |
| Moorabool          | 52,083                 | 47,457                   | 4,626                           | 22,643                             | 21,638                         | 7,816                  | 296,407                   | 13,840                          |
| Moynes             | 46,523                 | 42,585                   | 3,938                           | 15,477                             | 17,330                         | 9,899                  | 366,312                   | 14,196                          |
| South Gippsland    | 56,222                 | 54,079                   | 2,143                           | 29,562                             | 19,361                         | 8,436                  | 487,989                   | 13,852                          |
| Southern Grampians | 40,941                 | 38,662                   | 2,279                           | 14,164                             | 16,797                         | 9,236                  | 287,463                   | 16,856                          |
| Surfcoast          | 64,387                 | 57,711                   | 6,676                           | 35,685                             | 16,492                         | 8,956                  | 388,661                   | 17,509                          |
| Wellington         | 82,593                 | 75,793                   | 6,800                           | 41,298                             | 27,669                         | 20,100                 | 717,529                   | 28,142                          |
| Median             | 59,957                 | 54,231                   | 6,738                           | 27,534                             | 19,144                         | 9,815                  | 437,777                   | 17,183                          |
| <b>Average</b>     | <b>62,547</b>          | <b>55,944</b>            | <b>6,602</b>                    | <b>27,653</b>                      | <b>20,552</b>                  | <b>10,536</b>          | <b>461,268</b>            | <b>18,224</b>                   |

**LARGE SHIRE GROUPING 2011/2012**

|                       | *<br>TOTAL LOANS &<br>BORROWINGS<br>\$'000 | PRINCIPAL<br>REPAYMENTS<br>\$'000 | RATES<br>OUTSTANDING<br>\$'000 | RATES O/S AS A<br>% OF TOTAL<br>RATES % | RATIOS (details next page)             |                                         |                              |                                       |                                         |
|-----------------------|--------------------------------------------|-----------------------------------|--------------------------------|-----------------------------------------|----------------------------------------|-----------------------------------------|------------------------------|---------------------------------------|-----------------------------------------|
|                       |                                            |                                   |                                |                                         | (a)<br>DEBT<br>SERVICING<br>RATIO<br>% | (b)<br>DEBT<br>COMMITMENT<br>RATIO<br>% | (c)<br>REVENUE<br>RATIO<br>% | (d)<br>DEBT<br>EXPOSURE<br>RATIO<br>% | (e)<br>WORKING<br>CAPITAL<br>RATIO<br>% |
| Bass Coast            | 7,816                                      | 981                               | 1,188                          | 3.2                                     | 0.8                                    | 4.1                                     | 51.6                         | 11.8                                  | 198.2                                   |
| Baw Baw               | 8,303                                      | 1,898                             | 1,434                          | 4.1                                     | 0.8                                    | 7.2                                     | 41.1                         | 11.2                                  | 145.7                                   |
| Campaspe              | 8,516                                      | 264                               | 557                            | 1.9                                     | 0.4                                    | 1.9                                     | 35.7                         | 14.3                                  | 256.2                                   |
| Colac Otway           | 4,188                                      | 657                               | 1,180                          | 5.4                                     | 0.8                                    | 4.6                                     | 50.0                         | 21.6                                  | 273.0                                   |
| Corangamite           | 4,444                                      | 891                               | 385                            | 2.4                                     | 0.5                                    | 7.1                                     | 32.0                         | 5.6                                   | 136.7                                   |
| East Gippsland        | 9,770                                      | 659                               | 1,870                          | 4.7                                     | 1.0                                    | 3.7                                     | 49.1                         | 17.0                                  | 276.0                                   |
| Glenelg               | 1,168                                      | 705                               | 451                            | 2.2                                     | 0.5                                    | 4.4                                     | 54.7                         | 8.7                                   | 344.8                                   |
| Macedon<br>Ranges     | 5,173                                      | 1,271                             | 1,822                          | 5.5                                     | 0.3                                    | 4.5                                     | 44.0                         | 20.4                                  | 192.9                                   |
| Mitchell              | 4,319                                      | 979                               | 1,592                          | 6.3                                     | 0.7                                    | 5.8                                     | 39.5                         | 17.5                                  | 229.3                                   |
| Meira                 | 9,287                                      | 816                               | 1,242                          | 4.9                                     | 1.2                                    | 5.9                                     | 46.3                         | 17.9                                  | 200.3                                   |
| Moorabool             | 12,878                                     | 1,449                             | 2,304                          | 10.2                                    | 1.8                                    | 10.7                                    | 40.7                         | 26.9                                  | 197.4                                   |
| Moyn                  | 2,730                                      | 327                               | 656                            | 4.2                                     | 0.4                                    | 3.2                                     | 33.1                         | 12.7                                  | 182.2                                   |
| South Gippsland       | 451                                        | 1,128                             | 1,059                          | 3.6                                     | 0.1                                    | 4.1                                     | 52.6                         | 7.7                                   | 206.6                                   |
| Southern<br>Grampians | 4,209                                      | 280                               | 546                            | 3.9                                     | 0.7                                    | 3.9                                     | 34.6                         | 14.2                                  | 302.1                                   |
| Surfcoast             | 18,460                                     | 1,232                             | 1,537                          | 4.3                                     | 1.8                                    | 7.9                                     | 47.4                         | 22.1                                  | 200.7                                   |
| Wellington            | 11,553                                     | 5,754                             | 4,355                          | 10.6                                    | 1.3                                    | 16.6                                    | 50.0                         | 11.9                                  | 214.2                                   |
| Median                | 6,495                                      | 935                               | 1,215                          | 4.3                                     | 0.8                                    | 4.6                                     | 45.2                         | 14.3                                  | 203.7                                   |
| Average               | 7,079                                      | 1,204                             | 1,366                          | 4.8                                     | 0.8                                    | 6.0                                     | 43.9                         | 15.1                                  | 222.3                                   |

## DESCRIPTION OF RATIOS

### (a) Debt Servicing Ratio (to identify the capacity of Council to service its outstanding debt)

Debt Servicing Costs

Total Revenue

Debt servicing costs refer to the payment of interest on loan borrowings, finance lease and bank overdraft. The ratio expresses the amount of interest paid as a percentage of Council's total revenue.

### (b) Debt Commitment Ratio (to identify Council's debt redemption strategy)

Debt Servicing and Redemption Costs

Rate Revenue

The strategy involves the payment of loan principal and interest, finance lease principal and interest. The ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal.

### (c) Revenue Ratio (to identify Council's dependence on non-rate income)

Rate Revenue

Total Revenue

The level of Council's reliance on rate revenue is determined by assessing rate revenue as a proportion of the total revenue of Council.

### (d) Debt Exposure Ratio (to identify Council's exposure to debt)

Total Indebtedness

Total Realisable Assets

For the purposes of the calculation of financial ratios, realisable assets are those assets which can be sold and which are not subject to any restriction on realisation or use. Any liability represented by a restricted asset is excluded from total indebtedness.

The following assets are excluded from total assets when calculating Council's realisable assets: land – other controlled; buildings on other controlled land; restricted assets; heritage assets; total infrastructure assets and Council's investment in associate.

This ratio enables assessment of Council's solvency and exposure to debt. Total indebtedness refers to the total liabilities of Council. Total liabilities are compared in total realisable assets which are all Council assets not subject to any restriction.

### (e) Working Capital Ratio (to assess Council's ability to meet current commitments)

Current Assets

Current Liabilities

The ratio expresses the level of current assets the Council has available to meet its current liabilities.

## G – DEBT MANAGEMENT

Council's borrowing strategy aims to provide a framework for council to work within when sourcing funds for various projects by borrowings. Part of Council's medium to long term financial strategy is to provide adequate and appropriate levels of service to the community, whilst maintaining a prudent financial position. In the light of this requirement, it can be seen that the borrowing strategy is an integral part of Council's long term financial plan.

Borrowings are identified as an important funding source for capital works programs. In the past Council has borrowed strongly to finance large infrastructure projects.

The following table provides a history of Council borrowings for the last seven years and the prudential ratios applicable.

| Year      | Total Borrowings 30 June \$'000 | Liquidity CA/CL Ratio % | Debt Exposure Indebtedness/ Realisable Assets % | Debt Management Debt/Rates % | Debt Management Servicing Costs/Revenue % |
|-----------|---------------------------------|-------------------------|-------------------------------------------------|------------------------------|-------------------------------------------|
| 2005/2006 | 3,923                           | 243.2%                  | 13.9%                                           | 29.7%                        | 0.9%                                      |
| 2006/2007 | 3,466                           | 266.6%                  | 12.1%                                           | 23.8%                        | 0.8%                                      |
| 2007/2008 | 2,980                           | 226.0%                  | 11.2%                                           | 18.4%                        | 0.7%                                      |
| 2008/2009 | 2,462                           | 226.8%                  | 11.4%                                           | 14.0%                        | 0.5%                                      |
| 2009/2010 | 4,157                           | 218.1%                  | 14.0%                                           | 22.4%                        | 0.4%                                      |
| 2010/2011 | 4,845                           | 240.9%                  | 12.3%                                           | 23.7%                        | 0.5%                                      |
| 2011/2012 | 4,188                           | 273.0%                  | 21.6%                                           | 19.2%                        | 0.8%                                      |
| Threshold |                                 | <110%                   | >50%                                            | >80%                         | >5%                                       |

The table shows that at 30 June 2012 Council's borrowing level was \$4.19 million. The table also shows that Council has at all times been well within the Victorian State Government's prudential ratio limits.

### PRUDENTIAL GUIDELINES

All borrowings proposed by individual Councils are assessed under a borrowing assessment policy adopted by the Local Government Division following consultation with Local Government.

The policy identifies four key areas of financial management with certain thresholds that are required to be met.

| Area            | Financial Indicator                          | Threshold |
|-----------------|----------------------------------------------|-----------|
| Liquidity       | Current Assets to Current Liabilities        | 110%      |
| Debt Exposure   | Total Liabilities to Total Realisable Assets | 50%       |
| Debt Management | Total Debt as a % of Rate Revenue            | 80%       |
| Debt Management | Debt Servicing Costs as a % of Total Revenue | 5%        |

**LIQUIDITY**

**Current Assets to Current Liabilities**

This indicator reflects the short-term liquidity position. That is, its ability to repay current commitments from cash or near cash assets. Councils with a ratio of 110% and below or with a deteriorating trend may be financially at risk of not being able to meet creditors commitments. Council's result at June 30, 2012 was 273.0%.

**DEBT EXPOSURE**

**Total Indebtedness to Total Realisable Assets**

This indicator reflects the ability to acquit liabilities with the proceeds from the disposal of its realisable assets. Ideally, total liabilities should be significantly less than 50% of total realisable assets. Council's result at June 30, 2012 was 21.6%.

**DEBT MANAGEMENT**

**Debt Management: Total Debt as a % of Rate Revenue**

The Local Government Act 1989 requires that all loans secured against the revenue stream from rates. A Council with total debt in excess of the revenue from rates would be unable to meet all debt commitments from rate revenue should they be required to be repaid at the one time. A threshold of 80% has been set. Council's result at June 30, 2012 was 19.2%.

**Debt Servicing Costs as a % of Total Revenue**

This indicator reflects the proportion of total revenue that is used to service debt (interest on outstanding debt and any loan administration charges) and which cannot be used directly for service delivery. A threshold of 5% has been set. Council's result at June 30, 2012 was 0.8%.

**2012/13 Budget**

The 2013/13 Budget includes a Loan Borrowing Program of \$1.5m to fund works at the Colac Livestock Selling Centre.

The following table sets out the future debt servicing performance and the expected new borrowings taken up. The figures are based on the forecast financial position of Council as at 30 June 2012.

| Year    | New Borrowings<br>\$'000 | Loan Principal Paid<br>\$'000 | Loan Interest Paid<br>\$'000 | Balance 30 June<br>\$'000 | Loan Debt/Rate Revenue |
|---------|--------------------------|-------------------------------|------------------------------|---------------------------|------------------------|
| 2012/13 | \$1,500                  | \$433                         | \$332                        | \$5,255                   | 23.0%                  |
| 2013/14 | \$0                      | \$466                         | \$362                        | \$4,789                   | 19.7%                  |
| 2014/15 | \$0                      | \$448                         | \$324                        | \$4,341                   | 16.9%                  |

The forecast levels are well within the Victorian State Government's prudential rate limits.

It is expected that there will need to be borrowings in 2013/14 to fund the Unfunded Superannuation Liability. The amount to be borrowed is yet to be determined.

### What Level of Debt is Appropriate?

The following factors are seen as important issues when considering to borrow:

- level of debt servicing as a proportion of rate revenue;
- ability to raise revenue in addition to rates;
- level of realisable assets to support the indebtedness;
- achieving the right mix of capital works and debt commitments;
- growth rate of municipality;
- community needs; and
- demographics

Colac Otway Shire Council has had minimal borrowings in the past. This has a direct consequence of reducing the amount of funding available to complete capital works in future years.

In 2009/10 and 2010/11 Council borrowed for various projects:

|         |      |   |                                                     |
|---------|------|---|-----------------------------------------------------|
| 2009/10 | \$2m | } | For Council's contribution to the Joint Use Library |
| 2010/11 | \$1m | } | and the Apollo Bay Transfer Station                 |

Council has budgeted to borrow \$1.5m in 2012/13 for works at the Colac Livestock Selling Centre.

It is expected in 2013/14 that Council will need to borrow for Council's proportion of the Unfunded Superannuation Liability. The amount to be borrowed is yet to be determined.

Council is responsible and accountable for indebtedness and the cost of debt servicing needs to be controlled to manageable levels. The table below highlights the relative debt levels of Councils within the large shire grouping at 30 June 2012.

### Comparison with Other Councils

The following table highlights the relative debt levels of Councils within the Large Shire Grouping as at June 30, 2012.

|                             | \$'000       |
|-----------------------------|--------------|
| South Gippsland             | 451          |
| Glenelg                     | 1,168        |
| Moyne                       | 2,730        |
| <b>Colac Otway</b>          | <b>4,188</b> |
| Southern Grampians          | 4,209        |
| Mitchell                    | 4,319        |
| Corangamite                 | 4,444        |
| Macedon Ranges              | 5,173        |
| Bass Coast                  | 7,816        |
| Baw Baw                     | 8,303        |
| Campaspe                    | 8,516        |
| Moira                       | 9,287        |
| East Gippsland              | 9,770        |
| Wellington                  | 11,553       |
| Moorabool                   | 12,878       |
| Surfcoast                   | 18,460       |
|                             |              |
| <b>Average Large Shires</b> | <b>7,079</b> |
| <b>Median Large Shires</b>  | <b>6,495</b> |

The average debt for the large Shires has decreased from \$7.34m in 2010/11 to \$7.08m in 2011/12.

Section F of this report provides further analysis of the Large Shire Grouping as at June 30, 2012.

|                           | Average Large Shires | Colac Otway |
|---------------------------|----------------------|-------------|
| Debt Servicing            | \$511,000            | \$341,000   |
| Principal Repayments      | \$1,204,000          | \$657,000   |
| Debt Servicing Ratio (%)  | 0.8%                 | 0.8%        |
| Debt Commitment Ratio (%) | 6.0%                 | 4.6%        |
| Debt Exposure Ratio %     | 15.1%                | 21.6%       |
| Working Capital Ratio     | 2.22                 | 2.73        |

As previously indicated Council is well within acceptable tolerances with respect to compliance with Local Government guidelines.

## I - FINANCIAL SUSTAINABILITY INDICATORS

### VICTORIAN AUDITOR GENERAL - FINANCIAL SUSTAINABILITY INDICATORS

#### FINANCIAL SUSTAINABILITY

Financial sustainability is defined in a number of different ways. A generally accepted definition is whether local governments have sufficient current and prospective financial capacity (inflows) to meet their current and prospective financial requirements (outflows).

To be sustainable, local governments need to have some excess capacity at any point in time to be able to manage future financial risks and shocks without having to radically adjust their current revenue or expenditure policies.

The indicators utilised by the Victorian Auditor General to assess the financial viability of councils are:

- Operating Result – a measure of whether Council generates enough revenue from all sources to cover operating costs (including the cost of replacing assets, reflected in depreciation expense)
- Liquidity – a measure of whether Council has sufficient working capital to meet short term commitments
- Self-Financing – a measure of whether Council generates sufficient operating cash flows to invest in asset renewal and to repay any debt it may have incurred in the past
- Indebtedness – a measure of whether Council is overly reliant on debt to fund capital programmes
- Investment Gap – a measure of whether Council has been replacing assets at a rate consistent with the rate they are being consumed

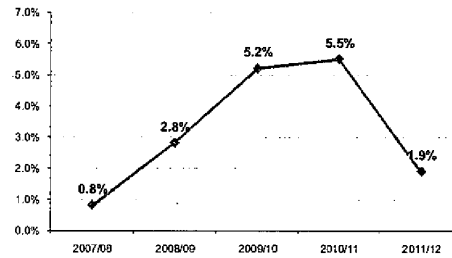
The matrix shows a mixed result for 2011/12, with the indicators for Indebtedness Ratio and Capital Replacement moving from a Low to a Medium risk level:

| Indicators              | Colac Otway Result | Risk Levels                |                               |                   |
|-------------------------|--------------------|----------------------------|-------------------------------|-------------------|
|                         |                    | High                       | Medium                        | Low               |
| Underlying Result Ratio | 1.9%               | Negative 10% or less       | Between negative 10% and zero | Greater than zero |
| Liquidity Ratio         | 273%               | Equal to or less than 100% | Between 100% and 150%         | Greater than 150% |
| Indebtedness Ratio      | 40.6%              | Greater than 60%           | Between 40% and 60%           | Less than 40%     |
| Self-Financing Ratio    | 34.1%              | Less than 10%              | Between 10% and 20%           | Greater than 20%  |
| Capital Replacement     | 143%               | Equal to or less than 100% | Between 100% and 150%         | Greater than 150% |
| Renewal Gap             | 112%               | Equal to or less than 50%  | Between 50% and 100%          | Greater than 100% |



**Underlying Result Ratio**

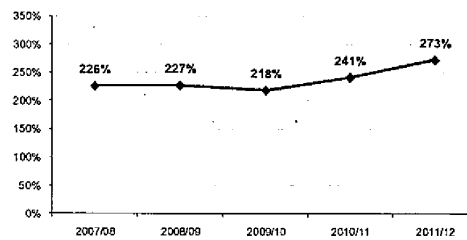
This ratio includes capital grants, which aid in generating an underlying surplus that can be utilised for new assets or asset renewal. This result places Council within the 'Low' risk category for financial sustainability (p 15).



**Liquidity Ratio (or Working Capital Ratio)**

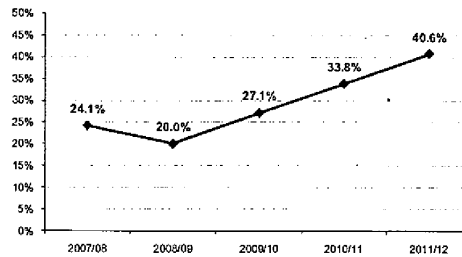
The Working Capital Ratio expresses the level of current assets, such as cash and investments, that Council has available to meet our current liabilities, including outstanding creditors and employee entitlements.

The target in Council's Strategic Resource Plan is to maintain a ratio of at least 150%. Our current ratio is well over the recommended limit of 150% indicated by the Auditor General. This is a positive result as it places Council in the 'Low' risk category, indicating that we have no immediate issue with repaying our liabilities when they fall due.



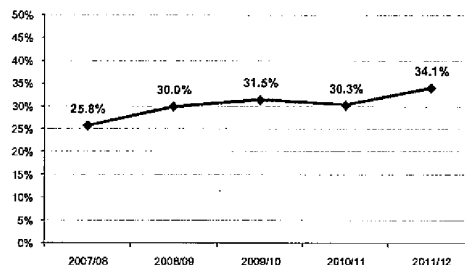
**Indebtedness Ratio**

This ratio indicates our ability to repay debt from our own sources of revenue, such as rates and charges. The ratio has moved from 'Low' to 'Medium' risk as a result of the \$3.18 million Local Government Defined Benefit Superannuation call made during the year. The impact of this will need careful management as Council determines the most appropriate method to pay the call amount and the impact of future borrowings.



**Self Financing Ratio**

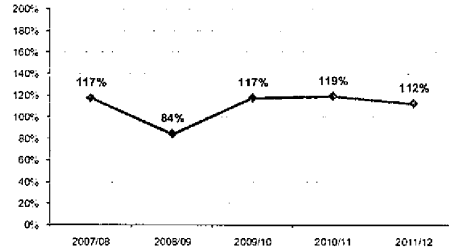
Results indicate that we are generating enough cash from operations to fund the renewal of existing assets. This is also a positive result, falling within the 'Low' risk category assessment for financial sustainability of Council.



**Renewal Gap**

This ratio is concerned with the renewal of our existing assets (i.e. replacing an asset with another that will do the same job). The graph shows that we have been relatively consistent in funding the replacement of our existing assets.

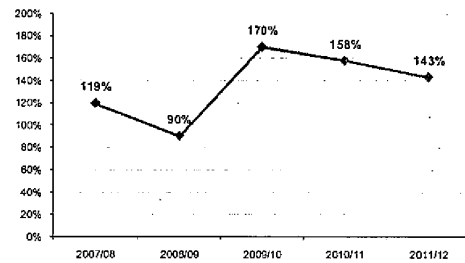
Council has again ensured that the community's assets are being renewed in a responsible manner, with the ratio falling into the 'Low' risk category of the Financial Sustainability Risk assessment.



**Capital Replacement**

This ratio is concerned with the renewal and upgrade of our existing assets. The graph shows that we made major improvements in the previous two financial years in funding the replacement of our existing assets.

2011/12 shows an ongoing commitment to maintaining a positive ratio of capital expenditure compared with depreciation of infrastructure assets. As the ratio has fallen below 150%, the ratio now falls into the 'Medium' risk category of the Financial Sustainability Risk assessment.



VICTORIAN AUDITOR GENERAL  
FINANCIAL SUSTAINABILITY RATIOS  
COLAC OTWAY SHIRE

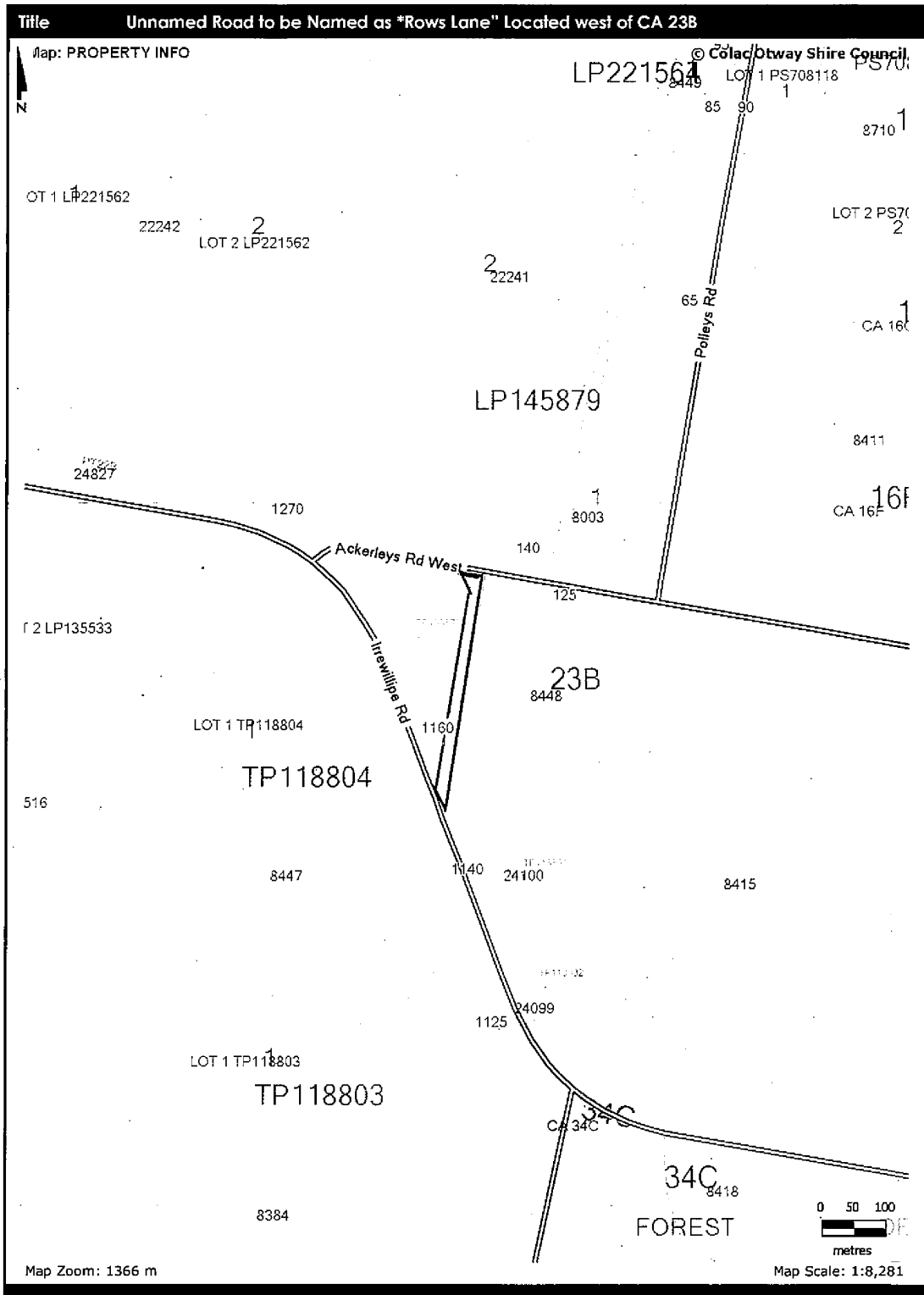
|                                   | 2004/05 | 2005/06 | 2006/07 | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 |
|-----------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Underlying Result (%)             | -16.66  | 5.02    | -5.03   | 0.77    | 2.79    | 5.16    | 5.54    | 1.84    |
| Liquidity (ratio)                 | 2.08    | 2.43    | 2.67    | 2.26    | 2.27    | 2.18    | 2.41    | 2.73    |
| Indebtedness (%)                  | 39.30   | 34.20   | 31.30   | 24.11   | 20.03   | 27.07   | 33.81   | 39.50   |
| Self-financing (%)                | 28.33   | 22.49   | 24.2    | 25.76   | 29.99   | 31.53   | 30.27   | 33.15   |
| Capital Replacement (ratio)       | 0.81    | 1.13    | 1.12    | 1.19    | 0.96    | 1.70    | 1.56    | 1.42    |
| Renewal Gap                       | 0.69    | 1.05    | 1.09    | 1.17    | 0.84    | 1.17    | 1.19    | 1.12    |
| Overall Sustainability Assessment |         |         |         |         |         |         |         |         |

Note: 2011/12 - the figures are not yet confirmed by the Auditor General

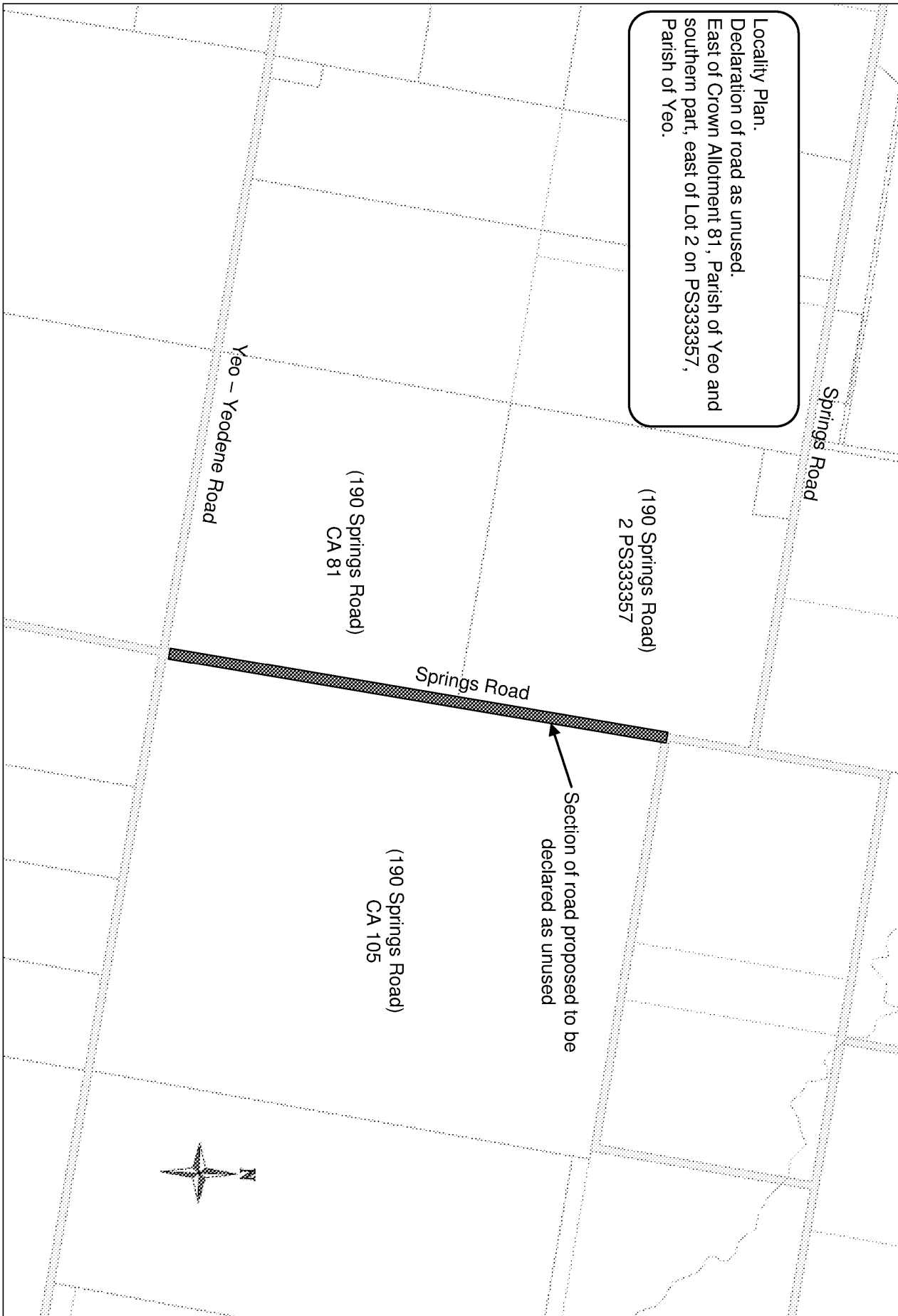


Created by general on Monday, 19 November 2012

COLAC-OTWAY SHIRE COUNCIL











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|                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                   |                                                                                                                                                                                   |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>TITLE PLAN</b>                                                                                                                                                                                                | <b>EDITION 1</b>                                                                                                                                                                                                                                  | <b>TP 824230A</b>                                                                                                                                                                 |
| <b>LOCATION OF LAND</b><br>Parish : YEO<br>Township: -<br>Section: -<br>Crown Allotment: 105<br>Crown Portion: -<br><br>Last Plan Reference : -<br>Derived From: VOL. 845 FOL. 905<br><br>Depth Limitation : NIL | Notations<br><br>SUBJECT TO THE RESERVATIONS EXCEPTIONS CONDITIONS AND POWERS CONTAINED IN CROWN GRANT VOL. 845 FOL. 905 AND NOTED ON SHEET 2 OF THIS PLAN<br><br><br>ANY REFERENCE TO MAP IN THE TEXT MEANS THE DIAGRAM SHOWN ON THIS TITLE PLAN |                                                                                                                                                                                   |
| <b>Description of Land/ Easement Information</b>                                                                                                                                                                 |                                                                                                                                                                                                                                                   | THIS PLAN HAS BEEN PREPARED BY LAND REGISTRY, LAND VICTORIA FOR TITLE DIAGRAM PURPOSES<br>COMPILED: Date: 31/01/08<br>VERIFIED: A. DALLAS<br><i>Assistant Registrar of Titles</i> |
| <b>COLOUR CODE</b><br>Y = YELLOW                                                                                                                                                                                 |                                                                                                                                                                                                                                                   |                                                                                                                                                                                   |
|                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                   |                                                                                                                                                                                   |
| LENGTHS ARE IN<br>LINKS                                                                                                                                                                                          | Metres = 0.3048 x Feet<br>Metres = 0.201168 x Links                                                                                                                                                                                               | Sheet 1 of 2 Sheets                                                                                                                                                               |



TITLE PLAN

TP 824230A

LAND DESCRIPTION INCLUDING RESERVATIONS, EXCEPTIONS,  
CONDITIONS AND POWERS AS SHOWN ON THE CROWN GRANT

*All THAT PIECE OF LAND in the said Colony containing three hundred and eighty four acres and twenty five perches more or less being allotment one hundred and five in the Parish of Yeo Agricultural Act of Successive County of Melbourne*

delimited with the measurements and abatials thereof in the map drawn in the margin of these presents and therein colored yellow To hold unto the said GRANTEE

His/Her heirs and assigns for ever

EXCEPTING however unto us our heirs and successors all gold and auriferous earth or stone and all mines containing gold within the boundaries of the said land AND ALSO reserving to us our heirs and successors free liberty and authority for us our heirs and successors and their agents and servants at any time or times hereafter to enter upon the said land and to search and mine therein for gold and any other things which may be necessary or usual in mining PROVIDED ALWAYS that it shall be lawful for us our heirs and successors at any time on paying full compensation to the said GRANTEE

His/Her heirs executors administrators or assigns for the full value other than auriferous of the said piece of land or so much thereof as may be estimated as hereinafter mentioned and of the improvements upon the said piece of land or the part so resumed such value in case of disagreement to be ascertained by arbitration to resume the said piece of land or any part thereof for mining purposes conducted may be determined by regulations in such manner as the Governor in Council may from time to time direct or if at any time no such regulations shall be in force then by the regulations concerning the resumption of land for mining purposes in force at the date of this Grant unless Parliament shall otherwise determine

|                      |                                                     |                     |
|----------------------|-----------------------------------------------------|---------------------|
| LENGTHS ARE IN LINKS | Metres = 0.3048 x Feet<br>Metres = 0.201168 x Links | Sheet 2 of 2 Sheets |
|----------------------|-----------------------------------------------------|---------------------|



**LEASE  
VICTORIA**

**COLAC OTWAY SHIRE COUNCIL  
("Lessor")**

**- and -**

**<Company details>  
(ACN No.)  
("Lessee")**

---

**GROUND LEASE**

---

**PREMISES: Communications Tower - 5 Beech Forest Lavers Hill Road, Beech Forest**

**THIS LEASE IS MADE**

**BETWEEN:** COLAC OTWAY SHIRE COUNCIL  
of 2-6 RAE STREET COLAC VIC 3250 ("Lessor")

**AND:** <Company Name> (ACN No.)  
of <Address> ("Lessee")

The Lessor grants, and the Lessee takes, a Lease\* of the Premises on the terms and conditions as agreed and set out in Annexure A.

Dated this xx day of <Month> 20xx.

**EXECUTED** by all parties as a deed.

|                                                                                                                                                                                                                                                                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>SIGNED SEALED AND DELIVERED</b> )<br>)<br>The common seal of the Colac-Otway Shire )<br>Council was hereto affixed in accordance with )<br>Its Local Law No 4 )<br><br>.....<br>Councillor<br><br>.....<br>Councillor<br><br>.....<br>Chief Executive Officer |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                                                   |                                                                  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|
| <b>Signed</b> on behalf of <Company Name> )<br>(ACN No.) )<br>by its authorised attorney who has not received )<br>any notice of revocation )<br><br>_____<br>Witness (sign)<br><br>_____<br>Witness Name (print) | _____<br>Signature of Attorney<br><br>_____<br>Full Name (print) |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|

\* Most capitalised words are defined in the Reference Schedule or clause 1 of Annexure A.

---

**ANNEXURE A**

---

This and the following pages constitute Annexure A referred to in the Lease between COLAC OTWAY SHIRE

(as Lessor) and <Company Name>

(ACN No.)) (as Lessee) dated the <date>.

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**REFERENCE SCHEDULE**

---

- Item 1 (a) Premises
- The area hatched on the plan in Schedule 1 being part of the property known as Communications Tower - 5 Beech Forest Lavers Hill Road, Beech Forest, Victoria
- Item 2 Date of Commencement
- <date>
- Item 3 Date of Expiration
- <date>
- Item 4 Term
- An initial 5 year term commencing on the date of commencement until <date>
- Item 5 Further Term
- 5 years
- Item 6 Rent
- \$1,000 per annum subject to a Rental Review in accordance with Clause 4.6.
- Item 7 Contact at Lessor
- Name: Colac Otway Shire
- Address: 2 Rae Street Colac VIC 3250
- Telephone number: (03) 5232 9400
- Facsimile number: (03) 5232 1046
- Item 8 Contact at Lessee
- Name: \_\_\_\_\_
- Address: \_\_\_\_\_
- Telephone number: \_\_\_\_\_
- Facsimile number: \_\_\_\_\_
- Item 9: Electricity Reimbursement
- \$1,500 per annum subject to annual review.



**1. DEFINITIONS AND INTERPRETATION**

**1.1 Terms in Reference Schedule**

Except where specified elsewhere in this Lease, terms defined in the Reference Schedule have the meanings shown beneath them in the Reference Schedule.

**1.2 Defined Terms:**

In this Lease:

“Act” means the Telecommunications Act 1997 (C’t), and unless precluded by context, includes all regulations, codes, standards and other rules or enactments made pursuant to that Act;

“Business Day” means any day in the State which is not a Saturday, Sunday or public holiday;

“Customers” means any person permitted by the State or the Lessee to use the Lessee’s Fixtures from time to time, including, without limitation:

- (a) the Victoria State Emergency Service, constituted under the Victoria State Emergency Service Act 1987 (Vic.);
- (b) the Rural Ambulance Victoria, being the body constituted under the Ambulance Services Act 1986 (Vic.); and
- (c) the Country Fire Authority, being the body constituted under the Country Fire Authority Act 1958 (Vic.),

and any of their successors and assigns;

“Customer’s Associates” means any officer, employee, volunteer, agent, contractor, sub-contractor, consultant or adviser of a Customer;

“Date of Expiration” means the date stated in Item 3 of the Reference Schedule, or any earlier date on which this Lease ends;

“Equipment Cabin” means that part of the Lessee’s Fixtures comprising any cabin erected on the Premises to house certain equipment;

“Facility” has the same meaning as is set out in Section 7 of the Act;

“Government Agency” means a government or government department or other body or a governmental, semi-government, judicial, municipal, statutory or public entity or authority (including a statutory authority or State-owned enterprise), a self regulatory authority established under statute or a stock exchange (wherever created or located) or a person (whether autonomous or not) who is charged with the administration of a law;

“GST” means GST within the meaning of the GST Act and related laws;

“GST Act” means the A New Tax System (Goods and Services Tax) Act 1999 (C’t) (as amended);

“Independent Reviewer” means the person appointed by the Lessee and the State from time to time to be independent reviewer of the Lessee’s use of the Premises and the Lessee’s Fixtures;

“Lease” means the lease or tenancy that exists between the Lessor and the Lessee in relation to the Premises of whatever nature and whether at law or in equity as evidenced in whole or in part by this document;

“Lease Year” means each year throughout the Term commencing on the Date of Commencement and, thereafter, on each anniversary of the Date of Commencement;

“Lessee” means the Lessee described on the front page of this Lease, its successors and assigns and its employees, agents, contractors and sub-contractors;

“Lessee’s Fixtures” means:

- (a) the Facility of the Lessee;
- (b) any Equipment Cabin installed by the Lessee;
- (c) all fixtures and fittings of the Lessee, including, without limitation, masts, poles, towers, antennas, supports, cables (telephone or any other type), pipes, wires, conduits, fencing, erections and other buildings or property installed by the Lessee; and
- (d) supporting or connecting structures,

on or under the Premises or the Land, and all power and other supplies, all communications cables and connections and all other appliances, apparatus and things of whatsoever nature brought onto the Land by the Lessee;

“Lessor” means the Lessor described on the front page of this Lease, its successors, administrators and assigns or, if the Lessor is a natural person, its executors, administrators and assigns and, in either case, its employees, agents, contractors and sub-contractors;

“Permitted Use” means the use by the Lessee of the Premises and the Land under this Lease for the installation, maintenance and operation of the Lessee’s Fixtures and all matters incidental to those purposes, and any other use permitted by law;

“Plan” means the plan comprising Schedule 1 to this Lease;

“Related Body Corporate” has the same meaning attributed to that expression by section 9 of the Corporations Act 2001 (C’th);

“Reference Schedule” means the schedule so described which is included in this document;

“State” means the State of Victoria, and whose address for service is Level 7, 452 Flinders Street, Melbourne, 3000 (Attention: The Contract Director, EAS Project), facsimile number (03) 9672 7772, or such other address or facsimile number notified to the Lessor from time to time;

“State’s Associates” means any officer, employee, volunteer, agent, contractor, sub-contractor, consultant or adviser of the State, and includes, without limitation:

- (a) Emergency Communications Victoria (“**ECV**”), being the body established under the State Owned Enterprises (State Body – Emergency Communications Victoria) Order 2002 (and any successor body to ECV);
- (b) any Government Agency of the State; and
- (c) any officer, employee, volunteer, agent, contractor, sub-contractor, consultant or adviser of ECV or any Government Agency of the State;

“Statute” means any statute, regulation, proclamation, determination, ordinance or by-law of the Commonwealth of Australia or the State and includes all statutes, regulations,

proclamations, determination, ordinances or by-laws varying consolidating or replacing them and all regulations, proclamations, ordinances and by-laws issued under them;

“Term” means the term of this Lease specified in Item 4 of the Reference Schedule, or such shorter period if this Lease ends before the Date of Expiration.

### 1.3 Interpretation

In this Lease, unless the context otherwise requires:

- (a) headings and underlinings are for convenience only and do not affect the interpretation of this Lease;
- (b) words importing the singular include the plural and vice versa;
- (c) words importing a gender include any gender;
- (d) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and any Government Agency;
- (e) a reference to any thing includes a part of that thing;
- (f) a reference to a part, clause, party, annexure, exhibit or schedule is a reference to a part and clause of and a party, annexure, exhibit and schedule to this Lease;
- (g) where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the next succeeding day that is a Business Day;
- (h) no rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of this Lease or any part of it;
- (i) a covenant or agreement on the part of two or more persons binds them jointly and severally;
- (j) a covenant (whether express or implied) not to do or omit any act or thing to be done will be deemed to extend to an obligation not to permit a third party to do or omit any act or thing to be done;
- (k) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them occurring at any time, whether before or after the date of this Lease; and
- (l) a reference to a person includes a reference to the person’s executors, administrators, receivers, receivers and managers, successors, substitutes (including, without limitation, persons taking by novation) and assigns.

## 2. IMPLIED COVENANTS AND POWERS

### 2.1 Exclusion of Implied Covenants

Any covenants, powers or provisions implied in the leases by section 67 of the Transfer of Land Act 1958 (Vic.) do not apply to this Lease.

2.2 Contravention of Statute - Severance

Any provision of this Lease that is void, voidable, unenforceable or invalid because of any Statute or at common law must in any such case and to such extent be severed from this Lease, and this Lease must be read as though such provision did not form part of this Lease at that time.

3. **TERM OF LEASE AND HOLDING OVER**

3.1 Term of this Lease

The Lessor leases the Premises to the Lessee for the Term commencing on the Date of Commencement and expiring on the Date of Expiration (or any earlier date on which this Lease is terminated), subject to the provisions of this Lease.

3.2 Early Termination

Despite any other term of this Lease, the Lessee may end this Lease at any time by giving to the Lessor a written notice to that effect. If the Lessee gives the Lessor a notice under this clause, then the date specified in that notice will become the Date of Expiration, and this Lease will end on that date. In particular, but without limitation to the effect of this clause:

- (a) the Lessee may be required to obtain planning permits or other permits, consents or approvals for its proposed use of the Premises;
- (b) the Lessee may not have obtained all such permits, consents or approvals before entering into this Lease; and
- (c) the Lessee will need to be able to terminate this Lease if it is not able to obtain such permits, consents and approvals on terms to its satisfaction.

3.3 Yearly Tenancy - Holding Over

If the Lessee occupies the Premises after the Date of Expiration (other than pursuant to the grant of a further lease), the Lessee must do so as a yearly tenant for yearly terms thereafter on the same terms and conditions as this Lease as far as they apply to a yearly tenancy. Subject to clause 3.2, either party may terminate such yearly tenancy by giving to the other 1 year's notice expiring on an anniversary of the Date of Expiration.

3.4 Further Term

If the Lessee gives the Lessor notice to renew this Lease at least 3 months before the Date of Expiration, then the Lessor must grant to the Lessee a new lease of the Premises (and all other rights under this Lease) for the Further Term commencing on the day after the Date of Expiration. The new lease will be on the same terms as this Lease (varied as necessary so that the new lease applies to the Further Term), and further amended as follows:

- (a) the initial annual rent shall be the rent agreed by the Lessee and the Lessor, or, failing agreement, shall be the rent determined by an expert (with at least 5 years experience valuing rent for premises of the nature of the Premises) nominated by the president (or his nominee) of the Victorian division of the Australian Property Institute Inc. at the request of either party. If an expert is nominated under this clause:
  - (i) the parties must appoint the expert to determine the initial annual rent. A party can appoint the expert on behalf of the other party if the other party fails to do so;

- (ii) the expert must determine the initial annual rent:
  - (A) acting as expert and not an arbitrator; and
  - (B) taking into account the location of the Premises and the Lessee's use of the Premises at the Date of Expiration (but not taking into account the value of the Lessee's Fixtures); and
- (iii) the parties must pay the expert's costs in equal shares.

Pending the determination of the new initial annual rent for the new lease, the Lessee will continue to pay rent at the rate payable on the Date of Expiration; and

- (b) if there is only one Further Term, this clause 3.4 and Item 5 of the Reference Schedule will be deleted.

If this Lease is renewed under this clause, the Lessee must arrange for the new lease to be prepared and the Lessee and the Lessor must sign the new lease within a reasonable time after it is prepared.

#### **4. RENT AND RENT REVIEWS**

##### **4.1 Rent**

The Lessee must pay the Rent to the Lessor during the Term (without demand).

##### **4.2 Payment of Rent**

The Rent must be paid annually in advance to the Lessor or to any other person that the Lessor notifies to the Lessee in writing. The Rent must be paid to the Lessor:

- (a) by cheque at the address specified in Item 7 of the Reference Schedule; or
- (b) if required by the Lessor, by electronic funds transfer ("EFT") to an account nominated to the Lessee in writing, being a bank account in Australia. The Lessor may nominate another bank account during the Term, provided that the bank account is in Australia and the details of the account are notified to the Lessee in writing at least 60 days before the due date for payment of the Rent. Payment of Rent by EFT to the nominated bank account by the due date is a full discharge of the obligation to pay the Rent on that day.

##### **4.3 GST**

- (a) All amounts expressed in this Lease are expressed exclusive of GST.
- (b) If GST has application to any taxable supply made under this Lease, the party making the supply ("**Supplier**") may, in addition to any amount or consideration expressed as payable elsewhere in this Lease, recover from the other party ("**Recipient**") an additional amount on account of any GST payable by the Supplier. Such additional amount is to be calculated by multiplying the amount or consideration payable by the Recipient for the relevant supply by the prevailing GST rate.
- (c) Any additional amount on account of GST recoverable from the Recipient under clause 4.3(b):
  - (i) shall be calculated without any deduction or set off of any other amount; and

- (ii) is payable by the Recipient on the later of:
- (A) the date the relevant amount or consideration is payable; and
  - (B) the date the Recipient receives an appropriate tax invoice.

**4.4 Operating Expenses**

The Lessee will pay or reimburse any council and water rates and land tax (on a single holding basis) which are separately levied or assessed exclusively and solely on the Premises.

**4.5 Pro Rata Refund of Rent**

If this Lease ends under clause 3.2 or otherwise other than on the end of the Lease Year, the Lessor must immediately refund to the Lessee prepaid Rent or other moneys (including, without limitation, any moneys prepaid under clause 9(c)) on a pro rata, daily basis.

**4.6 Rent Review**

The Rent will be increased annually during the Term on each anniversary of the Date of Commencement to an amount represented by A, where:

$$A = \frac{B}{C} \times D$$

and where:

B = the Index Number for the quarter ending immediately before the relevant review date;

C = the Index Number for the quarter 1 year before the quarter in B;

D = the Rent payable immediately before the relevant review date; and

“**Index Number**” means the Consumer Price Index (All Groups) for Melbourne published by the Australian Bureau of Statistics, or, if that index no longer exists, such other index that the president (or his nominee) of the Victorian division of the Australian Property Institute Inc. determines (at the request of either party) best reflects changes in the cost of living in Victoria.

**5. USE OF PREMISES**

**5.1 Permitted Use**

The Lessee may only use the Premises for the Permitted Use.

**5.2 Adjoining Land**

- (a) The Lessor grants to the Lessee the right to use during the Term so much of the Land as is reasonably required in connection with the Permitted Use or any other works being done by the Lessee on the Premises, including, without limitation, any installation, erection, construction, dismantling, repair, replacement, renewal, maintenance or operation of the Lessee’s Fixtures or any services to the Premises or the Lessee’s Fixtures.
- (b) After using parts of the Land under clause 5.2(a), the Lessee must restore to the reasonable satisfaction of the Lessor the surface of those parts of the Land as near as practicably possible to its state prior to such use by the Lessee.

- (c) The provisions of clause 7.2 will apply to the exercise by the Lessee of its rights pursuant to this clause 5.2.
- (d) If the Plan discloses that part or parts of the Lessee's Fixtures are to be situated outside of the Premises, then the Lessor grants to the Lessee the right to situate that part or parts of the Lessee's Fixtures to those positions outside of the Premises as are shown on the Plan (or positions substantially similar to those positions). The terms and conditions of this Lease will apply, with such changes as are necessary, to those part or parts of the Lessee's Fixtures as if they were contained within the Premises including, without limitation, rights of addition, renewal and relocation of the Lessee's Fixtures.

**5.3 Statutes, Laws and Requirements of Government Agencies**

- (a) Subject to clause 5.3(b), the Lessee must comply promptly with:
  - (i) any Statute and any other law; and
  - (ii) any requirements (including occupational health and safety requirements), notices or orders of any Government Agency having jurisdiction or authority,in respect of:
  - (iii) the Lessee's use of the Lessee's Fixtures, the Premises or the Land;
  - (iv) the Lessee's Fixtures; or
  - (v) services connected by the Lessee to the Lessee's Fixtures or the Premises.
- (b) The Lessee is under no liability to comply with Statutes, laws, requirements, notices or orders that require works of a structural or capital nature to the Premises, except to the extent that compliance is required as a consequence of the Lessee's particular use or occupation of the Premises.
- (c) The Lessor must comply with all Statutes, laws, requirements, notices or orders relating to the Land not required to be complied with by the Lessee under this Lease.

**5.4 Cabling**

The Lessee may install, construct, dismantle, maintain, repair, replace, upgrade and use above or below ground cabling, cabling trays and ancillary equipment on the Land that are reasonably required for the purposes of operating the Lessee's Fixtures or connecting services to the Lessee's Fixtures or the Premises. In exercising its rights under this clause, the Lessee must:

- (a) not cause any lasting material damage to the Land or material interference to the Lessor; and
- (b) after using the Land, restore to the reasonable satisfaction of the Lessor those parts of the Land so used as nearly as practicably to its state prior to use by the Lessee.

The provisions of clause 7.2 will apply to the exercise by the Lessee of its rights under this clause.

**5.5 Storage**

The Lessee may keep hazardous chemicals, flammable liquid or gas on the Premises as may be reasonably necessary for or in connection with the Lessee's use of the Premises. The Lessee must observe and comply with the requirements of any relevant Statute or other law and with

the requirements and directions of any relevant Government Agency relating to the storage, conveyance and use of hazardous chemicals, flammable liquid or gas on the Land.

5.6 Consents

The Lessor irrevocably authorises the Lessee to:

- (a) make (at the Lessee's expense) any application for consent or approval to any Government Agency or any other relevant persons to install, construct, dismantle, repair, replace, upgrade or use the Lessee's Fixtures, or to otherwise use or develop the Premises or the Land under and in accordance with this Lease; and
- (b) exercise and procure (at the Lessee's expense) every right of appeal arising from the determination of any such application or the failure to determine the application.

The Lessor must, on request and at the Lessee's expense, sign all documentation and do all such things as the Lessee or any person nominated by the Lessee reasonably requires to authorise or assist the Lessee in its endeavours to obtain the consent or approval from any Government Agency or any other relevant person to the matters referred to in this clause.

5.7 Non-Contiguous Premises

If parts of the Premises are non-contiguous, the Lessee may run such above or below-ground cabling, wiring, piping, earthing straps, conduits and support structures over the Land as are necessary for its safe, continuous and proper use of the Premises. In exercising its rights under this clause, the Lessee must:

- (a) not cause any lasting material damage to the Land or material interference with the Lessor; and
- (b) after using the Land, restore to the reasonable satisfaction of the Lessor those parts of the Land so used as nearly as practicably to its state prior to use by the Lessee.

The provisions of clause 7.2 will apply to the exercise by the Lessee of its rights under this clause.

6. **ACCESS TO THE PREMISES**

The Lessor consents to the Lessee and persons authorised by the Lessee (including, without limitation, the State, the State's Associates, the Customers, the Customer's Associates and the Independent Reviewer) without the need for prior notice and with or without materials, plant and other apparatus and vehicles entering the Land for the purpose of:

- (a) using the Premises;
- (b) inspecting or testing the Lessee's Fixtures, the Premises, any services or other equipment installed on the Land, or the suitability of the Premises or the Land for installing the Lessee's Fixtures or services or other equipment on the Land; or
- (c) exercising the Lessee's rights under this Lease,

at all times of the day and night during the Term.

7. **INSURANCE, INDEMNITIES AND RELEASE**

7.1 Obligation to Insure



The Lessee must insure against any loss or damage that is commonly covered by public risk or liability insurance in respect of the Premises.

**7.2 Lessee's Release and Indemnities**

- (a) The Lessee agrees to use the Premises at its risk and releases the Lessor to the full extent permitted by law from any claim or demand resulting from any accident, damage or injury occurring at the Premises to the extent that it is caused by any negligent act or omission of the Lessee.
- (b) The Lessee indemnifies the Lessor against any liability for damage or loss to any other person or property to the extent that it is caused by any negligent act or omission of the Lessee, including any damage or loss caused by radio frequency energy emanating from the Lessee's Fixtures.

**7.3 Negligence or Default of Lessor**

The releases and indemnities in clause 7.2 do not apply to any act, matter, thing or consequence if it arises out of any negligence or default of the Lessor.

**8. INSTALLATION AND MAINTENANCE**

**8.1 Repair and Maintenance**

- (a) The Lessee must maintain the Premises in good repair, order and condition during the Term, fair wear and tear and damage by the Lessor or its employees, contractors, agents, customers, licensees, livestock or invitees excepted.
- (b) The Lessor must pay to the Lessee the costs incurred by the Lessee in rectifying any damage caused to the Premises or the Lessee's Fixtures by the Lessor or its employees, contractors, agents, customers, licensees, livestock or invitees.

**8.2 Construction and Alterations**

- (a) The Lessee may at any time or times install, erect, construct, dismantle, repair, replace, renew and maintain upon the Premises:
  - (i) security fencing;
  - (ii) the Equipment Cabin or any buildings as are deemed necessary or required by the Lessee now or in the future to shelter telecommunications equipment;
  - (iii) such Lessee's Fixtures as are deemed necessary or required by the Lessee for or in connection with the Permitted Use now and in the future; and
  - (iv) all connecting appurtenances and other ancillary telecommunications equipment.
- (b) The Lessee must comply with the requirements of any Statute, law or Government Agency having jurisdiction in connection with any works referred to in clause 8.2(a).

**8.3 Ownership of Lessee's Fixtures**

- (a) The Lessee's Fixtures and any other property installed on the Land by the Lessee shall be and remain the property of the Lessee notwithstanding that any part or parts may or become legally affixed to the Premises or to the Land.

- (b) If however for any reason ownership in the Lessee's Fixtures or any other property installed on the Land by the Lessee becomes vested in the Lessor:
  - (i) such property will be treated for the purposes of this Lease as being owned by the Lessee; and
  - (ii) the Lessor must do all things necessary to permit the Lessee to use and deal with such property as if the Lessee owns it.
- (c) The Lessor reserves the right to request the Lessee, at reasonable notice, to remove its Fixtures or any other property installed on the land, in the event that augmentation of the Lessor's equipment is required.

**9. ELECTRICITY SUPPLY**

- (a) The Lessor must at the Lessee's request and cost provide to the Lessee the ability to connect and install such electrical supply and earthing equipment at the Premises using the most practicable direct route to an electricity supply (including making provision for and allowing connection to emergency back-up power) as is necessary for the safe continuous use of the Lessee's Fixtures.
- (b) The electricity supply must (to the extent that this is possible) be made through a dedicated usage meter so that the Lessee is directly accountable to the relevant authority for payment of electricity consumed by it on the Premises.
- (c) If the electricity supply cannot be made through a dedicated usage meter, the Lessee may at its cost connect the Premises to the electricity supply at a switchboard most convenient to the Premises. If the electricity supply is connected in this manner, on each day the Rent is payable, the Lessee must pay to the Lessor the amount stated in Item 9 of the Reference Schedule by way of reimbursement to the Lessor for the cost of electricity used on the Premises during the forthcoming year of the Term.

**10. DEFAULT**

**10.1 Default by Lessee**

If the Lessee:

- (a) commits a breach of any of its obligations under this Lease; and
- (b) has not remedied that breach within thirty (30) days after the Lessor gives to the Lessee written notice of that breach,

then the Lessee must pay to the Lessor all costs, losses and damage that the Lessor may suffer or incur in connection with the breach. The Lessor acknowledges that, subject to clause 10.2:

- (c) the obligation to pay such costs, losses and damage is a sufficient and adequate remedy for any breach of this Lease; and
- (d) the Lessor will not have the right to terminate this Lease for non-performance or failure to remedy a breach by the Lessee.

**10.2 Repudiation and Termination**

If, despite clause 10.1, the Lessor has the right at law to terminate this Lease, whether due to a repudiation of this Lease or otherwise, the Lessor must not terminate this Lease or accept a

repudiation by the Lessee under this Lease, without first complying with the following procedure:

- (a) the Lessor must notify the Lessee and the State in writing of the default pursuant to which the Lessor proposes to terminate this Lease;
- (b) the Lessor must permit the Lessee, the State and the State's Associates to:
  - (i) if the default is capable of remedy, remedy the default; or
  - (ii) if the default is not capable of remedy, pay reasonable compensation to the Lessor in lieu of remedying the default, such compensation to be agreed by the Lessor, the State and the Lessee (or, if such persons cannot agree, such compensation as determined by an expert nominated by the president for the time being of the Australian Property Institute Inc. (or his nominee) at the request of either person to determine such compensation. The Lessor and the Lessee must share the costs of such expert equally);
- (c) if:
  - (i) the default is not remedied within 60 days after the Lessor gives a notice under clause 10.2(a) (or such longer period as is reasonable in the circumstances); or
  - (ii) the compensation agreed or determined under clause 10.2(b)(ii) is not paid within 30 days after it is agreed or determined,

the Lessor may terminate this Lease at any time before the default is remedied or the compensation is paid by notice in writing to that effect to the Lessee and the State.

#### 10.3 Effect on Rights or Liabilities

Termination of this Lease under clause 10.2 or otherwise does not affect the rights or liabilities of the parties in relation to any cause of action accruing prior to termination.

#### 10.4 End of Lease

The Lessee must at the expiration or sooner termination of the Term (unless there is in place after this Lease a further lease between the Lessor and the Lessee), or any holding over period or such other date as the Lessor and the Lessee agree in writing:

- (a) remove from the Premises and the Land:
  - (i) those items of the Lessee's Fixtures and any other items installed by the Lessee on the Land that the Lessee elects to remove; and
  - (ii) those items that the Lessor notifies the Lessee in writing at least 2 months before the Term that the Lessor requires the Lessee to remove;
- (b) repair any damage caused in the removal of the Lessee's Fixtures; and
- (c) otherwise leave the Premises in the condition required by the terms of this Lease.

**11. NOTICES**

**11.1 Method of Service**

Any notice to be given under this Lease by one of the parties to the other must be in writing and be given for all purposes by delivery in person, by pre-paid post or by facsimile addressed to the receiving party at the address or facsimile number set out in:

- (a) Item 7 of the Reference Schedule in the case of the Lessor; and
- (b) Item 8 of the Reference Schedule in the case of the Lessee,

or such other address or facsimile number notified by a party under clause 11.3.

**11.2 Time of Service**

Any notice given in accordance with this Lease will be deemed to have been duly served in the case of posting at the expiration of two Business Days after the date of posting and in the case of facsimile, on the first Business Day after the date of transmission (providing the sending party receives a facsimile machine verification report indicating that the notice has been transmitted).

**11.3 Change of Address**

A party may at any time change its address, postal address or facsimile number by giving notice to the other party.

**12. ASSIGNMENT**

**12.1 Lessee Not to Assign**

The Lessee must not assign this Lease except:

- (a) under clause 12.2; or
- (b) with the prior written consent of the Lessor under clause 12.3.

**12.2 Assignment to a Related Body Corporate or the State of Victoria**

The Lessee may without the Lessor's consent assign this Lease to a Related Body Corporate of the Lessee, the State of Victoria or a nominee of the State of Victoria.

**12.3 Assignment to Others**

The Lessee may assign this Lease with the prior written consent of the Lessor, which consent must not be unreasonably withheld or delayed if the new tenant is a respectable, responsible and solvent person, capable of carrying out the Lessee's obligations under this Lease, and the Lessee is not in breach of this Lease.

**12.4 Procedure on Assignment**

If this Lease is assigned by the Lessee under this clause 12:

- (a) the Lessee must procure the new tenant to sign a covenant to comply with the Lessee's covenants under this Lease on and from the date of assignment; and
- (b) the Lessor must sign a covenant releasing the Lessee from its obligations under this Lease on and from the date of assignment.

12.5 Assignment by Lessor

If the Lessor sells the Premises or the Land or otherwise assigns its interest in this Lease, the Lessor must first:

- (a) in the case of an assignment, obtain the written consent of the State to the assignment; and
- (b) obtain a covenant (in a form approved by the Lessee (acting reasonably)) from the purchaser or assignee under which the purchaser or assignee covenants to be bound by this Lease and to comply with the Lessor's obligations under this Lease as if it were named as the Lessor in this Lease.

**13. LESSOR'S COVENANTS**

13.1 Quiet Enjoyment

The Lessor grants to the Lessee at all times during the Term quiet enjoyment of the Premises and the right to peaceably hold and enjoy the Premises during the Term without any interruption by the Lessor or any person rightfully claiming through the Lessor.

13.2 No Radio Interference

The Lessor must not itself knowingly or knowingly permit any third party to do anything on or above or below the Land which is likely to cause radio frequency interference or which obstructs, interrupts or impedes the Lessee's use of the Premises without first obtaining the written consent of the Lessee, which consent must not be unreasonably withheld. In the event of the Lessee advising the Lessor of any breach of this clause, the Lessor must immediately remove such interference, and must indemnify the Lessee against any loss, costs and damages that the Lessee may suffer or incur as a consequence of any such interference.

13.3 Support

The Lessor must provide and ensure that during the Term, there is provided all necessary rights of support from the Land as may be reasonably required for the Lessee's Fixtures and the Lessee's use of the Premises, the Lessee's Fixtures or the Land.

13.4 Mortgagee's and Head Lessor's Consents

If:

- (a) the Lessor has mortgaged or charged its interest in the Premises or the Land; or
- (b) the Lessor's interest in the Premises or the Land is as a sub-tenant,

the Lessor must:

- (c) if clause 13.4(a) applies, obtain an unqualified consent to this Lease from any such mortgagees and chargees in the form attached in Schedule 2, or, if required by the mortgagee, such alternative form approved by the Lessee; and
- (d) if clause 13.4(b) applies, obtaining the consent to this Lease from all head-lessors of the Premises or the Land in the form attached in Schedule 3.

**14. MISCELLANEOUS**

**14.1 Governing Law**

Subject to clause 14.2, the laws of the State of Victoria govern this Lease and the Lessor and the Lessee submit to the non-exclusive jurisdiction of the Courts of that state.

**14.2 Schedule 3 of the Act**

This Lease is without prejudice to the Lessee's rights under Schedule 3 of the Act, which rights continue to apply. To the extent that this Lease authorises an activity, the Lessor confirms that it waives any requirement that it be given notice of that activity under Schedule 3 of the Act.

**14.3 Entire Agreement**

This Lease:

- (a) is the entire agreement and understanding between the parties on everything connected with the subject matter of this Lease; and
- (b) supersedes any prior agreement or understanding on anything connected with that subject matter.

Each party has entered into this Lease without relying on any representation by any other party or any person purporting to represent that party.

**14.4 Lessor's Request**

Unless otherwise stated, if the Lessor's consent or approval is required, the Lessor must consider the request promptly and be reasonable in giving or refusing its consent or approval. If the Lessor does not respond to a request within 14 days, it will be deemed to have consented to the request

**14.5 Costs**

Each party must pay their own costs in connection with this Lease.

**14.6 Registration of Caveat**

The Lessee may:

- (a) register a caveat at the Land Registry or protect its interest in this Lease; or
- (b) register this Lease at the Land Registry.

The Lessor must do all things necessary to assist the Lessee in carrying out its rights under this clause, including (if necessary) by signing all documents, obtaining any necessary consents and making the certificate of title to the Land available at the Land Registry.

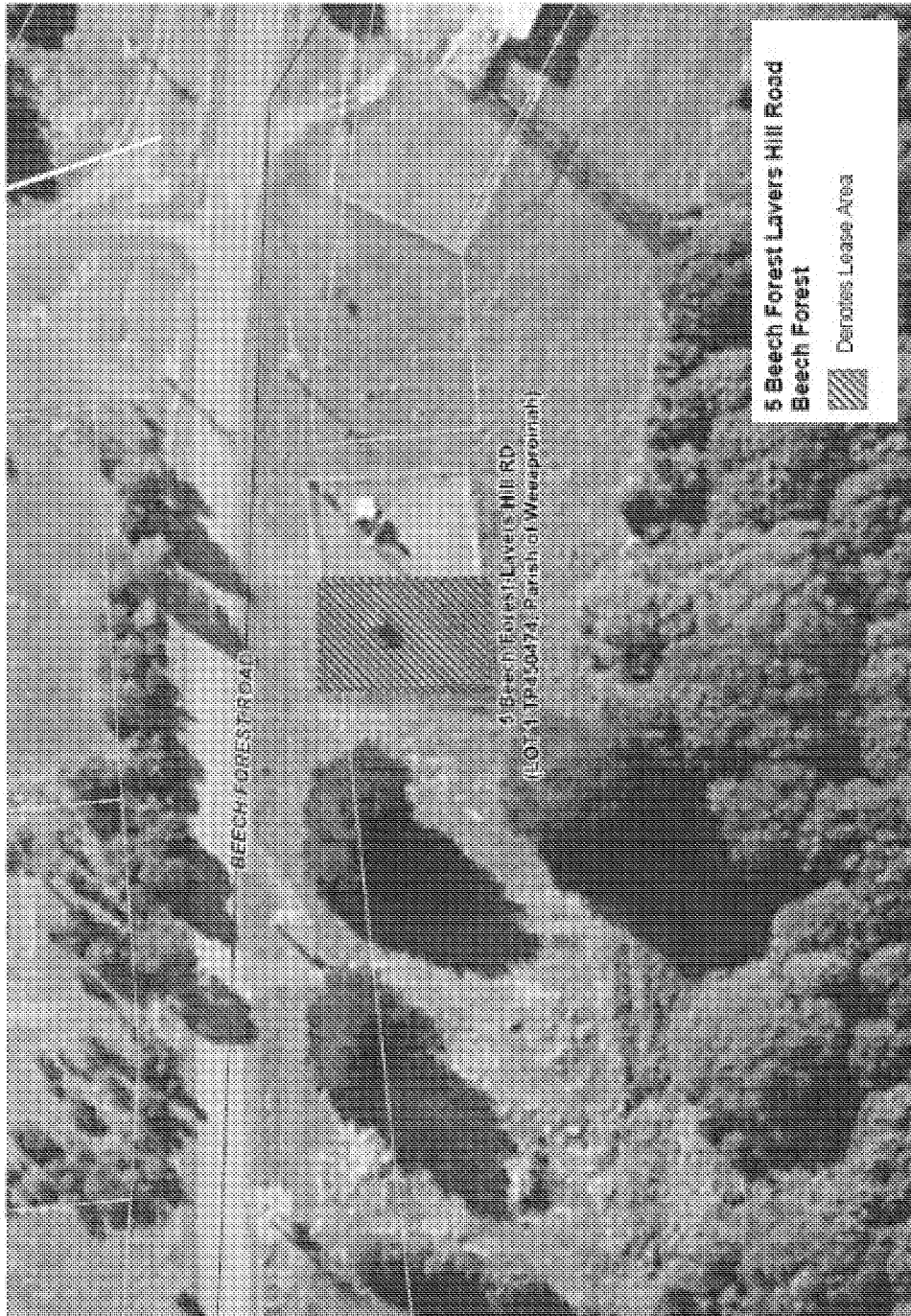
**14.7 No Variation or Termination without State's Consent**

The Lessor must not without the prior written consent of the State terminate (other than under clause 10.4), amend or vary this Lease.

**14.8 The Lessor reserves the right to be recognised as a 'major sponsor' of the Lessee's operations for the term of the Lease and enjoy the benefits of which this status provides.**

SCHEDULE 1

Plan of Premises



SCHEDULE 3

Head-Lessor's Consent

**Mr Rob Small, CHIEF EXECUTIVE OFFICER, COLAC OTWAY SHIRE**

*(insert head-lessor's details)*

being the or a head-lessor of the Premises of the Land described in the Lease to which this consent is attached:

1. consents to that Lease:
2. undertakes to the Lessee in the Lease that:
  - (a) if it becomes the Lessor under this Lease or becomes entitled to exercise the rights of the Lessor under the Lease (including without limitation, any rights under clause 10 of the Lease), it will exercise such rights in a manner consistent with the provisions of, and the Lessee's rights under, the Lease; and
  - (b) if the head-lease under which the Lessor under the Lease is entitled to grant the Lease is terminated, it will grant the Lessee a direct lease of the Premises (together with all other rights in relation to the Premises of the Land set out in the Lease) on the same terms and conditions as the Lease for the residue of the Term (including, without limitation, the right for any Further Term).

Dated this xx day of <Month> 20xx

Executed as a deed

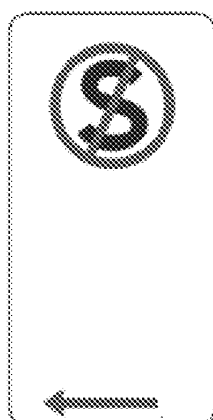
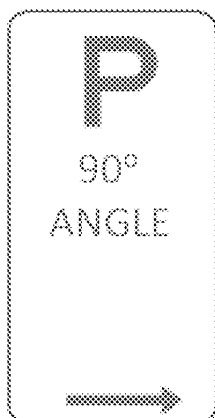
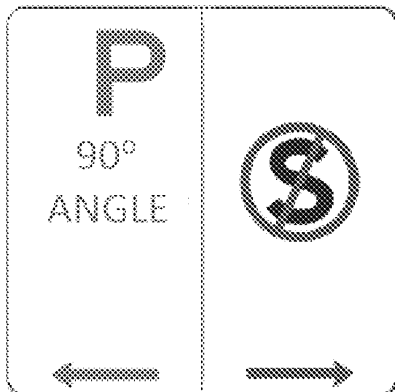
|                                                                                                              |                                     |
|--------------------------------------------------------------------------------------------------------------|-------------------------------------|
| <b>EXECUTED</b> by _____ )<br>in accordance with section 127 of the _____ )<br>Corporations Act 2001 _____ ) | _____<br>Director ( <i>sign</i> )   |
| _____<br>Full Name ( <i>print</i> )                                                                          | _____<br>Director ( <i>sign</i> )   |
| _____<br>Full Name ( <i>print</i> )                                                                          | _____<br>Full Name ( <i>print</i> ) |

|                                                                                        |                                  |
|----------------------------------------------------------------------------------------|----------------------------------|
| <b>SIGNED SEALED AND DELIVERED</b> _____ )<br>by _____ )<br>in the presence of _____ ) | _____<br>Witness ( <i>sign</i> ) |
|----------------------------------------------------------------------------------------|----------------------------------|



Attachment 2

Wye River, Morley Avenue – Examples of signs proposed

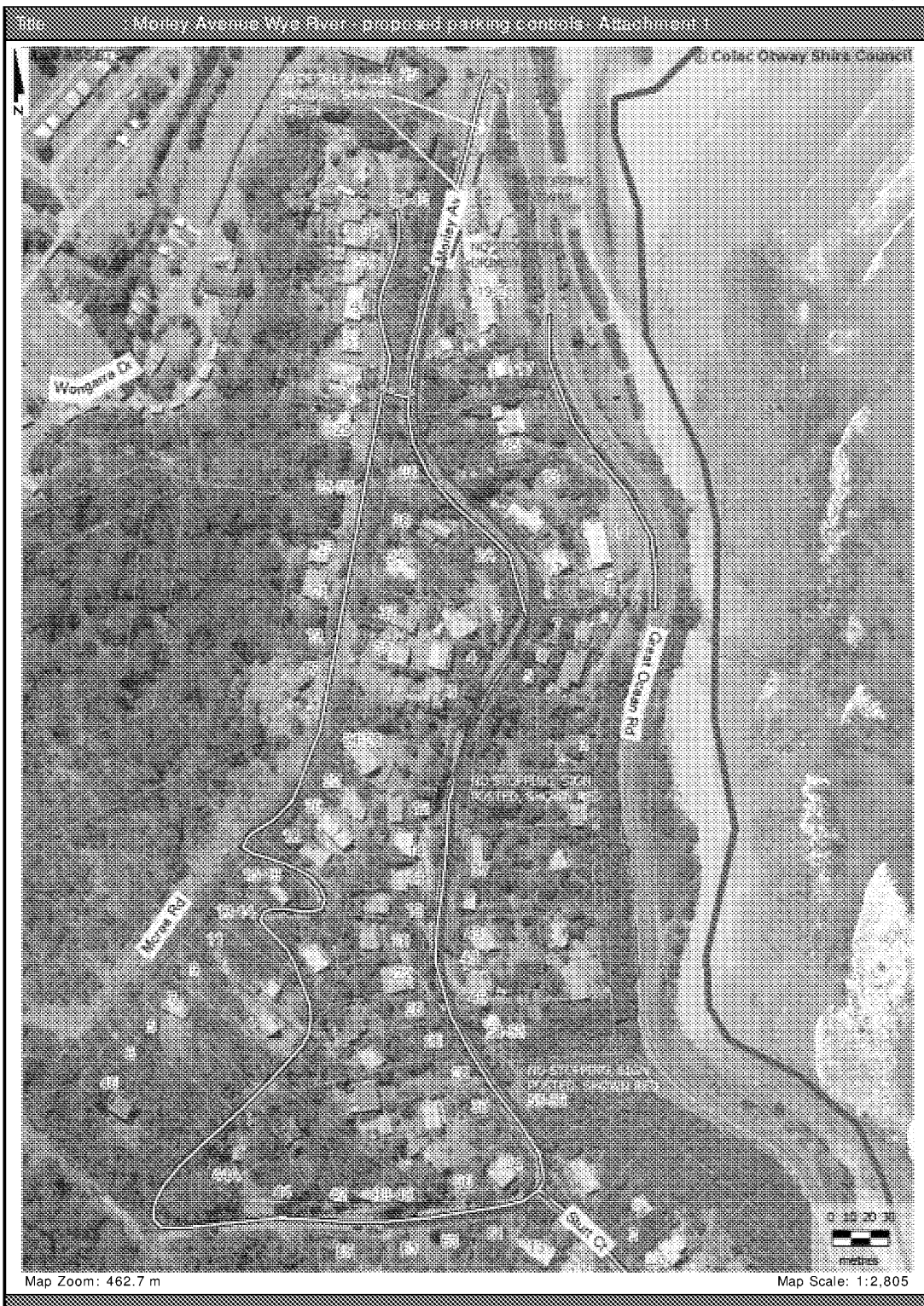




Created by infrastructure on Thursday, 15 November 2012



COLAC-OTWAY SHIRE COUNCIL





BRAND BUREAU  
MARKETING • BRAND IDENTITY • 2011

The vibrancy and multi-layered nature of the logo celebrates the diversity of the region and the inclusive and connected community. The Colac uses pride of place with the tagline re-emphasizing the message of choice and freedom of having 'life, your way'.

A sense of community and connectedness is a strong theme for the benefits of moving to Colac and the benchmark also conveys this.

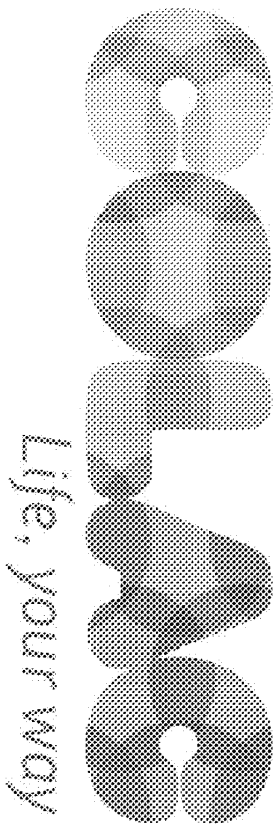
The colours are complementary to the Colac State logo. The circular nature of the logo sits in with the Shire brand.

Some of the key points to the brief are also highlighted in this logo.

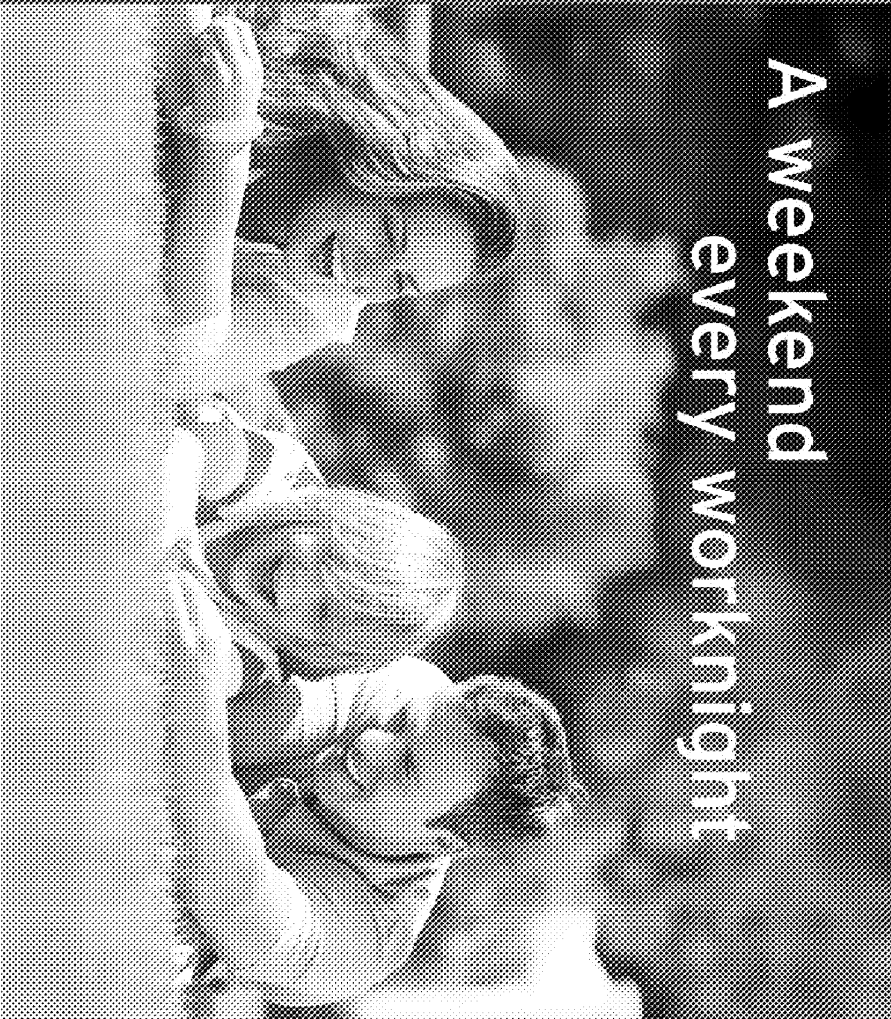
- \* Change perceptions of Colac
- \* See Colac as a diverse living option
- \* Livable for all
- \* Freedom
- \* Career opportunities
- \* State
- \* Leisure
- \* Sophisticated
- \* Sense of community

**TAGLINE:**

- \* Conveys the idea that the Colac is a lifestyle choice, and that it can be 'tailored' to suit the person's needs
- \* Could be used a platform for sub campaigns eg a campaign which focuses on employment opportunities, but reinforces 'Life, Your Way' as the key message.



BRAND BUREAU  
BRAND BUREAU  
BRAND BUREAU



**A weekend  
every worknight**

Close your eyes, picture your ideal life.

Slipper lounge. Spa. Spa. Champagne. Great service.  
 People with you. Oh! Oh! Sport. Travel. Relax.  
 Good food and wine. Relax. Live. Thrive. From an  
 Great source. Awesome. Top-notch. Priority. Attention.

Colac. Orway. me. at. the. And. such. such. more.

**COLAC**  
Life, your way

[www.colacorwayme.com.au](http://www.colacorwayme.com.au)

BRANDBUREAU.COM.AU

## RDAF Round 3 – Up to \$500,000

| Project                             | Details                                                                                                                                                                                                                                                                                                                                                                                | Total Cost | RDAF      | Matching Funds | Shovel ready                                                                                                    | Regional Status                                                                                                                                                                                |
|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-----------|----------------|-----------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Colac CBD and Entrances             | <ul style="list-style-type: none"> <li>• Pedestrian bridges across Barongarook Creek on Murray Street</li> <li>• Ground cover planting</li> <li>• Street tree planting</li> <li>• Mid block pedestrian crossings</li> <li>• Street furniture</li> <li>• Drinking fountains</li> <li>• Safety lighting</li> <li>• Decorative LED fairy lights in trees</li> <li>• Bike lanes</li> </ul> | \$1m       | \$500,000 | \$500,000 LGIP | Master Plan completed.<br>Need detailed design plans.<br>Possible DPCD grant available for design.              | A GSC Priority project.                                                                                                                                                                        |
| Central Reserve                     | <ul style="list-style-type: none"> <li>• Competition lighting for football and netball.</li> <li>• Extend netball courts to comply with international standards.</li> <li>• Digital scoreboard.</li> <li>• Entrance upgrade including Legends Plaza</li> <li>• Landscaping, signage etc.</li> </ul>                                                                                    | \$1m       | \$500,000 | \$500,000 LGIP | Master Plan completed.<br>Quotes and estimates for works received.<br>Need detailed design for some components. | The Beechy Precinct is a G21 Region Priority Project under Addressing Disadvantage. The Central Reserve is recognised as a G21 regional facility and the redevelopment is a regional priority. |
| Apollo Bay Harbour<br>Mothers beach | Road works<br>Pathways<br>Car par bitumen seal                                                                                                                                                                                                                                                                                                                                         | \$1m       | \$500,000 | \$500,000 LGIP |                                                                                                                 | A G21 and GSC Priority project                                                                                                                                                                 |

|                           |                                                                |  |  |  |  |  |
|---------------------------|----------------------------------------------------------------|--|--|--|--|--|
| Car Park<br>Redevelopment | Formalised parking<br>Toilet/change room facilities<br>Signage |  |  |  |  |  |
|---------------------------|----------------------------------------------------------------|--|--|--|--|--|

**RDAF Round 4 – Up to \$15m**

| Project                 | Details                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Total Cost | RDAF  | Matching Funds | Shovel ready                                                                                       | Regional Status        |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-------|----------------|----------------------------------------------------------------------------------------------------|------------------------|
| Colac CBD and Entrances | <ul style="list-style-type: none"> <li>• Pedestrian bridges across Barongarook Creek on Murray Street</li> <li>• Water sensitive urban design</li> <li>• Planting along road edges, central medians and private car parking.</li> <li>• Coloured reseal of parking bays areas to deliniate parking from through traffic</li> <li>• Coloured bike lane</li> <li>• Removal of existing concrete paths and upgrade of Murray Street footpaths and replace with Asphalt and Brick inlay (or similar approved)</li> <li>• Mid block pedestrian crossings</li> <li>• Street furniture</li> <li>• Drinking fountains</li> <li>• Safety lighting</li> <li>• Decorative LED fairy lights in trees</li> <li>• Bike lanes</li> </ul> | \$5m       | \$4.5 | \$500,000 LGIP | Master Plan completed.<br>Need detailed design plans.<br>Possible DPCD grant available for design. | A GSC Priority project |



|                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |               |               |                       |                                                                                                    |                                                                                                                                                                                                       |
|------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|-----------------------|----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Central Reserve Redevelopment</p>                                               | <ul style="list-style-type: none"> <li>• Grandstand redevelopment</li> <li>• Competition lighting for football and netball.</li> <li>• Extend netball courts to comply with international standards.</li> <li>• Digital scoreboard.</li> <li>• Entrance upgrade including Legends Plaza</li> <li>• Landscaping, signage etc.</li> </ul>                                                                                                                                               | <p>\$5m</p>   | <p>\$4.5m</p> | <p>\$500,000 LGIP</p> | <p>Master Plan completed. Quotes for works received. Need detailed design for some components.</p> | <p>The Beechy Precinct is a G21 Region Priority Project under Addressing Disadvantage. The Central Reserve is recognised as a G21 regional facility and the redevelopment is a regional priority.</p> |
| <p>Apollo Bay Harbour Redevelopment of service yard and promenade construction</p> | <p>Detailed engineering design<br/>                 Approvals<br/>                 Demolition works<br/>                 Slipway construction<br/>                 Winch installation<br/>                 Yard extension and new office and works facilities<br/>                 Seawall construction<br/>                 Land reclamation<br/>                 Promenade pavement<br/>                 Furniture, lighting, amenity<br/>                 Services connections</p> | <p>\$8.4m</p> | <p>\$7.9m</p> | <p>\$500,000 LGIP</p> |                                                                                                    | <p>A G21 and GSC Priority project.</p>                                                                                                                                                                |



1. **Welcome.** Helen Paatsch agreed to chair the meeting, and welcomed all including our new member Simon Dewar, who has taken up the position formerly filled by Ronice Knight.
2. **Present:** Helen Paatsch, Stephen Hart, Colin Hayman, Jackie Dullard, Simon Dewar, Roslyn Cousins
3. **Apologies:** Carolyn Phillips

| Agenda Item                       | Discussion                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Action                            |
|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|
| 5. Previous minutes 19/6/2012     | Minutes were accepted.<br><b>Moved by Stephen Hart and seconded by Colin Hayman</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Carried                           |
| 6. Business arising               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                   |
| 6.1 Cleaning                      | Laminated signs requesting that the meeting rooms be left clean and tidy for next users have been put in place. CSC to review contract and cleaning schedule in conjunction with CRLC.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | CSC & CRLC to review              |
| 6.2 Meeting Policy                | The guidelines will be updated to reflect the current process of payment after use. As an interim measure it was agreed that staff may give meeting room users a copy of the draft guidelines. Details of the income raised this financial year for the meeting rooms was tabled.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Roslyn<br>Library Staff           |
| 6.3 Landscaping                   | The current Landscaping plan was tabled and noted that the planting bed has been extended to the northern section (nearer to the 2 hour car park). It was noted that while a contract has been awarded for this initial work, many opportunities still remain for involvement from community groups, in areas such as the Children's courtyard, Student Courtyard etc. The architect's original vision for a wooden chequerboard art feature was also tabled. It was agreed that this should be reviewed. A concern was raised regarding planting obscuring signage of the building, and that the current signage is inadequate. It was noted that additional roadside signage is being developed for both the library and school. It was also noted that the CSC internal banner sign has created some confusion for visitors. The School agreed to relocate the banner. | CSC to relocate internal banner   |
| 6.4 Third Public Committee Member | It was noted that correspondence had just been received from DEECD generally agreeing to proposed changes to the Agreement and Terms of Reference. but advising that a deed of amendment must be constructed for the changes. It was requested that when a recruitment process is undertaken for a 3 <sup>rd</sup> Committee Member that additional publicity is undertaken beyond an advertisement in the Colac Herald.                                                                                                                                                                                                                                                                                                                                                                                                                                                  | A press release will be prepared. |

|                                   |                                                                                                                                                                                                                                                                                                                |                                                   |
|-----------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| 6.5 Joint Committee Strategy Plan | The document needs to be updated to be congruent with the current terms of reference.                                                                                                                                                                                                                          | Roslyn to review and present at the next meeting. |
| <b>7. General Business</b>        |                                                                                                                                                                                                                                                                                                                |                                                   |
| 7.1 Otway Business Awards         | CCLLC has been nominated in the Community Service section of the Otway Business Awards and the judge visited the library today, happily coinciding with a mammoth rhyme time with 94 people attending.                                                                                                         |                                                   |
| 7.2 Meeting room use              | <p><b><i>Moved by Helen Paatsch, seconded Stephen Hart the committee move to an In Camera session.</i></b></p> <p>An issue regarding the hire of the CCLLC meeting rooms was discussed.</p> <p><b><i>Moved by Helen Paatsch, seconded Stephen Hart the committee move out of an In Camera session.</i></b></p> | <p>Carried</p> <p>Carried</p>                     |
| <b>12. Next meeting</b>           | Wednesday, 17 October 2012, 5pm                                                                                                                                                                                                                                                                                | Roslyn to circulate agenda                        |
| <b>Meeting closed:</b>            | 6.25pm                                                                                                                                                                                                                                                                                                         |                                                   |



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#### Assembly Details:

Date: 11, 10, 12

Time: 7:30 am/pm

Assembly Location: 12 Banksia Drive Elliminyt  
(some e.g's. COPACC, Colac Otway Shire Offices, 2 - 6 Rae Street, Colac, Shire Offices - Nelson Street, Apollo Bay)

#### In Attendance:

Councillors: Cr C. Smith

Officer/s: Laurence Towers

Apology - Neil Allen

Matter/s Discussed: Friends of Colac Botanic Gardens Meeting

(some e.g's. Discussion s with property owners and/or residents, Planning Permit Application No. xxxx re proposed development at No. xx Pascoe Street, Apollo Bay, Council Plan steering committee with Councillors and officers.)

#### Conflict of Interest Disclosures: (refer page 5)

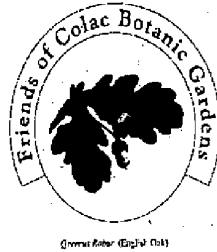
Councillors:

Officer/s:

Left meeting at: 8:45pm

Completed by: L. Brooker

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## MINUTES

7:30pm Thurs 11th October, 2012  
at 12 Banksia Drive, Elliminyt

**PRESENT:** Anne Mercer (AM) in Chair, Roslyn Scanlan (RS) secretary, Chris Bell (CB) treasurer, Mary Eaton (ME), Anthea Merewether (AtM), Pauline Maunsell (PM), Jan McMahon, (JM), Jen Todorovic (JT), Laurence Towers (LT), Chris Smith

**APOLOGIES:** Neil Allen, France Doak, Sue Mulder (SM), Helen Paatsch (HP),

### MINUTES OF PREVIOUS MEETING:

*Confirmed 1.JM 2.CB*

**BUSINESS ARISING:** Nil

### CORRESPONDENCE: RS

*Out:* Nil

*In:*

- Neil Allen – response re absence of Bot. Gardens on Council website
- Friends of the RBG Melbourne – Art of Botanical Illustration exhibition Nov.
- Elmwat – Newsletter; invitation to AGM 25 Oct in East Melbourne

*Correspondence received PM, seconded CB*

### BUSINESS ARISING FROM CORRESPONDENCE:

- AM & RS will meet with Neil Allen to discuss promotion of CBG on COS website.
- Newsletters received by email from other garden groups will be forwarded to members.

### TREASURER'S REPORT: CB

Report tabled.

Balance: \$7,035.11

\$5,000 to be put on Term Deposit - 1. ME 2. JM Carried.

*Report received 1.CB 2.AM*

### GARDENER'S REPORT: LT

Monthly report tabled.

The *Dovyalis caffra* (a fruit tree) planted on bank s was donated by John Hawker. The two hard-water ferns planted in the rainforest bed were donated by LT.

LT attended at talk on Guilfoyle's garden style.

The National Register of Big Trees has invited all communities to contribute to the list. See [www.nationalbigtree.com.au](http://www.nationalbigtree.com.au)

It was suggested that copies of the monthly report be put at the Shire front desk. Through the Shire media officer it could also be offered to the Colac Herald to provide items for their garden editions.

### POTTING REPORT: JM

Future potting sessions will be held on 4<sup>th</sup> Wednesday of each month, 10am – 12 noon.

Good weather aided work at the last potting session.

COPY



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#### Assembly Details:

Date: 19, 10, 12  
Time: 9.30 am/pm

Assembly Location: Livestock Selling Centre Colac  
(some e.g's. COPACC, Colac Otway Shire Offices, 2 - 6 Ree Street, Colac, Shire Offices - Nelson Street, Apollo Bay)

#### In Attendance:

Councillors: Nil

Officer/s: Neil Allen, Craene Riches, Roger Fox, Leanne Brooker

Matter/s Discussed: Colac Livestock Selling Centre Advisory Committee - Special Meeting  
(some e.g's. Discussion s with property owners and/or residents, Planning Permit Application No. xxxx re proposed development at No. xx Pascoe Street, Apollo Bay, Council Plan steering committee with Councillors and officers.)

#### Conflict of Interest Disclosures: (refer page 5)

Councillors: ~~.....~~

Officer/s: ~~.....~~

Left meeting at: 10.55am

Completed by: Leanne Brooker

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## COLAC LIVESTOCK SELLING CENTRE ADVISORY COMMITTEE – SPECIAL MEETING

MINUTES of the Colac Livestock Selling Centre Advisory Committee  
held on Friday 19 October 2012, 9.30am  
at Colac Livestock Selling Centre  
TRIM Ref: F12/915 (D12/71570)

| ITEMS & ACTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | RESPONSIBLE OFFICER | ACTION DUE DATE |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-----------------|
| <p><b>1. ATTENDEES:</b></p> <p>Jamie McConachy (Stock Agent), Phil Douglas (Stock Agent); Terry Dove (Stock Agent), Allan Osborne (UDV Rep), Karl Fish (on behalf of William Richardson), Graeme Riches (Saleyards Superintendent), Neil Allen (COS); Roger Fox (COS); Dean Wearne (GHD); Jonathon Friend (GHD); Minute Taker: Leanne Brooker (COS)</p> <p><b>2. APOLOGIES:</b></p> <p>Received - Greg Anderton, Jeff Johnson, William Richardson<br/>Not in attendance - Craig Wheadon, Jamie Dennis, Cr Geoff Higgins,</p> <p><b>3. UPDATE ON ROOFING OF SALEYARDS</b></p> <p>Neil welcomed Dean Wearne and Jonathon Friend from GHD who have prepared initial concept drawings. Copies were distributed to the meeting.</p> <p>The height of the roofing was discussed. 6m height has been agreed to. Discussion was held around the roof line, presently drawn up with one saw tooth roof. Some members present were concerned with ventilation and noise factor. Question was asked if it was feasible to have roof with at least 3 saw tooth roofs. Neil and GHD advised cost is a factor if we go down that path. Neil feels with the height of 6m that there wouldn't be a problem with airflow/ventilation. Graeme said it wouldn't matter what sort of roof was constructed, that noise would always be a factor. After much discussion it was agreed to stay with the design drawings as is, ie one saw roof. It is to be noted that the roofing is only for the selling pens. Neil advised that the total budget for the roofing project is \$1.5M max. Neil would like to add into the tender specification a couple of provisional items – PA system, Electronic scales and water storage tanks.</p> <p>Dean advised that the specification would include lighting, water storage, type of roofing (some sections in clear panels). Neil advised members that they need to think about the 'colour' of the roof – choice would be from muted colours – 'green, brown or beige'. Graeme said the current lighting would be quite adequate and if we didn't include this in the specification, could some \$\$ be saved. Dean advised that once Saleyards becomes 'roofed', it would be an OH&amp;S requirement to have lighting installed.</p> <p>GHD will continue working on the concept drawings and prepare the tender specification.</p> <p>At this point in meeting, Roger Fox, Dean Wearne and Jonathon</p> |                     |                 |





## Council Meeting Running Order

Wednesday, 24 October 2012

Present: Cr Stephen Hart (Mayor), Cr Lyn Russell, Cr Frank Buchanan, Cr Brian Crook, Cr Stuart Hart, Cr Geoff Higgins (from 2.10pm), Cr Chris Smith (from 3.00pm)

Staff: Rob Small (from 2.40pm), Jack Green, Neil Allen, Colin Hayman, Rhonda Deigan

| <b><u>Venue – COPACC Meeting Rooms, Colac</u></b> |                                    |
|---------------------------------------------------|------------------------------------|
| <b>2.00 pm</b>                                    | <b>Councillor Briefing Session</b> |
| <b>3.00 pm</b>                                    | <b>Council Meeting</b>             |
| <b>3.48 pm</b>                                    | <b>In Committee Meeting</b>        |



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### Assembly Details:

**Date:** 30 & 31 October 2012

**Time:** 9.00am – 5.00pm (both days)

**Assembly Location:** Colac Community Library & Learning Centre

(some e.g's. COPACC, Colac Otway Shire Offices, 2 - 6 Rae Street, Colac, Shire Offices – Nelson Street, Apollo Bay)

### In Attendance:

**Councillors:** Cr Russell, Cr Hart, Cr Smith, Cr McCrickard, Cr Woodcroft, Cr Delahunty, Cr Crook

**Officer/s:** Rob Small, Colin Hayman, Jack Green, Neil Allen, Rhonda Deigan  
**Part:** All Managers & Tamzin McLennan

**Matter/s Discussed** Councillor Induction Workshop


### Conflict of Interest Disclosures: (refer page 5)

**Councillors:** Nil

**Officer/s:** Nil

**Left meeting at:** Not Applicable

**Completed by:** Rhonda Deigan

|                                                                                                                                                            |                                                                                                                                                                                                                                    |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
|  <p>Colac Otway<br/>SHIRE<br/>'Naturally Progressive'</p> <h1>Agenda</h1> | <h1>Pre Statutory<br/>Workshop</h1> <p>Wednesday, 31 October 2012<br/>Colac Community Library &amp; Learning Centre<br/>3.40 pm – 5.25 pm</p>                                                                                      |  |
|                                                                                                                                                            | <p><b>ATTENDEES:</b><br/>Cr Chris Smith, Cr Terry Woodcroft, Cr Mick McCrickard, Cr Lyn Russell, Cr Stephen Hart, Cr Michael Delahunty, Cr Crook</p> <p>Rob Small (CEO)<br/>Rhonda Deigan (EO to CEO, Mayor &amp; Councillors)</p> |  |
|                                                                                                                                                            | <h2>Agenda Topics</h2>                                                                                                                                                                                                             |  |
|                                                                                                                                                            | Declaration of Interst – Nil                                                                                                                                                                                                       |  |
| 3.40 pm – 5.25pm                                                                                                                                           | Pre Statutory Workshop                                                                                                                                                                                                             |  |

**Confidentiality Statement:**

The discussion during the Pre Statutory Council meeting was deemed confidential under section 89(2) (a) and (h) of the Local Government Act 1989 as the report refers to personnel matters and any other matter which would prejudice the Council or any person.

Rob Small

Chief Executive Officer



# Agenda

# Councillor Briefing Session

Wednesday, 7 November 2012  
COPACC Meeting Rooms  
4.30 pm – 5.00 pm

**ATTENDEES:**

Cr Chris Smith, Cr Terry Woodcroft, Cr Mick McCrickard, Cr Lyn Russell,  
Cr Stephen Hart, Cr Michael Delahunty, Cr Crook

Rob Small (CEO)  
Jack Green (GM Sustainable Planning & Development)  
Neil Allen (GM Infrastructure & Services)  
Rick Morrow (A/GM Corporate & Community Services)  
Ian Seuren, Manager Recreation, Arts & Culture

## Agenda Topics

|                   |                                                |  |
|-------------------|------------------------------------------------|--|
|                   | Declaration of Interest – Nil                  |  |
| 4.30 pm – 5.00 pm | Funding Opportunity – Bluewater Fitness Centre |  |



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#### Assembly Details:

Date: 8, 11, 12

Time: 7.30 am/pm

Assembly Location: Botanic Cafe  
(some e.g.'s. COPACC, Colac Otway Shire Offices, 2 - 6 Rae Street, Colac, Shire Offices - Nelson Street, Apollo Bay)

#### In Attendance:

Councillors: Cr Chris Smith

Officer/s: Laurence Towers

Matter/s Discussed: Friends of Colac Botanic Gardens Meeting

(some e.g.'s. Discussion s with property owners and/or residents, Planning Permit Application No. xxxx re proposed development at No. xx Pascoe Street, Apollo Bay, Council Plan steering committee with Councillors and officers.)

#### Conflict of Interest Disclosures: (refer page 5)

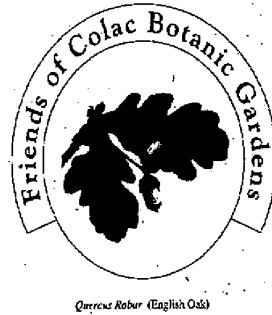
Councillors:

Officer/s:

Left meeting at:

Completed by: L. Brooker

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## MINUTES

7:30pm Thurs 8<sup>th</sup> November 2012 – at Colac Botanic Cafe

### PRESENT:

Anne Mercer (AM) IN CHAIR, Mary Eaton (ME), Roslyn Scanlan (RS) secretary, Chris Bell (CB) treasurer, Pauline Maunsell (PM)  
Laurence Towers (LT), Cr Chris Smith (CS)

**APOLOGIES:** France Doak, Jan McMahon, Helen Paatsch (HP), Jenny Todorovic (JT), Anthea Merewether

**MINUTES OF PREVIOUS MEETING:** Oct 2012 – *confirmed PM, seconded CB*

Business arising:

Camperdown Garden group visit was a successful day. Return invite extended – to see their garden project at the railway station. Probably go in autumn.

### CORRESPONDENCE:

*Out:*

*In:* Hamilton Friends- appreciate our invitation to visit; suggest they will come in autumn if it suits us

Garden Plant Conservation Assoc of Aust. – might fold if committee positions are not filled.

Nomination forms sent for special general meeting on 29<sup>th</sup> November

*Correspondence received: 1. PM 2. ME*

*Business arising:* Confirm Hamilton visit for autumn 2013.

AM will follow up re GPCAA

**TREASURER'S REPORT:** CB Report tabled.

Opening bank balance: \$7035.11

Closing bank balance: \$7076.11

Term deposit of \$5,000.00 has been lodged for 5 months at 4% interest.

*Proposed CB, Seconded ME, Accepted*

*Motion* to purchase a filing cabinet if replacement is not covered by cafe insurance and that it remain unlocked unless necessary. Moved ME, 2<sup>nd</sup> PM, passed

**GARDENER'S REPORT:** LT Pictorial report tabled and commented on.

LT approached Tamzin at COS regarding distribution of reports: LT will forward them to her and they will be made available at the front desk of Shire offices. (Friends will continue to take reports to Visitor Information Centre )

**POTTING REPORT: JM**

Jan is away for 2 weeks and Graeme is looking after stocking of the plant stall in this period.

- o More 8" and 6" pots are needed to pot on propagated plants.
- o Concerns were expressed about accepting pots from many different sources because of the risk of contamination.

*Motion* to purchase pots as needed. Moved ME; 2<sup>nd</sup> CB, passed

**GENERAL BUSINESS**

150<sup>th</sup> anniversary sub-committee:

To meet with COS events officer, Vicki Jeffrey, Monday 19<sup>th</sup> Nov at 10am at the Botanic Cafe.

Council election: Our congratulations to be passed on to Cr Chris Smith on his re-election.

Council representative on Friends committee not yet decided.

**RAFFLE** was won by Mary E.

**NEXT MEETING:** THURSDAY 13<sup>th</sup> DECEMBER, 7:30pm, at the Botanic Cafe (*unless otherwise advised*)

Members to bring some nibbles or a drink to share.





# Councillor Workshop

Wednesday, 14 November 2012  
COPACC Meeting Room  
9.00 am to 5.00 pm

## ATTENDEES:

Cr Lyn Russell (Mayor), Cr Stephen Hart, Cr Chris Smith (absent from 11.25am – 12.35pm), Cr Mick McCrickard (from 10.10am) (absent from 10.40am – 12.00pm), Cr Terry Woodcroft (absent from 3.15pm – 3.45pm), Cr Michael Delahunty, Cr Brian Crook

Rob Small (CEO)  
Colin Hayman (GM, Corporate & Community Services)  
Jack Green (GM, Sustainable Planning & Development)  
Neil Allen (GM, Infrastructure & Services)

## Part:

Stewart Anderson, Mike Barrow, Michael Swanson, Mark Gunning, Ian Seuren, Doug McNeill, Gemma Browning, Chris Harty, Russell Whiteford, Karen Patterson, Cayley Robinson, Janet Forbes

## Apology:

Mick McCrickard 9.00am – 10.10am

## Agenda Topics

|                     |                                                                                                                 |                                                            |
|---------------------|-----------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|
| 9.00 am             | Declaration of Interest<br>Cr Delahunty – Saleyards Roof Update – left meeting at 9.15am and returned at 9.30am |                                                            |
| 9.00 am – 9.15 am   | Planning Committee Briefing Session                                                                             | Doug McNeill, Blaithean Butler, Katrina Kehoe              |
| 9.15 am – 9.30 am   | Saleyards Roof Update<br>Cr Delahunty - Conflict of Interest - left the workshop for this item.<br>Confidential | Neil Allen/Roger Fox                                       |
| 9.30 am – 10.00 am  | Apollo Bay Airfield Licence Agreements                                                                          | Neil Allen                                                 |
| 10.00am – 10.30am   | Tour of Chambers – Colac West Primary School                                                                    |                                                            |
| 10.30 am – 10.40 am | Planning Committee Meeting                                                                                      |                                                            |
| 10.40 am – 10.50 am | Morning Tea                                                                                                     |                                                            |
| 10.50 am – 11.30 am | Wye River & Separation Creek Waste Collection Services                                                          | Neil Allen/Janet Forbes                                    |
| 11.30 am – 12.00 pm | Planning Scheme Amendment – Salinity Management Overlay                                                         | Doug McNeill/Gemma Browning/Chris Harty                    |
| 12.00 pm – 12.30 pm | Lunch                                                                                                           |                                                            |
| 12.30pm – 1.50pm    | Colac Marketing Strategy                                                                                        | Mike Barrow/Michael Swanson & Brand Bureau/Tamzin McLennan |

|                          |                                           |                                                              |
|--------------------------|-------------------------------------------|--------------------------------------------------------------|
| <b>1.50 pm – 2.20pm</b>  | <b>Fire Danger Period</b>                 | Mark Gunning/Stewart Anderson                                |
| <b>2.20 pm – 3.10pm</b>  | <b>Beechy Precinct &amp; COPACC</b>       | Ian Seuren/Russell Whiteford/Karen Patterson/Cayley Robinson |
| <b>3.10 pm – 3.15 pm</b> | <b>Afternoon Tea</b>                      |                                                              |
| <b>3.15 pm – 3.50pm</b>  | <b>Pirron Yallock Recreation Reserve</b>  | Ian Seuren                                                   |
| <b>3.50 pm – 4.15 pm</b> | <b>Boundary Creek/Acid Sulphate Soils</b> | Stewart Anderson                                             |
| <b>5.00 pm</b>           | <b>Australia Day Advisory Committee</b>   | Australia Day Advisory Committee members                     |



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#### Assembly Details:

Date: 14 / 11 / 2012  
Time: 9.20 am/pm

Assembly Location: \_\_\_\_\_  
(some e.g's. COPACC, Colac Otway Shire Offices, 2 - 6 Rae Street, Colac, Shire Offices - Nelson Street, Apollo Bay)

#### In Attendance:

Councillors: Cr. Smith / Cr. Hart / Cr. Russell / Cr. Woodcroft

Officer/s: Hege Eier

Matter/s Discussed: Australia Day Awards and Australia Day Award Mng. Processes  
(some e.g's. Discussion s with property owners and/or residents, Planning Permit Application No. xxxx re proposed development at No. xx Pascoe Street, Apollo Bay, Council Plan steering committee with Councillors and officers.)

#### Conflict of Interest Disclosures: (refer page 5)

Councillors: none

Officer/s: none

Left meeting at: 5.15 pm

Completed by: Hege Eier

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