



**Colac Otway
SHIRE**

AGENDA

**ORDINARY COUNCIL MEETING
OF THE
COLAC-OTWAY SHIRE
COUNCIL**

26 MARCH 2014

at 5:00 PM

COPACC Meeting Rooms

All Council and Committee meetings are audio recorded, with the exception of matters identified as confidential items in the Agenda. This includes the public participation sections of the meetings. Audio recordings of meetings are taken to facilitate the preparation of the minutes of open Council and Committee meetings and to ensure their accuracy. In some circumstances a recording will be disclosed to a third party. Those circumstances include, but are not limited to, circumstances, such as where Council is compelled to disclose an audio recording because it is required by law, such as the Freedom of Information Act 1982, or by court order, warrant, or subpoena or to assist in an investigation undertaken by the Ombudsman or the Independent Broad-based Anti-corruption Commission. Council will not use or disclose the recordings for any other purpose. It is an offence to make an unauthorised recording of the meeting.

COLAC-OTWAY SHIRE COUNCIL MEETING

26 MARCH 2014

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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 Meeting Rooms on 26 March 2014 at 5.00pm.

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 26/02/14.

Recommendation

That Council confirm the above minutes.

OFFICERS' REPORTS

Chief Executive Officer

OM142603-1 CEO'S PROGRESS REPORT TO COUNCIL

Corporate and Community Services

OM142603-2 HARRINGTON MEMORIAL PARK PETITION
OM142603-3 HARRINGTON MEMORIAL PARK COMMITTEE OF MANAGEMENT
OM142603-4 ADOPTION OF 2014-17 RATING STRATEGY

Infrastructure and Services

OM142603-5 LOCAL GOVERNMENT WASTE FORUM REPRESENTATIVE
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NORTH WEST OF CROWN ALLOTMENT 11J, PARISH OF
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OM142603-9 ROAD DEVIATION - 35 HIDERS ACCESS, YUULONG
OM142603-10 UPDATE ON BLUEWATER FITNESS CENTRE REDEVELOPMENT

Sustainable Planning and Development

OM142603-11 LOCAL GOVERNMENT INFRASTRUCTURE PROGRAM - ALLOCATION
OF REMAINING FUNDS TO BLUEWATER FITNESS CENTRE
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OM142603-12 SMALL TOWN IMPROVEMENT PROGRAM STIP REVIEW OF
GUIDELINES
OM142603-13 METERED PARKING INVESTIGATION

General Business

OM142603-14 ASSEMBLY OF COUNCILLORS
OM142603-15 MINUTES FROM THE COLAC COMMUNITY LIBRARY & LEARNING
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OM142603-16 MINUTES OF THE OLD BEECHY RAIL TRAIL COMMITTEE
OM142603-17 ITEM FOR SIGNING & SEALING - TRANSFER OF LAND PART OF
FORMER ROAD - 1505 OLD BEECH FOREST ROAD, BEECH FOREST

Notices of Motion

OM142603-18 PROCESSING OF VISAS FOR ASYLUM SEEKERS

Rob Small
Chief Executive Officer

CHIEF EXECUTIVE OFFICER

| ITEM | |
|--------------------------|------------------------------------------------|
| <u>OM142603-1</u> | <u>CEO'S PROGRESS REPORT TO COUNCIL</u> |

OM142603-1**CEO'S PROGRESS REPORT TO COUNCIL**

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

EXECUTIVE**G21 Board Meeting**

The Mayor and CEO attended the February meeting of the G21 Board at Queenscliff on 28 February 2014. Discussion included:

- Prioritisation of 2014 G21 Priority Projects
- Addressing Disadvantage Taskforce
- G21 Region Councillor Breakfast
- Revised G21 Geelong Region Alliance Business Plan Key Action Sheet
- G21 Canberra Delegation.

Meeting with Minister Ryan

The CEO and Mayor, along with three other members of the G21 Board, met with the Deputy Premier on 12 March 2014 to discuss G21 priorities. In particular from a Colac Otway perspective, we were able to present our priorities for:

- Transport connections to Geelong (especially commuter rail services)
- CBD upgrade for Colac
- Regional trail upgrades
- Apollo Bay Harbour
- Addressing disadvantage.

Great South Coast Board

The Deputy Mayor and CEO attended the Great South Coast Board Strategic Planning day and Board meeting on 13 and 14 March 2014. Items for discussion included:

- Regional Roads Advocacy
- Great South Coast Regional Marketing Strategy
- Great South Coast Strategy to Prevent Violence Against Women and Children
- Ice in the Great South Coast
- Great South Coast Food and Fibre Strategy
- Great South Coast Education Attainment Project
- Cruise Ships in Portland
- National Centre for Farmer Health.

CORPORATE & COMMUNITY SERVICES**L2P Learner Driver Mentor Program**

The L2P program which is funded by the TAC is a community based program that offers learner drivers between 16 and 21 years old, driving experience with fully licensed volunteer mentors.

The L2P program has been recognised for its contribution to community health and wellbeing at the 2013 Victorian Health Promotion Foundation Awards.

Currently, 62 L2P programs are operating across Victoria, with approximately 2,000 learner drivers currently gaining driving practice and benefitting from the program.

The Colac Otway L2P Program Steering Committee continues to meet on a regular basis.

At the last meeting it was agreed to purchase a vehicle through funds from a number of donations and sponsorships, which have been very much appreciated. The Committee continues to seek funds to ensure that the program continues.

Currently there are 12 trained mentors in the program.

Corangamite Regional Library Corporation

The Board of the Corporation continues to meet on a regular basis.

Over the last 2 Board meetings the main issues that have been considered include:

- The Tomorrow's Libraries Review: Stage 2
The Board strongly supported the Victorian Library proposals and resolved to write to the State Government advocating for funding to be included in the 2014/15 State Government budget to implement the proposals.
- A draft budget for 2014/15 has been developed and considered by the Board. The CEO of the Corporation will present to each Council on the draft budget and other funding initiatives.
- The Board has been provided with an update on the joint initiative between the City of Warrnambool and South West TAFE to build a joint use library. Funds are currently being sought from the State Government to undertake the project at an estimated cost of between \$8 to \$9 million.

It has been indicated that the new facility if it is developed would be run in conjunction with the Corangamite Regional Library Corporation.

Information regarding payment of rates

It should be noted that a leaflet was forwarded to a number of ratepayers headed "Enjoy receiving your rate notice by email". The purpose of the leaflet was to provide ratepayers with the convenience of having their rate notice emailed to their nominated email address. As stated in the leaflet it is a free and easy option. There is no mention of enjoying paying their rates but enjoying the convenience.

The leaflet is similar to that which has been forwarded by other councils to ratepayers to provide them with other payment options. Council continues to investigate options for the payment of rates. However, we acknowledge that some ratepayers could seize on the wording to infer that it was potentially inflammatory.

The feedback received will be taken into account in the future when similar leaflets are prepared.

HEALTH & COMMUNITY SERVICES

Maternal & Child Health

There have been 20 births in February 2014.

Statistics – February 2014

- 20 infants enrolled from birth notifications.
- 8 first time mothers.

| | | | | | |
|---------------|----|--------------|----|---------------|----|
| 2wks | 20 | 4wks | 15 | 8wks | 13 |
| 4mths | 21 | 8mths | 16 | 12mths | 14 |
| 18mths | 15 | 2yrs | 10 | 3.5yrs | 9 |

Other services provided include:

- 77 additional consultations
- 21 phone consultations
- 10 opportunistic immunisations
- 19 child and family referrals. Maternal emotional health and child referrals for dental and speech being the main reasons for referral.
- 29 child and family counselling sessions provided. The majority of counselling was for maternal emotional health, child nutrition and vision.
- New Parents Groups - 4 sessions in Colac
- 26 families currently enrolled under Enhanced Home Visiting service (vulnerable and at risk families), with 7 new families enrolled this month.

Environmental Health

Statutory Inspections – February 2014

| | |
|--------------------------|-----------|
| Food Premises Inspection | 31 |
| Prescribed Accommodation | 5 |
| Total | 36 |

In addition 23 temporary food premises were inspected associated with the Apollo Bay Seafood Festival and the Apollo Bay Music Festival.

Immunisation

The school immunisation program commenced on 13 March 2014.

Septic Tank Inspections: 14

- 1 permit issued to install.
- 1 permit issued to use.

Infectious Disease

A suspected single incident of food poisoning was investigated at a hotel however no conclusive evidence was found. Staff were instructed to improve their food handling techniques.

Complaints

Three complaints were received for investigation, all related to drainage and septic tanks.

Food Recalls

| Effected Food | Reason for recall |
|-------------------------------|--------------------------------------|
| KV Brand Cheese | Listeria bacterial contamination |
| Berri Prima Fruit Juice Drink | Contaminated with spoilage organisms |
| Coles Thick Beef Burgers | Undeclared Allergen (Gluten) |

Premises New/Changes

1 home industry hairdressing salon was inspected and registered.

Seminars Attended/Health Education

A presentation on food safety and legislation was given to Year 10 Trinity students.

Family & Children Services**Early Years Plan**

Council has started the planning process for our next Early Years Plan. A workshop will be held with relevant stakeholders in the Early Years sector to discuss objectives and strategies for our new plan.

Family Day Care

Family Day Care (FDC) currently have 9 educators working within the Shire and has provided childcare to 71 families in the month of February 2014. We are currently at capacity for childcare places.

Family Assistance Law

Work is underway with our educators to comply with the changes to service delivery through the Family Assistance Law. New receipt books have been designed and ordered and an information session has been organised with educators to discuss the new changes.

Student Placements

We currently have three 'Certificate 3 in Children Services' students conducting placements in FDC with several of our educators, which is fantastic. We have been getting some great feedback from the students on the high quality of service that we provide.

Capital Works Grants from Department of Education and Early Childhood Development (DEECD)

Two of our Early Years services in Colac Otway Shire, Wydinia Kindergarten & Care and Forrest Primary School sought Council's support with their applications to receive funding from the State Government through their Capital Works Program. Wydinia Kindergarten & Care were unsuccessful in their application, however Forrest Primary School has been asked to supply a detailed report for their application.

Rural Access

The National Disability Insurance Agency (NDIA) is now funding the National Disability Service (a peak body) to roll out ProjectABLE in the NDIS trial site in Victoria (Barwon). Rural Access has lobbied to have the project released in the Colac Otway Shire, as Geelong already has a similar program. ProjectABLE is a free program for students, offering inspiring, interactive disability awareness and career workshops, vocational training and workplace experiences.

The program will be hosted by Council and delivered in partnership with Colac Otway Disability Accommodation Inc. and SkillsConnection Inc. Staff from the three organisations will be trained in the delivery of the program in late April 2014, with the programs scheduled to commence with local secondary school students in Term 2.

OPASS (Older Person's and Ability Support Services)

Around 35 people recently attended a workshop to consider our ageing population. These included Improving Livability for Older People (ILOP) Ambassadors, community groups, interested individuals and other local and state government stakeholders. The workshop included discussion on the achievements of the ILOP Positive Ambassador projects and considered the direction for Council's next plan around ageing within Colac Otway Shire. Highlights of this workshop included a viewing of the ILOP Positive Ageing Ambassador DVD and Certificates of Recognition being presented to each Ambassador by Mayor Cr. Lyn Russell.

Over the next two months there will be conversations with communities, service providers and staff around our ageing population and future directions that need to be considered. This information will be used to develop a draft plan for Council to consider later this year.

RECREATION ARTS AND CULTURE

Events

Gellibrand Blues and Blueberry Festival – 1 March 2014

Gellibrand came alive with its annual 'Blues' event. Approximately 500 people enjoyed the market in Rex Norman Park featuring blueberries, food and plants. Over 300 enthusiasts listened to the music at the rear of the Otways Tourist Park.

Apollo Bay Music Festival – Friday 28 February to Sunday 2 March 2014

Visitors and locals celebrated the 22nd Apollo Bay Music Festival. With the main stage located in a huge circus tent, patrons had the opportunity to listen to a vast variety of musical forms including jazz, blues, roots, pop and country. There was a large kid's area, Yoga, Music Workshops, and local food and beverages for everyone's enjoyment.

Colac Kana Festival – 15 March 2014

The 57th annual Kana Festival was a colourful success. Thousands of people attended the festival at Memorial Square enjoying the festivities which included the traditional street parade as well as live music, dancing, stalls and food vendors.

Old Beechy Rail Trail Run – 16 March 2014

Runners had the opportunity to discover the beauty of the Otways on the Old Beechy Rail Trail with a 16km Trail Run or a 6km Run/Walk, between Barongarook and Gellibrand. This event was a fund raising initiative of the Rotary Club of Colac with monies raised going to local community projects related to Colac's youth.

Upcoming Events

Events in April 2014 include the Birregurra Open Studio Weekend – 30 March to 1 April; An Autumn Night with Tiffany and Dave (Carlisle River) – 5 April; Good Friday Family Day – 18 April; Birregurra and Warncoort Open Studio Weekend – 19 & 20 April; Anzac Day services (Apollo Bay and Colac) – 25 April; and the GIANT Odyssey (Forrest) – 27 April.

Recreation

Tiger Rail Trail Feasibility Study

Council is currently seeking tenders from qualified and experienced consultants to prepare a feasibility study for the Tiger Rail Trail. Tenders close early April 2014. A Steering Committee has been established to monitor the project which includes Council and community representatives.

Colac and Apollo Bay Wayfinding Strategy and Signage Project

The final draft Colac and Apollo Bay Wayfinding Strategy was presented to Council and endorsed for public exhibition at the February 2014 Council meeting. Community consultation is being undertaken for a period of six weeks, concluding on 10 April 2014.

Stage 3 of the project will involve installation and manufacture of destination and directional signage. The Regional Development Victoria administered Putting Locals First Program has been identified as a potential funding source and an application will be submitted under this program to assist with the costs of manufacture and installation. A tender process will be undertaken for this element of the project.

The 2014-2015 Festival and Events Support Scheme and the 2014-2015 Council Community Funding Program

Applications for the Festival and Events support Scheme and the Community Funding Program (which includes Recreation facilities, Community Projects and COPACC Hire Assistance) opened Friday 21 March 2014. Two information sessions will be held in Colac (14 April 2014) and Apollo Bay (16 April 2014) to provide potential applicants with further details about the program.

Application forms and funding guidelines for both of these sources of funding are available at Customer Service Centres at Colac and Apollo Bay and on Council's website www.colacotway.vic.gov.au.

COPACC

COPACC Season

The 2014 Season Launch in February was a success, attracting 250 people. The COPACC team has received positive feedback and early ticket sales are encouraging.

The children's theatre programme has sold well to primary schools with several shows already sold out.

The first Morning Music show for the year in February 2014 attracted more than 220 patrons and the March show also sold well.

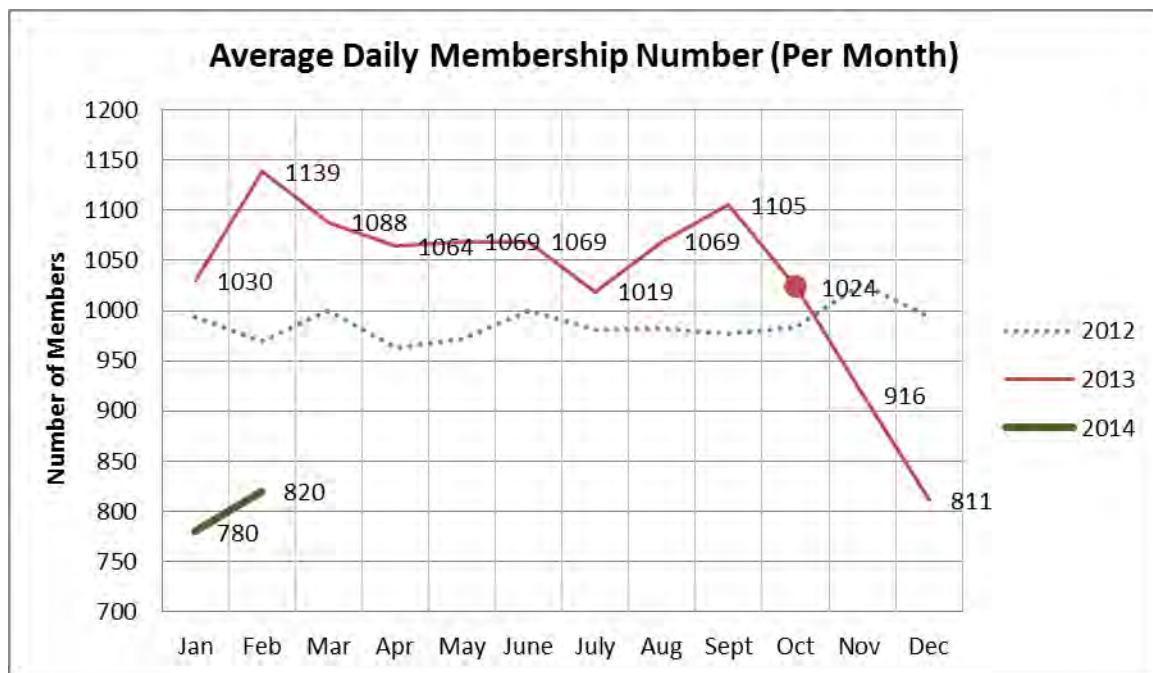
Business Events

After a quiet start to the calendar year business event bookings are growing positively through meeting room bookings, regular hires, independent touring production companies, and community theatre bookings. Almost 2,000 people attended the venue in February 2014.

Bluewater Fitness Centre

Membership

The average membership number for the month of February was 820 (see graph below). The dot indicates the last full month of operations at Bluewater Fitness Centre.



The “Feb Free” trial membership promotion achieved great results with 80 people taking up the 2 week free trial membership of which 27 have now become ongoing direct debit members. This has contributed to the boost of membership numbers back up over 800 after the December and January decline.

Programs

Bluewater Bootcamp Mission 5, which attracted 40 participants, is now complete. The total number of participants in Bluewater Bootcamp since it began in October 2012 is 269 with an average of 54 per program.

A new dry rehabilitation program introduced in January 2014, Active Moves, has been a huge success with an average of 14 participants per session. The classes are held twice per week and targeted at those who participated in aquatic rehabilitation programs before the closure of Bluewater Fitness Centre last November. Active Moves will now form part of the Seniors Programs on offer at Bluewater.

Active Moves has also contributed to an increase in senior casual entries at Bluewater with over 100 casual senior entries for the month of February 2014. This is the first time since October 2012 that we have had over 100 senior casual entries in one calendar month.

There were a total of 46 personal training sessions undertaken during February which is the highest recorded. The previous high was 33 in November last year. A number of staff have been proactive in bringing in personal training clients. Personal training is an example of a service which is demand driven with staff costs being offset by the fees paid by the client.

Bulla again ran a 6 week health challenge at Bluewater Fitness Centre. There were 18 Bulla employees signed up for the challenge which was completed mid-March.

Apollo Bay Pool

Bluewater is currently running a public learn to swim program at the Apollo Bay pool for the first time. The 10 week program will extend to the end of the Term 1 school holidays. There has been a great take up by the local community with 84 students enrolled in the program and the program at 91% capacity. Unfortunately, the cold water is becoming challenging for students and staff alike.

The end of season handover of the Apollo Bay pool with the Apollo Bay P-12 College is scheduled for 11 April 2014.

INFRASTRUCTURE & SERVICES

CAPITAL WORKS

| <i>ACTIONS</i> | <i>STATUS</i> | <i>% COMPLETION</i> | <i>PROGRESS COMMENTS</i> |
|----------------------------------------------------------------------------------------------|---------------|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Apollo Bay Footpath Strategy | In Progress | 75% | A draft Strategy is currently out for public comment for a six (6) week period. |
| Complete the 2013/14 component of the Old Beechy Rail Trail project funded by RIDF. | In Progress | 75% | Construction has commenced on the Beech Forest to Ferguson section of the Trail and on the section of Trail between Dinmont and Ditchley. Invitation of quotations for construction of the section through Mercy Place, Colac, is imminent. |
| Facilitate the review of Council's Road Safety Strategy in conjunction with Colac Road Safe. | In Progress | 90% | A draft of the Strategy has been forwarded to Victoria Police Colac, VicRoads and the Colac Community Road Safety Council for initial comments. The draft strategy will be presented to Council at the March meeting for endorsement for placing the document on public exhibition. |
| Implement the Cressy Shelford Road rehabilitation plan. | In Progress | 75% | Actions associated with the rehabilitation plan are progressing. Weed Management has been undertaken along the fire access track Nov 2013, and further targeted control will be undertaken autumn 2014. Ecological/strategic burning will take place in the eastern section during March-April 2014. Monitoring plots have been installed to inform and measure the success of weed control, threatened species recovery, and to inform the burning regime. |

Bridge Reconstruction Program

Construction for the Lyness Road Bridge is on track to commence during April 2014 after the award of a tender in late 2013. All necessary permits have been received for the construction. A condition, loading and options report has been completed for the Sand Road Bridge rehabilitation. Sand Road Bridge reconstruction options have been produced by GHD and are under review.

Road Reconstruction Program

Tender evaluation has been completed for the reconstruction of Ferrier Drive. Pre-start meetings have been held in preparation for commencement of works in April 2014. Planning for the 2014/15 Sealed Road Reconstruction Program has started with investigation works for Richmond Street, Colac.

SUSTAINABLE ASSETS

| ACTIONS | STATUS | % COMPLETION | PROGRESS COMMENTS |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Work with the Finance Unit to complete Stage 1 of the Authority Asset Management Module implementation. | In Progress | 40% | The implementation of the Council's new asset management system continues with officers from both the Assets and Finance areas being heavily involved. Progress of works has been good despite the heavy workload being placed on key staff involved. |
| Review annual budget requirements for renewal program and present to Exec as part of the budget process and incorporate into long term and capital works plans. | In Progress | 75% | Modelling of future asset renewal needs has been completed in preparation for the 2014/15 Budget. The outcomes of this will be presented to Council as part of budget planning presentations. |
| Monitor the performance and condition of Council's various asset types through programmed inspections and data collection. | In Progress | 60% | An audit of Council's footpaths commenced in early February 2014. This will provide a snapshot of the condition of these important community assets. Data is being collected via personnel mounted on quad bikes. Information about Council's footpaths is collected in the field along with video imagery which provides a record for a variety of desktop uses. CCTV inspections of parts of Council's underground drainage network have been finalised in Colac and Apollo Bay. Information from each these assessments will be used to develop future works programmes. |
| Community infrastructure and asset renewal plan. | In Progress | 40% | Draft Asset Management Plans for Council's infrastructure assets will be presented to Council in the near future for adoption. |
| Complete road and footpath network inspections to meet frequencies prescribed by Council's Road Management Plan. | In Progress | 67% | All inspections are conducted in accordance with Council's Road Management Plan. Routine inspections were completed along urban streets in Marengo, rural access roads in the Carlisle River area and along footpaths in high use zones. |
| Complete specific incident inspections to identify and address safety/risk issues associated with elements of Council's road and footpath networks; including rail crossings and in response to reported incidents. | In Progress | 67% | Incident inspections are completed as required in line with Council's Road Management Plan. |
| Implement the 2013/14 Kerb & Channel Renewal Programme. | In Progress | 10% | Works associated with the kerb and channel renewal programme are about to commence. This programme aims to remove and replace short sections of kerb and channel which are in poor condition preventing the free flowing of stormwater or present a hazard to the public. This programme is implemented on a priority |

| ACTIONS | STATUS | % COMPLETION | PROGRESS COMMENTS |
|------------------------------------------------------------------------------------------------------------|---------------|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | basis and uses information collected by Council's Asset Inspection Officer. |
| Manage building maintenance programme to address programmed and reactive maintenance needs. | In Progress | 58% | Maintenance works during January and early February 2014 have been routine in nature to ensure the safety and serviceability of our buildings and facilities. |
| Coordinate inspections and reporting of Essential Safety Measures relating to nominated Council buildings. | In Progress | 15% | Tenders for services relating to the inspection and testing of Essential Safety Measures closed on 5 March 2014 and are presently being evaluated. Evaluations are 75% completed. |
| Footpath Renewal Program | In Progress | 85% | Approximately 140 metres of the Apollo to Marengo Shared path has been replaced with concrete to alleviate ongoing maintenance issues associated with scouring. Replacement of the section of footpath adjacent to Memorial Square in Murray Street has been programmed. It is expected that this work will take place during March 2014. |
| Bridge Reconstruction Program | In Progress | 30% | VEC Civil Engineering, which was awarded the contract for the replacement of the Lyness Access bridge, Carlisle River have started preliminary designs for the new structure. GHD have prepared concept designs for the remediation of the Sand Road bridge. These are presently being reviewed by Council officers as to the design solution with the highest cost benefit ratio. Both of these projects are being completed under Council's \$1M allocation from the State Government's Country Roads and Bridges Initiative. |
| Building Renewal Program | In Progress | 55% | <p>The following is a status summary of projects being completed under the 2013/14 Building Renewal programme:</p> <ul style="list-style-type: none"> • Larpent Hall Kitchen Refurbishment - Documentation for this project is being finalised. Quotations are to be sought shortly. Further discussion will be required with the Hall Committee to avoid potential conflicts between the planned works and any functions that may have been scheduled. • Gellibrand Works Depot Amenity Upgrades - Shower facilities to be provided in works depot to meet WorkSafe requirements for staff amenities. A building permit has been applied for. Quotations will be sought once this is received. • Lake Foreshore toilets - This involves minor refurbishment works to improve the overall appearance of these high profile facilities. |

| <i>ACTIONS</i> | <i>STATUS</i> | <i>% COMPLETION</i> | <i>PROGRESS COMMENTS</i> |
|----------------|---------------|-------------------------|-------------------------------------------------------------------------------------------------------|
| | | | Specification documents are presently being finalised with quotes from builders to be sought shortly. |

Bluewater Fitness Centre Redevelopment

Demolition works on site are nearing 70% completion with the existing structure removed in the main areas of the former pool plant room, first aid room and wet and dry amenities. This demolition has also included the removal of asbestos which was identified in the original scope of works. Asbestos was removed and disposed of by properly licensed contractors.

Civil works have started onsite with the excavation of excess soil material to achieve new design levels. This is in preparation for the extension of the sports stadium and trenches for the proposed drainage pipes around the building. Footings for the southern extension of the stadium have been poured.

Heavy Vehicle National Law (HVNL)

Most B-doubles operating at Higher Mass Limits (HML) and all Performance Based Standards accredited vehicles must apply for written consent when using local roads within the Colac Otway Shire following the introduction of the new law.

A new HVNL came into effect on 10 February 2014. The HVNL is managed by the National Heavy Vehicle Regulator (NHVR) in Queensland, New South Wales, Victoria, Tasmania and South Australia.

The NHVR was created to administer one set of rules for all vehicles over 4.5 tonnes gross vehicle mass to improve safety and productivity, minimise the compliance burden on the heavy vehicle transport industry and reduce duplication and inconsistencies across state and territory borders.

The HVNL affects the way heavy vehicles access the national road network including the way they apply for access to local roads within Colac Otway Shire. Heavy vehicle operators must now apply to the NHVR for a permit to travel on our local roads.

All requests for heavy vehicle access to the local road network will go to the National Heavy Vehicle Regulator and will be referred to Council for consent. Council will continue to assess heavy vehicle access requests on a case by case basis and all existing permits will remain in place until they expire.

COSWORKS

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

Minor Patching

Minor patching works is ongoing on sealed road repairs to keep up with potholes and edge breaks with granular materials particularly, in all areas of the shire.

Storm Damage

Over the past month there have been an average number of fallen, hanging and dangerous trees due to strong wind damage. This has been widespread throughout parks, reserves and roads in the Shire.

Road Regrading

Road regrading has been reduced due to very dry weather conditions in all sections of the Shire. Works under these conditions tend to exacerbate corrugation and rutting issues. They will recommence once the surfaces become wetter with autumn rains.

Gravel Road Resheeting

Approximately 11.7km of gravel road resheeting has been completed on Powers Lane Road, Amiets Lane Road, Birregurra-Yeodene Road, Meadowell Road, De La Rues Road and Old Beech Forest (Timber Road Funding).

Routine Drainage Works

In the last month routine drainage works were completed in Apollo Bay, Wye River, Kennett River, Separation Creek, Skene Creek and Marengo townships and also in the Kawarren, Gellibrand and Carlisle areas.

Major Patching Works

Minor patching works were completed on McLachlan Street and Dewings Bridge Road to repair failed sections.

Major Drainage Works

Major drainage works have been completed on Old Beech Forest Road, Birregurra - Yeodene Road, Killala Road, Barham River Road, Old Hordern Vale Access Road, Binns Road, Sunnyside Road and Henrys Road.

Roadside Slashing

Roadside slashing was carried out in Apollo Bay, Marengo, Kawarren, Gellibrand, Pennyroyal, Birregurra and Yeodene areas.

Vegetation Control

Vegetation control works were carried out on Old Beech Forest Road, Aire Settlement Road, Denherts Track Road, Blacks Road, Binns Road, Egans Track Road, Melba Gully Road and Old Ocean Road and at Lavers Hill Township.

Sport Ovals

Mowing of sport ovals is ongoing as required.

Tree Maintenance

Tree maintenance works were completed in Apollo Bay, Gellibrand, Kawarren, Barwon Downs and Forrest Townships and Botanic Gardens.

Bridge Maintenance

The replacement of timber abutments with concrete foundations on Rollings Bridge has been completed.

Township Mowing

Township mowing has been carried out in Apollo Bay, Lavers Hill, Gellibrand, Beech Forest, Barwon Downs, Carlisle, Beeac, Cressy, Birregurra and Colac.

Linemarking

Linemarking works are ongoing on Parking Bays and Statcons in urban and rural areas.

Road Construction**Barham River Road**

Drainage works have been completed on Barham River Road. The road has been ripped, crushed and reshaped. The subbase and base layers commenced at the start of March.

MAJOR CONTRACTS / WASTE UNIT**Barwon Region Waste Management Group (BRWMG) Tour**

The Board and Executive officers of the BRWMG toured various waste management facilities in Colac including Western Waste Management in Marriner's Street and the Council operated Birregurra and Alvie Transfer Stations.

Use of 360 Litre Recycling bin

Over the past 6 months the waste management department has trialled a number of 360 litre recycling bins within the community. The larger than standard recycling bins have been introduced to households where the household standard 240litre bin does not meet the recycling requirements of that household. Currently the use of larger recycling bins has been limited to households that have identified themselves as not having enough recycling capacity in their household bin. The option to use a larger recycling bin will be included in information sent to householders with the 2014/15 waste collection calendars.

Waste Education

In partnership with Camperdown Compost, Council's waste unit will be supporting the Colac Primary School in establishing a school garden. Camperdown Compost currently accepts kerbside organic and food waste material from Colac Otway Shire at their disposal facility for composting. Material from Camperdown Compost will be used by Colac Primary School for their garden program. The introduction of a compost bin within the school community should help promote the fact that food scraps and organic matter are not a waste product but a valuable resource for the community to use.

Tenders

Tenders opened since the last reporting period:

1401 – Ferrier Drive Reconstruction – Stage 1

Tenders awarded since the last reporting period:

1337 – Supply & Deliver 4 Wheel Drive Loader – to William Adams

Tenders advertised since the last reporting period:

1404 – Consultancy Services – Tiger Rail Trail Feasibility Study – closes 2 April 2014.

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. |

Colac Livestock Selling Centre Roof Construction

The entire roof structure has been completed including guttering and downpipes and all underground drainage is connected to the point of discharge outfall. The works program in March is for installation of electrical lighting complete with dimming system and installation of pump stations to allow harvested water to be reused. Solar cells will also be installed on the roof.

**Footpath Construction – Grant St, Forrest**

Footpath construction along Grant Street, Forrest, has been steadily proceeding with Greencon Australia Pty Ltd ready to start excavation of the carpark near the general store and the pedestrian crossing and footpath to Forrest Primary School.

The majority of works are expected to be completed by the end of March with some finishing off done in April 2014.

**Colac Municipal Aerodrome Business Plan**

The Draft Colac Aerodrome Business Plan is on public exhibition at the Colac and Apollo Bay Customer Service Centres, the Colac Community Library and Learning Centre and on the Council's website.

A public notice was published in the Colac Herald advising ratepayers of the 6 week public consultation period ending on 18 April 2014.

Barwon Regional Waste Management Group (BRWMG)

A meeting was held in Colac on 27 February 2014. The meeting included the following presentations:

1. Draft Transfer Stations Review Regional Report by MRA Consulting
2. Waste Data Mapping by Enterprise Connect
3. On Farm Gossip
4. Barwon Region Garage Sale Trail
5. Think Recycling Pilot Program

Also discussed in the meeting were issues related to the merger of Regional Waste Group transition arrangements, information on the Regional Local Government Waste Forum and appointment of a Council representative to the Waste Forum.

Council is aware of the targeted merger of the waste groups in the Barwon South West region on 1 August 2014, and this will be one of the main topics of discussion and planning between now and that date. BRWMG's Chairman and Executive Officer have offered to attend a further Council meeting/briefing session to elaborate on the transition arrangements.

SUSTAINABLE PLANNING and DEVELOPMENT

Planning & Building

Planning Scheme Amendment C74 (Apollo Bay Settlement Boundary Review)

With the financial assistance of the State Government Rural Planning Flying Squad, a consultant planner has prepared an amendment to implement the recommendations of the Apollo Bay Settlement Boundary and Urban Design Review, adopted by Council in 2012. It includes rezoning of the Rural Conservation zoned land between Pisces Caravan Park and Wild Dog Creek to a residential zone and amendments to the planning controls applying to the Marriners Vue land. The amendment will be placed on exhibition in the first weeks of April. Authorisation to proceed with the amendment has been received from the Planning Minister.

Colac 2050 Plan

Council officers are working closely with Regional Development Victoria (RDV) to secure funding to match a contribution allocated by Council in the 2013/14 Council budget for the preparation of a Colac 2050 Plan, incorporating a review of the existing Structure Plan. The project cannot commence until external funding is committed. Council has been given support to lodge a more detailed grant application, and this has been done. Officers are awaiting advice on the outcome of the grant application.

Planning Scheme Amendment C75 (Open Space Strategy)

The independent panel established to consider submissions to Amendment C75 to the Planning Scheme held a full hearing of submissions on 12 February 2014. The amendment implements the planning recommendations of the Council's Open Space Strategy. Officers will present the findings of the Panel to Council once the panel report is received.

Domestic Wastewater Management Plan

Officers are in the process of establishing a Steering Committee to oversee the preparation of a Domestic Wastewater Management Plan (DWMP) for the Shire after Council received confirmation of funding from Wannon Water and Barwon Water.

Amendment C76 (Birregurra Structure Plan & Neighbourhood Character Study)

A planning panel has been appointed by Planning Panels Victoria to hear submissions to Amendment C76. A Directions Hearing was held in Colac on 24 February 2014, with the full hearing scheduled to commence on 3 April 2014. The amendment implements the recently adopted Birregurra Structure Plan and Neighbourhood Character Study. Officers will be engaging the consultant which prepared these studies for Council, Hansen Partnership, as an expert witness at the Panel hearing to ensure that submissions are appropriately addressed.

Planning Scheme Amendment C72 (Part 1)

The State Government has approved, and gazetted, Amendment C72 (Part 1) which was adopted by Council in 2013. The amendment implements the outcomes of the Colac CBD and Entrances Project (2012), with the key result being the application of the Design and Development Overlay – Schedule 8 (DDO8) to land in the Colac CBD.

The DDO8 details design guidelines to be met for any new development. C72 (Part 1) also makes minor amendments to the existing Design and Development Overlays at the eastern and western entries to Colac, and applies a new Design and Development Overlay – Schedule 9 to sites on Murray Street, Colac to ensure future subdivision of vacant land incorporates adequate landscape screening.

Amendment C73 (Apollo Bay Harbour Master Plan)

Officers have requested that Planning Panels Victoria appoint an independent panel to hear submissions to the amendment following Council's resolution at its meeting on 26 February 2014. Dates for the full hearing are yet to be confirmed.

Local Bushfire Planning Policy

Council's Local Bushfire Planning Policy Project Draft Report has now been placed on public exhibition for six weeks, together with a Background Report and Technical Report. A notice and relevant fact sheets were sent to all owners/occupiers in the affected townships on 28 February 2014. Hard copies of the documents can be viewed at each of Council's customer service locations and the documents are available on Council's website. Community Consultation Sessions were successfully held on 14 and 15 March 2014 at Wye River, Lavers Hill and Forrest. Submissions on the Draft Report are due by 17 April 2014.

Development Plans - Colac

A workshop was held on 4 March 2014 with landowners in the three precincts of Colac which are the subject of development plans being prepared by Mesh Consulting (funded by the Rural Planning Flying Squad). The aim of this workshop was for the consultant to explain the draft subdivision layouts developed through the project, and to explain potential mechanisms to facilitate development in the precincts (ie. sharing of costs of infrastructure). Feedback received from the land owners will now be used to finalise draft plans for presentation to Council, to go on public exhibition for 6 weeks.

2014 Planning Scheme Review

Officers have commenced an in-house review of the efficiency and effectiveness of the Colac Otway Planning Scheme. Planning Scheme Reviews are legislated to be undertaken every four years in the twelve months following adoption of the Council Plan. The most recent review was conducted in 2010. Their role is to identify policy gaps and opportunities for improvement, informing Council's strategic planning program and future amendments to the Planning Scheme. A workshop was held with Councillors on 12 March 2014, and it is proposed to engage local practitioners and agency staff in focus group meetings. It is further intended to distribute an on-line survey for the community to have input into the project.

Amendment C80 (Princes Highway Duplication)

VicRoads, as the planning authority in this instance, has placed a planning scheme amendment on public exhibition for the duplication of the Princes Highway between Geelong and Winchelsea. The amendment proposes the application of a Public Acquisition Overlay (PAO) over properties where property acquisition is required for the road widening. It also proposes the adoption of an Incorporated Plan that would allow the works to occur for the project without needing a planning permit. Submissions are due by 1 April 2014. Officers are in the process of reviewing the detailed documentation and drafting a submission. The amendment documents can be viewed online or at Council's Rae Street office. A public information session was held at COPACC on 13 March 2014 by VicRoads staff.

Economic Development

Business development

The 'Secrets of My Success' business event that was run in partnership with Crowe Horwath was a successful event. Over 60 business people attended the event to hear from a panel of five local successful business owners and operators. The interactive forum covered topics such as business planning, recruitment of staff, marketing and succession planning. Chris Quinn from Quinn Funerals was the MC and feedback was positive, including that the event had a great atmosphere.

As a result of the feedback from the event on 5 March 2014, Council is planning future events on marketing, recruitment and succession planning for businesses within the Shire. Dates for future events are yet to be determined.

Colac Marketing Strategy

Marketing collateral was developed as part of a Colac marketing campaign during the long weekend in March. Local cafés and restaurants participated in the local marketing campaign and handed out flyers, postcards and printed coffee cups which displayed the 'Colac – Life, your way' logo. Council has also placed the 'Colac – Life, your way' television advertisement on WIN Television the week after the long weekend and leading up to the Regional Victoria Living Expo which is to be held at Melbourne Exhibition Centre from 11-13 April 2014.

Development of marketing collateral is also currently being completed for the upcoming Expo. The Expo is an opportunity for Council to attract those living in metropolitan areas to relocate to Colac and the surrounding towns. Local art students from both Colac Secondary College and Trinity College Colac have been invited to provide artwork that will be printed on a number of postcards for the expo.

Tourism

Colac VIC Visitor Statistics for the month of February 2014:

| <i>February</i> | 2013 | 2014 | % Change |
|-------------------------|------|------|----------|
| <u>Walk in</u> | 3091 | 3144 | +2% |
| <i>Phone Statistics</i> | 212 | 172 | -18% |

Great Ocean Road VIC Visitor Statistics for the month of February 2014:

| February | 2013 | 2014 | % Change |
|----------|--------|--------|----------|
| Walk In | 15,438 | 14,712 | -5% |
| Phone | 2,132 | 1,640 | -23% |
| E-mail | 15 | 27 | +80% |

Colac

February visitation was slightly down, which may have been due to the extreme hot weather and fire related travel warnings. The Colac VIC yearly visitation comparison was however up 7% on 2013. Phone enquires continue to decline. International trends suggest more visitors are arriving from Germany, Canada and China. Interstate travel trends continue to show a higher number of travellers from Queensland and New South Wales.

Monday has become the new 'Sunday' as the Colac VIC experiences higher visitation on Mondays. More requests are being received from visitors seeking direction to local antique and collectable outlets.

Colac now has an effluent disposal point for caravans and recreational vehicles located at Colac Otway Caravan and Cabin Park on the Princes Hwy.

Colac hosted the Great Ocean Road Visitor Information Centre Manager's Meeting with guest speaker Elliot Daniel from the new Great Ocean Road Region Tourism Board (GORRT). Mr. Daniel discussed future opportunities for business and visitor centres across the region.

GORVIC

The Great Ocean Road Visitor Information Centre visitation in February was slightly down, a 5% decrease on the previous year. Phone calls to the centre were down by 23% however e-mail enquiries were up by 80%. Phone and e-mail enquiries were mainly for accommodation (51%) followed by general enquires (8%), events (7%), attractions (6%), Great Ocean Walk (5%), Great Ocean Road (5%), Apollo Bay (3%) and transport (2%).

There was a high number of international visitors throughout the month (53%), particularly from UK, Germany and China. Interstate visitors were travelling from New South Wales, South Australia and Queensland.

Retail sales were down (7%) compared to the previous year however there was an increase on attraction ticket sales (Otway Fly 60% and Cape Otway Lightstation 21%). Visitation over the Apollo Bay Seafood Festival was down (by 9%) as was the Apollo Bay Music Festival (10%) compared to the previous year.

Advancing Country Towns (ACT)

Consultant firm Grant Thornton developed a draft Workforce Development Assessment Report and delivered it to the project Steering Group on 27 February 2014 and this will be used as the basis of individual workforce development plans for some of Colac's larger employers. The Steering Group also received updates on the Early Years project and the Green Industry Feasibility Study.

Small Town Improvement Program

Small Town Improvement Program (STIP) applications for funding will be accepted up until 28 March 2014. Council staff attended some community group meetings to discuss proposals and explain the STIP process during the application process.

Expressions of interest close on 4 April 2014 for artists to sculpt two tree trunks along the main road at Beech Forest. This project was funded under the 2013/14 program.

The STIP projects approved but not yet completed for this financial year, along with the process for next financial year, was the subject of a workshop with Council Finance and Infrastructure staff on 12 March 2014. The main focus of this workshop was ensuring completion of projects this financial year.

Great Ocean Road Regional Tourism (GORRT)

The GORRT operations team and Council's Tourism Development Officer (TDO) are working on several key projects for the region. The projects include: establishing 17 free Wi-Fi hotspots throughout the Great Ocean Road region, an experience audit to facilitate yield enhancement and implementing a Customer Relationship Management Package that will assist GORRT and local Councils with industry engagement, communication and marketing.

Council's Tourism Marketing

Council's tourism TV advertisements will soon screen again on WIN TV in the Ballarat region. The ads will air from 23 March to 12 April 2014.

Council's visiting friends and relatives campaign called "Love Our Region" will commence in late March 2014. The campaign aims to increase local residents' awareness of visitor related products and experiences in the Colac Otway Shire and to build community pride.

Recent Media

Tourism members and the Colac Otway Shire have received great public relations exposure via the new Great Ocean Road marathon owners, IMG. IMG have a database of 80,000 email addresses in Australia. IMG have featured local business and Colac Otway Shire localities in a series of email newsletters this year.

The Coast Australia program recently featured the Great Ocean Road on the Foxtel History Channel. BBC2 also screened the series on UK TV.

In January, Australia's Gourmet Traveller Magazine ran a six-page feature on the Great Ocean Road region showcasing the myriad of food, wine, accommodation and scenic experiences available. The February 2014 edition of Qantas Magazine featured an extensive spread on the Great Ocean Road region.

Environment & Community Safety**Fire Inspections Continue**

The Fire Inspection process is still being undertaken to ensure landowners are maintaining their property to a suitable standard. So far over 340 fire prevention notices have been issued but the vast majority are being complied with. Given the seasonal conditions the compliance rate is high but people need to maintain their vigilance right through to the end of the fire danger period. Although we are through summer a run of hot days could easily still occur and result in some more very high and extreme fire danger days. Should anyone have questions about what to do, or reasons for delay, please contact Council's Municipal Fire Prevention Officer. If the necessary works are not undertaken in a timely manner a fire prevention notice will be issued to the landowner. If this notice is not complied with, a fine will be issued and contractors sent in to clean up the property. The fine for not complying with a fire prevention notice is \$1,444.

Lake Colac Carp Control

At the last Lake Colac Committee meeting held in December 2013 it was resolved that a new working group would be formed to help improve the values of the lake for recreational fishing. The Recreational Fishing Working Group had its first meeting on 5 February 2014. The discussion focused on what level the water in the Lake would need to reach before it was able to be re-stocked and what steps need to be taken to make sure agencies are ready to restock as soon as the lake reaches a suitable level.

In addition the group agreed that more needed to be done to control the carp in the lake and in order to do so it needed to get expert advice on what is the best course of action. Council

has arranged for a carp control expert to come to Colac to give advice to the Lake Colac Committee on how to best manage the carp in the short and long term.

Animal Registrations

Reminder notices for animal registrations have been sent out to all animal owners. The due date for animal registration is 10 April 2014. Animal registration is important for both animal welfare and public safety. Penalties apply for people who fail to register their animals in a timely fashion.

Relief and Recovery MOU

Over the last 12 months Council Officers have worked closely with staff from Corangamite and Surf Coast Shires on emergency relief and recovery planning. To help further improve the capacity for all three of the Councils an MOU has been developed that confirms how the three Councils will work together to help the community recover from a major emergency. The CEOs from the three Councils will meet in early April 2014 to officially sign the MOU.

Attachments

Nil

Recommendation(s)

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

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**CORPORATE AND COMMUNITY SERVICES**

| ITEM                     |                                                                |
|--------------------------|----------------------------------------------------------------|
| <b><u>OM142603-2</u></b> | <b><u>HARRINGTON MEMORIAL PARK PETITION</u></b>                |
| <b><u>OM142603-3</u></b> | <b><u>HARRINGTON MEMORIAL PARK COMMITTEE OF MANAGEMENT</u></b> |
| <b><u>OM142603-4</u></b> | <b><u>ADOPTION OF 2014-17 RATING STRATEGY</u></b>              |



**OM142603-2****HARRINGTON MEMORIAL PARK PETITION**

|             |                                |           |              |
|-------------|--------------------------------|-----------|--------------|
| AUTHOR:     | Ian Seuren                     | ENDORSED: | Colin Hayman |
| DEPARTMENT: | Corporate & Community Services | FILE REF: | F14/217      |

**Purpose**

The purpose of this report is to respond to the petition received from the residents and visitors of Wye River, Separation Creek and Kennett River, requesting additional project components for the Harrington Memorial Park Redevelopment Project.

**Declaration of Interests**

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

**Background**

Council received funding from Regional Development Victoria's (RDV) *Putting Locals First Program* to improve community facilities in Wye River's Harrington Memorial Park. The scope of the project which was funded by RDV includes:

- An expansion of the existing leveled area to enable a range of outdoor recreation activities (eg: Petanque) and community programs and events
- A small shelter, BBQ and supporting picnic furniture
- Pathway rectification works
- Disabled car parking
- Landscaping and revegetation.

On 7 February 2014, Council received a petition requesting additional components be included in the current Harrington Memorial Park Redevelopment Project. These additional components include:

- Self-composting toilet
- Basketball backboard and ring

The petition was supported by 130 signatures and was tabled at Council's February 2014 meeting.

**Council Plan / Other Strategies / Policy****A Place to Live and Grow**

Is a community where people feel cared for and supported; where buildings and spaces facilitate creativity, social activity and enrichment of life, and people have access to gain the skills and education needed to reach their potential.

*Our Goal:*

Improve access to buildings, spaces, services and education to support and enable quality of life.

**Issues / Options**

Harrington Memorial Park is one of the only usable parcels of public open space away from the foreshore areas in Wye River, Separation Creek and Kennett River.

The Harrington Memorial Park Redevelopment Project (known as the Multi-purpose Recreation Facility – MURF to the local community) is being undertaken to improve community infrastructure for a number of coastal communities and encourage greater use of the park.

The project has been under construction for some time. Due to a number of issues associated with the implementation of the project, it was put on hold until further detailed design work was prepared. The design work includes a number of options, one of which includes a self-composting toilet and basketball backboard.

The proposal to install a self-composting toilet has received objections from some members of the community. The proposed toilet also required additional excavation work which was undertaken by the contractor. Considering it was not part of the original project scope that attracted RDV funding, Council has previously communicated to the community that the installation of a toilet would not be part of the project. The installation of the toilet will require ongoing maintenance from Council.

The Wye River and Separation Creek Progress Association has made it clear that its association does not support the expanded scope of the project including the toilet, additional excavation required to locate the toilet and the basketball backboard.

To gain a better understanding of the support or otherwise for the additional components that have been proposed, Council officers determined to undertake a short community survey over December 2013 to January 2014. All landowners in Wye River and Separation Creek (approximately 430) were sent a copy of the survey. 91 surveys were returned with the following results:

| Project component     | Yes    | No     |
|-----------------------|--------|--------|
| Composting toilet     | 69.23% | 30.77% |
| Additional excavation | 70.00% | 30.00% |
| Basketball backboard  | 67.03% | 32.97% |

An interesting comment in one survey was that the responder was concerned that they knew seven teenagers that would very much like to have these facilities but they didn't get a vote due to not being landowners.

Council is required to complete the current project as to the scope agreed to with RDV. This does not include a self-composting toilet or basketball backboard.

### **Proposal**

It is proposed that the project be completed to the original scope and any additional works be considered in light of available funds. There are no funds for these components which are presently unfunded.

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

There will be capital and ongoing financial implications should Council determine to include the additional project components into the scope of works of the current project. Whilst it is understood that there are members of the community interested in donating the infrastructure, there will be installation and ongoing maintenance costs for Council.

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

Risk and compliance issues will be considered in the development of the detailed design and project implementation.



**Environmental and Climate Change Considerations**

Environmental and climate change issues will be considered in the development of the detailed design and project implementation.

**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 advising the petition organiser of the Council's resolution.

**Implementation**

During the development of the detailed design for the completion of the current project, consideration will be given to the additional proposed components and the cost to implement.

Council officers will write to the organiser of the petition advising them that Council is currently preparing detailed design for the project and any additional works will only be considered once available budget is known.

**Conclusion**

Council received funding from Regional Development Victoria's (RDV) *Putting Locals First Program* to improve community facilities within Wye River's Harrington Memorial Park. Council is required to complete the project to the original scope which is detailed in its funding agreement with RDV. Additional works will only be considered once budget availability has been determined.

**Attachments**

Nil

**Recommendation(s)**

***That Council writes to the organiser of the petition informing them that the project will be completed to the original scope and any additional works will be considered in the future in light of available funds.***

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OM142603-3**HARRINGTON MEMORIAL PARK COMMITTEE OF MANAGEMENT**

| | | | |
|-------------|--------------------------------|-----------|--------------|
| AUTHOR: | Ian Seuren | ENDORSED: | Colin Hayman |
| DEPARTMENT: | Corporate & Community Services | FILE REF: | F14/217 |

Purpose

The purpose of this report is to consider the appointment of a Section 86 Committee of Management for Harrington Memorial Park and the Instrument of Delegation for the Committee.

Declaration of Interests

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

Background

Harrington Memorial Park, located at 1 McLellan Court Wye River, is a 1ha parcel of public open space owned by Council. The reserve is zoned Public Purposes and Recreation (PPRZ) and provides passive open space for the Wye River and Separation Creek communities. The park is one of the only parcels of useable open space in Wye River/Separation Creek away from the foreshore. It also provides for off-road pedestrian movement from the top of Wye River to the foreshore.

At its 23 October 2013 meeting, Council endorsed the establishment of a Section 86 Committee of Management of local community members to manage the Harrington Memorial Park in Wye River.

Council appoints Committees of Management under Section 86 of the Local Government Act 1989 as Special Committees to Council in accordance with rules and conditions of appointment adopted by Council. The purpose of the Committees is to manage the operations of the facility and/or land. Council policy is that Committee of Management members are appointed for a three year term.

Council called for Expressions of Interest from individuals interested in being on the Harrington Memorial Park Committee of Management. Correspondence and an Expression of Interest form were sent to all landowners in Wye River and Separation Creek. Expressions of Interest closed on 31 January 2014.

Council Plan / Other Strategies / Policy**Good Governance**

Means we care about and are responsive to the community, encourage democratic participation and involve people in decisions that affect them. We strive for excellence in financial management and council services, and always look for better ways to do things.

Our Goal:

Ensure transparency of governance practices, the capability of our organisation and effective resource management.

A Place to Live and Grow

Is a community where people feel cared for and supported; where buildings and spaces facilitate creativity, social activity and enrichment of life, and people have access to gain the skills and education needed to reach their potential.

Our Goal:

Improve access to buildings, spaces, services and education to support and enable quality of life.

Council also has a Section 86 Committees Policy which provides guidelines on the committees.

Issues / Options

Harrington Memorial Park is an important parcel of public open space with which the local community has a strong affiliation. It is important the park is managed appropriately with community involvement and a view to the long term importance of this natural asset.

As a Council owned reserve, Council is responsible for managing and maintaining the reserve. At present, Cosworks mow the reserve a number of times per year as well as undertaking some other minor maintenance. It is anticipated that this regular mowing will continue.

Previously, the Harrington Memorial Park Advisory Committee existed however its formal role was to advise Council in relation to issues associated with the park rather than being able to undertake proper management of the park. A Section 86 Committee of Management provides greater accountability to Council and a higher level of support and protection for its membership.

Interested community members were requested to lodge Expression of Interests providing information in relation to the following selection criteria:

1. Previous experience in working for and on behalf of the community.
2. Ability to positively contribute in a group environment.
3. Willingness to undertake physical maintenance works eg: weeding etc.
4. Verbal communication and listening skills.
5. Specialist skills.

A total of nine community members have registered their interest in being on the Harrington Memorial Park Committee of Management. All submissions adequately met the selection criteria and provide a range of skills and experience beneficial to managing Harrington Memorial Park.

Over recent years there have been differences within the community regarding the management of the park. The establishment of the Section 86 Committee of Management will ensure the community are fully aware of the Committee's role and level of responsibility in managing the reserve.

Nominating a Councillor as Chairperson of the Committee will assist in its establishment and control any lingering acrimony within different sections of the community.

The proposed Harrington Memorial Park Committee of Management will manage the park for a period of three years from 1 July 2014. It is recommended that the committee commence management of the park once the current redevelopment project including the BBQ, shelter and levelled area is completed.

Instrument of Delegation

The Instrument of Delegation attached sets out the powers, functions and duties of the Committee.

The delegation includes:

- Purpose
- Reporting Requirement
- Administration
- Reserve Use
- Finance
- Maintenance
- Risk Management/Insurance
- Exceptions, conditions and limitations

Option 1

To appoint all nominees and to adopt the Instrument of Delegation for the Committee.

Council's policy is that Committee of Management members are appointed for a three year term or less where applicable.

Expressions of Interest of community persons have been received to be on the committee for a period of three years for Council endorsement. The nominations put forward represent some past members of the Harrington Memorial Park Advisory Committee as well as other interested community members.

Option 2

Not to appoint some or all of the community persons put forward.

This would require Council to seek additional nominations or manage the reserve directly, which is not the preferred management model. All nominees have skills and experience that would be beneficial to the management of the park.

Further review the Instrument of Delegation.

Proposal

It is proposed that Council adopt the Instrument of Delegation and to appoint the following community persons to a Section 86 Committee of Management for a term of three years from 1 July 2014 to 30 June 2017:

- Matthew Jackman
- Yvonne Sheppard
- Carolyn Tatchell
- Lucille Clements
- Sherryl Smith
- Alan Turner
- John Harris
- Jennifer Kamp
- Peter Jacobs.

Financial and Other Resource Implications

There are no additional financial implications for Council. It is anticipated that Cosworks will continue to mow the reserve throughout the year.

The Committee will hold their own bank account and administer budgets set by the Committee in accordance with funds within these accounts.

The Committee will be required to provide copies of annual financial statements/treasurers reports to Council.

Risk Management & Compliance Issues

The Committee operates under an Instrument of Delegation which sets out the powers, functions and duties of the committee.

The proposed Harrington Memorial Park Committee of Management will be provided with Council's newly developed Section 86 Committee of Management Manual. The manual has a comprehensive section on risk management which will provide the committee with sufficient information in regards to this area.

Environmental and Climate Change Considerations

It is expected that by delegating management responsibility to a locally appointed Committee of Management, it will provide environmental benefits through better maintenance of the reserve. Weed infestation has been an issue over many years and greater empowerment to the local community will assist with maintaining the reserve to a greater level than what is able to be achieved at present.

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 to inform. If appointed, the community would be informed of the elected members on the Harrington Memorial Park Committee of Management.

The development of the Instrument of Delegation has involved discussions with the Executive and staff where appropriate.

Implementation

Correspondence will be forwarded to the nominees advising them of the appointments to the Committee. Council officers will be available to organise and attend the initial meeting of the Committee if required to assist with its establishment.

Conclusion

The decision to appoint the Committee as a Section 86 Committee of Management is in keeping with Council's policy of working with its community in the management of halls, reserves and other facilities throughout the Shire.

Attachments

1. Instrument of Delegation - Harrington Memorial Park

Recommendation(s)

That Council resolves that:

- 1. Pursuant to section 86 of the Local Government Act 1989, the following nominated members are appointed to the Harrington Memorial Park Committee of Management from 1 July 2014 to 30 June 2017:***
 - Matthew Jackman***
 - Yvonne Sheppard***
 - Carolyn Tatchell***
 - Lucille Clements***
 - Sherryl Smith***
 - Alan Turner***
 - John Harris***
 - Jennifer Kamp***
 - Peter Jacobs***
- 2. Councillor is appointed to represent Council on the Harrington Memorial Park Committee of Management and act as Chairperson for the Committee.***
- 3. There be delegated to the Harrington Memorial Park Committee of Management the powers, duties and functions set out in the Instrument of Delegation (the Instrument) effective from 1 July 2014.***
- 4. The Instrument:***
 - 4.1 Comes into force effective from 1 July 2014; and***
 - 4.2 Remains in force until Council determines to vary or revoke it.***
- 5. The powers, duties and functions conferred on the Committee by the Instrument must be exercised in accordance with any guidelines or policies Council may from time to time adopt.***
- 6. The Instrument be signed and sealed.***
- 7. In accordance with section 81(2A) of the Local Government Act 1989, resolves to exempt members of the Committee who are not Councillors from being required to submit a primary or ordinary conflict of interest return in accordance with this section.***
- 8. The Committee be advised that a copy of minutes of meetings held should be forwarded to Council for its record after each meeting and that a Treasurer's Report be provided on an annual basis.***

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**OM142603-4****ADOPTION OF 2014-17 RATING STRATEGY**

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

**Purpose**

The purpose of this report is for Council to consider the adoption of the 2014-2017 Rating Strategy.

The purpose of a rating strategy is to explain Council's approach towards rating under the *Local Government Act 1989*. A rating strategy sets out the factors considered by Council when selecting the rating taxation system for determining how money will be raised from properties within the municipality.

**Declaration of Interests**

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

**Background**

*The Local Government Act 1989* requires that the rating system provides a "reasonable degree of stability in the level of the rates burden", and that it is developed in a context of a public finance methodology, which includes principles of equity, benefit, efficiency and community resource allocation. Therefore it is important that once set, a rating strategy is regularly reviewed to ensure that it continues to meet the objectives above.

**What is a rating strategy?**

A *rating strategy* is the method by which council systematically considers factors of importance that informs its decisions about the *rating system*. The rating system determines how Council will raise money from properties within the municipality. ***It does not influence the total amount of money to be raised, only the share of revenue contributed by each property.*** The rating system comprises the (valuation) base and actual rating instruments allowed under the *Local Government Act 1989* to calculate property owners' liability for rates.

The purpose of this strategy is for Council to consider how the rate burden can be most equitably distributed.

**The importance of a rating strategy**

Colac Otway Shire currently receives 52% of its total revenue by way of property-based rates (tax) and waste collection charges. The development of strategies in respect of the rating base is therefore of critical importance to both Council and its community.

The rating strategy sets out how the overall rating level is distributed or collected from the community. The total amount of rates levied are set to adequately resource Council's role, functions and responsibilities. In setting rates, Council gives primary consideration to its strategic objectives, sound financial management principles, annual budget considerations, the current economic climate and other external factors and the overall impacts upon the community.

The importance of the strategy should not be understated as it is about how the various parts of our community contribute to the overall tax (or rates) levied.

The *Local Government Act 1989* provides Council with many options with regard to how the taxation (or rates) burden is distributed, ranging from a uniform rate in the dollar across all properties, to differential and special rating approaches whereby groups of property types are treated differently, based upon some defined characteristic of the property. Such a wide scope allows for individual councils to make decisions that are best suited to their own particular community. The rating strategy provides direction for Council and information to the community on how the taxation (or rates) burden will be distributed across the community.

A draft Rating Strategy was prepared after a process of public consultation was undertaken and 20 rate modelling scenarios were presented and examined by Council in January 2014. These scenarios ranged from the retention of the existing differential regime to the abolition of differential rates in favour of a uniform rate. Other examples included:

- Altering the municipal charge, which included the abolition of the charge, through to applying the charge at the maximum rate
- Altering the current differentials to the benefit of various categories such as farming commercial and residential properties.
- Creating new categories such as vacant land categories.
- Amalgamation of existing categories such as merging all residential properties into one category, merging all commercial properties into one category and movement of the holiday rental category into the commercial category.
- Considering vastly different approaches such as rating differentials based on industry type or the use of income as the defining characteristic of a rating category.

In each case, although there was merit to making a change, the overall impact on the community was considered to be biased and inequitable to one segment of our community or another. As a result the existing regime, with some minor changes was considered the most appropriate approach.

The changes proposed are to:

1. Include all residential properties within the localities of Colac, Colac East, Colac West and Elliminyt within the Colac residential rating category. This removes the current inequity whereby two (2) adjoining residential properties within Colac are being rated differently based upon the size of the property.
2. Include all vacant land less than 5 hectares that for planning purposes is zoned for farming use, in the Rural-Farm rating category instead of the Residential – Balance of Shire rating category. This change recognises town planning scheme restrictions in relation to obtaining a permit for a dwelling on the property and seeks to ensure these properties are correctly valued at their true “highest and best use” and categorised accordingly for rating purposes.

### **Council Plan / Other Strategies / Policy**

#### **Good Governance**

Means we care about and are responsive to the community, encourage democratic participation and involve people in decisions that affect them. We strive for excellence in financial management and council services, and always look for better ways to do things.

#### *Our Goal:*

Ensure transparency of governance practices, the capability of our organisation and effective resource management.

### Issues / Options

The draft Rating Strategy was subsequently advertised and a six week period was allowed for submissions to be made.

A total of five submissions were received and a copy provided to Councillors. A summary of the submissions is provided below:

| Submitter | Locality    | Summary of Submission                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-----------|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1         | Larpent     | Whilst important to examine how rates burden apportioned, Council must consider extent of increase. Increases are "out of step with the natural increase farmers and businesses are capable of generating on an ongoing basis"                                                                                                                                                                                                                                                                                                                                                                 |
| 2         | Melbourne   | <ul style="list-style-type: none"> <li>- Retirement Village residents should have a specific differential rate. At present they pay for services/infrastructure they don't access/use.</li> <li>- Retirement villages save Council large amounts of capital expenditure as infrastructure is provided within village at no cost to Council.</li> <li>- Council benefits from rate income due to density of dwellings in village compared to normal residential street</li> <li>- Village living enhances resident's life leading to reduced demand on Council &amp; health services</li> </ul> |
| 3         | Colac       | - Concern that wording in draft Rating Strategy re charging of penalty interest (on page 48, no: 7) is not clear regarding whether or not interest is charged on late paid instalments                                                                                                                                                                                                                                                                                                                                                                                                         |
| 4         | Lavers Hill | - Property is 2.74 ha & zoned "Farm". Due to size it cannot sustain a "farm". It is included in Rural Living Strategy. He is concerned that permit for dwelling would not be supported due to it being less than 5 ha in area.                                                                                                                                                                                                                                                                                                                                                                 |
| 5         | Apollo Bay  | - States "people without properly formed roads, drains, access for cars & pedestrian friendly footpaths should not be paying rates as high as people living in Victoria's main cities".                                                                                                                                                                                                                                                                                                                                                                                                        |

These submissions were in addition to the 24 submissions that were received from both formal written submissions and comments made at the various drop in sessions held in 2013 throughout the Shire. Council considered these submissions at its workshop on 12 March 2014, resulting in the following recommendations:

| Submitter | Determination                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1         | No change to Rating Strategy recommended. Rates for farms can only be reduced by increasing the differential between Farm rating category and other rating categories. Current differential is considered to be fair & equitable.                                                                                                                                                                                                                          |
| 2         | <p>No change to Rating Strategy recommended. There is no justification for a separate rating category for retirement village residents as:</p> <ul style="list-style-type: none"> <li>- numerically they are comparatively few,</li> <li>- their valuations and rates are generally comparatively lower than similar properties on freehold titles and</li> <li>- many residents in this shire are in "charitable" villages that are not rated.</li> </ul> |
| 3         | The concerns in the submission are noted.                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 4         | No change to Rating Strategy recommended. Issue has been discussed with submitter.                                                                                                                                                                                                                                                                                                                                                                         |
| 5         | No change to Rating Strategy recommended. Comments noted.                                                                                                                                                                                                                                                                                                                                                                                                  |

### Proposal

Council's proposed rating strategy is framed around the following key elements:

- That rates will continue to be based principally on an ad-valorem basis (i.e. based on the valuation of the various properties) using the CIV method of calculation.

- That Council will continue to apply a municipal charge to all rated properties and apply service charges to fully recover the cost of the collection and disposal of garbage and recyclables - green waste collections will be a user pays service with full cost recovery.
- That Council will continue to apply differential rating against various property classes that assists to achieve equality across the community. (The use of differential rates enables Council to maintain a fair and equitable rate contribution by property type).

The 2014-2017 Rating Strategy proposes the following key strategies be adopted and applied to future Council resource planning and budgets:

1. Council applies Capital Improved Valuation (CIV) as the valuation methodology to levy Council rates. Council reviews the impacts of revaluations as they occur.
2. Council applies differential rating as its rating system. Council considers that each differential rate contributes to the equitable and efficient carrying out of Council functions.
3. That Council applies differential rates for:
  - 3.1. Residential – Colac
  - 3.2. Residential – Balance of Shire
  - 3.3. Rural – Farm
  - 3.4. Holiday Rental
  - 3.5. Commercial/Industrial – Colac
  - 3.6. Commercial/Industrial – Balance of Shire.
4. The service charges applied by Council are a Waste Collection Charge for the collection and disposal of household waste, including recyclables, litter bins collections and green waste for developed properties only.
5. Council applies a Municipal charge in accordance with legislation.
6. Council will allow a lump sum payment option therefore all rates must be paid via instalments with the due dates for payment each financial year as follows:
  - 1<sup>st</sup> Instalment due – 30 September
  - 2<sup>nd</sup> Instalment due – 30 November
  - 3<sup>rd</sup> Instalment due – 28 February
  - 4<sup>th</sup> Instalment due – 31 May

or in total by 15 February.

7. Council also allows ratepayers to pay property rates via payment arrangements, by any number of instalments, provided the full amount of rates and charges are paid by 31 May each year.
8. Council recognises there are cases of genuine financial hardship and has a Hardship Policy which establishes the guidelines for assessment based on fairness, compassion, confidentiality and compliance with statutory requirements.

Other information incorporated into Council's Rating Strategy includes details regarding the property valuation process, how rates are calculated, rate instalment dates and payment options, interest on arrears, the government funded pensioner rebate, deferred payments and financial hardship.

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

The rating system determines how Council will raise money from properties within the municipality. It does not influence the total amount of money to be raised, only the share of revenue contributed by each property.

Outcomes from the 2014-2017 Rating Strategy will guide the annual budget setting process.

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

The draft rating strategy complies with the following legislation:

- Part 8 of the *Local Government Act 1989* (Rates and Charges on Rateable Land)
- Section 161 of the *Local Government Act 1989* (Differential Rates)
- Section 172 of the *Local Government Act 1989* (Interest on Rates Arrears)
- *Cultural and Recreational Lands Act 1963*
- *Valuation of Land Act 1960*
- Section 2 of the *Penalty Interest Rates Act 1983*.

In addition the following guidelines and reports have been considered in the formulation of the draft Rating Strategy 2014-2017:

- *Ministerial Guidelines for Differential Rating 2013* issued by Local Government Victoria
- *Developing a Rating Strategy – A Guide for Councils* developed by the Municipal Association of Victoria and the Department of Victorian Communities
- *Local Government: Results of the 2012-13 Audits* released by the Victorian Auditor General
- *Rating Practices in Local Government 2012-13* released by the Victorian Auditor-General

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

No specific items to report.

### **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.

An extensive community consultation process was undertaken to inform the development of the draft Rating Strategy. "Consult" was chosen as the method of engagement for the development of the Rating Strategy 2014-2017 and this involved a range of community consultation approaches including:

- Key stakeholder meetings
- Community consultation or "drop in" sessions in Beeac, Birregurra, Colac and Apollo Bay
- Distribution of hard copy information to several community groups
- Written submissions.

In addition, the draft strategy was placed on public exhibition for a period of 6 weeks, made accessible on Council's website and available for viewing at the Colac and Apollo Bay Customer Service Centres and the Colac Community Library and Learning Centre.

### **Implementation**

Implementation of the recommendations outlined in the 2014-2017 Rating Strategy will provide clear guidance for Council in the development of the rating system for the 2014-2015 Annual Budget.

### **Conclusion**

Council has undertaken a thorough review of its current approach to rating that has resulted in the 2014-2017 Rating Strategy. In reviewing its current rating arrangements, Council has considered the range of charges that may be applied within the legislative parameters of the Local Government Act and the Ministerial Guidelines for Differential Rating released by the Victorian State Government. Council has also considered the differential rates and charges currently applied by Council, compared with those charged by other coastal and neighbouring councils and Council's with similar tourist profiles.

The rating strategy includes a set of recommended directions in relation to future rating principles, objectives and practices. In summary, the strategy recommends that:

1. Council applies Capital Improved Valuation (CIV) as the valuation methodology to levy Council rates and continues to review the impacts of revaluations as they occur.
2. Council applies differential rating as its rating system. Council considers that each differential rate contributes to the equitable and efficient carrying out of Council functions.
3. Council applies differential rates for:
  - 3.1. Residential – Colac
    - 3.1.1. Which will include all residential properties within the localities of Colac, Colac East, Colac West and Elliminyt within the Colac residential rating category.
  - 3.2. Residential – Balance of Shire
  - 3.3. Rural – Farm
    - 3.3.1. Which will also include all vacant land that for planning purposes is zoned for farming use only that has been deemed (less than 5 hectares) as unable to support a farming enterprise capable of supporting a residence.
  - 3.4. Holiday Rental
  - 3.5. Commercial/Industrial – Colac
  - 3.6. Commercial/Industrial – Balance of Shire.
4. The service charges applied by Council are a Waste Collection Charge for the collection and disposal of household waste, including recyclables, litter bins collections and green waste for developed properties only.
5. Council applies a Municipal charge in accordance with legislation.
6. Council will allow a lump sum payment option therefore all rates must be paid via instalments with the due dates for payment each financial year as follows:
  - 1<sup>st</sup> Instalment due – 30 September
  - 2<sup>nd</sup> Instalment due – 30 November
  - 3<sup>rd</sup> Instalment due – 28 February
  - 4<sup>th</sup> Instalment due – 31 May

or in total by 15 February.

7. Council also allows ratepayers to pay property rates via payment arrangements, by any number of instalments, provided the full amount of rates and charges are paid by 31 May each year.
8. Council recognises there are cases of genuine financial hardship and has a Hardship Policy which establishes the guidelines for assessment based on fairness, compassion, confidentiality and compliance with statutory requirements.

Finally, the Rating Strategy highlights the imposition of the State Government Fire Services Property Levy, which came into effect on 1 July 2013. Under State legislation, Council has no choice but to collect this State Government levy via its municipal rates. This heralds a significant change to the role of local government in collecting this State Government levy.

**Attachments**

1. Rating Strategy 2014-2017

**Recommendation(s)**

***That Council adopts the 2014-2017 Rating Strategy and the strategies contained therein, namely:***

- 1. Council applies Capital Improved Valuation (CIV) as the valuation methodology to levy Council rates and continues to review the impacts of revaluations as they occur.***
- 2. Council applies differential rating as its rating system. Council considers that each differential rate contributes to the equitable and efficient carrying out of Council functions.***
- 3. That Council applies differential rates for:***
  - 3.1. Residential – Colac***
    - 3.1.1. Which will include all residential properties within the localities of Colac, Colac East, Colac West and Elliminyt within the Colac residential rating category.***
  - 3.2. Residential – Balance of Shire***
  - 3.3. Rural – Farm***
    - 3.3.1. Which will also include all vacant land (less than 5 hectares) that for planning purposes is zoned for farming use only and has been deemed as being unable to support a bona fide farming enterprise capable of requiring a supporting residence or dwelling.***
  - 3.4. Holiday Rental***
  - 3.5. Commercial/Industrial – Colac***
  - 3.6. Commercial/Industrial – Balance of Shire.***
- 4. The service charges applied by Council are a Waste Collection Charge for the collection and disposal of household waste, including recyclables, litter bins collections and green waste for developed properties only.***
- 5. Council applies a Municipal charge in accordance with legislation.***
- 6. Council will allow a lump sum payment option therefore all rates must be paid via instalments with the due dates for payment each financial year as follows:***
  - 1<sup>st</sup> Instalment due – 30 September***
  - 2<sup>nd</sup> Instalment due – 30 November***
  - 3<sup>d</sup> Instalment due – 28 February***
  - 4<sup>th</sup> Instalment due – 31 May******or in total by 15 February.***
- 7. Council also allows ratepayers to pay property rates via payment arrangements, by any number of instalments, provided the full amount of rates and charges are paid by 31 May each year.***
- 8. Council recognises there are cases of genuine financial hardship and has a Hardship Policy which establishes the guidelines for assessment based on fairness, compassion, confidentiality and compliance with statutory requirements.***



**INFRASTRUCTURE AND SERVICES**

| ITEM                      |                                                                                                                               |
|---------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| <b><u>OM142603-5</u></b>  | <b><u>LOCAL GOVERNMENT WASTE FORUM REPRESENTATIVE</u></b>                                                                     |
| <b><u>OM142603-6</u></b>  | <b><u>ROAD SAFETY STRATEGY</u></b>                                                                                            |
| <b><u>OM142603-7</u></b>  | <b><u>ROAD DISCONTINUANCE - GOVERNMENT ROAD ABUTTING<br/>FORMER MARENGO LANDFILL SITE</u></b>                                 |
| <b><u>OM142603-8</u></b>  | <b><u>DECLARATION OF ROAD AS UNUSED – GOVERNMENT ROAD<br/>NORTH WEST OF CROWN ALLOTMENT 11J, PARISH OF<br/>MOORBANOOL</u></b> |
| <b><u>OM142603-9</u></b>  | <b><u>ROAD DEVIATION - 35 HIDERS ACCESS, YUULONG</u></b>                                                                      |
| <b><u>OM142603-10</u></b> | <b><u>UPDATE ON BLUEWATER FITNESS CENTRE REDEVELOPMENT</u></b>                                                                |



**OM142603-5****LOCAL GOVERNMENT WASTE FORUM REPRESENTATIVE**

|             |                           |           |              |
|-------------|---------------------------|-----------|--------------|
| AUTHOR:     | Ranjani Jha               | ENDORSED: | Phil Corluka |
| DEPARTMENT: | Infrastructure & Services | FILE REF: | F13/8328     |

**Purpose**

The purpose of this report is to request Council nominates a Council representative for the Local Government Waste Forum by 31 March 2014.

**Declaration of Interests**

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

**Background**

The twelve Regional Waste Management Groups (RWMG) will consolidate into six new Waste and Resource Recovery Groups (WRRG) from 1 August 2014.

The structure and governance arrangements of the current Regional Waste Management Groups is being reviewed, in order to build the capacity to implement the goals outlined in the State Government Waste Policy Review.

At present the Barwon Regional Waste Management Group (BRWMG) comprises of the following Councils:

- Borough of Queenscliff Council
- City of Greater Geelong Council
- Colac Otway Shire Council
- Surf Coast Shire Council.

After the merger of the BRWMG with the South West Region the following Councils will be added to the new Barwon South West Waste and Resource Recovery Group:

- Corangamite Shire Council
- Glenelg Shire Council
- Moyne Shire Council
- Southern Grampians Shire Council
- Warrnambool City Council.

A Bill is currently before Parliament providing necessary legislative amendments for the changes to take place.

**Council Plan / Other Strategies / Policy****Good Governance**

Means we care about and are responsive to the community, encourage democratic participation and involve people in decisions that affect them. We strive for excellence in financial management and council services, and always look for better ways to do things.

*Our Goal:*

Ensure transparency of governance practices, the capability of our organisation and effective resource management.

*Strategies:*

Transparent and accountable decision making.

**Issues / Options**

It has been advised that each new WRRG will have a Local Government Waste Forum with one representative from each Council in the Region.

Councils have been asked to appoint one representative to their Regional Waste Forum by 31 March 2014. Cr. Stephen Hart is the current Colac Otway Shire representative on the Barwon Regional Waste Management Group Board. The new WRRG will have four Directors nominated to the Minister of Environment and Climate Change by the Local Government Waste Forum in their Region and an additional four skilled based Directors appointed by the Minister.

**Proposal**

Council is required to appoint, by no later than 31 March 2014, a Councillor as its representative to the Barwon South West Local Government Waste Forum. The recommendation provides for council to resolve its preferred Councillor representative.

**Financial and Other Resource Implications**

There no financial or other resource implications.

**Risk Management & Compliance Issues**

There are no risk management or compliance issues.

**Environmental and Climate Change Considerations**

There are no environmental or climate change considerations.

**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 to inform and collaborate. The State Government has been undertaking extensive public consultation on State Government waste reform issues.

**Implementation**

The following implementation timeframes have been provided:

| Action                                                                                                                                                                                                           | Timeframe        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| Preparatory meeting of the new Waste and Resource Recovery Group to facilitate the establishment for the Waste Forum                                                                                             | March/April 2014 |
| First Waste Forum to be held <ul style="list-style-type: none"> <li>Nominate Chair and Deputy Chair</li> <li>Nominate Local Government Board Member to the Minister of Environment and Climate Change</li> </ul> | April 2014       |
| Ongoing Waste Forum Meetings                                                                                                                                                                                     | As Agreed        |
| Allocation of resources to Waste Forum                                                                                                                                                                           | August 2014      |

**Conclusion**

The proposed merger of Regional Waste Management Groups is to take place from 1 August 2014 resulting in BRWMG merging with the South West Region. The new WRRG will have its own Waste Forum and to this effect, the Minister for Environment and Climate Change has asked each Council to appoint a Councillor to be its representative on the Local Government Waste Forum by 31 March 2014.

**Attachments**

1. Letter of request from Minister of Environment and Climate Change for Council representative on new Local Government Waste Forum
2. Waste and Resource Recovery Governance Reform
3. Draft Barwon South West Waste and Resource Recovery Group Operating Guidelines
4. Map of proposed Regional Waste Management Group Boundaries

**Recommendation(s)**

***That Council appoints Councillor .....as the Colac Otway Shire Council representative to the Barwon South West Waste and Resource Recovery Region Local Government Forum for 2014-2015.***

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OM142603-6**ROAD SAFETY STRATEGY**

| | | | |
|-------------|---------------------------|-----------|--------------|
| AUTHOR: | Paula Gardiner | ENDORSED: | Phil Corluka |
| DEPARTMENT: | Infrastructure & Services | FILE REF: | 11/95452 |

Purpose

To present the draft Road Safety Strategy to Council and seek resolution to commence public consultation.

Declaration of Interests

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

Background

In December 2008, Council adopted the Corangamite and Colac Otway Road Safety Strategy. The Strategy was a five (5) year strategy to guide road safety improvements across both the Corangamite Shire Council and the Colac Otway Shire Council until 2013.

As the existing Strategy is now out-dated, a new Road Safety Strategy has been developed, again in partnership with the Corangamite Shire Council, to guide Council's strategic directions associated with road safety.

Council Plan / Other Strategies / Policy**A Planned Future**

Creates an attractive shire with quality buildings and spaces, accessible travel and transport, and a community that has the services and facilities it needs now and in the future; supports a prosperous economy where trade, manufacturing and business activity flourishes.

Our Goal:

Facilitate the growth, liveability and development of the shire and encourage innovation and efficiency in the local economy.

Issues / Options

The Road Safety Strategy has been developed to address factors (that we have control over) that contribute to improved road safety. These factors principally relate to improved road infrastructure and surrounds.

It is considered important for Council to have strategic direction with respect to road safety to ensure consistency in the development and delivery of road improvement projects which will assist in further reducing road crashes and trauma.

Proposal

The draft Road Safety Strategy outlines a number of objectives, which are to:

- Reduce road crashes, resulting in financial and social savings through reduced crash and trauma costs
- Provide road safety direction for each Council
- Investigate the potential risk factors on local road infrastructure

- Develop and implement municipal road safety strategies which are linked to each Council's Corporate Plans, and provide the basis of a targeted and relevant action program for each Shire and other agencies to address key road safety initiatives.

It is proposed that Council endorses the draft Strategy for public exhibition.

Financial and Other Resource Implications

Contained within the Strategy is a list of actions that are recommended to be undertaken. It is proposed to include actions within Council's 10 year Capital Works and Major Projects Program for funding consideration through the annual budget process.

Risk Management & Compliance Issues

Risk management and compliance issues have been considered in the development of the draft Road Safety Strategy.

Environmental and Climate Change Considerations

There are no environmental or climate change issues to be considered as part of this strategy.

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 exhibiting the draft Road Safety Strategy and inviting comments and submissions from the public.

Implementation

Following Council's consideration of the draft Road Safety Strategy, Council officers will commence the public consultation process by placing copies of the draft Strategy in the Colac and Apollo Bay Customer Service Centres, the Colac Community Library and the Apollo Bay Library. The document will also be made available on Council's website. Advertisements within the local media will be placed to ensure the public are aware that the Strategy is available for comment through the consultation period. A minimum of six (6) weeks will be given for lodgement of written submissions.

Conclusion

The intention of the Road Safety Strategy is to focus on road safety problems and possible improvements within the Colac Otway Shire road network. This will enable Council to focus funding towards reducing casualty road crashes on local roads.

By endorsing this document for public exhibition and comment, Council will provide the opportunity for community input to further refine the Strategy's recommendations.

Attachments

1. Draft Road Safety Strategy

Recommendation(s)

That Council:

1. ***Endorses the draft Road Safety Strategy for public consultation; and***
2. ***Places the draft Road Safety Strategy on exhibition for a period of six (6) weeks.***

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**OM142603-7****ROAD DISCONTINUANCE - GOVERNMENT ROAD  
ABUTTING FORMER MARENGO LANDFILL SITE**

|             |                           |           |              |
|-------------|---------------------------|-----------|--------------|
| AUTHOR:     | Adam Lehmann              | ENDORSED: | Phil Corluka |
| DEPARTMENT: | Infrastructure & Services | FILE REF: | F14/301      |

**Purpose**

To complete the statutory procedures and finalise the discontinuance of a Government Road which abuts the former Marengo landfill site.

**Declaration of Interests**

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

**Background**

Council at its meeting of 22 May 2013 resolved to commence the statutory procedures to discontinue the existing unmade Government Road which abuts the former Marengo Landfill site at its southern boundary as shown on the locality plan below.



The intention is that once this Government Road is discontinued, the Department of Environment and Primary Industries will reserve this land, along with surrounding Crown Allotments to accommodate the Apollo Bay Pony Club and the Apollo Bay and Otway Adult Riding Groups, who have expressed interest in using the site as a base for equestrian activities. Council would ultimately become the Committee of Management for these areas as assigned by the Department of Environment and Primary Industries (DEPI).

Notices with respect to Council's intention to discontinue this road were published in the local print media inviting submissions from the public. No submission was received in response to the public notice and Council can now make a decision to complete the statutory procedures and finalise this matter.

### **Council Plan / Other Strategies / Policy**

#### **Good Governance**

Means we care about and are responsive to the community, encourage democratic participation and involve people in decisions that affect them. We strive for excellence in financial management and council services, and always look for better ways to do things.

#### *Our Goal:*

Ensure transparency of governance practices, the capability of our organisation and effective resource management.

This proposal has also been considered against Council's Closure of Unused Government Roads, Licencing of an Unused Road or Water Frontage Policy.

### **Issues / Options**

Council must decide whether to discontinue the portion of road in question. This is done after public consultation and consideration of an officer's report. If Council resolves that the land is not reasonably required for road purposes, then it can discontinue the road via a notice published in the Victoria Government Gazette.

The proposed discontinuance and sale is the preferred option for the following reasons:

- The proposal is in accordance with Council policy.
- It is considered that the land is not reasonably required for the future expansion of the local road network in this area.
- As it is unlikely that any building could occur on the former landfill site, the area of the unmade road presents an opportunity for the construction of buildings and other improvements (e.g. storage sheds, clubhouse etc.) should these facilities be required for future development of the equestrian facilities.

Council could decide not to support the proposal, however the benefits in discontinuing the road and reserving it for public use far outweigh the strategic imperative for retaining the road for expansion of the network in the future.

### **Proposal**

It is recommended that Council finalises the statutory process to discontinue the identified section of road and advise DEPI of the outcome to allow them to formally reserve the land for community use.

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

The administrative process of completing the road discontinuance will be undertaken using in-house resources without any significant impact to routine operations and activities.

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

Council must ensure that it complies with its legislative requirements when exercising its powers to discontinue the subject length of road.

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

There are no specific environmental or climate change issues which need to be considered as part of 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 community has been consulted through a public notice published in the Colac Herald on 3 January 2014 in accordance with the statutory procedures described in section 223 of the *Local Government Act 1989*. No submissions were received at the end of the submission period.

**Implementation**

The following is a sequence of actions if the proposal is approved:

- A surveyor will be engaged to prepare a plan of road discontinuance for gazettal.
- A notice will be published in the Victoria Government Gazette to formally discontinue the previously described section of road.
- The Department of Environment and Primary Industries will be advised once the road has been discontinued for them to commence their own processes to reserve the land for community use.

**Conclusion**

From Council's perspective, the road is not reasonably required and will provide future opportunity for the development of community facilities aligned with the future use of the former Marengo landfill site. On that basis, Council should complete the statutory process to discontinue the identified Government Road.

**Attachments**

Nil

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

1. ***Being of the opinion that the section of Government Road South of and abutting Crown Allotment 1 Sec 3C, Parish of Krambruk is not reasonably required for public use and therefore resolves to discontinue the road;***
2. ***Directs that a notice pursuant to the provisions of clause 3(a) of Schedule 10 of the Local Government Act 1989 be published in the Victoria Government Gazette; and***
3. ***Upon gazettal of the road discontinuance, advises the Department of Environment and Primary Industries and requests that the land be reserved for community purposes.***

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OM142603-8

DECLARATION OF ROAD AS UNUSED – GOVERNMENT ROAD NORTH WEST OF CROWN ALLOTMENT 11J, PARISH OF MOORBANOOL

| | | | |
|-------------|---------------------------|-----------|--------------|
| AUTHOR: | Adam Lehmann | ENDORSED: | Phil Corluka |
| DEPARTMENT: | Infrastructure & Services | FILE REF: | 11/96582 |

Purpose

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

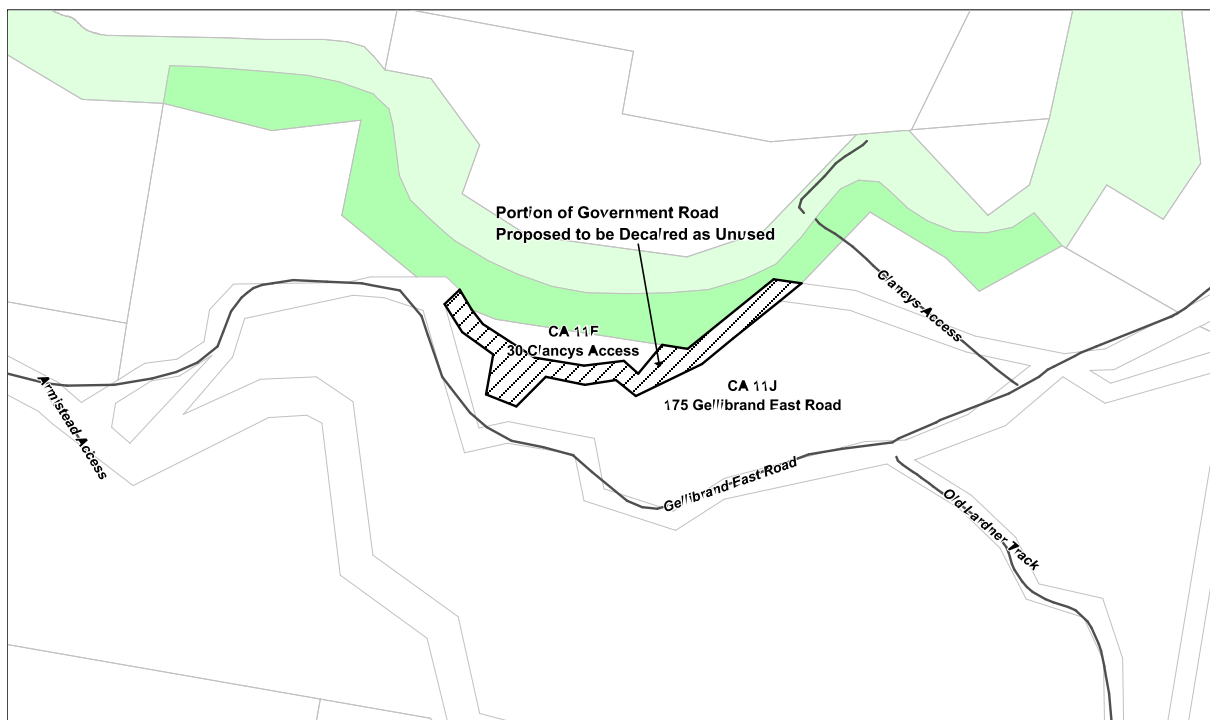
Declaration of Interests

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

Background

Council at its meeting of 23 October 2013 resolved to advertise its intention to declare the portion of road, described as the Government Road North West of Crown Allotment 11J, Parish of Moorbanool, as unused (refer locality plan below).

This was in response to a request received from the owners of 175 Gellibrand East Road, Gellibrand, to consider declaring a section of unmade Government Road which abuts the property along its northern boundary as unused to enable them to licence the area from the Department of Environment and Primary Industries (DEPI).



Council Plan / Other Strategies / Policy**Good Governance**

Means we care about and are responsive to the community, encourage democratic participation and involve people in decisions that affect them. We strive for excellence in financial management and council services, and always look for better ways to do things.

Our Goal:

Ensure transparency of governance practices, the capability of our organisation and effective resource management.

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

It is considered that this portion of Government Road is not presently required as part of the broader road network in this area and the declaration of this road reserve as unused will not compromise access to any other abutting properties in the foreseeable future.

Under section 400 of the *Land Act 1958* (the 'Act'), DEPI 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 DEPI 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.

Proposal

It is recommended that the subject section of unmade Government Road be declared as unused on the basis that the public's right to access the road is not compromised, and other amenity issues can be controlled through enforcement of the conditions of the license by the Department of Environment and Primary Industries (DEPI).

This declaration does not give approval for sale of the land. Council's current position is that it does not sell land unless the land is of strategic significance. If a further request to purchase the land was received at a later stage, it would be very unlikely for a sale to occur as the strategic significance test to sell the land could not be justified on the current information.

Financial and Other Resource Implications

There are no direct costs to Council in performing its administrative functions under the *Land Act 1958* or *Local Government Act 1989* in relation to this specific matter.

Risk Management & Compliance Issues

As this section of road is currently not presently included on Council's Municipal Road Register any change in status will not result in any risk management or compliance implications.

Environmental and Climate Change Considerations

There are no significant environmental considerations which would affect Council's ability to declare this portion of government road as unused or prevent the future licensing of the land.

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 community has been consulted through a public notice published in the Colac Herald on 3 January 2014. No public comments were received at the close of the submission period.

Implementation

Should Council resolve to declare the subject length of road as unused, the Schedule 4 notice will be arranged to be signed by the Chief Executive Officer and forwarded to the applicant.

Conclusion

It is considered that the declaration of the section of Government Road abutting the property at 175 Gellibrand East Road, Gellibrand as unused will not impact current access arrangements and Council should formally declare it as unused.

Attachments

1. Schedule 4 Unused Road North West of Crown Allotment 11J

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

1. ***Declares as unused that section of unmade Government Road, fully described as the Government Road North West of Crown Allotment 11J, Parish of Moorbanool.***
2. ***Instructs the Chief Executive Officer to give notice to the Department of Environment and Primary Industries of Council's determination to declare the road as unused, by signing the attached document, being Schedule 4 of the Land Regulations 2006.***

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**OM142603-9****ROAD DEVIATION - 35 HIDERS ACCESS, YUULONG**

|             |                           |           |              |
|-------------|---------------------------|-----------|--------------|
| AUTHOR:     | Adam Lehmann              | ENDORSED: | Phil Corluka |
| DEPARTMENT: | Infrastructure & Services | FILE REF: | 11/96582     |

**Purpose**

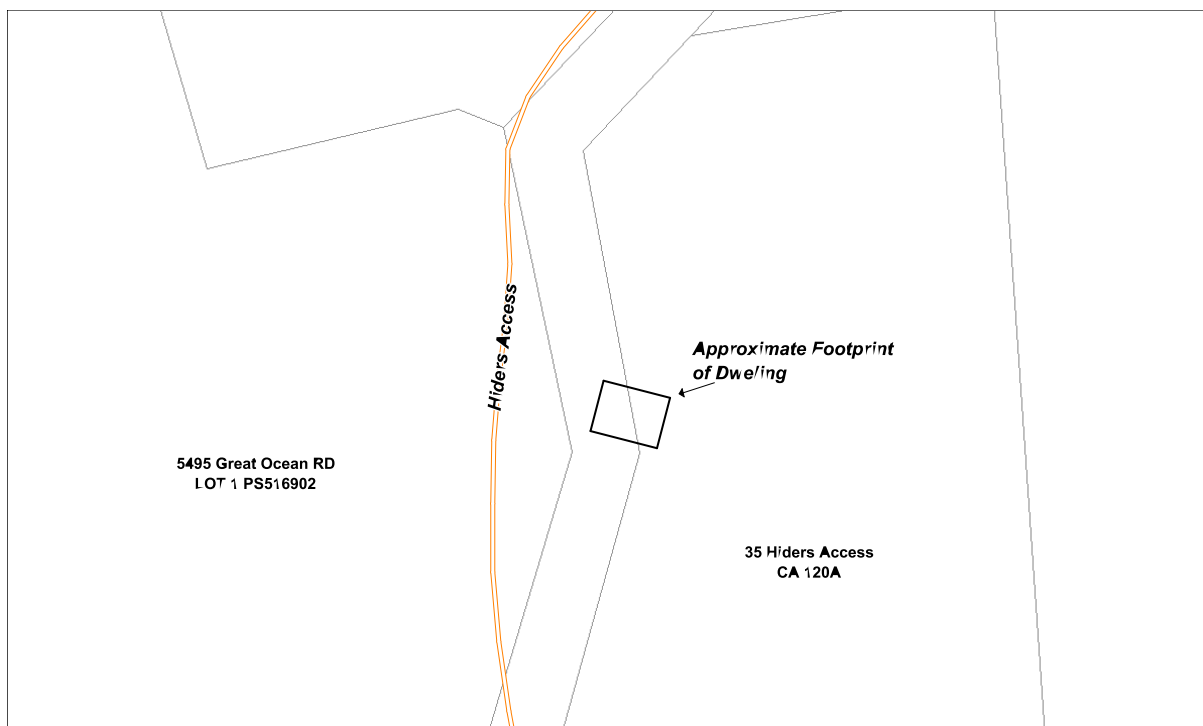
Council has received a request from the owner of 35 Hiders Access, Yuulong seeking formal consent to deviate a Government Road due to the location of the dwelling that has been partly located on the road reserve on the property. Council has been requested to approve the relocation of the road reserve to provide a solution to the problem and also address an anomalous situation whereby the physical formation of Hiders Access traverses adjacent private property.

**Declaration of Interests**

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

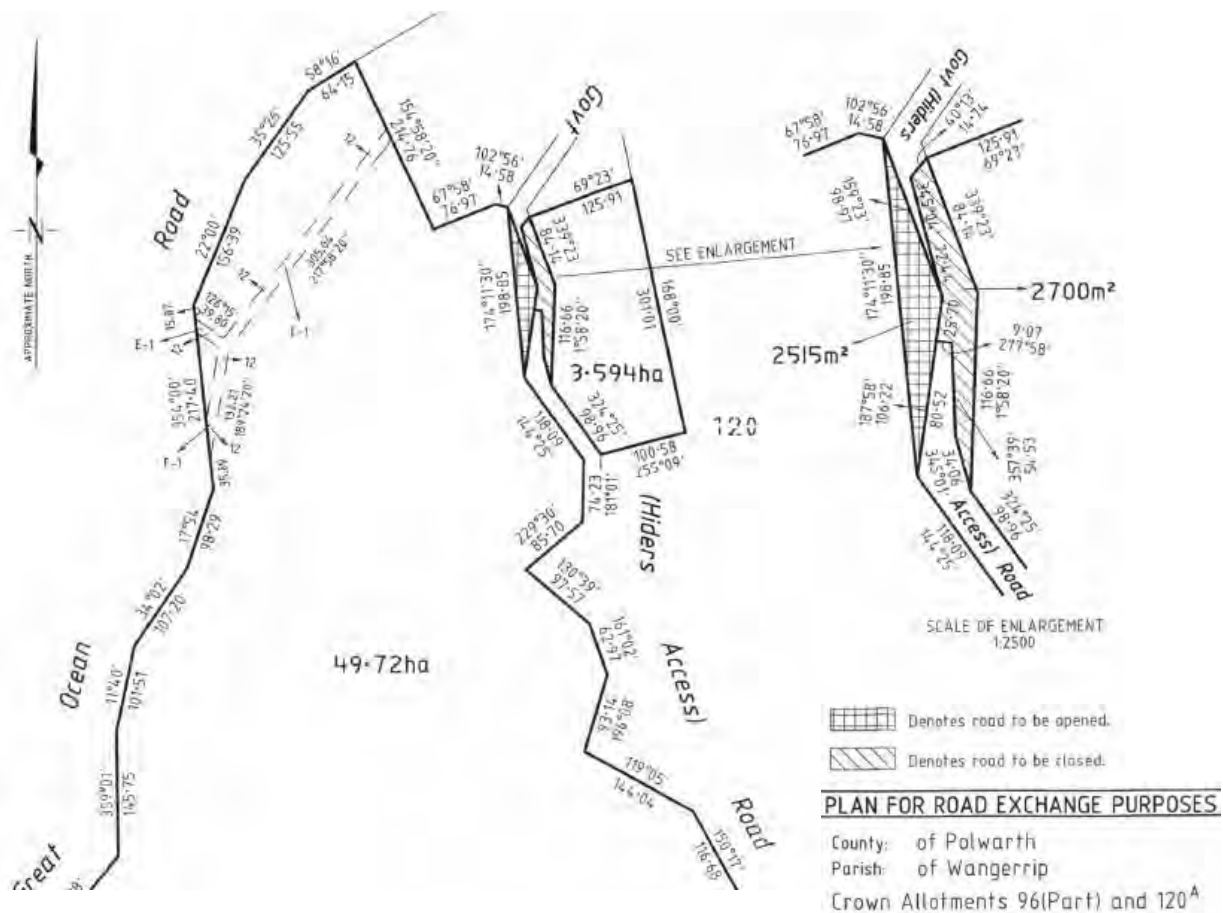
**Background**

The matter has arisen because the dwelling at 35 Hiders Access, Yuulong has been partly constructed on a portion of Crown Land which is an unmade Government Road. The locality plan below shows the location of the dwelling on the Government Road alignment. The physical alignment of Hiders Access is also shown on the plan below and is based on an actual alignment which has been physically mapped previously.



Hiders Access is approximately 2.8km in total length and is listed on Council's Municipal Public Road register as a public road. It provides legal access to a number of properties along its length. It would appear that there was no account given to the status of the land on which the dwelling is situated when it was originally constructed on 35 Hiders Access. The current situation is not legal as the owners have no formal tenure agreements in place which allow them to occupy the unmade Government Road.

Following a number of discussions with the owner of this property it has been suggested that a practical solution to address this situation is to undertake a road deviation or exchange under the provisions of the *Local Government Act 1989* (the 'Act'). This would essentially result in the closure of the unmade section of Government Road which would be transferred to the owner of 35 Hiders Access and the acquisition of a small portion of 5495 Great Ocean Road in order to essentially create a road reserve over which the existing alignment of Hiders Access traverses this property (refer plan below). This proposal would correct the status of the land on which both the dwelling and the physical alignment of Hiders Access in its immediate vicinity are situated.



### Council Plan / Other Strategies / Policy A Planned Future

Creates an attractive shire with quality buildings and spaces, accessible travel and transport, and a community that has the services and facilities it needs now and in the future; supports a prosperous economy where trade, manufacturing and business activity flourishes.

#### Our Goal:

Facilitate the growth, liveability and development of the shire and encourage innovation and efficiency in the local economy.

**Issues / Options**

The section of Government Road is currently not used as access and does not contain a road asset and therefore is not related to the immediate requirement for access to a property. The resolution of this matter is however required to allow the owner of 35 Hiders Access to secure tenure over the land on which their dwelling encroaches.

An alternative option is to relocate the house off the road reserve however this is more expensive than relocating the road reserve. The immediate terrain does not offer a viable alternative on which to easily relocate the dwelling.

The most practical option is to relocate the road alignment by way of road deviation.

**Proposal**

The proposed new road alignment has no physical obstacles or terrain difficulties as it will follow the course of the existing made portion of Hiders Access. There are no negative outcomes of the proposal and access to abutting land will be preserved.

**Financial and Other Resource Implications**

There are no anticipated existing or ongoing human resources implications or funding required from Council to implement the road deviation. The owner of 35 Hiders Access has agreed through their solicitor that they will bear all costs associated with the proposed road deviation including those incurred by Council in performing its administrative functions in facilitating the road deviation. These costs generally relate to advertising and public notices.

**Risk Management & Compliance Issues**

The risks involved in the deviation and exchange of land are not significant and can be managed in the normal manner.

Council has the power to deviate roads pursuant to section 206 and Schedule 10(2) of the Act. Under that Schedule, as the road to be exchanged is a Government Road, Council must obtain the consent of the Minister administering the *Land Act 1958* by advice to the Department of Environment and Primary Industries and then publish a notice in the Government Gazette describing the deviation.

**Environmental and Climate Change Considerations**

There are no significant environmental or climate change considerations associated with 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.

Before proceeding with the deviation, Council must give public notice of the proposed discontinuance in accordance with sections 207a and 223 of the Act. The Act provides that a person may, within 28 days of the date of publication of the public notice, lodge a written submission regarding the proposed deviation.

Where a person has made a written submission to Council requesting that he or she be heard in support of the written submission, the submission(s) will be heard by Council. If necessary a further report will be provided to Council on the outcome of the hearing.

If there are no submissions received then it is proposed that the road be deviated and the land exchanged.

In formulating a solution to this situation Council officers have sought assurances that all affected parties, those being the owners of both 35 Hiders Access and 5495 Great Ocean Road, are satisfied with the proposal and that there is clear understanding that Council is to remain cost neutral in completing the road deviation/exchange. Written advice has been received from each party confirming their acceptance of the proposal and further agreement has been reached with the owner of 35 Hiders Access indicating that they are prepared to meet all costs associated with the road deviation.

**Implementation**

The following is a sequence of actions if the proposal is approved:

- Notices will be issued seeking submissions from the public in relation to the proposed road deviation/exchange
- Consent will be sought from the Minister administering the *Land Act 1958* via the Department of Environment and Primary Industries
- If submissions are received, a further report with respect to the proposed road deviation will be provided to Council for consideration
- If no submissions are received then a notice will be published in the Victorian Government Gazette to formalise the road deviation/exchange
- Once the Government Road is deviated, the process to transfer and consolidate the resultant land to the owner of 35 Hiders Access will be undertaken. This will include the exchange for land on which the made portion of Hiders Access traverses 5495 Great Ocean Road.

The owner of 35 Hiders Access is keen to proceed with the deviation of the road as soon as possible in order to resolve this matter.

**Conclusion**

There are no negative outcomes of the proposal and access to abutting land will be preserved. It is recommended that the statutory procedures for the road exchange be commenced pursuant to the *Local Government Act 1989* allowing any person to make a submission. If there are no submissions the road will be exchanged/deviated. If submissions are received the submissions will be heard by Council and a further report will be put to Council for consideration.

**Attachments**

Nil

**Recommendation(s)**

***That Council, in respect of the proposed road exchange/deviation of the identified section of Hiders Access, Yuulong and pursuant to section 206 and clause 2 of Schedule 10 of the Local Government Act 1989, resolves:***

- 1. To give public notice as required under sections 207a and 223 of the Local Government Act 1989 allowing anyone to make a submission in relation to the proposed deviation in which the Council proposes to exchange the Government Road for land upon which Hiders Access has been constructed;***
- 2. To receive a further report should any submissions be received in relation to the proposed land exchange/deviation; and in the event that no submissions are received:***
  - a. Directs that a notice, pursuant to the provisions of clause 2(3) of Schedule 10 of the Local Government Act 1989, be published in the Victoria Government Gazette;***
  - b. That any easements, rights or interests required to be created or saved over the government road by any authority be done so and not be affected by the land exchange/deviation;***
  - c. That the Government Road, once deviated, be transferred and consolidated to the adjoining owner of the land to the east of the road, being the registered proprietor of 35 Hiders Access, Yuulong in exchange for land upon which the made portion of Hiders Access traverses 5495 Great Ocean Road, Yuulong.***
- 3. That Council's seal be affixed to any transfer or transfers of freehold land and to any other documents to which Council's seal is required to be affixed in connection with the road deviation and land exchange; and***
- 4. That the General Manager Infrastructure and Services be delegated the power to sign all other documents relating to the deviation/exchange.***

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OM142603-10

**UPDATE ON BLUEWATER FITNESS CENTRE
REDEVELOPMENT**

| | | | |
|-------------|---------------------------|-----------|-----------|
| AUTHOR: | Phil Corluka | ENDORSED: | Rob Small |
| DEPARTMENT: | Infrastructure & Services | FILE REF: | 11/96037 |

Purpose

The purpose of this report is to provide an update to Council on the redevelopment of the Bluewater Fitness Centre.

Declaration of Interests

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

Background

At the 18 December 2013 Council meeting a detailed report was provided to Council on the redevelopment of Bluewater Fitness Centre.

Council resolved:

“That Council conducts a full internal enquiry into the cost overruns of the Bluewater Fitness Centre contract and reports these findings to the 26 February 2014 Council meeting.”

It should be noted that this project is not subject to any cost over-runs at this point. Rather the project is subject to a revised budget. The additional cost to the project was established at the contract letting stage before any monies were expended.

The original project budget made up of available grants and contributions was established over a period of 3 years prior to 2013. In 2013 a Quantity Surveyor established a cost plan which indicated the construction cost would marginally exceed the original budget.

In October 2013 Council resolved to award the construction contract which included the original project scope plus additional items (northern splash pad & joinery items). As part of this resolution on 23 October 2013, Council also referred additional funding to provide a revised project budget. The revised project budget is \$11.86M.

Prior to going into Committee at the March 14 Council meeting, Council resolved:

That:

- 1. 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:***

| SUBJECT | REASON | SECTION OF ACT |
|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| <i>Contract 1322 - Bluewater Fitness Centre Redevelopment Update</i> | <i>this matter deals with contractual matters; AND this matter may prejudice the Council or any person</i> | <i>Section 89 (2) (d) (h)</i> |

2. That Council release a report on Contract 1322 Bluewater Fitness Centre Redevelopment Update in the March 2014 Open Council meeting.

As part of the resolution In-Committee on the item "Contract 1322 - Bluewater Fitness Centre Redevelopment" Council resolved:

"That Council release the report, with any confidential parts being deleted, to the public by midday on 3 March 2014."

The report into Contract 1322 – Bluewater Fitness Centre Redevelopment, that was released to the public on Monday 3 March 2014, is attached to this report.

Council Plan / Other Strategies / Policy

A Planned Future

Creates an attractive shire with quality buildings and spaces, accessible travel and transport, and a community that has the services and facilities it needs now and in the future; supports a prosperous economy where trade, manufacturing and business activity flourishes.

Our Goal:

Facilitate the growth, liveability and development of the shire and encourage innovation and efficiency in the local economy.

A Place to Live and Grow

Is a community where people feel cared for and supported; where buildings and spaces facilitate creativity, social activity and enrichment of life, and people have access to gain the skills and education needed to reach their potential.

Our Goal:

Improve access to buildings, spaces, services and education to support and enable quality of life.

A Healthy Community and Environment

Actively connects and includes people of all ages and backgrounds and promotes a healthy and vibrant community life in a clean, safe and sustainable environment.

Our Goal:

Respect cultural differences, support a diverse range of healthy and creative activities, foster community safety and promote environmental sustainability.

Issues / Options

The report which was prepared in response to Council's resolution of 18 December 2013 covered the key elements of probity of the tendering process and award of Contract.

Proposal

This report is for Council to note the details of the internal enquiry undertaken on Contract 1322 – Bluewater Fitness Centre Redevelopment. The report released to the community purposely excluded any confidential matters which could jeopardise probity guidelines.

Financial and Other Resource Implications

Council has previously resolved to finance its contribution by the following method:

- ***Resolves to refer funding of up to \$1,702,000 to its 2014/15 budget for the redevelopment of the Bluewater Fitness Centre.***

- ***Resolves to allocate its remaining funds from the Local Government Infrastructure Program totalling \$535,000 to the budget for the redevelopment of the Bluewater Fitness Centre.***
- ***Resolves to commit \$300,000 from the 2014/15 Building Renewal Programme to the budget for the redevelopment of the Bluewater Fitness Centre.***

The amount proposed to refer to the 2014/15 budget is currently \$1,532,860.

Council may consider including loan borrowings of up to \$1.53M in the 2014/15 budget as an option to funding its cash contribution towards the project.

The revised project budget is \$11.86M.

Risk Management & Compliance Issues

All aspects of project risks will be managed via the established project risk register.

Environmental and Climate Change Considerations

Not applicable 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.

Ongoing community and stakeholder engagement activities will be implemented throughout the course of the project.

Implementation

It is intended that Council receive this report for information purposes only

Conclusion

Redevelopment of the Bluewater Fitness Centre is a significant project for Council which, once complete, will provide quality sport and leisure opportunities for the community for generations to come. Through the ongoing efforts of Council and its officers, Council has been very fortunate in being able to attract significant financial assistance for this project from both Federal and State Governments. In order to provide a quality facility which will be a focus for sport and active recreation within the Shire, Council will be required to compliment the funds that it has received with its own cash contribution.

Council has fully complied with the Procurement Policy and Probity Plan.

Attachments

1. BWFC Public Release Report

Recommendation(s)

That Council notes the report on the internal enquiry into the revised budget for the Bluewater Fitness Centre contract.

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**SUSTAINABLE PLANNING AND DEVELOPMENT**

| ITEM                      |                                                                                                                                                 |
|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| <b><u>OM142603-11</u></b> | <b><u>LOCAL GOVERNMENT INFRASTRUCTURE PROGRAM -<br/>ALLOCATION OF REMAINING FUNDS TO BLUEWATER FITNESS<br/>CENTRE REDEVELOPMENT PROJECT</u></b> |
| <b><u>OM142603-12</u></b> | <b><u>SMALL TOWN IMPROVEMENT PROGRAM STIP REVIEW OF<br/>GUIDELINES</u></b>                                                                      |
| <b><u>OM142603-13</u></b> | <b><u>METERED PARKING INVESTIGATION</u></b>                                                                                                     |



**OM142603-11****LOCAL GOVERNMENT INFRASTRUCTURE PROGRAM -  
ALLOCATION OF REMAINING FUNDS TO BLUEWATER  
FITNESS CENTRE REDEVELOPMENT PROJECT**

|             |                                       |           |              |
|-------------|---------------------------------------|-----------|--------------|
| AUTHOR:     | Michael Swanson                       | ENDORSED: | Doug McNeill |
| DEPARTMENT: | Sustainable Planning<br>& Development | FILE REF: | F13/8603     |

**Purpose**

The purpose of this report is to seek support from Council on use of the remaining funds in the State Government's Local Government Infrastructure Program (LGIP) allocated to Council for the Bluewater Fitness Centre redevelopment.

**Declaration of Interests**

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

**Background**

The Local Government Infrastructure Program (LGIP) is a component of the State Government Regional Growth Fund (RGF) and aims to provide regional and rural councils with certainty to plan for and build new infrastructure or renew assets.

Four-year allocations have been granted to the 48 regional and rural Victorian councils, derived through a formula that involved the following steps:

1. The ten largest regional cities\* each receive a fixed allocation of \$2 million.
2. The remaining 38 rural councils are notionally allocated an initial base-funding grant of \$1.5 million.
3. The remaining funds are allocated to the 38 rural councils using the Victorian Grants Commission Population Dispersion Cost Adjustor, multiplied by the population of the Local Government Area.
4. Caps are then applied to notional allocations at two levels:
  - No council receives more than \$2.5 million in total; and
  - No council receives more than 4% of the "carrying value" of its infrastructure (the value of building assets and construction/infrastructure assets).

\* Ballarat, Greater Bendigo, Greater Geelong, Horsham, Latrobe, Mildura, Shepparton, Wangaratta, Warrnambool and Wodonga.

The Colac Otway Shire allocation is \$2,244,972 over four years which equates to \$561,243 per annum.

The LGIP can support a range of initiatives including roads, bridges, new community assets such as halls and theatres, sporting grounds, grandstands, pools, libraries, and upgrading existing facilities from Council's Capital Works Plan.

Council has allocated \$2,039,983 of the LGIP to eligible projects throughout the shire since receiving the LGIP allocation. This leaves an amount of \$204,989 yet to be allocated to existing or new eligible projects under the program.

Council has received a number of Federal and State Government grants and user association contributions towards the redevelopment of the Bluewater Fitness Centre in Colac. LGIP funds have also been allocated to the redevelopment project and to date the Bluewater Fitness Centre Redevelopment project has been allocated \$735,812.

### **Council Plan / Other Strategies / Policy**

#### **A Planned Future**

Creates an attractive shire with quality buildings and spaces, accessible travel and transport, and a community that has the services and facilities it needs now and in the future; supports a prosperous economy where trade, manufacturing and business activity flourishes.

*Our Goal:*

Facilitate the growth, liveability and development of the shire and encourage innovation and efficiency in the local economy.

#### **A Place to Live and Grow**

Is a community where people feel cared for and supported; where buildings and spaces facilitate creativity, social activity and enrichment of life, and people have access to gain the skills and education needed to reach their potential.

*Our Goal:*

Improve access to buildings, spaces, services and education to support and enable quality of life.

### **Issues / Options**

Due to a shortfall in funding for the contract of the Bluewater Fitness Centre Redevelopment project there is a need to source further funding. This has been the subject of separate reports to Council in this agenda and previously.

One option for Council is to allocate the remaining funds from the LGIP of \$204,989 towards the Bluewater Fitness Centre Redevelopment Project, partially offsetting the additional Council funds required to meet the contract amount.

The guidelines of the LGIP limit expenditure to capital works that would generally fit the categories of roads, bridges, halls and theatres, sporting grounds, grandstands, pools, and libraries. As indicated above, the Bluewater Fitness Centre Redevelopment project has been allocated funds from the LGIP in previous years and is an eligible project under the LGIP guidelines.

A decision to utilise this funding source for the Bluewater project would possibly result in a lower borrowing cost to Council if loans were the chosen funding mechanism to meet the higher than anticipated cost of the contract.

### **Proposal**

The proposal is that the remaining LGIP funds of \$204,989 be allocated to the Bluewater Fitness Centre redevelopment, to meet part of the shortfall in funding.

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

The Colac Otway Shire has received \$2,244,972 from the Local Government Infrastructure Program allocated to Council by the former Department of Planning & Community Development (now Department of Transport, Planning & Local Infrastructure). There is no requirement for matching funds. If used to partially offset the higher than anticipated costs of the Bluewater Fitness Centre redevelopment, the \$204,989 yet to be allocated from LGIP would reduce the funds required to be provided by Council (through loans or otherwise) in

the 2014/15 budget. The use of these funds would mean that no other project would benefit from the LGIP.

**Risk Management & Compliance Issues**

Allocation of the remaining LGIP funds to the Bluewater Fitness Centre redevelopment would satisfy the program guidelines.

**Environmental and Climate Change Considerations**

There are no environmental considerations relevant to the 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. The method selected would be ‘Inform’ and will be arranged through a media release.

**Implementation**

If supported by Council the proposal will be implemented immediately by providing the Department of Transport, Planning and Local Infrastructure with advice that the Bluewater Fitness Centre Redevelopment project will be allocated the remaining funds in LGIP.

**Conclusion**

Council has been provided with an untied amount of \$2,244,972 from the Regional Growth Fund under the Local Government Infrastructure Program (LGIP). Council has previously allocated funds from the LGIP to suitable projects that meet the program guidelines, with \$204,989 yet to be allocated. Given the need to offset higher than anticipated costs associated with redevelopment of the Bluewater Fitness Centre, it is recommended that the balance of these funds be allocated to that project, which would meet the eligibility criteria under the LGIP guidelines.

**Attachments**

Nil

**Recommendation**

***That Council allocates the remaining funds of \$204,989 from the LGIP to the Blue Water Fitness Centre redevelopment, to cover part of the shortfall in funding.***

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OM142603-12**SMALL TOWN IMPROVEMENT PROGRAM STIP REVIEW
OF GUIDELINES**

| | | | |
|-------------|------------------------------------|-----------|--------------|
| AUTHOR: | Katrina Kehoe | ENDORSED: | Doug McNeill |
| DEPARTMENT: | Sustainable Planning & Development | FILE REF: | 11/96428 |

Purpose

The purpose of this report is to seek endorsement for amendments to the Small Town Improvement Program (STIP) guidelines.

The Small Town Improvement Program did not originally include Apollo Bay, however it was amended so that Apollo Bay could seek matching funding under the now defunct State Government Small Town Development Fund. A previous report was submitted to Council to be considered in February 2014, however Council had concerns about excluding Apollo Bay from the Small Town Improvement Program without providing an alternative source of income for the town to access. This report has been altered to no longer exclude Apollo Bay from the eligible towns in the STIP Guidelines.

Declaration of Interests

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

Background

Council's STIP aims to assist in improving infrastructure on public land in the small towns of Colac Otway Shire. Proposals are sought annually from Small Town community groups/progress associations/organisations to assist in implementing this program. The program does not allocate funding directly to community groups, with successful projects managed by Council.

Council currently allocates \$80,000 per year towards this program.

Council Plan / Other Strategies / Policy**A Planned Future**

Creates an attractive shire with quality buildings and spaces, accessible travel and transport, and a community that has the services and facilities it needs now and in the future; supports a prosperous economy where trade, manufacturing and business activity flourishes.

Our Goal:

Facilitate the growth, liveability and development of the shire and encourage innovation and efficiency in the local economy.

A Place to Live and Grow

Is a community where people feel cared for and supported; where buildings and spaces facilitate creativity, social activity and enrichment of life, and people have access to gain the skills and education needed to reach their potential.

Our Goal:

Improve access to buildings, spaces, services and education to support and enable quality of life.

Issues / Options

An internal review of the STIP process was recently conducted, with the goal of continuous improvement. This presented an opportunity to review the STIP guidelines also. The following outlines key issues identified in the review.

Eligible Applicant Criteria

The Gellibrand Kawarren Progress Association ceased operation in October 2013 and is now un-incorporated. The guidelines, as currently constructed, would need to be updated to remove this community group from the list of eligible groups who can apply for STIP funds.

This would result in Gellibrand and Kawarren having no community group being recorded in the STIP guidelines and no formal group representing the Gellibrand and Kawarren communities in the current round of STIP funding for 2014/2015. It may occur in the future that other small town community groups also cease to operate, and therefore another request to Council to amend the STIP guidelines would be required to update the eligible community groups again.

The Small Town Improvement Program is managed by Council and as such, the need to seek applications only from incorporated community groups may be unnecessary. If the guidelines are broadened, it may be preferable, in instances where no formal community group/progress association/action group/advancement association exists, to allow other community groups or representatives, as long as they are bona fide representatives of the community, to apply for STIP funding, if they can link the proposal to a strategic document or demonstrate a high level of community support.

Township Master Plan Process

Many of the existing Community Infrastructure Plans / Township Master Plans are becoming out-dated as the communities' priorities have been completed. A review of the priorities within the Infrastructure Plan/Township Master Plan will need to take place for several of the small towns in the near future. Rather than use the STIP funds to engage external consultants to review and update the plans, it is suggested that a community meeting be held, with representatives from Colac Otway Shire. The community can identify future infrastructure priorities and discuss these with representatives from Council's Infrastructure, Economic Development, Arts Culture & Recreation and Environment departments. This may identify early in the process if any proposals are also likely to be included in future budget capital works program or if restrictions to proposals exist, which can be explained to the community.

This change in approach will allow the STIP funds to be more effectively used for infrastructure projects, rather than updating community infrastructure plans.

Proposal

It is proposed that amendments be made to the STIP guidelines to remove the listed eligible community groups/action groups/advancement or progress associations, and broaden the definition to include other community groups or representatives to be eligible to apply for STIP funds. These proposals would be required to include a demonstrated level of community support and/or links to the Community Infrastructure Plan/Small Town Master Plan or other relevant strategic documents.

It is also proposed to revise the Master Plan process as outlined earlier in this report.

Financial and Other Resource Implications

The amendments proposed will not affect the current allocation of \$80,000 by Council to the Small Town Improvement Program.

Risk Management & Compliance Issues

The broadening of eligibility to non-incorporated associations will not incur additional risk as Council will retain responsibility for delivery of projects rather than handing over funds to these organisations.

Environmental and Climate Change Considerations

There are no Environmental and Climate Change considerations associated with 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.

The method selected would be inform and include formal letter correspondence to all community groups/progress associations/action groups eligible for STIP funding. Further to this the groups will then be involved in the development of projects for the coming financial year.

Implementation

Following adoption of these amendments, a letter will be sent to the relevant community groups/progress associations/actions groups or community representatives outlining the amendments. Where no community group exists then existing community contacts such as those that deal with the Shire's recreation staff will be consulted.

Conclusion

Council's Small Town Improvement Program is an integral part of Council's role within the smaller townships in the Shire. It ensures that development that may otherwise be overlooked is undertaken and it helps to develop and strengthen relationships and engenders a sense of ownership and pride amongst these smaller communities.

It is recommended that Council endorse amendments to the STIP guidelines which have arisen from a recent review, to include:

- small town community groups/representatives (eg: neighbourhood house) where no formal community progress association / action group / advancement association exists.
- a change to broaden the definition of linking the proposed project to a 'Strategic document / Community Infrastructure Plan / Township Master Plan' to include 'or equivalent demonstrated community support'.

Attachments

1. Small Town Improvement Program GUIDELINES review to Council Mar 2014

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

1. ***Endorses the amendments to the Small Town Improvement Program (STIP) guidelines to broaden the eligible community groups or representatives who can apply where no formal Progress Association/Action Group/Advancement Association exists.***
2. ***Endorses the amendment to exclude the funding of development, update or review of Township Master Plans or Community Infrastructure Plans or similar strategic documents from STIP funds.***

OM142603-13**METERED PARKING INVESTIGATION**

| | | | |
|-------------|------------------------------------|-----------|--------------|
| AUTHOR: | Stewart Anderson | ENDORSED: | Doug McNeill |
| DEPARTMENT: | Sustainable Planning & Development | FILE REF: | F11/3291 |

Purpose

The purpose of this report is to inform Council about the findings of an initial investigation carried out in relation to the implementation of metered parking in the Colac Otway Shire and to propose steps that could be taken to discuss the potential benefits with the community.

Declaration of Interests

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

Background

Council has a responsibility to explore all possible revenue streams that exist in order to help fund initiatives that help satisfy our community's needs and aspirations. As a result in early 2013 Council requested that an investigation be undertaken to better understand the potential benefits of installing parking meters in Colac and/or Apollo Bay.

Council Officers undertook an analysis of the areas in Colac and Apollo Bay that have the highest level of parking pressure and researched the approach taken in other areas (e.g. Ararat, Hamilton and Geelong) to gain an understanding of the issues associated with metered parking and the estimated costs and benefits that could be realised.

In order to undertake a cost/benefit analysis of metered parking some basic assumptions were required in order to give a basis for the investigation. The investigation was undertaken based on the following specifications:

- Ticket machines could be placed in Colac and/or Apollo Bay.
- Parking meter enforcement would be carried out by Colac Otway Shire Local Laws Officers.
- Meter installation, maintenance and replacement would be undertaken by Council.
- Revenue from the parking meters would need to pay for enforcement; servicing and ongoing maintenance/replacement of the machines.
- Parking meter rates would be: \$2:00/hr
- Hours would be 8:00am till 6:00pm 7 days a week in Apollo Bay - and 9.00am to 5pm Monday to Friday in Colac.
- A ticket machine would be required for every 15 parking spaces and have a replacement period of ten years.
- A ten year loan would be obtained to pay for the necessary capital costs.

A series of workshops were held with Councilors in 2013 and early 2014 to discuss the findings of the investigations and to seek guidance on how to proceed.

Council Plan / Other Strategies / Policy**Good Governance**

Means we care about and are responsive to the community, encourage democratic participation and involve people in decisions that affect them. We strive for excellence in financial management and council services, and always look for better ways to do things.

Our Goal:

Ensure transparency of governance practices, the capability of our organisation and effective resource management.

Issues / Options

Council Officers have had conversations with staff at a number of other Councils and Coastal Committees to identify the major issues associated with implementing metered parking and to get an indication of the associated costs and potential revenue that could be obtained from installing parking meters in Colac and/or Apollo Bay. The findings from these discussions along with the assumptions outlined above have been used as the basis for calculating the financial estimates presented in this report. To get more reliable figures a more detailed study would be required.

Based on other Council's experience the major issues associated with implementing metered parking are:

- Potential impacts on business as a result of modified retail behaviour arising from the machines.
- Community resistance to any metered parking being introduced because it changes the character of regional towns and reduces amenity value.
- Parking pressure being placed on areas away from meters.

In the investigation it was proposed that the majority of the machines would be located in the central areas of Colac and/or Apollo Bay. There would be approximately 1 machine for every 15 bays. The exact position of the machines would take into consideration the access along with the level of occupancy it is anticipated that area would receive. The type of ticket machines considered in the investigation are the same as the ones used in Geelong and able to take cash or credit card payments. They can be programmed to accept fees whenever required, for example the machines can be programmed not to accept coins on Sundays or Public Holidays. After installation the machines need to be regularly serviced and they also need to be renewed/replaced over time. The estimated replacement period is ten years.

Currently Council has a very lenient approach to parking enforcement and only targets areas where there is a need to ensure turnover of parking. Even in these areas, due to the availability of officers to undertake parking inspections, fines are usually only issued where people have overstayed the parking time by a considerable amount or where they are parked in a no standing area. The approach that would need to be taken to inspect and enforce parking meters in a rigorous fashion in order to realise the potential revenue would be a marked change to Council's current approach and as a result would require significantly more resources than are currently allocated. Therefore, due to the amount of work required to police the meters, collect coins and process fines the annual costs for metered parking include costs for extra local laws vehicles, officer time and associated administration.

Table 1 shows the capital costs associated with installing metered parking in Apollo Bay would be approximately \$390,000. Twenty two machines would be required to service the areas of high parking pressure along the Great Ocean Road and the key feeder streets (but not including Pascoe Street).

Due to the amount of time required to police the meters effectively to achieve compliance, to pay off the loan and also allow for a ten year renewal program the annual cost would be approximately \$275,000. Based on the current levels of parking pressure and the rates outlined in the specifications above it is estimated that the 22 machines could collect \$440,000 per year. Therefore the net income for Apollo Bay could be approximately \$165,000 per year.

Table 1: Estimated cost and income for metered parking in Apollo Bay

| Machines | Capital Costs | Annual Costs | Annual Income | Net Income p/a |
|----------|---------------|--------------|---------------|----------------|
| 22 | \$390,000 | \$275,000 | \$440,000 | \$165,000 |

Table 2 shows the capital costs associated with installing metered parking in Colac would be approximately \$225,000. Fifteen machines would be required to service the areas of highest parking pressure along Murray Street and the Johnsons Street Car Park (the investigation did not include surrounding streets such as Bromfield Street, Dennis Street or other feeder roads). Due to the amount of time required to police the meters effectively to achieve compliance, to pay off the loan over ten years and also allow for a ten year renewal program the annual costs would be approximately \$183,000. Based on the current levels of parking pressure and the rates outlined in the specifications above it is estimated that the 15 machines could collect \$440,000 per year. Therefore in Colac it is estimated that there would be a net loss of approximately \$23,000 per year.

Table 2: Estimated cost and income for metered parking in Colac

| Machines | Capital Costs | Annual Costs | Annual Income | Net Income p/a |
|----------|---------------|--------------|---------------|----------------|
| 15 | \$225,000 | \$183,000 | \$160,000 | -\$23,000 |

Based on the investigation it is not considered economically beneficial to implement metered parking in Colac. In contrast there is a potential economic benefit associated with implementing metered parking in Apollo Bay.

In addition to the estimated economic benefit, metered parking is considered a more suitable measure in Apollo Bay than Colac because it can help collect more funds from visitors who otherwise contribute little towards further improvements of the town. It is also expected that locals will not be severely impacted because free parking would continue to be available in Pascoe Street. The dedicated Local Laws Officer that would be required would be based in Apollo Bay and as a result would be able to respond in a more timely manner to other critical Local Law issues (e.g. dog attacks).

If the estimated net income for metered parking in Apollo Bay was realised, it is proposed that the funds would be placed into a reserve for new high priority projects in Apollo Bay that would not otherwise be able to be funded. It is worth noting that after ten years, when the initial loan is paid out, the annual costs would reduce substantially. Therefore, after ten years the net annual income could be considerably more than \$165,000.

Proposal

The investigation into potential metered parking in Colac concluded this would not be financially viable, but that metered parking in Apollo Bay could be financially advantageous to Council if introduced. It is proposed that Council undertakes consultation with the community in relation to the possible implementation of metered parking in Apollo Bay and the use of the net income to fund new high priority projects in Apollo Bay, and that a further officer report be provided to Council on the outcomes of this engagement before Council makes any decision on this matter.

Financial and Other Resource Implications

There will be financial or resource issues associated with this proposal in terms of community consultation. The proposed community engagement can be undertaken within existing resources. If metered parking were to be installed there would be significant financial and resource implications that would require careful management as outlined earlier in the report.

Risk Management & Compliance Issues

There are no significant risk management or compliance issues associated with this proposal. If metered parking were to be installed there would be a number of risks that would need to be managed and a significant workload associated with parking compliance.

Environmental and Climate Change Considerations

There are no significant environmental issues associated with 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 would be to consult the community. Information would be provided through local and social media along with presentations at relevant community meetings. Feedback would be sought from the community in relation to possible implementation of metered parking in Apollo Bay. The community feedback would then be presented to Council for consideration.

Implementation

More detailed information on possible metered parking arrangements in Apollo Bay would be provided to the community through local and social media along with presentations at relevant community meetings. Feedback would be sought from the community in relation to the possible implementation of metered parking in Apollo Bay and the use of the net income to fund new high priority projects. The community feedback would then be presented to Council for consideration.

Conclusion

Metered parking is a controversial topic. Although it is not currently being implemented in any of our neighbouring shires there are many rural towns in Victoria where it is being undertaken such as Warrnambool, Ararat and Hamilton. Although these towns are very different to Apollo Bay it is clear that metered parking can generate a significant amount of revenue that can be used to fund important initiatives.

Officers expects that many people will be philosophically opposed to the idea of metered parking in Apollo Bay but in the current economic climate Council has a responsibility to explore all possible revenue streams that exist in order to fund initiatives that help satisfy our community's needs and aspirations.

It is important to note that Council has not formed a position on metered parking being installed in Apollo Bay. The community response will be a key element in determining Council's decision in relation to this matter.

Attachments

Nil

Recommendations***That Council:***

- 1. Notes the officer's investigation into the feasibility of introducing parking meters within Colac and Apollo Bay.***
- 2. Does not support any further investigation of parking meters in Colac.***
- 3. Acknowledges it has made no decision on whether it should proceed with the introduction of parking meters in Apollo Bay.***
- 4. Supports the proposal to undertake consultation with the community for a minimum of six weeks in relation to the possible implementation of metered parking in Apollo Bay and the use of the net income to fund new high priority projects in Apollo Bay.***
- 5. Directs Council Officers, at the end of the consultation process, to provide a report to Council on the feedback received from the community.***

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**GENERAL BUSINESS**

| ITEM                      |                                                                                                                                |
|---------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| <b><u>OM142603-14</u></b> | <b><u>ASSEMBLY OF COUNCILLORS</u></b>                                                                                          |
| <b><u>OM142603-15</u></b> | <b><u>MINUTES FROM THE COLAC COMMUNITY LIBRARY &amp; LEARNING CENTRE JOINT COMMITTEE MEETING</u></b>                           |
| <b><u>OM142603-16</u></b> | <b><u>MINUTES OF THE OLD BEECHY RAIL TRAIL COMMITTEE</u></b>                                                                   |
| <b><u>OM142603-17</u></b> | <b><u>ITEM FOR SIGNING &amp; SEALING - TRANSFER OF LAND PART OF FORMER ROAD - 1505 OLD BEECH FOREST ROAD, BEECH FOREST</u></b> |



**OM142603-14****ASSEMBLY OF COUNCILLORS**

|             |               |           |           |
|-------------|---------------|-----------|-----------|
| AUTHOR:     | Rhonda Deigan | ENDORSED: | Rob Small |
| DEPARTMENT: | Executive     | FILE REF: | F13/6530  |

**Introduction**

The *Local Government Act 1989* (the Act) requires that records of meetings, which constitute an Assembly of Councillors, be tabled at the next practicable meeting of Council and incorporated in the minutes of the Council meeting.

**Definition**

An “assembly of Councillors” is a defined term under section 3(1) of the *Local Government Act 1989*.

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.

As part of decision making processes at Colac Otway, it is essential that Councillors are briefed on a range of issues which come before Council for consideration. As a means of providing this information, Assembly of Councillors briefings are conducted.

Assemblies are also attended by Council Officers, and sometimes other specific advisors, to provide Councillors with a detailed knowledge and understanding of issues under consideration to a level of detail that would inhibit timely decision-making, that would not be possible in an open council meeting, where decision-making related debate is governed by strict meeting procedures.

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 names of all Councillors and members of Council staff attending;
- the matters considered;
- conflict of interest disclosures made by a Councillor (if any are made); and
- whether a Councillor who has disclosed a conflict of interest leaves the assembly.

It is a requirement that the record of an assembly is to be reported to the next practicable ordinary meeting of Council and be incorporated in the minutes of that Council meeting.

**Assemblies of Councillors**

The following Assemblies of Councillors have been held:

- |                               |                  |
|-------------------------------|------------------|
| • Councillor Workshop         | 19 February 2014 |
| • Councillor Briefing Session | 26 February 2014 |
| • Councillor Briefing         | 28 February 2014 |
| • Councillor Workshop         | 12 March 2014.   |

**Attachments**

1. Councillor Workshop - 19 February 2014
2. Councillor Briefing Session - 26 February 2014
3. Councillor Briefing - 28 February 2014
4. Councillor Workshop - 12 March 2014

**Recommendation(s)**

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

- |                                             |                                |
|---------------------------------------------|--------------------------------|
| • <b><i>Councillor Workshop</i></b>         | <b><i>19 February 2014</i></b> |
| • <b><i>Councillor Briefing Session</i></b> | <b><i>26 February 2014</i></b> |
| • <b><i>Councillor Briefing</i></b>         | <b><i>28 February 2014</i></b> |
| • <b><i>Councillor Workshop</i></b>         | <b><i>12 March 2014.</i></b>   |

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OM142603-15**MINUTES FROM THE COLAC COMMUNITY LIBRARY & LEARNING CENTRE JOINT COMMITTEE MEETING**

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

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

Attached are the minutes of Colac Community Library & Learning Centre Joint Committee meeting held on 13 November 2013.

Attachments

1. Colac Community Library & Learning Centre - 13 November 2013

Recommendation(s)

That Council notes the minutes, arising from the Colac Community Library & Learning Centre Joint Committee meeting held on 13 November 2013.

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**OM142603-16****MINUTES OF THE OLD BEECHY RAIL TRAIL COMMITTEE**

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

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

Attached are the Minutes and Executive Officer Report from the meeting held 2 December 2013.

Meetings are held every two months, commencing in February of each year.

**Attachments**

1. Meeting Minutes Old Beechy Rail Trail 2 December 2013
2. Executive Officer Report 2 December 2013

**Recommendation(s)**

***That Council notes the Minutes and Executive Officer Report of the Old Beechy Rail Trail Committee for 2 December 2013.***

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**OM142603-17 ITEM FOR SIGNING & SEALING - TRANSFER OF LAND
PART OF FORMER ROAD - 1505 OLD BEECH FOREST
ROAD, BEECH FOREST**

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

Council at its Ordinary meeting held on 23 May 2012 formed the opinion that a section of the road being part of Road R1 on PS627770J which intrudes the property at 1505 Old Beech Forest Road, is not reasonably required as a road for public use and resolved to discontinue that portion of the road so that the land may be transferred to the abutting owner.

A notice was published in the Victorian Government Gazette on 29 November 2012 to effect the road discontinuance.

Since that time, the solicitors acting on behalf of the registered proprietors of 1505 Old Beech Forest Road have prepared Transfer of Land documents to be signed and sealed by Council to finalise the transfer of the former road.

All statutory requirements have been completed in accordance with the relevant provisions of the *Local Government Act 1989*.

Attachments

1. Transfer of Land document Volume 9474 Folio 303

Recommendation(s)

That Council agrees to sign and seal the Transfer of Land documents prepared for sale of land described as the former road being part of Road R1 on PS627770J as discontinued by virtue of the notice in the Victorian Government Gazette G48, 29 November 2012, to Skeet & Sylvia Morrow Pty Ltd.

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**NOTICES OF MOTION**

| ITEM                      |                                                      |
|---------------------------|------------------------------------------------------|
| <b><u>OM142603-18</u></b> | <b><u>PROCESSING OF VISAS FOR ASYLUM SEEKERS</u></b> |



**OM142603-18      PROCESSING OF VISAS FOR ASYLUM SEEKERS (CR  
BRIAN CROOK)**

TAKE NOTICE that it is my intention to move at the Ordinary Council Meeting of the Colac Otway Shire to be held on 26 March 2014:

**Preamble**

The Australian Government has reaffirmed its commitment to place people who arrived "illegally" by boat or plane onto temporary visas, denying them the right to have their protection visas processed regardless of whether they are proven to be genuine refugees. These conditions will now apply to all of our asylum seekers in Colac.

Under the proposed Temporary Humanitarian Concern Visa (THCV) people can work and remain in Colac for a period of three years. The issue here is that people who sign up for this visa, will never be allowed to gain permanent residency in this country. In addition, they will never be able to bring other members of their family to Australia.

If asylum seekers choose not to sign up for the Temporary Humanitarian Concern Visa, benefits and access to mainstream services will be denied which, when coupled with a bar on employment, means that life in a detention centre or deportation looms large.

Currently in Colac we have asylum seekers from both Iran and Afghanistan. All travelled to Australia by boat. All were detained in detention centres both offshore and onshore. They were placed in the community on bridging visas. The Iranians are not allowed to work as they arrived after the "no advantage" rule was introduced. They survive on an allowance which is less than the Newstart allowance. The Afghans who arrived before the "no advantage" rule are allowed to work, but they are alone, without their families, with no right to be united with them under a bridging visa. If they visit their families, they are risking their lives and will never be able to return to Australia. Under these proposed visas, they will never see their families again.

Both groups, under this Government, will never have their protection visas considered, no matter how genuine their case is for refugee status.

The asylum seekers who are living in this community are very decent people who deserve to have their applications processed. To not do so is a denial of human rights. Most of these people are well educated and have professional backgrounds, trades or have run their own businesses.

We already have a number of refugees making a valuable contribution in Colac. These people come from Afghanistan, Iran and Sudan. They work and live and contribute to our community. It makes no sense to now legislate in an inhumane way against our recent arrivals.

Finally, there is the issue of the mental health of these people who have already endured so much in their quest for refugee status. There is no demonstrated need to treat people in this way.

On behalf of all asylum seekers living in Colac Otway Shire, we request:

1. That the visa applications of asylum seekers, currently living in our community on bridging visas, be processed as soon as possible.
2. That if this process (above) legitimises their status as refugees, that they be afforded the opportunity of permanent residency.
3. That the permanent residents in our community who have proven to be refugees, but arrived by boat or plane to seek asylum, are allowed the same right as any other permanent resident attempting to bring their families over through the family stream visa rather than being considered the "lowest priority" taking years to be processed and hence punishing these families retrospectively.
4. That Council forwards a copy of this notice of motion to Prime Minister Tony Abbott MP and the Minister for Immigration and Border Protection, Scott Morrison MP, with copies to Richard Marles MP, Bill Shorten MP, Sarah Hanson-Young MP, Sarah Henderson MP, Richard Di Natalie MP, Julian Burnside, Ali Corke and Brendan O'Connor MP.

**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:

| SUBJECT | REASON | SECTION OF ACT |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| Contract Approval Contract 1401 - Ferrier Drive Reconstruction Stage 1 | this matter deals with contractual matters | Section 89 (2) (d) |
| Contract 1406 - Supply of Crushed Rock, Sealing Aggregate and Pavement Materials | this matter deals with contractual matters | Section 89 (2) (d) |
| Confidential Documents for consideration - Audit Committee Chairperson's Report to Council, CEO Employment Process and Matrix for CEO Recruitment Agencies | this matter deals with personnel matters; AND this matter deals with contractual matters; AND this matter may prejudice the Council or any person | Section 89 (2) (a) (d) (h) |
| Bluewater Fitness Centre Redevelopment Updates | this matter deals with contractual matters; AND this matter may prejudice the Council or any person | Section 89 (2) (d) (h) |



ORDINARY COUNCIL MEETING

WEDNESDAY, 26 MARCH 2014

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CORPORATE AND COMMUNITY SERVICES

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INFRASTRUCTURE AND SERVICES

OM142603-5 Local Government Waste Forum Representative

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OM142603-6 Road Safety Strategy

Attachment 1: Draft Road Safety Strategy 67

OM142603-8 Declaration of Road as Unused – Government Road North west of Crown Allotment 11J, Parish of Moorbanool

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**INSTRUMENT OF DELEGATION
SPECIAL COMMITTEE**

**Harrington Memorial Park
Management Committee**

Colac-Otway Shire Council ("Council") delegates to the Special Committee established by resolution of Council passed on 23 October 2013 and known as the **Harrington Memorial Park Management Committee** the powers and functions set out in the Schedule, and declares that:

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

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

..... Chief Executive Officer

Note: The Committee to commence on 1 July 2014.

SCHEDULE SPECIAL COMMITTEE

Harrington Memorial Park Management Committee

Colac Otway Shire Council has by resolution appointed a Special Committee to manage the Harrington Memorial Park. That Committee shall be known as the Harrington Memorial Park Management Committee, herein after referred to as the Committee.

The Special Committee is to commence on 1 July 2014.

The powers, functions and duties of the Committee are set out in this schedule.

Purpose

The role of the Committee shall generally be to manage the operation of the Harrington Memorial Park on behalf of Council in the best interests of the residents of the Colac Otway Shire Council.

Reporting Requirement

The Committee must report to Council according to Clauses 2, 4, 5, 16, 17 and 20 in this Schedule of the Instrument of Delegation of the Harrington Memorial Park Management Committee.

Administration

1. To do all things necessary or convenient to be done for or in connection with the performance of those functions, duties and powers.
2. To provide Council with regular income and expenditure reports and minutes of every meeting.
3. To hold an Annual General Meeting in July each year to transact the following items of business:
 - Election of committee members
 - Election of office bearers
 - Presentation and adoption of financial statements for the year just completed
 - Presentation and adoption of the budget for the year just being commenced
 - Annual report on operations for the year just completed
 - Any other matters considered necessary.
4. Provide Council with an updated list of Committee members and office bearers immediately following the Annual General Meeting.
5. To provide Council with an annual report on operations, following submission at the Annual General Meeting. The information included within the annual report on operation should include, but not be restricted to the following:
 - General evaluation of operations and management
 - Details relating to regular User groups

- Copy of Register of Injuries and Accidents
 - Maintenance/improvements undertaken and future requirements
 - Evaluation of operations and management
 - Other matters considered relevant by the Committee.
6. To be the point of contact for the public with respect to the operation of the Harrington Memorial Park. All matters shall be referred to the committee for resolution in the first instance. All requests shall be dealt with promptly and the Council shall be kept informed at all times.
7. To ensure that the decisions and policies of Council are implemented/adhered to without delay.

Reserve use

8. The power to negotiate the use of the Reserve with user groups and to approve programs operating from the Harrington Memorial Park.
9. The power to set dates and times of opening and closing.
10. To ensure that the Harrington Memorial Park is used only for the purposes appropriate to the Reserve.
11. To ensure that the Reserve is operated in accordance with any relevant guidelines established by Council.

Finance

12. To set user fees.
13. To enter into contracts and to incur expenditure under \$2,000, with approval being required from Council for contracts over \$2,000.
14. To establish and maintain appropriate banking arrangements at a facility approved by Council, into which all monies received by the Committee shall be paid. All cheques drawn on the account shall be signed by any two of the following:
- Chairperson
 - Vice Chairperson
 - Secretary
 - Treasurer
 - Other committee member.
15. To pay all utility and water charges incurred in occupying the premises (unless another arrangement is made with Council).
16. To provide Council with adopted Financial Statements immediately following the Annual General Meeting. Any support documentation being available on request.
17. To provide Council with a proposed budget for the forthcoming year, no later than immediately following the Annual General Meeting.

18. To apply income received from facility users to the ongoing operation and management of the Harrington Memorial Park.

Maintenance

19. An annual maintenance inspection will be undertaken by Council each year. Contact will be made with the Committee prior to the inspection.
20. The Committee is to provide an annual 'Reserve Maintenance Works Report' by 31 January each year detailing all anticipated maintenance that the Committee will undertake for the following financial year.
21. To undertake minor repairs up to the value of \$500, however consent from Council's Sustainable Assets Unit must be gained for any maintenance item over \$500 that has not been anticipated in the 'Reserve Maintenance Works Report'.

Any works must be carried out by qualified personnel, relative to the task being performed, and all certificates of compliance must be forwarded to Council immediately, upon completion.

22. To make no structural alterations or additions to the Reserve without the written consent of Council's Sustainable Assets Unit.

Risk Management/Insurance

23. The Committee is encouraged to seek specific advice on safety issues from Council's Risk Management Officer as required.
24. Ensure that volunteers are registered when undertaking work on behalf of the Committee. Such registers to be retained by the Committee. The Register must contain names, addresses, type of activity performed, times of work and volunteer signature. The volunteers must be supervised by a member of the Committee at all times.
25. To contact Council's Risk Management Officer, before volunteers commence any work to determine whether training is required.
26. To adhere to all statutory and legislative requirements.

Exceptions, conditions and limitations

The Committee is not authorised by this Instrument to:

27. enter into contracts over \$2,000, or incur expenditure for an amount which exceeds the approved budget.
28. delegate to any person or persons any of the powers delegated to them by Council.
30. borrow funds.

RATING STRATEGY 2014-2017



A review of the Colac Otway Shire rating strategy

A key part of financial accountability is explaining the rates and charges that Council levies on ratepayers. A rating strategy document should then provide the Council and community with both understanding and guidance on the issues involved and the choices to be made.

Rating Strategy 2014-2017

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Rating Strategy 2014-2017

A REVIEW OF THE COLAC OTWAY SHIRE RATING STRATEGY

EXECUTIVE SUMMARY

The purpose of the Executive Summary is to provide an “at a glance” understanding of the basis of the Colac Otway Shire Council Rating Strategy and outlines the information considered by the Colac Otway Shire Council when determining the rating system.

It is important to note from the outset that the focus of the Rating Strategy is different to that of the Annual Budget. In the Annual Budget the primary focus is the amount of rates required to be raised for Council to deliver the required services and capital works. The focus of a rating strategy is how the required amount is equitably distributed amongst Council's ratepayers.

Colac Otway's rating strategy is based on the premise of:

- providing sufficient funding to maintain a broad range of quality services and well-designed and constructed capital works that meet current and future needs; and
- achieving a “smoothing out” of the rates levied so as to provide the community with a degree of certainty in regard to predictable and affordable future rate increases.

The Rating Strategy is based on the following assumptions:

- Keep rate increases to a minimum;
- Continue a robust capital works programme;
- Maintenance of assets, with a view to closing the renewal gap;
- Loan Borrowings are able to be serviced; and
- Meet all financial sustainability indicators in accordance with the Long Term Financial Plan.

The possible rate movements over the next 10 years may be as follows (subject to annual review):

| 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% |

For further details of Council's financial position including rate increases refer to Council's Long Term Financial Plan.

Any unforeseen situations that may arise will be dealt with via the Annual Budget review. The *Local Government Act 1989* (the Act) requires that the rating system provides a “reasonable degree of stability in the level of the rates burden”, and that it is developed in a context of a public finance methodology, which includes principles of equity, benefit, efficiency and community resource allocation. Therefore it is important that once set, a rating strategy is regularly reviewed to ensure that it continues to meet the objectives above.

1.1 What are rates?

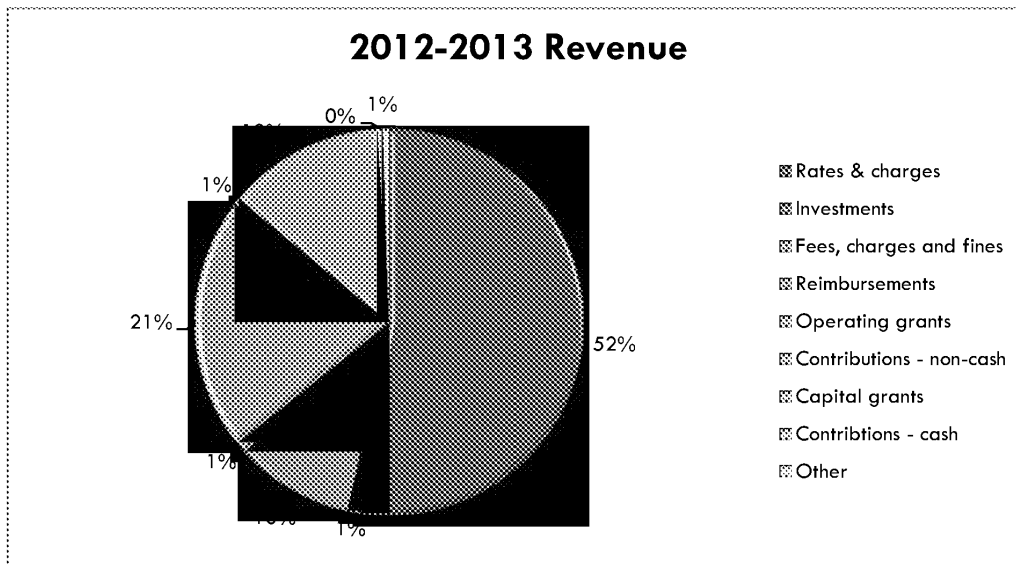
Rates are collected by Councils to fund the broad range of services that they provide to their communities.

All Councils must determine the fairest and most equitable rating system for their individual municipalities from within the parameters established in the *Local Government Act 1989* (the Act).

“Rates” and Charges (predominantly rates) are the primary source of income for local government.

Other revenue sources that local governments rely upon include grants from Federal and State Governments, fees, fines and charges, income from the sale of assets and interest earned.

The diagram below depicts revenue for Colac Otway Shire Council, of the \$44.6 million in total revenue for 2012-2013 - \$23.3 million is sourced from rates.



Rates are levied on each property owner based on the value of their property.

Council rates are the contribution that each ratepayer makes towards services provided by. Some Council services are statutory which means they are required by a law, and others are based on the needs and aspirations of the community.

Some of the services which Council provides include:

- Land use planning, development and building control and assessment;
- Environmental health (food and public health, noise and nuisance inspection);
- Fire prevention (building inspection / fire prevention);
- Dog and cat management and control. Traffic and parking regulations;
- Community leadership and advocacy / community development programmes;
- Services for the aged including respite, meals delivery and home help and community transport;
- Sporting and leisure centres including gyms, swimming pools and community

centres;

- Festivals, events, arts spaces and libraries;
- Parks, gardens, reserves and playgrounds;
- Street lighting;
- Cycling tracks, road and footpath construction and maintenance;
- Skate parks, sporting and recreation ovals, courts and facilities
- Stormwater and drainage management;
- Family services including maternal and child health, immunization and child care; and
- Waste and recycling collection and disposal and water conservation.

Councils must ensure that the services they deliver are in line with community expectations and needs and are delivered in a way that is both efficient and effective.

1.2 Sound Financial Management and its relationship to the Rating Strategy

The *Local Government Act 1989* (section 136) provides four principles of sound financial management for Councils. All Councils are required to implement these principles and establish budgeting and reporting frameworks that are consistent with the following principles:

1. Manage financial risks prudently, having regard to economic circumstances;
2. Pursue spending and rating policies that are consistent with a reasonable degree of stability in the level of the rate burden;
3. Ensure that decisions and actions have regard to financial effects on future generations; and
4. Ensure full, accurate and timely disclosure of financial information relating to the Council.

Developing a rating strategy requires Council to strike a balance between competing priorities for Council services and infrastructure and to come up with a mixture of rates and charges (the Rating System) that provides the revenue needed for ongoing financial sustainability.

The Rating Strategy seeks to improve the communities understanding of how Council determines its rates by providing a detailed explanation of rating concepts and the decisions made by Colac Otway Shire Council in determining its rating system.

1.3 Colac Otway Shire Council's Rating System

The key platforms that currently form the basis of the current approach to rating at Council include:

- That rates will continue to be based principally on an ad-valorem basis (i.e. based on the valuation of the various properties) using the CIV method of calculation;
- That Council will continue to apply a municipal charge to all rated properties and apply service charges to fully recover the cost of the collection and disposal of garbage and recyclables - green waste collections will be a user pays service with full cost recovery; and
- That Council will continue to apply differential rating against various property classes that assists to achieve equality across the community. (The use of differential rates enables Council to maintain a fair and equitable rate contribution by property type).

The table below depicts the decisions that Colac Otway Shire Council has made to determine its rating strategy having regard to the needs of the municipality and in accordance with the requirements of the *Local Government Act 1989* (the Act).

| Section | COLAC OTWAY SHIRE COUNCIL – RATING SYSTEM |
|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Section 9 Property Valuation | Council applies Capital Improved Valuation (CIV) as the valuation methodology to levy Council rates. Council reviews the impacts of revaluations as they occur. |
| Section 10 Rating Differentials /Rate Type | Council applies differential rating as its rating system. Council considers that each differential rate contributes to the equitable and efficient carrying out of Council functions. |
| Section 11 What differential rates should be applied? | That Council applies differential rates for: <ol style="list-style-type: none"> 1. Residential - Colac 2. Residential – Balance of Shire 3. Rural – Farm 4. Holiday Rental 5. Commercial/Industrial - Colac 6. Commercial/Industrial – Balance of Shire |
| Section 11.7 Service Rates and Charges | The service charges applied by Council are a Waste Collection Charge for the collection and disposal of household waste, including recyclables, litter bins collections and green waste for developed properties only. |
| Section 11.9 Municipal Charge | Council applies a Municipal charge in accordance with legislation. |
| Section 13 Rate Payment Date Options | <p>Council will allow a lump sum payment option therefore all rates must be paid via instalments with the due dates for payment each financial year as follows:</p> <ul style="list-style-type: none"> • 1st Instalment due – 30 September • 2nd instalment due – 30 November • 3rd Instalment due – 28 February • 4th Instalment due – 31 May <p>or in total by 15 February.</p> <p>Council also allows ratepayers to pay property rates via payment arrangements, by any number of instalments, provided the full amount of rates and charges are paid by 31 May each year.</p> |
| Section 15 Hardship Policy | Council recognises there are cases of genuine financial hardship and has a Hardship Policy which establishes the guidelines for assessment based on fairness, compassion, confidentiality and compliance with statutory requirements. |

1.4 Rates & Charges

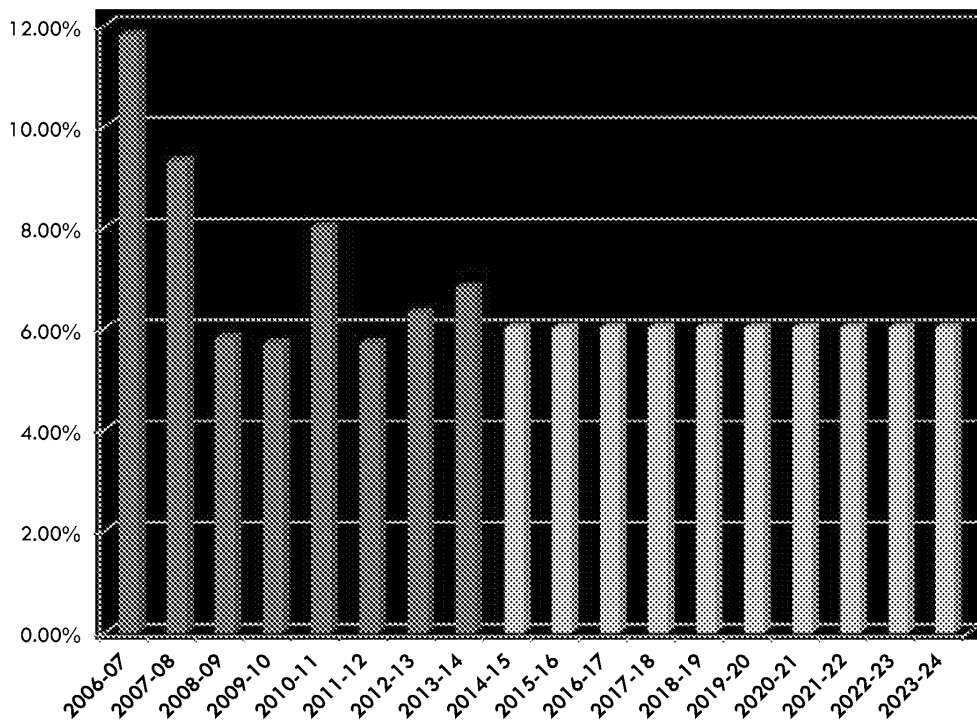
In order for Council to determine its revenue building capacity to meet current and future activities while “pursuing spending and rating policies that are consistent with a reasonable degree of stability in the level of the rate burden rates and charges” Council has developed a Long Term Financial Plan (LTFP) which assesses Council's current and future objectives with a view to maintaining service levels and continuing a strong capital expenditure programme.

In doing so, Council has projected the required rate increases for the period 2013- 2023.

The average Rates and Charges per assessment may increase by 6.0% in 2014-2015 raising a possible total of \$26.61million. The following table sets out future proposed rates and charges increases which while subject to annual review do provide for considered, predictable and affordable increases that allow for ongoing service delivery and growth.

| 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% |

RATES AND CHARGES



In determining that the rate increase levied is equitable and affordable consideration must also be given to the known demographics of Colac Otway property owners. Council has utilised independent reports in the development of this rating strategy, the future service and infrastructure needs of the community and an equitable ongoing percentage increase.

Rating Strategy 2014-2017

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THE RATING STRATEGY



2. What is a Rating Strategy?

A rating strategy is the method by which Council systematically considers factors of importance that informs its decisions about the rating system. The rating system determines how Council will raise money from properties within the municipality. It does not influence the total amount of money to be raised, only the share of revenue contributed by each property. The rating system comprises of the valuation base for each property and the actual rating instruments allowed under the Local Government Act (1989) (LGA) to calculate the property owners' liability for rates.

The Local Government Act 1989 (the Act) requires that the rating system provides a "reasonable degree of stability in the level of the rates burden", it must also meet the requirements of Part 8 of the Local Government Act 1989 (LGA) – Rates and Charges on Ratable Land.

The Rating Strategy must also link with other Council strategies and key planning documents.

This strategy details the framework which will be used by Colac Otway Shire Council in determining a fair and equitable distribution of rates and charges. The rating framework is set out within the *Local Government Act 1989* and determines a Council's ability to develop a rating system. The framework provides sufficient flexibility for a Council to determine its rating system to best suit its requirements within the context of a public finance methodology, which includes principles of equity, benefit, efficiency and community resource allocation.

The following recommendations are the basis for the Rating Strategy:

- Apply Capital Improved Value as the valuation methodology to levy Council rates.
- Apply six (6) differential rates in the dollar; (Residential - Colac, Residential – Balance of Shire, Commercial/Industrial – Colac, Commercial/Industrial – Balance of Shire, Farm, and Holiday Rental).
- Review the rating structure following each biennial valuation.
- Charge a municipal charge.
- Apply the mandatory rate instalment payment options.
- Allow direct debit payments from cheque or savings accounts.
- Consider waivers in accordance with the hardship policy.

3. Council Revenue Sources

Developing a rating strategy requires Council to strike a balance between competing principles and to come up with a mixture of rates and charges that provide the revenue needed for financial sustainability and achieving the Council Plan strategic objectives.

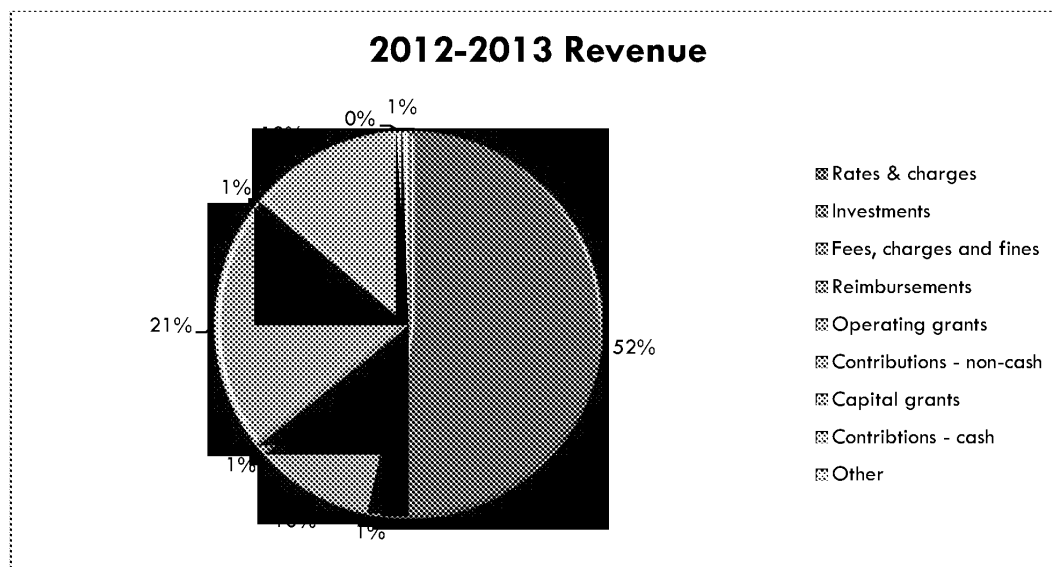
To fund the delivery of the Council Plan and associated services, Council draws upon four (4) broad streams of income: municipal rates; state and commonwealth grants; user fees and charges; and other sources such as investment income, reimbursements and developer contributions.

The level or amount of total rates and charges to be raised each year is determined by:

- Calculating the total amount of revenue required to fund programmes, maintain assets and to service and redeem debt; and then
- Subtracting the other sources of revenue, such as grants, fees, charges, fines and loans.

The amount collected then in rates represents the difference between the total expenses of Council and the total revenue from all other sources. Or in other words, rates make up the gap.

Over the past financial year, rates and charges for Colac Otway Shire have comprised around 50% of total revenue, which is significantly greater than ten years ago when rates and charges made up approximately 40% of total revenue. This change is a reflection of the reduction or slower growth in other forms of revenue such as grants, user charges and so on when compared to the steadily increasing cost of delivering services and replacing existing assets. The graph below illustrates the make-up of Council's revenue from the 2012-2013 financial year.



4. Our Actions

Colac Otway Shire has conducted a range of public consultation activities relating to the differential rating regime to determine the appetite for change from the existing rating differential regime. Information was provided to local media concerning the window of opportunity for public comment, four community drop in sessions were conducted across the shire at Colac, Apollo Bay, Birregurra and Beeac to allow the opportunity for interested individuals to attend a drop in session and ask questions and to provide suggestions and comments. In total some 24 submissions were received from both formal written submissions to comments made at the various drop in sessions. All of the information collected from the community was then provided to Council and utilised to develop a range of alternative differential rating scenarios. Council has then reviewed and discussed each of the alternatives prior to developing the preferred option detailed in this strategy. A summary of these issues is provided below:

| Issues | Comments |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Retain differential rating structure | Council supported the retention of the differential structure. |
| Increase differential for "Farms" | Council has considered the impact of this potential change on other rating categories. |
| Have separate categories for "Commercial" & "Industrial" | Council has considered the de-amalgamation of these rating categories and believes there is no need for separate rating categories as both uses are intrinsically commercial in nature. |
| Reduce differential for "Commercial" (from 165%) to encourage business | Council has considered the impact of this potential change on other rating categories. |
| All categories pay the same rate in the dollar except Commercial & Holiday rental, which should pay 15% higher rate in the dollar. | Council has considered the impact of this potential change on other rating categories |
| Collect full 20% of income from Municipal Charge to reduce general rates component. | Council has considered the impact of this change and considers the impact on lower valued properties to be inequitable. |
| Similar standard home in Apollo Bay & Colac should pay same amount of rates (regardless of valuation) | Council has determined that the proposed change does not meet the principles of equity, efficiency and simplicity. In addition there is also a legislative limitation on Council's ability to do so. |
| Businesses operating from small blocks whilst farms must have large blocks. | All known businesses are included within the commercial/industrial rating category and all dual use properties are categorised at the highest of the possible rating categories With regard to the size of land required to undertake what is intrinsically a commercial activity, the basic principle of the rating regime is that it is a wealth tax based on valuation |
| All farms should be a single assessment | This is not permitted by the Valuation of Land Act 1960 and the Local Government Act 1989. |
| Farms are farmers "superannuation" & "share" portfolio – yet this is rated – Superannuation & share portfolio of residential property owners NOT taxed – this is unfair | Council also considers that this equally applies to residential /commercial property owners. |

Rating Strategy 2014-2017

| Issues | Comments |
|-------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Rates payable should be linked to income | Council has determined that the proposed change does not meet the principles of equity, efficiency and simplicity. In addition there is also a legislative limitation on Council's ability to do so. |
| Rates increases should be limited to CPI increases | Council considers that this has no bearing on the rating strategy which is concerned with how the rates taxation burden is distributed across the community. It should be noted that Local government's costs are not commensurate with the Consumer Price Index. |
| Communities feel no benefit received for rates paid | Council acknowledges that there is no nexus between consumption /benefit and the rate burden. |
| Should be able to show comparison of dollars raised from rates compared to dollars spent in communities. | It is Council's opinion that this issue is based on the benefit principle (the opposite of the wealth tax principle). The application of the benefit principle is difficult in practice because of the complexity and, in some cases, impossibility, of measuring the relative levels of access and consumption across the full range of council services. A simplistic determination of rates based on where services are located is also short-sighted because it ignores issues such as: <ul style="list-style-type: none"> • Some services are not location specific; • Access is not synonymous with consumption; • Residents can travel or use technology to access some services; and • Service levels provided in different locations within the municipality have different costs. For example, the actual cost of providing the same service may be higher for Apollo Bay than for a property in the middle of Colac. |
| Rates increases unsustainable for pensioners- income not increasing by same % as rates increases | Council acknowledges that there is no nexus between the changes in individual income levels and the rate burden. Pensioners do however currently receive a CPI indexed rates concession. |
| Pensioners losing in real terms as Pensioner Rates Concession only increases by CPI but rates increase greater than CPI | Council acknowledges that there is no nexus between the changes in individual income levels and the rate burden. Pensioners do however currently receive a CPI indexed rates concession. |
| Rates increases unsustainable for farms – income not increasing by same % as rates increases | Council acknowledges that there is no nexus between the changes in individual income levels and the rate burden. The farm rates are however currently levied at a substantial discount to the base rate. |
| Inadequate funding by State / Federal Governments to local government. | Council acknowledges that this is an ongoing issue and will continue to advocate for additional support. |

After consideration of the issues raised a total of twenty (20) different scenarios were investigated, which ranged from the retention of the existing differential regime to the abolition of differential rates in favour of a uniform rate. Other examples have included:

- Altering the municipal charge, which included the abolition of the charge, through to applying the charge at the maximum rate.
- Altering the current differentials to the benefit of various categories such as farming commercial and residential properties.
- Creating new categories such as vacant land categories
- Amalgamation of existing categories such as merging all residential properties into one category, merging all commercial properties into one category and movement of the holiday rental category into the commercial category.
- Considering vastly different approaches such as rating differentials based on industry type or the use of income as defining characteristic of a rating category.

In each case, although there has been merit to making a change, the overall impact on the community has been considered as biased and inequitable to one segment of our community or another. As a result the existing regime with some minor changes has been considered the most appropriate approach.

The changes proposed alter slightly a number of rating categories. Overall the impact has been viewed as correcting an existing inequity in the existing differential rating regime.

The changes proposed are to:

1. Include all residential properties within the localities of Colac, Colac East, Colac West and Elliminyt within the Colac residential rating category. This removes the current inequity whereby two (2) adjoining residential properties within Colac are being rated differently based upon the size of the property.
2. Include all vacant land that for planning purposes is zoned for farming use only that has been deemed as unable to support a farming enterprise capable of supporting a residence. Properties deemed unable to support a farming enterprise are those with an area of five (5) hectares or less. The effect of this change is to change the rating category of residential balance of shire properties that are currently vacant and it is not permissible to construct a dwelling upon the land. These properties are not deemed as being able to be used for anything other than farming.

5. Principles

Council must raise revenue each year sufficient for the purpose of good governance, administration and to provide for appropriate goods and services for the community. The goods and services Council provides are broad and are allocated according to the community lifecycle and lifestyle needs.

Council rates constitute a system of taxation on the local community for the purposes of Local Government.

Rates are a property based wealth tax.

The value of land and its improvements is generally used as the basis of taxation, which is a measure of the property wealth of the ratepayer. By legislation (Valuation of Land Act 1960) the value of all property is to be reassessed every two years and is to be relative to all other like property within the municipality. Council rates are calculated as follows:

$$\text{Rate in the dollar} \times \text{Property Value} = \text{Council rates}$$

As an example the "rate in the dollar" for a residential property in 2013-2014 is 0.004081 and a property value of house and land is \$300,000, the annual rates payable would be \$1,224.30, calculated as:

$$\underline{\$300,000 \times 0.004081 = \$1,224.30}$$

Rates are in the form of a general purpose levy and the benefits that a ratepayer may receive will not necessarily be to the extent of the rates paid. Benefits are consumed in different quantities and types over the lifecycle of the ratepayer e.g. maternal and child health, libraries and aged care, local laws, roads and footpaths.

Council's practices and decisions regarding rating are underpinned by:

- Accountability, transparency and simplicity;
- Efficiency, effectiveness and timeliness;
- Equitable distribution of the rate burden across the community according to assessment of property wealth;
- Consistency with Council's strategic, corporate and financial directions and budgetary requirements; and
- Compliance with relevant legislation.

While Council acknowledges that the existing taxation of property (wealth tax) value method is imperfect; the application of an alternate rating model (e.g. income tax) is not available within the existing legislation.

6. Rating Framework

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

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

In developing a Rating Strategy due regard should also be given to:

- *Local Government (Finance and Reporting) Regulations 2004* - The *Local Government (Finance and Reporting) Regulations 2004* are derived from the Act and set out the information to be disclosed in Councils' annual budgets in relation to rates and charges.
- *Valuation of Land Act 1960* - For the purpose of the *Local Government Act 1989* and its rating provisions, the *Valuation of Land Act 1960* is the principal Act that relates to determining property valuations.
- *Developing a Rating Strategy: A Guide for Councils and A Rating Strategy: An Example* - In 2004, the Department of Planning and Community Development's (DPCD) predecessor—the Department for Victorian Communities—and MAV published a best practice guide to provide councils with guidance on how to apply the legislation.
- *Rating Practices in Local Government 2013* – A review undertaken by the Victorian Auditor-General on the adequacy of local council rating practices. More specifically the Auditor-General released finding concerning:
- The framework of council rates and charges;
 - How the rating framework is applied;
 - The engagement and communication with ratepayers; and
 - The monitoring of rating compliance and the support provided to councils from oversight bodies.

6.1 Equity

Section 3C (2) (f) of the *Local Government Act 1989* – to ensure the equitable imposition of rates and charges is of significance in developing this strategy.

Equity is a subjective concept that is difficult to define – especially because it has a number of elements. What is eminently fair to one person may be totally unfair to another.

In considering what rating approaches are equitable Council must deal with all facets of the rating structure, including valuation, budgetary requirements, differential rating, government taxation and concessions, collection and hardship considerations.

In aspiring to balance service levels in accordance with the needs and expectations of the community it must set rating or taxation levels to adequately resource its roles and

responsibilities.

- Public finance theory sets three major criteria for successful taxation policy, or in this case, rating policy:
- Equity - including both horizontal and vertical equity. Horizontal equity means that those in the same position (e.g. with the same property value) should be treated the same. Vertical equity in respect to property taxation means that higher property values should incur higher levels of tax.
- Efficiency - meaning that in a technical sense the tax should not unduly interfere with the efficient operation of the economy. For Local Government the tax should be consistent with the major policy objectives of Council.
- Simplicity - for both administrative ease (and therefore lower cost) and to ensure that the tax is understood by taxpayers. The latter ensures that the tax system is transparent and capable of being questioned and challenged by ratepayers.

An issue often raised is that the rates levied have no correlation with the services consumed. This issue is based on the benefit principle (the opposite of the wealth tax principle). The application of the benefit principle is difficult in practice because of the complexity and, in some cases, impossibility, of measuring the relative levels of access and consumption across the full range of council services. A simplistic determination of rates based on where services are located is also shortsighted because it ignores issues such as:

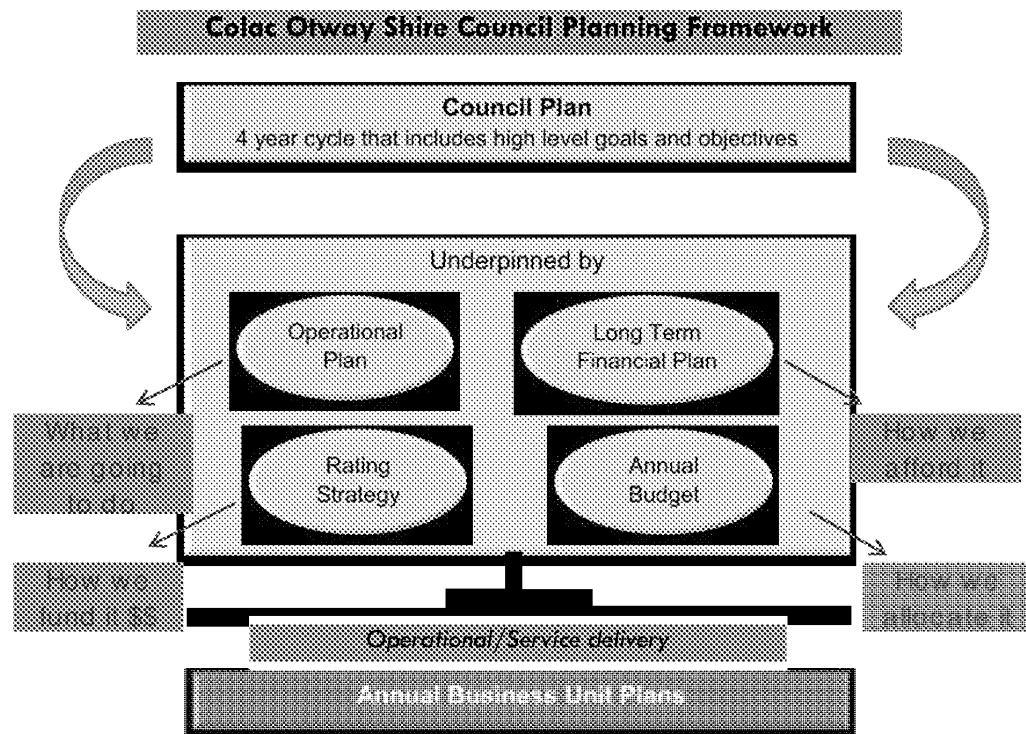
- Some services are not location specific;
- Access is not synonymous with consumption;
- Residents can travel or use technology to access some services; and
- Service levels provided in different locations within the municipality have different costs. For example, the actual cost of providing the same service may be higher for Apollo Bay than for a property in the middle of Colac.

In adopting a differential rating structure for ad valorem taxes, Council considers that they will contribute to the equitable and efficient carrying out of its functions – *Local Government Act 1989* section 161(1)(b).

An ad valorem tax is one that is proportionate to value. Therefore, a property tax based almost solely on the value of land is an ad valorem tax.

7. Planning Framework

In setting rates, Council gives primary consideration to its strategic directions detailed in the Council Plan, the Strategic Resource Plan, the current economic climate, other external factors and likely impacts upon the community. The diagram below depicts the strategic planning framework of Council.



Council is required to consider the cumulative impacts of alternatives when making all decisions. The planning framework provides Council with the "big picture view" or illustrates the cumulative impacts of the decisions made over the longer term. The planning framework is comprised of plans and strategies that provide guidance to the organisation when determining the annual activities that will be undertaken by Council.

8. Financial sustainability and the capacity to pay

In developing this strategy Council has reviewed the relative sustainable capacity of council and the community. This analysis has enabled the development of a Sustainability Capacity Ratio. The components of this ratio include:

- Capacity of the community to pay
- Impact of inherent geographic and demographic factors on costs
- Assistance received from recurrent government grants

8.1 Capacity of the Community to Pay (C2P)

There are two (2) methods consistently proposed to assess the capacity of the community to pay:

1. Property valuations (using capital improved valuation or CIV)
2. Net disposable community income (NDCI)

“The higher the aggregate income of a community, the higher the potential for its local government to raise revenue” (Australian Government Productivity Commission).

For the purposes of assessing the community's capacity, net disposable community income has been utilised as it provides another method of assessing the capacity to contribute. Community income comprises of:

- Individual disposable income (after tax & mortgage payments)
- Commonwealth pensions & benefits
- Company income after tax
- Partnership/trust income distributed to individuals & companies

Council accesses this community income by raising:

- rates & charges
- fees, fines & user charges

8.2 Impact of inherent geographic and demographic factors on costs

There are six (6) “general” independent variables used in modeling the impact of geographic and demographic factors on the costs of operating Council.

1. Population size
2. Population density
3. Concentration of service activity (CSA)
4. Average traffic volumes (ATV)
5. Dispersion of population into townships & rural areas
6. Remoteness of the municipality from major population centres

There are four (4) “cost” specific variables used in modeling the impact of geographic and demographic factors on the costs of operating Council.

1. Aged population
2. Infant population
3. Bridges

7. Other road cost factors

8.3 Assistance received from recurrent government grants

Council receives a significant portion of its income from various, commonwealth and state grants. These grants are either tied grants (for specific services) or untied grants (VGC) and comprise 18% of council recurrent revenue. Such grants:

- Provide reliable & consistent source of recurrent income (although diminishing when compared to costs)
- Have a direct impact on sustainable capacity, reducing net operating cost per head

8.4 Sustainable Capacity Ratio

The financial sustainability and assessment of the capacity to pay has been sourced from the Whelan report into the Colac Otway Shire Council provided to Council during the 2013 calendar year. This report was independently prepared for Council based upon historic information from 2010-2011 to assist with understanding the structural make-up of the Colac Otway community.

Together these three (3) components enable the calculation of a Sustainability Capacity Ratio. The table below illustrates the sustainability capacity ratio as compared to similar Victorian communities from the 2010-2011 financial period.

| Inherent Factors | Colac Otway Shire | Rural Centre Average |
|-----------------------------------------|-------------------|----------------------|
| Capacity to pay (C2P) | \$51,949 | \$47,505 |
| Rates & charges | \$50,765 | \$48,657 |
| Fees & fines | \$36,026 | \$27,698 |
| Nominal Costs | \$1,569 | \$1,534 |
| Population | 22,108 | 19,948 |
| Density | 11.2 | 8.9 |
| Concentration of service activity (CSA) | 151 | 135 |
| Average traffic volumes (ATV) | 199 | 143 |
| Dispersion | 10.5 | 7.2 |
| Remoteness | 2.06 | 2.52 |
| Government grants | \$426 | \$447 |
| Sustainability ratio | 45.5 | 45.1 |

The Whelan report indicates that Colac-Otway has a level of sustainable capacity that is comparable to the Rural Centre average.

The report indicates that the main influences on the ratio are:

- the Colac Otway community has a very high community capacity to pay; and
- the Colac Otway Shire Council has a cost structure that is slightly high; due to very high average traffic volumes; and moderately high concentration of service activity.

9. Property Valuation

The *Local Government Act 1989* (the Act) and the *Valuation of Land Act 1960* are the principle Acts in determining property valuations. Generally, each separate occupancy on rateable land must be valued and rated. Contiguous areas of vacant land with more than one title in the same ownership may be consolidated for rating purpose.

Council may adopt one of the following three valuation methodologies to value properties in its municipality. (LGA section 157)

- **Capital Improved Value: (CIV)** the land and other improvements including the house, other buildings and landscaping.
- **Site Value:** the value of the land plus any improvements which permanently affect the amenity or use of land, such as drainage works, but excluding the value of buildings and other improvements. Also referred to as the unimproved market value of the land.
- **Net Annual Value:** the value of the rental potential of the land, less the landlords' outgoings (such as insurance, land tax and maintenance costs). For residential and farm properties this must be set at 5% of the CIV (*Valuation of Land Act 1960* – Section 2).

Colac Otway Shire Council currently applies the Capital Improved Value (CIV) of each rateable property in determining rates charged as it provides the most equitable distribution of rates across the municipality.

9.1 Council Property Valuation

Council is required to conduct a revaluation of all rateable properties every two years. The revaluation is supervised by the Valuer General Victoria. The current valuation was completed January 2012, however Valuers are currently undertaking the 2014 valuation cycle that will be effective from January 2014. The new 2014 level of valuation will be maintained and used in rating purposes for the 2014-2015 and 2015-2016 financial years.

During the revaluation process Council Valuers have a statutory requirement to conduct a review of property values based on market movements and recent sales trends.

Council Valuers undertake a physical inspection of some properties during each revaluation. Other valuations are derived from a complex formula based on sectors, sub market groups, property condition factors (including age, materials and floor area), influencing factors such as locality and views, and land areas compared to sales trends within each sector / sub-market group. The municipality has defined sub-market groups of homogeneous property types which are reviewed during the revaluation process. Councils Valuers determine the valuations according to the highest and best use of a property.

Valuation history within Colac Otway Shire Council shows continued growth in the property market within the municipality.

The table below depicts the valuations for the last two (2) general valuation cycles; broken down by locality:

Rating Strategy 2014-2017

VALUATIONS BY LOCALITY

| Locality | Property Count | Total Valuation 2010 | Average Valuation 2010 | Property Count | Total Valuation 2012 | Average Valuation 2012 |
|------------------|----------------|----------------------|------------------------|----------------|----------------------|------------------------|
| Alvie | 82 | 34,541,000 | 421,232 | 81 | 35,246,000 | 435,136 |
| Apollo Bay | 1,921 | 881,837,500 | 459,051 | 1,976 | 935,463,000 | 473,412 |
| Balintore | 41 | 14,917,000 | 363,829 | 41 | 15,123,000 | 368,854 |
| Barongarook | 230 | 73,486,000 | 319,504 | 230 | 77,382,000 | 336,443 |
| Barongarook West | 141 | 66,662,000 | 472,780 | 142 | 68,953,000 | 485,585 |
| Barramunga | 29 | 14,497,000 | 499,897 | 29 | 12,716,000 | 438,483 |
| Barunah Plains | 7 | 6,342,000 | 906,000 | 7 | 6,446,000 | 920,857 |
| Barwon Downs | 140 | 55,268,500 | 394,775 | 141 | 55,932,000 | 396,681 |
| Beeac | 301 | 80,290,000 | 266,744 | 305 | 84,159,000 | 275,931 |
| Beech Forest | 147 | 49,092,000 | 333,959 | 148 | 49,822,000 | 336,635 |
| Birregurra | 492 | 189,555,000 | 385,274 | 506 | 195,280,000 | 385,929 |
| Bungador | 61 | 48,008,000 | 787,016 | 61 | 46,945,000 | 769,590 |
| Cape Otway | 33 | 14,616,000 | 442,909 | 34 | 15,230,000 | 447,941 |
| Carlisle River | 110 | 44,731,500 | 406,650 | 111 | 45,728,000 | 411,964 |
| Carpenters | 22 | 2,448,000 | 111,273 | 22 | 2,502,000 | 113,727 |
| Chapple Vale | 51 | 16,824,000 | 329,882 | 51 | 16,823,000 | 329,863 |
| Colac | 4,678 | 1,005,022,000 | 214,840 | 4,706 | 1,054,368,000 | 224,048 |
| Colac East | 217 | 56,465,500 | 260,210 | 222 | 60,690,000 | 273,378 |
| Colac West | 71 | 28,944,500 | 407,669 | 73 | 31,442,000 | 430,712 |
| Coragulac | 100 | 27,875,500 | 278,755 | 105 | 29,785,000 | 283,667 |
| Cororooke | 182 | 51,670,000 | 283,901 | 183 | 53,658,000 | 293,213 |
| Corunnun | 51 | 17,366,500 | 340,520 | 52 | 18,205,000 | 350,096 |
| Cressy | 135 | 22,387,000 | 165,830 | 139 | 23,147,000 | 166,525 |
| Cundare | 13 | 4,908,000 | 377,538 | 13 | 5,061,000 | 389,308 |
| Cundare North | 19 | 9,440,000 | 496,842 | 19 | 10,014,000 | 527,053 |
| Dreeite | 87 | 23,396,000 | 268,920 | 88 | 23,895,000 | 271,534 |
| Dreeite South | 30 | 10,561,000 | 352,033 | 30 | 10,866,000 | 362,200 |
| Elliminyt | 1,170 | 337,328,500 | 288,315 | 1,210 | 357,198,000 | 295,205 |
| Eurack | 53 | 17,021,000 | 321,151 | 53 | 17,574,000 | 331,585 |
| Ferguson | 31 | 13,869,000 | 447,387 | 31 | 14,514,000 | 468,194 |
| Forrest | 222 | 59,553,000 | 268,257 | 223 | 62,735,000 | 281,323 |
| Gellibrand | 207 | 73,892,500 | 356,969 | 210 | 74,675,000 | 355,595 |
| Gellibrand Lower | 6 | 2,341,000 | 390,167 | 6 | 2,341,000 | 390,167 |
| Gerangamete | 72 | 45,235,000 | 628,264 | 72 | 45,457,000 | 631,347 |
| Glenaire | 48 | 19,503,000 | 406,313 | 48 | 19,904,000 | 414,667 |
| Grey River | 13 | 7,148,000 | 549,846 | 13 | 7,005,000 | 538,846 |
| Hordern Vale | 43 | 22,913,000 | 532,860 | 44 | 23,285,000 | 529,205 |
| Irrewarra | 212 | 87,238,000 | 411,500 | 214 | 91,918,000 | 429,523 |

Rating Strategy 2014-2017

| Locality | Property Count | Total Valuation 2010 | Average Valuation 2010 | Property Count | Total Valuation 2012 | Average Valuation 2012 |
|-----------------------|-------------------|-------------------------|------------------------------|-------------------|-------------------------|------------------------------|
| Irrewillipe | 100 | 62,542,000 | 625,420 | 101 | 60,943,000 | 603,396 |
| Irrewillipe East | 60 | 44,132,000 | 735,533 | 61 | 45,008,000 | 737,836 |
| Jancourt East | 7 | 8,458,000 | 1,208,286 | 7 | 8,443,000 | 1,206,143 |
| Johanna | 99 | 49,988,000 | 504,929 | 100 | 51,703,000 | 517,030 |
| Kawarren | 125 | 43,848,000 | 350,784 | 125 | 45,785,000 | 366,280 |
| Kennet River | 169 | 66,718,000 | 394,781 | 169 | 67,979,000 | 402,243 |
| Larpent | 113 | 69,445,500 | 614,562 | 113 | 72,223,000 | 639,142 |
| Lavers Hill | 105 | 32,350,000 | 308,095 | 106 | 31,968,000 | 301,585 |
| Marengo | 306 | 160,834,500 | 525,603 | 308 | 165,945,000 | 538,782 |
| Mount Sabine | 3 | 1,841,000 | 613,667 | 3 | 1,487,000 | 495,667 |
| Murroon | 81 | 51,492,000 | 635,704 | 82 | 51,367,000 | 626,427 |
| Nalangil | 39 | 16,711,000 | 428,487 | 39 | 17,918,000 | 459,436 |
| Ombersley | 51 | 59,984,000 | 1,176,157 | 54 | 60,244,000 | 1,115,630 |
| Ondit | 58 | 23,621,000 | 407,259 | 58 | 24,094,000 | 415,414 |
| Pennyroyal | 5 | 2,915,000 | 583,000 | 5 | 3,010,000 | 602,000 |
| Petticoat Creek | 5 | 5,484,000 | 1,096,800 | 5 | 5,564,000 | 1,112,800 |
| Pirron Yallock | 99 | 41,763,000 | 421,848 | 100 | 43,174,000 | 431,740 |
| Separation Creek | 119 | 63,898,500 | 536,962 | 119 | 72,626,000 | 610,303 |
| Simpson | 10 | 11,573,000 | 1,157,300 | 10 | 11,555,000 | 1,155,500 |
| Skenes Creek | 369 | 162,131,000 | 439,379 | 370 | 167,824,000 | 453,578 |
| Skenes Creek North | 30 | 17,224,000 | 574,133 | 30 | 17,126,000 | 570,867 |
| Stonyford | 24 | 5,934,000 | 247,250 | 24 | 6,238,000 | 259,917 |
| Sugarloaf | 16 | 12,117,000 | 757,313 | 16 | 11,967,000 | 747,938 |
| Swan Marsh | 99 | 54,446,000 | 549,960 | 100 | 51,533,000 | 515,330 |
| Tanybryn | 24 | 14,598,000 | 608,250 | 24 | 14,017,000 | 584,042 |
| Warncoort | 93 | 65,190,000 | 700,968 | 93 | 66,119,000 | 710,957 |
| Warrion | 133 | 43,024,000 | 323,489 | 136 | 45,374,000 | 333,632 |
| Weeapoinah | 19 | 15,770,000 | 830,000 | 18 | 15,888,000 | 882,667 |
| Weering | 55 | 36,584,000 | 665,164 | 55 | 37,758,000 | 686,509 |
| Whoorel | 24 | 21,751,000 | 906,292 | 24 | 21,331,000 | 888,792 |
| Wingeel | 11 | 11,561,000 | 1,051,000 | 11 | 11,698,000 | 1,063,455 |
| Wongarra | 62 | 52,192,500 | 841,815 | 62 | 53,478,000 | 862,548 |
| Wool Wool | 25 | 8,713,000 | 348,520 | 25 | 8,838,000 | 353,520 |
| Wye River | 344 | 174,294,000 | 506,669 | 345 | 193,586,000 | 561,119 |
| Wyelangta | 45 | 17,618,000 | 391,511 | 45 | 17,900,000 | 397,778 |
| Yeo | 71 | 48,963,000 | 689,620 | 72 | 50,639,000 | 703,319 |
| Yeodene | 80 | 46,988,436 | 587,355 | 80 | 48,003,000 | 600,038 |
| Yuulong | 76 | 43,093,000 | 567,013 | 76 | 41,656,000 | 548,105 |

Rating Strategy 2014-2017

| Locality | Property Count | Total Valuation 2010 | Average Valuation 2010 | Property Count | Total Valuation 2012 | Average Valuation 2012 |
|--------------|----------------|----------------------|------------------------|----------------|----------------------|------------------------|
| Total | 14,622 | 5,206,983,936 | 356,106 | 14,810 | 5,423,496,000 | 366,205 |

The valuation from a locality perspective provides useful information but of greater interest is the movement of valuations across the rating categories.

VALUATIONS BY RATING CATEGORY

| Property Category | Property Count | Total Valuation 2010 | Average Valuation 2010 | Property Count | Total Valuation 2012 | Average Valuation 2012 |
|------------------------------------------|----------------|----------------------|------------------------|----------------|----------------------|------------------------|
| Residential - Colac | 5,045 | 1,016,701,500 | 201,527 | 5,103 | 1,058,511,000 | 207,429 |
| Residential - Balance of Shire | 5,587 | 1,849,978,936 | 331,122 | 5,666 | 1,979,909,000 | 349,437 |
| Commercial/Industrial - Balance of Shire | 336 | 169,091,500 | 503,249 | 341 | 171,315,000 | 502,390 |
| Commercial/Industrial - Colac | 616 | 234,471,500 | 380,636 | 626 | 255,359,000 | 407,922 |
| Farm | 2,616 | 1,730,097,000 | 661,352 | 2,638 | 1,739,306,000 | 659,328 |
| Holiday Rental | 421 | 205,494,500 | 488,110 | 435 | 217,884,000 | 500,883 |
| Non Rateable | 1 | 1,149,000 | 1,149,000 | 1 | 1,212,000 | 1,212,000 |
| Grand Total | 14,622 | 5,206,983,936 | 356,106 | 14,810 | 5,423,496,000 | 366,205 |

When comparing the movement in valuations between years the change has varied from the Farm category which has seen growth of 0.5% through to Commercial/Industrial properties in Colac which has had a valuation increase of nearly 9%.

In calculating the rates the valuation movement across all property types is taken into consideration.

9.2 Objections to Property Valuation

The *Valuation of Land Act 1960* provides that objections to the valuation may be made each year within two months of the issue of the original or amended (supplementary) rates notice.

Objections must be dealt with in accordance with the *Valuation of Land Act 1960* – Division 3 sections 16-21.

Council will continue to advise ratepayers via the Rate Notice of their right to object and appeal the valuation. Property owners also have the ability to object to the site valuations on receipt of their Land Tax Assessment.

9.3 No Windfall Gain

There is a common misconception that if a property valuation rises then Council receives a 'windfall gain' with additional income. ***This is not the case.***

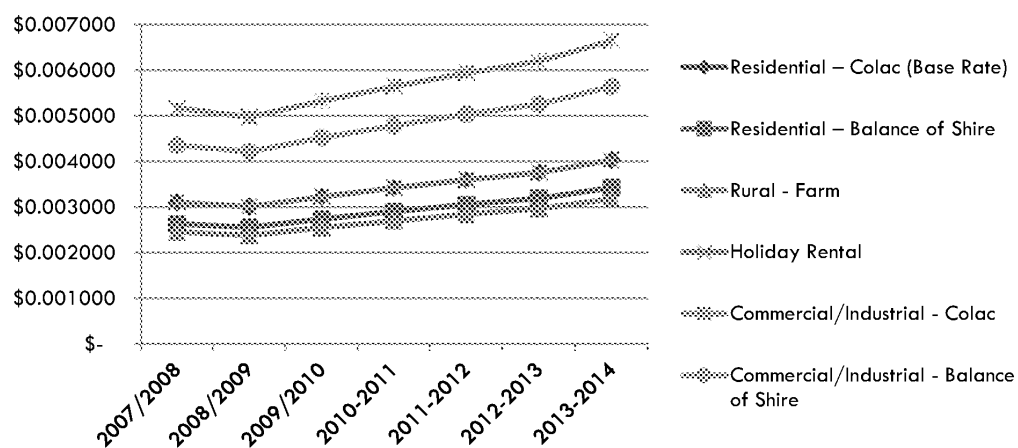
Rating Strategy 2014-2017

The revaluation process results in a redistribution of the rate burden across all properties in the municipality. Any increase in the total valuation of the municipality is offset by a reduction to the rate in the dollar (ad valorem rate) used to calculate the rate for each property which is demonstrated below:

| Revaluation Year | Total CIV | | Rate in Dollar | | Total Rates | |
|----------------------------------|--------------|---|-------------------------------------------|---|-------------------------------------------------|---|
| 2008 | \$50,000,000 | ↑ | \$0.004000 | ↓ | \$200,000 | ↔ |
| 2010 | \$75,000,000 | | \$0.002666 | | \$200,000 | |
| Increase in CIV by \$25,000,000. | | | Decrease in rate in dollar by \$0.001334. | | Total rates raised by Council remains the same. | |

The trends in rate in the dollar by differential rate category, over the preceding seven (7) rating years and three (3) revaluation cycles, demonstrates this process in calculating total rate revenue required across the municipality. Details are provided in the graph below:

RATE IN THE DOLLAR TRENDS

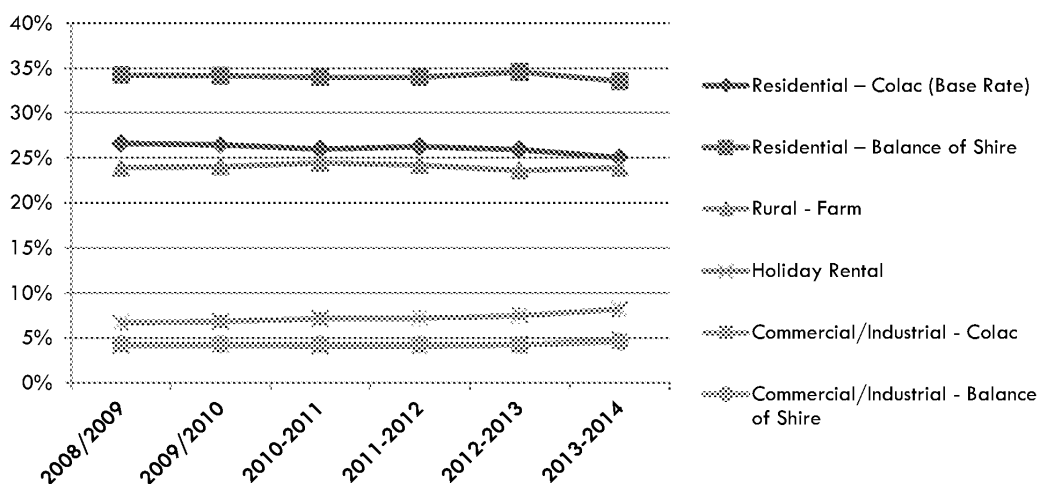


The use of differential rates enables Council to maintain a fair and equitable rate contribution by property type in accordance with section 3C (2f) of the *Local Government Act 1989*.

Rating Strategy 2014-2017

The graph following provides details of rates and service charges applied to properties. These charges are the Municipal Charge; paid by all rateable properties, Waste Collection Charge; paid by all residential properties for domestic waste disposal, recyclable and green waste service.

RATES AND CHARGES PERCENTAGE CONTRIBUTION



10. Rating Differentials and Rate Type

In accordance with section 157(1) of the *Local Government Act 1989* Colac Otway Shire Council adopted the Capital Improved Value (CIV) system for rating purposes in 1996.

Applying the CIV as Council's base for rating allows for the application of differential rates to be used to generate rate income.

Since 1996 Council has used a number of different rating categories as Council has endeavoured to ensure the equitable distribution of the property rates tax. The categories of differential rates listed below have been consistent since 2009-2010.

1. Residential - Colac
2. Residential Balance of Shire
3. Rural - Farm
4. Holiday Rental
5. Commercial/Industrial - Colac
6. Commercial/Industrial – Balance of Shire

The basis for each category is historical, in that the categories were established to reflect the three (3) communities subject to amalgamation in 1994. At that time the initial split between types of residential and commercial properties was established. Since that time there has been a gradual amalgamation of rating categories to what is in place at present.

The general rates have been raised by the application of these differential rates and these rates are structured in accordance with the provision of section 161 of the *Local Government Act 1989*, noting that the maximum differential rate in the dollar allowed can be no more than four times the lowest differential rate.

Council also applies Municipal and Waste Collection Charges as allowed under sections 159 and 162 of the *Local Government Act 1989*.

Council has considered that each differential rate contributes to the equitable and efficient carrying out of Council functions.

11. The Current Rating System

Colac Otway Shire Council has established a rating structure which is comprised of two key elements. These are:

- Property values; and
- User pays components to reflect usage of services provided by Council.

Striking a proper balance between these elements provides equity in the distribution of the rate burden across property owners.

It is a choice of Council as to what degree it wishes to pursue a 'user pays' philosophy in relation to charging for individual services on a fee for service basis. Similarly, Council must make a rating decision in terms of whether to use fixed waste charges to reflect the cost of waste collection and a fixed municipal charge to defray some of the administrative costs of Council.

Colac Otway Shire Council makes a further distinction within the property value component of rates based on the purpose for which the property is being used, that is, whether the property is used for residential, business, farming or vacant land. This distinction is based on the concept that each property type should make a fair and equitable contribution to rates,

The objective of a differential rate is to ensure that all rateable land makes a reasonable financial contribution to the cost of carrying out the functions of Council, including (but not limited to) the following:

- Construction and maintenance of infrastructure assets;
- Development and provision of health and community services; and
- Provision of general support services.

The money raised by the differential rate will be applied to the items of expenditure described in the annual budget by Council. The level of the rate for land in each category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The use of land within a differential rate, in the case of improved land, is any use of land.

The classification of land which is improved will be determined by the occupation of that land and have reference to the planning scheme zoning.

The types of buildings on the land within a differential rate are all buildings which are now constructed on the land.

Details of the objectives of each differential rate and the classes of land which are subject to each differential rate, including the uses, are set out below:

11.1 Residential - Colac

The Residential - Colac category is any property, located within Colac, Colac East, Colac West or Elliminyt, which is used for private residential purposes but does not have the characteristics of; Rural – Farm; Holiday Rental; or Commercial/Industrial. This includes but is not limited to houses and dwellings together with vacant unoccupied houses dwellings or land.

The objective of this differential category is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure; and
- Development and provision of health and community services; and
- Provision of general support services.

It is considered fair and equitable that properties located inside the urban area of Colac are considered the “base rate” from which all other differential rates are determined.

In accordance with good practice taxation principles and section 3C (2)(f) of the *Local Government Act 1989*, concerning the equitable imposition of rates, Council has applied the wealth based principles of taxation. The rate does not then reflect a level of service (benefits principle) however there is a recognition of the perceived inequity that exists based on property valuations. The objective of the residential rating categories is to flatten the quantum of rates collected per residential property across the entire municipality, with the rates based more upon the use of the property rather than the value of the property.

11.2 Residential – Balance of Shire

The Residential – Balance of Shire category is any property, not located within Colac, Colac East, Colac West or Elliminyt, which is used for private residential purposes but does not have the characteristics of; Rural – Farm; Holiday Rental; or Commercial/Industrial. This includes but is not limited to houses and dwellings together with vacant unoccupied houses dwellings or land.

The objective of this differential category is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure; and
- Development and provision of health and community services; and
- Provision of general support services.

In accordance with good practice taxation principles and section 3C (2)(f) of the *Local Government Act 1989*, concerning the equitable imposition of rates, Council has applied the wealth based principles of taxation. The rate does not then reflect a level of service (benefits principle) however this is recognition of the perceived inequity that exists based on property valuations. The objective of the residential rating categories is to flatten the quantum of rates collected per residential property across the entire municipality, with the rates based more upon the use of the property rather than the value of the property.

The Residential – Balance of Shire properties are rated at a lower rate in the dollar than the Residential – Colac (or base rate).

11.3 Rural - Farm

A Rural - Farm property is any land located within the shire which:

- Is “Farm Land” within the meaning of section 2 of the *Valuation of Land Act 1960*; and
- Is zoned to allow the land to be used for rural and/or farming purposes.

Typically, these properties may contain buildings used as a residence and for farm purposes and

will also contain land with no buildings located upon it.

A Rural – Farm property may also be any land located within the shire which:

- Is not greater than 5 hectares in area;
- Is zoned to allow the land to be used for rural and/or farming purposes;
- Has been deemed unviable for the purpose of carrying on a business of primary production by Council; and
- Has been deemed unsuitable to allow the construction of a dwelling.

The objective of the Rural- Farm category differential is to flatten the amount of rates levied on farming properties and to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure;
- Development and provision of health and community services; and
- Provision of general support services.

In accordance with good practice taxation principles and section 3C (2)(f) of the *Local Government Act 1989*, concerning the equitable imposition of rates, Council has applied the wealth based principles of taxation. The rate does not then reflect a level of service (benefits principle) however this is recognition of the perceived inequity that exists based on property valuations.

Although the use of such land is fundamentally commercial in nature, it is considered fair and equitable that properties used for Rural Farm purposes pay rates at a lesser rate in recognition they provide broader environmental benefits to the wider community through activities such as removal of noxious weeds, retention of native vegetation and undertake management of water quality and riparian zones on waterways.

The Rural – Farm properties are rated at a lower rate in the dollar than the Residential – Colac (or base rate).

11.4 Holiday Rental

Holiday Rental properties are any land that contains a dwelling, cabin or house or part of a house that:

- Is used for the provision of holiday accommodation for the purpose of generating income; or
- Is made generally available for holiday accommodation and is a secondary or supplemental source of income for the owner.

Typically, the category will include absentee owned holiday houses, owner occupied “Bed and Breakfast” establishments, farm properties with accommodation cabins, holiday farms and the like.

The category will not include land used to provide tourist/holiday accommodation on an overtly commercial scale and basis where the provision of accommodation is an integral part of the use of the property. The types of properties excluded from this category would include motels, resorts, hotels with accommodation, caravan parks, centrally managed and promoted multi-unit developments and the like.

The objective of the Holiday Rental category is to ensure that all rateable land makes an

equitable financial contribution to the cost of carrying out the functions of Council, including the -

- Construction and maintenance of public infrastructure; and
- Development and provision of health and community services; and
- Provision of general support services; and
- Contribution towards tourism and economic development.

It is considered fair and equitable that these properties pay at a higher rate than Residential - Balance of Shire properties in recognition of the fact they are used to generate income. As these properties are generally only semi commercial in terms of their use, it is considered reasonable that they do not pay rates at the "Commercial" rates in the dollar.

As Council has a commercial rate that applies to properties that provide holiday accommodation on a fully commercial basis (for example motels, resorts, pubs, caravan parks), it would be inequitable to these properties to not require properties that provide holiday house/unit, bed & breakfast, accommodation to pay rates at a rate higher than the residential rate as it would give these properties an unfair commercial advantage in the holiday accommodation market place.

In accordance with good practice taxation principles and section 3C (2)(f) of the *Local Government Act 1989*, concerning the equitable imposition of rates, Council has applied the wealth based principles of taxation. The rate does not then reflect a level of service (benefits principle) however this is recognition of the perceived inequity that exists based on property valuations.

The Holiday Rental properties are rated at the same rate in the dollar as the Residential – Colac (or base rate).

11.5 Commercial/Industrial - Colac

Commercial/Industrial - Colac land is any land which is located in Colac, Colac East, Colac West or Elliminyt, which is used or adapted to be used for:

- the sale of goods or services;
- other commercial purposes; or
- industrial purposes; or
- is vacant but zoned for commercial or industrial use.

In addition the land does not have the characteristics of Rural- Farm land; Residential Land; and Holiday Rental land.

The objective of the Commercial/Industrial – Colac category is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the -

- Construction and maintenance of public infrastructure; and
- Development and provision of health and community services; and
- Provision of general support services; and
- Contribution towards economic development and tourism.

It is considered fair and equitable that properties used for Commercial/Industrial purposes pay rates at a higher rate than other categories as these properties benefit commercially from the provision of infrastructure throughout the shire and place additional burden on that same infrastructure. Provision of services by Council also helps to retain population within the shire,

thereby creating a viable local market for the commercial/industrial sector.

In accordance with good practice taxation principles and section 3C (2)(f) of the *Local Government Act 1989*, concerning the equitable imposition of rates, Council has applied the wealth based principles of taxation. The rate does not then reflect a level of service (benefits principle) however this is recognition of the perceived inequity that exists based on property valuations. The objective of the commercial/industrial rating categories is to flatten the quantum of rates collected per commercial/industrial property across the entire municipality, with the rates based more upon the use of the property rather than the value of the property.

The Commercial/Industrial – Colac properties are rated at a higher rate in the dollar than the Residential – Colac (or base rate).

11.6 Commercial/Industrial – Balance of Shire

Commercial/Industrial - Colac land is any land which is not located in Colac, Colac East, Colac West or Elliminyt, which is used or adapted to be used for:

- the sale of goods or services;
- other commercial purposes; or
- industrial purposes; or
- is vacant but zoned for commercial or industrial use.

In addition the land does not have the characteristics of Rural- Farm land; Residential Land; and Holiday Rental land.

The objective of the Commercial/Industrial – Colac category is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure; and
- Development and provision of health and community services; and
- Provision of general support services; and
- Contribution towards economic development and tourism.

It is considered fair and equitable that properties used for Commercial/Industrial purposes pay rates at a higher rate than other categories as these properties benefit commercially from the provision of infrastructure throughout the shire and place additional burden on that same infrastructure. Provision of services by Council also helps to retain population within the shire, thereby creating a viable local market for the commercial/industrial sector.

In accordance with good practice taxation principles and section 3C (2)(f) of the *Local Government Act 1989*, concerning the equitable imposition of rates, Council has applied the wealth based principles of taxation. The rate does not then reflect a level of service (benefits principle) however this is recognition of the perceived inequity that exists based on property valuations. The objective of the commercial/industrial rating categories is to flatten the quantum of rates collected per commercial/industrial property across the entire municipality, with the rates based more upon the use of the property rather than the value of the property.

The Commercial/Industrial – Colac properties are rated at a higher rate in the dollar than the Residential – Colac (or base rate).

11.7 Service Charges

The LGA allows Council to declare a service rate or an annual service charge. This charge can be applied on, or a combination of, any of the following services:

- Provision of a water supply
- Collection and disposal of refuse
- Provision of sewerage services
- Any other prescribed service

This service rate or service charge may be declared on the basis of any criteria specified by the Council in the rate or charge.

The service charges applied by Council are a Waste Collection Charge for the collection and disposal of household waste, including recyclables, litter bins collections and green waste.

Details of service charges are as follows:

11.8 Waste Collection Charge

All developed land used primarily for residential, commercial or other purposes that are serviced by the weekly or fortnightly waste collection service will incur a Waste Collection Charge for the provision of a domestic garbage bin, green waste bin and recycling bin. This charge will also be applied to all non-rateable properties that utilise the waste collection service.

11.9 Municipal Charge

The Municipal Charge is applied to each rateable property to allow Council to recover part of the administrative cost in operating Council.

The *Local Government Act* is not definitive on what comprises administrative costs and does not require Council to specify what is covered by the charge, however, administrative programmes such as finance, asset management, information systems, corporate records, human resources and governance are be supported by this income.

Legislation requires that this amount cannot exceed 20% of total rates raised (including rates, municipal charge and environmental charges). The Colac Otway Shire Council has set the municipal charge at 10% of total rates and charges.

Council raised \$2.24 million of municipal charge income at a rate of \$161 per rateable property in 2013-2014. This equated to 10% of total rates and charges raised.

12. Rates and Charges

The following table provides details of the total Council declared rates and charges for 2013-14:

| Categories | CV | Rate in dollar | Rates & Charges |
|-------------------------------------------------|------------------|----------------|----------------------|
| Residential – Colac (Base Rate) | \$ 1,048,623,000 | \$0.004034 | \$ 4,230,092 |
| Residential – Balance of Shire | \$ 1,968,928,000 | \$0.003429 | \$ 6,751,172 |
| Rural - Farm | \$ 1,741,339,000 | \$0.003187 | \$ 5,549,334 |
| Holiday Rental | \$ 216,561,000 | \$0.004034 | \$ 873,596 |
| Commercial/Industrial - Colac | \$ 253,871,000 | \$0.006656 | \$ 1,689,769 |
| Commercial/Industrial - Balance of Shire | \$ 172,548,000 | \$0.005648 | \$ 974,470 |
| Municipal Charge | | | \$ 2,237,256 |
| Waste Collection Charge | | | \$ 2,664,318 |
| Total | | | \$ 24,970,007 |

Colac Otway, like most rural Councils, does not have substantial alternate income sources such as metered parking which provide metropolitan Councils with alternate and in some cases large income streams to assist in defraying the reliance on rates and charges.

This has been further exacerbated in recent years with funding through both State and Federal Government grants decreasing.

Planning for future rate increases is an important long term financial planning requirement, particularly as service levels and service demands continue to increase and despite the recent acceleration of capital works programmes major classes of assets still remain under-funded.

It is also important to understand the demographics and characteristics of the municipality, given the impact that biennial revaluations of all properties can have in the redistribution of the rate burden across the municipality.

In setting a rate system the key is to ensure that there is an equitable imposition of rates and charges which are set at a level to ensure that services and facilities provided by Council are accessible improve the overall quality of life for people in the community and are financially sustainable.

Council aspires to balance service levels in accordance with the needs and expectations of its community and sets taxation levels (rating) to adequately resource its roles and responsibilities.

In order to achieve the Council Plan strategic objectives while maintaining service levels and a responsible capital expenditure programme, rates and charges may increase by approximately 6.0% in average rates and charges per assessment in 2014-2015 raising a total of \$26.61 million. The following table sets out future proposed rates and charges increases which will be subject to annual review.

| 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% | 6.0% |

13. Collection of Rates

In accordance with Section 167(1) of the *Local Government Act 1989*, Council must allow a person to pay a rate or charge in four instalments and the instalments are due and payable on the date fixed by the Minister by notice published in the Government Gazette.

Section 167(2A) provides that a Council may allow a person to pay a rate or charge in a lump sum.

Colac Otway Shire Council will allow a lump sum payment option therefore all rates must be paid via instalments with the due dates for payment each financial year as follows:

- 1st Instalment due – 30 September
- 2nd instalment due – 30 November
- 3rd Instalment due – 28 February
- 4th Instalment due – 31 May

or in total by 15 February.

Council also allows ratepayers to pay property rates via payment arrangements, by any number of instalments, provided the full amount of rates and charges are paid by 31 May each year.

13.1 Payment Methods

Council has a number of different payment options for rates:

- Over the Counter
 - In person at Australia Post agencies.
 - At Councils three Customer Service Centres in Sunshine, Keilor and Watergardens.
- Internet
 - Payment via BPay.
 - Payment via Post billpay.
- Telephone
 - Payment via Post billpay.
 - Via BPay.
 - Payment via Securepay.
- Direct Debit
 - May make payment from cheque or savings account.
- Mail
 - Post cheque or Money Order to Council.

13.2 Unpaid Rates or Charges

In accordance with section 172 of the *Local Government Act 1989* Council may charge interest on unpaid rates and charges in accordance with the rate fixed under section 2 of the *Penalty Interest Rate Act 1983* which is altered from time to time by the Victorian State Government

The penalty interest rate applicable under the *Local Government Act 1989* is the rate ruling on 1 July each year.

The current rate is 10% and will apply each year unless it is amended on or before 30 June.

13.3 Debt Recovery

After the final day for payment of rates and charges, reminder notices are forwarded to ratepayers. A further final notice is sent requesting payment or inviting ratepayers to make arrangements to pay their outstanding debt.

Any ratepayer who has difficulty paying their rates is invited to contact Council to make alternate payment arrangements.

If no payment is forthcoming or no arrangements have been made to pay the amount outstanding Council pursues the recovery of outstanding rates and charges through Debt Collection agents. All costs incurred for recovery are added to the amount outstanding.

Council will also make every effort to contact ratepayers at their correct address but it is the ratepayer's responsibility to properly advise Council of their contact details.

Amendments to the LGA require both the vendor and buyer of the property, or their agents to notify Council by way of notices of disposition and acquisition respectively.

14. Concessions

Section 171(4) of the *Local Government Act 1989* provides Council with the ability to waive rates to eligible recipients in accordance the *State Concessions Act 2004* provided that the rateable or part of rateable land by the applicant is that person's sole or principal place of residence.

Only one application (in the prescribed form) for each rating period can be made by that person.

A Rate Concession is available to Pensioners, War Widows and returned Serviceman on War Pension who is totally and permanently incapacitated. Proof of eligibility is provided by Pensioner Concession Cards .The rebate applies to those ratepayers who have a full pension concession card. The rebate does not apply to Health Care Card holders.

Eligible pensioners may gain a reduction of up to 50 per cent of all rates charged, with a maximum of \$202.90. This amount is adjusted annually by CPI.

Council also provides for waiver of interest charges to eligible applicants in accordance with its Hardship Policy.

15. Hardship Policy

Colac Otway Shire Council recognises there are cases of genuine financial hardship requiring respect and compassion in special circumstances.

In March 2007 Council adopted a Hardship Policy which established the guidelines for assessment of hardship application based on the principles of fairness, integrity, confidentiality and compliance with statutory requirements. It applies to all applications for waiving or suspending interest on debts raised through rates and charges, but not to waiving the whole or part of any rate or charge imposed annually.

The purpose of this policy is to:

- To provide assistance to ratepayers suffering financial hardship;
- To provide a policy for decisions to be made in accordance with sections 171A and 172 of the *Local Government Act 1989*; specifically the waiver on interest charged for late payment;
- To provide ratepayers and Council officers with clearly defined options when applying deferment or the waiver of interest charge for late payment.

The principals contained within the Hardship Policy are:

- Councils Annual Rate and Valuation notice and all subsequent instalment notices will advise that any ratepayer experiencing difficulties in paying their rates and charges should contact the Revenue/Rating department to discuss alternative payment option;
- A ratepayer may request a suspension or waiver of interest accruals for financial hardship in writing only to the Revenue/Rating Coordinator. This should be accompanied by sufficient written evidence to identify the hardship claim;
- Interest waiver and/or suspension are only applicable to owner/occupied residential properties;
- Council may refer the applicant to an accredited financial counsellor for further financial assistance; and
- Waiver of interest charges will only be granted for interest accrued up to the point of application and for all future interest for a negotiated period.

This policy does not offer the waiver or deferment of the whole or part of any rates and charges raised annually and is only applied to owner/occupied residential properties.

In developing this policy Colac Otway Shire Council considered the demographic makeup of the municipality and took into consideration that almost 25% of residential properties receive a government rebate on their rates and charges.

Further information can be obtained by contacting Council or Council's web site at www.colacotway.vic.gov.au

16. Fire Service Property Levy (FSPL)

While the Fire Service Property Levy is not part of the rating strategy as from the 1st July 2013 Council will be responsible for the collection of the FSPL on behalf of the State Government.

Prior to the introduction of the Fire Services Property Levy, Victoria's fire services were funded by financial contributions from insurance companies, the State Government and metropolitan Councils. Insurance companies recovered the cost of their contributions by imposing a fire services levy on insurance premiums.

One of the key findings of Victorian Bushfire Royal Commission was that this model for fire services funding was inequitable, lacked transparency and discouraged some owners from insuring, or fully insuring, their property due to the additional cost the levy imposed on premiums. As a result, the Commission recommended that the insurance-based fire services levy be replaced with a property-based levy which would require all property owners contributing to fire services funding, not just those with adequate insurance.

On 28 August 2012, the Victorian Government announced that it would implement the Commission's recommendation. The *Fire Services Property Levy Act 2012* (FSPLA) was developed to establish the legal framework for the new Fire Services Property Levy.

The Act received Royal Assent on 16 October 2012, and will impose a levy on land in Victoria from 1 July 2013.

The Local Government sector or Councils were appointed as the collection agency for the State Government to collect the levy on leviable land within their municipal district including leviable land owned by Council.

16.1 Property Subject to FSPL

All land is leviable under the FSPLA unless that land is:

- Commonwealth owned land;
- State Government owned land; and
- Public bodies.

16.2 Fixed Charges

For the 2013-2014 financial year, the fixed charges are set as follows:

- Residential land (including vacant residential land): \$100;
- Commercial land: \$200;
- Industrial land: \$200;
- Primary production land: \$200;
- Public benefit land: \$200; and
- Vacant land (excluding vacant residential land): \$200.

The fixed charge is subject to adjustment in line with the Victorian Consumer Price Index (CPI). The State Revenue Office (SRO) will notify Councils of changes when they occur.

The Minister will publish the CPI adjusted fixed charge for a levy year before 31 May of the previous year on the SRO website at www.sro.vic.gov.au.

16.3 Levy of Rates

The Minister may determine different levy rates based on land use classification and whether the land is located in the metropolitan fire district or in the country fire district of Victoria. If the Minister does not determine and specify the levy rate by 31 May for the next levy year, the levy rate will remain the same as the most recently determined levy rate.

16.4 FSPL Collection

Section 25(2) of the *Fire Services Property Levy Act 2012* currently requires that for levy purposes the assessment notice must display a number of information items. The information that must be displayed is as follows:

- Date of the notice;
- Name and address of the owner of the land or a person that the owner has nominated the notice should be sent to;
- The levy amount including the fixed charge and variable component;
- How the levy amount was calculated, including the levy rate and any concession applied;
- Land use classification (residential, commercial, industrial etc);
- Address or legal description of the land;
- CIV of the land;
- Date by which the levy amount must be paid;
- Any outstanding levy or levy interest payable;
- That the owner of the land may apply for a waiver, deferral or concession in respect of the leviable land under section 27 of the *Fire Services Property Levy Act 2012* for rateable land and section 28 for non-rateable land; and
- Any prescribed matters.

17. Key Strategic Outcomes

17.1 Recommendations:

That Council continues to:

1. Apply Capital Improved Value as the valuation methodology to levy Council rates.
 2. Apply differential; rates for the following:
 - Residential – Colac property;
 - Residential – Balance of Shire property;
 - Rural – Farm property;
 - Holiday Rental
 - Commercial/Industrial - Colac property; and
 - Commercial/Industrial – Balance of Shire property.
 8. Review the rating structure following each biennial valuation.
 9. Charge a Waste Collection charge based on user pay principles.
 10. Charge a municipal charge to cover costs such as finance, asset management, information systems, corporate records, customer service human resources and governance and review on an annual basis.
 11. Offer the following payment options:
 - 1st Instalment due – 30 September
 - 2nd instalment due – 30 November
 - 3rd Instalment due – 28 February
 - 4th Instalment due – 31 May
- or in total by 15 February
12. Allow payments arrangement to be established by any number of instalments providing the full amount of rates and charges are paid by 31 May each year.
 13. Continue to implement the hardship policy of the waiving or suspending interest on rate charge, but not waiving the whole or part of any rate any rate or charge imposed annually.



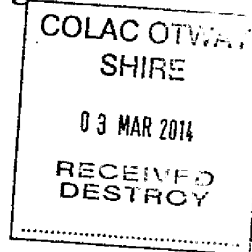
Minister for Environment and Climate Change

Ref: MBRO24141

File: EP/10/3428



Cr Lyn Russell
Mayor, Colac Otway Shire Council
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Dear Cr Russell

YOUR COUNCIL'S REPRESENTATION ON NEW LOCAL GOVERNMENT WASTE FORUM

I am writing to update you on the progress of waste and resource recovery governance reform and seek the nomination of a Colac Otway Shire Council councillor as your council's representative on the Barwon South West Local Government Waste Forum.

As you are aware, in early 2013 I established a Ministerial Advisory Committee (MAC) to advise me on governance changes to facilitate implementing *Getting Full Value: the Victorian Waste and Resource Recovery Policy*. The government has accepted most of its recommendations, including consolidating the current twelve Regional Waste Management Groups (RWMGs) into six new waste and resource recovery groups (WRRG).

Subject to parliamentary approval, the current Barwon waste region – in which the Colac Otway Shire Council is located – and the South West waste region will form a new Barwon South West Waste and Resource Recovery Region (WRRR). I have attached a map of the new regions. The new regional groups are intended to be established on 1 August 2014.

Each new WRRG will have a board of eight directors, appointed by the Governor in Council on my recommendation. Four will be nominated to me by the region's Local Government Waste Forum (see below) and four recommended by me based on their skills, knowledge and experience. I will appoint a director nominated by the Forum as the chair of each board.

A Local Government Waste Forum will be established in each new WRRR, consisting of one representative from each council in the region. Each Forum will:

- develop procedures for, and nominate, the four persons to be the representatives of councils for appointment as directors of each WRRG board; and

Privacy Statement

Any personal information about you or a third party in your correspondence will be protected under the provisions of the Information Privacy Act 2000. It will only be used or disclosed to appropriate Ministerial, Statutory Authority, or departmental staff in regard to the purpose for which it was provided, unless required or authorised by law. Enquiries about access to information about you held by the Department should be directed to the Privacy Coordinator, Department of Environment and Primary Industries, PO Box 500, East Melbourne, Victoria 8002



- enable consultation between the new WRRG and councils, and advice to group boards on matters and issues affecting councils in waste management and resource recovery.

Only councillors who are their council's Forum representative can be considered for nomination as a local government director on a WRRG board.

I request the Colac Otway Shire Council resolve to appoint, by no later than 31 March 2014, a councillor as its representative to the Barwon South West Local Government Waste Forum. Please provide their name and contact details to:

Cr Andy Richards
Co-Chair, Barwon South West Regional Steering Committee
c/- PO Box 6066
Highton VIC 3216

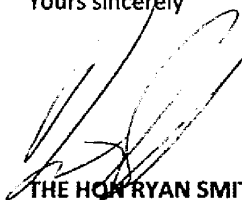
and to: Kate Houghton
Executive Director, Environment Policy
Department of Environment and Primary Industries (DEPI)
Level 1, 8 Nicholson Street
East Melbourne VIC 3002
kate.houghton@depi.vic.gov.au

Early preparation will enable the first statutory meeting of the Forum in late April 2014.

I have previously asked RWMG Chairs to establish regional steering committees to facilitate the transition to new WRRGs, including consulting with councils on Forum operating guidelines and approaches for nominating directors. Please ensure your council's participation in any preparatory meetings or actions these committees organise.

Additional information on local government waste forums is attached. For further detailed information please contact Kate Gavens, Director Sustainability Policy of DEPI on 9637 8614.

Yours sincerely



THE HON RYAN SMITH MP
Minister for Environment and Climate Change

cc Chair, Barwon Regional Waste Management Group
Executive Officer, Barwon Regional Waste Management Group

WASTE AND RESOURCE RECOVERY GOVERNANCE REFORM

1 General Information

New governance model for Waste and Resource Recovery Groups

The Victorian Government has accepted Ministerial Advisory Committee recommendations to strengthen the governance and administrative arrangements of regional waste management groups (RWMGs). These recommendations were provided in May 2013. The Government's response to them is available at:

<http://www.depi.vic.gov.au/environment-and-wildlife/sustainability/waste-management-and-resource-recovery/ministerial-advisory-committee-on-waste-and-resource-governance>

Each future waste and resource recovery group ("WRRG") will have a board of eight Directors, appointed by the Governor in Council on the recommendation of the Minister for Environment and Climate Change ("the Minister"). The composition of the directors is:

- four directors collectively nominated by the local councils within its boundary, and
- four directors determined by the Minister, based on the skills they would bring to the group such as financial management, contract management, risk management, environmental policy, local government, waste management and materials efficiency.

The Minister must appoint one of the directors nominated from the councils as the Chairperson of each board.

This model provides for directors with a wider set of expertise, while retaining regional local government representation in recognition of its role in providing and funding waste and resource recovery service and infrastructure delivery.

Local Government Waste Forums

Regional Local Government Waste Forums (“Waste Forums”) are a key statutory component of the new governance model for all WRRGs.

Local Government Waste Forums will be established under the *Environment Protection Act 1970* (EP Act), subject to the passage of legislation and royal assent to it being given. A Waste Forum will be established in each new waste and resource recovery region. It will consist of representatives of the councils in the waste and resource recovery region.

Each council may nominate one councillor as their representative on the Waste Forum.

The Metropolitan Local Government Waste Management Forum (MLGWMF) has been in existence since 2006. The new regional Waste Forums will replicate this successful model.

Forum Functions

Local Government Waste Forums will:

- have a statutory role to nominate to the Minister the four persons who are to be the representative of councils for the purposes of appointment as directors of the WRRG;
- develop procedures for the nominations of these persons;
- develop procedures for the nominations of a person to fill a vacancy in one of these positions, should this arise; and
- be a conduit for consultation between the new WRRG and local governments, and for advice to WRRG boards on matters and issues affecting the role of local governments in waste management and resource recovery.

Policy and Legislation

The establishment of Waste Forums was recommended by the Ministerial Advisory Committee on Waste and Resource Recovery Governance Reform (recommendation 8.2):

The Metropolitan Waste Management Group should retain its local government waste Forum and a similar Forum be established for each region to provide for nomination of the local government board members in each region.

The government supported this recommendation.

The establishment of Waste Forums and the definition of their key functions will be formalised through amendments to the EP Act. The government introduced amendments to Parliament in February 2014 (the Environment Protection and Sustainability Victoria Amendment Bill 2014). The Bill can be accessed at:

<http://www.parliament.vic.gov.au/static/www.legislation.vic.gov.au-bills-status.html>

Operating guidelines

It is up to each Waste Forum to agree on its own operating guidelines. Draft guidelines, based on those utilised by the MLGWMF, are provided in section 3.

Final agreed guidelines are recommended to cover:

- Forum aims and functions;
- Membership and representation;
- Operations;
- Procedures for board director nominations;
- Relationships with the regional WRRG board and with local government;
- Meeting procedures; and
- The terms of tenure and re-election process for Forum members.

Supporting committees

Waste Forums may choose to establish specific purpose committees to help them operate. For example, the current MLGWMF has a Strategy and Policy Advocacy Group and a Technical Advisory Reference Group. Any supporting committees will need to be referenced in a Forum's operating guidelines.

Establishment

As noted above, the statutory authority for the establishment of Waste Forums requires legislative amendments, and is hence subject to parliamentary agreement and royal assent.

The Department of Environment and Primary Industries will advise when and if this has occurred.

In the meantime, and given the government's expressed policy intent, initial steps can be undertaken in each proposed waste and resource recovery region to prepare for the formal establishment of Forums.

The overall timeline is summarised below, with more detail provided in section 2 *Tasks, timelines and responsibilities*.

General timelines and responsibilities

February 2014:

- This information kit is completed and provided for information to Regional Steering Committees and councils.
- The Minister for Environment and Climate Change makes request of Mayors to nominate local council representatives for their relevant region's Waste Forum.

March 2014:

- Forum representatives have been nominated or are being considered by councils.
- Initial preparation for the first meeting of the Forum, facilitated by regional steering committees.

- A preparatory meeting to be held with appropriate local council representatives¹, to:
 - agree on a date, venue and agenda for the first Waste Forum meeting;
 - review, and identify any required changes to, draft Waste Forum operating procedures; and
 - agree on a process for nominating the four local government director positions on the future waste and resource recovery group board.
- The outcomes of this meeting are circulated to councils for their information and, if required, appropriate endorsement.

April 2014:

- Initial Forum meeting held

Nominations and ballots

A key task of the first Waste Forum meeting will be to identify nominees for the four local government director positions on the region's Waste and Resource Recovery Group Board.

It is up to each Waste Forum to determine, in their operating procedures, how elections will occur. Draft operating guidelines, broadly reflecting those of the Metropolitan Local Government Waste Forum, are provided in section 3.

This will assist in enabling the boards to be established by 1 August 2014, in line with government timelines.

An independent returning officer can be appointed to formally run the election, if stipulated in the operating guidelines. Their appointment will be the responsibility of the secretariat.

¹ expected to be either nominated council representatives to a waste forum or, if these have not been endorsed by a council, the current RWMG board directors from councils in the proposed waste and resource recovery region

2 Tasks, timelines and responsibilities

| Task | Due date | Responsibility |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Development of:</p> <ul style="list-style-type: none"> information kit on Waste Forum functions, composition and establishment tasks draft Waste Forum operating guidelines | February 2014 | Department of Environment and Primary Industries (DEPI) |
| <p>Distribution of:</p> <ul style="list-style-type: none"> preliminary information on Waste Forum functions, composition and establishment tasks draft Waste Forum operating guidelines request for nomination of Waste Forum representatives <p>to Mayor of each local council in each proposed waste and resource recovery region</p> | February 2014 | DEPI |
| In each new waste and resource recovery region, member councils identify a Waste Forum representative from each council and advise the regional steering committee and DEPI of this nominee. | 31 March 2014 or as soon as possible (dependent on council meeting dates and procedures) | Local councils |
| <p>In each new waste and resource recovery region, preparatory meetings to facilitate the establishment of Waste Forums, considering:</p> <ul style="list-style-type: none"> an agenda for the first Waste Forum meeting a date and venue for the first Waste Forum meeting reviewing, and identifying any potential changes to, Waste Forum operating procedures identifying a nominee/s for the Chair of the Waste Forum | March or early April 2014 | <p>Council representatives / current RWMG directors</p> <p>Facilitated by Regional Steering Committees</p> <p>DEPI is available to provide support if required</p> |

| Task | Due date | Responsibility |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>These meetings to be attended by nominated council representatives to a Waste Forum or, if these have not been endorsed by a council, the current RWMG board directors from councils in the proposed waste and resource recovery region.</p> <p>Nominated Waste Forum representatives consider whether they wish to stand as a nominee for one of the four local government director positions on future waste and resource recovery group boards</p> | | |
| <p>First Waste Forum meeting to be held. The agenda should include, but not be limited to:</p> <ul style="list-style-type: none"> • election of a Waste Forum Chair and Deputy Chair • endorsement of Waste Forum operating procedures • nomination of four local government board members to the Minister for Environment and Climate Change <p>NB. Any members nominating as board directors must provide a:</p> <ul style="list-style-type: none"> • completed national police check application and consent form (including certified copies of 100 points of identification) • diversity information and privacy consent form • current CV <p>to DEPI</p> | <p>April 2014 (dependent upon passage of and royal assent to legislative amendments)</p> | <p>Regional Steering Committees (to organise logistics and provide secretariat services)</p> <p>Waste Forum representatives</p> <p>DEPI is available to provide support if required</p> |
| <p>Ongoing Waste Forums to be held as agreed in Waste Forum operating procedures. DEPI proposes these be held not less than quarterly.</p> | <p>As agreed</p> | <p>Waste Forum representatives and secretariat</p> |
| <p>Allocation of resources to provide Waste Forum secretariat and administrative services</p> | <p>August 2014</p> | <p>New waste and resource recovery group boards</p> |

DRAFT BARWON SOUTH WEST WASTE & RESOURCE RECOVERY GROUP LOCAL GOVERNMENT WASTE FORUM OPERATING GUIDELINES

Date of Adoption: xxx

1 The [insert Name] Waste and Resource Recovery Region Local Government Waste Forum

1.1 The Barwon South West Waste and Resource Recovery Group was established under the *Environment Protection Act* (the Act) in 2014 to deliver waste and resource recovery planning, procurement, education and project functions in the [insert name] waste and resource recovery region.

1.2 The Act establishes a Local Government Waste Forum (the Forum) to support the effective operation of the Barwon South West Waste and Resource Recovery Group.

1.3 The Act states that the Forum is to consist of the representatives of the councils in the region. It states that each council may nominate a representative to the Forum.

1.4 The Act states that the functions of the Forum are to:

1.4.1 nominate the 4 persons who are to be the representatives of the councils for the purposes of section 50BI(2)(a) of the Act;

1.4.2 if there is a vacancy in the office of a director nominated under section 50BI(2)(a), to nominate a person to fill that vacancy;

1.4.3 advise the Board of directors of the waste and resource recovery group on matters and issues affecting the role of councils in waste management and resource recovery;

1.4.4 act as a conduit for consultation between the waste and resource recovery group and the councils in the waste and resource recovery region of that group.

1.5 The Act requires the Forum to develop procedures for functions 1.4.1 and 1.4.2 with the regional councils. These Operating Guidelines deliver on the requirements to develop these procedures and are the operating rules for the Forum.

2 Forum Aims

2.1 To develop local governments' capacity to deliver effective, efficient and sustainable waste and resource recovery planning and management across the Barwon South West Waste and Resource Recovery Region.

2.2 To engage with industry, government and community stakeholders to improve waste and resource recovery management and planning.

2.3 To assist the Barwon South West Waste and Resource Recovery Group Board to engage councils across the their region in the planning and management of waste.

2.4 To nominate four members to the Minister for Environment and Climate Change, for appointment to the Barwon South West Waste and Resource Recovery Group Board, in accordance with the Act.

3 Forum Functions

3.1 To provide advice to the Barwon South West Waste and Resource Recovery Group Board on waste and resource recovery service and infrastructure planning and management, waste and resource recovery service procurement and contract management, waste and resource recovery education requirements, and waste and resource recovery project requirements, design and implementation.

3.2 To communicate across the local government sector waste management and resource recovery trends and technologies, and encourage information sharing on best practice.

3.3 To nominate four members to the Minister for Environment and Climate Change, for the Barwon South West Waste and Resource Recovery Group Board, in accordance with the Act.

3.4 To facilitate local government waste management and resource recovery initiatives.

4 Forum Membership

4.1 The member councils of the Forum are those defined as the municipal districts constituting the [insert name] Waste and Resource Recovery Region in section 11 of the Act. The current members are listed below:

| | |
|----------------------------------|---------------------------|
| Borough of Queenscliffe | City of Greater Geelong |
| Colac Otway Shire Council | Corangamite Shire Council |
| Glenelg Shire Council | Moyne Shire Council |
| Southern Grampians Shire Council | Surf Coast Shire Council |
| Warrnambool City Council | |

5 Forum Representatives

5.1 Each member council shall nominate a Councillor as their Representative to the Forum.

5.2 If a representative is unable to attend a Forum meeting they may nominate a Councillor or Advisory Member as proxy, in writing to the Chair of the Forum prior to the meeting.

5.3 Each member council may also nominate a staff member as an Advisory Member to the Forum. The Advisory Member is able to participate fully in all Forum proceedings and activities but does not hold a vote in the Forum unless acting as a proxy of the Forum Representative.

5.4 A Council may change its Representative, or Advisory Member to the Forum at any stage by letter to the Chair of the Forum.

5.5 A Council's Representative and Advisory Member to the Forum shall be confirmed at the member Council's Statutory meeting, then notified in writing to the Barwon South West Waste and Resource Recovery Group as soon as possible, and at the latest within one month.

5.6 The Municipal Association of Victoria, the Victorian Local Governance Association and the Barwon South West Waste and Resource Recovery Group may send an observer to the meetings of the Forum. Other external parties may attend by invitation from the Forum.

5.7 The list of Representatives, Proxies and Advisory Members and their attendance to the Forum shall be administered and reported by the Barwon South West Waste and Resource Recovery Group in its role as secretariat to the Forum.

5.8 Representatives and Advisory Members are expected to attend each meeting. In the event that a member council is not represented by their Representative or proxy for three consecutive meetings, written notification by the secretariat shall be given to the council.

5.9 Attendance from a member council shall normally consist of the Representative and Advisory Member unless there is a particular reason for additional personnel to be invited.

5.10 Barwon South West Waste and Resource Recovery Groups skilled based directors have a standing invitation to attend the Forum, with no voting right.

6 Forum Operation

6.1 The Forum shall be an unincorporated entity of its member Councils.

6.2 The operation of the Forum shall be governed by these Operating Guidelines. These Operating Guidelines were adopted by the Forum by majority vote on the [insert date]. The Operating Guidelines shall be reviewed at least annually by the Forum at which a minimum of two thirds of representatives must support any amendment to the Operating Guidelines.

6.3 The Forum shall meet a minimum of 4 times a year. Forum meetings will be scheduled mindful of Member councils' ordinary meeting dates and times.

6.4 For general business of the Forum the Quorum shall be 5 Representatives, or their Proxies, of the Forum.

6.5 The Forum shall nominate one of its Representatives as Chair of the Forum on an annual basis. The Chair shall convene meetings of the Forum and set the agenda in consultation with Forum Representatives.

6.6 The Forum shall establish an advisory reference group or other working groups as required to report back to the Forum. Terms of reference for each group are to be agreed by the Forum.

6.7 The Barwon South West Waste and Resource Recovery Group shall provide support to the Forum to enable it to perform its function as required by the Act.

7 The Barwon South West Waste and Resource Recovery Group Board

7.1 Following notification to the Forum that Representatives are to be nominated to the Barwon South West Waste and Resource Recovery Group Board, or that a vacancy must be filled on the Barwon South West Waste and Resource Recovery Group Board, the Forum will appoint an independent Returning Officer. The Executive Officer of the Barwon South West Waste and Resource Recovery Group can be appointed the independent Returning Officer.

7.2 The Returning Officer shall run an election for the four Forum board positions.

7.3 Representatives wishing to nominate for the Barwon South West Waste and Resource Recovery Board should attend the meeting where nominations are being called for. If not, they are to provide a proxy who has been approved by their council (as per section 5.2) who will state their nomination at the meeting and vote on their behalf.

7.3.1 Two (2) positions for the Barwon South West Waste Resource Recovery Group Board will be made available to the following groups members:

Borough of Queenscliffe

City of Greater Geelong

Colac Otway Shire Council

Surf Coast Shire Council

7.3.2 Two (2) positions for the Barwon South West Waste Resource Recovery Group Board will be made available to the following groups members:

Corangamite Shire Council

Glenelg Shire Council

Moyne Shire Council

Southern Grampians Shire Council

Warrnambool City Council

7.4 On the receipt of nominations the Returning Officer shall conduct a proportional ballot for each of the respective members groups. If there are no more than two nominations for each group then no ballot is required and the four nominations are accepted.

7.5 Should a local government member of the Barwon South West Waste and Resource Recovery Group Board cease to be a Representative of the Forum, the Forum may request that the Minister act to remove them from the Barwon South Waste and Resource Recovery Group Board in accordance with statutory requirements.

7.6 Should the Forum have good reason, and 5 votes in favour, the Forum may request that the Minister act to remove a Representative from the Barwon South Waste and Resource Recovery Group Board in accordance with statutory requirements. The Good Governance Code must be used to determine inappropriate behaviour which would constitute 'good reason' for the Forum to seek removal of a Barwon South West Waste and Resource Recovery Group Board member.

7.7 Where a vacancy is to be filled, the above provisions apply, adapted as necessary to the number of vacancies to be filled.

8 The Forum and the Barwon South West Waste and Resource Recovery Group Board

8.1 The Act states that a function of a waste and resource recovery group is to support its waste and resource recovery region's Local Government Waste Forum to enable the Forum to perform its functions.

8.2 The Act states that a function of a Forum is to advise the Board of directors of a waste and resource recovery group on matters and issues affecting the role of councils in waste management and resource recovery.

8.3 The Forum recognises that Barwon South West Waste and Resource Recovery Group Board members' responsibilities are defined in statute. Within these responsibilities, the Forum expects its nominated members to attend Forum meetings, respond to issues raised by the Forum and take issues raised by the Forum to the Barwon South West Waste and Resource Recovery Group Board.

8.4 If the Forum places a written proposal to the Barwon South West Waste and Resource Recovery Group Board, a written response outlining the Board 's position is expected.

9 The Forum and local government

9.1 Forum Representatives are expected to communicate the activities and actions of the Forum back to their Council.

9.2 Forum Representatives are expected to inform the Forum of issues and activities of their Council that contribute to the development of the [insert name] Waste and Resource Recovery Region's waste management and resource recovery arrangements, via meetings of the Forum, any working groups of the Forum or the secretariat.

9.3 Minutes from each Forum meeting shall be provided to all member councils within 2 weeks from when the Forum is held.

10 Meeting Procedures

10.1 Motions from Forum members must be put in writing 1 week prior to the meeting so that they can be circulated and considered. Matters from the floor may be considered as urgent business at the Forum at the discretion of the Forum chair.

10.1.1 Motion proposed, seconded and minuted

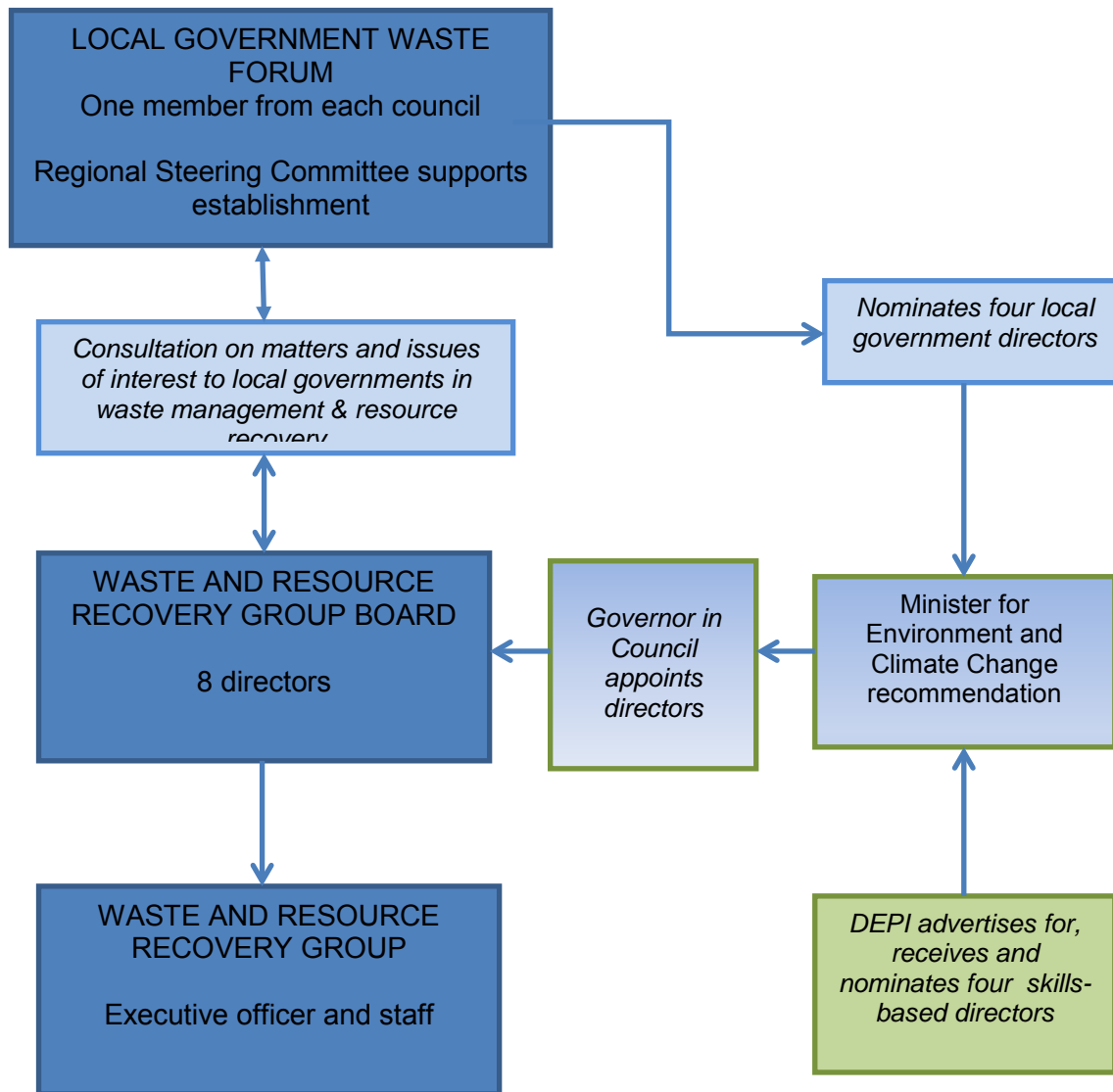
10.1.2 Motion discussed

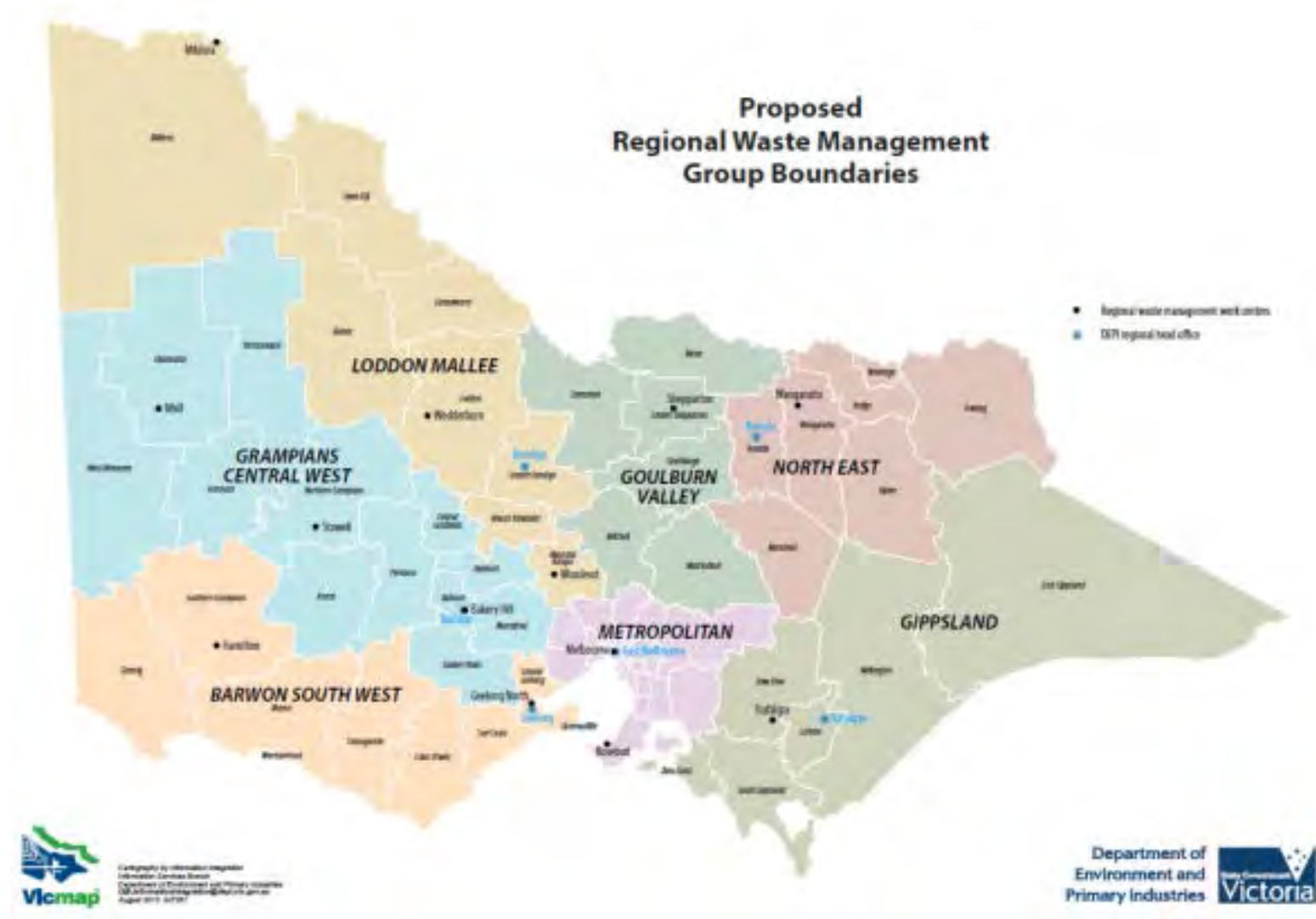
10.1.3 Amendments (if any) agreed and minuted

10.1.4 Motion re-read with amendments and proposed

10.1.5 Votes for, against and abstentions minuted

4 - Key interactions between Local Government Forums and Waste and Resource Recovery Groups







Corangamite and Colac Otway Road Safety Strategy

Corangamite and Colac Otway Shire Councils
February 2014

DRAFT FOR COMMENT

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Executive Summary

This road safety strategy has been prepared jointly between the Corangamite Shire Council and Colac Otway Shire Council. Corangamite Shire and Colac Otway Shire are located in Victoria, approximately 200 km and 150 km respectively south west of Melbourne.

The key objectives of the Road Safety Strategy are:

- To reduce road crashes, resulting in financial and social savings through reduced crash and trauma costs.
- To provide road safety direction for each Council
- To investigate the potential risk factors on local road infrastructure.
- To develop and implement municipal road safety strategies which are linked to each Council's Corporate Plans, and provide the basis of a targeted and relevant action program for each Shire and other agencies to address key road safety initiatives.

Corangamite and Colac Otway Shires, like many rural municipalities across Victoria, are experiencing on-going road safety concerns. Injury crashes in these municipalities occur on average more than three (3) times per week and 26 deaths have been recorded in the past five (5) years.

In the last five (5) years from 1 July 2007 to 30 June 2012 the casualty crash figures have been 255 in Corangamite Shire and 391 in Colac Otway Shire. This is compared with 308 and 462 across each municipality for the period 2003 to 2007 inclusive. Out of these crashes Corangamite had 8 fatalities (including 2 on local Council maintained roads) and Colac Otway roads had 18 fatalities (including 6 on local Council maintained roads). A total of 32% of all reported casualty crashes occurred on local roads in Corangamite Shire compared with 38% in Colac Otway Shire. The crash classifications that pose the most significant cause for concern on all roads throughout both Shires are crashes where vehicles veered 'off path on a curve' or 'off path on a straight'. These crashes comprise over 59% of all crashes within the two Shires.

It is known that there are three main causes of road crashes, and these are: human factors, the road environment and vehicle factors. Typically, around 95% of road crashes are caused (at least in part) by human factors, with the road environment contributing to 28% and vehicle factors to 8%, with some overlap (two or more factors) contributing in some instances.

This Road Safety Strategy for Corangamite Shire and Colac Otway Shire has been developed to address those factors it has control over, principally in regards to safer infrastructure (the road environment).

Proposed safer infrastructure strategies and actions to reduce the number and severity of run-off-road and head-on crashes include:

- Increased level of road marking and signage to better inform drivers.
- Greater sight distances.
- Safer, clearer shoulders.
- Appropriate clear zones on roadside.

Other initiatives Council plans to pursue in order to improve road safety include:

- Disability Discrimination Act compliance at intersections.
- Upgrade safety improvements for rail level crossings.
- Greater awareness of school speed zones.
- Provision of school crossings.

- Improved rural intersections.
- Compliance with minimum clear zone requirements.
- Appropriate speed restrictions.

High risk road user groups include: Young drivers, older drivers, motorcyclists, pedestrians, cyclists and heavy goods vehicle drivers. Specific strategy actions have been formulated to increase the safety for these high risk groups. These strategies include measures such as:

- Improved signage and modifications to road and path layout to protect pedestrians and cyclists.
- Improvements to sensitive road areas for motorcyclists.

In regards to safer vehicles, the Councils will lead by example by introducing fleet vehicles with increased safety features such as:

- Automatic Braking Systems (ABS).
- Air bags.
- Electronic stability control.
- Cruise control.
- Speed limiters.

Each shire will appoint an officer responsible for the Road Safety Strategy program. This person will be responsible for the success of the strategy through managing the strategy program and monitoring the outcomes of each proposed action and liaising with other agencies where required.

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1.0 Introduction

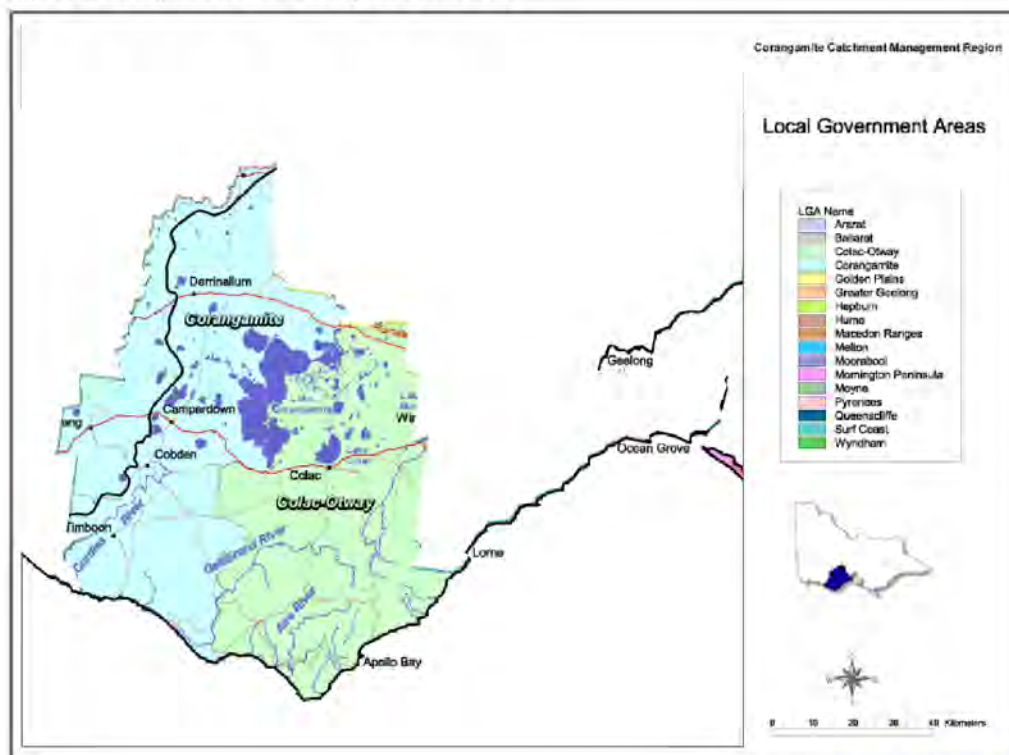
1.1 The Shires

Corangamite Shire is located in the south-western part of Victoria and covers 4,425 square kilometres. The Corangamite Shire is approximately 200 kilometres from Melbourne and 120 kilometres from Geelong.

Colac Otway Shire is located approximately 150 km from Melbourne and 70 km from Geelong. The area of the Colac Otway Shire covers 3,443 square kilometres.

Figure 1 shows the Shires in relation to surrounding shires including Geelong.

Figure 1: Corangamite and Colac Otway Shire boundaries



Source: www.dpi.vic.gov.au

1.1.1 Corangamite Shire

The Corangamite Shire is bounded by the shires of Moyne to the west, Pyrenees to the north, Golden Plains to the north-east and Colac Otway to the east, and is bounded by the coastline to the south. It contains the town of Skipton in the north, and at the southern edge at the coast includes the towns of Peterborough, Port Campbell and Wattle Hill. The western border follows the Curdie River and the towns on the border are Noorat, Terang, Taroon, Ayrford and Curdie Vale. The eastern border follows the Woady Yaloak River, Lake Corangamite and Gellibrand River.

Other towns within the Corangamite Shire are, Camperdown, Cobden, Timboon, Simpson, Princetown, Derrinallum and Lismore. In 2013 the population of Corangamite Shire is estimated to be 16,370 residents and is forecast to slightly increase to 18,863 by 2021¹. Figure 2 indicates the area covered by the Corangamite Shire.

Figure 2: Corangamite Shire



Corangamite Shire is home to several different types of industries. These include wool growing and cropping. There is also a very large dairy industry which is one of the largest in the state. The different types of farming include milk, beef, wool, lamb and grain.

The tourist industry includes the attractions of the Great Ocean Road, the 12 Apostles, the Port Campbell National Park, fishing and volcanic hills which attract a high number of visitors to the region.

1.1.2 Colac Otway Shire

Colac Otway Shire is located in South West Victoria and extends from Cressy in the north to the ocean in the south. It is bounded by the Shires of Corangamite to the west, Golden Plains to the north and Surf Coast Shire to the east.

The main towns are Colac and Apollo Bay. Smaller towns within the shire include Beeac, Beech Forest, Birregurra, Cororooke, Cressy, Forrest, Gellibrand, Kennett River, Lavers Hill, Skenes Creek, and Wye River.

In 2013 the population was estimated to be 20,973 and is forecast to increase to 22,786² by 2021. Figure 3 indicates the area covered by the Colac Otway Shire.

¹ forecast.id (Informed Decisions) - www.id.com.au/corangamite/forecastid/default.asp?id=277&qid=10&pg=8 (date accessed: September 2013)

The predominant industries within the Colac Otway Shire are relatively similar to those within Corangamite Shire and include dairy, beef, sheep, cropping, horticulture (and organic farming), timber, manufacturing and service, construction, retail and wholesale.

The main tourist attraction within the Colac Otway Shire is the Great Ocean Road which includes Apollo Bay, the coastal environment and the Otway National Park (Otway Ranges).

Figure 3: Colac Otway Shire



1.2 Requirement for Road Safety

Victoria's roads and road users are amongst the safest in the world but continued investment in road safety measures is required to ensure Victoria remains at the forefront of road safety.

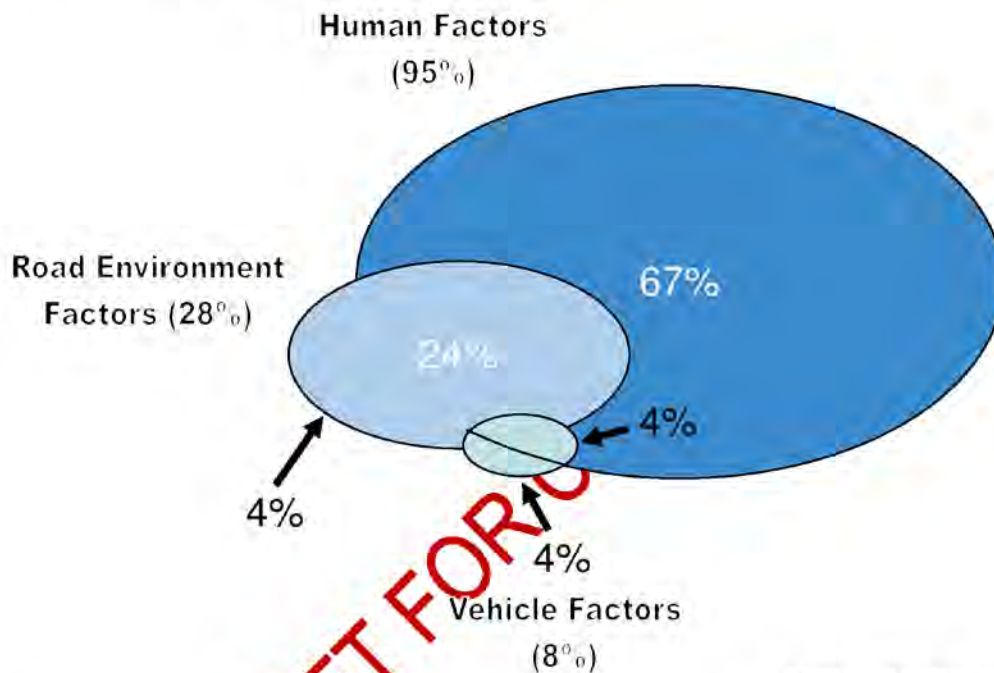
In 2012, 280 people had been killed and 5,500 people had been seriously injured on Victorian roads which represented 0.1% of the population. However, those affected by the road toll extend well beyond this small proportion of the population. Family, friends, and the broader community are all impacted by the costs associated with injuries or deaths on the road, both emotionally and financially.

While the road toll has been slowly decreasing, there is a significant need to ensure further efforts continue, and that acceptance does not lead to a plateauing of these figures. The use of the road system is essential to maintain the on-going economic and social well-being of our society. Road safety is therefore of paramount importance to ensure that our everyday activities do not unnecessarily put lives at risk.

Corangamite and Colac Otway Shires, like many rural municipalities across Victoria, are also experiencing on-going road safety concerns. Injury crashes in these municipalities occur on average more than three (3) times per week with 26 deaths (refer to Table 2) recorded in the past five (5) years.

In order to address and improve road safety, the causes of road crashes needs to be identified. It is known that there are three (3) main causes of road crashes, and these are: human factors, the road environment and vehicle factors. Typically, around 95% of road crashes are caused (at least in part) by human factors, with the road environment contributing to 28% and vehicle factors to 8%, with some overlap (two or more factors) contributing in some instances. For example 24% of crashes were caused by road environment factors and human factors. The following Venn diagram indicates these contributions.

Figure 4: The Causes of Road Crashes



The Australian Transport Safety Bureau's survey (Dec 2006) of community attitudes to road safety had found that the community identified four main factors contributing to road crashes, namely:

- Speed
- Drink Driving
- Inattention/lack of concentration
- Driver fatigue

It is surmised that the same factors are contributing to the road crashes in Corangamite and Colac Otway Shires.

1.2.1 Trauma and Fatalities

Road crashes contribute to an average of 269 deaths and 5135 serious injuries on Victorian roads each year. The estimated costs of these road crashes is enormous, taking into consideration the human costs (including loss of earnings, medical, long-term care and rehabilitation costs, legal costs and disruptions to the workplace), the vehicle costs (repairs, towing) and general costs (including insurance, police, fire and road delay impacts).

Road crashes in Victoria are the principal contributor to trauma patients in hospitals making up 42.7% of all major trauma patients². The cost associated with road trauma is disproportionate to other types of trauma as patients frequently sustain serious injury and multiple injuries.

1.2.2 Financial Costs

It is estimated by the Traffic Accident Commission (TAC) that Victorian road trauma has an economic cost of \$3 billion each year. The cost to care for a person with a severe brain injury is \$2.1 million, someone with paraplegia is estimated at approximately \$1.2 million and someone with quadriplegia is \$6.4 million. Speed-related trauma is estimated to cost the state around \$1 billion; one third of the costs of total Victorian road trauma.

1.2.3 Shifts in Trends

With high impact measures such as compulsory seatbelts and random breath tests the annual road toll in Victoria has dramatically reduced from 1000 people in the 1970s to under 300 in 2012 however the road toll has started to plateau. Between 2008 and 2013, there has been an 8% reduction in the annual road toll compared with a 40% reduction from 1990 to 2007.

1.3 Complimenting Road Safety Initiatives

This strategy will align with the following strategies:

1.3.1 Previous strategies in Corangamite and Colac Shires

Both the Corangamite and Colac Otway Shires have previously jointly prepared a road safety strategy. The Shires' combined strategy of December 2008 built on the previous strategies prepared separately by each Shire. The strategy of December 2008 was developed in collaboration with VicRoads, the Colac Community Roadsafe Council and Victoria Police Colac.

1.3.2 VicRoads Roads Safety Strategy 2013-2022

In 2013 the Victorian Government launched its new road safety strategy for the next 10 years. Its aim is to dramatically reduce the number of fatalities and serious injuries resulting from road crashes.

Some of the initiatives proposed with this strategy to improve safety for all Victorian road users include:

- Drink driving
 - Expand the fitting of alcohol interlocks to the vehicles of all convicted drink drivers.
 - Increasing awareness of drink driving risks through education
 - Impounding the vehicles of first time, high-level drink drivers and toughening penalties.
- Driving under the influence of drugs
 - Undertake TAC media campaigns
 - Developing ways to inform and identify issues surrounding drug use.
 - Toughening penalties and sanctions
- Speeding
 - Introducing Intelligent Speed Assist (ISA) – an in-car technology that reminds drivers what speed limit they are travelling in.
 - Simplifying speed limit zones throughout Victoria
 - Increase the awareness of the risks of speeding
 - Increase the capacity to catch people speeding.

² Victorian State Trauma Registry 2011-20012

- Distractions
 - Promote phone applications that silence incoming phone calls and messages when a person is driving.
 - Increase awareness of negative impacts of distracting technologies
 - Extend the ban on mobile phone use for P1 probationary drivers to also include P2 probationary drivers.
 - Introduce tougher and more effective penalties for mobile phone use while driving.
- Pedestrians and cyclists
 - Greater use of 40km/h zones to improve pedestrian and cyclist safety.
 - Develop a 'black area' program to provide infrastructure where the risk of pedestrian and cyclist crashes are high.
 - Implement a grants program for local government to provide safer walking and cycling infrastructure
 - Increase awareness on the vulnerability of pedestrians and cyclists
- Country road users
 - Expand the Safer Road Infrastructure Program. \$100 million per year will be provided over the next 10 years to improve the safety of Victoria's roads and roadsides.
 - Complete delivery of the \$160 million statewide program of works to improve country roads and bridges
 - Continue to improve the safety of popular touring routes that have a particular risk for motorcyclists.
 - Improve safety at Victoria's regional level crossings.
 - Campaign to "talk the toll down" in country Victoria with road safety articles in local newspapers.
 - Helping disadvantaged young people in country Victoria gain critical driving experience through the TAC funded L2P learner driver mentor program.
 - Strengthening enforcement in country Victoria.
- Vehicles
 - Trialling in-vehicle warning devices that alert drivers of approaching hazards
 - Continue to give people independent information about the safety of new cars through [www. Howsafeisyourcar.com](http://www.Howsafeisyourcar.com).

The vision of the Victorian Government's road safety strategy is zero deaths and zero serious injuries on Victorian roads.

To achieve this vision the target of the Victorian Government's road safety strategy for the next 10 years is to:

- Further reduce the number of people who die on Victorian roads by more than 30%. This would bring the road toll annually to fewer than 200 people.
- Further reduce the number of people who are seriously injured on Victorian roads by more than 30%. This will reduce the serious injury toll annually to fewer than 3,850 people.

1.3.3 RoadSafe

In Victoria there are 24 RoadSafe groups (including the Colac Community Road Safety Council which covers both Corangamite and Colac Otway Shires) which deliver programs that aim to improve road safety in their local area. The Colac Community Road Safety Council (RoadSafe Otway) is a community group that is funded by VicRoads, Council and sponsorships. RoadSafe groups have various members from the community comprising of road users groups, as well as staff from VicRoads, Councils, Police, health and education professionals, emergency services, local businesses and media representatives. RoadSafe develop local community road safety initiatives to help support the local and State government programs. RoadSafe has continued support by Corangamite and Colac Otway Shires.

1.4 Road Safety Aims and Objectives

The key objectives of the Road Safety Strategy are:

- To reduce road crashes, resulting in financial and social savings through reduced crash and trauma costs.
- To provide road safety direction for each Council
- To investigate the potential risk factors on local road infrastructure.
- To develop and implement municipal road safety strategies which are linked to each Council's Corporate Plans, and provide the basis of a targeted and relevant action program for each shire to address key road safety initiatives.

This road safety strategy has been prepared jointly between the Corangamite Shire Council and the Colac Otway Shire Council.

The intention of this strategy is to focus on road safety problems and possible improvements within the Corangamite and Colac Otway Shires road network. This will enable the Councils to focus funding towards reducing casualty road crashes on local roads. The strategy has also addressed and considered the road crashes occurring on the main/declared road network. The Councils will be able to raise these issues with VicRoads and to seek State funding for improvements.

1.5 Format of this Report

This road safety strategy report is set out as follows:

- Chapter 1 Introduction
- Chapter 2 Presents the data and findings from the road crash review within the Shires. Common crash themes and trends have been identified to enable problems to be addressed.
- Chapter 3 Sets out the goals and actions to be achieved by the strategy. Clear guidelines and measurable targets have been suggested to ensure the continued implementation of the programs to meet the strategy's aims.

2.0 Corangamite & Colac Otway Road Safety Performance

2.1 Crash Activity and Ranking

Data analysis of the information obtained from VicRoads' CrashStats provides an indication of the frequency of each classification of crash. The following crash analysis has been based on the latest 5 year casualty crash data available for the period 1 July 2007 to 30 June 2012 unless stated otherwise.

CrashStats is the VicRoads database for all road crashes involving an injury. CrashStats is provided to users by VicRoads for the purpose of supplying information about road crashes in Victoria. This road safety initiative is for educational purposes and allows users to better understand some of the key issues about road crashes.

Data is publicly available on the VicRoads CrashStats website³, and includes information on road crashes including:

- Participants (including vehicle type, driver and passenger gender and age)
- Crash location, date and time details
- Crash type based on the DCA system for crash classification
- Crash Severity, based on the level of injury sustained (other injury, serious injury or fatal)

The DCA crash classification system was created so that an analyst can quickly identify crash patterns at a particular location. The DCA codes are grouped according to similar factors, for example, pedestrian crashes are grouped between DCA 100-109.

A summary of the major DCA categories is provided in Table 1. A full list of DCA crash descriptions is provided in Appendix A.

Table 1: Major DCA Codes

| DCA Code Range | Category | Definition |
|----------------|----------------------------|--------------------------------------------------------|
| 100-109 | Pedestrians | Pedestrian struck on carriageway |
| 110-119 | Adjacent directions | Crashes within intersections at 90 degrees |
| 120-129 | Opposing directions | Crashes with head on vehicles |
| 130-139 | Same direction | Crashes with vehicles travelling in the same direction |
| 140-149 | Manoeuvring | Crashes while parking/reversing vehicles |
| 150-159 | Overtaking | Crashes occurring while overtaking vehicles |
| 160-169 | On-path | Striking objects on the carriageway |
| 170-179 | Off-path on straight | Striking objects off the carriageway on a straight |
| 180-189 | Off-path on curve | Striking objects off the carriageway on a curve |
| 190-199 | Passengers & Miscellaneous | Falling from vehicle/struck railway object |

2.1.1 Corangamite & Colac Otway Shire Crash Overview

A summary of the total number of crashes by severity on local and main roads by Shire in the 5 year (31 July 2007 to 30 June 2012) crash period has been provided in Table 2. Crashes have been split to show the number occurring on main roads (roads under the responsibility of VicRoads) and local roads (roads under the responsibility of the Councils).

³ <http://crashstat1.roads.vic.gov.au/crashstats/crash.htm>

Table 2: Corangamite and Colac Otway Shire Crash Summary (1 July 2007 to 30 June 2012)

| | Fatal | Serious | Other | Total |
|--------------------|-------|---------|-------|-------|
| Corangamite | | | | |
| Local Roads | 2 | 45 | 36 | 83 |
| Main Roads | 6 | 85 | 81 | 172 |
| Total All Roads | 8 | 130 | 117 | 255 |
| Colac Otway | | | | |
| Local Roads | 6 | 60 | 84 | 150 |
| Main Roads | 12 | 110 | 119 | 241 |
| Total All Roads | 18 | 170 | 203 | 391 |

*Note: Crashes which occur at the intersection of main and local roads were classified as "main road" crashes

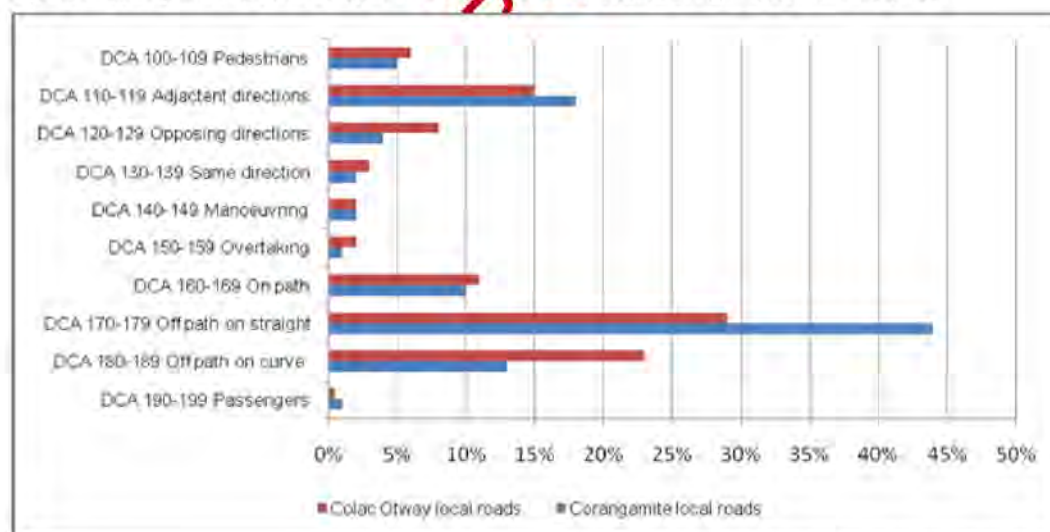
2.1.2 Corangamite & Colac Otway Shires Local Road Crash Types

The DCA crash classification groupings⁴ that present as the most common for both Shires on local roads as shown in Figure 5 are:

- Crashes involving vehicles travelling in adjacent directions at intersections (DCA 110-119);
- Crashes that involved vehicles veering off path on a curve (DCA 180-189); and
- Crashes that involved vehicles veering off path on a straight (DCA 170-179).

These 3 types of crashes accounted for 75% of crashes in Corangamite Shire within the 5 year analysis period on local roads, and accounted for 67% of crashes in Colac Otway Shire.

Figure 5: Corangamite and Colac Otway Shires DCA comparison of crashes on local roads within the shires



Refer to Appendix B for details on DCA crash types.

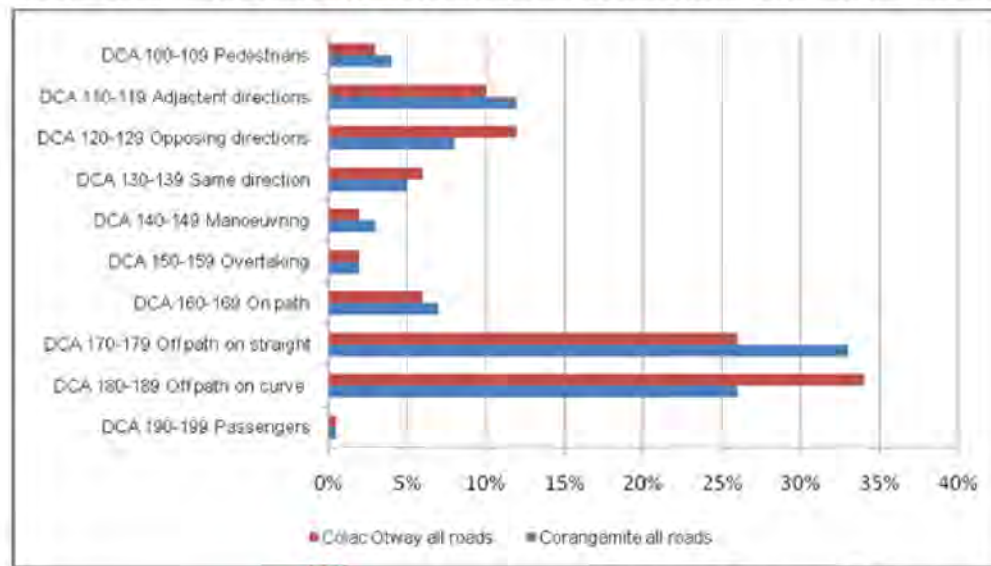
⁴ Appendix A details specific DCA code classification details

2.1.3 Corangamite and Colac Otway Shire All Roads Crash Types

The crash classifications that pose the most significant cause for concern on all roads throughout both Shires are crashes where vehicles veered 'Off path on a curve' or 'Off path on a straight'. These crashes comprise over 59% of all crashes within the two Shires. Road users are more likely to be involved in a crash with vehicles travelling in adjacent directions at intersections on local roads than on main roads. The elevated contribution from this classification could be attributed to the lower standards of local road infrastructure compared to that of declared main roads.

Figure 6 displays the high concentration of crashes that are attributed to vehicles leaving the carriageway on either a straight or curved section. Crashes that occurred on local roads within the two Shires were generally more likely to involve an interaction with another vehicle whereas crashes on main roads are mostly caused by a loss of control by the driver of the vehicle.

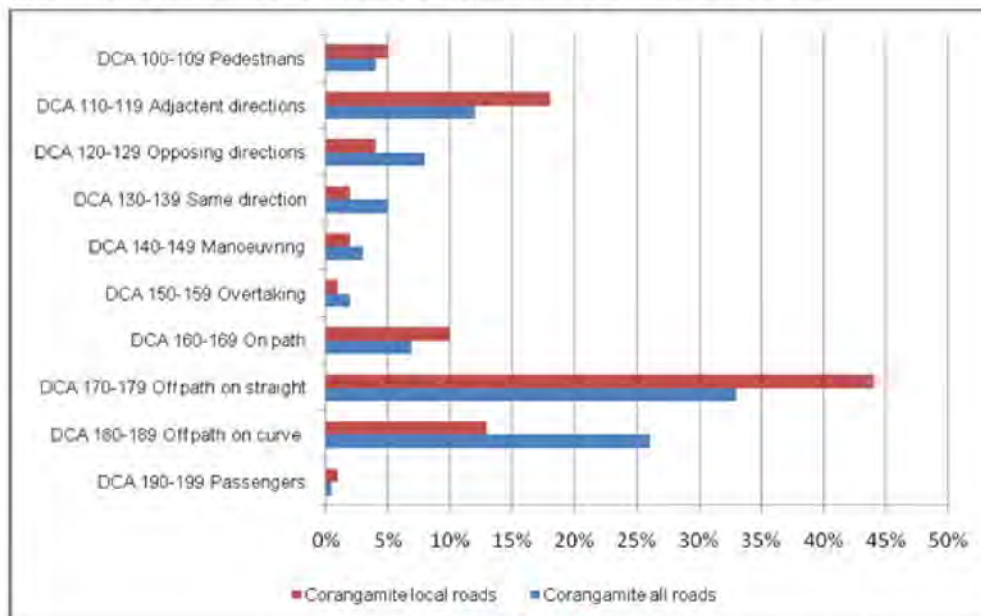
Figure 6: Corangamite and Colac Otway Shires DCA comparison of crashes occurring on all roads within the shires



Refer to Appendix B for details on DCA crash types

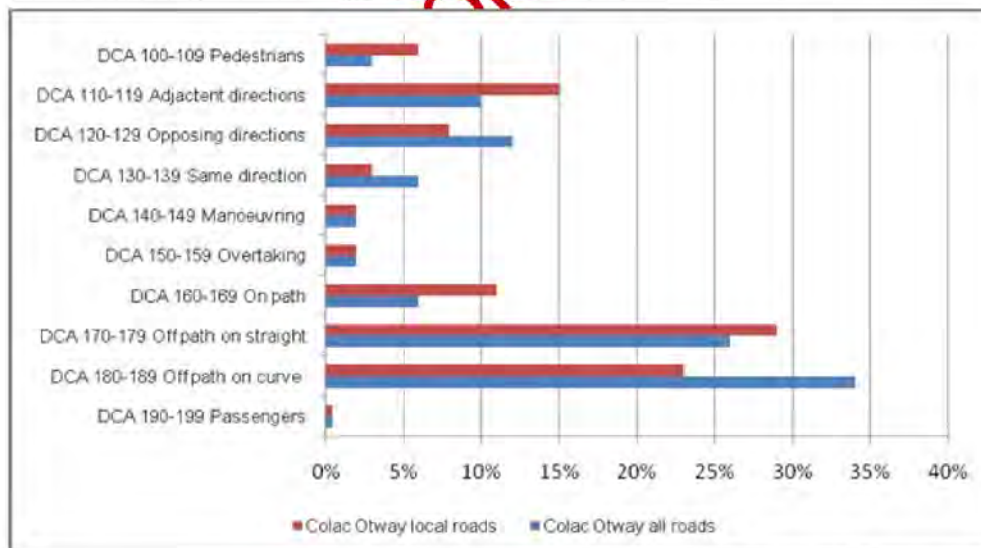
Error! Reference source not found. and Figure 7 compare local road and all roads for each of the shires.

Figure 7: Corangamite Shire DCA comparison of crashes occurring on all roads and local roads



Refer to Appendix A for details on DCA crash types

Figure 8: Colac Otway Shire DCA comparison of crashes occurring on all roads and local roads



Refer to Appendix A for details on DCA crash types

2.2 Key Crash Facts

2.2.1 Crash severity comparison

VicRoads CrashStats data classifies the severity of a crash into three categories relating to the impact on the crash participants, namely other injury, serious injury and fatal.

Figure 97: Corangamite Shire - All roads

Total crashes: 255

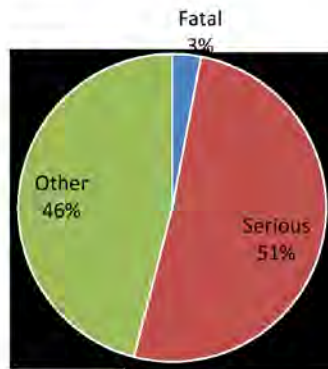


Figure 10: Colac Otway Shire - All roads

Total crashes: 391

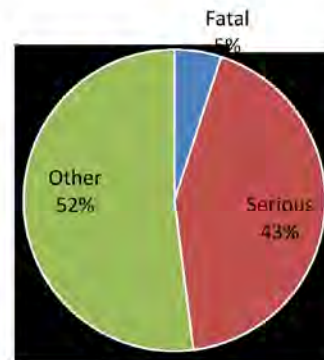


Figure 8: Corangamite Shire - Local roads

Total crashes: 83

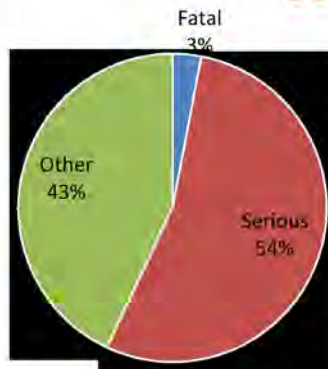
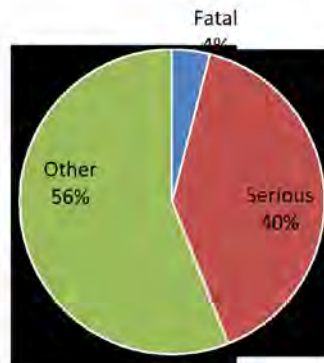


Figure 9: Colac Otway Shire - Local roads

Total crashes: 150



The data shows that although the number of crashes decreases substantially on local roads compared to main roads, the chances of being involved in a fatal crash on local roads decreases only marginally. Crashes on main roads are more likely to involve vehicles travelling at greater speeds resulting in more severe crashes.

2.2.2 Injured crash participants by Age and Gender

The crashes grouped by age indicated that there was no significantly vulnerable age group across both Shires. In all four categories participants aged 18-21 years were the most likely to be injured in a crash making up 15-20% of total participants. This trend could be due to driver inexperience or due to this demographic spending more time on the road.

Figure 10: Corangamite Shire Age Profile – All Roads

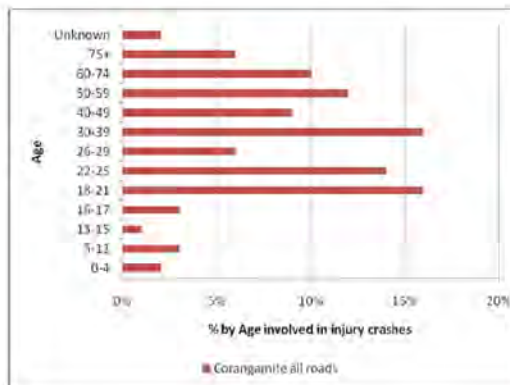


Figure 11: Colac Otway Shire Age Profile - All Roads

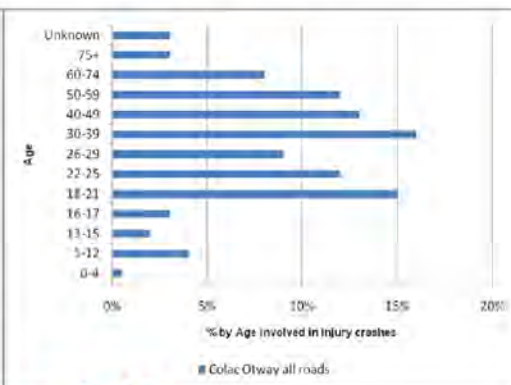


Figure 12: Corangamite Shire Age Profile - Local Roads

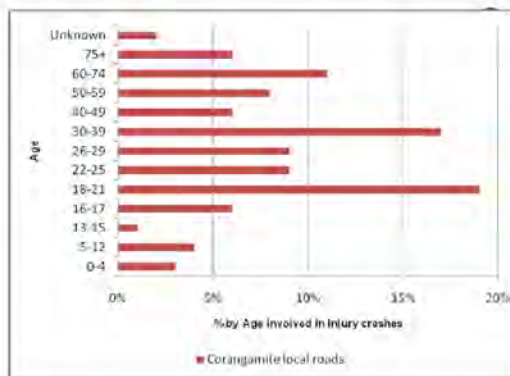
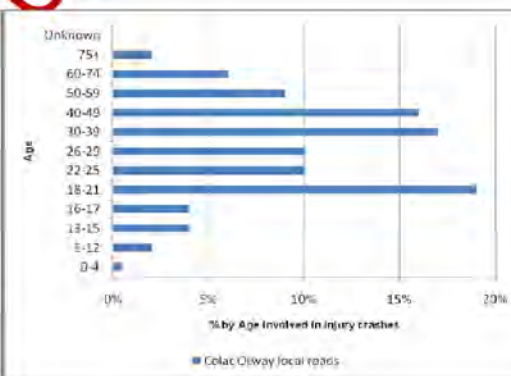


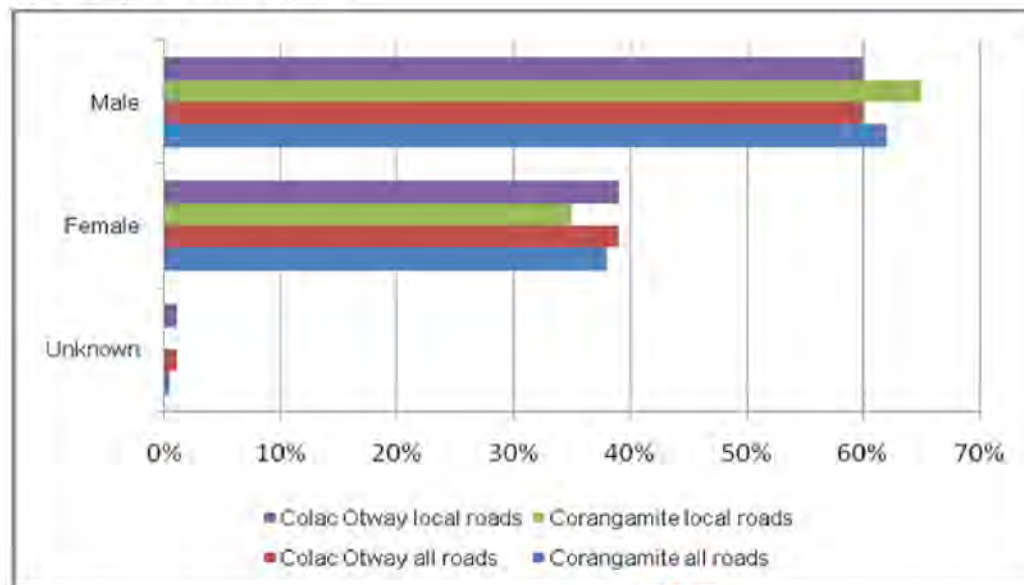
Figure 13: Colac Otway Shire - Local Roads



This age group analysis shows that approximately 10% of the total casualties were under the age of 18, indicating children are also at risk on the road. As with older casualties, it would generally be expected that they would participate in fewer car trips and thus their chance of being involved in a road crash might be reduced. However, their high involvement in casualty crashes may be attributable to their involvement as pedestrians or cyclists, where they are more at risk of injury. As the figures above show there is a sharp increase in the chance of injury for participants aged 18 and over, which coincides with the legal licensing age.

Figure 14 shows that Male road users were 58% more likely than females to be injured in road crashes. Males were markedly more likely than females to be injured in the 'high risk' age bracket of 18-21.

Figure 14: Injured Road Users by Gender



2.2.3 Reported road and lighting conditions

Road conditions impact significantly on the type and severity of road crashes. Analysis of the CrashStats data for Corangamite and Colac Otway Shires shows that the majority of crashes occur during the day and when the road is dry, especially on local roads.

Table 3: Comparison of reported road conditions at the time of the crash

| | Road Conditions | | | | | |
|---------------------------|-----------------|-----|-------|-------|-----|---------|
| | Wet | Dry | Muddy | Snowy | Icy | Unknown |
| Corangamite - All Roads | 26% | 71% | 2% | 0% | 0% | 1% |
| Colac Otway - All Roads | 27% | 65% | 3% | <1% | 1% | 5% |
| Corangamite - Local Roads | 14% | 75% | 7% | 0% | 0% | 4% |
| Colac Otway - Local Roads | 24% | 65% | 4% | 1% | 1% | 5% |

Table 4: Comparison of reported road lighting conditions at the time of the crash

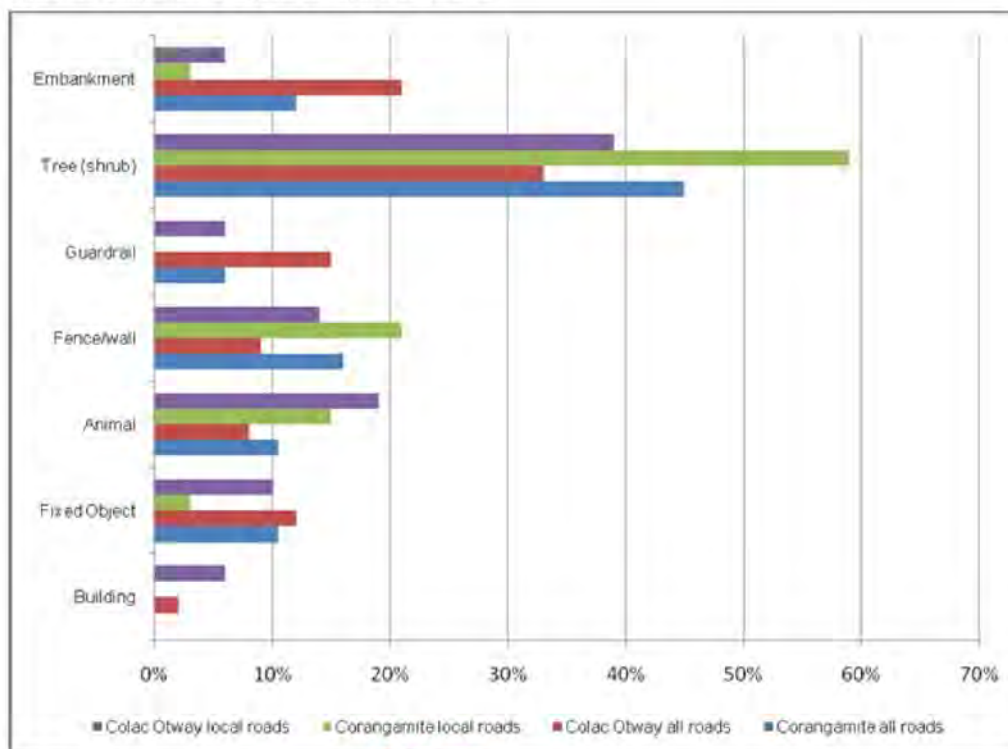
| | Lighting Conditions | | |
|---------------------------|---------------------|------|------|
| | Day | Dark | Dusk |
| Colac Otway - All Roads | 77% | 18% | 5% |
| Corangamite - All Roads | 69% | 25% | 6% |
| Colac Otway - Local Roads | 71% | 22% | 7% |
| Corangamite - Local Roads | 69% | 24% | 7% |

2.2.4 Distribution of objects struck in road crashes

Crashes with trees account for the majority of objects struck by road users within the two Shires as illustrated by Figure 15. It is common on minor roads throughout the shire that vegetation adjacent to

the carriageway runs very close to the road, often encroaching on the shoulder **Error! Reference source not found..**

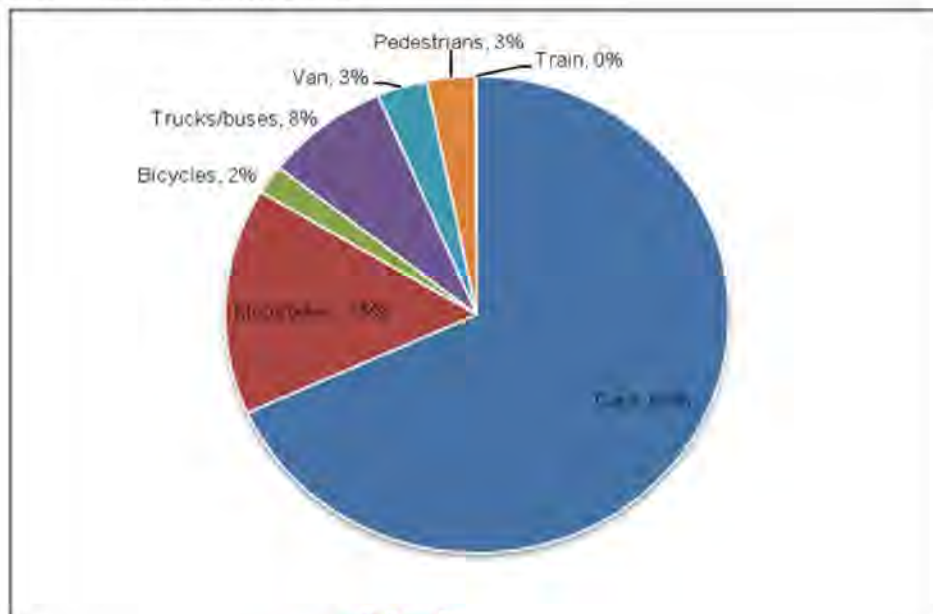
Figure 15: Comparison of objects struck in road crashes



2.2.5 Vehicle types involved in road crashes

An analysis of the types of vehicles involved in road crashes showed that the vast majority of road crashes involved cars. Figure 16 shows the average of all roads for both shires for vehicles involved in road crashes. This shows that standard vehicles (cars, station wagons, utilities and vans) account for approximately 70% of all vehicles involved in road crashes.

Figure 16: Vehicles involved in road crashes



More analysis on the involvement of some of these road users in road crashes is provided in Section 2.4.

2.3 High Crash Locations/Routes

Some sites on local roads within the two Shires pose an increased risk to road users and have recorded multiple crashes during the analysis period. Such sites are highlighted as requiring specific treatments to address the problems that are evident in the data.

2.3.1 All Roads

Analysis of the Crash-Stats data for crashes on all roads within both Shires reveals the crash locations that represent the most significant risk to road users due to the high number of crashes. These sites are all arterial roads (VicRoads managed roads) as shown in Table 6 **Error! Reference source not found.** for Corangamite and Colac Otway Shires respectively. Both tables show that the Great Ocean Road the greatest hazard. The Great Ocean Road carries a significant number of tourist vehicles and the high volumes are reflected in the CrashStats data. The most common type of crash along these high-crash routes is consistent with those experienced across the broader shires and involves vehicles veering off the carriageway. Interestingly, in Colac Otway Shire 35% of the crashes on the Great Ocean Road involved a motorcycle. This is mainly due to the Great Ocean Road being a scenic route, continuous curves and very popular motorcycle riders for these reasons. The Princes Highway West also carries a high volume of traffic and as such recorded the second highest number of crashes in both shires during the analysis period.

Table 5: Casualty Crash Roads Corangamite Shire – Arterial Roads

| Location | Crash classifications category | Number of crashes |
|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| Great Ocean Road | Pedestrians, Adjacent directions, Opposing directions, Same direction, Manoeuvring, Overtaking, On-path, Off-path on straight and Off-path on curve | 30 |
| Princes Highway West | Adjacent directions, and Same direction | 23 |
| Hamilton Highway | Off-path on straight | 19 |
| Camperdown-Lismore Road | Opposing directions, Same direction, Off-path on straight, Off-path on curve and Passengers & Miscellaneous | 16 |
| Lavers Hill-Cobden Road | Same direction, Manoeuvring, Off-path on straight and Off-path on curve | 15 |
| Cobden-Port Campbell Road | Opposing directions, Off-path on straight, Off-path on curve and Passengers & Miscellaneous | 11 |
| Camperdown-Cobden Road | Off-path on straight and Off-path on curve | 9 |
| Cobden-Warrnambool Road | Off-path on straight and Off-path on curve | 8 |

Table 6: High Crash Roads Colac Otway Shire – Arterial Roads

| Location | Crash classifications category | Number of crashes |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------------|-------------------|
| Great Ocean Road | Pedestrians, Opposing directions, Same direction, Manoeuvring, Overtaking, On-path, Off-path on straight and Off-path on curve | 100 |
| Princes Highway West | Pedestrians, Opposing directions, Same direction, Manoeuvring, Overtaking, On-path, Off-path on straight and Off-path on curve | 40 |
| Colac-Lavers Hill Road | Pedestrians, Opposing directions, On-path, Off-path on straight and Off-path on curve | 32 |
| Forrest Apollo Bay Road | Manoeuvring, Off-path on straight and Off-path on curve | 19 |
| Skenes Creek Road | Opposing directions, Same direction, On-path and Off-path on curve | 19 |
| Birregurra-Forest Road | Adjacent directions and Off-path on curve | 9 |
| Timboon-Colac Road | Same direction, Overtaking and Off-path on straight | 9 |

2.4 Specific Road Users

2.4.1 Crashes involving heavy vehicles

In the five years from 1 July 2007 to 30 June 2012 there were a total of 30 and 32 reported casualty crashes involving heavy vehicles within the Corangamite and Colac Otway Shires respectively.

- More than half of the crashes involving heavy vehicles in each of the shires resulted in either a fatality or serious injury.
- Crashes involving heavy vehicles within each of the shires accounts for 13% of the total number of crashes for Corangamite Shire and 7% for Colac Otway Shire.
- In Corangamite Shire, no heavy vehicle crashes resulted in a fatality, while in Colac Otway Shire approximately 11% of heavy vehicle crashes caused fatalities.
- The main type of crash that was prevalent for truck crashes was loss of control crashes (DCA 170-189), which accounted for nearly half of the heavy vehicle crashes.

- More than half of the crashes for either shires occurred when a heavy vehicle hit another vehicle/object rather than another vehicle hitting the heavy vehicle. That said, when a vehicle hit a truck the majority were serious or fatal crashes.

Table 7: Crashes involving heavy vehicles - Corangamite Shire

| Road Type | Number of fatal heavy vehicle crashes | Number of serious injury heavy vehicle crashes | Number of other injury heavy vehicle crashes | Total heavy vehicle crashes |
|-------------|---------------------------------------|------------------------------------------------|----------------------------------------------|-----------------------------|
| Local Roads | 0 | 4 | 4 | 8 |
| Main Roads | 0 | 14 | 10 | 24 |
| Total | 0 | 18 | 14 | 32 |

Table 8: Crashes involving heavy vehicles - Colac Otway Shire

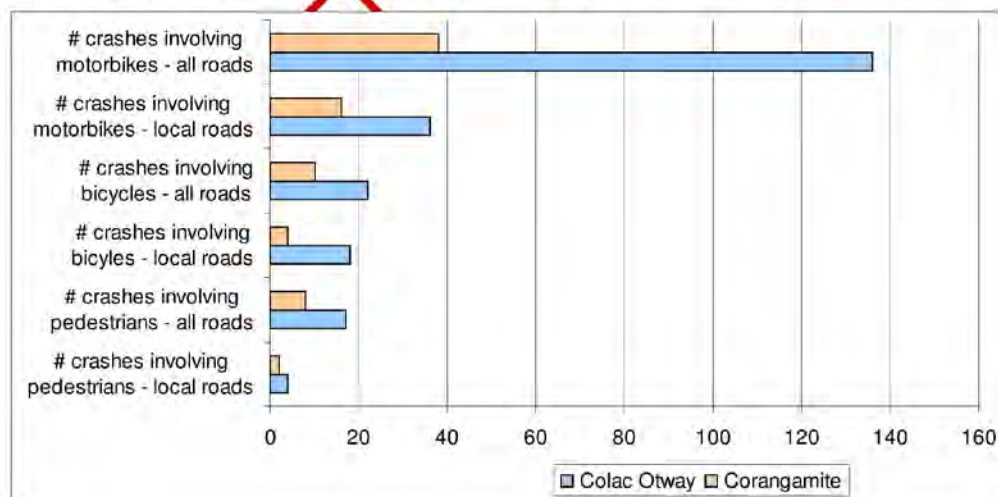
| Road Type | Number of fatal heavy vehicle crashes | Number of serious injury heavy vehicle crashes | Number of other injury heavy vehicle crashes | Total heavy vehicle crashes |
|-------------|---------------------------------------|------------------------------------------------|----------------------------------------------|-----------------------------|
| Local Roads | 1 | 2 | 2 | 5 |
| Main Roads | 2 | 11 | 12 | 25 |
| Total | 3 | 13 | 14 | 30 |

These figures demonstrate how important it is to address heavy vehicle related crashes, given the very high rate of fatality or serious injury crashes. It is also to be considered that local roads used by timber trucks are often narrow winding roads with a mix of traffic.

2.4.2 Impacts on vulnerable road users: motorcycles, bicycles and pedestrians

A summary of the total number of crashes involving motorcycles, bicycles and pedestrians is shown in Figure 17.

Figure 17: Number of crashes involving vulnerable road users 1 July 2007 to 30 June 2012)



A high proportion of the pedestrians involved in crashes were male. There were only two (2) female pedestrians in Corangamite Shire compared with 12 male and four (4) female pedestrians in Colac

Otway Shire compared with 14 male. For pedestrians under the age of 15, there were three (3) pedestrian crashes in Corangamite Shire and two (2) pedestrian crashes in Colac Otway Shire.

It is interesting to note that crashes on main roads involving motorcycles in the Colac Otway Shire represents 31% of the total number of main road crashes within the Shire. 37% (or 43 out of a total of 116 motorbike crashes) occurred on the Great Ocean Road, highlighting the attraction and risks of this route.

2.4.3 Crashes involving railway level crossings

No reported crash occurred at a level crossing in Colac Otway Shire within the study period.

One crash involving a train was reported in Corangamite Shire within the study period (Table 9) which resulted in a serious injury. The site has since had signals and boom barriers installed.

- The crash occurred at Dalvui Lane near the Princes Highway in Terang in March 2008 which resulted in minor injuries to the driver of the vehicle. At the time of the accident "Stop" signs were in place for traffic at the crossing. Flashing signals and boom barriers have since been installed at this site.

Table 5: Railway level crossing road control distribution

| Road control type | Number within Colac Otway Shire | Number within Corangamite Shire |
|---------------------------|---------------------------------|---------------------------------|
| Flashing Lights | 8 | 9 |
| Give-way Signs | 3 | 14 |
| Stop Signs | 8 | 2 |
| Boom Barriers | 8 | 2 |
| Position Markers | 0 | 2 |
| Total number of crossings | 27 | 29 |

There are a total of 29 rail crossings within the Corangamite Shire and 27 within the Colac Otway Shire. Flashing lights are used broadly throughout the Corangamite Shire however give-way signs are the most common form of control. The control measures used within the Colac Otway Shire are predominantly a mix of boom barriers, flashing lights and stop signs.

2.5 Comparison of Corangamite and Colac Otway Shires with other Rural Shires in South West Region

Table 10: Comparison of Corangamite and Colac Otway Shires with other Rural Shires in South West Region

| Local Government Area | Estimated Population (2013) | All Roads | | | | Local Roads | | | |
|-----------------------|-----------------------------|---------------------|----------|----------------|--------------|---------------------|----------|----------------|--------------|
| | | Number of accidents | Severity | | | Number of accidents | Severity | | |
| | | | Fatal | Serious Injury | Other Injury | | Fatal | Serious Injury | Other Injury |
| Moyne | 16662 | 231 | 8 | 117 | 106 | 87 | 3 | 44 | 40 |
| Golden Plains | 19682 | 249 | 11 | 115 | 123 | 110 | 5 | 47 | 58 |
| Southern Grampians | 16331 | 197 | 6 | 84 | 107 | 88 | 5 | 30 | 53 |
| Surf Coast | 28275 | 423 | 21 | 176 | 226 | 171 | 8 | 67 | 96 |
| Warrnambool | 35056 | 315 | 6 | 116 | 193 | 192 | 3 | 68 | 121 |
| Corangamite | 16603 | 255 | 8 | 130 | 117 | 83 | 2 | 45 | 36 |
| Colac Otway | 20973 | 391 | 18 | 170 | 203 | 150 | 6 | 60 | 84 |

2.6 Other Crash Factors

Other contributory factors which cannot be determined from CrashStats includes drink driving, fatigue and speed related crashes. The Victorian Government's road safety strategy indicates a percentage of crashes which can be attributed to these crashes:

- Drink driving contributes to more than a quarter of deaths on Victoria's roads each year⁵.
- Motorists on country roads are four times more likely to be killed and 40% more likely to be seriously injured compared to motorists on metropolitan roads⁵.
- A US study has shown that 80% of crashes and 65% of near-crashes involved driver inattention in the seconds before incident⁵. Texting increases the risk of a crash or near crash by 15 times for car drivers and 20 times for operators of heavy vehicles metropolitan roads¹².
- Speeding and driving at inappropriate speed impacts both the frequency and severity of road crashes across all road types and locations. Speeding contributes to almost one third of fatalities on Victorian roads each year⁵.

2.7 Summary of Key Crash Types

The key crash types for both shires were run-off road crashes which involved vehicles travelling off the carriageway on either a straight or curved section of road. When a vehicle came off the carriageway a tree (or shrub) was the most commonly hit object. The other main crash type was vehicles from adjacent directions at intersections on local roads only.

The age group that was involved in the most crashes were people aged between 18 years and 21 years. Of the pedestrians involved in crashes the clear majority were male.

Motorcycles and trucks were also proportionately over represented in crashes although cars covered the majority of vehicles involved in an accident.

⁵ Victoria's Road Safety Strategy 2013-2022

DRAFT FOR COMMENT

3.0 Road Safety Goals and Strategies

3.1 Development of Road Safety Goals and Strategies

Priorities for road safety action in Corangamite and Colac Otway Shires (C&CO) have been developed based on consideration of a number of sources including:

- Local crash statistics (VicRoads CrashStats Data)
- Review of State-wide and local priorities and policy, including Victoria's Road Safety Strategy

The priorities that have been developed are therefore based on a combination of an objective analysis of what has happened in the past and what may happen in the future.

The identified priorities address three critical elements which are: safer road users, safer infrastructure and safer vehicles. The following identifies strategies which could be implemented to improve road safety for each of the three elements.

3.1.1 Safer Road Users

Excessive speed driving

GOAL: To reduce the number of vehicles travelling at inappropriate speeds for the road environment by educating the community of the risks, providing appropriate environments and enforcing the speed limit.

Excessive speed contributes to approximately one third of all crashes. Statistics show that increasing the speed of the vehicle exponentially increases the risk of being involved in a crash. Therefore a slight reduction in speed can dramatically reduce the risk of being in a crash.

Table 6: Excessive Speed driving Key Actions

| Issues | Actions | Lead Agency | Partners | Outcomes |
|--------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|--------------------------------|------------------------------------------------------------------------------------------|
| Speeding and high risk driving | Implement speed limit reductions based on the risk presented at specific sites, i.e. Road sections that have recorded a high number of crashes are given priority for treatment. | C&CO (local roads) VicRoads (main roads) | VicRoads Roadsafe Police | Reduce the impacts of high risk driving and speeding. Reduce the severity of crashes. |

Motorcyclists

GOAL: To reduce the number of motorcycles involved in crashes by providing motorcycle friendly road safety treatments.

Motorcyclists represent 9% of all crashes on the roads but there are only 4% of all registered vehicles in Victoria. Motorcyclists were involved in 7% of the crashes for Corangamite Shire and 22% of the crashes for Colac Otway Shire. Motorcycles are at a high risk of hitting a road side hazard due to reduced protection for the rider compared with other vehicles. Motorcycle friendly Infrastructure improvements can help reduce the number and severity of motorcycle crashes.

Table 7: Motorcyclists Key Actions

| Issues | Actions | Lead Agency | Partners | Outcomes |
|-----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|-------------------------------------------|---------------------------------------------------------------------------------------|
| Improve road conditions to target specifically at motorcyclists | Target road improvement to high crash zones and road sections which pose a significant risk to motorcyclists. | C&CO (local roads) VicRoads (main roads) | RoadSafe Motorcycle Riders Association | Safer road conditions for motorcyclists. Reduced crash severity for motorcyclists. |
| | Install warning signs on high crash sites, principally along the Great Ocean Road where crashes involving motorcyclists are particularly high. | VicRoads | | |
| | Ensure that new road infrastructure is sensitive to motor cyclists. | C&CO (local roads) VicRoads (main roads) | | |

To improve road infrastructure for motorcycles funding can be sourced from the Motorcycle Blackspot Program (which is funded by the Motorcycle Safety Levy). The Motorcycle Blackspot Program targets locations where there is a high rate of motorcycle loss of control crashes, or high rate of motorcycle crashes or along popular motorcycle routes.

Pedestrians

GOAL: To reduce the number of pedestrians involved in crashes by improving pedestrian facilities.

Pedestrians were involved in 2.8% of the crashes for Corangamite Shire and 3.3% for Colac Otway Shire. Everyone is a pedestrian for a least one part of their journey and therefore it is important to ensure the safety of all pedestrians. Pedestrian safety can be implemented in a number of ways including education, enforcement (jay walking) and infrastructure. The major initiative to reduce the severity of pedestrian crashes is reducing vehicle speed. If a pedestrian is hit by a vehicle that is travelling less than 40km/h they are likely to survive. Infrastructure is also a key way to reduce pedestrian crashes by ensuring that a network of facilities are provided for pedestrians that does not unduly delay pedestrians in time and length of travel.

Table 8: Pedestrians Key Actions

| Issues | Actions | Lead Agency | Partners | Outcomes |
|-----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|----------------------------------------------------------------------------------|---------------------------------------------------------------|
| Improve safe pedestrian movement in townships | Audit existing pedestrian crossing facilities within townships. Identify and prioritise where increased/improved pedestrian crossing facilities could improve safety of pedestrians. This is particularly a priority along high trafficked routes. | C&CO | VicRoads RoadSafe Disability Service Providers Community Health Service | Improved pedestrian access and safety in high activity zones. |
| | Audit existing pedestrian facilities along common pedestrian routes and identify and implement measures to increase accessibility for disabled and impaired pedestrians. | C&CO | RoadSafe VicRoads | |
| | Increase off-road walking paths and pedestrian routes between major origin-destination points in local towns to reduce conflict. | C&CO | RoadSafe VicRoads | |
| | Increase segregation of vehicles and pedestrians at high pedestrian activity sites. | C&CO | RoadSafe VicRoads | |

Cyclists

GOAL: To reduce the number of cyclists involved in crashes by improving the cyclist facilities and increasing the conspicuousness of cyclists on the road.

Cyclists were involved in 0.8% of the crashes for Corangamite Shire and 2.8% for Colac Otway Shire. Providing cyclist infrastructure can help in reducing cyclist crashes. A number of improvements to the road network such as advanced stop lines (with bicycle logos), bicycle lanes (with or without painted green road surface), connectivity of bicycle route network and signage can also provide a safer road environment for cyclists.

Table 9: Cyclists Key Actions

| Issues | Actions | Lead Agency | Partners | Outcomes |
|----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|------------------------------------------|------------------------------------------------------------------------|
| Improved safety and segregation for cyclists | Carry out gap analysis of the existing strategic cycle network and where possible, provide cycle lanes along common and strategic cycling routes. | C&CO | VicRoads RoadSafe Bicycle Victoria | Increased awareness of cyclists and greater safety for all road users. |
| | Improve segregation of cyclists and vehicles. | C&CO (local roads) VicRoads (main roads) | Bicycle Victoria | |

| Issues | Actions | Lead Agency | Partners | Outcomes |
|--------|-------------------------------------------------------------------------------------------|---------------------------------------------|------------------------------|----------|
| | Expand network of advanced stop lines and bicycle logos. | C&CO (local roads) VicRoads (main roads) | Bicycle Victoria | |
| | Increase driver advisory signs to prepare drivers for upcoming interaction with cyclists. | C&CO | VicRoads Bicycle Victoria | |

Heavy vehicle drivers

GOAL: To reduce the number of crashes involving heavy vehicles

Heavy vehicles were involved in 8.9% of the crashes for Corangamite Shire and 5.5% for Colac Otway Shire. Adequate rest stops and enforcement would be beneficial for reducing heavy vehicle crashes.

Table 10: Heavy Vehicle drivers Key Actions

| Issues | Actions | Lead Agency | Partners | Outcomes |
|----------------------------------|-----------------------------------------------------------|---------------------------------------------|----------|---------------------------------------------------------|
| Crashes involving heavy vehicles | Improve rest stop facilities for heavy vehicle operators. | VicRoads (Main roads) C&CO (Local roads) | C&CO | Reduction in the severity of crashes across the Shires. |
| | Improve infrastructure on key heavy vehicle routes | VicRoads | C&CO | |

3.1.2 Safer Infrastructure

Run-off-road and head-on crashes

GOAL: Reduce the number and severity of run-off-road and head-on crashes through providing a more forgiving environment.

Run-off-road crashes accounted for 60% for Corangamite Shire crashes and 59% of the crashes for Colac Otway Shire. Infrastructure improvements to keep vehicles on the road include: edgelines, centrelines, rumble strips, RRPM's, CAM's and guide posts. Improvements to reduce the severity of the run off the road crashes include: removal of the hazard, slip based or impact absorbing poles and wire rope barrier. Head-on crashes accounted for 8% of crashes for Corangamite Shire and 12% for Colac Otway Shire.

Table 11: Run-off road crashes and head-on crashes

| Issues | Actions | Lead Agency | Partners | Outcomes |
|----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-----------------------------|---------------------------------------------------------------------------------|
| Run-off road crashes represent a high portion of Total crashes | Implement infrastructure improvements including: <ul style="list-style-type: none"> Improved delineation Warning signs Road widening Curve widening Intersection improvements | C&CO | VicRoads RoadSafe | Reduce the frequency and severity of run-off Reduction in number of crashes. |
| | Improve clear-zones in line with Table 12 along run-off road high risk areas by removing road-side hazards and implementing embankment treatments. | C&CO | VicRoads RoadSafe | |
| | Speed limit reductions. | C&CO | VicRoads RoadSafe TAC | |
| Head-on crashes | Introduce centrelines and RRPM's. | C&CO | VicRoads RoadSafe | |
| | Improve the visibility of on-coming vehicles by removing obstructive vegetation. | C&CO | VicRoads RoadSafe | |

Table 12: Road Treatments for various AADT

| AADT (one-way) | Edge line required? | Carriageway type/width | Shoulder type/width | Austroroads clear zone requirements | Minimum clear zone standard* |
|----------------|---------------------|------------------------|---------------------|-------------------------------------|------------------------------|
| 0-100 | No | Unsealed 3m min | N/A | 6m | 1m |
| 100-1000 | No | Sealed 3m min | Unsealed 1m | 6m | 2m |
| 1000-2000 | No | Sealed 5m min | Unsealed 1m-3m | 6.8m | 3m |
| 2000-5000 | yes | Sealed 6m min | Sealed 1m-3m | 6.8-9m | 4m |
| 5000+ | yes | Sealed 7m min | Sealed 1m-3m | 9m | 9m |

*to be implemented proportionately if Austroroads standards are unachievable.

The Austroroads "Guide to the Geometric Design of Rural Roads, 2003" recommends a minimum clear zone of width of 6m for roads carrying less than 1,000 vehicles per day one-way, increasing to 9m for roads carrying in excess of 5,000 vehicles per day one-way. Austroroads also states that the first 4-5m of a clear zone provides the most benefit. However, such wide clear zones would have a negative impact on existing native vegetation. As such, reduced width clear zones may be more appropriate where significant levels of native vegetation exist. The clear zone would be increased to Austroroads requirements if traffic volumes are in excess of 5,000 vehicles per day one-way.

It is recommended that guideposts are installed on all sealed and unsealed rural roads. Guideposts should be installed at a spacing of 150m in straight sections of road. The spacing should be reduced to between 50-100m on curved sections of road. Refer to VicRoads Traffic Engineering Manual Vol 2 Chapter 23 for details.

Funding can be sort from AusLink Blackspot Program (Federal funding) and State Blackspot Program which targets locations (sites or road lengths) where there is a proven history of crashes. The

minimum requirement is a benefit cost ratio of at least two to one. The minimum crash history is at least three casualty crashes or for a road length there must be an average of 0.2 casualty crashes per kilometre, both over a five year period.

Rest Stops

GOAL: Ensure adequate rest stops are provided on key routes for tourist, commuters and heavy vehicles.

Support and implement the installation of rest stops along key routes for tourists, commuters and heavy vehicles

Table 13: Key Actions for implementing Rest Stops

| Issues | Actions | Lead Agency | Partners | Outcomes |
|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|-------------------------------------------------|--------------------------------------------------------------------------|
| Rest points for drivers | Audit existing rest stops to identify current provision and condition. Review distance between and identify opportunity for increasing rest points at strategic locations. | VicRoads (Main roads) C&CO (Local roads) | RACV RoadSafe Driver review sub-committee | Improved rest stop facilities to allow better access for heavy vehicles. |

Railway level crossings

GOAL: Continue to improve railway level crossings
As a part of the ALCAM risks assessment. Upgrading railway level crossings from passive crossings (signage only) to active crossings with boom barriers and/or flashing lights.

Treatment options include:

- Advanced warning signs
- Queuing treatment
- Traffic signal coordination
- Road realignment
- Upgrade of the protection mechanisms – lights, bells, boom gates
- High intensity lights
- Train speed reduction
- Rail realignment
- Line of sight improvements
- Rumble strips
- Closure of the road

Table 149: Railway level crossings Key Actions

| Issues | Actions | Lead Agency | Partners | Outcomes |
|--------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------|---------------------------------------------------------------------------------------------------------|
| Improving the safety at railway level crossings across the Shires. | Proceed with Safety Interface Agreements and advocate for further upgrades (passive to active). | C&CO (local roads) VicRoads (main roads) | VicTrack VLine ARTC | Reduce the number of crashes involving trains. Increase driver awareness at railway level crossings. |

School Safety

GOAL: Reduce the number and severity of pedestrian accidents in the vicinity of schools.

Ensure that all roads abutting schools which are used by children are assigned speed limits of 40 km/h and have appropriate crossing facilities to ensure children can safely cross the road. This may include supervised crossings at start of school and end of school times on high volume roads within close proximity to schools.

Table 20: School speed zones Key Actions

| Issues | Actions | Lead Agency | Partners | Outcomes |
|--------------------------------------------------------|-------------------------------------------------------------------------------------|-------------|----------|------------------------------------------------------------------------------------|
| Improving pedestrian safety in the vicinity of schools | Ensure all roads abutting access points to schools have appropriate speed treatment | C&CO | VicRoads | Reduce the number and severity of pedestrian accidents in the vicinity of schools. |
| | Install supervised crossings on high volume roads | C&CO | VicRoads | |

3.1.3 Safer Vehicles

GOAL: Continue to support the use of five star rated vehicles. Support the inclusion of safety measures in all new cars including ABS, six air bags, electronic stability control, cruise control and speed limiters.

Table 21: Safer Vehicles Key Actions

| Issues | Actions | Lead Agency | Partners | Outcomes |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------|-------------|----------|--------------------------------------------------------------------------------------------------------|
| Improving the safety of vehicles | Ensure future council fleet vehicles have a five star rating and include ABS, six airbags, cruise control and speed limiters. | C&CO | VRFAC | Greater numbers of five star rated vehicles. Implementation of advanced safety devices in new cars. |

3.2 Delivery of the Road Safety Strategy

A summary of some of the actions to be delivered over the next four (4) years by Corangamite and Colac Otway Shires as part of the Road Safety Strategy are as follows:

Table 2215: Actions by Organisation

| Organisation | Actions |
|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Corangamite and Colac Otway Shires | <p>Implement speed limit reductions on local roads based on the risk presented at specific sites.</p> <p>Ensure that new road infrastructure is sensitive to motorcyclists.</p> <p>Increase off-road walking paths and pedestrian routes between major origin-destination points in local towns for reduced potential conflict.</p> <p>Improve segregation of cyclists and vehicles on local roads.</p> <p>Improve infrastructure on key heavy vehicle routes on local roads.</p> <p>Implement improvements on local roads to reduce the risk of run-off road crashes.</p> <p>Advocate for further upgrades at railway level crossings.</p> <p>Ensure all roads abutting access points to schools have appropriate speed treatment.</p> <p>Install supervised school crossings on high volume roads.</p> <p>Ensure all future council fleet vehicles have a 5 star safety rating.</p> |

DRAFT FOR COMMENT

3.3 Strategies targeting Crashes

To be able to easily identify which strategy is targeting which crash type the following table has been devised.

Table 23: DCA's targeted by each Strategy




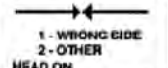
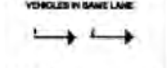
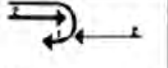
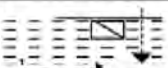
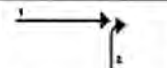

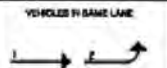

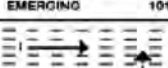
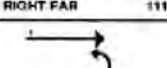
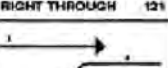
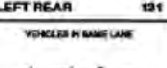

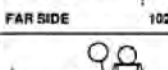
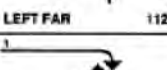
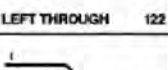
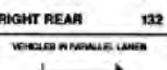
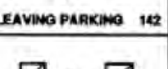
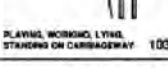
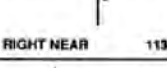
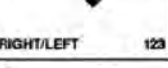

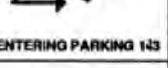
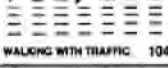

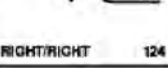
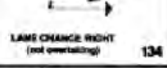
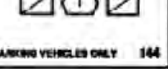
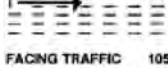


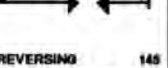

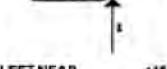





| Strategies | | DCA | | | | | | | | | |
|----------------------|-------------------------|-------------------|----------------------|---------------------|---------------------|----------------|---------|-------------|-------------|------------|------------|
| | | Off path on curve | Off path on straight | Opposing directions | Adjacent directions | Same direction | On path | Pedestrians | Manoeuvring | Overtaking | Passengers |
| Safer Road Users | Excessive speed driving | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ○ |
| | Motorcycles | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| | Pedestrians | ○ | ○ | ○ | ○ | ○ | ○ | ✓ | ○ | ○ | ○ |
| | Cyclists | ○ | ○ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ○ |
| | Heavy vehicle drivers | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Safer Infrastructure | Run-off road | ✓ | ✓ | ○ | ○ | ○ | ○ | ○ | ○ | ○ | ○ |
| | Rest stops | ✓ | ✓ | ✓ | ✓ | ✓ | ○ | ✓ | ○ | ○ | ✓ |
| | Railway level crossings | ○ | ○ | ○ | ✓ | ○ | ○ | ○ | ○ | ○ | ✓ |
| | School safety | ○ | ○ | ○ | ○ | ○ | ○ | ✓ | ○ | ○ | ○ |
| Safer Vehicles | Safer Vehicles | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

✓ - Positive impact on crash type

○ - Neutral impact on crash type

× - Negative impact on crash type

Appendix A Definitions for Classifying Accidents (DCA's)

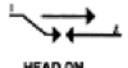
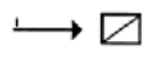




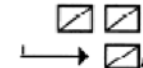



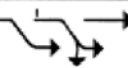
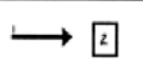



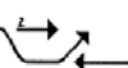
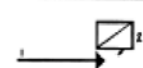


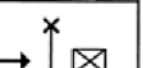
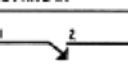


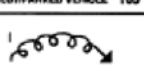
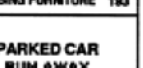
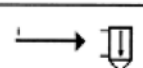

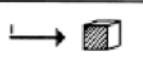
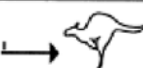
|  | | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|
| PEDESTRIAN ON FOOT IN TOY / PRAM | VEHICLES FROM ADJACENT DIRECTIONS (INTERSECTIONS ONLY) | VEHICLES FROM OPPOSING DIRECTION | VEHICLES FROM SAME DIRECTION | MANOEUVRING |
|  NEAR SIDE 100 |  CROSS TRAFFIC 110 |  1 - WRONG SIDE 2 - OTHER HEAD ON (not overtaking) 120 |  VEHICLES IN SAME LANE REAR END 130 |  U-TURN 140 |
|  EMERGING 101 |  RIGHT FAR 111 |  RIGHT THROUGH 121 |  VEHICLES IN SAME LANE LEFT REAR 131 |  U-TURN INTO FIXED OBJECT/ PARKED VEHICLE 141 |
|  FAR SIDE 102 |  LEFT FAR 112 |  LEFT THROUGH 122 |  VEHICLES IN SAME LANE RIGHT REAR 132 |  LEAVING PARKING 142 |
|  PLAYING, WORKING, LYING, STANDING ON CARRIAGEWAY 103 |  RIGHT NEAR 113 |  RIGHT/LEFT 123 |  VEHICLES IN PARALLEL LANES LANE SIDE SWIPE 133 |  ENTERING PARKING 143 |
|  WALKING WITH TRAFFIC 104 |  TWO TURNING RIGHT 114 |  RIGHT/RIGHT 124 |  VEHICLES IN PARALLEL LANES LANE CHANGE RIGHT (not overtaking) 134 |  PARKING VEHICLES ONLY 144 |
|  FACING TRAFFIC 105 |  RIGHT/LEFT FAR 115 |  LEFT/LEFT 125 |  VEHICLES IN PARALLEL LANES LANE CHANGE LEFT 135 |  REVERSING 145 |
|  ON MIGRANT/OTHER PATH 106 |  LEFT NEAR 116 | |  VEHICLES IN PARALLEL LANES RIGHT TURN SIDE SWIPE 136 |  REVERSING INTO FIXED OBJECT - PARKED VEHICLE 146 |
|  DRIVEWAY 107 |  LEFT/RIGHT FAR 117 | |  VEHICLES IN PARALLEL LANES LEFT TURN SIDE SWIPE 137 |  EMERGING FROM DRIVEWAY - LANE 147 |
|  STRUCK WHILE BOARDING OR ALIGHTING VEHICLE 108 |  TWO LEFT TURN 118 | | |  FROM FOOTWAY 148 |
| OTHER PEDESTRIAN 109 | OTHER ADJACENT 119 | OTHER OPPOSING 129 | OTHER SAME DIRECTION 139 | OTHER MANOEUVRING 149 |

1. Definition for classifying accidents (DCA) should be determined by first selecting a column using the text above & then by diagrammatic sub-division.
2. The sub-division chosen should describe the general movement of vehicles involved in the initial event. It does not assign a cause to the accident.
3. Supplementary codes have been defined for most sub-divisions. These codes give further detail of the initial event.

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⁶ VicRoads CrashStats User Guide

DEFINITIONS FOR CLASSIFYING ACCIDENTS

| OVERTAKING | ON PATH | OFF PATH ON STRAIGHT | OFF PATH ON CURVE | PASSENGER AND MISCELLANEOUS |
|--------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|
|  HEAD ON (not sideswipe) 150 |  PARKED 160 |  OFF CARRIAGEWAY TO LEFT 170 |  OFF CARRIAGEWAY RIGHT BEND 180 |  FELL IN/FROM VEHICLE 190 |
|  OUT OF CONTROL 151 |  DOUBLE PARKED 161 |  LEFT OFF CARRIAGEWAY INTO OBJECT - PARKED VEHICLE 171 |  OFF RIGHT BEND INTO OBJECT/PARKED VEHICLE 181 |  LOAD OR MISSILE STRUCK VEHICLE 191 |
|  PULLING OUT 152 |  ACCIDENT OR BROKEN DOWN 162 |  OFF CARRIAGEWAY TO RIGHT 172 |  OFF CARRIAGEWAY LEFT BEND 182 |  STRUCK TRAIN 192 |
|  CUTTING IN 153 |  VEHICLE DOOR 163 |  RIGHT OFF CARRIAGEWAY INTO OBJECT - PARKED VEHICLE 173 |  OFF LEFT BEND INTO OBJECT/PARKED VEHICLE 183 |  STUCK RAILWAY CROSSING FURNITURE 193 |
|  REV 1 END OUT - REAR END 154 |  PERMANENT OBSTRUCTION ON CARRIAGEWAY 164 |  OUT OF CONTROL ON CARRIAGEWAY 174 |  OUT OF CONTROL ON CARRIAGEWAY 184 |  PARKED CAR RUN AWAY 194 |
| |  TEMPORARY ROAD/WORKS 165 |  OFF END OF ROAD "T" INTERSECTION 175 | | |
| |  STRUCK OBJECT ON CARRIAGEWAY 166 | | | |
| |  ANIMAL (not ridden) 167 | | | |
| | | | | OTHER 198 |
| OTHER OVERTAKING 159 | OTHER ON PATH 159 | OTHER STRAIGHT 179 | OTHER CURVE 189 | ? UNKNOWN 199 |

4. The number 1,2 identify individual vehicles involved when the DCA is linked with other vehicle/driver information.
5. These codes were used for 1987 accidents and replace the Road User Movement (RUM) code.

Produced by the Road User Behaviour Branch, Road Safety Division, VIC ROADS - DCA.pdf & DCA2.pdf

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⁷ VicRoads CrashStats User Guide

DEPARTMENT OF ENVIRONMENT AND PRIMARY INDUSTRIES

SCHEDULE 4

Notice of a municipal council under section 400 that a road is unused

Secretary to the Department of Primary Industries

Under section 400 of the Land Act 1958, the municipal council of the municipal district of

COLAC OTWAY

gives notice that *the road / *each of the roads of the road described in the Schedule below is considered by Council to not be required for public traffic and is therefore an unused road.

SCHEDULE

| PARISH | DESCRIPTION OF LOCATION OF ROAD |
|------------|-----------------------------------|
| MOORBANOOL | NORTH WEST OF CROWN ALLOTMENT 11J |

As indicated by shading on the plan copy attached

* Signed:

Dated:

witness

*The seal of the municipal council of

.....

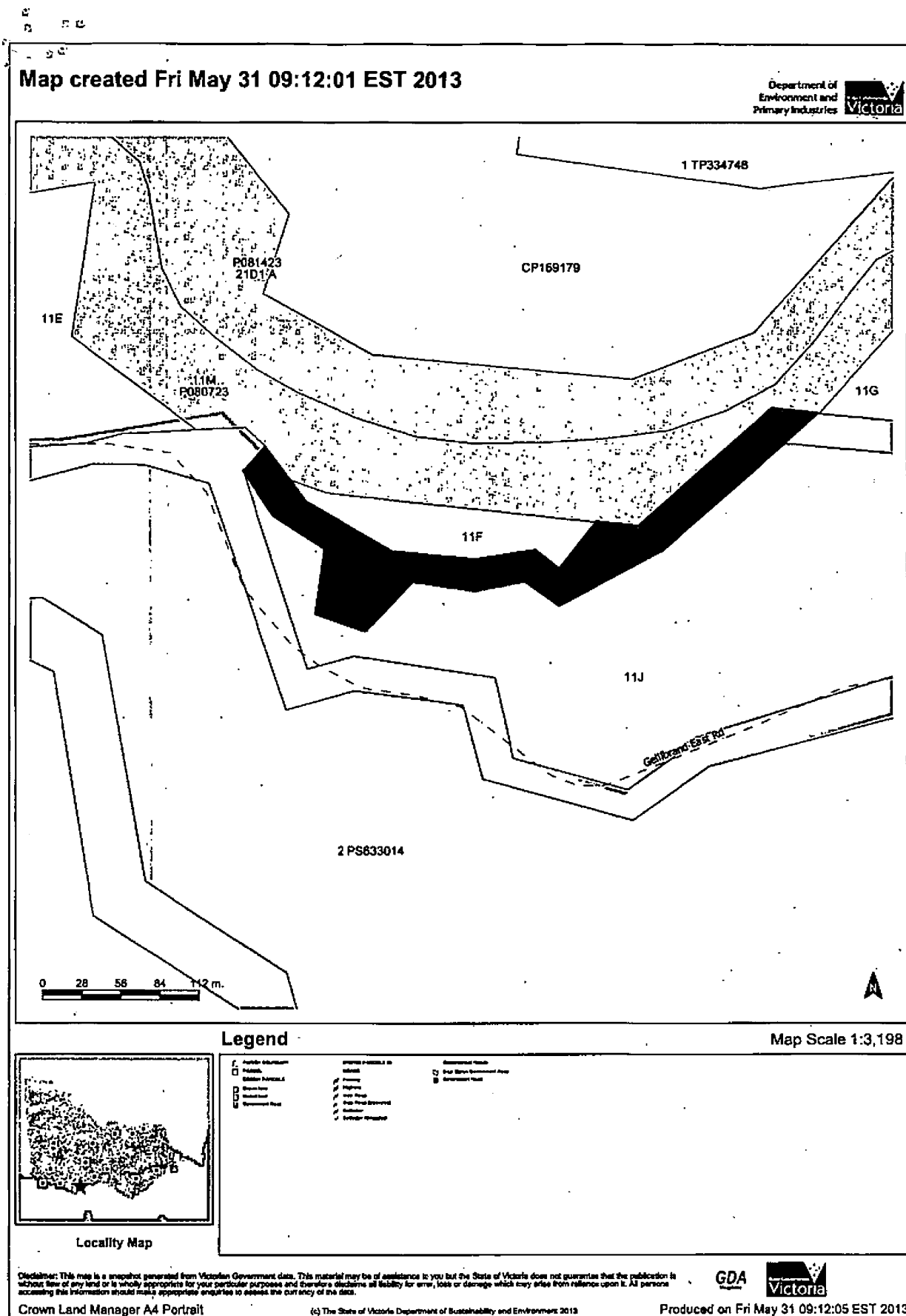
as affixed to this on

by

witness

*Delete whichever is not applicable

Our ref. 2020482:#73457



IN COMMITTEE COUNCIL MEETING

CORPORATE AND COMMUNITY SERVICES

**OM142602-24 CONTRACT 1322 - BLUEWATER FITNESS CENTRE REDEVELOPMENT
UPDATE**

| | | | |
|-------------|-----------------------------------|-----------|-----------|
| AUTHOR: | Colin Hayman Adam Lehmann | ENDORSED: | Rob Small |
| DEPARTMENT: | Corporate & Community Services | FILE REF: | 11/96037 |

Reason for Closure of the Meeting

This report is being considered In Committee under the *Local Government Act 1989* Section 89 (2) (d) (h) because this matter deals with contractual matters; AND this matter may prejudice the Council or any person.

Purpose

The purpose of this report is to provide information to Councillors on the tender process and costs for Contract 1322 – Bluewater Fitness Centre Redevelopment.

At the Council meeting held on 18 December 2013, Council resolved the following:

"That Council conducts a full internal enquiry into the cost overruns of the Bluewater Fitness Centre contract and reports these findings to the 26 February 2014 Council meeting."

A significant amount of information has previously been provided to Council with respect to the Bluewater Fitness Centre Redevelopment project, awarding of the Contract and other financial considerations at both the October and December 2013 Council meetings.

It should also be noted that a confidential briefing was provided to Councillors at the Councillor Briefing Session of 9 October 2013. This followed the close of tenders on 30 September 2013, and provided an overview of the project development process and information relating to the tender prices received relative to the available project budget.

The overall project cost was reported to be well in excess of the budget. A number of options were presented to Councillors with the purpose of addressing the shortfall. These options included:

- Complete the project to full scope
- Complete project but find cost savings within current scope
- Redesign the project to match probable available budget.

It was clearly articulated that proceeding with options 1 or 2, Council would be required to fund the shortfall from its own source funds. It was recommended that the preferred option was to deliver the project based on the current design and to identify cost savings prior to the signing of the Contract. The evaluation of tenders and the eventual award of Contract advanced on this basis.

Declaration of Interests

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

IN COMMITTEE COUNCIL MEETING

CORPORATE AND COMMUNITY SERVICES

Background

The Council report to the October 2013 In Committee meeting provides a background to the redevelopment of Bluewater Fitness Centre.

Funding Details

In August 2010, Council received an election commitment of [REDACTED] to redevelop the stadium. This commitment was well short of the [REDACTED] required to complete the project. Subsequent funding applications were made to the State Government to meet the shortfall to complete the project. The Department of Education and Early Childhood Development also confirmed a commitment to the stadium redevelopment through the revitalisation of the Colac Secondary College.

An additional opportunity presented itself with respect to the Warm Water Pool. Council was encouraged to apply to the Federal Government's Health and Hospitals Fund which it did so in 2011. Council's application requested [REDACTED] from the program however whilst the application was successful, it was for a reduced amount of [REDACTED].

Council officers again applied for additional funding from the State Government and were able to source funds for the Warm Water pool on the provision that water play elements were included and that Council contributed funds to the project.

Based on the funding received from Federal and State Governments, along with the community, the development of the project was progressed on a [REDACTED] budget with the following funding contributions:

| Source | Amount |
|--------------------------------------------------------|------------|
| Federal Government – 2010 election commitment | [REDACTED] |
| Federal Government– Health & Hospitals Fund | [REDACTED] |
| State Government– SRV & RDV (three different programs) | [REDACTED] |
| State Government – DEECD | [REDACTED] |
| State Government – LGIP | [REDACTED] |
| Colac Basketball Association | [REDACTED] |
| Colac Warm Water Group | [REDACTED] |
| Council (Requested) | [REDACTED] |
| Total | [REDACTED] |

Expression of Interest (EOI) Process

The following provides the steps undertaken in the EOI process:

- Preparation of EOI Document – April 2013.
- Advertisement of EOI – 3 and 4 May 2013 (Colac Herald, Geelong Advertiser, The Age). Information also available via Tenderlink and the Council website.
- Closing date for EOI – 29 May 2013.
- EOI submissions were received from a total of 12 Building Contractors. All were received on time:

[REDACTED]

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A prerequisite to qualification for an invitation to tender was that the company be accredited through the Australian Government Building and Construction OHS Accreditation Scheme prior to awarding a contract.

[REDACTED] indicated that they did not hold the required accreditation. They further indicated that they did not expect to achieve accreditation prior to Council awarding the contract. Therefore the Evaluation Panel removed them from further consideration.

At the time of the EOI, [REDACTED] were also presently unaccredited but submitted EOIs with representations that they expected to achieve accreditation prior to the contract award. It was indicated to each of these companies that if accreditation was not achieved by a tenderer by the time of the award of contract their tender submission will be removed from further evaluation.

Council did not contact any companies and request that they submit an EOI.

- No Requests for Information were received during the EOI period.
- Meeting of evaluation panel to shortlist EOI registrants– 4 June 2013. Further information was requested in order to conduct a preliminary financial check of registrants.

EOI Evaluation Panel

The EOI Panel comprised the following members:

- [REDACTED], Manager Recreation, Arts & Culture;
- [REDACTED], Acting General Manager, Infrastructure & Services;
- [REDACTED], Bluewater Fitness Centre Manager;
- [REDACTED], Building Construction Coordinator;
- [REDACTED], Contracts Officer; and

All evaluation panel members signed the standard conflict of interest and confidentiality forms developed for the process of evaluating the EOIs and tenders (and EOIs).

- The EOI submissions were shortlisted to 6 preferred Contractors. The EOI submissions were evaluated and scored using the following selection criteria:

| Criteria | Weighting |
|---------------------------------------------------------------------|-----------|
| Relevant Experience and Experience of Key Contractors and Personnel | 20% |

IN COMMITTEE COUNCIL MEETING

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| | |
|---------------------------------------------------------------------------------------------|-----|
| Track Record and Proven Performance including Project Quality, Duration and Build to Budget | 30% |
| Financial Capacity | 30% |
| Evidence of Completing Previous Projects of a Similar Nature | 20% |

The Evaluation Panel developed a shortlist comprising the following six (6) companies:



No discussion was held with any companies. The evaluation panel shortlisted based solely on the content of their EOI submissions and additional information which was obtained during the evaluation process.

All EOIs were evaluated against the specified criteria which sought to ensure that Contractors had demonstrated relevant experience and capacity to undertake a project of this type, size, and complexity.

Probity Plan

As part of the Probity Plan and in line with Council's Procurement Policy a Probity Auditor was appointed. [REDACTED] was appointed as the Probity Auditor for Contract 1322 – Bluewater Fitness Centre Redevelopment.

A meeting was held on 12 June 2013 with [REDACTED] to brief them on the EOI process. The Probity Auditor was given an overview on the EOI process and was supplied with supporting documentation including public advertisements, EOI documents, EOI submissions and the Evaluation Panel Report.

The Probity Auditor issued the following statement 14 June 2013 with respect to the EOI process undertaken by Council:

"I have completed a review of the probity associated with the initial stages of the proposed redevelopment of the Bluewater Fitness Centre."

Purpose

The purpose of this review was to assess the probity of the processes undertaken from the commencement of the procurement process through to the development of a report to Council recommending a shortlist of applicants to be invited to tender.

Key Observations

From a review of Council documentation it was possible to conclude:

- The EOI documentation was clear, with evaluation criteria and weightings identified in advance.*
- The EOI was appropriately advertised.*

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- Applicants were evaluated in accordance with the documented evaluation criteria and weightings, and the report to Council (draft) reflects the outcome of the evaluation process.

Review Conclusion

No matter was noted that would indicate that the procurement process, to date, has not been conducted with an appropriate level of probity."

At the June 2013 Council meeting, Council considered a report on the Expression of Interest process for the Redevelopment of the Bluewater Fitness Centre.

Council resolved:

That Council nominates the following companies who submitted an Expression of Interest to be invited to tender on the proposed redevelopment project for Bluewater Fitness Centre:



- Notification to successful (and unsuccessful) registrants – 1 July 2013.
- Feedback was requested from some unsuccessful registrants as to reasons as to why they were not included on the panel of companies.

Tender Process

The following provides the steps undertaken in the Tender process:

- Development/refinement of tender document specification – July/August 2013.
- Request for Tender Document was issued to the 6 companies on 17 August 2013.



- Addendums were issued in response to request for information. A total of 7 addenda were issued to all tenderers to clarify the scope of works. Requests for Information (RFI) were received from the invited tenderers throughout the submission period. Tenderers were required to submit RFIs to Council's Contract Administration Officer. Responses to RFIs were similarly issued in writing via the Contract Administration Officer. Responses to RFIs were issued as addendums to all the invited tenderers – not just the tenderer that had submitted the RFI. This was to ensure that all invited tenderers had the same information.
- All tenderers were given the opportunity to inspect the existing facility to familiarise themselves with site specific conditions and the scope of works. Not all tenderers availed themselves of this opportunity.

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- The closing date for tenders – 30 September 2013. The original closing date for tenders as specified in the documentation was 25 September 2013. This was extended to 30 September 2013 via Addendum 5 at the request of tenderers. This was due to the late issuing of revised drawings. The extension in time was required so that tenderers could consider detail in their pricing.
- Submissions were received from all 6 companies invited to tender.

The following six tenders were received:

| Tenderer | Tendered Price (excluding Options) \$ | Option 1 Splash Pad \$ | Option 2 Joinery Fitout \$ | Option 3 Soft Landscaping \$ | Total \$ |
|------------|------------------------------------------|------------------------------|----------------------------------|------------------------------------|-------------|
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |
| [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] | [REDACTED] |

❖ Prices do not include GST

- Council's appointed Probity Auditor and Council officers were in attendance at the tender opening.
- The evaluation period was between 1 October 2013 and 14 October 2013.
- Initial assessment meeting – 1 October 2013.

Tender Evaluation Process

Tender Evaluation Panel

The Tender Evaluation Panel for Contract 1322 comprised the following members:

- [REDACTED], Manager Recreation, Arts & Culture;
- [REDACTED], Acting General Manager, Infrastructure & Services;
- [REDACTED], Bluewater Fitness Centre Manager;
- [REDACTED], Building Construction Coordinator;
- [REDACTED], Contracts Officer; and
- [REDACTED]

All evaluation panel members signed the standard conflict of interest and confidentiality forms developed for the process of evaluating tenders (and EOIs).

No officer (or Evaluation Panel Member) declared an interest under the *Local Government Act 1989* in the preparation of the report or in the evaluation of the tenders.

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Tenders were evaluated and a recommendation was made in accordance with Council's *Procurement Policy and Procedure*.

All tenders were evaluated and scored using the following selection criteria:

| <u>Criteria</u> | <u>Weighting</u> |
|-----------------------------------------------------------------------------------|------------------|
| Tendered price | 60 |
| Track record and proven performance of the contractor and subcontractors | 15 |
| Capacity and Resources | 10 |
| Tenderer's relevant experience and experience of key personnel and subcontractors | 10 |
| Local content | 5 |

Tenderers also had to satisfy Council that they were able to meet requirements for:

- Occupational health and safety;
- Financial viability; and
- Value for money.

The following provides an overview of the tender evaluation process:

- Request for further information issued to all tenderers seeking further information in relation to local content, proposed subcontractors, and project personnel – 1 October 2013.
- Second assessment meeting was held on 4 October 2013. Tenderers shortlisted to two companies [REDACTED].
- The Tender Evaluation Panel deemed the tender submissions by [REDACTED] to be non-conforming on the basis that they omitted certain prices from their submissions and tendered based on some products and materials that were not of an equivalent type and/or quality to products and materials specified within the tender documentation. These tenders were removed from further consideration by the Tender Evaluation Panel.
- Interviews with shortlisted tenderers and final assessment meeting – 8 October 2013. This involved the full Evaluation Panel.
- The "Bluewater Fitness Centre Contract" was listed on the Councillor Workshop agenda. At the time of the discussion four (4) councillors were in attendance along with the Executive Management Team who were aware of the cost implications.
- Probity auditor delivers probity audit report and financial capacity report for the preferred tenderer.

IN COMMITTEE COUNCIL MEETING

CORPORATE AND COMMUNITY SERVICES

- The Tender Evaluation Panel assessed the submission by [REDACTED] as being the lowest price conforming tender, the best value and scored highest overall when applying the selection criteria.
The Evaluation Panel recommended acceptance of the lowest priced tender of [REDACTED]
- Evaluation Panel report signed – 14 October 2013.
- Contract was awarded by Council at In Committee Meeting of 23 October 2013

“That Council:

1. ***Awards Contract 1322 for Bluewater Fitness Centre Redevelopment to [REDACTED] at the tender price of [REDACTED] (excluding GST).***
 2. ***Approves the inclusion of the northern splash pad option valued at [REDACTED] (excluding GST) in the contract.***
 3. ***Approves the inclusion of the joinery fitout option valued at [REDACTED] (excluding GST) in the contract.***
 4. ***Resolves that the Chief Executive Officer is authorised to disclose the successful tenderer to the Contract including their lump sum price but not any other information contained within the report and after all relevant parties have been notified.***
 5. ***Delegates to the Chief Executive Officer authority and to place under Council Seal the contract documents following award of Contract 1322.***
 6. ***Resolves to refer funding of up to [REDACTED] to its 2014/15 budget for the redevelopment of the Bluewater Fitness Centre.***
 7. ***Resolves to allocate its remaining funds from the Local Government Infrastructure Program totaling [REDACTED] to the budget for the redevelopment of the Bluewater Fitness Centre.***
 8. ***Resolves to commit [REDACTED] from the 2014/15 Building Renewal Programme to the budget for the redevelopment of the Bluewater Fitness Centre.”***
- Some unsuccessful contractors requested feedback regarding their proposals which were responded to by Council officers.
 - Appointment of [REDACTED] by letter of acceptance in accordance with Council resolution – 1 November 2013.
 - Discussion period for identifying cost savings – November/December 2013.
 - The contract was executed on 6 December 2013. The negotiated Contract price was [REDACTED] (ex GST) and followed initial cost savings that were identified in discussions between Council Officers [REDACTED] and our consultant architects.

IN COMMITTEE COUNCIL MEETING

CORPORATE AND COMMUNITY SERVICES

██████████ is a Colac based company that has successfully completed a number of projects for Council including Council Offices Redevelopment (2011), COPACC Civic Hall Theatre Alterations (2010,) and Colac Skate Park Extension (2010). Other recent projects undertaken by ██████████ include construction of the Colac Secondary College and Community Library & Learning Centre and construction of the Colac Trade Training Centre. The company has constructed a number of domestic pools and a holiday accommodation resort pool. The work of ██████████ in constructing the Barham River intake structure to service Apollo Bay (Barwon Water) demonstrates relevant experience in the area of pool constructions and associated hydraulics.

The subcontractors nominated by ██████████, especially for the pool construction element of the project, are reputable and are highly regarded within the industry.

The scope of works includes refurbishment of the existing building, extension of the indoor stadium to include an additional basketball court, and construction of a new warm water pool and associated infrastructure. There are three options for the works – (1) construction of a splash pad, (2) joinery fitout and (3) soft landscaping.

The contract is a lump sum contract that is not subject to rise and fall, with a provisional sum of ██████████ for blinding concrete and an ██████████ contingency sum. Council requested tenderers submit a proposed time frame for completing the works, but nominated a preferred construction period of 12 months.

Council Plan / Other Strategies / Policy

Good Governance

Means we care about and are responsive to the community, encourage democratic participation and involve people in decisions that affect them. We strive for excellence in financial management and council services, and always look for better ways to do things.

Our Goal:

Ensure transparency of governance practices, the capability of our organisation and effective resource management.

Issues / Options

Cost of the Project

As previously advised, the cost of delivering this important project is in excess of the available budget allocation. Throughout the design phase of the project, a number of Cost Plans were provided by Council's contracted Architects through their sub-consultant Quantity Surveyor. Cost Plan No. 4 stated an overall cost of ██████████ inclusive of consultants' fees, contingencies, landscaping, car parking, disbursements, etc. The Architect and Quantity Surveyor also expressed an opinion that considering the current economic climate and the downturn in the construction industry, Council could reasonably expect a very competitive price possibly lower than the Cost Plan. Based on this information, it was determined to go out to the market through a competitive tender process.

As a result of the tender process and discussions with the successful tenderer the project costs are detailed below.

The revised Project costings and funding are based on the contract price and the funding options as agreed to by Council on 23 October 2013.

Negotiations regarding cost savings continued with the successful tenderer before the contract was signed and will continue as the project progresses.

IN COMMITTEE COUNCIL MEETING CORPORATE AND COMMUNITY SERVICES

| Project Component | Cost (\$) |
|--------------------------------------------------------------------------|-----------|
| Construction (lump sum) | |
| Consultant fees, etc. | |
| Relocation of BWFC gym/dry programmes to Youth Club | |
| Project Management | |
| Equipment for redeveloped facility | |
| Cost savings from relocation – funded through 2013/14 operational budget | |
| Landscaping | |
| Total Project Costs | |

| Revised Funding Budget | Funding (\$) |
|------------------------------------|--------------|
| External funding | |
| Remaining LGIP funds | |
| 2014/15 Building Renewal Programme | |
| Funded by Council | |
| Total Funding | |

Council considered a number of options in addressing this funding shortfall. These were:

- Complete the full scope of works as specified with Council to provide the balance of funding
- Complete the project with cost savings to be found within the current scope
- Redesign the project to match probable available budget or
- Abandon the project.

1. Complete Project with Cost Savings within Scope

The tender had three options which were separable portions. These are the northern splash pad, joinery, and landscaping.

Council resolved to complete the project including the northern splash pad and joinery options. Landscaping will be completed using an alternative delivery method to realise further cost savings.

2. Project Redesign to Match Available Budget

It was indicated previously to Council that an option was to revisit the current scope and redesign some elements to match the available budget.

It was noted that a redesign would have resulted in additional consultant costs, a delay in delivery timelines and ultimately a significant impact on the community.

In this scenario the scope would have needed to be scaled back to fit within a budget of [REDACTED]. Given the likely escalations in construction costs between October 2013 and when the project was ready to be started, the risk of a potential budget overrun still exists.

It was considered necessary to award the contract and proceed with the redevelopment of the Bluewater Fitness Centre in a timely manner to uphold Council's commitment to upgrade the facility.

Probity Plan – Bluewater Fitness Centre Redevelopment (Revised)

As part of the consideration of the tender process a Probity Plan was developed.

IN COMMITTEE COUNCIL MEETING

CORPORATE AND COMMUNITY SERVICES

Objectives

To uphold Council's commitment to exercising proper processes in the procurement of goods and services by appointing an external auditor to oversee the expression of interest and tender process. This is in accordance with Council's Procurement Policy for projects in excess of [REDACTED]

Statement of the proposed application of probity principles

Persons nominated to form part of the evaluation panel for the EOI and tender shall declare that they are not compromised by an actual or potential conflict of interest in their role as an evaluation panel member. At any time that a panel member becomes aware of a conflict of interest they shall remove themselves from the evaluation panel. This process shall be applied by evaluation panel member signing Council "Declaration of Conflict of Interest and Confidentiality" form.

Expressions of interest and tender submissions shall each be measured against the same evaluation criteria, which shall be pre-disclosed in the EOI document and tender document respectively.

Evaluation panel members shall consider submissions with complete impartiality and proper reasoning with reference to the evaluation criteria.

Evaluation panel members shall maintain confidentiality regarding all information offered in EOI and tender submissions, as well as any other information acquired in the process of evaluating submissions.

The evaluation process for expressions of interest and tender shall follow Council's procurement procedure. The method in following Council's procurement procedure shall be evidence in the record keeping maintained by the Contracts Officer.

Roles and responsibilities of each participant in the evaluation process and probity auditing

Each member of the evaluation panel shall give appropriate consideration to all submissions and offer their skills and expertise to allow and complete and thorough evaluation process.

Evaluation panel members shall each take responsibility in the collective decision making of the panel.

The evaluation panel shall fully involve the probity auditor in all elements of the EOI and tender process and draw on his advice and expertise to maintain the integrity of the process.

The probity auditor shall fully apply his knowledge and expertise and make all proper enquiries of the evaluation panel to ensure that the appropriate probity is being applied in the EOI and tender process.

Specification of what probity auditing will occur

The probity auditor will report on the EOI process conducted by the Evaluation Panel and monitor review and report on the tender process undertaken.

Probity tasks, documents and timelines

| | |
|-------------|----------------------------------------------------------------|
| 3 May 2013 | EOI Released |
| 29 May 2013 | EOI Closed |
| 4 June 2013 | EOI Shortlisting by Evaluation Panel and Recommendation Report |

IN COMMITTEE COUNCIL MEETING

CORPORATE AND COMMUNITY SERVICES

created for Council

- 11 June 2013 Meeting with Probity Auditor ([REDACTED])
Probity Auditor to review EOI process
Documents considered – Request for Expressions of Interest
Document, Public Notice/Advertisement, EOI Submission, EOI
Evaluation Report
- August 2013 Final draft of Request for Tender document.
Probity Auditor to review prior to release.
- Sep/Oct 2013 Tender Review.
Probity Auditor to oversee, including attendance at evaluation
meetings.
Probity Auditor to report on tender process to Council.

Measures for ensuring confidentiality and security

EOI and tender submissions – hard copy submissions to be held in filing cabinet
- electronic submissions and other tendered information to be
held in TRIM with permissions granted to evaluation panel
members

Confidentiality forms to be executed by each member of the evaluation panel.

Communication protocol with bidders

Tenderers shall be directed to submit and enquiries in writing, directed to the Contracts Officer. If the Contracts Officer, in collaboration with the Superintendent's Representative determine that a response to the enquiry requires the provision of additional information an addendum to the tender shall be issued to all tenderers.

The evaluation panel may seek direction from the Probity Auditor in communicating with tenderers in the post-tender pre-award stage to ensure that all tenderers are treated equally.

Record keeping requirements

The Contracts Officer shall ensure that record keeping requirements dictated in Council's Procurement Policy and Procurement Procedure is followed by the Evaluation Panel.

Hard copy and electronic copies of documents detailing the tender process, including the tender document, correspondence with tenderers, meeting notes, evaluation report, shall be maintained in the physical contract tender file and in TRIM.

As part of the Probity Plan and in line with Council's Procurement Policy a Probity Auditor was appointed. [REDACTED] from [REDACTED] was appointed as the Probity Auditor for Contract 1322 – Bluewater Fitness Centre Redevelopment.

The following information was provided to Council as an attachment to the 23 October 2013 Council report.

"Probity Audit Scope

In accordance with our engagement letter, we have been contracted by the Colac Otway Shire (Colac) to conduct an independent probity audit of the tender process for the awarding of the contract for the redevelopment of the Blue Water Fitness Centre.

IN COMMITTEE COUNCIL MEETING

CORPORATE AND COMMUNITY SERVICES

We have completed a continuous probity audit of activities on the tender process. This is the first and final report on the probity and covers the period from the release of tender documentation through to the preparation and finalisation of the evaluation panel's report to Council.

The scope of the probity audit as set out in the engagement letter is to:

- Ensure conformity to process;*
- Provide accountability;*
- Ensure that the interests of tenderers are protected by an equitable process;*
- Ensure that all bids will be assessed against the same criteria;*
- Preserve the public and tenderer confidence in the process; and*
- Improve defensibility of decisions to potential legal challenge.*

The probity audit considered and assessed probity principles by applying discussion, observation and review techniques during the period from the time of appointment to the date of issuing this report. The probity audit has been completed based on the probity process as outlined in:

- Victorian Government Procurement Group, Conduct of Commercial Engagements in Government, June 2006 (the VGPC Guidelines)*

Auditor Responsibility

Our responsibility is to express an opinion on the probity process relating to the tender process culminating in the submission to Council of the evaluation panel's report. We have conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether there has been material deviation from the matters subject to the probity audit.

An audit involves performing procedures to obtain audit evidence to support the opinion formed. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material deviation from the matters subject to the probity audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Facts and Findings

In accordance with probity requirements, we undertook the following processes to gain assurance with regards to the probity of the tender process for the Bluewater Fitness Centre Redevelopment:

- Reviewed all tender documentation.*
- Attended Council and met with key Council officers to understand the proposed process.*
- Reviewed correspondence between tenderers and Council during the period between the call for tenders and the close of tenders.*
- Attended Council to witness the closing of tenders and subsequent opening of the tender box and recording of tenders received.*
- Reviewed the evaluation process, including the rating of tenders in line with the stated criteria.*
- Reviewed the minutes of the shortlist interviews.*
- Reviewed the panel evaluation report.*

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As part of the probity process it was observed that the evaluation panel operated in an effective manner and managed the challenges arising from the evaluation of a multi-faceted contract appropriately.

Audit Opinion

Based on our probity audit, nothing has come to our attention that causes us to believe that the probity of all processes associated with, and leading to the preparation of the Evaluation Panel Report for Contract 1322 – Bluewater Fitness Centre did not meet appropriate standards of probity."

Justification for Final Contract Price

As part of the information provided to Council with respect to the financial details, it also included details that had been provided by the Quantity Surveyor (QS).

Below is an overview of the QS discrepancies for the BWFC Redevelopment.

| Item | Cost difference | Explanation |
|----------------------------------------|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Pool | ██████ | Tender price received for the pool component was in excess of the consultant's estimates. This may be due to: <ul style="list-style-type: none"> • The impact of regional location; • Market activity higher than anticipated; and • Risk of modifying an aged existing facility. |
| Mechanical | ██████ | The tender price received for ductwork as specified in the documents was in excess of the consultant's estimates. Pricing for mechanical controls also came in higher than expected, approximately 15% of the total mechanical services cost. Industry standards generally put this around 7% to 10%. |
| Building works | ██████ | Cost differences and inclusion of additional works included in revised tender documents post preparation of the final cost plan. |
| Hydraulics | ██████ | Possible inconsistencies between structure of tender price submission and QS cost plan. |
| Electrical | ██████ | Possible inconsistencies between structure of tender price submission and QS cost plan. |
| Tender options 1 – Northern Splash Pad | ██████ ██████ | Option provides a glazed enclosure additional to the existing building footprint. This was not included in the original cost plan but is considered a priority to providing a modern facility without compromising the |

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| Item | Cost difference | Explanation |
|-------------------------------|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | use of the pool concourse. |
| Tender option 2 – Joinery | ██████ | Costed at ██████ in original cost plan. |
| Tender option 3 – Landscaping | ██████ | Costed at ██████ in original cost plan. |
| Contingency | ██████ | This was increased based on the project being works to an existing aging facility. Also concerns with what may be uncovered when undertaking works to a 20 year old pool. |
| Blinding concrete | ██████ | Included by Council in tender documents. |

The main aim of engaging a Quantity Surveyor (QS) on any project is to achieve best value outcomes as well as to reduce the risk of any adverse situation occurring.

A Quantity Surveyor was involved through the full design development phase for the Bluewater Fitness Centre Redevelopment project from concept design, providing initial cost estimates, to final design which included a pre-tender cost plan.

The estimates received from the QS have guided the development of this project from the very beginning and have informed the decisions which have ultimately lead to the final project design.

The QS uses established market rates in order to value the cost estimates and in this case was also reliant on being provided cost information by other consultants involved in the design of this project. This particularly related to the pool and mechanical service elements. In these areas alone, there is an approximate differential of ██████ between the estimates provided by the consultants and ██████ tender price.

The accepted tender price received for the pool component of this project was in excess of the estimates provided by the design consultants by approximately ██████. This may be due to a number of factors, including:

- Higher prices for pool construction in a regional area relative to a metropolitan centre.
- Market activity higher than anticipated. Market sentiment was that there was continued subdued building activity at the time of tender and that competitive prices could have been expected.
- Risks associated with modifying an existing facility. Given the nature of the proposed pool works and the age of the current pool and its associated pipework, etc., unexpected latent conditions create possible elevated levels of risk which may be considered in overall pricing of works.

With respect to mechanical services, the tender price received for ductwork as specified in the documents was in excess of the consultant's estimates. Pricing for mechanical controls also came in higher than expected, approximately 15% of the total mechanical services cost. Industry standards generally put this around 7% to 10%.

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A fully addressable Building Management System (BMS) was specified in the design documents. This enables full monitoring and control functionality which means that individual air conditioning units can be interfaced, controlled, and monitored at a central hub. This is a sophisticated control system which comes at a substantial cost.

Post tender investigations suggest that there is an opportunity to simplify or reduce the extent of the BMS control system or reduce the functionality of the system at the central computer. It is considered that these measures will not greatly impede system performance but could result in cost savings to the overall project. This proposal continues to be investigated.

A number of elements were not included in the final cost plan which appeared in the final tender documents. This included the northern splash pad option [REDACTED] an increase in contingency [REDACTED] and an additional contingency for blinding concrete [REDACTED]

Additional building works were included in the final stages of design which were not considered in the pre tender cost plan. The major items included in this extra scope were reglazing and the provision of new sliding doors to the Northern elevation of the pool hall and recladding of the existing walls of the Program Room to provide for insulation. These refurbishment items were deemed necessary in order to maximise the thermal efficiency of the building fabric to reduce long term operational costs.

Improving the facility's building fabric will result in:

- Reduced energy costs as a result of minimising the loss of treated (heated or cooled) air;
- Better temperature control through lower ventilation and air conditioning costs and prevention of overheating;
- A more comfortable building environment through reducing draughts, solar glare, overheating and noise; and
- Lower future capital expenditure requirements as a more efficient, well-insulated building needs smaller heating and cooling systems.

During the design phase Council had applied for [REDACTED] of funding through the Community Energy Efficiency Program (CEEP). This program was aimed at providing funding to local governing bodies to implement projects that deliver a range of energy efficiency measures in council and community owned buildings, facilities and sites.

The funding decision deadline aligned with the programmed completion of the tender documentation meaning that either documenting the inclusion of Ecologically Sustainable Development (ESD) items included in the CEEP funding application with the risk the funding would not be available, or documenting without the ESD elements and when successful causing a design change to update the documentation to include items in the future. The Project Control Group (PCG) instructed the design team to document the building with the additional scope identified for the CEEP funding.

The CEEP funding application was unsuccessful and at the time a number of options were presented for scope reduction which was considered by the PCG prior to tendering. As the construction market at the time was seen as extremely competitive, The PCG decided to proceed as documented and decline the scope reductions. The identified list of scope reductions could instead be used as items that could be negotiated with the preferred contractor. The total value of the ESD items identified in the cost plan was [REDACTED] and includes components such as; solar hot water generation; stormwater collection, treatment and storage for reuse; mechanical services, LED lighting upgrades; and insulation and building fabric upgrades. Inclusion of these elements demonstrates Council's commitment to

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both reducing the impact of its services on the environment and achieving its carbon neutrality goals. Energy saving initiatives combined with an improved building fabric will also assist in reducing operational costs in the future.

The inclusion of the northern splash pad which incorporates a variety of water play elements is tied to further State Government funding and must proceed. The option provided for in the tender documents involves an enclosure external to the existing building footprint being constructed to accommodate the proposed splash pad. It is considered that this is the best outcome as having the splash pad external to the existing pool concourse will not compromise the amount of floor space available in the future.

The contingency sums have been increased or included on the basis that, while every attempt has been made to accurately document the works, there will invariably be latent conditions uncovered given the age of the existing structures and the type of work that is being undertaken.

While the best available information is used in preparing construction estimates, the role of a cost plan is to provide guidance only and ultimately the market will dictate final tender prices. Advice from the QS was that at the time of going to tender the building and construction industry was soft and Council should expect highly competitive prices. Council officers were guided by this advice and went to tender based on the full scope of works that had been specified. The tender pricing was highly competitive with approximately [REDACTED] separating the two (2) lowest priced conforming tenders.

Proposal

That Council notes the process that has been undertaken in awarding Contract 1322 for the Redevelopment of Bluewater Fitness Centre.

Financial and Other Resource Implications

Council has previously been provided with extensive details on the financial implications. This was provided to Councillors as an addition to the Council report in October 2013.

As previously noted to Council the report which was presented to Council at the meeting of 23 October 2013 provided a number of options in relation to funding the budget shortfall. The recommendation was that funding be referred to the 2014/15 budget process which would include a more thorough analysis of how this was to be financed including the implications thereof.

As a result of questions asked by Councillors extensive financial information and legal advice was provided to Council.

The revised Project costings and funding are based on the contract price and the funding options as agreed to by Council on 23 October 2013.

Negotiations regarding cost savings continued with the successful tenderer before the contract was signed and will continue as the project progresses.

| Project Component | Cost (\$) |
|--------------------------------------------------------------------------|------------|
| Construction (lump sum) | [REDACTED] |
| Consultant fees, etc. | [REDACTED] |
| Relocation of BWFC gym/dry programmes to Youth Club | [REDACTED] |
| Project Management | [REDACTED] |
| Equipment for redeveloped facility | [REDACTED] |
| Cost savings from relocation – funded through 2013/14 operational budget | [REDACTED] |

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| | | |
|----------------------------|--|--|
| Landscaping | | |
| Total Project Costs | | |

| Revised Funding Budget | Funding (\$) |
|------------------------------------|---------------------|
| External funding | |
| Remaining LGIP funds | |
| 2014/15 Building Renewal Programme | |
| Funded by Council | |
| Total Funding | |

Risk Management & Compliance Issues

The preferred tenderer, [REDACTED], has a good track record of management of risks and completion of contracts to specification and on time. Council should be confident that contracting with [REDACTED] will minimise exposure to occupational health and safety issues and non-compliance with the contract.

[REDACTED] is registered under the Australian Government Building and Construction OHS Accreditation Scheme which is a specific requirement of this tender. The tender process, including evaluation, has been monitored by a probity auditor to ensure that the entire process is transparent and has followed due process. Council's probity auditor noted that all processes associated with, and leading to the preparation of the Evaluation Panel Report meet appropriate standards of probity.

Environmental and Climate Change Considerations

The Tender Evaluation Panel assessed that [REDACTED] has adequate systems in place to deliver and implement an effective environmental plan. This plan has been approved by Council's Superintendent. Council's history of engaging [REDACTED] lends support to its ability to deliver projects with proper consideration to the environment.

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.

Notification was provided to [REDACTED] advising them of Council's acceptance of their tender.

Implementation

The Contract has been awarded and works have commenced on site with the project scheduled to be completed within 12 months from commencement.

Conclusion

Redevelopment of the Bluewater Fitness Centre is a significant project for Council which, once complete, will provide quality sport and leisure opportunities for the community for generations to come. Through the ongoing efforts of Councillors and officers, Council has been very fortunate in being able to attract significant financial assistance for this project from both Federal and State Governments. In order to provide a quality facility which will be a focus for sport and active recreation within the shire, Council will be required to complement the funds that it has received with its own cash contribution.

Council has complied with the Procurement Plan and Probity Plan.

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Attachments

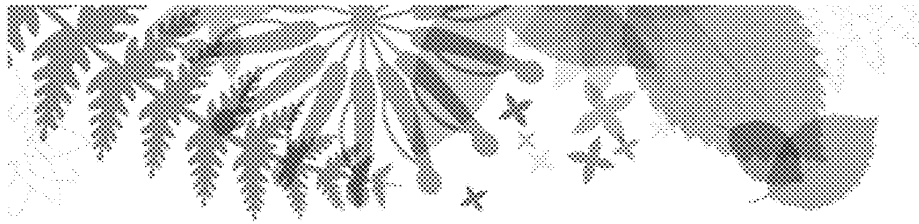
Nil

Recommendation(s)

That Council notes the report on the Redevelopment of the Bluewater Fitness Centre.

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# Small Town Improvement Program - GUIDELINES

## Objective

The Small Town Improvement Program (STIP) aims to assist in improving infrastructure on public land in the small towns of the Colac Otway Shire. Small towns are defined as any town other than Colac.

Council currently allocates \$80,000 per year towards this Program.

Proposals for projects are sought annually from Small Town Community Groups/ Associations/ Organisations/ community representatives to assist in implementing this program. This program does not allocate funding directly to community groups. The successful projects will be managed by Council.

## Groups eligible to apply for consideration of allocation of this fund

Groups eligible to apply for consideration of allocation of this fund are Action Groups, Advancement Associations, Community Groups/ ~~or~~ Progress Associations<sup>1</sup> or community groups/representatives (who can demonstrate a high level of community support) within the small towns of the Colac Otway Shire. These groups are community based, not for profit organisations who wish to assist Council in implementing capital works infrastructure projects. These projects must be identified in a strategic document, eg: Township Master Plan / Infrastructure Plan, a structure plan or neighbourhood character study or equivalent demonstrated high level of community support and be considered a priority to the community.

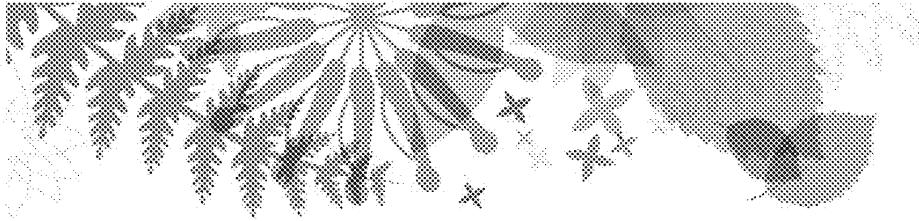
## Criteria of what will be considered for allocation

Capital works projects **must** result from the recommendations of a **Small Town Master Plan / Infrastructure Plan** or similar strategic document, such as a **Structure Plan** or **Neighbourhood Character Study** or have equivalent community support. Council recognises that the development of these plans has involved the broader community and has prioritised capital works projects according to community preference. However, in determining allocations of the Small Town Improvement Program the following factors will also be taken into account:

- That the proposed project has broad community support
- The community benefits (short and long term) provided by the project
- Whether the proposed project provides new or increased opportunities for residents of the Colac Otway community
- The amount of funding the town has received in the past from Local, State & Federal Governments
- Whether the proposed project has the ability to attract additional external funding
- The track record of the group in the past in assisting and supporting community infrastructure projects and planning
- The provision of sufficient documentation on the proposal including letters of support and the proposal is included in the relevant strategic document(s)
- Whether the proposed project is able to be completed for the amount requested to be allocated and
- The priority rating for funding compared to other suitable applications

1. Barwon Downs Community Group, Beeac District Progress Association, Beech Forest and District Progress Association, Birregurra Community Group, Carlsle River Community Group, Cressy and District Action Group, Forest and District Community Group, Gellibrand/ Kewarra Progress Association, Kennett River Association Inc., Lavers Hill Progress Association, Skene Creek Advancement Association Inc., Swan Marsh Community & Neighbourhood Association, Wye River & Separation Creek Progress Association, Flaxton Progress Association, Apollo Bay Chamber of Commerce & Tourism





**Criteria for what will not be considered for allocation -**

- Requests for project proposals which do not fit within the recommendations of the relevant Strategic Document/s
- Requests for project proposals for general ongoing administration and project management costs
- Project proposals which are on privately owned land
- Project proposals which have already received funding under the Council's Community Funding Program
- Incomplete applications will not be considered.

**Amounts**

Once approved, funding allocations will not be paid to the applicant as the project will be allocated in Council's budget. The project will be managed by Council.

Project Proposals up to \$25,000 (Council contribution) will be considered and preference will be given to projects where a contribution is available from the community.

If more than \$25,000 is required from Council to complete the project, a letter should be written to the Chief Executive Officer requesting special consideration.

**How to Apply**

Community Groups are welcome to submit proposals for more than one (1) project for consideration, however only one (1) proposal from each township may be funded. Unfunded proposals are eligible to be resubmitted the following year by the Community group. Further information may be requested if the project is funded.

**Applicants should note that the submission of an application does not guarantee funding of the proposal.**


Project proposals may be submitted on the Application form and emailed to [ing@colacotway.vic.gov.au](mailto:ing@colacotway.vic.gov.au) or  
Hard copy applications should be sent to:

**STIP Applications  
Economic Development Unit  
Colac Otway Shire  
PO Box 283  
COLAC VIC 3250**

Application forms are available on Colac Otway Shire's website [www.colacotway.vic.gov.au](http://www.colacotway.vic.gov.au) – from the masthead select 'Forms', Small Towns Improvement Program Application and Guidelines.

**Applications close on the last Friday in March annually.**

For further information regarding the Small Town Improvement Program or assistance completing this form, please contact Katrina Kehoe, Economic Development Officer on 5232 9444.

|                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |
|--------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|
|  <p><b>Agenda</b></p> | <h1>Councillor Workshop</h1> <p><b>Wednesday, 19 February 2014</b><br/><b>COPACC Meeting Room</b><br/><b>2.00 pm to 4.50 pm</b></p>                                                                                                                                                                                                                                                   |                                                              |
|                                                                                                        | <p><b>ATTENDEES:</b><br/>Cr Lyn Russell (Mayor), Cr Stephen Hart, Cr Frank Buchanan, Cr Michael Delahunty (until 4.00pm), Cr Brian Crook</p> <p>Rob Small (CEO)</p> <p><b>Part – 2.00pm to 3.00pm</b><br/>Colin Hayman, Jack Green, Phil Corluka, Carmen Lawrence, Brett Exelby, David Testa</p> <p>Margaret Giudice – 2.00pm to 2.15pm</p> <p><b>Apology:</b> Cr Terry Woodcroft</p> |                                                              |
|                                                                                                        | <h2>Agenda Topics</h2>                                                                                                                                                                                                                                                                                                                                                                |                                                              |
| 2.00 pm                                                                                                | Declaration of Interest                                                                                                                                                                                                                                                                                                                                                               | Nil                                                          |
| 2.00 pm – 3.00 pm                                                                                      | Budget & Council Plan Update (Incl Service Level Reviews)                                                                                                                                                                                                                                                                                                                             | Brett Exelby, Carmen Lawrence, David Testa, Margaret Giudice |
| 3.00pm – 4.50 pm                                                                                       | CEO Half Yearly Performance Review                                                                                                                                                                                                                                                                                                                                                    | Rob Small                                                    |

## Councillor Briefing Session

Wednesday, 26 February 2014

### Venue – COPACC Meeting Rooms, Colac

**Present:** Cr. Lyn Russell (Mayor)  
Cr. Frank Buchanan  
Cr. Brian Crook  
Cr. Stephen Hart  
Cr. Michael Delahunty  
Cr. Terry Woodcroft (from 3.08pm)

Jack Green, Acting Chief Executive Officer  
Colin Hayman, General Manager, Corporate & Community Services  
Jack Green, General Manager, Sustainable Planning & Development  
Phil Corluka, General Manager, Infrastructure & Services  
Doug McNeill, Manager Planning & Building  
Rhonda Deigan, Executive Officer

**Part:** Tony White, Manager, Economic Development

**Apologies:** Cr Woodcroft – until 3.08pm

#### **Conflict of Interest:**

|                       |                                                                                                                                                      |
|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| Cr Hart:              | OM142602-17 Planning Scheme Amendment C70 Response to Submissions                                                                                    |
| Nature of Disclosure: | Direct                                                                                                                                               |
| Nature of Interest:   | The proposed amendment will almost entirely cover land I own with overlays. Subsequent to this proposal, I lodged a submission to the C70 amendment. |

|                       |                                                                                                                                                                                                                                      |
|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Cr Hart:              | OM142602-20 Colac Otway Bushfire Planning Project – Draft Report for Consultation                                                                                                                                                    |
| Nature of Disclosure: | Direct                                                                                                                                                                                                                               |
| Nature of Interest:   | Owns a property in Lavers Hill and a property near Lavers Hill which are covered in this report. The property near Lavers Hill is one of a group of properties that may have been re-zoned to “Rural Living” subject to this report. |

|                       |                                                                   |
|-----------------------|-------------------------------------------------------------------|
| Cr Woodcroft:         | OM142602-17 Planning Scheme Amendment C70 Response to Submissions |
| Nature of Disclosure: | Direct                                                            |
| Nature of Interest:   | Occupy and own land directly affected by C70                      |

|                              |                                                                                                                                                                                                                |
|------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>2.00 pm</b>               | <b>Committee for Geelong – Dan Simmonds, Chair</b>                                                                                                                                                             |
| <b>2.40 pm</b>               | <b>GSC Strategic Planning session</b>                                                                                                                                                                          |
| <b>2.45 pm to<br/>4.45pm</b> | <b>Councillor Briefing Session</b><br>OM142602-17 Planning Scheme Amendment C70 Response to Submissions –<br>Crs Hart & Woodcroft left the meeting between 3.16pm and 3.30pm due to a<br>conflict of interest. |

|                                                                                                    |                                                                                                                                                                                                                                                                                                                       |
|----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <br><b>Agenda</b> | <h1>Councillor Briefing</h1> <p>Friday 28 February 2014<br/>CEO's Office<br/>4.00 pm to 4.40 pm</p>                                                                                                                                                                                                                   |
|                                                                                                    | <p><b>ATTENDEES:</b><br/>Cr Lyn Russell (Mayor), Cr Stephen Hart, Cr Frank Buchanan, Cr Terry Woodcroft, Cr Michael Delahunty, Cr Brian Crook</p> <p>Rob Small (CEO)<br/>Colin Hayman (GM, Corporate &amp; Community Services)</p> <p><b>Apology:</b><br/>Carmen Lawrence, Organisational Support and Development</p> |
|                                                                                                    | <h2>Agenda Topics</h2>                                                                                                                                                                                                                                                                                                |
| 4.00 pm                                                                                            | Declaration of Interest                                                                                                                                                                                                                                                                                               |
| 4.00 pm – 4.40 pm                                                                                  | CEO Recruitment Process                                                                                                                                                                                                                                                                                               |

**Confidentiality Statement:**

The discussion on the CEO Employment Process is deemed confidential under section 89(2) (a) (d) and (h) of the Local Government Act 1989 as the report refers to personnel matters, contractual matters: and any other matter which would prejudice the Council or any person.

Rob Small

Chief Executive Officer

|                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                             |
|--------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
|  <p><b>Agenda</b></p> | <h1>Councillor Workshop</h1> <p><b>Wednesday, 12 March 2014</b><br/><b>COPACC Meeting Room</b><br/><b>9.00 am to 4.00 pm</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                             |
|                                                                                                        | <p><b>ATTENDEES:</b><br/>Cr Lyn Russell (Mayor), Cr Stephen Hart (absent 11:15am – 1:00pm), Cr Frank Buchanan, Cr Terry Woodcroft (arrived 10:30 am – left 2:40 pm), Cr Brian Crook</p> <p>Rob Small (CEO)<br/>Colin Hayman (GM, Corporate &amp; Community Services)<br/>Doug McNeill (Acting GM, Sustainable Planning &amp; Development)<br/>Phil Corluka (GM, Infrastructure &amp; Services)</p> <p><b>Part:</b> John Lloyd, Stewart Anderson, Roslyn Cousins, Sally Wade, David Testa, Paul Carmichael, Don Lewis, Managers</p> <p><b>Apologies:</b> Cr Michael Delahunty<br/>Jack Green (GM, Sustainable Planning &amp; Development)</p> |                             |
|                                                                                                        | <h2>Agenda Topics</h2>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                             |
| 9.00 am                                                                                                | Declaration of Interest                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                             |
| 9.00 am – 10.00 am                                                                                     | Red Tape Commissioner                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | John Lloyd                  |
| 10.00 am – 10.40 am                                                                                    | CRLC Budget                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Roslyn Cousins & Sally Wade |
| 10.40 pm – 11:05 pm                                                                                    | Metered Parking                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Stewart Anderson            |
| 11.05 am – 11.30 am                                                                                    | Planning Scheme Review                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Doug McNeill & Don Lewis    |
| 11.30 am – 11.50 pm                                                                                    | Review Rates Submissions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Paul Carmichael             |
| 11.50 pm – 12.00 pm                                                                                    | Building Enforcement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Doug McNeill                |
| 12.00 pm – 1.00 pm                                                                                     | Lunch<br>Mayor, CEO & GM SP&D – lunch with RDA BSW Committee (COPACC)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                             |
| 1.00 pm – 4.10 pm                                                                                      | Budget Presentation – Business Cases                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Executive/Managers          |



## Joint Committee

13 November 2013 Minutes



Colac Community Library  
and Learning Centre

1. **Welcome.** Helen Paatsch agreed to chair the meeting, and welcomed all.
2. **Present:** Helen Paatsch, Stephen Hart, Colin Hayman, Jackie Dullard, Simon Dewar, Russell Adams and Roslyn Cousins
3. **Apologies** Nil

| Agenda Item                                           | Discussion                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Action          |
|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| <b>4. Minutes</b><br>14 August 2013                   | Minutes were accepted.<br><i>Moved by Stephen Hart and seconded by Roslyn Cousins</i>                                                                                                                                                                                                                                                                                                                                                                                              | Carried         |
| <b>5. Business arising</b>                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 |
| 5.1 Transport Connections Funding for improved access | The plans have been modified due to the gradient of the path. The seat has been installed, line marking and signage yet to be undertaken.                                                                                                                                                                                                                                                                                                                                          | Colin Hayman    |
| 5.2 Meeting Room Fees                                 | Correspondence has been received confirming that 50% of meeting room income will be available for the Joint Committee.                                                                                                                                                                                                                                                                                                                                                             |                 |
| 5.3 Pull down screen                                  | Installed and in use.                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                 |
| 5.4 SW Community Colac Subfund                        | The application for funds to purchase of two wheelchairs has been successful. The committee requested a letter of thanks be sent to the SW Community Colac Subfund.<br><i>Moved by Stephen Hart, seconded Jackie Dullard.</i>                                                                                                                                                                                                                                                      | Roslyn          |
| 5.5 Equipment                                         | Pending. A list to be created and then prioritised                                                                                                                                                                                                                                                                                                                                                                                                                                 | Roslyn          |
| 5.6 Recruitment                                       | Helen reiterated a welcome to the newly appointed community representative, Russell Adams.<br>Helen Paatsch submitted her resignation from the Committee. Helen's valuable contribution since the establishment of the Joint Committee was noted, and a presentation of a token of the group's thanks was made.<br>Two community representative vacancies now exist and a process of recruitment will be initiated with advertisements, a press release and flyers in the library. | Roslyn          |
| <b>6. Correspondence</b>                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 |
| H. Paatsch                                            | The Joint Committee accepted Helen's resignation from the committee.<br><i>Moved by Colin Hayman, seconded Simon Dewar.</i>                                                                                                                                                                                                                                                                                                                                                        | Carried         |
| <b>7. General Business</b>                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                 |
| 7.1 Time of meetings                                  | Members agreed to retain the current meeting time.                                                                                                                                                                                                                                                                                                                                                                                                                                 |                 |
| 7.2 Gardens                                           | The school recently held a working bee for the gardens and the library is seeking volunteers to assist in the establishment and maintenance of a garden in the Children's area. Simon suggested that the library staff meeting with the VCAL coordinator to investigate student participation.                                                                                                                                                                                     | Roslyn          |
| 7.3 Glare off the Concrete                            | Members noted that time had reduced the glare and that painting is cost prohibitive.<br>It was suggested that children's art with non slip paint may further reduce the glare.                                                                                                                                                                                                                                                                                                     |                 |
| <b>8. Next meeting</b>                                | Wednesday, 19 February, 5pm                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Roslyn - Agenda |
| Meeting closed:                                       | 6pm                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                 |





## Old Beechy Rail Trail Committee Meeting

MINUTES of the Old Beechy Rail Trail Committee  
held on Monday 2 December 2013  
at 10.00 am – 12.30 pm



| ITEMS & ACTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | RESPONSIBLE OFFICER | ACTION DUE DATE |
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| <p><b>1. ATTENDEES:</b><br/>Chris Smith (Chair), Christine Humphris, Noel Barry, Tony Grogan, Phil Dandy, Cyril Marriner, Nigel Jenkins, Craig Clifford, James Watson (COS), John Wilson (COS), Jodie Fincham (COS)<br/>Minutes: Lisa Loughnane (COS)</p> <p><b>2. APOLOGIES:</b><br/>Bernard Jordan</p> <p><b>3. CONFIRMATION OF MINUTES FROM PREVIOUS MEETING:</b><br/><br/>Minutes taken as read.<br/>Moved – Tony Grogan<br/>Sec – Noel Barry<br/>Carried</p> <p><b>James Watson, Assets COS Infrastructure Department</b><br/>There is a pipeline reserve in Elliminyt which has a connection with the Old Beechy Rail trail.</p> <p>A Land owner enquiry has been received regarding a property on Dowling Street, Colac (9 acres total) regarding possible purchase of Crown allotment 40a for water supply pipe track. Pipeline track near rear of owner's property (deviates across paddock).</p> <p>James Watson (COS Assets) attended the OBRT meeting to discuss routes or possible future options for the trail which could potentially go through the land owner's property.</p> <p>Consider trail to Harris Road down to Woodrowvale Road<br/>Make sound judgement about future land use.</p> <p>Chair – as property owner, the land owners may be reluctant to put trail through their property. There is potential to fence western boundary for trail access.</p> <p>Consider land exchange (4-5m strip) with land owner. Would need to negotiate with one land owner.</p> <p>Approach<br/>Land owner to determine section of private land for trail use (pipeline or boundary). Present options to land owner to</p> |                     |                 |

| ITEMS & ACTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | RESPONSIBLE OFFICER | ACTION DUE DATE |
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| <p>consider.</p> <p>Easement – Council could take ownership (Crown allotment). DEPI has easement over it.</p> <p>Discontinuation of road – peppercorn lease. Dowling Street could be re-opened.</p> <p>Development of Wyuna Estate is going to demand trail (long term vision). Scanlan's – donation of corridor of land to Council (flora and fauna). Scanlan's very supportive and share vision and future of OBRT. Scanlan's to be invited to next OBRT meeting (February 2014).</p> <p>James Watson to investigate legalities prior to approaching land owner. Get all facts before approaching land owner. OBRT Committee member to make general approach to land owner to discuss thoughts, potential for land bank (Chris Smith, Tong Grogan and James Watson to attend).</p> <p>Consensus amongst OBRT Committee to take this opportunity to discuss possibilities with the landowner regarding land, subject to factual evidence.</p> <p>Council could become involved at a late date, subject to land owner's ideas.</p> <p><b>MOTION</b><br/>Subject to clarification on committee role, Chris Smith, Tony Grogan and James Watson make an informal approach to gauge thoughts on potential of rail trail going through their property (future alignment of the trail)<br/>Moved: Tony Grogan<br/>Second: Noel Barry<br/>Carried</p> <p><b>MOTION</b><br/>Chair, Chris Smith to approach Brendan Scanlan to invite to next OBRT meeting (February 2014) to share his vision of OBRT through his property.<br/>Moved: Noel Barry<br/>Seconded: Tony Grogan</p> <p>Carried<br/>Phil Dandy requested that site maps be available for OBRT Committee for future reference.</p> <p>Walkway through Colac Secondary College – naming of walkway was proposed to be 'Beechy Way.'</p> <p>4. <b>BUSINESS ARISING:</b><br/>Lovat Shelter</p> |                     |                 |

| ITEMS & ACTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | RESPONSIBLE OFFICER | ACTION DUE DATE |
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| <p>- John Wilson advised that this structure requires a permit</p> <p>- Shelter may require additional support (along front)</p> <p>- Engineering student working at COS has prepared background information on the shelter which will assist a structural engineer by potentially reducing the amount of work required to assess the structure. This may result in a reduced fee</p> <p>- Minor modifications may be required – to be determined by engineer (for compliance)</p> <p>- John Wilson to source and provide cost for services of structural engineer</p> <p>- Additional bracing for signage yet to be installed. This will further strengthen structure.</p> <p>- Nigel Jenkins to investigate indicative cost for structural engineer and advise OBRT Committee</p> <p>- Cost for permit process? Next meeting to deliberate on proceedings</p> <p>- VicRoads approval may be required based on the location of the shelter.</p> <p>- OBRT to consider application through Council's Community - Funding Program rather than using 'Friends' cash funds for permit and structural engineer's fees. As a result the shelter process may be somewhat delayed.</p> <p><b>MOTION</b></p> <p>As a statement of principle for the future, costs/budget should not be borne by the 'Friends' of the Old Beechy Rail Trail. Consider Council grants, etc.</p> <p>Moved: Tony Grogan</p> <p>Second: Nigel Jenkins</p> <p>John Wilson to investigate slip wall</p> <ul style="list-style-type: none"> <li>- Design engineer</li> <li>- Road encroaching on trail</li> <li>- Future of repairs to be completed over 2 year period. Substantial costs involved</li> </ul> <p>Jodie Fincham advised that window/cleaning repairs at Gellibrand Information Centre have been completed.</p> <p><b>5. CORRESPONDENCE</b></p> <p><b>IN:</b></p> <ul style="list-style-type: none"> <li>• OBRT Newsletter – September 2013</li> <li>• Maps provided by Midway for proposed location of works/harvesting impacting trail</li> <li>• Dates for 2014 meeting <ul style="list-style-type: none"> <li>- 3 February 2014</li> <li>- 7 April 2014</li> <li>- 2 June 2014</li> <li>- 4 August 2014</li> <li>- 6 October 2014</li> <li>- 1 December 2014</li> </ul> </li> </ul> |                     |                 |

| ITEMS & ACTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | RESPONSIBLE OFFICER                                                         | ACTION DUE DATE |
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| <p>Moved: Tony Grogan<br/>Second: Noel Barry<br/>Carried.</p> <p><b>6. WORKS REPORT</b></p> <ul style="list-style-type: none"> <li>Dinmont – Ditchley <ul style="list-style-type: none"> <li>- Prices received.</li> <li>- Contract to be awarded mid December 2014.</li> <li>- Planning permit to be secured pre end Dec 2014</li> <li>- Construction – February/March 2014.</li> <li>- Opening March/April 2014</li> </ul> </li> <li>Beech Forest – Ferguson <ul style="list-style-type: none"> <li>- Tenders are in for this section. We are still awaiting outcome of a Planning permit being approved (i.e. vegetation removal). All Licence Agreements with land owners have now been returned.</li> </ul> </li> <li>Continue along trail to Philips Track (avoiding expensive items).</li> <li>May be cost restraints to continue trail through to Ferguson.</li> </ul> <p>John Wilson to keep Chair (Chris Smith) informed of progress over coming month before the next Committee meeting.</p> <ul style="list-style-type: none"> <li>Close to awarding contract for Mercy.</li> <li>All works to be completed by Autumn 2014.</li> <li>Emergency markers – determining specific locations for signs may be advantageous.</li> <li>Consider markers at end of trail – Barongarook end and Kwarren.</li> <li>Emergency markers would be justified at southern end of Gellibrand.</li> </ul> <p><b>7. GENERAL BUSINESS</b></p> <p><b>OBRT Friends Report</b></p> <ul style="list-style-type: none"> <li>Gellibrand Station Building has been cleaned and painted. Noel Barry acknowledged assistance from volunteers. Works completed for \$130 (materials) as part of donated funds.</li> <li>Bike stands installed (\$65 per stand – materials). Station names included on signs (km to destination and distance between stations). Traditional black and white lettering. Further signs to be installed over a period of time (where seats are currently located).</li> <li>Noel to provide map with location of proposed signs. John Wilson to arrange Dial Before You Dig. Great reference tool for all OBRT users. Chris Smith indicated that he would be happy to sponsor a bike rack.</li> </ul> | <p>John Wilson</p> <p>John Wilson</p> <p>John Wilson</p> <p>John Wilson</p> |                 |

| ITEMS & ACTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | RESPONSIBLE OFFICER  | ACTION DUE DATE |
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| <p><b>Tony Grogan Report - Great Victorian Bike Ride.</b></p> <ul style="list-style-type: none"> <li>• Overnight stay at Gellibrand 28 November 2013</li> <li>• Station building was departure point for bus travel to Otway Fly.</li> <li>• Full box of OBRT brochures distributed.</li> <li>• Interest from people to return to ride OBRT and participate in the Golden Gumboot event.</li> <li>• Very successful day.</li> </ul> <p>Donations of \$25.40 received; to be donated to OBRT Friends group.</p> <p>Moved: Tony Grogan<br/>Second: Christine Humphris</p> <p><b>Jodie Fincham – Executive Officer Report</b></p> <ul style="list-style-type: none"> <li>• OBRT Brochure – reprint now likely late Feb/March 2014</li> <li>• Licence agreements returned – (follow up process of \$1 leases)</li> <li>• Pedestrian counters (consistent with previous counts)</li> <li>• Instrument of Delegation (minor alterations made to reflect change following demise of Gellibrand/Kawarren Progress Association)</li> <li>• Great Victorian Bike Ride – great success.</li> <li>• Golden Gumboot – successful event.</li> <li>- Suggestion – would OBRT be interested running the Golden Gumboot event? This would enable Council to open up new events.</li> <li>- OBRT would need to source sponsors, funds for advertising (Festival &amp; Events Support Scheme)</li> <li>- S86 CoM – check insurances – Jodie to follow up Committee to consider and have further discussions at February 2014 meeting.</li> </ul> <p>Next approach for OBRT projects.<br/>Broad visionary aspect for the future.<br/>Issue – maintenance required – funding?<br/>Consider brainstorming early 2014 meeting to discuss opportunities, etc.</p> <p>Chair Chris Smith thanked landowners for their ongoing support, acknowledged appreciation for work undertaken by OBRT volunteers and wished attendees a Merry Christmas and safe new year.<br/>Meeting Closed: 12:25pm</p> <p>Next meeting – 3 February 2014</p> | <p>Jodie Fincham</p> |                 |



## Old Beechy Rail Trail Executive Officer

### Report 2 December 2013



#### **RIDF Funding (Regional Infrastructure Development Funding)**

- Ongoing monitoring of works progress.
- Regular team meetings continue to be held with Capital Works Co-ordinator and Manager Capital Works.

#### **OBRT Brochure**

- Update on last meeting regarding Committee member involvement in production of new brochure.
  - Suggestion to postpone production of new brochure until all physical works are completed to ensure that information contained in brochure accurately reflects what has been constructed.
  - This will mean brochure is likely to be printed late January/February 2014.
  - Work will continue on Draft brochure during this time.
  - suggested changes prepared and distributed at OBRT (7 October 2013)

#### **Licence agreements**

- Final Licence Agreement has been received with signature for Beech Forest section. Agreements to be presented to Council for signing and sealing at December meeting.

#### **Golden Gumboot**

- Event completed successfully.
- BBQ finale well attended by community members with positive feedback received.
- Thank you to Committee members for support of event.
- Committee run the event in 2014? Consider applying through Council's Festival and event support scheme?

#### **Pedestrian Counters**

- Data report presented with figures recorded from Thursday 29 November 2013.
- Report with figures to be distributed to Committee.

#### **Great Vic Bike Ride 2013**

- Report of event provided.
- Report on involvement of OBRT Committee.

#### **Instrument of Delegation**

- Minor update to document as a result of Gellibrand/Kawarren Progress Association disbanding. Submitted to Council at November Council meeting.

# Transfer of Land

## Section 207D Local Government Act 1989

### Privacy Collection Statement

The information from this form is collected by the Registrar of Titles under statutory authority and is used for the purpose of maintaining publicly searchable registers and indexes.

Lodged by:

Name: SLM LAW  
Phone: 5231 9400  
Address: 119 Murray Street  
Colac  
Reference: DAC  
Customer Code: 1558 N

The transferor transfers to the transferee for the consideration expressed an estate in fee simple in the land described subject to the encumbrances specified pursuant to the provisions of Section 207D of the Local Government Act 1989.

Land: (volume and folio)

Volume 9474 Folio 303

Consideration:

\$1.00

Transferor: (full name)

COLAC-OTWAY SHIRE COUNCIL

Transferee: (full name and address including postcode)

SKEET & SYLVIA MORROW PTY LTD of 77 Gellibrand River Road, Carlisle River 3239

Encumbrances

NIL

The Council has given notice under Section 223 of the Local Government Act 1989 in relation to this action

Dated:

Execution and attestation :

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

.....  
Chief Executive Officer

15501209A

Order to Register

Duty Use Only

# T1

Please register and issue Certificate of Title to

\*Law Perfect Pty Ltd  
Page 1 of 2

Signed

Customer Code:

**THE BACK OF THIS FORM MUST NOT BE USED**

Land Victoria, 570 Bourke Street, Melbourne, 3000, Phone 8636-2010



# Annexure Page

## Transfer of Land Act 1958

This is page 2 of Approved Form T1 dated  
between COLAC OTWAY SHIRE COUNCIL AND SKEET &  
SYLVIA MORROW PTY LTD

Signatures of the Parties

**Privacy Collection Statement**  
The information from this form is  
collected by the Registrar of Titles  
under statutory authority and is  
used for the purpose of maintaining  
publicly searchable registers and  
indexes.

### Panel Heading

Executed by Skeet & Sylvia Morrow Pty. Ltd. (A.C.N.  
071 230 058) by being signed by that person who is  
authorised to sign for the company in accordance with  
s.127(1) of the Corporations Act 2001.

)  
).....

.....  
Sole Director and Sole Company Secretary  
Name: Terence Peter Morrow  
Address: 77 Gellibrand River Road, Carlisle River

15501209A

# A1

\*Law Perfect Pty Ltd

Page 2 of 2

1. If there is insufficient space to accommodate the required information in a panel of the attached Form insert the words "See Annexure Page 2" (or as the case may be) and enter all the information on the Annexure Page under the appropriate panel heading.
2. The approved Annexure Pages must be properly identified and signed by the parties to the attached Form to which it is annexed.
3. All pages must be attached together by being stapled in the top left corner.

**THE BACK OF THIS FORM MUST NOT BE USED**

Land Victoria, 570 Bourke Street, Melbourne, 3000, Phone 8636-2010

**UPDATE OF COUNCIL REPORT 26 MARCH 2014****CONTRACT 1322 - BLUEWATER FITNESS CENTRE REDEVELOPMENT  
UPDATE****COUNCIL REPORT – IN COMMITTEE 26 FEBUARY 2014**

At the 18 December 2013 Council meeting a detailed report was provided to Council on the redevelopment of Bluewater Fitness Centre.

Council resolved:

***“That Council conducts a full internal enquiry into the cost overruns of the Bluewater Fitness Centre contract and reports these findings to the 26 February 2014 Council meeting.”***

Prior to going into Committee at the 26 March 14 Council meeting, Council resolved:

***That:***

- 1. 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>SUBJECT</b>                                                              | <b>REASON</b>                                                                                                     | <b>SECTION OF ACT</b>                |
|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| <b><i>Contract 1322 - Bluewater Fitness Centre Redevelopment Update</i></b> | <b><i>this matter deals with contractual matters; AND this matter may prejudice the Council or any person</i></b> | <b><i>Section 89 (2) (d) (h)</i></b> |

- 2. That Council release a report on Contract 1322 Bluewater Fitness Centre Redevelopment Update in the March 2014 Open Council meeting.***

As part of the resolution In-Committee on the item “Contract 1322 - Bluewater Fitness Centre Redevelopment” Council resolved:

***“That Council release the report, with any confidential parts being deleted, to the public by midday on 3 March 2014.”***

**RELEASE OF REPORT**

A report into Contract 1322 – Bluewater Fitness Centre Redevelopment was released to the public on Monday 3 March 2014 with confidential parts redacted.

A review of the report released to the public on 3 March 2014 and included as an attachment to a report to Council on 26 March 2014, has been recently undertaken.

A revised redacted version of the report is attached.

**OM142602-24****CONTRACT 1322 - BLUEWATER FITNESS CENTRE  
REDEVELOPMENT UPDATE**

|             |                                |           |           |
|-------------|--------------------------------|-----------|-----------|
| AUTHOR:     | Colin Hayman                   | ENDORSED: | Rob Small |
| DEPARTMENT: | Corporate & Community Services | FILE REF: | 11/96037  |

**Reason for Closure of the Meeting**

This report is being considered In Committee under the *Local Government Act 1989* Section 89 (2) (d) (h) because this matter deals with contractual matters; AND this matter may prejudice the Council or any person.

**Purpose**

The purpose of this report is to provide information to Councillors on the tender process and costs for Contract 1322 – Bluewater Fitness Centre Redevelopment.

At the Council meeting held on 18 December 2013, Council resolved the following:

***“That Council conducts a full internal enquiry into the cost overruns of the Bluewater Fitness Centre contract and reports these findings to the 26 February 2014 Council meeting.”***

A significant amount of information has previously been provided to Council with respect to the Bluewater Fitness Centre Redevelopment project, awarding of the Contract and other financial considerations at both the October and December 2013 Council meetings.

It should also be noted that a confidential briefing was provided to Councillors at the Councillor Briefing Session of 9 October 2013. This followed the close of tenders on 30 September 2013, and provided an overview of the project development process and information relating to the tender prices received relative to the available project budget.

The overall project cost was reported to be well in excess of the budget. A number of options were presented to Councillors with the purpose of addressing the shortfall. These options included:

- Complete the project to full scope
- Complete project but find cost savings within current scope
- Redesign the project to match probable available budget.

It was clearly articulated that proceeding with options 1 or 2, Council would be required to fund the shortfall from its own source funds. It was recommended that the preferred option was to deliver the project based on the current design and to identify cost savings prior to the signing of the Contract. The evaluation of tenders and the eventual award of Contract advanced on this basis.

**Declaration of Interests**

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

## **Background**

The Council report to the October 2013 In Committee meeting provides a background to the redevelopment of Bluewater Fitness Centre.

### Funding Details

In August 2010, Council received an election commitment of \$3,783,000 to redevelop the stadium. This commitment was well short of the \$6m required to complete the project. Subsequent funding applications were made to the State Government to meet the shortfall to complete the project. The Department of Education and Early Childhood Development also confirmed a commitment to the stadium redevelopment through the revitalisation of the Colac Secondary College.

An additional opportunity presented itself with respect to the Warm Water Pool. Council was encouraged to apply to the Federal Government's Health and Hospitals Fund which it did so in 2011. Council's application requested \$3.6m from the program however whilst the application was successful, it was for a reduced amount of \$2.8m.

Council officers again applied for additional funding from the State Government and were able to source funds for the Warm Water pool on the provision that water play elements were included and that Council contributed funds to the project.

Based on the funding received from Federal and State Governments, along with the community, the development of the project was progressed on a \$10,000,000 budget with the following funding contributions:

| <b>Source</b>                                                     | <b>Amount</b>       |
|-------------------------------------------------------------------|---------------------|
| <b>Federal Government – 2010 election commitment</b>              | \$3,783,000         |
| <b>Federal Government– Health &amp; Hospitals Fund</b>            | \$2,800,000         |
| <b>State Government– SRV &amp; RDV (three different programs)</b> | \$2,150,000         |
| <b>State Government – DEECD</b>                                   | \$430,000           |
| <b>State Government – LGIP</b>                                    | \$200,000           |
| <b>Colac Basketball Association</b>                               | \$100,000           |
| <b>Colac Warm Water Group</b>                                     | \$25,000            |
| <b>Council (Requested)</b>                                        | \$512,000           |
| <b>Total</b>                                                      | <b>\$10,000,000</b> |

### Expression of Interest (EOI) Process

The following provides the steps undertaken in the EOI process:

- Preparation of EOI Document – April 2013.
- Advertisement of EOI – 3 and 4 May 2013 (Colac Herald, Geelong Advertiser, The Age). Information also available via Tenderlink and the Council website.
- Closing date for EOI – 29 May 2013.
- EOI submissions were received from a total of 12 Building Contractors. All were received on time:
  - ADCO Constructions (VIC) Pty Ltd
  - A.W. Nicholson Pty Ltd
  - Allmore Constructions Pty Ltd
  - BDH Constructions Pty Ltd

- Behmer & Wright Pty Ltd
- E.J. Lyons & Sons Pty Ltd
- Fairbrother Construction
- Ireland Brown Constructions Pty Ltd
- MMAP Constructions Pty Ltd
- Regent Construction & Building Services Pty Ltd
- Rendine Constructions Pty Ltd
- Stellar Constructions Pty Ltd.

A prerequisite to qualification for an invitation to tender was that the company be accredited through the Australian Government Building and Construction OHS Accreditation Scheme prior to awarding a contract.

[REDACTED] indicated that they did not hold the required accreditation. They further indicated that they did not expect to achieve accreditation prior to Council awarding the contract. Therefore the Evaluation Panel removed them from further consideration.

At the time of the EOI, [REDACTED] were also presently unaccredited but submitted EOIs with representations that they expected to achieve accreditation prior to the contract award. It was indicated to each of these companies that if accreditation was not achieved by a tenderer by the time of the award of contract their tender submission will be removed from further evaluation.

Council did not contact any companies and request that they submit an EOI.

- No Requests for Information were received during the EOI period.
- Meeting of evaluation panel to shortlist EOI registrants– 4 June 2013. Further information was requested in order to conduct a preliminary financial check of registrants.

#### EOI Evaluation Panel

The EOI Panel comprised the following members:

- [REDACTED] Manager Recreation, Arts & Culture;
- [REDACTED] Acting General Manager, Infrastructure & Services;
- [REDACTED] Bluewater Fitness Centre Manager;
- [REDACTED] Building Construction Coordinator;
- [REDACTED] Contracts Officer; and
- [REDACTED] Suturs Architects

All evaluation panel members signed the standard conflict of interest and confidentiality forms developed for the process of evaluating the EOIs and tenders (and EOIs).

- The EOI submissions were shortlisted to 6 preferred Contractors. The EOI submissions were evaluated and scored using the following selection criteria:

| <u>Criteria</u>                                                     | <u>Weighting</u> |
|---------------------------------------------------------------------|------------------|
| Relevant Experience and Experience of Key Contractors and Personnel | 20%              |

|                                                                                             |     |
|---------------------------------------------------------------------------------------------|-----|
| Track Record and Proven Performance including Project Quality, Duration and Build to Budget | 30% |
| Financial Capacity                                                                          | 30% |
| Evidence of Completing Previous Projects of a Similar Nature                                | 20% |

The Evaluation Panel developed a shortlist comprising the following six (6) companies:

- ADCO Constructions (VIC) Pty Ltd
- A.W. Nicholson Pty Ltd
- Allmore Constructions Pty Ltd
- BDH Constructions Pty Ltd
- E.J. Lyons & Sons Pty Ltd
- Ireland Brown Constructions Pty Ltd.

No discussion was held with any companies. The evaluation panel shortlisted based solely on the content of their EOI submissions and additional information which was obtained during the evaluation process.

All EOIs were evaluated against the specified criteria which sought to ensure that Contractors had demonstrated relevant experience and capacity to undertake a project of this type, size, and complexity.

#### Probity Plan

As part of the Probity Plan and in line with Council's Procurement Policy a Probity Auditor was appointed. Martin Thompson from Crowe Horwath was appointed as the Probity Auditor for Contract 1322 – Bluewater Fitness Centre Redevelopment.

A meeting was held on 12 June 2013 with Crowe Horwath to brief them on the EOI process. The Probity Auditor was given an overview on the EOI process and was supplied with supporting documentation including public advertisements, EOI documents, EOI submissions and the Evaluation Panel Report.

The Probity Auditor issued the following statement 14 June 2013 with respect to the EOI process undertaken by Council:

*"I have completed a review of the probity associated with the initial stages of the proposed redevelopment of the Bluewater Fitness Centre.*

#### **Purpose**

*The purpose of this review was to assess the probity of the processes undertaken from the commencement of the procurement process through to the development of a report to Council recommending a shortlist of applicants to be invited to tender.*

#### **Key Observations**

*From a review of Council documentation it was possible to conclude:*

- *The EOI documentation was clear, with evaluation criteria and weightings identified in advance.*
- *The EOI was appropriately advertised.*

- *Applicants were evaluated in accordance with the documented evaluation criteria and weightings, and the report to Council (draft) reflects the outcome of the evaluation process.*

### **Review Conclusion**

*No matter was noted that would indicate that the procurement process, to date, has not been conducted with an appropriate level of probity.”*

At the June 2013 Council meeting, Council considered a report on the Expression of Interest process for the Redevelopment of the Bluewater Fitness Centre.

Council resolved:

***That Council nominates the following companies who submitted an Expression of Interest to be invited to tender on the proposed redevelopment project for Bluewater Fitness Centre:***

- ***ADCO Constructions (VIC) Pty Ltd***
  - ***A.W. Nicholson Pty Ltd***
  - ***Allmore Constructions Pty Ltd***
  - ***BDH Constructions Pty Ltd***
  - ***E.J. Lyons & Sons Pty Ltd***
  - ***Ireland Brown Constructions Pty Ltd.***
- Notification to successful (and unsuccessful) registrants – 1 July 2013.
  - Feedback was requested from some unsuccessful registrants as to reasons as to why they were not included on the panel of companies.

### **Tender Process**

The following provides the steps undertaken in the Tender process:

- Development/refinement of tender document specification – July/August 2013.
- Request for Tender Document was issued to the 6 companies on 17 August 2013.
  - ***ADCO Constructions (VIC) Pty Ltd***
  - ***A.W. Nicholson Pty Ltd***
  - ***Allmore Constructions Pty Ltd***
  - ***BDH Constructions Pty Ltd***
  - ***E.J. Lyons & Sons Pty Ltd***
  - ***Ireland Brown Constructions Pty Ltd.***
- Addendums were issued in response to request for information. A total of 7 addenda were issued to all tenderers to clarify the scope of works. Requests for Information (RFI) were received from the invited tenderers throughout the submission period. Tenderers were required to submit RFIs to Council's Contract Administration Officer. Responses to RFIs were similarly issued in writing via the Contract Administration Officer. Responses to RFIs were issued as addendums to all the invited tenderers – not just the tenderer that had submitted the RFI. This was to ensure that all invited tenderers had the same information.
- All tenderers were given the opportunity to inspect the existing facility to familiarise themselves with site specific conditions and the scope of works. Not all tenderers availed themselves of this opportunity.

- The closing date for tenders – 30 September 2013. The original closing date for tenders as specified in the documentation was 25 September 2013. This was extended to 30 September 2013 via Addendum 5 at the request of tenderers. This was due to the late issuing of revised drawings. The extension in time was required so that tenderers could consider detail in their pricing.
- Submissions were received from all 6 companies invited to tender.

The following six tenders were received:

| Tenderer                            | Tendered Price (excluding Options) \$ | Option 1 Splash Pad \$ | Option 2 Joinery Fitout \$ | Option 3 Soft Landscaping \$ | Total \$ |
|-------------------------------------|---------------------------------------|------------------------|----------------------------|------------------------------|----------|
| ADCO Constructions (Vic) Pty Ltd    |                                       |                        |                            |                              |          |
| Allmore Constructions Pty Ltd       |                                       |                        |                            |                              |          |
| AW Nicholson Pty Ltd                |                                       |                        |                            |                              |          |
| BDH Constructions Pty Ltd           |                                       |                        |                            |                              |          |
| EJ Lyons & Sons Pty Ltd             |                                       |                        |                            |                              |          |
| Ireland Brown Constructions Pty Ltd |                                       |                        |                            |                              |          |

❖ Prices do not include GST

- Council's appointed Probity Auditor and Council officers were in attendance at the tender opening.
- The evaluation period was between 1 October 2013 and 14 October 2013.
- Initial assessment meeting – 1 October 2013.

### **Tender Evaluation Process**

#### **Tender Evaluation Panel**

The Tender Evaluation Panel for Contract 1322 comprised the following members:

- [REDACTED] Manager Recreation, Arts & Culture;
- [REDACTED] Acting General Manager, Infrastructure & Services;
- [REDACTED] Bluewater Fitness Centre Manager;
- [REDACTED] Building Construction Coordinator;
- [REDACTED] Contracts Officer; and
- [REDACTED] Sutera Architects

All evaluation panel members signed the standard conflict of interest and confidentiality forms developed for the process of evaluating tenders (and EOIs).

No officer (or Evaluation Panel Member) declared an interest under the *Local Government Act 1989* in the preparation of the report or in the evaluation of the tenders.



Tenders were evaluated and a recommendation was made in accordance with Council's *Procurement Policy and Procedure*.

All tenders were evaluated and scored using the following selection criteria:

| <b><u>Criteria</u></b>                                                            | <b><u>Weighting</u></b> |
|-----------------------------------------------------------------------------------|-------------------------|
| Tendered price                                                                    | 60                      |
| Track record and proven performance of the contractor and subcontractors          | 15                      |
| Capacity and Resources                                                            | 10                      |
| Tenderer's relevant experience and experience of key personnel and subcontractors | 10                      |
| Local content                                                                     | 5                       |

Tenderers also had to satisfy Council that they were able to meet requirements for:

- Occupational health and safety;
- Financial viability; and
- Value for money.

The following provides an overview of the tender evaluation process:

- Request for further information issued to all tenderers seeking further information in relation to local content, proposed subcontractors, and project personnel – 1 October 2013.
- Second assessment meeting was held on 4 October 2013. Tenderers shortlisted to two companies (BDH and [REDACTED]).
- The Tender Evaluation Panel deemed the tender submissions by [REDACTED] to be non-conforming on the basis that they omitted certain prices from their submissions and tendered based on some products and materials that were not of an equivalent type and/or quality to products and materials specified within the tender documentation. These tenders were removed from further consideration by the Tender Evaluation Panel.
- Interviews with shortlisted tenderers and final assessment meeting – 8 October 2013. This involved the full Evaluation Panel.
- The “Bluewater Fitness Centre Contract” was listed on the Councillor Workshop agenda. At the time of the discussion four (4) councillors were in attendance along with the Executive Management Team who were aware of the cost implications.
- Probity auditor delivers probity audit report and financial capacity report for the preferred tenderer.

- The Tender Evaluation Panel assessed the submission by **BDH Constructions Pty Ltd** as being the lowest price conforming tender, the best value and scored highest overall when applying the selection criteria.  
The Evaluation Panel recommended acceptance of the lowest priced tender of **BDH Constructions Pty Ltd**.
- Evaluation Panel report signed – 14 October 2013.
- Contract was awarded by Council at In Committee Meeting of 23 October 2013

***“That Council:***

1. ***Awards Contract 1322 for Bluewater Fitness Centre Redevelopment to BDH Constructions Pty Ltd at the tender price of \$10,750,000 (excluding GST).***
  2. ***Approves the inclusion of the northern splash pad option valued at [REDACTED] (excluding GST) in the contract.***
  3. ***Approves the inclusion of the joinery fitout option valued at [REDACTED] (excluding GST) in the contract.***
  4. ***Resolves that the Chief Executive Officer is authorised to disclose the successful tenderer to the Contract including their lump sum price but not any other information contained within the report and after all relevant parties have been notified.***
  5. ***Delegates to the Chief Executive Officer authority and to place under Council Seal the contract documents following award of Contract 1322.***
  6. ***Resolves to refer funding of up to \$1,702,000 to its 2014/15 budget for the redevelopment of the Bluewater Fitness Centre.***
  7. ***Resolves to allocate its remaining funds from the Local Government Infrastructure Program totaling \$535,000 to the budget for the redevelopment of the Bluewater Fitness Centre.***
  8. ***Resolves to commit \$300,000 from the 2014/15 Building Renewal Programme to the budget for the redevelopment of the Bluewater Fitness Centre.”***
- Some unsuccessful contractors requested feedback regarding their proposals which were responded to by Council officers.
  - Appointment of BDH by letter of acceptance in accordance with Council resolution – 1 November 2013.
  - Discussion period for identifying cost savings – November/December 2013.
  - The contract was executed on 6 December 2013. The negotiated Contract price was \$10,955,860 (ex GST) and followed initial cost savings that were identified in discussions between Council Officers, BDH and our consultant architects.

**BDH Constructions Pty Ltd**

BDH Constructions Pty Ltd ("BDH") is a Colac based company that has successfully completed a number of projects for Council including Council Offices Redevelopment (2011), COPACC Civic Hall Theatre Alterations (2010,) and Colac Skate Park Extension (2010).

Other recent projects undertaken by BDH include construction of the Colac Secondary College and Community Library & Learning Centre and construction of the Colac Trade Training Centre. The company has constructed a number of domestic pools and a holiday accommodation resort pool. The work of BDH in constructing the Barham River intake structure to service Apollo Bay (Barwon Water) demonstrates relevant experience in the area of pool constructions and associated hydraulics.

The subcontractors nominated by BDH, especially for the pool construction element of the project, are reputable and are highly regarded within the industry.

The scope of works includes refurbishment of the existing building, extension of the indoor stadium to include an additional basketball court, and construction of a new warm water pool and associated infrastructure. There are three options for the works – (1) construction of a splash pad, (2) joinery fitout and (3) soft landscaping.

The contract is a lump sum contract that is not subject to rise and fall, with a provisional sum of \$50,000 for blinding concrete and an \$800,000 contingency sum. Council requested tenderers submit a proposed time frame for completing the works, but nominated a preferred construction period of 12 months.

**Council Plan / Other Strategies / Policy****Good Governance**

Means we care about and are responsive to the community, encourage democratic participation and involve people in decisions that affect them. We strive for excellence in financial management and council services, and always look for better ways to do things.

*Our Goal:*

Ensure transparency of governance practices, the capability of our organisation and effective resource management.

**Issues / Options****Cost of the Project**

As previously advised, the cost of delivering this important project is in excess of the available budget allocation. Throughout the design phase of the project, a number of Cost Plans were provided by Council's contracted Architects through their sub-consultant Quantity Surveyor. Cost Plan No. 4 stated an overall cost of [REDACTED] inclusive of consultants' fees, contingencies, landscaping, car parking, disbursements, etc. The Architect and Quantity Surveyor also expressed an opinion that considering the current economic climate and the downturn in the construction industry, Council could reasonably expect a very competitive price possibly lower than the Cost Plan. Based on this information, it was determined to go out to the market through a competitive tender process.

As a result of the tender process and discussions with the successful tenderer the project costs are detailed below.

The revised Project costings and funding are based on the contract price and the funding options as agreed to by Council on 23 October 2013.

Negotiations regarding cost savings continued with the successful tenderer before the contract was signed and will continue as the project progresses.

| <b>Project Component</b>                                                 | <b>Cost (\$)</b>    |
|--------------------------------------------------------------------------|---------------------|
| Construction (lump sum)                                                  | \$10,955,860        |
| Consultant fees, etc.                                                    | \$600,000           |
| Relocation of BWFC gym/dry programmes to Youth Club                      | \$60,000            |
| Project Management                                                       | \$80,000            |
| Equipment for redeveloped facility                                       | \$120,000           |
| Cost savings from relocation – funded through 2013/14 operational budget | (\$60,000)          |
| Landscaping                                                              | \$100,000           |
| <b>Total Project Costs</b>                                               | <b>\$11,855,860</b> |

| <b>Revised Funding Budget</b>      | <b>Funding (\$)</b> |
|------------------------------------|---------------------|
| External funding                   | \$9,488,000         |
| Remaining LGIP funds               | \$535,000           |
| 2014/15 Building Renewal Programme | \$300,000           |
| Funded by Council                  | \$1,532,860         |
| <b>Total Funding</b>               | <b>\$11,855,860</b> |

Council considered a number of options in addressing this funding shortfall. These were:

- Complete the full scope of works as specified with Council to provide the balance of funding
- Complete the project with cost savings to be found within the current scope
- Redesign the project to match probable available budget or
- Abandon the project.

1. Complete Project with Cost Savings within Scope

The tender had three options which were separable portions. These are the northern splash pad, joinery, and landscaping.

Council resolved to complete the project including the northern splash pad and joinery options. Landscaping will be completed using an alternative delivery method to realise further cost savings.

2. Project Redesign to Match Available Budget

It was indicated previously to Council that an option was to revisit the current scope and redesign some elements to match the available budget.

It was noted that a redesign would have resulted in additional consultant costs, a delay in delivery timelines and ultimately a significant impact on the community.

In this scenario the scope would have needed to be scaled back to fit within a budget of \$10.625. Given the likely escalations in construction costs between October 2013 and when the project was ready to be started, the risk of a potential budget overrun still exists.

It was considered necessary to award the contract and proceed with the redevelopment of the Bluewater Fitness Centre in a timely manner to uphold Council's commitment to upgrade the facility.

Probity Plan – Bluewater Fitness Centre Redevelopment (Revised)

As part of the consideration of the tender process a Probity Plan was developed.

**Objectives**

*To uphold Council's commitment to exercising proper processes in the procurement of goods and services by appointing an external auditor to oversee the expression of interest and tender process. This is in accordance with Council's Procurement Policy for projects in excess of \$3 million.*

**Statement of the proposed application of probity principles**

*Persons nominated to form part of the evaluation panel for the EOI and tender shall declare that they are not compromised by an actual or potential conflict of interest in their role as an evaluation panel member. At any time that a panel member becomes aware of a conflict of interest they shall remove themselves from the evaluation panel. This process shall be applied by evaluation panel member signing Council "Declaration of Conflict of Interest and Confidentiality" form.*

*Expressions of interest and tender submissions shall each be measured against the same evaluation criteria, which shall be pre-disclosed in the EOI document and tender document respectively.*

*Evaluation panel members shall consider submissions with complete impartiality and proper reasoning with reference to the evaluation criteria.*

*Evaluation panel members shall maintain confidentiality regarding all information offered in EOI and tender submissions, as well as any other information acquired in the process of evaluating submissions.*

*The evaluation process for expressions of interest and tender shall follow Council's procurement procedure. The method in following Council's procurement procedure shall be evidence in the record keeping maintained by the Contracts Officer.*

**Roles and responsibilities of each participant in the evaluation process and probity auditing**

*Each member of the evaluation panel shall give appropriate consideration to all submissions and offer their skills and expertise to allow and complete and thorough evaluation process.*

*Evaluation panel members shall each take responsibility in the collective decision making of the panel.*

*The evaluation panel shall fully involve the probity auditor in all elements of the EOI and tender process and draw on his advice and expertise to maintain the integrity of the process.*

*The probity auditor shall fully apply his knowledge and expertise and make all proper enquiries of the evaluation panel to ensure that the appropriate probity is being applied in the EOI and tender process.*

**Specification of what probity auditing will occur**

*The probity auditor will report on the EOI process conducted by the Evaluation Panel and monitor review and report on the tender process undertaken.*

**Probity tasks, documents and timelines**

|             |                                                                |
|-------------|----------------------------------------------------------------|
| 3 May 2013  | EOI Released                                                   |
| 29 May 2013 | EOI Closed                                                     |
| 4 June 2013 | EOI Shortlisting by Evaluation Panel and Recommendation Report |

*created for Council*

- 11 June 2013      *Meeting with Probity Auditor (Martin Thompson – Crowe Horwath)  
Probity Auditor to review EOI process  
Documents considered – Request for Expressions of Interest  
Document, Public Notice/Advertisement, EOI Submission, EOI  
Evaluation Report*
- August 2013      *Final draft of Request for Tender document.  
Probity Auditor to review prior to release.*
- Sep/Oct 2013      *Tender Review.  
Probity Auditor to oversee, including attendance at evaluation  
meetings.  
Probity Auditor to report on tender process to Council.*

***Measures for ensuring confidentiality and security***

*EOI and tender submissions – hard copy submissions to be held in filing cabinet  
- electronic submissions and other tendered information to be  
held in TRIM with permissions granted to evaluation panel  
members*

*Confidentiality forms to be executed by each member of the evaluation panel.*

***Communication protocol with bidders***

*Tenderers shall be directed to submit and enquiries in writing, directed to the Contracts Officer. If the Contracts Officer, in collaboration with the Superintendent's Representative determine that a response to the enquiry requires the provision of additional information an addendum to the tender shall be issued to all tenderers.*

*The evaluation panel may seek direction from the Probity Auditor in communicating with tenderers in the post-tender pre-award stage to ensure that all tenderers are treated equally.*

***Record keeping requirements***

*The Contracts Officer shall ensure that record keeping requirements dictated in Council's Procurement Policy and Procurement Procedure is followed by the Evaluation Panel.*

*Hard copy and electronic copies of documents detailing the tender process, including the tender document, correspondence with tenderers, meeting notes, evaluation report, shall be maintained in the physical contract tender file and in TRIM.*

As part of the Probity Plan and in line with Council's Procurement Policy a Probity Auditor was appointed. Martin Thompson from Crowe Horwath was appointed as the Probity Auditor for Contract 1322 – Bluewater Fitness Centre Redevelopment.

The following information was provided to Council as an attachment to the 23 October 2013 Council report.

***“Probity Audit Scope***

*In accordance with our engagement letter, we have been contracted by the Colac Otway Shire (Colac) to conduct an independent probity audit of the tender process for the awarding of the contract for the redevelopment of the Blue Water Fitness Centre.*

*We have completed a continuous probity audit of activities on the tender process. This is the first and final report on the probity and covers the period from the release of tender documentation through to the preparation and finalisation of the evaluation panel's report to Council.*

*The scope of the probity audit as set out in the engagement letter is to:*

- *Ensure conformity to process;*
- *Provide accountability;*
- *Ensure that the interests of tenderers are protected by an equitable process;*
- *Ensure that all bids will be assessed against the same criteria;*
- *Preserve the public and tenderer confidence in the process; and*
- *Improve defensibility of decisions to potential legal challenge.*

*The probity audit considered and assessed probity principles by applying discussion, observation and review techniques during the period from the time of appointment to the date of issuing this report. The probity audit has been completed based on the probity process as outlined in:*

- *Victorian Government Procurement Group, Conduct of Commercial Engagements in Government, June 2006 (the VGPC Guidelines)*

### **Auditor Responsibility**

*Our responsibility is to express an opinion on the probity process relating to the tender process culminating in the submission to Council of the evaluation panel's report. We have conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance as to whether there has been material deviation from the matters subject to the probity audit.*

*An audit involves performing procedures to obtain audit evidence to support the opinion formed. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material deviation from the matters subject to the probity audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.*

### **Facts and Findings**

*In accordance with probity requirements, we undertook the following processes to gain assurance with regards to the probity of the tender process for the Bluewater Fitness Centre Redevelopment:*

- *Reviewed all tender documentation.*
- *Attended Council and met with key Council officers to understand the proposed process.*
- *Reviewed correspondence between tenderers and Council during the period between the call for tenders and the close of tenders.*
- *Attended Council to witness the closing of tenders and subsequent opening of the tender box and recording of tenders received.*
- *Reviewed the evaluation process, including the rating of tenders in line with the stated criteria.*
- *Reviewed the minutes of the shortlist interviews.*
- *Reviewed the panel evaluation report.*

*As part of the probity process it was observed that the evaluation panel operated in an effective manner and managed the challenges arising from the evaluation of a multi-faceted contract appropriately.*

### **Audit Opinion**

*Based on our probity audit, nothing has come to our attention that causes us to believe that the probity of all processes associated with, and leading to the preparation of the Evaluation Panel Report for Contract 1322 – Bluewater Fitness Centre did not meet appropriate standards of probity.”*

### Justification for Final Contract Price

As part of the information provided to Council with respect to the financial details, it also included details that had been provided by the Quantity Surveyor (QS).

Below is an overview of the QS discrepancies for the BWFC Redevelopment.

| Item                                   | Cost difference      | Explanation                                                                                                                                                                                                                                                                                                        |
|----------------------------------------|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Pool                                   | ████████             | Tender price received for the pool component was in excess of the consultant's estimates. This may be due to: <ul style="list-style-type: none"> <li>• The impact of regional location;</li> <li>• Market activity higher than anticipated; and</li> <li>• Risk of modifying an aged existing facility.</li> </ul> |
| Mechanical                             | ████████             | The tender price received for ductwork as specified in the documents was in excess of the consultant's estimates. Pricing for mechanical controls also came in higher than expected, approximately 15% of the total mechanical services cost. Industry standards generally put this around 7% to 10%.              |
| Building works                         | ████████             | Cost differences and inclusion of additional works included in revised tender documents post preparation of the final cost plan.                                                                                                                                                                                   |
| Hydraulics                             | ████████             | Possible inconsistencies between structure of tender price submission and QS cost plan.                                                                                                                                                                                                                            |
| Electrical                             | ████████             | Possible inconsistencies between structure of tender price submission and QS cost plan.                                                                                                                                                                                                                            |
| Tender options 1 – Northern Splash Pad | ████████<br>████████ | Option provides a glazed enclosure additional to the existing building footprint. This was not included in the original cost plan but is considered a priority to providing a modern facility without compromising the use of the pool concourse.                                                                  |
| Tender option 2 – Joinery              | ████████             | Costed at \$112,500 in original cost plan.                                                                                                                                                                                                                                                                         |



| Item                          | Cost difference | Explanation                                                                                                                                                               |
|-------------------------------|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Tender option 3 – Landscaping | ██████          | Costed at \$95,000 in original cost plan.                                                                                                                                 |
| Contingency                   | ██████          | This was increased based on the project being works to an existing aging facility. Also concerns with what may be uncovered when undertaking works to a 20 year old pool. |
| Blinding concrete             | ██████          | Included by Council in tender documents.                                                                                                                                  |

The main aim of engaging a Quantity Surveyor (QS) on any project is to achieve best value outcomes as well as to reduce the risk of any adverse situation occurring.

A Quantity Surveyor was involved through the full design development phase for the Bluewater Fitness Centre Redevelopment project from concept design, providing initial cost estimates, to final design which included a pre-tender cost plan.

The estimates received from the QS have guided the development of this project from the very beginning and have informed the decisions which have ultimately lead to the final project design.

The QS uses established market rates in order to value the cost estimates and in this case was also reliant on being provided cost information by other consultants involved in the design of this project. This particularly related to the pool and mechanical service elements. In these areas alone, there is an approximate differential of ██████ between the estimates provided by the consultants and BDH's tender price.

The accepted tender price received for the pool component of this project was in excess of the estimates provided by the design consultants by approximately ██████. This may be due to a number of factors, including:

- Higher prices for pool construction in a regional area relative to a metropolitan centre.
- Market activity higher than anticipated. Market sentiment was that there was continued subdued building activity at the time of tender and that competitive prices could have been expected.
- Risks associated with modifying an existing facility. Given the nature of the proposed pool works and the age of the current pool and its associated pipework, etc., unexpected latent conditions create possible elevated levels of risk which may be considered in overall pricing of works.

With respect to mechanical services, the tender price received for ductwork as specified in the documents was in excess of the consultant's estimates. Pricing for mechanical controls also came in higher than expected, approximately 15% of the total mechanical services cost. Industry standards generally put this around 7% to 10%.

A fully addressable Building Management System (BMS) was specified in the design documents. This enables full monitoring and control functionality which means that individual air conditioning units can be interfaced, controlled, and monitored at a central hub. This is a sophisticated control system which comes at a substantial cost.

Post tender investigations suggest that there is an opportunity to simplify or reduce the extent of the BMS control system or reduce the functionality of the system at the central computer. It is considered that these measures will not greatly impede system performance

but could result in cost savings to the overall project. This proposal continues to be investigated.

A number of elements were not included in the final cost plan which appeared in the final tender documents. This included the northern splash pad option [REDACTED], an increase in contingency [REDACTED], and an additional contingency for blinding concrete [REDACTED].

Additional building works were included in the final stages of design which were not considered in the pre tender cost plan. The major items included in this extra scope were reglazing and the provision of new sliding doors to the Northern elevation of the pool hall and recladding of the existing walls of the Program Room to provide for insulation. These refurbishment items were deemed necessary in order to maximise the thermal efficiency of the building fabric to reduce long term operational costs.

Improving the facility's building fabric will result in:

- Reduced energy costs as a result of minimising the loss of treated (heated or cooled) air;
- Better temperature control through lower ventilation and air conditioning costs and prevention of overheating;
- A more comfortable building environment through reducing draughts, solar glare, overheating and noise; and
- Lower future capital expenditure requirements as a more efficient, well-insulated building needs smaller heating and cooling systems.

During the design phase Council had applied for \$500,000 of funding through the Community Energy Efficiency Program (CEEP). This program was aimed at providing funding to local governing bodies to implement projects that deliver a range of energy efficiency measures in council and community owned buildings, facilities and sites.

The funding decision deadline aligned with the programmed completion of the tender documentation meaning that either documenting the inclusion of Ecologically Sustainable Development (ESD) items included in the CEEP funding application with the risk the funding would not be available, or documenting without the ESD elements and when successful causing a design change to update the documentation to include items in the future. The Project Control Group (PCG) instructed the design team to document the building with the additional scope identified for the CEEP funding.

The CEEP funding application was unsuccessful and at the time a number of options were presented for scope reduction which was considered by the PCG prior to tendering. As the construction market at the time was seen as extremely competitive, The PCG decided to proceed as documented and decline the scope reductions. The identified list of scope reductions could instead be used as items that could be negotiated with the preferred contractor. The total value of the ESD items identified in the cost plan was [REDACTED] and includes components such as; solar hot water generation; stormwater collection, treatment and storage for reuse; mechanical services, LED lighting upgrades; and insulation and building fabric upgrades. Inclusion of these elements demonstrates Council's commitment to both reducing the impact of its services on the environment and achieving its carbon neutrality goals. Energy saving initiatives combined with an improved building fabric will also assist in reducing operational costs in the future.

The inclusion of the northern splash pad which incorporates a variety of water play elements is tied to further State Government funding and must proceed. The option provided for in the tender documents involves an enclosure external to the existing building footprint being constructed to accommodate the proposed splash pad. It is considered that this is the best

outcome as having the splash pad external to the existing pool concourse will not compromise the amount of floor space available in the future.

The contingency sums have been increased or included on the basis that, while every attempt has been made to accurately document the works, there will invariably be latent conditions uncovered given the age of the existing structures and the type of work that is being undertaken.

While the best available information is used in preparing construction estimates, the role of a cost plan is to provide guidance only and ultimately the market will dictate final tender prices. Advice from the QS was that at the time of going to tender the building and construction industry was soft and Council should expect highly competitive prices. Council officers were guided by this advice and went to tender based on the full scope of works that had been specified. The tender pricing was highly competitive with approximately [REDACTED] separating the two (2) lowest priced conforming tenders.

### **Proposal**

That Council notes the process that has been undertaken in awarding Contract 1322 for the Redevelopment of Bluewater Fitness Centre.

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

Council has previously been provided with extensive details on the financial implications. This was provided to Councillors as an addition to the Council report in October 2013.

As previously noted to Council the report which was presented to Council at the meeting of 23 October 2013 provided a number of options in relation to funding the budget shortfall. The recommendation was that funding be referred to the 2014/15 budget process which would include a more thorough analysis of how this was to be financed including the implications thereof.

As a result of questions asked by Councillors extensive financial information and legal advice was provided to Council.

The revised Project costings and funding are based on the contract price and the funding options as agreed to by Council on 23 October 2013.

Negotiations regarding cost savings continued with the successful tenderer before the contract was signed and will continue as the project progresses.

| <b>Project Component</b>                                                 | <b>Cost (\$)</b>    |
|--------------------------------------------------------------------------|---------------------|
| Construction (lump sum)                                                  | \$10,955,860        |
| Consultant fees, etc.                                                    | \$600,000           |
| Relocation of BWFC gym/dry programmes to Youth Club                      | \$60,000            |
| Project Management                                                       | \$80,000            |
| Equipment for redeveloped facility                                       | \$120,000           |
| Cost savings from relocation – funded through 2013/14 operational budget | (\$60,000)          |
| Landscaping                                                              | \$100,000           |
| <b>Total Project Costs</b>                                               | <b>\$11,855,860</b> |

| <b>Revised Funding Budget</b>      | <b>Funding (\$)</b> |
|------------------------------------|---------------------|
| External funding                   | \$9,488,000         |
| Remaining LGIP funds               | \$535,000           |
| 2014/15 Building Renewal Programme | \$300,000           |

|                      |                     |
|----------------------|---------------------|
| Funded by Council    | \$1,532,860         |
| <b>Total Funding</b> | <b>\$11,855,860</b> |

**Risk Management & Compliance Issues**

The preferred tenderer, BDH Constructions Pty Ltd, has a good track record of management of risks and completion of contracts to specification and on time. Council should be confident that contracting with BDH Constructions Pty Ltd will minimise exposure to occupational health and safety issues and non-compliance with the contract.

BDH Constructions Pty Ltd is registered under the Australian Government Building and Construction OHS Accreditation Scheme which is a specific requirement of this tender.

The tender process, including evaluation, has been monitored by a probity auditor to ensure that the entire process is transparent and has followed due process. Council's probity auditor noted that all processes associated with, and leading to the preparation of the Evaluation Panel Report meet appropriate standards of probity.

**Environmental and Climate Change Considerations**

The Tender Evaluation Panel assessed that BDH Constructions Pty Ltd has adequate systems in place to deliver and implement an effective environmental plan. This plan has been approved by Council's Superintendent. Council's history of engaging BDH Constructions Pty Ltd lends support to its ability to deliver projects with proper consideration to the environment.

**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.

Notification was provided to BDH advising them of Council's acceptance of their tender.

**Implementation**

The Contract has been awarded and works have commenced on site with the project scheduled to be completed within 12 months from commencement.

**Conclusion**

Redevelopment of the Bluewater Fitness Centre is a significant project for Council which, once complete, will provide quality sport and leisure opportunities for the community for generations to come. Through the ongoing efforts of Councillors and officers, Council has been very fortunate in being able to attract significant financial assistance for this project from both Federal and State Governments. In order to provide a quality facility which will be a focus for sport and active recreation within the shire, Council will be required to complement the funds that it has received with its own cash contribution.

Council has complied with the Procurement Plan and Probity Plan.

**Attachments**

Nil

**Recommendation(s)**

***That Council notes the report on the Redevelopment of the Bluewater Fitness Centre.***