



Colac Otway
SHIRE

COUNCIL MEETING

AGENDA

Wednesday 16 December 2020

at 4:00 pm

COPACC

95 - 97 Gellibrand Street, Colac



COLAC OTWAY SHIRE COUNCIL MEETING

Wednesday 16 December 2020

TABLE OF CONTENTS

1	Declaration of Opening of Meeting	3
2	Present.....	3
3	Apologies and Leaves of Absence.....	3
4	Welcome and Acknowledgement of Country.....	3
5	Question Time	4
6	Tabling of Responses to Questions Taken On Notice at Previous Meeting.....	4
7	Petitions / Joint Letters.....	4
8	Declarations of Interest	4
9	Confirmation of Minutes	4
10	Officer Reports.....	5
10.1	Petition - Reduce Annual Council Rates for Apollo Bay Businesses.....	5
10.2	Petition - Commercial Rate Relief - Knowles/Vesey	9
10.3	Colac Otway Shire Annual Report 2019/20	13
10.4	Quarterly Performance Report - July - September 2020	191
10.5	Apollo Bay Harbour Development Plan - Consideration of Submissions.....	261
10.6	Apollo Bay Early Years Hub - Options	350
10.7	Contract 2103 - Design and Construct Barongarook Creek Bridge.....	360
10.8	Council Meeting and Planning Committee Meeting Dates 2021.....	365
10.9	Audit and Risk Committee Minutes - 14 October 2020.....	369
10.10	Authorisation of Officers under the Planning and Environment Act 1987	381
10.11	Report of Informal Meetings of Councillors	386

COLAC OTWAY SHIRE COUNCIL MEETING

NOTICE is hereby given that the next **COUNCIL MEETING OF THE COLAC OTWAY SHIRE COUNCIL** will be held at COPACC on Wednesday 16 December 2020 at 4:00 pm.

AGENDA

1 DECLARATION OF OPENING OF MEETING

OPENING PRAYER

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

AMEN

2 PRESENT

3 APOLOGIES AND LEAVES OF ABSENCE

4 WELCOME AND ACKNOWLEDGEMENT OF COUNTRY

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

RECORDING AND PUBLICATION OF MEETINGS

Please note: All Council and Committee meetings will be audio recorded and live streamed, with the exception of matters identified as confidential items in the Agenda. This includes the public participation sections of the meetings.

By participating in open Council meetings, individuals consent to the use and disclosure of the information they share at the meeting (including any personal and/or sensitive information).

Audio recordings of meetings will be available to the public on Council's website as soon as practicable following the meeting and may be circulated by other means also. Audio recordings are also taken to facilitate the preparation of the minutes of open Council and Committee meetings and to ensure their accuracy. Original audio recordings will be retained by Council for a period of four years.

As stated in the Governance Rules, other than an official Council recording, no video or audio recording of proceedings of Council Meetings will be permitted without specific approval by resolution of the relevant Council Meeting.

A registration system will be in place for the December Council meeting to allow members of the public to attend this meeting. To ensure COVID-19 restrictions are adhered to, the number of people allowed to attend will be capped according to the room size, therefore any person who wishes to attend the meeting must register by contacting the shire before 5pm on Tuesday 15 December 2020.

5 QUESTION TIME

A maximum of 30 minutes is allowed for question time. To ensure that each member of the gallery has the opportunity to ask questions, it may be necessary to allow a maximum of two questions from each person in the first instance. You must ask a question; if you do not ask a question you will be asked to sit down and the next person will be invited to ask a question. Question time is not a forum for public debate or statements.

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

6 TABLING OF RESPONSES TO QUESTIONS TAKEN ON NOTICE AT PREVIOUS MEETING

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

7 PETITIONS / JOINT LETTERS

Nil

8 DECLARATIONS OF INTEREST

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

9 CONFIRMATION OF MINUTES

- **Council Meeting held on 25 November 2020.**

Recommendation

That Council confirm the minutes of the Council Meeting held on 25 November 2020.

Item: 10.1

Petition - Reduce Annual Council Rates for Apollo Bay Businesses

OFFICER	Maree Powell
GENERAL MANAGER	Errol Lawrence
DIVISION	Corporate Services
ATTACHMENTS	Nil
PURPOSE	To provide Council's response to the petition to reduce annual Council rates for Apollo Bay businesses

1. EXECUTIVE SUMMARY

On 30 September 2020 Council received a petition submitted by Mr. Trevor Nurse of Apollo Bay, on behalf of the Commercial Traders from Apollo Bay, requesting that Council assist the commercial businesses throughout the Apollo Bay area by reducing their annual Council rates by at least half (50%). The petition is attached.

The petition was tabled at the November 2020 Ordinary Council meeting being the earliest possible meeting after receipt of the petition due to the caretaker period prior to the Council elections.

It is clear that almost every business, family and individual across the Shire has been affected adversely in some way as a result of the pandemic, and the coastal communities probably more than most. Council is extremely empathetic to the requests of the petitioners and has been active in liaising with Council officers to provide a satisfactory response to the petition.

Council's financial response for the 2020/2021 budget is detailed below. Council is committed to considering further financial assistance when considering the 2021/2022 budget. The cumulative financial effect of providing meaningful direct rate relief would have profound consequences on Council's ability to continue to deliver services to the Colac Otway community. This will be a major challenge for the Council when considering all the conflicting priorities associated with constructing a budget that delivers the best possible outcome for the community.

2. RECOMMENDATION

That Council:

- 1. Acknowledges receipt of the petition and thanks the petitioners for the petition.**
- 2. Acknowledges the serious nature of the circumstances leading to, and outlined in the petition.**
- 3. Determines that the Council has provided a response to the pandemic in line with its financial capacity and for the benefit of the Shire's businesses and the Colac Otway community generally in the 2020/2021 budget.**
- 4. Advises that no further pandemic financial support, other than that already included in the 2020/2021 budget, will be provided in the 2020/2021 financial year.**
- 5. Advises that consideration will be given regarding further pandemic financial support during Council's deliberations on the 2021/2022 budget.**
- 6. Continues to advocate for financial relief from the State and Federal Governments.**
- 7. Responds in writing to Mr. Trevor Nurse, as representative for the petitioners, with details of Council's response to the petition.**

3. KEY INFORMATION

On 30 September 2020 Council received a petition submitted by Mr. Trevor Nurse of Apollo Bay, on behalf of the Commercial Traders from Apollo Bay, requesting that Council assist the commercial businesses throughout the Apollo Bay area by reducing their annual Council rates by at least half (50%).

Council is aware of the impact the pandemic is having on our community and in response:

- initially extended the period for unpaid rates for 2019/20 to be paid to 30 June 2020,
- did not charge interest on unpaid rates from 1 March 2020 to 30 June 2020,
- waived any interest that had accrued in 2019-20 and
- is not referring accounts to our debt collector where ever possible.

Further, Council has provided in its 2020/2021 budget for:

- interest not to be charged on outstanding rates up to 30 June 2021,
- a range of fees and charges not to be charged/increased in 2020-21 (e.g. street furniture permits, health/food premises registration fees),
- provided \$60,000 towards a Business Diversification Grants program aimed at helping businesses identify options for diversifying their business to aid their survival through the pandemic,
- provided \$40,000 to be put toward a Shire wide buy local campaign,
- provided \$30,000 to be put towards developing a marketing campaign aiming to attract domestic visitation back to the Otway region in the post pandemic recovery period,
- provided \$27,500 towards conducting an event audit/study to identify significant events/festivals etc. that could possibly be attracted to the Shire in the post pandemic period,

- made funds to be available for as yet unspecified assistance measures. The current balance of the budgeted funding is approximately \$200,000 yet to be allocated by Council.

Whilst immediate rates relief would undoubtedly assist these commercial businesses, the reality is that due to the number of properties and property owners affected by the pandemic, provision of meaningful direct rates relief is not a viable financial option. As rates are Council's primary source of revenue, providing such significant rates relief across the Shire would jeopardise the ability of Council to continue to operate, and provide the range of services that are still required by the community.

For the 2020/2021 financial year Council has sought to provide a range of programs aimed at assisting the business sector to continue to operate in the short term (e.g. additional time to pay, no penalty interest, fees and charges relief) and to provide a stimulus to the local economy in the longer term.

Council also encourages rate payers to consider contacting Council's rates department on 5232 9400 to discuss flexible payment arrangement options - potentially with payments to start after the affected businesses have resumed normal trading and before interest accrues.

2021/2022 Budget

Although Council does not have the financial capacity to provide more pandemic financial assistance this financial year than what has already been provided in the 2020/2021 budget, it will include further consideration of pandemic financial assistance during its deliberations on the 2021/2022 budget.

Fiscal Stimulus Options and Government Support

Through COVID-19 in Australia the State and Federal government have implemented a range of fiscal stimulus measures to assist businesses and individuals through the recession. These measures have been implemented in short timeframes and since been adapted to benefit as broad a range of businesses and individuals as possible. The aforementioned measures from Council are also primarily fiscal stimulus measures to help stimulate the local economy.

With any fiscal stimulus, there is a cost/benefit of provision with it generally advised that providing a short-term commercial Council rate relief causes little long-term benefit compared to the corresponding negative impact on services to the community. This can be seen with no Council in Victoria that we are aware of providing widespread targeted rate reductions.

Victorian State Government through Business Victoria have provided a range of fiscal injections including the business support fund which is now in its third round. Eligible local businesses could have received \$25,000-\$45,000 through this package. The package was intended to aid businesses in multiple ways including 'meeting business costs' which includes Council rates.

4. COMMUNITY CONSULTATION & ENGAGEMENT

Council has consulted extensively with businesses across the Shire with regard to providing support as a result of the pandemic.

5. ALIGNMENT TO COUNCIL PLANS, POLICIES OR STRATEGIES

Alignment to Council Plan 2017-2021:

Theme 1 - Our Prosperity

2. Support a thriving economy and industries.

Theme 4 - Our Leadership & Management

1. Effectively manage financial resources.
2. Openness and accountability in decision making.
5. Communicate regularly with our community and involve them in decision-making.

6. CONSIDERATIONS

ENVIRONMENTAL, SOCIAL & CULTURAL, & ECONOMIC

Not applicable

LEGAL & RISK

Not applicable

FINANCIAL & BUDGETARY

Community support as a result the pandemic has been provided in the 2020/21 budget.

7. IMPLEMENTATION STRATEGY

COMMUNICATION

Council officers have been in contact with the petition submitters advising of the situation with COVID-19 and the Council election caretaker period.

TIMELINE

Not applicable

8. OFFICER DIRECT OR INDIRECT INTEREST

No officer declared an interest under the *Local Government Act 2020* in the preparation of this report.

Item: 10.2

Petition - Commercial Rate Relief - Knowles/Vesey

OFFICER	Maree Powell
GENERAL MANAGER	Errol Lawrence
DIVISION	Corporate Services
ATTACHMENTS	Nil
PURPOSE	To provide Council's response to the petition from the Apollo Bay Chamber of Commerce requesting relief in full of the property rates levied on commercial rate payers of Apollo Bay during the period of the COVID lockdown.

1. EXECUTIVE SUMMARY

On 9 October 2020 Council received a petition initiated by Justin Vesey and submitted by Mr. Bob Knowles of Apollo Bay, on behalf of the Apollo Bay Chamber of Commerce, requesting relief in full of the property rates levied on commercial rate payers of Apollo Bay during the period of the COVID lockdown. The petition is attached.

The petition was tabled at the November 2020 Ordinary Council meeting being the earliest possible meeting after receipt of the petition due to the caretaker period prior to the Council elections.

It is clear that almost every business, family and individual across the Shire has been affected adversely in some way as a result of the pandemic, and the coastal communities probably more than most. Council is extremely empathetic to the requests of the petitioners and has been active in liaising with Council officers to provide a satisfactory response to the petition.

Council's financial response for the 2020/2021 budget is detailed below. Council is committed to considering further financial assistance when considering the 2021/2022 budget. The cumulative financial effect of providing meaningful direct rate relief would have profound consequences on Council's ability to continue to deliver services to the Colac Otway community. This will be a major challenge for the Council when considering all the conflicting priorities associated with constructing a budget that delivers the best possible outcome for the community.

2. RECOMMENDATION

That Council:

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- 2. Acknowledges the serious nature of the circumstances leading to, and outlined in the petition.**
- 3. Determines that the Council has provided a response to the pandemic in line with its financial capacity and for the benefit of the Shire's businesses and the Colac Otway community generally in the 2020/2021 budget.**
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- 6. Continues to advocate for financial relief from the State and Federal Governments.**
- 7. Responds in writing to Mr. Bob Knowles, as representative for the petitioners, with details of Council's response to the petition.**

3. KEY INFORMATION

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6. CONSIDERATIONS

ENVIRONMENTAL, SOCIAL & CULTURAL, & ECONOMIC

Not applicable.

LEGAL & RISK

Not applicable.

FINANCIAL & BUDGETARY

Community support as a result the pandemic has been provided in the 2020/21 budget.

7. IMPLEMENTATION STRATEGY

COMMUNICATION

Council officers have been in contact with the petition submitters advising of the situation with COVID-19 and the Council election caretaker period.

TIMELINE

Not applicable.

8. OFFICER DIRECT OR INDIRECT INTEREST

No officer declared an interest under the *Local Government Act 2020* in the preparation of this report.

Item: 10.3

Colac Otway Shire Annual Report 2019/20

OFFICER	Melanie Duve
GENERAL MANAGER	Peter Brown
DIVISION	Executive
ATTACHMENTS	1. Colac Otway Shire Council Annual Report 2019-2020 [10.3.1 - 164 pages]
PURPOSE	To note the Annual Report 2019-2020 as submitted to the Minister for Local Government.

1. EXECUTIVE SUMMARY

The preparation of the Annual Report is a statutory requirement of Council. It is a key performance report to the community against the actions in the Council Plan. It includes a report on the financial operations for the period, supported by the audited financial statements and the performance statement. This is the third year of reporting against the 2017-2021 Council Plan.

2. RECOMMENDATION

That Council notes the Colac Otway Shire Annual Report 2019/20.

3. KEY INFORMATION

The 2019/20 Annual Report (attached) was prepared to reflect the governance, operations and achievements of the Colac Otway Shire Council for the reporting period. The report is structured in several sections as follows.

The report of operations section includes:

- Council’s vision, mission, values and strategic direction, the Shire profile, the message from the Mayor and Chief Executive Officer, Councillor details, the Chief Financial Officer’s report, major projects report, details of the Executive Management Team, the organisational structure and staff overview.

- The Performance section reports against the Key Result Activities detailed in the Council Plan 2017-2021 plus additional core activities. It also contains a description of the services to the community and the Local Government Performance Reporting Framework (LGPRF) indicators in the prescribed format. The performance section is structured on the four Themes of the Council Plan:
 - Our Prosperity
 - Our Places
 - Our Community
 - Our Leadership and Management

- The Democratic and Corporate Governance sections note the separation of roles and reports on Council’s statutory compliance requirements. It also includes the LGPRF Governance and Management Checklist in the prescribed format.
 - The Financial Reporting section provides performance details for 2019/20 and comparisons of key indicators over a five-year period. A guide to understanding the financial statements precedes the audited Financial Statements and Performance Statement.
 - The report ends with other information including Acronyms and Definitions, and an Index.

The draft Financial Statements and Performance Statement were considered by the Audit Committee on 14 October 2020 and certified by Council at the Special Council Meeting held on 21 October 2020.

The Auditor General has issued a clear audit opinion on the Financial Statements and the Performance Statement.

The Annual Report was sent to the Minister on 27 November 2020. As required by the Act, the minimum of 14 days’ notice of the meeting to consider the report was advertised on Monday 30 November 2020. The advertisement also notes that copies of the report will be available from Customer Services Centres in Colac and Apollo Bay, and was also available for viewing on Council’s website at www.colacotway.vic.gov.au.

Financial Performance

Council is committed to providing accurate, understandable and fair reporting on our financial performance for 2019/20 and our financial position at the end of the period. It enables an assessment of our ability to deliver current services and maintain existing facilities in the longer-term.

In brief

The 2019/20 results show that Council remains financially sustainable, but some critical indicators continue to trend downward. Specifically:

- An adjusted Underlying Deficit in 2019/20 of \$1.91m. i.e. Without revenue from capital grants, etc. Council would have made a deficit of \$1.91m.
 - The adjusted Underlying Deficit would have been \$585k if the new Accounting Standards had not been introduced in 2019/20.
- Third successive year of a reduction in the Working Capital Ratio, to 178%. This is positively impacted by \$3.4 million cash received in advance.
- Third successive year of a reduction in the Internal Financing Ratio to 83.3%.

An explanation and some commentary of these indicators are discussed further in this report.

Other key results include:

- Net Surplus \$1.17m
- Capital Works program \$14.89m, of which 75% related to asset renewal projects
- Cash Balance \$16.2m

The \$187k unfavourable result compared to budget primarily relates to the following:

- \$3.7m of unbudgeted grants, including:
 - o \$1.9m relating to the management of Port of Apollo Bay.
 - o \$0.37m received for various bridge projects.
 - o \$0.54m received for various road project.
- \$728k of additional non-monetary contributions;
- \$4.0m of additional Materials and Services expense;
 - o Materials and Services increased by 1.87% compared to 2018/19.
- \$1.1m of additional employee benefits.
 - o Employee benefits increased by 1.96% compared to 2018/19.

For more information on the actual variances to budget please refer to the 'In Principle' Financial Statements Note 1 – Performance against budget.

Council ended the financial year with a total cash balance of \$16.2 million. This is a decrease of \$4.3 million from the prior year primarily due to;

- Reducing reserve commitments by \$5.86m;
- Timing of payments and receipts;
- Funding 100% (\$14.89m) of the capital works program from operating cash and cash reserves;
- \$1.7m of existing loans and borrowings were repaid;
- No additional loans and borrowings were undertaken in 2019/20.

Operating results

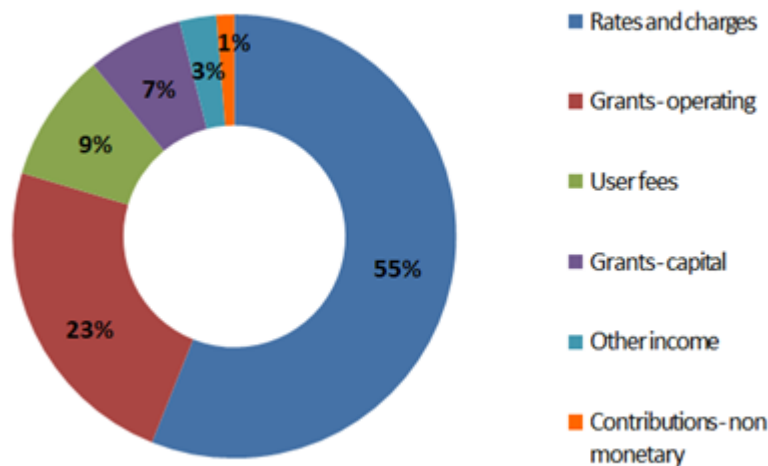
The surplus for the year totalled \$1.17 million, compared to a surplus of \$6.97 million in 2018/19.

Council's major challenge in future years is to continue generating sufficient cash to fund infrastructure renewal requirements whilst maintaining service levels. This challenge is further impacted given the current restrictions on Council's ability to raise revenue within the rate cap, set under the State Government's Fair Go Rates System.

Council is currently undertaking a project to develop a more robust long term financial plan that will assist in meeting these renewal requirements.

Revenue

Total revenue for 2019/20 was \$56.8 million (budgeted \$51.3 million) compared with \$61.6 million for 2018/19. Further detail on our income can be seen in the Comprehensive Income Statement.

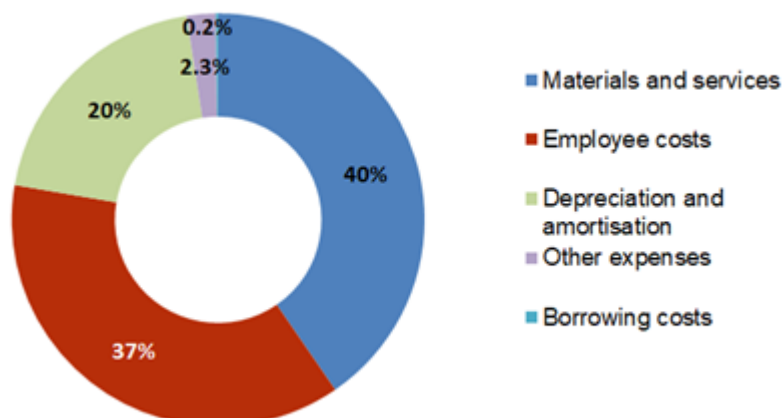


An analysis of Council's revenue sources highlights that 78% of our income is derived from two income categories:

- Rates and charges 55%
- Operating grants 23%

Expenditure

Total expenses for 2019/20 were \$55.6 million; \$1 million, or 1.8%, more than the \$54.6 million spent in 2018/19 (detailed in the Comprehensive Income Statement).



An analysis of expenses indicates that 97% were in the following three categories:

- Materials and services 40%
- Employee benefits 37%
- Depreciation and amortisation 20%

At the adoption of the 2019/20 budget Council adopted a rate increase of 0.5% and instructed that the saving of 1.5%, or \$450,000, must be achieved with a reduction in Employee costs.

The Annual Financial Report indicates that actual Employee Costs exceeded budget, and is specifically detailed in Note 1.1, item 8 of the Annual Financial Report, which includes:

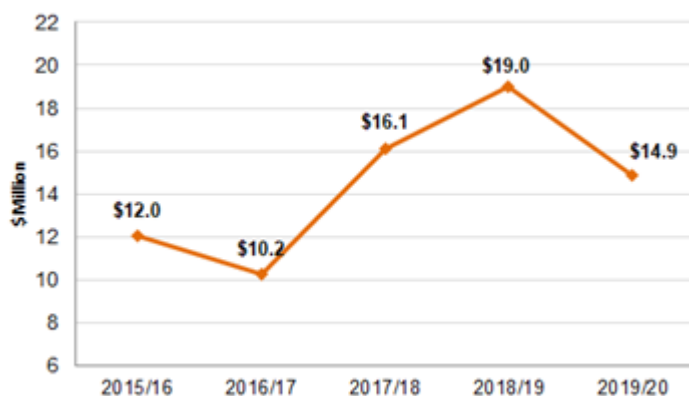
- \$240k due to utilisation of 3 additional FTE in Services and Operations, rather than the use of budgeted contractors.
- \$218 due to a change in the discount rates applied to the leave provision.
- \$145k due to salaries being paid to employees on long term injuries. Council received \$90k in reimbursements from its insurer.
- \$128k fully funded additional employees required to fulfil additional Home Care Packages.
- \$110k due to the restructure of Bluewater Fitness Centre. This is partly offset by \$47k in additional revenue for 2019/2020
- \$104k due to the utilisation of employees to deliver initiatives, whereby contracted expenditure was expected. This includes the City Deal Project and the MCH Hard to Staff Project.
- \$57k due to a decision to increase resources in the Statutory Planning area to improve the level of service to the community.
- \$47k due to an increase in the WorkCover premium above the budgeted level. This is partly due to several long-term WorkCover claims.
- \$36k fully funded employee costs were utilised in relation to Aboriginal Engagement – Healthy Babies Stronger Families.
- \$25k fully funded employee costs in relation to the Working for Victoria initiative.
- \$22k fully funded employee costs relating to the Port of Apollo Bay.

The \$450,000 reduction in employee costs required was achieved with the following savings:

Position	2019/20 Saving	
	FTE	\$'000
Employee Benefit Savings		
Reduced FTE		
Corporate Services administration support reduced	0.50	40
Health & Wellbeing Administrator	0.50	31
Environmental Project Officer/Coordinator restructure	0.40	28
GIS Coordinator - New service-sharing arrangement	1.00	95
Customer Assist role not replaced - Apollo Bay	0.19	13
Local Laws Administrator	0.15	10
Finance Projects Officer	0.20	21
Contracts Administrator	0.70	46
Infrastructure Customer Service Coordinator	0.50	46
Total FTE reduction savings	4.14	329
Delayed recruitment without backfill	2.22	187
Total identified Employee Benefit savings	6.36	516

Capital Works

In 2019/20 Council's Capital Works activities decreased by \$4.1 million from last year, to a total of \$14.9 million. Renewal of our existing assets accounted for \$11.2 million, new assets accounted for \$3 million and upgrade to existing assets totalled \$0.7 million. The investment in capital works is a strategic approach to maintaining or renewing the community's existing assets as they age. Council is currently undertaking a large body of work to review existing and develop new asset management plans.



Activities included:

- \$4.5 million on road works.
- \$2.9 million on drainage and storm water.
- \$2.2 million on renewal of Council's plant, machinery and equipment.
- \$1.1 million on buildings.
- \$0.5 million on footpaths and cycle ways.
- \$0.5 million on bridge works.

Assets

Total assets are valued at \$377 million; 99% consisting of:

- Property, plant, equipment and infrastructure (land, buildings, roads, bridges etc.)
- Cash assets (mainly short-term investments)

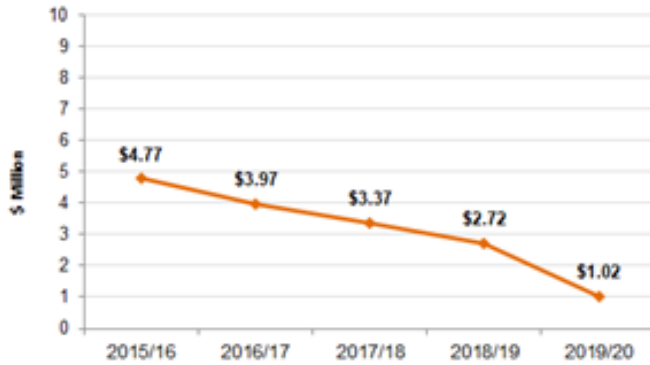
Liabilities

Total liabilities were \$21.9 million as at 30 June 2020. Liabilities included loans, amounts owed to suppliers, lease obligations, provisions for landfill rehabilitation and amounts owed to employees for leave entitlements. Liabilities increased by \$0.9 million, in comparison with 2018/19.

Due to the introduction of new Accounting Standards, Council was required to recognise lease liabilities of \$0.9 million in 2019/20.

Loan liability

Council's borrowings liability levels reduced from \$2.72 million in 2018/19 to \$1.02 million in 2019/20.

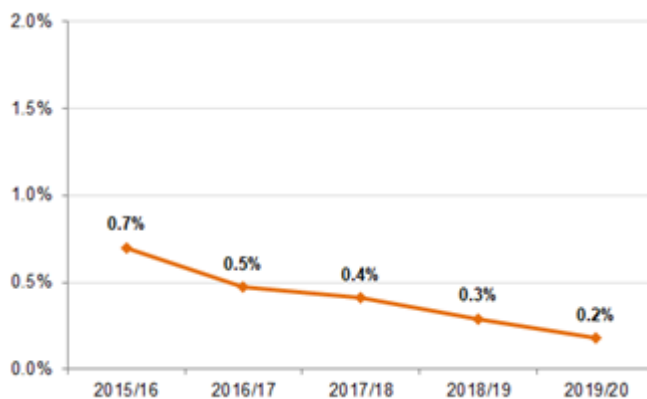


During 2019/20 Council made total loan payments of \$1.8 million (\$1.7 million repayment and \$0.1 million interest). Council's current loans and borrowing are well under the prudential ratio limits previously used by the Victorian State Government.

Financial Indicators

The financial indicators included in this report provide information on performance trends over time.

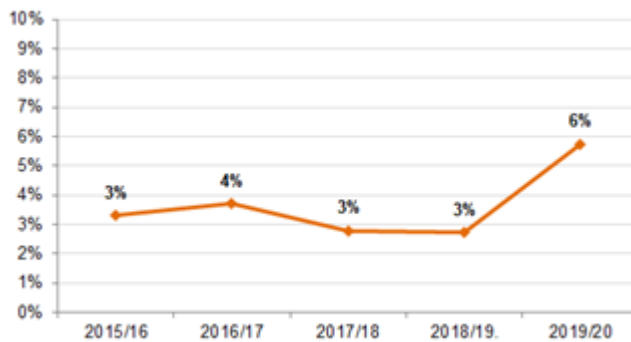
Debt Servicing Ratio



The Debt Servicing Ratio essentially shows how much Council spends on maintaining its outstanding debts compared with how much revenue it earns. These debt-servicing costs refer to the payment of interest on loan borrowings and any lease interest. The ratio expresses the amount of interest paid as a percentage of our total revenue.

The ratio of 0.2% is very low and indicates that Council is able to service existing debt levels and have further capacity to borrow if required.

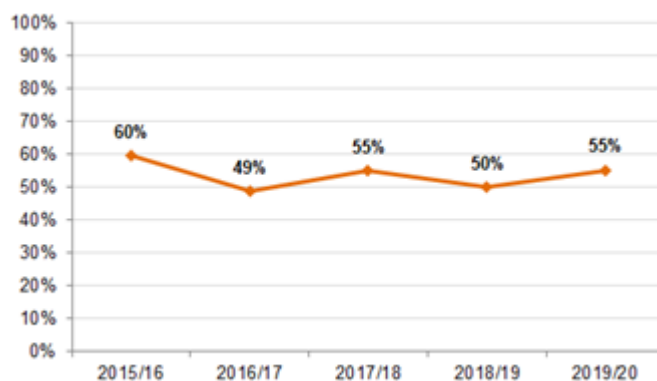
Debt Repayment Ratio



The Debt Repayment Ratio is used to illustrate how much rate revenue is used to fund existing debt for the year. This includes the payment of principal and interest relating to loans and leases. The rate at which the ratio either increases or decreases is a reflection of Council's debt redemption strategy. The debt repayment ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal.

The Debt Repayment Ratio was higher in 2019/20 due to the increased repayment of loans, including a \$1m bond repayment in November 2019, which was taken under the Local Government Funding Vehicle in 2014.

Revenue Ratio



The Revenue Ratio shows the level of reliance on rate revenue. It is an indication of how much total revenue comes from rates and charges. It is influenced by other revenue sources such as government grants, contributions, special charges, user fees and charges. Rate income is a secure and predictable source of revenue. A low ratio can warn of undue reliance on other forms of revenue, which may or may not be sustainable, e.g. government grants. The preferred position is for a reliance on rates and other commercial revenue, with a low dependency on government grants.

Financial Sustainability Indicators

Financial sustainability is defined in a number of different ways. A generally accepted definition is whether local governments have sufficient current and prospective financial capacity (inflows) to meet their current and prospective financial requirements (outflows).

To be sustainable, councils need to have some excess capacity at any point in time to be able to manage future financial risks and shocks without having to radically adjust their current revenue or expenditure policies.

The following seven indicators are utilised and published by the Victorian Auditor General annually, to assess the financial viability of councils. The figures for the financial years 2015/16 to 2018/19 are taken from the Victorian Auditor-General’s Office (VAGO) report that can be found at: <https://www.audit.vic.gov.au/sites/default/files/2019-11/20191127-Local-Government-report.pdf>

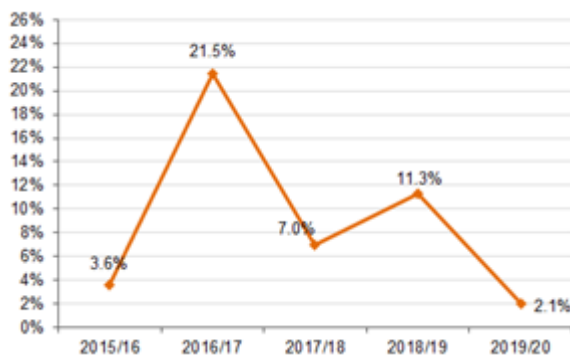
The 2019/20 figures in the following graphs are officer calculations of the ratios. The following table summarises Colac Otway Shire Council’s result for 2019/20:

Indicators	Colac Otway Result	Risk Levels		
		High	Medium	Low
Net Result Ratio	2.1%	Less than Negative 10%	Between negative 10% and zero	Greater than zero
Adjusted underlying result	-3.5%	Less than 0%	Between 0% and 5%	Greater than 5%
Liquidity Ratio	178.4%	Less than 75%	Between 75% and 100%	Greater than 100%
Indebtedness Ratio	27.1%	Greater than 60%	Between 40% and 60%	Less than 40%
Internal Financing Ratio	83.3%	Less than 75%	Between 75% and 100%	Greater than 100%
Capital Replacement	136.0%	Less than 100%	Between 100% and 150%	Greater than 150%
Renewal Gap	108.8%	Less than 50%	Between 50% and 100%	Greater than 100%

The following information provides a definition for each indicator and the five year trend for each:

Net Result Ratio

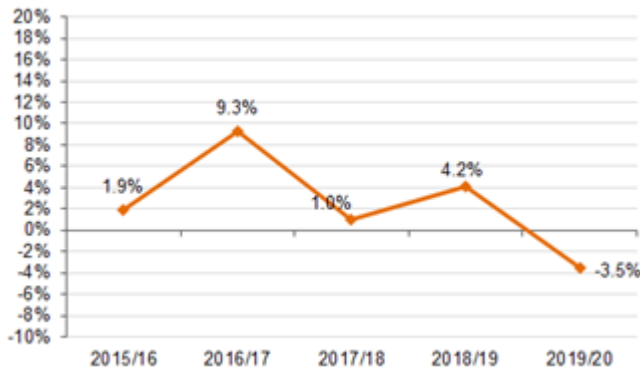
This measures how much of each dollar collected as revenue translates to net result. A positive result indicates a surplus, and the larger the percentage, the stronger the result.



This ratio includes capital grants and grants received in advance that aid in generating a surplus. This can be utilised for new assets or asset renewal. This result places Council within the ‘Low’ risk category for financial sustainability.

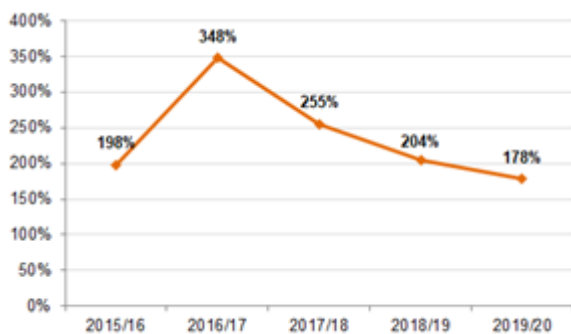
Adjusted Underlying Result

This measures an entity's ability to generate surplus in the ordinary course of business—excluding non-recurrent capital grants, non-monetary asset contributions, and other contributions to fund capital expenditure from the net result. A deficit suggests a reduction in the operating position.



Working Capital Ratio

This measures an entity's ability to pay existing liabilities in the next 12 months. A ratio greater than 100% means there are more cash and liquid assets than short-term liabilities.

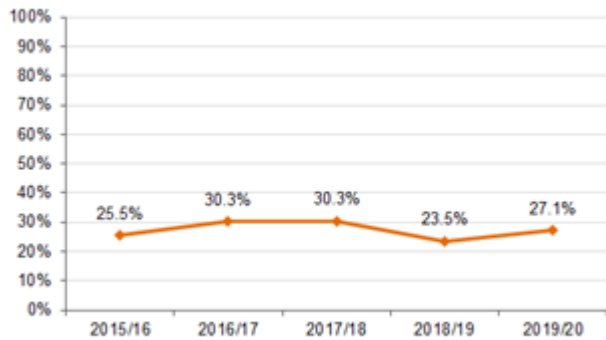


The Working Capital Ratio expresses the level of current assets, such as cash and investments, that Council has available to meet our current liabilities. This includes outstanding creditors and employee entitlements.

The current ratio of 178% is greater than the target for low risk, but does include \$3.4 million of cash received in advance.

Indebtedness Ratio

This assesses an entity’s ability to pay the principal and interest on borrowings, as and when they fall due, from the funds it generates. The lower the ratio, the less revenue the entity is required to use to repay its total debt. Own-sourced revenue is used, rather than total revenue, because it does not include grants or contributions.

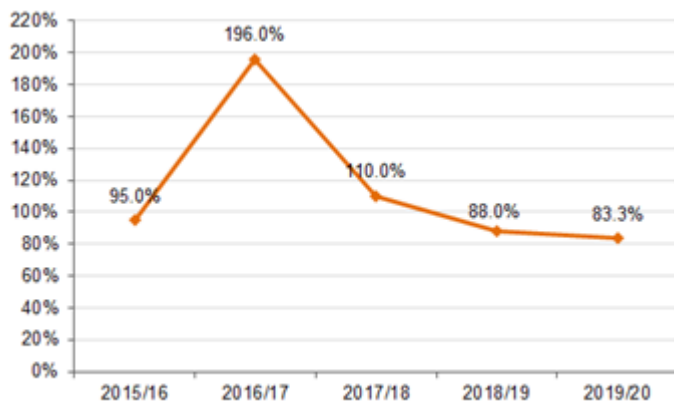


This ratio indicates our ability to repay debt from our own sources of revenue, such as rates and charges. The ratio is comfortably in the low risk category, indicating that we are generating sufficient funds to cover debt without requiring outside assistance.

Despite repaying a large amount of debt in 2019/20 this indicator has increased due to the low level of own sourced income.

Internal Financing Ratio

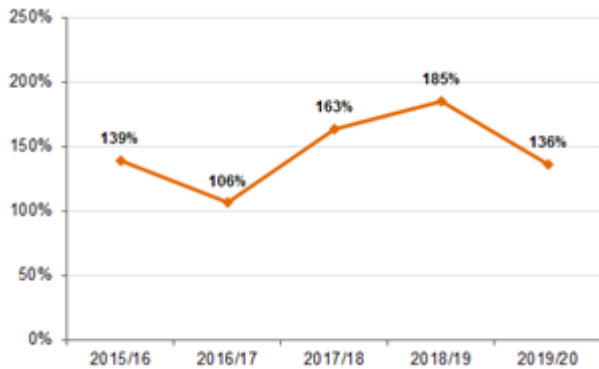
This measures an entity’s ability to finance capital works using cash generated by its operating cash flows. The higher the percentage, the greater the ability for the entity to finance capital works from its own funds.



Results indicate that Council’s ability to generate sufficient cash from operations to fund the renewal of existing assets has declined over the last three years.

Capital Replacement Ratio

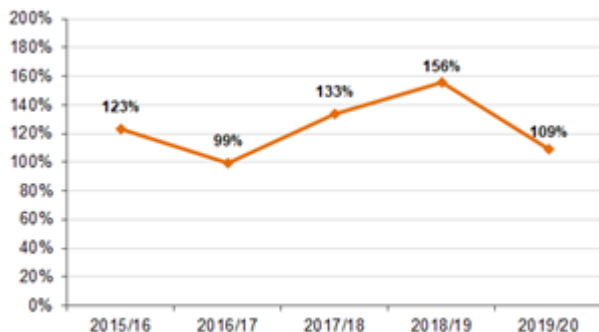
This compares the rate of spending on infrastructure, property, plant and equipment, and intangibles with its depreciation and amortisation. This is a long-term indicator, as capital expenditure can differ in the short term if there are insufficient funds available from operations, and borrowing is not an option. A ratio less than 100% means the spending on capital works has not kept pace with consumption of assets.



This ratio is about the overall spending on assets, both new and existing.

Renewal Gap Ratio

This compares the rate of spending on existing assets through renewing, restoring, and replacing existing assets with depreciation. Ratios higher than 100% indicate that spending on existing assets is faster than the depreciation rate.



This ratio is about the renewal and upgrade of our existing assets (i.e. replacing one asset with another of the same or better quality).

Performance Statement

The data and indicators contained in the Performance Statement has been carefully collated and reviewed to ensure it is consistent with the Local Government Performance Report Framework Indicator Workbook.

Any material variation or commentary has been provided against each indicator.

4. COMMUNITY CONSULTATION & ENGAGEMENT

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

An advertisement informed the community that copies of the Annual Report were available for viewing from Monday, 30 November 2020 on Council's website at which time hard copies will be available for viewing at customer service centres in Colac and Apollo Bay. It also informed the community that the Annual Report will be discussed in an open Council Meeting commencing at 4.00pm on Wednesday, 16 December 2020.

5. ALIGNMENT TO COUNCIL PLANS, POLICIES OR STRATEGIES

Alignment to Council Plan 2017-2021:

Theme 4 - Our Leadership & Management

3. Organisational development and legislative compliance.

6. CONSIDERATIONS

ENVIRONMENTAL, SOCIAL & CULTURAL, & ECONOMIC

In consideration of the environmental and sustainability principles of Council, the Annual Report is available primarily via Council's website. This is to reduce the amount of hard copy prints of the report. Other environmental considerations of Council's are documented in the Annual Report.

LEGAL & RISK

In completing the 2019/20 Annual Report in the prescribed format, Council believes it has met the compliance obligations required by the *Local Government Act 1989*, the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2014*.

FINANCIAL & BUDGETARY

Not applicable

7. IMPLEMENTATION STRATEGY

Council officers provided information during the development of the report and Councillors were issued with a draft of the governance section for comments prior to finalisation of the report.

COMMUNICATION

Copies of the report were available for viewing by the community and stakeholders from Monday, 30 November 2020 on Council's website and customer service centres in Colac and Apollo Bay.

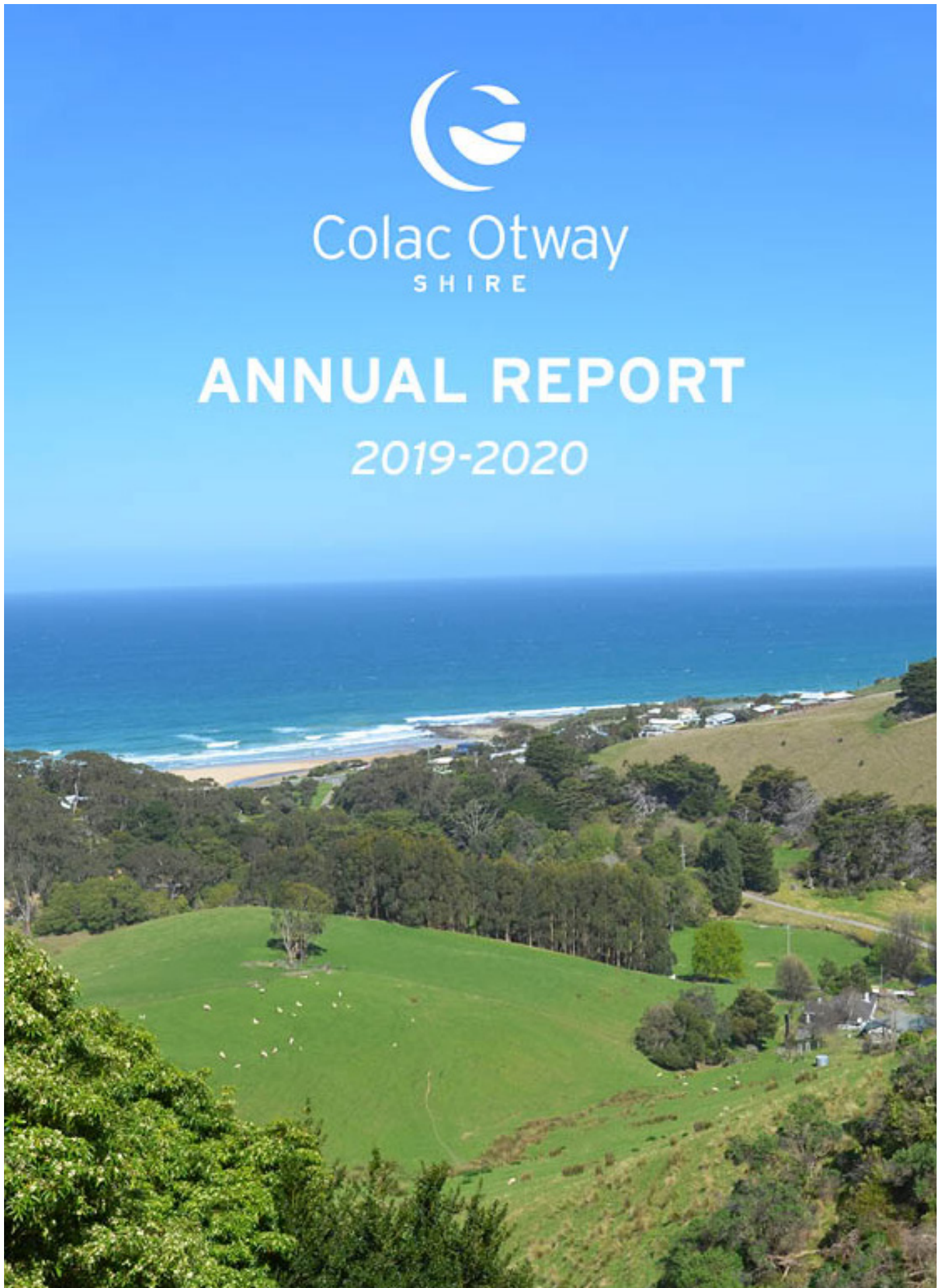
TIMELINE

27 November 2020: 2019/20 Annual Report submitted to the Minister for Local Government

16 December 2020: Council notes the 2019-2020 Annual Report

8. OFFICER DIRECT OR INDIRECT INTEREST

No officer declared an interest under the *Local Government Act 2020* in the preparation of this report.



CONTENTS

INTRODUCTION		DEMOCRATIC GOVERNANCE	74
Welcome	5	CORPORATE GOVERNANCE	80
Our Strategic Vision	5	FINANCES	
Location, History & Profile	6	Financial Performance	89
		Financial Indicators	93
THE YEAR IN REVIEW		Understanding the Financial Statements	98
Fast Facts About our Services	9	Financial Report	102
Chief Executive Officer Message	10	Performance Statement	106
Financial Summary	13	ACRONYMS & DEFINITIONS	163
Major Projects Report	15	INDEX	164
Sustainability Report	16		
OUR COUNCIL			
Who Are Our Councillors	19		
Council Meetings	20		
Community Engagement	20		
OUR PEOPLE			
Executive Management Team	22		
Organisational Structure	23		
Colac Otway Shire Staff	24		
Staff Matters	25		
Report of Operations	28		
OUR PROSPERITY			
Highlights, Challenges & Future Outlook	33		
Performance Against Council Plan	35		
LGPRF	39		
OUR PLACES			
Highlights, Challenges & Future Outlook	43		
Performance Against Council Plan	46		
LGPRF	51		
OUR COMMUNITY			
Highlights, Challenges & Future Outlook	56		
Performance Against Council Plan	58		
LGPRF	60		
OUR LEADERSHIP & MANAGEMENT			
Highlights, Challenges & Future Outlook	68		
Performance Against Council Plan	69		
LGPRF	72		



The Colac Otway Shire proudly acknowledges the Guldjian and Gadubanud peoples as the traditional custodians of the Colac Otway Region.

We acknowledge that the activities of the Colac Otway Shire referenced in this Annual Report are conducted upon lands of the Guldjian and Gadubanud people.

We pay our respects to their Ancestors and Elders, past, present and emerging. We recognise and respect their unique cultural heritage, beliefs and relationship to their traditional lands, which continue to be important to them today and into the future.

CONTACTING COUNCIL

CONTACT COLAC OTWAY SHIRE

PO Box 283, Colac 3250

E: inq@colacotway.vic.gov.au

T: 03 5232 9400

W: www.colacotway.vic.gov.au

For callers who have a hearing, speech or communication impairment, and for text telephone or modem callers, use our National Relay Service on 133 677

COUNCIL CENTRES

Colac Service Centre

2-6 Rae Street, Colac

Open: Monday - Friday 8:30am - 5pm

Apollo Bay Service Centre

100 Great Ocean Road, Apollo Bay

Open: 7-days a week, 9am - 5pm

Colac Otway Performing Arts & Cultural Centre (COPACC)

95-97 Gellibrand Street, Colac

T: 5232 9418

E: copacc@colacotway.vic.gov.au

W: www.copacc.com.au

Open: Monday to Friday, 9am until 5pm (except public holidays)

Bluewater Leisure Centre

118-134 Hearn Street, Colac

T: 5232 9551

E: bluewater@colacotway.vic.gov.au

W: www.bluewater.org.au

Open: 7-days per week (check website for current hours)

Gymnasium open 24/7



Great Ocean Road Visitor Information Centre (GORVIC)

100 Great Ocean Road, Apollo Bay

T: 5237 6529 or 1300 689 297

E: gorvic@colacotway.vic.gov.au

Open: 7-days a week, 9am - 5pm



Colac Visitor Information Centre

95-97 Gellibrand Street, Colac

T: 1300 OTWAYS (689 297)

E: colacvic@colacotway.vic.gov.au

Open: Mon - Thurs: 9am - 3pm, Fri: 9am - 5pm,

Sat: 9am - 3pm, Sun: 10am - 2pm

Colac Maternal Child Health Centre

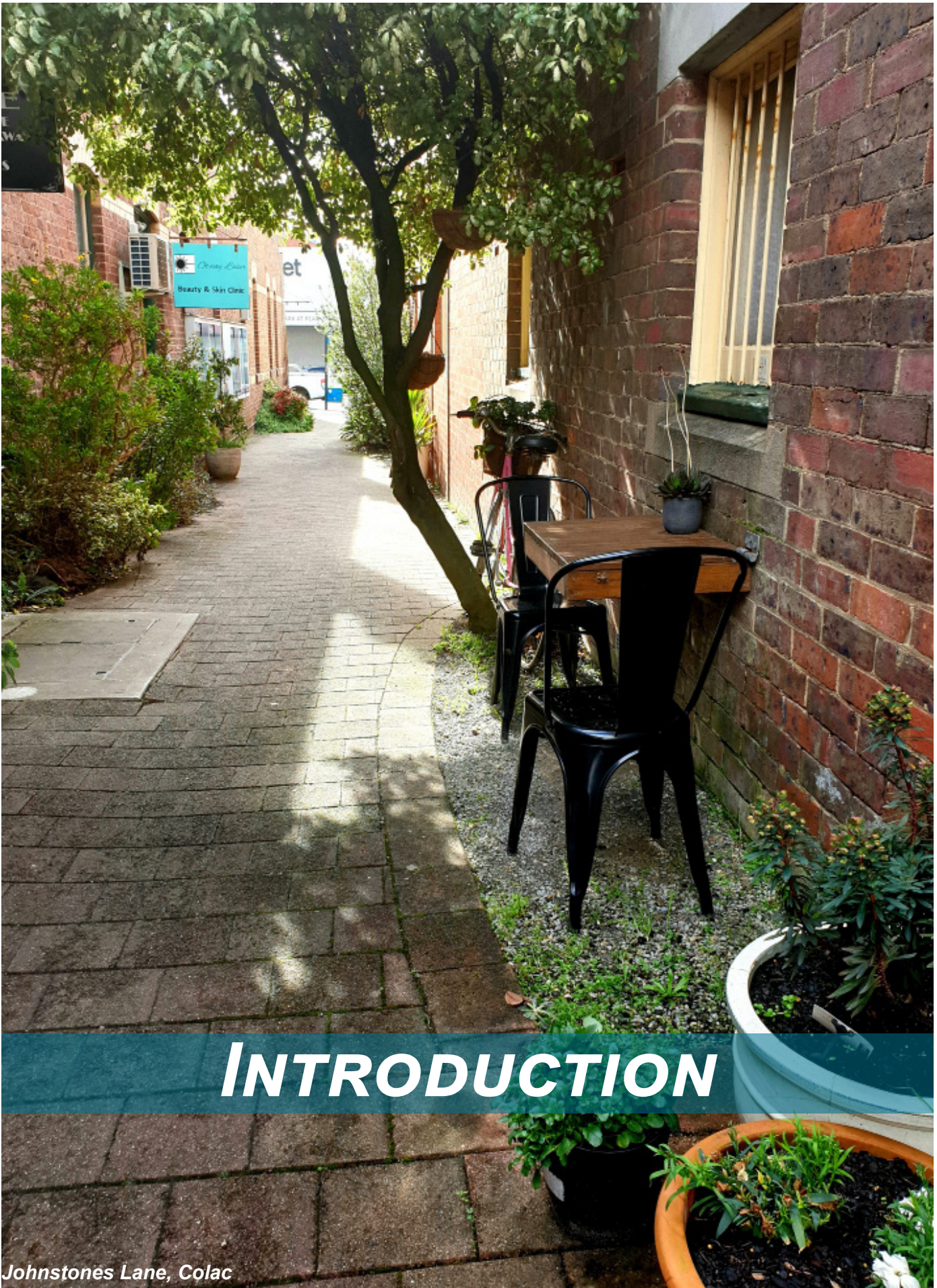
49 Queen Street, Colac

T: 5232 9570

E: inq@colacotway.vic.gov.au

Open: Monday - Friday 9.00am - 4.30pm

(Contact Colac Centre for MCH Outreach Centre hours)



Johnstones Lane, Colac

INTRODUCTION

WELCOME

Welcome to Colac Otway Shire Council's Annual Report for 2019-2020.

Our report documents Council's performance during 2019/20 against the Council Plan and the 2019/20 Budget.

Council is committed to transparent reporting and accountability to the community. The report of operations is the primary means of advising the Colac Otway community about Council's operations and performance during the year.

The report serves as an important document that will provide 'point in time' information about Council and the community for readers of the future.

This document also provides the opportunity to celebrate the achievements of Council, Council staff and the community over the course of the year.

FEEDBACK

The content of the Annual Report is reviewed each year and is guided by best practice in reporting and local government.

Your feedback is invited via email: inq@colacotway.vic.gov.au or by letter to:

Chief Executive
PO Box 283
Colac Vic 3250



Strategic Vision

'Towards a prosperous future'

Values

Council will achieve its Vision by acting with:

- Respect
- Integrity
- Goodwill
- Honesty
- Trust

Strategic Direction

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

The four themes of our Council Plan inform our key strategic direction for 2017-2021:

Theme 1 - Our Prosperity

Theme 2 - Our Places

Theme 3 - Our Community

Theme 4 - Our Leadership & Management

Specific objectives and strategies for each of the key directions (Council Plan 'themes') introduce the relevant sections of the performance section of this report.

LOCATION, HISTORY & PROFILE

OUR LOCATION

As the gateway to the Great South Coast region we are situated about 160 kilometres south-west of the Melbourne CBD and approximately an hour to the large regional cities of Geelong to the east, Warrnambool to the west and Ballarat to the north.

Colac Otway Shire has a unique and precious natural environment containing some of the most picturesque scenery in the State. A large proportion is forest and National Park but it also includes beaches, rugged coastline, rainforests, waterfalls, volcanic lakes and craters.

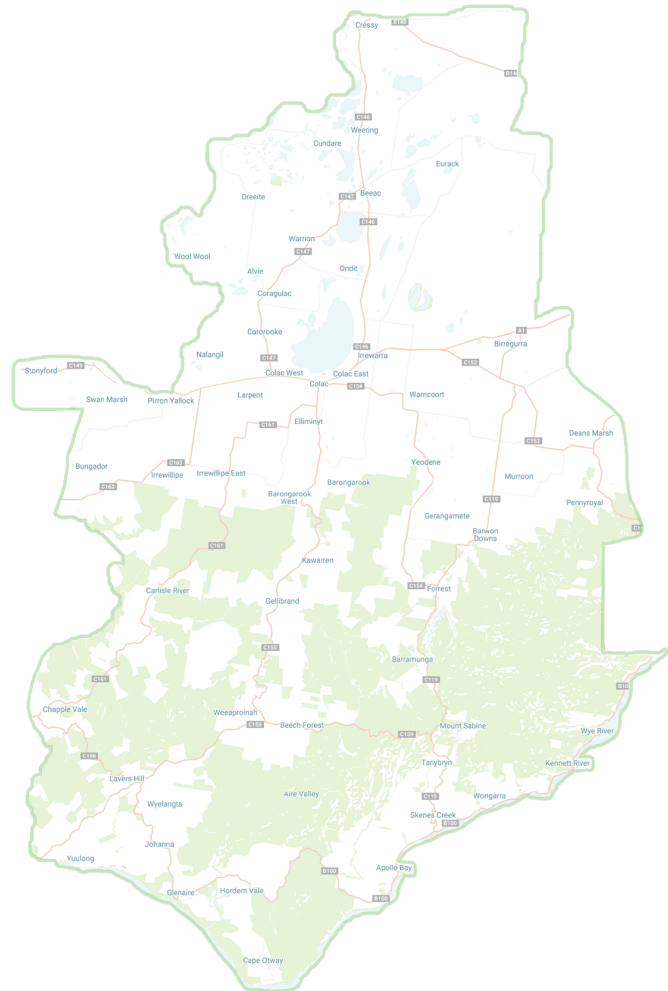
The shire has two main townships: Colac, the largest and the major service town where most community support and health services, retail trade and manufacturing businesses are located; and Apollo Bay, which serves as the major tourism centre. Dotted throughout the shire are many small historic towns with active community associations.

In the north of our shire, much of the rural area is used for timber and agriculture, with farming, cropping and dairying being the main agricultural activities.

A drive south through Colac leads to the Otway Ranges, one of Australia's most significant cool climate rainforest areas, home to towering trees and lush ferns. The Otways are important to the shire and the wider region for tourism, timber and water harvesting.

The lure of the Great Ocean Road with its breathtaking scenic views is especially important to tourism, drawing local, interstate and international visitors to view its spectacular beauty.

Colac Otway Shire has been an unsubdivided municipality (no wards) since March 2017.



Our landscape is made up of:

- 3,433 square kilometres
- 1,622 kilometres of Local Roads
- 562 kilometres of Sealed Roads
- 1,064 kilometres of Unsealed Roads
- 95 kilometres of Coastline
- 110,000 hectares of forest and National Park

LOCATION, HISTORY & PROFILE

OUR HISTORY

Before European arrival in the district, Colac was known as “Kolak” or “Kolagnat” which means “belonging to sand” to the Gulidjan people. The Gadubanud people occupied the rainforest, estuaries, grass and wetlands and coastline of the Otways¹. Lake Colac, the volcanic plains and the Otways provided a rich and diverse food supply, including drinkable water from Lake Colac in the south-east and the Woody Yaloak River to the north². Ownership and custodianship of these areas span thousands of years and is still present today.

European settlement dates from 1837 when pastoralists settled near Lake Colac, with further development occurring over the following years as timber-getting and sawmills were established. The Apollo Bay township was established in the 1860s, with other coastal villages being settled by the 1880s.

The opening of the Great Ocean Road in 1932 gave greater access to coastal townships, with tourism spurring forth in the 1950s. Since the 1970s rural residential living has steadily increased in popularity.

Colac Otway Shire came into being in 1994 as a result of enforced Local Government amalgamations. The former City of Colac, Shire of Colac and Shire of Otway were amalgamated. This also included parts of the Shire of Heytesbury and Winchelsea³.

The origin of Otway is revealed in the logbooks of The Lady Nelson, 1800, captained by Lieutenant James Grant where he notes on seeing the cape, “I named it Cape Albany Otway (now Cape Otway) in honour of William Albany Otway, Esquire, Captain in the Royal Navy”.

OUR COMMUNITY

Our resident population is estimated at 21,564 as at 30 June 2020. Approximately 83.2% of the Shire’s residents were born in Australia and of those born overseas, only 4.2% came from non-English speaking.

The forecast through to 2041 is for growth of 23.39%⁴. This significant increase is expected due to the completion of the dual highway to Geelong. The duplication opens up the region, making commuting an attractive option for both the local population and for those seeking a lifestyle change.

With the attraction of affordable housing and great lifestyle, we are ideally located for those looking for a rural idyll within comfortable commuting distance to major centres.

¹ Aboriginal History Volume 33 - Lawrence Niewojt

² Aboriginal settlement of the saline lake and volcanic landscapes of Corangamite Basin, western Victoria - Ian J McNiven

³ Colac & District Historical Society 2018 - <<http://colachistoricalsociety.org.au/history.php>>

⁴ Australian Bureau of Statistics Census 2016 - id Consulting, Melbourne 2018.

EMPLOYMENT

The following five major industry sectors make up 56.5% of the employed resident population:



Manufacturing - 1,291 persons or 13.5%



Healthcare & Social Assistance - 1,209 persons or 12.7%



Agriculture, Forestry & Fishing - 1,191 persons or 12.5%



Retail Trade - 872 persons or 9.1%



Tourism - 835 persons or 8.7%

The overall employment rate in Colac Otway Shire is 96%.

Our community is made up of:

5.6% of 0-4 year olds

17.7% of 5-19 year olds

16.4% of 20-34 year olds

18.1% of 35-49 year olds

20.8% of 50-65 year olds

20.4% of 65+ year olds

1.2% of Aboriginal & Torres Strait Islanders

9% of the population was born overseas

Our population growth rate is currently 0.29%



THE YEAR IN REVIEW

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FAST FACTS ABOUT OUR SERVICES

7,567 INCOMING CALLS VISITOR INFORMATION CENTRE	320kg HOUSEHOLD WASTE TO LANDFILL	236 BIRTH NOTIFICATIONS RECEIVED
77,576 WALK-INS VISITOR INFORMAITON CENTRE	124.5 TONNES CARBON EMISSIONS REDUCED	3,171 MATERNAL CHILD HEALTH CONSULTATIONS
8,353 LOCAL DEVELOPMENT BUSINESS FORUM ATTENDEES	2,150 TREES, GRASSES, LILLIES & SHRUBS PLANTED	1,265 CATS REGISTERED
23,947 ANIMALS THROUGH COLAC REGIONAL SALEYARDS	185 CHILDREN PARTICIPATED IN ENVIRONMENTAL ACTIVITIES	4,848 DOGS REGISTERED
81KM UNSEALED ROADS RENEWED	25KM TREES TRIMMED ON RURAL ROADS	90% ANIMALS RETURNED TO OWNERS OR REHOMED
1,723KM FOOTPATHS RECONSTRUCTED	93,141 BLUEWATER MEMBER VISITS	4,597 COMMUNITY TRANSPORT HOURS
21 EXTERNAL COPACC EVENTS WITH 6,000 ATTENDEES	1,118 BLUEWATER NEW MEMBERSHIPS	97 PROPERTIES MAPPED
17 COPACC EXHIBITIONS WITH 2,500 ATTENDEES	18,423 BLUEWATER CASUAL VISITS	2,115 PENSION REBATES ON PROPERTY RATES
3,200 ATTENDEES AT COPACC PRODUCED SHOWS	15,613 HOME CARE HOURS	15,535 RATEABLE PROPERTIES
371 PLANNING PERMIT APPLICATIONS RECEIVED	5,173 MEALS ON WHEELS DELIVERED	1,240 LAND INFORMATION CERTIFICATES ISSUED
3,119 TONNES ORGANIC WASTE DIVERTED FROM LANDFILL	2,140 IMMUNISATIONS PERFORMED	235,461 RECORDS CREATED OR REGISTERED IN ORGANISATION
	324 FOOD SAFETY INSPECTIONS	21,935 CORRESPONDENCE RECEIVED BY COUNCILS INQ EMAIL

CHIEF EXECUTIVE REPORT



Colac Otway Shire Council responded to unprecedented challenges in 2019/20: a year which began with a recycling crisis and ended with a state of emergency and the impact of a global pandemic just starting to be realised.

Along with these challenges, this financial year also provided significant highlights for the shire community, including progress on designs and preliminary planning for City Deal projects on the coast which will provide a much-needed economic stimulus for Colac Otway's coastal communities and a long-term boost for tourism.

Council adopted its Colac 2050 Growth Plan to guide the strategic development of new housing, associated infrastructure and open space in August 2019 and is awaiting State Government approval.

The resolution of two significant legal proceedings for Colac Otway Shire Council, including the long-standing Bluewater redevelopment dispute, were reached in the first quarter. Colac Otway Shire Council was found not guilty in a WorkSafe case relating to the death of employee, the late Owen James, which had been difficult for the family and friends of Mr James and Council staff and management.

Council developed a Grey-Headed Flying Fox Management Plan and received State Government permission in September to disperse a colony of Grey-headed Flying Foxes which had been roosting at Colac Botanic Gardens and impacting the health of heritage trees and the amenity of the area. The Flying Foxes relocated before the temporary permit could be enacted and Council has a second application lodged with DELWP.

Entering the final 12 months for the current Council, Cr Jason Schram was re-elected Mayor for a second term in November, and Cr Joe McCracken accepted a second term as Deputy Mayor.

Colac Otway Shire welcomed the completion of the Princes Highway Duplication, delivering a dual highway between Colac and Melbourne and a highly anticipated confidence boost for investors.

Increased investor inquiries, new developments and the planned expansion of existing businesses demonstrate the importance of the dual highway connection to the shire's population and economic growth.

Among major events in 2019/20, Council hosted its second AFL pre-season match at Colac's Central Reserve which attracted over 7,500 spectators and the praise of the AFL.

The Marsh Community Series game between Geelong and Essendon was less than two weeks before Australia closed its borders and introduced physical distancing to reduce the spread of COVID-19.

Although Colac Otway Shire recorded no COVID-19 cases in the 2019/20 financial year, businesses, community and Council were significantly impacted by the pandemic.

The shire's rock lobster industry, was the first to feel the impact of the virus through restrictions on overseas trade over summer, with hospitality and tourism-based businesses the next industries hard-hit by the COVID-19 situation.

Colac Otway Shire enacted emergency response plans to ensure Council services could continue to be delivered in the COVID-19 environment, with a focus on additional business support, and aged and community care.

Council closed Visitor Information Centres and Council offices in Colac and Apollo Bay, COPACC, and Bluewater's pool, gymnasium and stadium, in accordance with State Government advice.

Staff were initially stood down, and casuals and volunteers stopped receiving shifts, however the State Government's Working for Victoria grants program enabled Council to redeploy staff into valuable roles in operations unaffected by restrictions.

Council went back to the table with its 2020/21 Budget planning in the fourth quarter to be able to incorporate a \$950,000 COVID-19 Business and Community Support Package, providing fees and charges relief for businesses, business diversification grants and community funding to boost spirits and the economy.

Key infrastructure projects across the shire were delivered in 2019/20 including the widening and sealing of tourist-logging industry link, Binns Road, and redevelopment of Colac's Western Oval.

Projects were also delayed following unanticipated issues, with additional costs to Council, including the redevelopment of Winifred Nance Kindergarten and Colac Central Reserve Netball Courts, and the introduction of a new two-way radio system.

A comprehensive review of Council's approach to project management, and consideration of specific challenges which have caused these delays will be a major focus in 2020/21.

Managing the rapidly changing COVID-19 situation and operational uncertainty during the last quarter of 2019/20 has placed significant pressure on business, the community and Council as an organisation.

CHIEF EXECUTIVE REPORT

Colac Otway Shire Council is proud of the strong leadership it has maintained throughout the pandemic, and is confident of maintaining an adaptable and considered approach to support the community through the recovery and rebuilding phase.

HIGHLIGHTS

- Completion of Apollo Bay Harbour Dredging Project – securing the economic viability of the Port.
- Colac Otway Shire hosted AFL Marsh Community Series Match with 7,598 in attendance, streamed live internationally.
- Colac 2050 Growth Plan Adoption.
- Funding secured for the kindergarten component of an Early Years Hub for Apollo Bay & a major enhancement of the Forrest Mountain Bike Trail.
- Design work underway and project team established for City Deal Projects in Apollo Bay, Kennett River and Skenes Creek.
- Colac Otway partners with Barwon Water, Australian Lamb Company, Bulla Dairy Foods, and other Councils in the G21 region to launch a Renewable Organics Network, which will turn organic waste from ALC and Bulla into renewable energy, hot water and soil enhancers for agricultural purposes.
- Solar systems installed on Colac Otway Shire's Pound Road Depot and Colac Library building, as Council nears its zero carbon emissions target.
- No recyclable material went to landfill during the SKM recycling crisis, with Colac Otway Shire able to secure alternative arrangements without impacting ratepayers.
- Relocation of Council's Apollo Bay Customer Service Centre to GORVIC.

PERFORMANCE AGAINST COUNCIL PLAN

Our Prosperity:

- Council's Economic Development Strategy played a key role in attracting development and business throughout the year, with the Economic Development Department and Planning Department, through the introduction of Better Approvals process and planning overlay reviews, delivering a streamlined approach for businesses and development.
- Planning permits have been approved for the Whipper Snapper Whiskey Distillery, an Otways retreat for Clarendon College, 7-Eleven service station and specialty shops, residential developments, redevelopment of Apollo Bay's Caltex Service Station, expansion of Colac's Aldi and Bunnings stores.

Our Places:

- Stage one & two of Binns Road upgrade complete.
- Apollo Bay Harbour Boat Trailer Park redevelopment complete.
- Funding secured through the Department of Justice towards solar street lighting along Queen Street, Colac. (Project completion 2020/21).
- Funding secured towards Colac Aerodrome upgrades to enable expansion (Project completion 2020/21).
- Neighbourhood Safer Places established before summer at Barwon Downs and Beech Forest, taking the total number of NSPs in the shire to nine.
- Solar compaction bins, previously trialed in Apollo Bay, rolled out across the shire including Lavers Hill, Gellibrand, Beech Forest and Colac's Memorial Square to monitor waste levels, avoid waste overflowing at peak holiday times and improve the shire's amenity.
- New temporary toilet facilities for Apollo Bay (Pascoe Street) and Kennett River.

Our Community:

- Colac Makers' Space open its doors in October 2019 after Colac Otway Shire completed a refurbishment of the former library annexe for use as a dedicated community arts base.
- Colac's Western Oval redevelopment and lighting upgrade completed.
- COPACC presents its seventh CrossXpollinatioN fibre and textile art exhibition.
- Seventy-six community organisations, clubs, event organisers and businesses across Colac Otway Shire shared in \$296,706 through Council's 2019/20 grants program.
- Colac's Bluewater Gymnasium Upgrade (Project completed).
- Winifred Nance Kindergarten Redevelopment (Project completed).
- Establishment of Colac Otway Shire COVID-19 Support Hotline for local access to food and essential services during isolation & quarantine.

Our Leadership & Management:

- Colac Otway Shire's ongoing digital transformation has included a website upgrade and the development of more easy-to-use online forms to improve access to Council services and;
- Communication has been expanded through all platforms, from community newsletters to social media, during 2019/20. Colac Otway joined forces with major employers to promote their industries and attract workers.

CHIEF EXECUTIVE REPORT

Our Leadership & Management (cont):

- The introduction of the new Local Government Act and changes to statutory requirements requires significant resourcing and policy development, with initial deadlines for the development of some mandatory policies set for September.
- Council's advocacy for the establishment of a Great Ocean Road Authority fails to attract a head office but delivers a district office for Apollo Bay.
- Strong advocacy for State and Federal funding for Council and community projects continues, along with advocacy for recognition of Princes Highway West as a Highway of National Significance.
- Departmental reviews are ongoing, while an organisational structure review and a review of the organisation's values nears completion.

FINANCIAL PERFORMANCE

At 30 June 2020, council's financial position remains stable, including:

- \$356 million of community assets under council's stewardship;
- Current assets of \$20.3 million, including a cash balance of \$16.2 million.
- Current liabilities of \$11.4 million.
- Statutory and non-statutory reserve commitments totalling \$14.1 million (excluding long service leave included in current liabilities).
- Council further reduced its level of borrowings by \$1.7 million to total \$1.02 million at year end.

After removing the impact of COVID-19 and the timing differences relating to initiatives, capital grants, etc. the 2019/20 results show that Council achieved the budgeted operating revenue and expenditure for the year.

The impact of lost revenue and additional costs associated with managing the COVID-19 pandemic has been provided for in the 2020/21 budget. Due to Council's low cash reserves the response to the COVID-19 pandemic is limited and largely funded by a one-off reduction in asset renewal and other projects.

Despite the pressures that inflation, additional funded services and Council's enterprise agreement places on the increase cost of goods, services and wages, Council was successful in limiting the overall increase costs of materials and services and employee costs in 2019/20 to 1.87% and 1.96% respectively. The limiting of employee costs was achieved with a reduction in staff numbers.

Colac Otway's four-year budget through to 30 June 2024 identifies several performance indicators in decline and, like other municipalities, Council is yet to fully understand the significant impact of the COVID-19 pandemic on Council operations and the community's ability to recover.

While there has been a significant focus on reducing costs, without impacting service, over the last few years it is evident that the cost of funding existing service levels continues to increase at a greater rate than Council's revenue. Delivering an average rate increase less than the State Government cap for the fourth consecutive year in 2020/21, has continued to reduce Council's revenue base now and into the future.

This is an issue the newly elected Council will need to consider when adopting a long term financial plan in 2021.



Peter Brown
Colac Otway Shire Chief Executive Officer

FINANCIAL SUMMARY

FINANCIAL SUMMARY

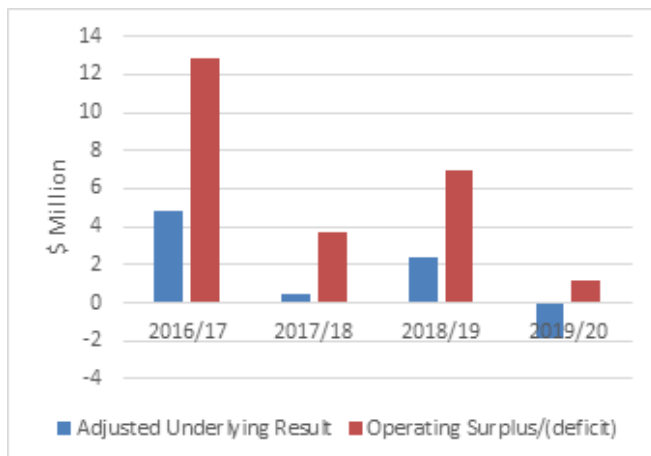
The purpose of the Annual Report is to convey the performance of Council for the 2019/20 financial year. From a finance perspective, it is important to consider this Annual Report in conjunction with the Council Plan, incorporating Council’s Strategic Resource Plan, which focuses on the longer term objectives of Council. This document can be found on Council’s website at colacotway.vic.gov.au.

Overall, Council’s financial position continues to remain sound. A summary of our performance is outlined below. Detailed information relating to council’s financial performance is included within the financial statements and performance statement sections of this report.

Operating position

Council achieved a surplus of \$1.17 million in 2019/20, which is a decrease of \$5.8 million from 2018/19 and \$187k unfavourable to the original budget. As per Note 1 in the Financial Statements, the unfavourable variance to budget is primarily due to \$4 million of additional Materials and Services expenditure (increase of 1.87% compared to 2018/19) and \$1.1 million of additional employee benefits (increase of 1.96% compared to 2018/19). This increased expenditure is partially offset by an additional \$0.7 million of non-monetary contributions and an additional \$3.7 million of unbudgeted grants. \$1.9 million of this unbudgeted funding related to additional funding for the management of Port of Apollo Bay.

The adjusted underlying result of council, after removing non-recurrent capital grants, cash capital contributions and non-monetary capital contributions, is a deficit of \$1.91m. In future years Council will be planning to achieve an adjusted underlying surplus, as this is a critical financial strategy that provides capacity to renew the \$356 million of community assets under council’s control.

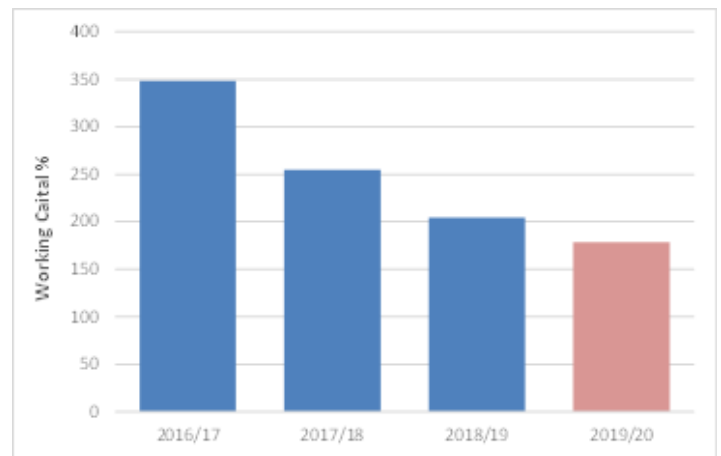


Liquidity

Cash has decreased by \$4.3 million from the prior year primarily due to funding 100% (\$14.89m) of the capital works program from operating cash and cash reserves.

No additional loans and borrowings were undertaken in 2019/20 and \$1.7 million of existing loans and borrowings were repaid which further reduced Council’s cash balance.

The working capital ratio which assesses council’s ability to meet current commitments is calculated by measuring council’s current assets as a percentage of current liabilities. Council’s result of 178% is an indicator of satisfactory financial position and within Local Government Victorians expected target band of 100% to 400%. However, it should be noted that this indicator continues to decline.

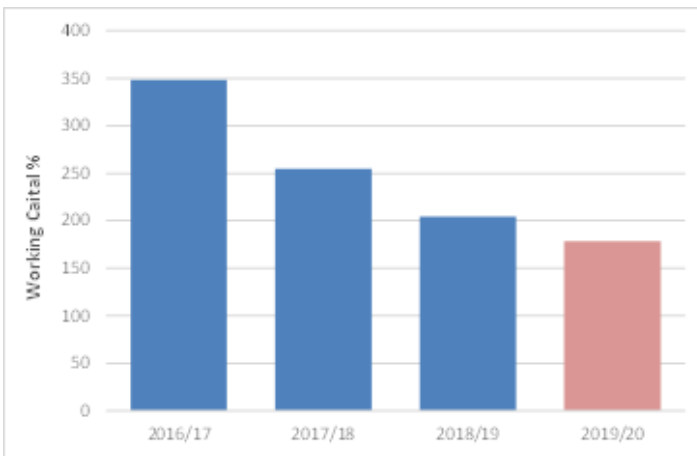


FINANCIAL SUMMARY

Obligations

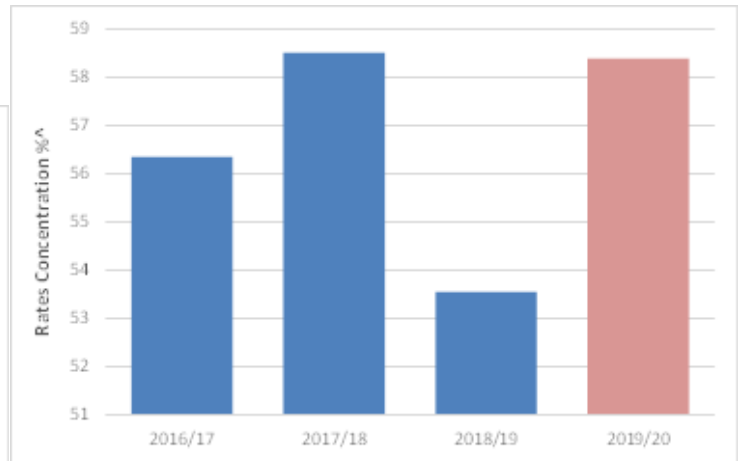
Council aims to ensure that it is able to maintain its infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by the community. To bridge the infrastructure gap, council invested \$11.2 million in renewal works during the 2019/20 year. This was funded from operations and cash reserves.

At the end of the 2019/20 year, council's debt ratio which is measured by comparing interest bearing loans and borrowings to rate revenue was 3.27%, which is well below Council's maximum threshold of 20%. This ratio has decreased primarily due to \$1.7 million being repaid from existing loans and borrowings in 2019/20.



Stability

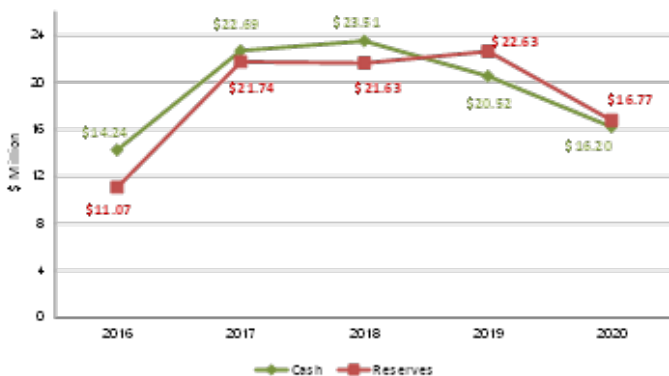
Council raises a wide range of revenues including rates, user fees, grants and contributions. Council's rates concentration which compares rate revenue to adjusted underlying revenue was 58.39% for the 2019/20 year which has increased from 2018/19 primarily due to the high level of grant funding received in 2018/19. A rate concentration ratio of approximately 60% is widely considered a healthy balance of not being over reliant on external funding to remain sustainable.



Further information on Council's performance can be found on the knowyourcouncil.vic.gov.au website.

Council also has a policy to establish cash reserves to meet specific future obligations. At 30 June 2020 Council's established reserves totalled \$16.8m (refer Note 9.1 of Financial Statements), which exceeds Council's cash balance by \$0.6m. This means that for the second consecutive year, some of Council's reserves will not be 'cash backed', until Council can take steps to increase its cash balance.

Jason Clissold
Colac Otway Shire Manager Financial Services



MAJOR CAPITAL PROJECTS

Council undertook a wide range of capital projects across the 2019/20 financial year, involving renewal of our existing assets as well as upgraded and new infrastructure that directly improved facilities for our community and visitors.

Capital infrastructure projects, totalling over \$14.8 million, were delivered across the shire in 2019/20. Although COVID-19 and some project specific issues have presented substantial challenges to project delivery, a result of 90% delivery of the program was achieved.

HIGHLIGHTS

A snapshot of key community infrastructure projects delivered included:

Sealed Road Reconstruction

Works have been successfully completed as planned to renew the ageing pavement to segments of the following local roads:

- Binns Road (completion of stage 1, and stage 2)
- Weering School Road
- Collins Road
- Drapers Road
- Conns Lane

Recreation Projects

A number of improvements were made to recreation reserves and facilities in Colac with the help of State Government funding. Competition level lighting was installed at Colac's Central Reserve, which will improve night training for the Colac Tigers, and also enable night competition opportunities.

Western Reserve received a full oval redevelopment including new lighting, an automatic irrigation system, new drainage and turf following a successful \$500,000 State Government Female Friendly Facility grant and funding from the AFL. The improvements will support the growth of women's football in Colac and district.

Binns Road, Beech Forest

Council, with the help of State and Federal Government funding, completed the sealing and widening of 5.8 kilometres of this popular tourist road, all the way from Beech Forest to the Californian Redwoods. The project has greatly improved the safety of the road, which is shared by log trucks and other heavy vehicles, locals and an increasing number of tourists visiting waterfalls and other attractions such as the Otway Fly and Californian Redwoods.

CAPITAL PROJECTS STATISTICS 2019/20

134 bridges and major culverts maintained
133km of footpaths
136 buildings

CHALLENGES

Despite an excellent result of 90% delivery of the capital works program, COVID-19 has placed additional pressure on the ability to deliver projects and other services efficiently. Contractors and consultants are generally taking longer to complete work and the delivery and fabrication of materials is slower. Communications and day to day operations have been hampered by restrictions and remote working. These pressures are continually monitored and will likely impact project delivery into the coming financial year.

Some unfortunate challenges were experienced on some projects, leading to an increase in costs and time delays, such as, the discovery of unsuitable ground conditions at Central Reserve during the construction of the netball courts, requiring excavation and reconstruction of the sub-surface up to 1.5 metres deep. The replacement of the Forest Street Bridge in Colac has also been substantially delayed by authority approval processes.

FUTURE OUTLOOK

The *Local Government Act 2020* requires Asset Plans to be completed by June 2022. Although substantial work has been undertaken over 2018-2020 to plan for Council's building and transportation assets to inform the long term financial plan, further work is required to complete open space and stormwater asset planning and will require a funding commitment to ensure service levels are developed in consultation with the community.

Council has a number of ageing bridge assets that are reaching the end of their asset life and require replacement or repair. Some of these bridges service a single or only two property owners, however the cost of the replacement can be up to \$900,000. A strategic assessment of these bridges is required to identify options to address this issue.



SUSTAINABILITY REPORT

The 2019/20 financial year was a very successful one for emissions reduction activities at Colac Otway Shire. Corporate greenhouse gas emissions (CO₂-e) fell by 7% compared to 2018/19, and importantly have fallen by 36% since the carbon neutral target was first set in 2010.

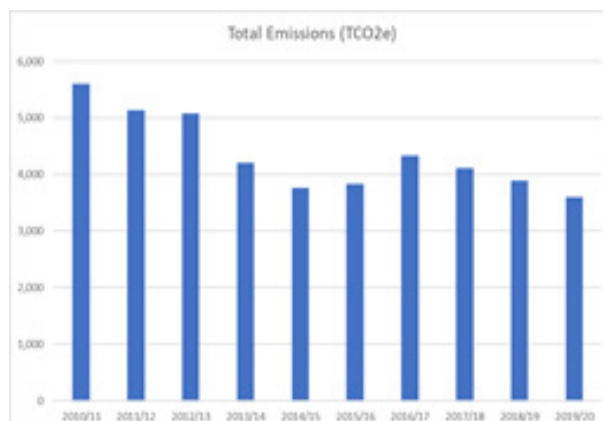
An ongoing commitment from Council to reduce the organisation's overall carbon footprint, along with a State Government grant facilitating several large energy efficiency projects, have seen the implementation of some large-scale energy efficiency projects at key facilities across the shire. Council now has a total of 275kW solar generation capacity, providing around 350,000 kWh of clean emissions-free electricity per annum, producing activity at many COS facilities throughout the shire.

COVID-19 has also had a noticeable impact on emissions, largely during quarter four when most staff were required to work from home, leading to reduced activity at many COS facilities throughout the shire.

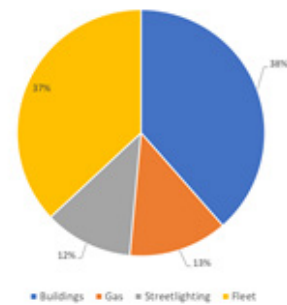
Organisational emissions figures over the last ten years:

Year	Buildings	Gas	Lighting	Fleet	TOTAL
2010/11	1,999	311	1,181	2,114	5,605
2011/12	1,916	290	1,202	1,727	5,135
2012/13	1,879	323	1,182	1,698	5,082
2013/14	1,484	186	1,014	1,523	4,207
2014/15	1,356	3	872	1,530	3,761
2015/16	1,846	282	436	1,269	3,833
2016/17	1,881	478	412	1,560	4,331
2017/18	1,887	488	406	1,329	4,110
2018/19	1,747	470	406	1,263	3,886
2019/20	1,389	466	417	1,333	3,605

It should be noted that historical emissions figures have been updated following a comprehensive review of all utility accounts by our external environmental scorekeeper, Azility, facilitating greater consistency and accuracy of reported data.



2019/20 Emissions Breakdown



Buildings

Council buildings contributed 1,389 TCO₂-e in the 2019/20 year, a decline of 20% on the previous year, largely due to the impact of solar installations and energy efficiency improvements, coupled with COVID-19 shutdowns.

Upgrades to Council facilities were co-funded by COS and Sustainability Victoria through the Local Government Energy Saver (LGES) program. Upgrades included two new Heating, Ventilation and Air Conditioning (HVAC) units at COPACC, optimisation of the Building Management System (BMS), which controls automated building functions throughout the Rae Street precinct and Bluewater, LED lighting retrofit throughout most of Council's primary facilities, as well as 30kW solar systems at Colac Library and Pound Rd Depot.

These energy efficiency improvements and upgrades will save Council a total of \$44,000 per year in avoided electricity costs, and prevent 280 tonnes of greenhouse gases (CO₂-e) from entering the atmosphere annually.

Streetlights

Streetlight emissions rose by 3% in 2019/0, largely due to network expansion as a result of the Princes Highway duplication between Winchelsea and Colac. Around 64 new LED streetlights were progressively installed along the highway, all of which are cost-shared with the Department of Transport.

Fleet

There was an overall increase of 6% in fleet emissions during 2019/20. Despite a reduction in the use of unleaded fuel, there was a significant increase in diesel use from additional fleet utility vehicles and heavy plant, as well as increased dredging of the harbour at Apollo Bay.

Water

Water use in the Shire has overall decreased by 2% compared to last year, mainly due to slightly higher annual rainfall, hence reduced need for watering.

The adjacent table shows total water usage for Council facilities (kL):

2011/12	95,498
2012/13	104,735
2013/14	99,908
2014/15	86,740
2015/16	93,900
2016/17	80,867
2017/18	92,787
2018/19	92,935
2019/20	91,058

SUSTAINABILITY REPORT

CORPORATE SUSTAINABILITY INITIATIVES

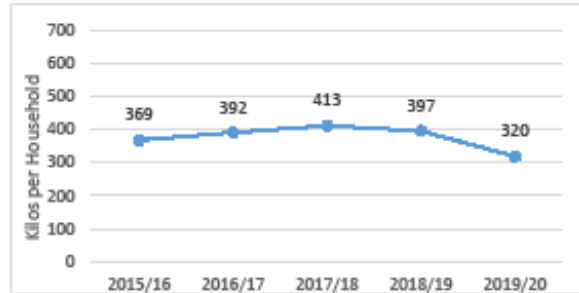
COS Greener Offices Program

The Environment Unit in partnership with Council's Staff Health and Wellbeing Team, introduced an office greening initiative to all council offices and facilities, supplying live indoor plants to shared staff spaces and individual work stations. Plants in indoor office environments are proven to improve air quality, productivity, creativity, reduce sickness and absences as well as reduce stress and noise. With correct placement of plants, the need for air con can also be reduced and the air kept at a higher humidity (up to 20%).

100% Recycled Content Paper Consumables for Council Facilities

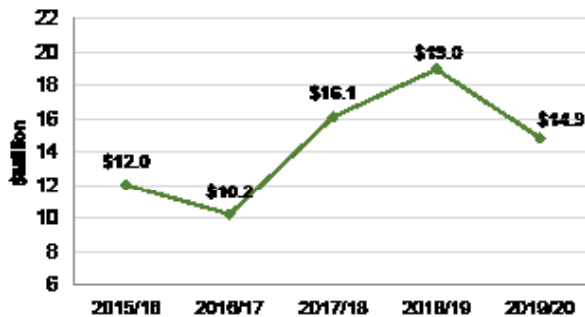
Council, as an organisation, uses a large quantity of paper consumables associated with our cleaning contract such as toilet paper and hand towels. Council's environmental and waste management policies, services and practices encourage recycling. However, for recycling to work and to support a sustainable and robust market for recycled material, consumers need to purchase products that contain or are made of recycled materials. Colac Otway Shire Council is always striving to set a good example to the market and the community.

The Environment Team worked closely with the Facilities Maintenance Team to ensure that Council's cleaning contractors are supplying 100% post-consumer recycled content paper products (Good Environmental Choice Australia certified) to Council facilities. Every effort was made to find sustainable and environmentally responsible options which are now used in every Council facility included in the cleaning contract.

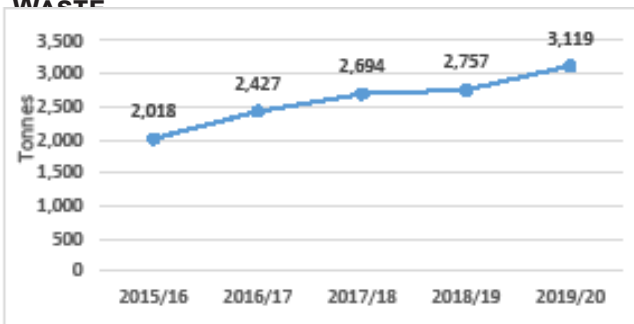


This decrease in waste to landfill is due to better source separation of recycle and organic material out of the landfill bin from the kerbside collection bins. Bin inspections program which is a targeted re-education program has also assisted with this reduction of waste to landfill.

CAPITAL WORKS



WASTE



The increase in organic material diverted from landfill in 2019/20 was due to three additional kerbside collections in October and November 2019. Council offered all residents who pay for waste collection through their rates, the three additional collections to assist them in preparing their properties before the bushfire season commenced. Each year more residents use this service weekly.



OUR COUNCIL

Beeac

WHO ARE OUR COUNCILLORS

Our Council was democratically elected on 22 October 2016 and is governed by the *Local Government Act 1989* and *Local Government Act 2020*.

Council sets the overall direction for our municipality through long-term planning; examples include the Council Plan, financial plans, the municipality strategic statement and other strategic plans. Setting the strategic vision and then ensuring it is achieved is one Council's most important roles. For additional information on the role and powers of Council, please see page 74



Cr Stephen Hart

First elected: 2002
Re-elected: 2008, 2012, 2016
T: (03) 5232 9406
M: 0407 962 412

E: councillor.hart@colacotway.vic.gov.au



**Cr Jason Schram
Mayor**

First elected: 2016
T: (03) 5232 9405
M: 0428 326 410

E: councillor.schram@colacotway.vic.gov.au



Cr Chris Potter

First elected: 2016
T: (03) 5232 9408
M: 0427 821 435

E: councillor.potter@colacotway.vic.gov.au



**Cr Joe McCracken
Deputy Mayor**

First elected: 2016
T: (03) 5232 9409
M: 0427 749 918

E: councillor.mccracken@colacotway.vic.gov.au



Cr Chris Smith

First elected: 2004
Re-elected: 2008, 2012, 2016
T: (03) 5235 1255
M: 0419 351 255

E: councillor.smith@colacotway.vic.gov.au

Readers should be aware that the contact details listed in this report for Cr Smith are not the official Council communication channels for a Colac Otway Shire Councillor. As such, Council will not have access to these communications or records.



Cr Brian Crook

First elected: 2002
Re-elected: 2004, 2008, 2012, 2018
T: (03) 5232 9407
M: 0417 559 258

E: councillor.crook@colacotway.vic.gov.au



Cr Kate Hanson

First elected: 2016
T: (03) 5232 9410
M: 0409 038 843

E: councillor.hanson@colacotway.vic.gov.au

Please note: the election of Council for the 2021-2025 period will take place 24 October 2020. Following this a new Council will be appointed and contact details for the new Councillors will be available on Councils [website](#).

COUNCIL MEETINGS

ORDINARY COUNCIL MEETINGS

In 2019/20, Council meetings were generally held on the fourth Wednesday of the month at Council Chambers. Council conducts its business in open and publicly advertised meetings, unless confidential items are being considered. Council two regional Ordinary Council Meetings per year; in 2019/20 these were held at Birregurra in July 2019 and Apollo Bay in September 2019.

QUESTION TIME

In addition to Council business, question time is held at the start of each Council meeting. It provides the opportunity for members of the public to ask questions on issues in which Council has a direct interest or responsibility.

Due to the COVID-19 pandemic restrictions on the movement of people imposed by the State Government in March 2020, led to the cancellation of the Ordinary Council Meeting scheduled for March 2020. Following this, Council introduced measures to conduct open Council meetings by introducing the live streaming of public Council meetings in April 2020.

For Council meeting dates, agendas, minutes or to watch meetings live online, go to Council's website, Meetings and Agendas page.

BRIEFING SESSIONS

In addition to regular meetings, Council holds briefing sessions. Briefing sessions are not decision-making forums. They simply provide information on significant matters that will generally come before Council for formal consideration in the Council Chamber.

ADVISORY AND SPECIAL COMMITTEES

The *Local Government Act 1989* acknowledges the need for Advisory and Special Committees of Council. These committees may include Councillors, council staff and other persons as deemed necessary. The Act allows for Council, by instruments of Delegation, to delegate any of its functions, duties or powers to a Special Committee.

AUDIT COMMITTEE

Audit Committee meetings are held quarterly, or more frequently as determined. The purpose of Audit Committee meetings is to review financial and risk management systems and assist Council carry out its corporate governance responsibilities. It has an independent member as the chairperson.

PLANNING COMMITTEE

Planning Committee meetings are held on the second Wednesday of the month, as required. Planning meetings are to consider and determine all matters referred to it pursuant to its instrument of delegation, matters relating to strategic issues, receiving regular reports on key performance indicators, and other matters referred to the Committee as seen fit.

SPECIAL COMMITTEE

Meetings to consider submissions and other items of business under section 86 of the *Local Government Act 1989* were arranged as required. No Special Committee meetings were held in the 2019/20 year.

SPECIAL COUNCIL

On occasions, Special Council meetings were called to consider specific matters. Meetings were conducted in accordance with the meeting procedure provisions of Governance Local Law No. 4. Special Council meetings were held in September and November 2019, and in May 2020.

Information about all other advisory meetings and councillor attendance at meetings is available in the Democratic Governance section of this report, commencing on page 74.

COMMUNITY ENGAGEMENT

Council engages with our community through formal means including, community information sessions, surveys and submissions.

Council has a dedicated page on the website, to which you can subscribe to receive updates on active community engagement opportunities, via the community consultation page. Alternatively contact Council with your feedback at inq@colacotway.vic.gov.au

In 2019/20 Council formally consulted with the community on the following matters:

- Forrest Caravan Park Lease
- Draft 2020/21 Budget
- Council Plan 2017-2021 Survey
- Memorial Square Playspace
- Colac Otway Shire Library Services
- Lavers Hill Community Infrastructure Plan
- Draft Policy - Grants, Contributions and Donations
- Great Ocean Road Event Closure
- Birregurra Flood and Drainage
- Forrest Community Plan - Wastewater System
- Local Business Survey
- Community Infrastructure Plan - Apollo Bay, Skenes Creek, Marengo, Survey
- Draft 2019/20 Fees and Charges
- Community Satisfaction Survey



OUR PEOPLE

Carlisle River

EXECUTIVE TEAM

Colac Otway Shire is managed by an Executive Management Team, led by the Chief Executive. The EMT plans, coordinates and monitors the progress of Councils strategic direction and goals.



PETER BROWN
Chief Executive Officer
Bachelor of Economics;
Grad Dip Business
(Accounting); Grad Dip
Local Government;
FCPA, LGPRO.

Peter has a degree in Economics and has more than three decades' experience in local government including seven years as Horsham Rural City Chief Executive. Prior to this position at Horsham Rural City, Peter served as Director of Corporate Strategies with the Warrnambool City Council and also Chief Executive of Wimmera Uniting Care. Peter has a strong interest in regional communities and the benefits of collaboration with neighbouring councils and other levels of government to achieve mutually beneficial outcomes.



ERROL LAWRENCE
General Manager
Corporate Services
Diploma of Accounting;
Company Directors
Diploma.

Major Functions:
Finance Management; Customer Service; Information Management Services; Corporate Development; Human Resources; Learning and Development; Risk Management; Occupational Health and Safety; Procurement and Contracts.

Errol has owned and operated a successful business and has an extensive background in finance in the private sector, with 22 years in the automotive industry. Before relocating to Colac from Perth in 2017, he worked in local government for 12 years as a Director at the City of Kwinana.



TONY MCGANN
General Manager
Infrastructure & Leisure
Services

Masters of Business
Admin; Bachelor of Civil
Engineering.

Major Functions:
Infrastructure and Asset Development; Bluewater Leisure Centre; Capital Works; Major Projects; Colac Otway Performing Arts and Cultural Centre; Libraries; Recreation and Open Space Planning; Project Management; Services and Operations; Port of Apollo Bay; Bushfire and Flood Recovery; Waste Management.

Tony has more than 30 years' experience as a leader in local government and in the provision of infrastructure to communities. His passion is setting Colac Otway Shire up for long term sustainability and finding ways to engage with the broader community about setting direction on services and the assets needed to provide them.



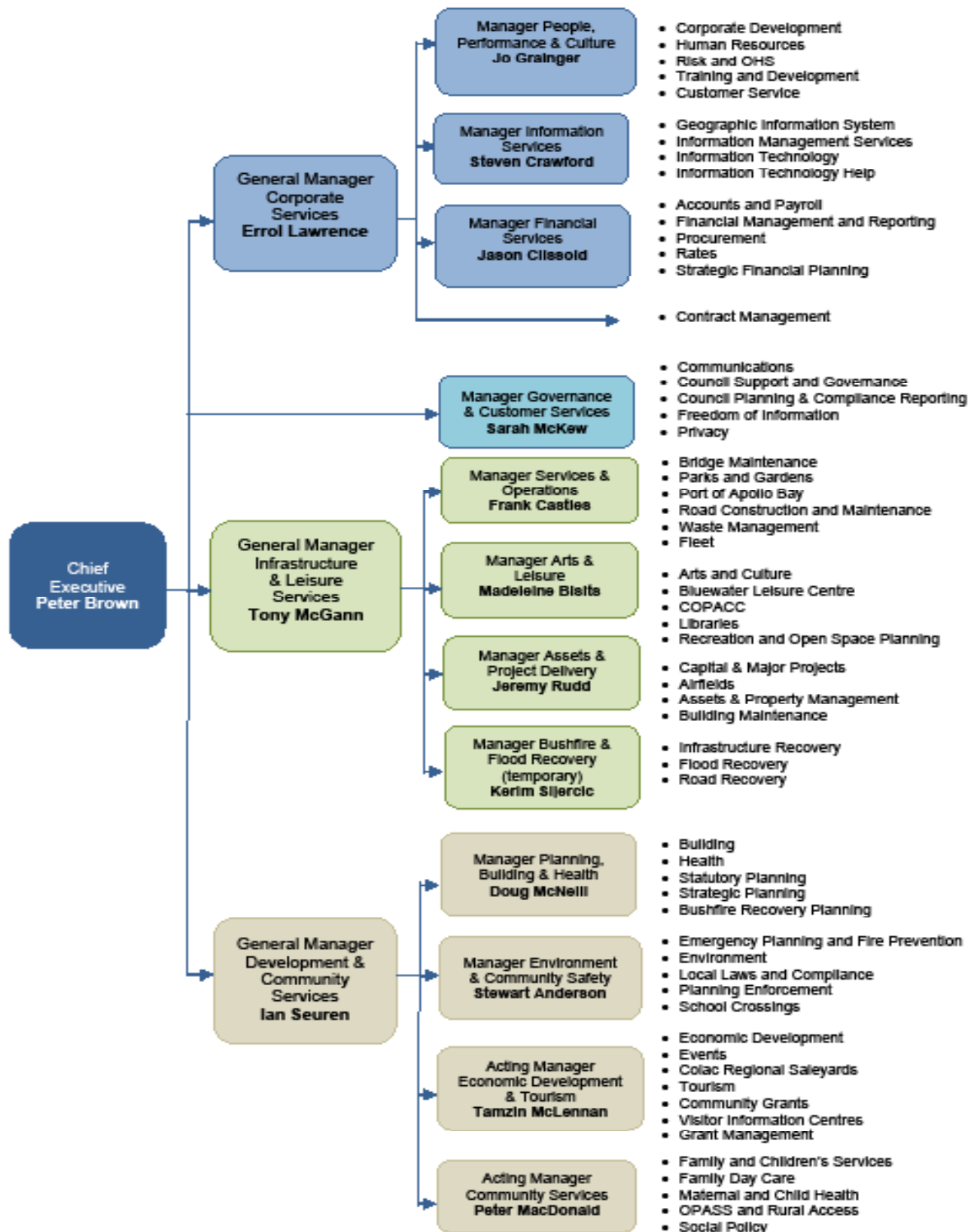
IAN SEUREN
General Manager
Development &
Community Services

Bachelor of Applied
Science (Human
Movement);
Master of Sport Business.

Major Functions:
Statutory Planning and Regulations; Strategic Land Use Planning; Economic Development; Events; Tourism; Airfields; Environmental Management; Building Surveying; Environmental Health; Community Services; Emergency Management and Fire Prevention; Local Laws; Colac Regional Saleyards.

Ian has over 20 years' experience in the public service and not-for-profit sectors. With considerable experience in both local and state government organisations, Ian's career has focussed on community and business engagement and delivering on public sector policy. Ian has been employed with Colac Otway Shire since 2010, firstly as Manager Arts and Leisure before progressing to the position of General Manager Development & Community Services. Ian lives in Elliminyt with his young family and enjoys volunteering roles on a number of community boards and committees.

ORGANISATION STRUCTURE



COLAC OTWAY SHIRE STAFF

Our workforce remains predominantly permanent full-time at 71% with 24% permanent part-time and 5% casual. Employment type by gender indicates that males constitute 67% of permanent full-time roles whilst females are strongly represented in part-time and casual work at 91% and 64% respectively. The gender profile and composition of the workforce is reflective of the typical contemporary workforce and has remained consistent over the past several years.

Anecdotal evidence supports the findings of formal studies that the main reason for the higher number of women working part-time is that it fits better with balancing work and other responsibilities. Approximately 65% of full-time males work in the outdoor crews (Parks and Gardens, Road Maintenance etc).

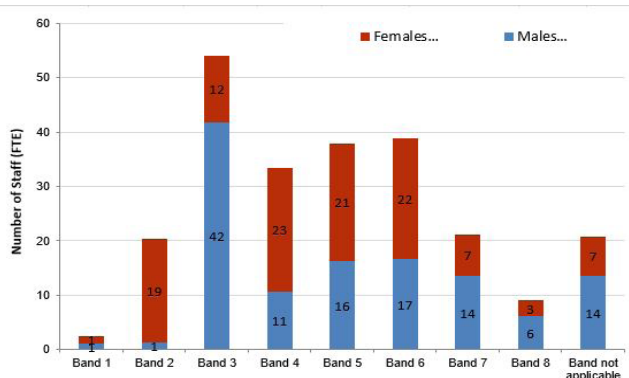
Employee type/gender	CEO	Corporate Services	Infrastructure & Leisure Services	Development & Community Services	Total
	Full Time Equivalent				
Permanent FT – F	5	16	14	21	56
Permanent FT – M	1	12	76	23	112
Permanent PT – F	1	6	9	37	53
Permanent PT – M	0	0	2	3	5
Casual – F	0	3	3	1	7
Casual – M	0	0	3	1	4
Total	7	37	108	86	238

STAFF BY EMPLOYMENT BAND AND GENDER

A summary of the number of full-time equivalent staff categorised by employment classification and gender is set out below:

Our banding profile is generally consistent with comparable regional councils. Bands 2 and 3 are predominantly outdoor and community care workers.

Bands 4 and 5 are general administrative staff. Bands 6 and 7 consist of technical specialists, team leaders and coordinators. Band 8 consists of highly specialised, technical experts who may also have a supervisory role.



RECRUITMENT

We advertised 66 positions, attracting 413 applications during the past year, which due to COVID-19 was considerably lower than previous years. Vacancies ranged across nearly all departments of the organisation.

We also implemented an e-Recruitment system to streamline recruitment processes and gain workflow efficiencies within the organisation. The system enables the electronic processing of end to end recruitment, from the request to advertise right through to the job offer. A reduction in paper based application processes is one of the many benefits being realised by the systems implementation.

STUDENT WORK PLACEMENTS

Colac Otway Shire Council welcomes students to apply for work placements within our organisation and is proud to have provided local residents (as well as students outside the Shire) with the opportunity to gain valuable work skills and experience across many departments of the organisation. Students are given an invaluable opportunity to learn more about Council and promote local government as a great place to work with many career path options available.

In 2019/20 we provided placements for students from Brophy Family & Youth Services, Hampden Special School, local secondary schools as well as a practical work placement for a Cadet Building Surveyor in our Building Department.

Three other placements were arranged but unable to commence due to COVID-19 restrictions, including school based apprenticeships at our Bluewater Leisure Centre.

TRAINEE & APPRENTICE POSITIONS

Two trainees completed a Traineeship in Certificate III in Business in the Information Management Services Unit and the Customer Assist Unit, with one successful in obtaining a full time position in that field (Information Management Services). We were also pleased to host a female in a Diesel Mechanic Apprentice Internship (for four weeks) to support her with her Apprenticeship.

Two trainees continued their traineeship in Certificate III Parks & Gardens and one as Apprentice Mechanic.

COLAC OTWAY SHIRE STAFF

EQUAL EMPLOYMENT OPPORTUNITY

Our commitment to Equal Employment Opportunity is covered in our local Enterprise Agreement and through Council's Equal Employment Opportunity (EEO), Diversity and Inclusion and Unacceptable Workplace Behaviour Policies. We commit to compliance with EEO and anti-discrimination legislation and to promoting equality of opportunity and the elimination of discrimination in employment policies and practices. We are also committed to ensuring an inclusive workplace culture that values diversity and ensures that the workplace is free from bullying, harassment and other forms of unacceptable workplace behaviour.

We identify ourselves as an 'Equal Opportunity Employer' in all external recruitment advertisements and ensure that all new employees are made aware of our EEO, Diversity and Inclusion and Unacceptable Workplace Behaviour Policies as a mandatory component of our induction program.

All staff are required to attend mandatory Equal Opportunity/anti-discrimination and unacceptable workplace behaviour refresher training at regular intervals. This year we established a Workplace Equality & Respect Working Group and conducted a Gender Equity Survey to determine how we can continue to support all staff to gain access to career development opportunities and strengthen our inclusion strategies.

We also have a formal internal grievance policy and procedure that enables staff to raise complaints. There were no EEO/discrimination related complaints raised by staff during 2019/20. Compliance with EEO requirements is monitored by the People and Culture Department.

LEARNING AND DEVELOPMENT

Despite the disruption of COVID-19 restrictions we were able to offer our employees a wide range of learning and development opportunities, both face to face and by webinar.

Our highlights in the 2019/20 year were:

- The purchase of our first eLearning suite through a Learning Management System in response to limited face to face training due to COVID-19 restrictions.
- Further progression of Gender Equity in the organisation through the training of the Gender Equity Working Group as well as the Senior Leadership Team, all Coordinators and Team Leaders, and a session for staff.
- Training in the creation of Smart Forms in line with continuous improvement to allow forms to be converted to a digital format.

TRAINING PROGRAMS DELIVERED 2019/20

- Workplace Equality & Respect Training (for the Working Group)
- Fire Extinguisher Usage
- Fire and Emergency Warden and Chief Warden Training
- Microsoft Office, Word, Excel, Powerpoint,
- Unshakeable at Work (for Leadership Group and Staff)
- Corporate Naming Conventions
- Positive Leadership (for staff and Leaders)
- First Aid and CPR refresher
- Workplace Equality and Respect - Executive and Senior Leadership Session
- Time Management for Complex Tasks and Projects
- Workplace Equity & Respect Training for Coordinators
- Workplace Equity & Respect Training for COS Staff
- Introduction to Local Government Basics
- Report Writing
- Procurement Compliance
- Speed Reading
- Smart Forms
- Unshakeable at Work for Staff
- Docusign (digital signature program)
- Initial 5 day Health & Safety Representative Course for newly elected officers

WEBINARS

- How to Work Remotely (and Lead a Team in challenging times)
- Getting ready for the new Local Government Act 2020
- Recognising the signs (mental health) in your remote workforce
- How to manage your emotions when dealing with emotional customers/protect yourself from negativity
- Change management and improving communication in a virtual environment
- How To Maximise Resilience In Challenging Times
- Building resilience in teams
- Good complaint handling
- Conflict of Interest

COLAC OTWAY SHIRE STAFF

HEALTH AND WELLBEING



The Health and Wellbeing Team is funded to deliver programs, support, resources and experiences to staff, providing opportunities to better understand the key components of, and improve, their health and wellbeing.

With local bushfires in February followed by COVID-19, our Health and Wellbeing program delivered the following:

- Vision Superannuation Information Sessions
- Sleep Well program
- Soup Day luncheon
- Daffodil Day morning tea
- Farewell morning teas
- Staff BBQ – fundraiser for bushfire victims in Corangamite region
- Self-Care Webinar for your mental health and wellbeing
- Mindful Movements - Relaxation webinar
- Money Matters webinar
- Coping with Stress, Worry & Anxiety webinar (session 1 of 5)
- Vision Superannuation Webinar

FLEXIBLE WORKING

Council is proud to support its employees by facilitating a range of flexible working arrangements to assist them to fulfil their professional and personal responsibilities. We supported 14 formal flexible working arrangements throughout 2019/20.

In addition, 50 further working from home applications were approved this year as a result of COVID-19 restrictions which is a huge increase from previous years. Our IT Department worked tirelessly to ensure systems were in place so that staff could be set up in a timely manner.

APPRECIATING STAFF

Reward and recognition is an important component of ensuring that staff feel valued and appreciated for the work they do. The annual Years of Service Awards event acknowledges staff dedication to serving the Colac Otway Shire community. We also celebrate success through peer nominations for outstanding work, display of our organisational values and positive behaviours at the quarterly Champagne and Innovation Awards event.

The annual Years of Service Awards event is usually delivered in person as a semi-formal event where we celebrate key milestones in staff years of service. This year it will be delivered online until we are able to meet in person again as an organisation.

37 employees were recognised for key service milestones in the following categories:

- **35 Years**
- **25 Years**
- **20 Years**
- **15 Years**
- **10 Years**
- **5 Years**

APPRECIATING OUR VOLUNTEERS

Council is proud of and incredibly thankful for the wonderful contribution our volunteers provide to the Colac Otway Shire community.

Council acknowledges their invaluable support in delivering a range of services and programs across the shire.

In 2019/20 17 volunteers provided essential support through delivery of 5,173 Meals on Wheels and 4,597 hours community transport services.

Volunteers delivering meals also take time to observe any obvious changes around peoples environments and report back to Council with any concerns. The transport volunteers spend time with Clients talking and listening on their trips to and from appointments.

Another vital support service provided by volunteers is at the Colac and Apollo Bay (GORVIC) Visitor Information Centres, with 13 volunteers at Colac and four at GORVIC.

The VIC volunteers provide important customer service in promoting our region and sharing their local knowledge with visitors.

In 2019/20 185 school children participated in environmental education projects. Unfortunately the program was cut short due to COVID-19 and the closure of schools for remote learning.

Students from Sacred Heart Primary School enjoyed helping with planting days.



COLAC OTWAY SHIRE STAFF

OCCUPATIONAL HEALTH AND SAFETY

At Colac Otway Shire we have an absolute commitment to providing a safe and healthy workplace for our employees, contractors, volunteers and visitors. Through consultation with our workforce this year, Council re-structured its Occupational Health and Safety (OH&S) Committees to provide for improved representation for our staff.

Four Occupational Health and Safety Committees now each meet quarterly with involvement from the relevant General Manager as chair. There are now 23 Health and Safety Representatives across Council, broadening our opportunity for safety consultation with all staff and providing for continuous improvement in driving a positive safety culture.

Ongoing OH&S training is a key element in our continuous improvement approach to health and safety performance. Employees are regularly offered and refreshed with training in First Aid/CPR, Emergency Warden and Health and Safety Representative training.

Employees are required to complete an incident report for any accidents, near misses or risks they identify in the workplace. This enables our Risk and OHS team to be more proactive and less reactive when it comes to minimising risks. All incident reports are recorded in the SolvSafety corporate reporting software. In 2019/20, 171 incident reports were completed. This is a slight increase from 169 reports in 2018/19, however, is consistent and reflective of the strong reporting culture within the organisation. There were six standard WorkCover claims in 2019/20.

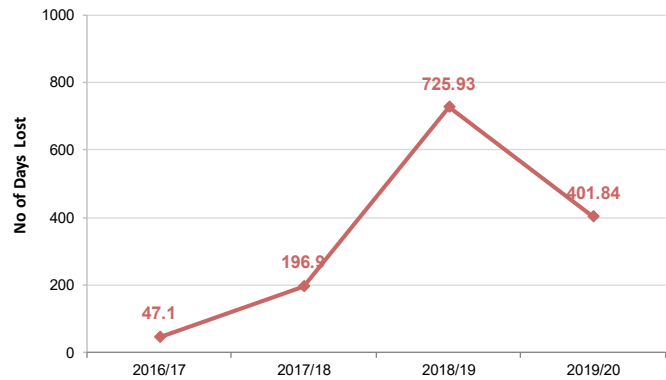
MENTAL HEALTH

In fulfilling our commitment to supporting staff with mental health problems and reducing the issues impacting them, 2019/20 marks the third year that Council has continued to maintain a proactive and self-motivated Mental Health Network to help support the role of the Mental Health First Aid Officers.

This network consists of an Employee Assistance Program, Support Officer, representation from our executive team and 16 employees from across the organisation trained in Mental Health First Aid. The Network meets quarterly with the aim of identifying and supporting those who may be suffering an acute mental health event, or may have a reduced capacity to cope, and to proactively identify and address issues impacting on the mental health and welfare of employees.

DAYS LOST TO INJURY

We had 401.84 days lost due to injury during the 2019/20; a total of 399.78 effective full-time (EFT) days compared with 666.33 EFT days in 2017/18 period; a reduction of 40%.



SUPPORTING OUR EMPLOYEES

Employees (and their families) have access to an extensive range of support services through our employee assistance program. Employees can discretely and confidentially access a range of emotional, physical and social support services including:

- 24/7 face-to-face and telephone counselling
- Manager hotline
- Health and wellbeing services
- Extensive online resources e.g. health risk assessment, mortgage assist, finance assist and legal assist

REPORT OF OPERATIONS

PLANNING AND ACCOUNTABILITY FRAMEWORK

The *Local Government Act 1989 and 2020* requires Council to prepare the following planning and reporting documents:

- A Council Plan within six months after each general election or by 30 June, whichever is later
- A strategic resource plan for a period of at least four years and include this in the council plan
- A budget for each financial year
- An annual report in respect of each financial year.

The following diagram shows the relationships between key planning and reporting that make up the planning and accountability framework. Our integrated business planning generates strong linkages between the Council Plan, annual department plans and employees' individual plans.

COUNCIL PLAN

The Council Plan is a high level strategic document responding to the issues faced by our community. It sets out goals, key strategic activities, performance indicators and a strategic resource plan for the four years from 2017 to 2021. This is the third year of reporting against the Council Plan 2017-2021.

The following pages report on our performance under the four themes of the Council Plan.



REPORT OF OPERATIONS

Colac Otway Shire is responsible for 49 services and facilities across a wide range of areas including Community Services, Environmental Services, Customer Services, Health and Wellbeing, Planning and Building, Economic Development and Tourism, Parks and Gardens; and ensuring accountability for Council's budget.

This broad range of community services and infrastructure for residents supports the wellbeing and prosperity of our community. Council's vision, strategic objectives and strategies to further improve services and facilities are described in our Council Plan 2017-2021 and the associated budget 2019/20 and reported upon in this document.

The delivery of services, activities, support and advocacy to achieve the Strategic Objectives is measured by a set of service performance indicators and measures. Council also has a wide range of responsibilities under Victorian legislation.

ECONOMIC & ENVIRONMENTAL IMPACTS

The main economic factor to note for 2019/20 is the financial impact of various measures taken to reduce the spread of COVID-19. This crisis and measures taken to mitigate it has impacted several areas of Council operations, including:

- Additional hygiene and cleaning practices have been introduced within the workplace.
- In response to significant government directive amidst the COVID-19 outbreak, the following facilities were closed:
 - ~ Bluewater Leisure Centre
 - ~ Colac Otway Performing Arts & Cultural Centre
 - ~ Colac Visitor Information Centre
 - ~ Great Ocean Road Visitor Information Centre
- Additional ICT infrastructure has been introduced to ensure that Council Officers have the ability to work from home effectively and the public can participate in Ordinary Council Meetings.

It is important to note that Council made amendments to the 2020/21 budget to cover expected lost revenue and increased costs resulting from the pandemic and to support the community.

MAJOR OPERATIONAL CHANGES

Consolidation of Apollo Bay Customer Service Centre

There were some significant operational changes to Councils Visitor Information Centre in Apollo Bay During 2019/20. The main change was the relocation of the customer assist service from the Nelson street office to the Visitor Information Centre, more centrally located on the main street of Apollo Bay. Apart from the improved access due to the location, other benefits include increased opportunity for staff to learn new skills and increased hours of service for residents to access customer assist.

Transition of Library Service

In June 2020, Council resolved to transfer the provision of its library services from the Corangamite Regional Library Corporation to the Geelong Regional Library Corporation. The transition of services will occur over the course of the 2020/21 year, with the Geelong Regional Library Corporation as the new service provider commencing on 1 July 2021. Council made the decision that its library services would best be provided into the future by the Geelong Regional Library Corporation. The Geelong Corporation has a proven track record of providing high quality library services to its member Councils, and Colac Otway Shire is excited by the opportunities this provides for our community.

Completion of Bushfire and Flood Recovery

Following the Wye River fires on Christmas Day in 2015 and widespread flooding in the following year Council was successful in advocating for approximately \$15M in funding to repair damaged infrastructure and deliver new engineering works designed to reduce the risk of landslip.

The work team embarked on an effective community engagement and completed the work program on budget during the year. Works included stormwater drainage, kerb and channel, retaining walls, landslip repair and major culvert construction.

Establishment of City Deals Project Governance

Council advocated for and was successful in winning \$19.4M in Federal Government and private sector funding to deliver three major tourism infrastructure projects on the coast as part of the Geelong and Shipwreck Coast City Deal.

The projects are for toilet, parking and other infrastructure at Kennett River, a shared path between Skenes Creek and Wild Dog Creek and tourism infrastructure at the Apollo Bay Harbour including a revamped Fisherman's Coop.

Planning, design and construction is scheduled to take 3 years. The planning phase commenced during the year along with the establishment of project governance.



OUR PROSPERITY

Apollo Bay

THEME ONE - OUR PROSPERITY

We work together to improve the prosperity of our people, business and community partners by working to promote our beautiful shire as an attractive place to live, work, invest and visit.

THE IMPORTANCE OF OUR PROSPERITY AS A THEME

Colac Otway Shire has a diverse economy, much of it built on the natural environmental values. The area has enjoyed successful dairy and food processing industries for many decades; supports the timber industry; has a growing tourism industry built on both a striking coastline and the forests of the Otways; small, specialist food producers, many forming the Colac Otway food trail; plus, a host of local retail businesses, arts and crafts enterprises; and health and education services.

The shire has two larger towns of Colac and Apollo Bay, and a number of smaller towns. Each of these has unique attractions and supports local cultures and communities. The shire is strategically placed halfway between Geelong and Warrnambool which provides opportunities for economic development and a growing population supported by access to work.

FOUR STRATEGIES CONTRIBUTE TO ACHIEVING OUR GOAL

1. Plan infrastructure, assets and land use with a long-term vision for economic growth.
2. Support a thriving economy and industries.
3. Strengthen partnerships with key stakeholders to benefit the whole community.
4. Improve strategic planning and coordination of the Great Ocean Road.

Key highlights for projects and activities linked to Our Prosperity begin on page 33



OUR PROSPERITY

SERVICES CONTRIBUTING TO OUR PROSPERITY

The following services/activities were funded in the 2019/20 budget and contribute to achieving the goals and strategies for this Theme:

Service Area	Description of Service	Net Cost Actual <u>Budget</u> Variance \$000
Building Control	This service provides for planned building developments to meet present and future community requirements.	1,162 <u>1,032</u> 128
Events	This service provides for active community involvement in the provisioning of management and support for community entertainment and events.	110 <u>114</u> (4)
Economic Development	This service facilitates a healthy and resilient economy by providing effective leadership, advocacy and partnership by working with government, business and the community.	900 <u>940</u> (40)
Tourism	This service provides economic benefit by promoting the Shire as a location for visitors to enjoy, explore and return to. Visitor information is provided via Council's two Visitor Information Centres and via media.	605 <u>604</u> 1
Apollo Bay Harbour	This service manages and maintains the Apollo Bay Harbour for the enjoyment of the community.	1,005 <u>0</u> 1,005
Colac Livestock Selling Centre	This service provides a vital link in our rural infrastructure by providing a marketplace for buying and selling livestock.	(84) <u>(41)</u> (43)
Statutory Planning	This service fulfils Council's statutory obligations in being the responsible authority for the management and regulation of land use and development, with the aim of achieving sustainable outcomes in the interests of current and future generations.	1,017 <u>1,341</u> (324)
Strategic Planning	This service ensures that land use planning is undertaken to meet the sustainable long term needs of current and future generations.	724 <u>281</u> 443

OUR PROSPERITY

HIGHLIGHTS

Draft Apollo Bay Development Plan

A draft Development Plan was prepared for the Apollo Bay Harbour to give future direction to how the precinct will be redeveloped to attract greater visitation and economic benefits from tourism. The draft Plan was developed as part of the Apollo Bay Community Infrastructure Plan, and was influenced by significant community input. The draft includes relocation of the port depot to enable construction of waterfront retail/cafe development adjoining a timber promenade, below an expanded Fisherman's Co-operative. The plan will be finalised late in 2020 after further community engagement, and will facilitate construction of upgrade projects funded through the City Deal agreement. It will also form the basis for an Expression of Interest process to seek private sector interest in the development. Redevelopment of the harbour has long been sought by the local community, and will stimulate local employment.

Better Approvals Project

Council participated in a Small Business Victoria initiative titled 'Better Approvals' which seeks to reduce the time taken for small business to obtain permits from Council for new development. Council's Planning, Building, Health, Local Laws, Economic Development and Infrastructure staff participated in developing new procedures to support more integrated advice and support to business applicants. The initiative features a 'concierge' from Economic Development who will be the single point of contact in Council to assist businesses as they navigate the different approvals. The time savings expected to be achieved after it's launched will be significant.

Small Business Friendly Council Charter

Colac Otway Shire signed the Small Business Friendly Council Charter in collaboration with the Victorian Small Business Commission. In line with the Charter, Council participated in the Better Approvals project which ensures efficiencies in small business permit application processes. The first step has been implemented with Economic Development acting as a concierge for providing permit pre-application advice to small businesses.

Colac Regional Saleyards

Council worked with a range of stakeholders to successfully change the way we operated sales at the Colac Regional Saleyards due to COVID-19. By moving sales into the dairy ring, we were able to maintain weekly sales and monthly store sales while still maintaining social distancing.

Colac Visitor Information Centre Hours

A restructure of the Colac Visitor Information Centre's hours has optimised service delivery, saving Council an estimated \$50,000 per year.

Consolidation of Apollo Bay Customer Assist Centre

The consolidation of Apollo Bay's customer assist function in the Great Ocean Road Visitor Information Centre has increased the service availability to the Apollo Bay community to seven days per week.



Colac Destination Action Plan

In partnership with Great Ocean Road Regional Tourism, Council facilitated the creation of a Colac Destination Action Plan which will inform future decision making to stimulate Colac's tourism economy.

Revitalisation of the Forrest Mountain Bike Network

Council delivered a detailed design plan for the revitalisation of the Forest Mountain Bike Network to reinstate the network as one of Australia's premier mountain biking destinations. Council also attracted an initial \$500,000 of State Government funding towards implementation of the plan.

CHALLENGES

Service Delivery During in COVID-19

COVID-19 has presented a range of challenges for service delivery across Council, particularly for our public-facing services such as visitor information centres and saleyards. Ongoing work is taking place to ensure we can continue to provide these services in a safe manner.

OUR PROSPERITY

FUTURE OUTLOOK

Building Department Operations

A tender for delivery of Council's Building Department services will be finalised late in 2020, confirming the team of contract staff who will act on Council's behalf to ensure public safety and adherence of use and development to State Building legislation. This is occurring in a time when Council is in the process of changing its service to move away from processing building permit applications, and encouraging residents to seek the services of private building surveyors. This will refocus the work of the building team from permit processing to building compliance and enforcement. Council will be reviewing the administrative fees for building compliance, and exhibiting a new policy to guide building compliance activities. Building staff will also oversee the initial registration process for swimming pools and spas in accordance with new State Government regulations.

Colac Civic Railway and Health Precinct Master Plan

Consultants will be engaged to prepare a Master Plan for the Civic Health and Railway precinct in Colac. The plan is part funded by the Department of Transport and VicTrack, and is being undertaken in partnership with Colac Area Health and Department Environment Land Water & Planning. It will investigate opportunities for future use and development in the heart of Colac to take advantage of the railway station and underutilised land adjoining it. The plan will also provide long term direction for the hospital precinct, as well as future expansion of Council facilities at COPACC and the Shire office to cater for long term population growth. It follows the successful completion of a Needs Analysis for Council's facilities which has established design principles which need to be met for the project.

Apollo Bay Community Infrastructure Plan

A draft plan will be completed for Council consideration and public engagement following significant work undertaken in 2019/20. Undertaken in partnership with the Otway Coast Committee, the plan will establish desired infrastructure improvements for public areas in Apollo Bay, Marengo and Skenes Creek, with a particular focus on the central foreshore and commercial area. It will also identify future needs for community infrastructure, and provide support for funding applications to improve infrastructure in these towns.

Council will work with aerodrome stakeholders to implement the Colac Municipal Aerodrome project to build new taxiways and enable expansion of parking facilities to allow more space for emergency services.

Forrest Mountain Bike Network

Construction of the Forrest Mountain Bike Trails upgrade is planned to take place in 2020/21, with detailed design already commenced.

PLANNING & BUILDING STATISTICS 2019/20

VICSMART APPLICATIONS

(Decisions made within 10 days)

Year	2016/17	2017/18	2018/19	2019/20
Applications	12	52	54	56
Decisions <10 days	9	44	50	61
Median Processing Days	7.6	7.5	6	7

REGULAR APPLICATIONS

(Decisions made within 60 days)

Year	2016/17	2017/18	2018/19	2019/20
Applications	365	319	342	315
Decisions <60 days	282	178	166	224
Median Processing Days	43.3	70	86	91
Appeals to VCAT	2	1	6	6
Council Decision Upheld	2	1	0*	3

VCAT - Victorian Civil and Administrative Tribunal

*No decisions made by VCAT on these appeals in the reporting year.

BUILDING APPLICATIONS

(Including enforcement)

Year	2016/17	2017/18	2018/19	2019/20
Applications	64	75	33	29
Report & Consent	78	74	65	76
Notices & Orders	45	14	49	40

PROGRESS AGAINST THE COUNCIL PLAN

1.1 Plan infrastructure, assets and land use with a long-term vision for economic growth.

Provide direction on how growth across the Shire should proceed and ensure adequate land is provided for industrial and residential use.

<p>The Colac 2050 Growth Plan was completed and adopted by Council in August 2019, along with an amendment to the Planning Scheme (C97) that directs where and how growth across Colac should occur in the future. Officers are currently finalising technical work which will enable the production of a draft Development Plan for the Colac West residential growth area, and are liaising with land owners west of Wyuna Estate at Elliminyt concerning a Development Plan at that location. Officers are also commencing a plan to guide industrial development of land zoned in 2017 at Forrest Street, Colac utilising a grant from the Victorian Planning Authority (VPA). In addition, a Community Infrastructure Plan is being developed at Apollo Bay to guide the provision of new infrastructure in Apollo Bay, Marengo and Skenes Creek, as well as development at the Apollo Bay harbour.</p>	<p>Ongoing</p>
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Implement the Colac Otway Economic Development Strategy.

<p>Implementation is ongoing through activities consistent with the Strategy's 60 actions, however Council's response to COVID-19 has taken precedence. A business and community support package has been prepared which will support local businesses through the COVID-19 pandemic. Funding has been secured for improvements at the Colac Municipal Aerodrome and Forrest Mountain Bike trails.</p>	<p>Ongoing</p>
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Conduct a review of the housing stock in Colac and establish a Residential Housing Strategy to ensure current and future stock is suitable to attract new residents.

<p>The adopted Colac 2050 Growth Plan includes a basic analysis of housing needs in Colac. This informed the development of the Plan, however a more comprehensive Housing Needs Assessment is required to be completed that includes consideration of affordable housing needs, an ageing population, etc. This project requires dedicated Council funding. It is proposed this occur as part of a wider Settlement Strategy for the Shire that includes Apollo Bay with consideration to an ageing population and providing housing for workers within the seasonal tourism sector. Council is part of a housing study which focusses on affordability and housing availability issues.</p>	<p>Ongoing</p>
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Identify and improve tourism assets across the Shire.

<p>The Apollo Bay Harbour Precinct Masterplan will make some progress towards this action. More significant progress will also be made via the Forrest Mountain Bike Trails redevelopment (design study has been completed). New temporary toilet facilities have been installed in several locations across the coast. Planning for City Deal implementation is now underway in Apollo Bay.</p>	<p>Ongoing</p>
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Prepare an Infrastructure Master Plan for Apollo Bay and Coastal Townships, covering categories including roads, car parking, bus parking, footpaths and storm water drainage.

<p>The Community Infrastructure Plan for Apollo Bay, Skenes Creek and Marengo is progressing well following significant community engagement. The plan is inclusive of a Foreshore Master Plan for the Otway Coast Committee and Development Plan for the Apollo Bay Harbour. This work builds on the Coastal Traffic and Parking Strategy undertaken in 2018/19 which establishes strategies in the coastal townships for management of parking, buses and other infrastructure such as toilets associated with tourism pressures. The draft plan for the Harbour Precinct will be presented to Council in advance of the broader plan.</p>	<p>Ongoing</p>
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PROGRESS AGAINST THE COUNCIL PLAN

Attract investment to implement key master plans that will drive economic growth such as the Lake Colac Foreshore Master Plan.

In 2019/20 Council was successful in obtaining a \$500K grant for the Forrest Mountain Bike Trails and requisite studies (geotech, CHMP and flora and fauna) will commence shortly subject to COVID-19 restrictions. Council has also received funding of \$112K from the Federal Government for improvements to the Colac Municipal Aerodrome. The City Deal projects have commenced, which have attracted \$19M investment from other levels of Government.

Ongoing

Remove unnecessary planning triggers to streamline planning processes.

Council adopted its four yearly Planning Scheme Review in March 2018. Consultant Glossop has drafted proposed changes to Council's Planning Scheme which give effect to this review, and to streamline planning provisions where possible. The process of exhibiting an amendment has been delayed due to State Government reforms implemented in August 2018 which require a translation of the current Municipal Strategic Statement in the Planning Scheme into the new State Planning Policy Framework (PPF) before Council can exhibit changes to its policy framework and change overlay provisions. The translation has taken longer than expected, but is likely to be finalised mid-2020, followed by exhibition of a Council Amendment. Officers have been refining the proposed local overlay changes whilst the State Government led translation occurs. Officers have initiated and completed amendments to the Planning Scheme that remove a series of anomalies to controls on specific properties and remove the redundant Environmental Significance Overlay from waterways in urban parts of Colac and the Warrion Groundwater Area. Work is occurring within three precincts of the Heritage Overlay in Colac to remove unnecessary permit triggers in the overlay, which will be presented to Council in August 2020 to support a planning scheme amendment. Work has also commenced to review the mapping of the Erosion Management Overlay (landslide risk) to rationalise its coverage.

Ongoing

Strengthen partnerships with employers in the Shire and continue to participate in and support the Designated Area of Migration Agreement and associated projects.

The Chief Executive Officer has continued to meet with significant businesses in the Shire. The Mayor and Chief Executive Officer have held a series of meetings with real estate agents and developers to discuss planning and building issues. Council meets monthly with 'Action for Apollo Bay' which comprises representatives of the Apollo Bay Chamber of Commerce, the Skenes Creek community and the Otway Coast Committee.

Ongoing

1.2 Support a thriving economy and industries.

Identify and promote tourism pathways between attractions across the whole Shire.

This project has not commenced due the significant funding that would be required and would include road surveys and purchasing Telstra tracking data to identify numbers of tourists on different rural roads. Actioning this information would involve working with Regional Roads Victoria to reclassify roads (to ensure satellite data doesn't take tourists on the wrong roads).

On Hold

Identify and support employment in tourism.

Council partnered with the Great South Coast Councils to develop the Key worker Accommodation Study. Implementation of the study will continue in 2020/21 and subsequent years.

Ongoing

PROGRESS AGAINST THE COUNCIL PLAN

Explore options to facilitate new tourism accommodation.	
Planning and economic development officers have worked collaboratively to proactively seek investment in tourist accommodation in Colac and have worked with a number of prospective investors. A future budget allocation is required to further investigate appropriate means by which tourism development can be encouraged in appropriate locations in the Shire.	Ongoing
Review planning controls for the coastal hinterland and support establishment of tourist accommodation.	
A future budget allocation is required to engage consultants to review the planning provisions that apply to land along the coast and in the coastal hinterland, with the intention of encouraging tourism in appropriate locations. The State Government is preparing a Strategic Framework Plan for the Great Ocean Road hinterland which will influence this work.	
Review the Shire Events Strategy and partner with event organisers to assist them preserve the amenity of residents while running successful events.	
The Shire Events Strategy has been incorporated into the Economic Development Strategy which was endorsed by Council in March 2019.	Complete
Facilitate the attraction of investment in the development of high standard accommodation in Colac and Apollo Bay, complemented by high yielding nature based experiences.	
Council has commissioned a detailed study into accommodation options for Colac, with an industry leading consultant. This should be completed by July and will assist Council's negotiations with prospective investors and businesses looking to establish high end accommodation in Colac. Interest in the development of accommodation in Apollo Bay remains strong.	Ongoing
Encourage and support existing owners of accommodation to upgrade, refurbish and develop new infrastructure to meet visitor demand.	
Ongoing activity across the Shire with accommodation owners.	Ongoing
Review the Great Ocean Road Closure Policy.	
The review of the guidelines has commenced which is being led by Regional Roads Victoria in partnership with Colac Otway and Surf Coast Shires and the Victorian Police. An extensive community engagement process has been undertaken to gain feedback on the event closure guidelines. Most engagement took place over video conferencing due to COVID-19. A report was presented to Council's June 2020 Ordinary Council meeting seeking Council's signoff of the draft guidelines, which will enable the Department of Transport to progress to an Expression of Interest Process.	80%
1.3 Strengthen partnerships with key stakeholders to benefit the whole community.	
Seek regional funds from State and Federal Governments.	
Council continues to secure funds from other levels of government.	Ongoing

PROGRESS AGAINST THE COUNCIL PLAN

Develop and maintain regional partnerships and joint advocacy.	
<p>Council will continue to maintain strong partnerships with key stakeholders for the duration of the Council Plan.</p> <p>Council is represented on the following organisations:</p> <ul style="list-style-type: none"> • G21 • Great Ocean Road Taskforce • Great Ocean Road Regional Tourism • Barwon Regional Partnership. 	Ongoing
Seek to influence education providers to match local job opportunities with available skills training.	
<p>Council continues to work with agencies such as, South West TAFE and Westvic Staffing Solutions. South West TAFE has recorded significant growth in registered students and training uptake and work is to commence shortly on discussions with both Trinity College and Colac Secondary College regarding the use of the Trade Training Centre at Colac Secondary College and the hospitality facilities at Trinity.</p>	Ongoing
Support programs to reduce youth unemployment and promote employment for disadvantaged groups in partnership with employers, G21 and the GROW initiative.	
<p>Significant work undertaken in conjunction with GROW in the development of the Colac Workforce Development Network. The Network is established and supported by the four large employers in Colac.</p> <p>A successful jobs fair was held in November 2019.</p> <p>The COVID-19 global pandemic has significantly changed our community's employment prospects, with many people out of work due to government-directed closures. The Economic Development team has focussed on helping keep businesses informed of the funding support opportunities available to them, as well as reaching out to businesses over the phone and via an online survey to understand the kinds of support they most need from Council and government more generally.</p>	Ongoing
1.4 Improve strategic planning and coordination of the Great Ocean Road.	
Maintaining connections with the Great Ocean Road Authority and provide input into social, economic and environmental values.	
<p>The Victorian Government is progressing with the establishment of the Great Ocean Road Coast and Parks Authority. Council has met with representatives of DELWP on a number of occasions. DELWP is also now attending the Action for the Apollo Bay meetings on a monthly basis.</p>	Complete

LGPRF

Service / indicator / measure	Results 2017	Results 2018	Results 2019	Results 2020	Material Variations & Comments
Statutory Planning					
Timeliness Time taken to decide planning applications [The median number of days between receipt of a planning application and a decision on the application]	66.50	70.00	86.00	91.00	Small increase in time taken to process applications but additional staff resourcing during 2019 has enhanced capacity and is increasing performance, which will be reflected in 2020/21 reporting.
Service standard Planning applications decided within required time frames [(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100	73.09%	74.25%	73.22%	80.23%	Better performance reflects increased staff resources in statutory planning and process improvements implemented during the year.
Service cost Cost of statutory planning service [Direct cost of the statutory planning service / Number of planning applications received]	\$2,706.06	\$3,634.56	\$3,367.43	\$3,447.93	Increased costs due to additional planning staff engaged in 2019 to process planning applications and address level of permit activity.
Decision making Council planning decisions upheld at VCAT [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	100.00%	100.00%	0.00%	50.00%	Three of the six VCAT decisions were upheld.



OUR PLACES

Layers Hill

THEME TWO - OUR PLACES

Our places are well-planned. We work with local and government partners to plan healthy, safe environments which promote community life and enhance well-being. Our infrastructure assets are managed so that they are sustainable for the long term.

THE IMPORTANCE OF OUR PLACES AS A THEME

Infrastructure assets such as roads, drainage and footpaths are important because they help deliver services to the community. Roads and footpaths provide the ability for people to access work, education and recreation. Drainage provides protection to properties and allows for safe transport.

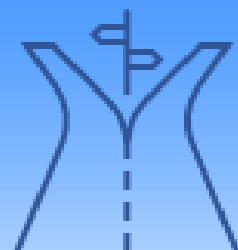
It is important for us to manage assets in a rational way so that we can ensure they are sustainable over the long term so that those services are provided to future generations.

It is important that Council operations are undertaken in consideration of the natural environment and where possible take action to help improve to protect, enhance and restore the environmental values of the region.

SIX STRATEGIES CONTRIBUTE TO ACHIEVING OUR GOAL

1. Assets and infrastructure meet community needs.
2. Our places are managed for long term sustainability.
3. Towns and places are welcoming and attractive.
4. Leadership in natural environment through good management practices.
5. Delivery of our capital works program.
6. Emergency management is coordinated locally and on a regional basis.

Key highlights for projects and activities linked to Our Places begin on page 43



OUR PLACES

SERVICES CONTRIBUTING TO OUR PLACES

The following services/activities were funded in the 2019/20 budget and contribute to achieving the goals and strategies for this Theme:

Service Area	Description of Service	Net Cost Actual <u>Budget</u> Variance \$000
Emergency Management	Provision of necessary support for the community in the case of an emergency event occurring	559 <u>198</u> 361
Environment	Management of our natural environment for the betterment and enjoyment of all members of our community	981 <u>627</u> 354
Fire Prevention	Promotion of community safety by aiming to eliminate potential fire risks within our community	0 <u>0</u> 0
Infrastructure Services	Provides for the physical assets required by the community to maintain a happy, healthy and sustainable lifestyle	6,246 <u>5,375</u> 870
Parks, Gardens and Reserves	Maintenance of open space for the enjoyment of all community members	1,393 <u>2,188</u> (795)
Waste Management	Efficient and effective control of waste products produced by our community. It includes the provision of waste collection services as well as for disposal to landfill	257 <u>904</u> (647)

OUR PLACES

HIGHLIGHTS

Carbon Neutral Target

In 2019/20 a 30kW solar PV system was installed on the Colac Community Library and Learning Centre in May 2020. In collaboration with the building's owner, Victorian Department of Education, the solar installation will provide significant environmental and economic benefits for both Colac Otway Shire and Colac Secondary College, which maintain an even split of running costs at the facility. Specifically, the 30kW solar system is expected to generate around 40MWh annually, saving around \$10,000 per annum in electricity costs and preventing 46 tonnes of greenhouse gasses (CO₂-e) from entering the atmosphere.

In addition to the installation of solar PV, lighting at the library has also been upgraded to LEDs, further reducing the Shire's carbon emissions. A total of 746 fluorescent tubes and other lights were retrofitted with LED equivalents to generate electricity savings of around 41kWh per day or 10,660kWh per year. This represents an annual financial saving of around \$2,770 and 12.5 tonnes CO₂-e.

Main Roads Street Lighting Upgrades

Council invested in upgrading an additional 127 high wattage main road street lights to energy efficient LED's, adding to the previously upgraded 1400+ minor roads (townships) street lights. These upgrades will save around 38,800kWh of electricity, the equivalent of 66 tonnes CO₂-e per year.

Closed Landfill Management

Council worked with the Barwon South West Waste & Resource Recovery Group (BSWRRRG) to complete risk assessments for its four unrehabilitated closed landfills. The risk assessments found that these sites posed lower risk than previously understood and consequently aftercare management costs are lower than forecasted.

Hydrogeological assessments for Alvie and Bruce Street landfills were undertaken to provide a comprehensive understanding of the long term risk to groundwater and surface water at these sites.

Communities Combating Pests and Weeds

A \$200,000 federally funded grant program, Communities Combating Pests and Weeds, has been awarded to Council to support the region in both weed management of a range of noxious species and in rabbit control measures. The program has three components: public land projects; community knowledge and capacity building (education and network establishment); and grants to support private property owners to manage pests and weeds on their land.

The largest portion of funds has been directed to the private land grants component, which has given Council a unique opportunity to directly support Colac Otway communities in their efforts to control weeds and pests. The program has also involved a significant project to develop a broad suite of locally focussed online resources to help educate and inform our communities on how to plan and undertake weed management and rabbit control.

Successful delivery of Environmental Projects

In addition to administering the Communities Combatting Pests and Weeds program throughout 2019/20, Council's Environment Unit successfully delivered two further environmental weed management programs - Council's operational program to protect natural assets within the shire and the State Government funded Roadsides Weeds and Pests Program.

Plug-in Hybrid Electric Vehicle (PHEV)

After a successful trial earlier in the year, in July 2019 Colac Otway Shire incorporated a Mitsubishi Outlander PHEV as part of the regular fleet. With impressive efficiency figures, particularly for short trips around town where the electric motor is capable of being the primary motor, the PHEV has proven to be popular among staff for its smooth, quiet operation and pleasant driving experience.

100% Green Electricity for Council Operations

Council approved the purchase of 100% green (emission free) electricity for all its facilities, operations and street lighting, reducing Council's greenhouse emissions significantly, by approximately 1900 tonnes CO₂-e or 60%, and moving significantly closer to reaching its Carbon Neutral experience. In addition Council obtained a Local Government Energy Saver grant of \$100,000 to enable further energy saving measures in COPACC and Bluewater.

Emergency Relief Centre Training

Colac Otway Shire participated in the cross council Emergency Relief Centre (ERC) training exercise in October in Winchelsea. Surf Coast Shire hosted the training in collaboration with Corangamite and Colac Otway Shires. There were over 100 participants across multiple organisations involved in testing ERC operations across a variety of scenarios. The day was a great success in building the capability of Colac Otway Shire staff to perform emergency management roles in an ERC. Council also ran a cross organisation Fireline Leadership course which included Council and other agency staff and community members. This was a huge success also, that has since led to Council getting funding from Safer Together to run tailored Community Fireline Leadership courses in 2020/21.

OUR PLACES

Supporting Bushfire Affected Councils

A number of Council officers spent time assisting the Shire of Towong in their recovery after the 2019/20 North East bushfires. Whilst being away for a short time, it was a genuine learning experience in bushfire recovery and community engagement.

Places of Last Resort

Successful designations of Barwon Downs and Beech Forest as Bushfire Places of Last Resort (NSP's), and signage at all Bushfire Places of Last Resort was updated, including a Chinese language version for tourists.



Service & Operations Proactive Works Program

With the introduction of a proactive works program in 2019/20, outstanding customer requests has reduced from 105 to 30, and internal road corridor maintenance inspections is down to 10, instead of the previous average of 238 outstanding requests. These improvements are attributed to: scheduled maintenance management Plan with set KPI targets reported monthly; focussed road minor maintenance team to spot and amend issues before they become a problem; a roadside maintenance framework was introduced to ensure all aspects inside the road envelope including tree trimming, culvert and drainage pipe repairs, slashing and spraying and roadside furniture are maintained alongside road surface maintenance.

Redeployment of Leadership Roles

Utilising existing resources, a Quality Assurance Team Leader role has been created to ensure the consistent quality of our road network and capital works performed within Services and Operations. This role provides expertise, knowledge and upskilling to the staff performing the maintenance.

A Contracts and Minor Projects Officer is now responsible for the management of contracted works programs and minor projects performed within Service and Operations.

Building Maintenance

Transfer of Building Maintenance to the Service and Operations team has provided more efficient services to building maintenance. Previously 90% of works were outsourced, however the move to Service and Operations has significantly reduced the need to outsource to contractors, with appropriately qualified staff within the maintenance team able to carry out works. A specialised repurposed building maintenance trade trailer has been established with fit for purpose tools.

AFL Pre Season - Ground Preparation

Service and Operation's Parks and Gardens staff once again were pivotal in the success of the AFL pre-season match between Geelong and Essendon at Colac Otway Shire's premier sporting oval, Central Reserve. The team were able to provide a playing surface to the AFL's stringent quality standards and assisted in the day being a huge success for the Shire.



CHALLENGES

Communities Combating Pests and Weeds Grant Program

This project is an inherently highly complex project, particularly given the dual on-ground works components of projects on public land (which required extensive collaboration with government agencies and local land managers) and grants for private land (each being unique and frequently involving a high level of individual engagement). COVID-19 has also impacted this grant program, particularly in relation to private land grants. A significant number of grant participants have withdrawn due to financial hardship concerns.

Environmental Projects

The number of children involved in environmental activities was significantly reduced throughout 2020 due to COVID-19 restrictions. In addition, activities planned for World Environment Day 2020, which is often the centrepiece of Council's environmental education activities, had to be cancelled.

OUR PLACES

Fire Prevention Program

The Fire Prevention Program undertaken by Council involves the inspection of properties across the region during the declared Fire Danger period. Unfortunately 354 properties (up 80 since 2018/19) were issued with a Fire Prevention Notice (FPN) by Council officers because their property failed to meet the prescribed standards. Eight of those properties (down two since 2018/19) had to be issued with an infringement for failing to comply with the notice.

Meeting Customer Expectations

Maintaining the road network with budget constraints and high customer expectations is always a challenge. With 1,050km of unsealed road network and 550km of sealed road network, the service levels able to be provided are not always up to customer expectation as reflected in the feedback in the 2020 Customer Satisfaction Survey. This challenge is a major focus for our team with targets to increase operational and budget efficiencies by 10% in conjunction with providing field staff with the appropriate knowledge and resources.

Grey-headed Flying Fox Population

The Grey-headed flying fox population at the Colac Botanic Gardens posed a challenge to the heritage listed trees. The flying fox's relocation plan was approved and carefully and cautiously put forward with the endorsement of DELWP and governing wildlife bodies to ensure the safety of the animals and trees alike.

FUTURE OUTLOOK

Environmental Sustainability

The 2020/21 financial year will provide an opportunity for data to be captured on several sustainability projects completed over the last couple of years, in particular the effectiveness of energy efficiency measures and the impact of solar installations at various locations across the Shire. Other planned projects include the installation of a sophisticated solar monitoring and repeating system enabling a real-time aggregate view of all solar systems operated by Council.

Closed Landfill Management

Council is due to undertake s53V landfill audits at Bruce Street landfill and Alvie landfill this year. Council will review and update the Alvie landfill rehabilitation plan for EPA verification.

Emergency Management

Council actively engaged with communities to better understand their strengths and weaknesses to helping decision making before, during and after emergencies. There are further opportunities through cross council collaborations (with Surf Coast and Corangamite Shires) to engage with communities in fire and other emergencies.

Through the Community Based Emergency Leadership Program, Council will be able to run community based scenarios and community based leadership courses in 2020/21.

Proactive Scheduling of Programmed Works

Proactive scheduling of programmed works will allow Services and Operations to continue to move forward. Working collaboratively with the Projects and Assets team to provide a pre-emptive program will see an improvement in the quality of our systems and network assets. The focus on the 'customer' is at the forefront of Council's mind, both internally and externally. Emphasis in providing a safe, user friendly and aesthetically pleasing network is important to provide the best customer, resident, business owner and tourist experience we can possibly provide.

Installation of Irrigation System

An irrigation system is set to be installed in the Colac Botanic Gardens to provide a water source to ensure the survival of our heritage listed trees. This system will replace an outdated irrigation system and eliminate the need for manual watering.

PROGRESS AGAINST THE COUNCIL PLAN

2.1 Assets and infrastructure meet community needs.

Develop and implement a Property Strategy.

The Strategy Framework has been completed with a first draft of the strategy to be completed by end of July 2020.	10%
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Develop and maintain constructive partnerships to access appropriate levels of funding, coordination, infrastructure and services.

Council will continue to maintain constructive relationships for the duration of the Council Plan. Strong relationships have been established with G21, Regional Development Victoria, VicRoads, Barwon Water, Southern Rural Water, Great Ocean Road Regional Tourism (GORRT), Great Ocean Road Taskforce, Parks Victoria, State and Federal Government Members of Parliament.	Ongoing
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Conduct an ongoing program of service reviews to guide planning for infrastructure.

Council has adopted a program of detailed service reviews for the next three years. The program is reviewed on an annual basis and will be implemented subject to budget availability. A review of the Asset Management and Project Management areas within the Infrastructure and Leisure Services Division has been completed and reported to Council. Council is also proposing a review of Service and Operations in 2020.	Ongoing
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Council to work with key stakeholders such as the Otway Coast Committee, the Apollo Bay Chamber of Commerce and Council with the aim of aligning strategic planning and advocacy efforts for Apollo Bay and district.

Council continues to work with key stakeholders for the duration of the Council Plan. The Mayor, available Councillors and the Chief Executive Officer meet monthly with the Chamber of Commerce and Otway Coast Committee to ensure open dialogue. Key collaborations in 2019/20 include support for Apollo Bay Boat Harbour renewal and development, response to coastal erosion and preparation for development of Community Infrastructure Plans.	Ongoing
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2.2 Our places are managed for long term sustainability.

Update the Planning Scheme to reflect changing community needs and priorities.

Council adopted its four yearly Planning Scheme Review in March 2018. Consultant Glossop has drafted proposed changes to Council's Planning Scheme which give effect to this Review. The process of exhibiting an amendment has been delayed due to State Government reforms implemented in August 2018 which will require a translation of the current Municipal Strategic Statement in the Planning Scheme into the new State Planning Policy Framework before Council can exhibit changes to its policy framework. The translation is expected to be finalised mid-2020, followed by exhibition of a Council amendment. The Colac 2050 Growth Plan was finalised and implemented via Amendment C97 which was adopted by Council in August 2019, and is with the Minister for approval. When approved, this amendment will facilitate planning for expansion of residential zoned land to accommodate growth of Colac.	Ongoing
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PROGRESS AGAINST THE COUNCIL PLAN

Ensure best practice guides planning and management of the natural environment and associated assets.	
Environmental advice continues to be provided on planning applications, strategic planning matters and on Council's major projects to ensure best practice standards are being met. Recent advice has involved ensuring minimising environmental impacts associated with local developments and projects being undertaken by Council's Infrastructure Division.	100%
2.3 Towns and places are welcoming and attractive.	
Enhance the attractiveness of towns in the Shire for both residents and tourists/visitors.	
Negotiations with Regional Roads Victoria to improve presentation of proposed roundabout at Lavers Hill. Negotiations with VicRoads for improved planting and landscape treatments to the eastern entrance to Colac as part of the Princes Highway duplication works. Development of draft designs for entry signage to Colac at eastern and western approaches. Completion of concept designs for the Barongarook Creek picnic area. Development of a concept design for a new regional play space at Colac's Memorial Square.	80%
Advocate for improvements to public open space where the State Government is the land owner/manager.	
A list of priority projects has been prepared identifying reserves and open space infrastructure improvements that Council will advocate for, where State Government is the land owner/ manager.	Ongoing
Develop and implement a prioritised program to review and implement master plans, community infrastructure plans and structure plans for small towns across the Shire, including the City Deal project.	
A Community Infrastructure Plan is being developed for Apollo Bay, Skenes Creek and Marengo that will identify future social, community and physical infrastructure needs. The Colac 2050 Growth Plan is complete, and Development Plans are being facilitated for residential growth areas in Colac West and Elliminyt (including the development of shared infrastructure plans), and industrial land at Forest Street, Colac. Future budget allocations will be required to review the structure plans for Birregurra and Forrest. Small town master plans are currently under review.	Complete
Incorporate treatments into infrastructure standards that enhance community perceptions of safety.	
Successful in gaining external funding for street lighting along the newly constructed Queens Street shared path. Advocacy for federal funding to complete safety improvements on Wilson Street, Colac to improve school crossing. Installation of guard rails and other safety treatments at a range of locations. Advocacy with MTIA to improve safety of cycling connections on Murray Street at the Barongarook Creek bridge. Commissioning a Road Safety Audit of the Aireys and Main Streets intersection. Progressing planning and design for installation of wombat crossings at Collingwood Street, Apollo Bay, subject to funding.	60%
Maintain parks and gardens, sports reserves and streetscapes.	
A program of works has been scheduled for parks, open space, reserves and trees. This is done on a three scale service level Q1-3, where Q1 is the highest standard. Monthly routine cleaning of the CBD footpaths in Colac has been introduced. Apollo Bay CBD footpaths are cleaned bi-annually and by exception throughout the year.	Complete

PROGRESS AGAINST THE COUNCIL PLAN

Support enjoyment of outdoor experiences through the provision of a network of quality open spaces, including paths and trails.	
<p>Projects which were successful in receiving Council and external funding continue to be implemented. Those projects include: Memorial Square play space, velodrome resurfacing at Elliminyt Recreation Reserve, oval improvements at Western Reserve, and Central Reserve Netball Court redevelopment and lighting upgrade. Funding applications were submitted to Sport & Recreation Victoria for consideration including: City Reserves Planning and site specific master plans; Elliminyt Recreation Reserve Oval Lighting Upgrade; Cororooke Open Space Masterplan Implementation Stage 1 - path and play space; and Birregurra Recreation Reserve Oval Lighting Upgrade.</p> <p>Detailed design is currently being finalised for upgrade of the Forrest Mountain Bike Network, with construction work to be undertaken in 2020/21.</p>	Complete
Evaluate the feasibility of a regional wet waste facility to manage waste from road and drainage maintenance.	
<p>Under a new formal agreement with landholders, recovered material from road side collection is now repurposed with land owners. This practice has been introduced as an alternative to a wet waste facility.</p>	Complete
Continue to support the Apollo Bay community's advocacy for the development of a public indoor heated swimming pool in Apollo Bay.	
<p>Pool construction nearing completion. Agreement for ongoing Council financial support has been executed.</p>	Complete
Work with our community to protect amenity values in our places through strategic compliance action and animal management that is focused on ensuring education, safety and liveability.	
<p>Work continues to ensure animals are registered and wandering animals are managed appropriately.</p>	Ongoing

2.4 Leadership in natural environment through good management practices.

Ensure best practice guides planning and management of the natural environment and associated assets, and Council's response to climate change.	
<p>Environmental advice continues to be provided on planning applications, strategic planning matters and on Council's major projects to ensure best practice standards are being met. Recent advice has involved ensuring minimising environmental impacts associated with local developments and projects being undertaken by Council's Infrastructure Division</p>	Complete
Advocate and drive discussion to minimise coastal erosion in partnership with other stakeholders, implement measures to assist climate adaptation and protection of the Great Ocean Road.	
<p>Council continues to seek funding for the second stage of the Local Coastal Hazard Assessment, but at this stage funding has not been secured. However, Council has been advocating for more funding to be provided to help manage the current erosion hot spots. Department of Environment, Land, Water & Planning (DELWP) have allocated \$3M to help address erosion along the coast in the Apollo Bay and Marengo region.</p>	Complete

PROGRESS AGAINST THE COUNCIL PLAN

Improve the health and sustainability of the natural environment through structured planning with our partners.	
Council continues to work with various other government agencies and community groups to improve the environment. Recent examples include working with DELWP on coastal erosion, Barwon Water on the Colac and Regional Renewable Organics Network and with councils from across south western Victoria on the formation of a new Greenhouse Alliance.	Ongoing
Deliver localised planning to communities to reduce fire risk.	
Community events were undertaken in the lead up to the 2019-2020 fire season in Apollo Bay, Wye River, Forrest, Beech Forest, Barwon Downs and Gellibrand. These events focused on the location of Neighbourhood Safer Places and the need for people to develop personal bushfire plans that focus on the safety of themselves and their families.	Complete
Implement emission reduction programs for Council operations.	
Work continues toward achieving the Carbon Neutral Target in 2020. In recent times more efficient heating and cooling systems have been installed at Bluewater and COPACC. Further upgrades of Council's street lights has commenced and solar panels have been installed on the Colac Community Library and Learning Centre. In addition, Council has endorsed the purchase of 100% Green Power which will mean that all electricity purchased by Council comes from renewable energy sources which produce no emissions.	Complete
Enhance the level of resource recycling and reuse across the Shire.	
Council has enhanced the use of recovered or reusable materials. Wood chips from tree maintenance is used on garden beds and surplus amounts are made available to community groups for mulching. Road materials recovered from asphalt renewal projects is repurposed in high maintenance areas on gravel roads. Recovered bitumens material from Regional Roads Victoria is used by Colac Otway Shire on local roads. Colac Otway Shire collect printer cartridges, mobile phones, CDs and DVDs for recycling. E-waste is also gathered for recycling.	Complete
Enhance and protect biodiversity through weed control and revegetation.	
The 2019-2020 Environmental Weed Control Program has been delivered. Target weeds include Boxthorn, Broome, Gorse, Blackberry and Spanish Heath. In addition, Council is managing a grants program for private landholders to manage pest plants and animals, with funds provided through a \$200,000 Federal Government Grant.	Complete
Implement Council's Climate Adaptation Strategy.	
Council continues to undertake actions in accordance with Council's Climate Adaptation Plan. Funds were obtained from DELWP to develop landslide risk mitigation plans for Grey River, Kennett River and Skenes Creek. These plans have been completed and are now being used as the basis for seeking further funding to help make these towns more resilient to landslides.	Complete

PROGRESS AGAINST THE COUNCIL PLAN

2.5 Delivery of our capital works program.

Develop a system of capital allocations based on Asset Management Plans.

Draft Asset Management Plans developed for Transportation and Buildings assets which outline the system for allocating capital resources. These two asset categories account for 75% of Council's asset portfolio by value. Draft Asset Management Plans commenced for Open Space and Drainage. Draft Asset Management Strategy development and policy review 60% complete.

75%

Develop a project management framework, covering proposals, planning and delivery.

Project Delivery Procedure Manual developed as a framework for guiding project proposals, planning and delivery. CAMMS Project implemented to track progress against individual projects. New project plan template developed to ensure accurate pre-planning, estimating and scoping is undertaken prior to delivery of projects or seeking funding. Development of a 'Funding Ready' and 'Shovel Ready' definitions and workflow to prepare projects for external funding and business cases.

Complete

Develop a capital works reporting framework.

Completed. Monthly capital works report is implemented.

Complete

Deliver the annual capital works program.

Capital works program delivered 90% at end of financial year 2019/20, with remaining works committed.

Ongoing

2.6 Emergency management is coordinated locally and on a regional basis.

Community based planning to build local understanding and preparedness for emergency events.

Community events were undertaken in the lead up to the 2019-2020 fire season in Apollo Bay, Wye River, Forrest, Beech Forest, Barwon Downs and Gellibrand. These events focused on the location of Neighbourhood Safer Places and the need for people to develop personal bushfire plans that focus on the safety of themselves and their families.

Complete

Education, joint planning and preparations undertaken to prepare for climate related threats and emergencies.

Various training has been undertaken by Council staff in relation to managing Emergency Relief Centres and providing leadership during emergency events. A large Emergency Relief Centre Exercise was undertaken in October with Corangamite and Surf Coast Shires to help staff put their training into practice. Further training is being organised for staff in 2020 to further enhance Council's capacity to respond to emergency events.

Complete

LGPRF

Service / indicator / measure	Results 2017	Results 2018	Results 2019	Results 2020	Material Variations & Comments
Roads					
Satisfaction of use Sealed local road requests [Number of sealed local road requests / Kilometres of sealed local roads] x100	12.57	15.95	23.24	28.50	More processes have been incorporated into the customer request system to streamline the workflows and systems required to attend to the customers within a reasonable time period
Condition Sealed local roads maintained to condition standards [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	95.87%	93.58%	93.73%	93.11%	This is determined by condition of assets, budget available and inspector's recommendations which can vary. The total kilometres of sealed roads owned by council has increased from donated assets and reconstruction this year which affects the ratio of this indicator.
Service cost Cost of sealed local road reconstruction [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$30.20	\$52.61	\$41.06	\$51.70	The result of this indicator can fluctuate each year depending on location, nature and extent of each reconstruction project. Binns Road, Beach Forest was a large project in 2019/20 that was both remote and undulating terrain.
Service Cost Cost of sealed local road resealing [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$6.19	\$5.99	\$5.40	\$5.14	Council initiated a 3 year contract for sealing works. The winning contractor may have priced works more keenly to win the contract. In any given year the average unit rate will fluctuate, influenced by the relative proportion of works requiring different sizes of aggregate, 7mm reseals being cheaper than other sizes. Also, jobs which are longer on average will contribute to greater productivity, and thus potentially lower costs.
Satisfaction Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	42.00	39.00	42.00	44.00	The Services and Operations team has continued their focus on "Fix it first time" and has shown a determination to react to problems more quickly. Its compliance with the response times contained in the Road Management Plan improved into the high 90's during the year.

LGPRF

Service / indicator / measure	Results 2017	Results 2018	Results 2019	Results 2020	Material Variations & Comments
Waste Collection					
Satisfaction Kerbside bin collection requests [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000	100.05	58.69	69.92	68.36	These requests include the following: 181 Missed bins requests, 217 new service requests, 83 reporting lost bin requests and 225 bin repair requests.
Service standard Kerbside collection bins missed [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	6.35	2.30	2.13	1.63	This includes 83 missed red garbage bins, 61 missed green organics bins and 37 missed yellow recycle bin requests. These results are due to local contractors completing the same runs each week and community compliance with placing bins out the night before.
Service cost Cost of kerbside garbage bin collection service [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$134.63	\$140.36	\$138.96	\$141.50	
Service cost Cost of kerbside recyclables collection service [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$36.15	\$37.74	\$45.44	\$61.21	This indicator has increased significantly, due to 2019/20 being the first year where Council was required to pay for the disposal of recycling, rather than receive revenue for its sale.
Waste diversion Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	47.09%	47.79%	52.06%	60.38%	The increase in waste diverted from landfill is due to better source separation at the kerbside and the extra weekly collection of green organics in October/ November and yellow recycling bins during Christmas school holiday period.



OUR COMMUNITY

Forrest

THEME THREE - OUR COMMUNITY

We work to know our community and to understand their needs and aspirations. We plan our assets and services to meet community need and to foster a culture of good service and partnership with others.

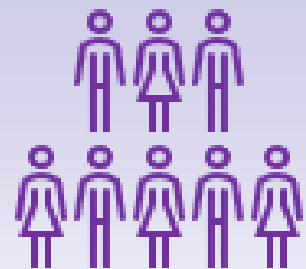
THE IMPORTANCE OF OUR COMMUNITY AS A THEME

Colac Otway Shire sustains a mixed population of tourists, businesses, farmers, retirees and families, some of whom settled in the Shire recently and some of whom can trace their family's history back to European settlement, whilst our population of Aboriginal people dates back tens of thousands of years. The land of the Shire sustains different ways of living, from affordable housing options in the towns, to spectacular properties with views of the forest and the sea. Potential for population growth in the Shire will increase due to highway improvements and proximity to the larger centres of Geelong, Ballarat and Warrnambool. The Shire enjoys good services and infrastructure, supporting families to connect and live well at all life stages. The Shire is well resourced compared with many other semi-rural shires, with infrastructure and services in place.

SIX STRATEGIES CONTRIBUTE TO ACHIEVING OUR GOAL

1. Increase social connection opportunities and community safety.
2. Connect people through events and activities.
3. Opportunities for the community to participate in lifelong learning.
4. Provision of resources to support physical activity by the community.
5. Foster an inclusive community.
6. Community planning informs provision of Council services and social infrastructure.

Key highlights for projects and activities linked to Our Community begin on page 56



OUR COMMUNITY

SERVICES CONTRIBUTING TO OUR COMMUNITY

The following services/activities were funded in the 2019/20 budget and contribute to achieving the goals and strategies for this Theme:

Service Area	Description of Service	Net Cost Actual <u>Budget</u> Variance \$000
Arts and Culture	Management and provision of arts and cultural services to the community. This service is responsible for the running of the Colac Otway Performing Arts and Cultural Centre.	613 <u>637</u> (24)
Recreation	Provides for active community involvement and the promotion of healthy lifestyles by providing for suitable sporting and recreational facilities.	222 <u>234</u> (12)
Bluewater Leisure Centre	Active promotion of a healthy lifestyle for our community by directly providing swimming and gymnasium facilities.	1,019 <u>818</u> 201
Local Laws	Contributes to community safety and health by providing a framework for behaviours which affect our community wellbeing.	415 <u>434</u> (19)
Public Health	Encourages a healthy and safe lifestyle by actively promoting and policing public health issues.	330 <u>364</u> (34)
Older Person and Disabilities	Supports older and disabled members of our community to sustain quality of life.	57 <u>245</u> (188)
Children and Family Services	Supports our children, families and youth to encourage and future their growth and development.	288 <u>183</u> 105
Library Services	Provides resources and oversight to the Corangamite Regional Library Corporation for the provision of information, education, recreation and for the enrichment of the community.	703 <u>716</u> (13)

OUR COMMUNITY

HIGHLIGHTS

Morning Music

It's obvious that the COPACC Morning Music program hits the right note with our community, with shows averaging 87% capacity in the Auditorium - that's almost 300 patrons attending each of these quality performances, plus the complimentary morning tea in the gallery foyer before the show. Stand-out favourites for this year were Silvie Paladino with *The Songs of Eva Cassidy*, and the end of year spectacular starring the hilarious and always surprising Denise Drysdale.



Silvie Paladino

Otway Coast Regenerative Farmers Conference

We were delighted that COPACC was chosen by Otway Coast Regenerative Farmers to host the inaugural *From the Ground Up: Growing Regenerative Agriculture in Corangamite* conference in September. This sell-out conference attracted participants from across Australia with 180 delegates attending across three days.

Business Awards

The last Saturday in October saw the COPACC precinct transform for the Colac & District Chamber of Commerce & Industry's night of nights - the now biennial Business Awards. A packed house of 310 guests from across the Colac district, comprising award nominees, local businesses and corporate sponsors including the Colac Otway Shire, celebrated and recognised stand-out business and community endeavours, from individuals and organisations, at which 14 prestigious awards were presented.

Beginning Steps program

Commencement of the Beginning Steps project which works closely with the Colac Aboriginal Gathering Place and other service providers to establish consistent maternal child health services, at the Gathering Place, increase engagement of Aboriginal children and families in Maternal Child Health services, increase engagement of Aboriginal community members accessing the Gathering Place and development of cultural information resource kits.

Swimming Club Agreement

Council and the Colac Swim Club signed a new longterm user agreement, which provides certainty to the future use of Bluewater by the club.

Attendance

Bluewater Centre attendances increased during the year prior to the unexpected closure in March due to COVID-19 restrictions.

New Apollo Bay Kindergarten

Following many years of advocacy, Council was pleased to secure funding for the development of a new 66-place Kindergarten in Apollo Bay. This provides an opportunity to integrate with the Apollo Bay College by co-location and gives a permanent space for Maternal Child Health which is linked to the provision of early years' services.

Aged Care Services

The announcement of the continuation of funding for the provision of the Commonwealth Home Support Program and Regional Assessment Services was welcome news by Council. Funding has been extended to 30 June 2022.

There has been a continuing increase in the provision of Home Care Packages across the Shire in 2019/20.

Maternal Child Health

Council's Maternal Child Health service introduced a Sleep and Settling Program and extended its outreach services.

Local Laws Officer

In order to better service the municipality, an additional Local Laws Officer was employed to provide (in the main) a regular and more thorough service to coastal areas. The provision of this service commenced mid December 2019 and resulted in a Local Laws Officer providing service to the area, to a minimum of 5 days per week. Feedback from local residents and businesses was positive and was shown to be a necessary improvement in service delivery.

Federal Funding for Recreation Projects

Funding announcements from the Federal and State governments for local community recreation projects including upgrades to the Central Reserve Oval Lighting and Netball Courts Redevelopment, Elliminyt Recreation Reserve Velodrome Resurfacing and memorial Square Playspace Upgrades.

OUR COMMUNITY

CHALLENGES

COVID-19 Affect on our Service Delivery to the Community

The COVID-19 pandemic has impacted how Council delivers services as well as the ability for community organised activities to operate.

With the arts, culture and entertainment industries hit particularly hard, COPACC's doors were closed temporarily on 23 March. The COPACC team, like many business teams across the Colac Otway Shire has been affected by reduced hours, redeployment and temporary stand downs.

The impact of the Bluewater Centre closure due to COVID-19 and subsequent staged re-opening has been significant and challenging. Planning and implementing facility access with patron number restrictions and implementing strict hygiene practices added significant workload for the staff.

The 2020 winter sporting competition season has been severely impacted by the COVID-19 pandemic and restrictions also. These impacts will be felt for a number of years at both club and volunteer level.

Another challenge has been ensuring that our community continues to receive all of council's services, through our Older Persons and Ability Support Services department, while maintaining the safety of the community and the staff during the pandemic.

The pandemic continues to impact on the manner in which Local laws officers are able to perform their duties and the availability of suitable vehicles hindered officer's ability to effectively provide a continued service to all areas of the municipality.

Given the unknown duration of COVID-19 and ongoing impacts, Council will need to continue to be adaptable in order to provide the best service possible under the current restrictions and impact of COVID-19.

FUTURE OUTLOOK

Review of the Domestic Wastewater Management Plan

The Health Protection team will be reviewing the Domestic Wastewater Management Plan that was adopted by Council in 2015. The Plan is a legislative requirement to ensure the ongoing appropriate management of on-site wastewater treatment systems for development in unsewered areas of the Shire. It has a particular focus of protecting the water quality in the Shire's Declared Water Supply Catchments. The review will consider actions undertaken during the life of the current plan, and identify priorities for wastewater management in the coming years. The current plan is an important support for Council to be able to apply more flexible planning policy in the water catchment areas, overcoming restrictions that inhibited development prior to 2015.

Supporting Regulated Businesses through COVID-19

The Health Protection team will be working closely with operators of cafes, restaurants, hairdressers, accommodation, caravan parks, tattooists and the like to ensure that they are aware of COVID-19 restrictions on the way they operate and are supported through the difficult period of restricted operations in response to the pandemic. It is critical that these businesses are kept up to date with ever evolving change to State mandated restrictions, and social distancing and hand hygiene requirements. Annual registration fees for these businesses have been waived by Council for the 2020/21 year to financially assist them.

Development of Digital Platforms

The development of digital platforms that augment service delivery is providing the capacity to engage with a broader section of the community. These platforms will continue to be enhanced and adapted. Work is also being done to develop new and different ways to engage with our community.

Library Service

In June 2020, Council resolved to transfer the provision of its library services from the Corangamite Regional Library Corporation to the Geelong Regional Library Corporation. The transition of services will occur over the course of the 2020/21 year, with the Geelong Regional Library Corporation as the new service provider commencing on 1 July 2021. Council acknowledges the wonderful service provided by the Corangamite Regional Library Corporation over many years. However, due to a number of factors including Warrnambool City Council's decision to withdraw from the Corangamite Regional Library Corporation, Council made the decision that its library services would best be provided into the future by the Geelong Regional Library Corporation. The Geelong Corporation has a proven track record of providing high quality library services to its member Councils, and Colac Otway Shire is excited by the opportunities this provides for our community.

PROGRESS AGAINST THE COUNCIL PLAN

3.1 Increase social connection opportunities and community safety.

Support community organisations through the community grants program.

Annual Community Grants Program delivered.

Complete

Support community clubs, groups and associations to provide welcoming and inclusive environments for all members of our community within Council facilities.

Council's COVID-19 Community Support Working Group is working with community organisations and service providers to ensure individual support systems are in place and advice is provided in regards to compliance with COVID-19 restrictions. Information has been provided to organisations on the changes in the *Local Government Act 2020*. Changes to community engagement are currently being reviewed in line with the *Local Government Act 2020* and planning for the development of a Community Vision has commenced.

There is continued participation in committees and groups such as: The Gathering Place; Colac Multicultural Committee; Barwon Neighbourhood House Network; and, Positive Ageing Ambassadors.

Ongoing

3.2 Connect people through events and activities.

Provide grant programs to involve local people in activities that facilitate their health, wellbeing and enjoyment.

Annual Community Grants Program delivered.

In addition to the Community Grants Program, Council's Economic Development Department has designed a business support package which provides additional one-off grant schemes to this year's program to help businesses adapt and survive the COVID-19 pandemic.

Ongoing

Supports community activities through information dissemination and planning information.

Relevant information is communicated to our community organisations on a regular basis through a range of communication mediums.

Relevant COVID-19 information has been, and will continue to be, distributed to clubs following government advice from March 2020.

Ongoing

3.3 Opportunities for the community to participate in lifelong learning.

Provide opportunities for lifelong learning and community connections through library programs.

Council has determined to withdraw from the Corangamite Regional Library Corporation (CRLC) and join the Geelong Regional Library Corporation from July 2020. Council is currently working through the transition process which will provide longer term benefits for our community.

Regular attendance at the CRLC Board Meetings continues.

Ongoing

Support for community groups.

Support for community groups continues through direct contact, workshops and forums and information provision.

Relevant COVID-19 information has been, and will continue to be, distributed to clubs following government advice from March 2020.

Ongoing

PROGRESS AGAINST THE COUNCIL PLAN

3.4 Provision of resources to support physical activity by the community.

Deliver programs through the Bluewater Centre that promote physical activity in the Shire.

Bluewater continued to provide a high level service through a variety of health and wellbeing programs. Visitation increased prior to the closure brought on by COVID-19 restrictions.	Complete
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Build capacity of local sports groups in promoting healthy eating and physical activity.

A number of workshops and forums are held annually with sports clubs. Officer's work with clubs and associations on a regular basis assisting with building capacity to increase participation, e.g. Responsible Serving of Alcohol training.	Ongoing
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Encourage more people to participate and be inclusive of others.

Regular engagement with community, clubs and associations to promote inclusive environments. Continued participation in committees and groups such as; The Gathering Place, Colac Multicultural Committee, Barwon Neighbourhood House Network and Positive Ageing Ambassadors.	Ongoing
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Participate in the G21 Healthy Eating and Active Living regional priority project.

Council is working in partnership with Colac Area Health and Deakin University on a childhood obesity project. Council staff are monitoring the health and wellbeing of more than 600 community members who receive services from Older Person Ability Support Services, through current COVID-19 restrictions.	Ongoing
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Consider health of the community when formulating policy for Council's Property Strategy.

A reference to community health is included in Council's Property Management Framework. Developing a process to cohesively work with service managers.	50%
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3.5 Foster an inclusive community.

Increase advocacy in partnership with our community to enhance cultural awareness, inclusiveness, safety and health, community, family and education.

Continue to work with the Aboriginal community, Eastern Maar, State Government, Deakin University and service providers on the Beginning Steps Project. Council assisted the Gathering Place to establish COVID-19 testing and flu shot programs for the Aboriginal community. Changes to Community Engagement are currently being reviewed and information is being provided to groups following the introduction of the new <i>Local Government Act 2020</i> , planning for the development of a Community Vision has commenced.	Ongoing
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3.6 Community planning informs provision of Council services and social infrastructure.

Update social infrastructure planning on a continuing basis to guide asset planning.

Asset Management plans for Public Halls infrastructure have been developed.	Ongoing
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LGPRF

Service / indicator / measure	Results 2017	Results 2018	Results 2019	Results 2020	Material Variations & Comments
Aquatic Facilities					
Service standard Health inspections of aquatic facilities [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	1.00	1.00	1.00	1.00	This is consistent with core business targets.
Utilisation Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	6.08	5.01	4.60	5.17	Numbers were trending upward until COVID closed the centre on March 23. Re-opening June 1 for pool only (20 people at a time) and June 22 for Gym (20 people at a time) restricted the upward trend significantly.
Service cost Cost of aquatic facilities [Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]	New in 2020	New in 2020	New in 2020	\$5.41	<i>Note: From 2020, this measure replaced two previous measures: 'Cost of indoor aquatic facilities' and 'Cost of outdoor aquatic facilities', see retired measures.</i>
Retired Aquatic Indicators					
Service cost Cost of indoor aquatic facilities [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]	\$1.91	\$1.62	\$4.74	Retired in 2020	<i>This measure was replaced by AF7 from 1 July 2019.</i>
Cost of outdoor aquatic facilities [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]	\$24.27	\$16.98	\$30.80	Retired in 2020	<i>This measure was replaced by AF7 from 1 July 2019.</i>
Animal Management					
Timeliness Time taken to action animal management requests [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	1.00	1.00	1.00	1.00	This achievement is consistent with core business targets.

LGPRF

Service / indicator / measure	Results 2017	Results 2018	Results 2019	Results 2020	Material Variations & Comments
Service standard Animals reclaimed [Number of animals reclaimed / Number of animals collected] x100	55.19%	77.63%	74.52%	48.62%	A significant increase in animal registrations in 2019/20 has resulted in less animals being impounded. This figure does not include animals collected whose owners can be identified via registration, resulting in the animal being returned home without being impounded. Due to COVID-19 Pandemic it has been noted that more persons are exercising and walking their dogs, which has resulted in a reduction in the number of dogs wandering at large.
Animals rehomed [Number of animals rehomed / Number of animals collected] x100	New in 2020	New in 2020	New in 2020	42.46%	<i>Note: New measure for 2019-20 financial year.</i>
Service cost Cost of animal management service per population [Direct cost of the animal management service / Population]	New in 2020	New in 2020	New in 2020	\$15.98	<i>Note: This measure is replacing previous 'Cost of animal management service' which was based on cost per number of registered animals, see retired measures</i>
Health and safety Animal management prosecutions [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	New in 2020	New in 2020	New in 2020	100.00%	<i>Note: This measure is replacing previous 'Animal management prosecutions' which was a measure of number, not proportion, see retired measures.</i>
Retired Animal Management Indicators					
Service cost Cost of animal management service [Direct cost of the animal management service / Number of registered animals]	\$55.79	\$58.57	\$64.28	Retired in 2020	This measure was replaced by AM6 from 1 July 2019.
Health and safety Animal management prosecutions [Number of successful animal management prosecutions]	10	6	4	Retired in 2020	This measure was replaced by AM7 from 1 July 2019.
Food Safety					
Timeliness Time taken to action food complaints [Number of days between receipt and first response action for all food complaints / Number of food complaints]	1.30	2.00	2.32	1.41	Decrease due to development and implementation of improved complaint handling process.

LGPRF

Service / indicator / measure	Results 2017	Results 2018	Results 2019	Results 2020	Material Variations & Comments
Service standard Food safety assessments [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100	64.26%	100.00%	95.02%	101.24%	All food class 1 and 2 premises where inspected in 2019 calendar year. Some premises were closed after an inspection was undertaken, resulting in over 100% compliance.
Service cost Cost of food safety service [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	\$459.78	\$402.10	\$501.48	\$468.48	Overall cost of service reduced due to implementation of several operational efficiencies including mobile computing.
Health and safety Critical and major non-compliance outcome notifications [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	81.25%	100.00%	94.74%	97.50%	High result consistent with 2018/19 performance, reflecting focus given by staff to this task. 39 of the 40 notifications had been followed up by 30 June 2020.
Libraries Utilisation Physical library collection usage [Number of physical library collection item loans / Number of physical library collection items]	4.86	4.68	4.32	3.51	The Corangamite Regional Library Corporation closed its Library branches from 23 March 2020 to 9 June 2020, in response to the COVID-19 pandemic. Branches were reopened from 10 June 2020 with limited operating hours and time limits on visits Note: From 2019/20, this indicator measures the performance of physical library items as a subset of the wider library collection.

LGPRF

Service / indicator / measure	Results 2017	Results 2018	Results 2019	Results 2020	Material Variations & Comments
Resource standard Recently purchased library collection [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	74.50%	68.18%	69.03%	66.40%	Reflective of unchanged Collection Budget allocation compared with previous years.
Participation Active library borrowers in municipality [Number of active library borrowers in the last three years / The sum of the population for the last three years] x100	16.70%	16.04%	14.99%	15.45%	Active borrowers of physical collections are lower in 2019/20 due to the closure of Library centres between 23 March 2020 and 9 June 2020, in response to the COVID-19 pandemic. Despite this, borrowing figures have increased slightly due to active borrowers of E-resources being included this year for the first time.
Service cost Cost of library service per population [Direct cost of the library service / Population]	New in 2020	New in 2020	New in 2020	\$32.59	<i>Note: This measure is replacing the previous 'Cost of library service' indicator which measured based on number of visits, see retired measures.</i>
Retired Library Indicator					
Service cost Cost of library service [Direct cost of the library service / Number of visits]	\$6.39	\$5.96	\$6.38	Retired in 2020	This measure was replaced by LB5 from 1 July 2019.
Maternal and Child Health (MCH)					
Service standard Infant enrolments in the MCH service [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	100.41%	99.54%	100.91%	99.57%	Consistent high enrolment rate.
Service cost Cost of the MCH service [Cost of the MCH service / Hours worked by MCH nurses]	\$68.86	\$72.85	\$81.94	\$68.33	New funding received from DHS for EFT for the Enhanced program and sleep and settling initiatives, which will be utilised in October 2020. Delays in recruiting due to Covid-19 impacts. This will increase nursing hours

LGPRF

Service / indicator / measure	Results 2017	Results 2018	Results 2019	Results 2020	Material Variations & Comments
Participation Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	69.68%	70.85%	74.44%	55.23%	Following advice from DHHS to Maternal Child Health Services in response to the COVID-19 pandemic, priority was placed on visits for babies 0-8 weeks old during the last quarter of 2019/20. This has resulted in a drop in attendance from older children who were otherwise well.
Participation Participation in the MCH service by Aboriginal children [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	60.38%	66.67%	58.33%	55.26%	Less identified Aboriginal families in the last financial year. This result is based on small numbers of enrolled children.
Satisfaction Participation in 4-week Key Age and Stage visit [Number of 4-week key age and stage visits / Number of birth notifications received] x100	New in 2020	New in 2020	New in 2020	88.09%	Ideally a 90% participation would be expected but some families have cancelled appointments in the last quarter due to Covid-19 concerns.
Retired MCH Indicator					
Satisfaction Participation in first MCH home visit [Number of first MCH home visits / Number of birth notifications received] x100	95.5%	100.5%	98.2%	Retired in 2020	This measure was replaced by MC6 from 1 July 2019.



OUR LEADERSHIP & MANAGEMENT

Birregurra

THEME FOUR - OUR LEADERSHIP & MANAGEMENT

We will work together with our community to create a sustainable future. We will deliver value for money for ratepayers in everything we do and we will achieve long term sustainability and transparent community leadership.

THE IMPORTANCE OF OUR LEADERSHIP & MANAGEMENT AS A THEME

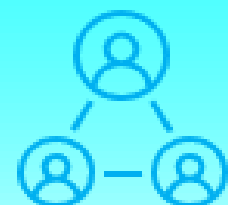
There are many demands on the resources of the Colac Otway Shire. The major source of income, ratepayer funds, has been constrained through the introduction of rate capping by the State Government and an increasing challenge for the community to continue to afford rate increases.

The environment of the shire is attractive and well-recognised. Its diversity also results in involvement by many authorities and stakeholders, creating the need for partnerships and clarity about the role of the Shire. Incidents such as bushfire, floods and more recently COVID-19 impact on the community and draw a significant amount of organisational resources, both in emergency responses but also in longer term planning and support to the community. It is expected that fire and flood events will be more common as climate change accelerates.

FIVE STRATEGIES CONTRIBUTE TO ACHIEVING OUR GOAL

1. Effectively manage financial resources.
2. Openness and accountability in decision making.
3. Organisational development and legislative compliance.
4. Provide value for money services for our community.
5. Communicate regularly with our community and involve them in decision-making.

Key highlights for projects and activities linked to Our Leadership & Management begin on page 68



OUR LEADERSHIP & MANAGEMENT

SERVICES CONTRIBUTING TO OUR LEADERSHIP & MANAGEMENT

The following services/activities were funded in the 2019/20 budget and contribute to achieving the goals and strategies for this Theme:

Service Area	Description of Service	Net Cost Actual Budget Variance \$000
Councillors and Chief Executive Office	This area of governance includes the Mayor, Councillors, Chief Executive, Governance and Communications and associated support which cannot be easily attributed to the direct service provision areas.	1,563 <u>1,563</u> 0
Finance, Property and Rates	Generation of revenue for Council via rates, levies and charges and provision of sustainable and accountable financial management of Council's resources.	(5,041) <u>(1,997)</u> (3,044)
Customer Service	Provides the first point of contact between Council and the public through Council's Customer Service Centres. The service provides overall corporate customer service to the wider community and assists all areas of Council with the provision of corporate responsibility.	422 <u>478</u> (56)
Corporate Services Management	Maintenance of strong governance and administrative systems and ensuring that these systems are responsive, accountable and transparent to internal users and community needs.	367 <u>376</u> (9)
Procurement and Contracts	Provides oversight and governance on contractual and procurement services undertaken by Council.	248 <u>307</u> (59)
Information Services	Management and governance of information flows, storage and retrieval within the organisation in accordance with appropriate legislation and standards.	2,328 <u>3,053</u> (725)
People and Culture	Develops a culture of high performance, productivity and accountability across the organisation.	726 <u>885</u> (159)
Risk Management Services	Identifies records and manages all business risk associated with Council's activities. This service also manages Council's insurance portfolio.	829 <u>693</u> 136

OUR LEADERSHIP & MANAGEMENT

HIGHLIGHTS

New Local Government Act

The *Local Government Act 2020* (the Act) received Royal Assent on 24 March 2020. The Act replaces the *Local Government Act 1989* and aims to improve democracy, accountability and service delivery for all Victorians. The principles that guided the development of the new Act are community engagement, strategic planning, financial management, public transparency and service performance. The transition to the Act is occurring in a number of stages and it will be fully implemented by 30 June 2022.

Audio Recordings of Council Meetings

To give the public greater access to the decision making process of Council, the audio recording of each Council meeting has been made available via Council's website since 13 November 2019. The audio recordings are loaded to the website as soon as is practicable following the meeting.

Live Streaming of Council Meetings

Live streaming of Council meetings in response to the COVID-19 pandemic and State Government restrictions on

Gold Award

Colac Otway Shire achieved a Gold Award for the 2018/19 Annual Report, in the 2020 Australasian Reporting Awards.

Workplace Equality and Respect Working Group

In July 2019 a Workplace Equality and Respect Working Group, consisting of 20 staff, was established. A Gender Equity survey was delivered to staff and the results will inform the creation of a Gender Equity Strategy and Action Plan.

Workplace relations

Council successfully re-negotiated the Colac Otway Shire Council Enterprise Agreement which expired on 31 August 2019. In developing the new agreement to determine future working conditions for Council staff, six negotiation workshops were held with representatives from the Australian Services Union, Australian Nursing and Midwifery Federation, and Professionals Australia along with self-nominated staff bargaining representatives and management. Approval by Fair Work Australia of the new agreement was confirmed in November 2019.

What We Stand For – Values Review

This year the Colac Otway Shire collaboratively involved Councillors and staff in an organisation wide review of its values and behaviours. In March, all staff and Councillors were invited to participate in the project called What We Stand For. Workshops were designed to engage participants in a discussion and a distilling process to define a set of organisational values and behaviours.

Participation numbers were encouraging and resulted in constructive and positive contributions by all participants. A launch of the revised organisational values and behaviours will occur in the second half of 2020.

CHALLENGES

Organisations Response to COVID-19

The organisation needed to adapt quickly to the changing workplace as a result of COVID-19. The People and Culture team assisted the organisation with enacting their business continuity plans, supporting the transition to work from home as well as develop and promote wellbeing resources to assist employees manage their mental health during the pandemic.

Closure of Indoor Venues

With the restrictions imposed by the State Government on social distancing and the subsequent closures of indoor venues, our Bluewater, COPACC, Customer Service and our Visitor Information Centres were closed in March. At a time of uncertainty for our employees, the organisation responded by identifying redeployment opportunities for the majority of the displaced employees.

FUTURE OUTLOOK

Implementing the *Local Government Act 2020*

In the year ahead we will begin to realise the anticipated benefits of the continued implementation of the *Local Government Act 2020* which is a principles-based Act, rather than a prescriptive Act.

Council Elections

In October 2020 Victorians will express their democratic right to voting in local government elections. We look forward to welcoming a new Council and enabling a smooth transition by delivering a comprehensive induction program following the election.

Worklife after COVID-19

As the way we work has been significantly changed by the Coronavirus pandemic, the People and Culture team will continue to implement processes and policies to maximise the benefits that have been identified and practiced during the pandemic. In addition Council will continue to work with government authorities to support local employment initiatives as the country recovers from the economic impacts of COVID-19. This includes the ongoing participation in the Working for Victoria Program and increasing the engagement of Trainee's and Apprentices within the organisation.

PROGRESS AGAINST THE COUNCIL PLAN

4.1 Effectively manage financial resources.

Manage the short and long-term financial sustainability of the shire through prudent financial management.

<ul style="list-style-type: none"> • Implementing 2019/20 adopted budget • Finance Business Partnering supporting managers in delivering the adopted budget and making informed business decisions. • Presented Council with assumptions for Strategic Resource Plan in December 2019 and January 2020. • Advocating for revenue increases to line with rate cap to ensure Council costs do not continue to outstrip increased revenue. • Have developed a Budget Development and Management Policy to guide Council in meeting its legislative responsibilities in relation to sound financial management principles. • In the process of developing a balanced budget for 2020/21. • Drafting a Statutory and Discretionary Reserves Policy for Council's consideration. This will assist in managing future obligations given expected cash flow challenges. • Work is continuing on the Long Term Financial Plan, which needs to be developed to meet the requirements on the newly adopted <i>Local Government Act 2020</i>. 	100%
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Maintain the 10 year long term financial plan.

Service plans for all the services provided by Colac Otway Shire have been extensively reviewed and updated for inclusion in the Long Term Financial Plan. Asset Management Plans are well advanced for inclusion and the planning for development of a Workforce Plan has commenced.	50%
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Identify new income opportunities.

Council will continue to identify new income opportunities for the duration of the Council Plan. Council has been successful in receiving substantial grant funds towards improvements at Memorial Square, Central Reserve and the Western Reserve in Colac. Council has been successful in securing funding of \$19 million to undertake the City Deal Program, fund harbour improvements at Apollo Bay, a walking/cycling trail between Wild Dog Creek and Skenes Creek, and toilet and parking improvements at Kennett River. The Victorian State Government has announced funding for an Early Years Centre in Apollo Bay.	Ongoing
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Maintain low risk audit rating for financial sustainability.

<ul style="list-style-type: none"> • Overall, the Victorian Auditor-Generals Office rated Colac Otway Shire low risk in relation to financial sustainability for 2018/19. • The following five financial sustainability indicators were rated low risk for the 2018/19 financial year: Net Result, Liquidity, Indebtness, Capital Replacement, Renewal Gap. • The following two financial sustainability indicators were rated moderate risk for the 2018/19 financial year: Adjusted Underlying Result and Internal Financing. • The current Strategic Resource Plan indicates that Council's financial sustainability will be in decline over the four year period, with a continual reduction in cash reserves. 	Complete
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PROGRESS AGAINST THE COUNCIL PLAN

4.2 Openness and accountability in decision making.

Ensure where ever possible decisions are debated and made in open Council meetings.

During the monthly review by the Executive Management Team of upcoming Council meeting reports, consideration is always given as to whether or not an item can be considered in open Council.	Ongoing
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Develop and implement a program of regular reporting on key activities to ensure they are focused on implementing priorities.

Improvements have been made to Council's reporting software following a review of the system and its capabilities. Internal monthly tracking reporting has been introduced on key services to identify trends, performance and early detection of potential risks to the organisation. The Quarterly Performance Report has been improved in the reporting of operational performance as well as more in-depth financial performance reporting.	Ongoing
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4.3 Organisational development and legislative compliance.

Support organisational development to ensure key organisational capability areas support the organisation to deliver on Council priorities.

The People and Culture Strategic Plan 2019-2021 year one actions are being implemented on a timely basis. Actions implemented as at 31 December 2019 include; Alignment and Engagement Survey actions following the 2019 pulse survey, the E-recruit system, 2020 annual learning calendar finalised, review of the Performance Evaluation System and policy review.	Ongoing
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Manage our risk exposure, including providing a safe working environment where "Work Health and Safety is everyone's business".

An audit of Council's OH&S policies, procedures and safe-work practices was conducted by Crowe Horwath in accordance with Australian Standard 4801. The 2020 OHS Strategic Work Plan has been developed, incorporating those actions (50%) which were unable to be finalised by December 2019. The commencement of the second round of OH&S Internal Audits was deferred and will recommence following investigation into other possible alternatives.	Ongoing
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4.4 Provide value for money services for our community.

Implement a program of ongoing service reviews to ensure our services are efficient and effective and are valued by the community.

Council has adopted a program of detailed service reviews for the next three years. The program is reviewed on an annual basis and will be implemented subject to budget availability.	Ongoing
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PROGRESS AGAINST THE COUNCIL PLAN

Enhance opportunities for increased local spending of Council expenditure.

The following programs planned for 2020 have been postponed due to COVID-19 restrictions.

- Tendering workshops
- Presentations to local suppliers from WorkSafe, Small Business Victoria, Procurement and Economic Development.
- Weekly meetings with local businesses to discuss market conditions, take on board feedback and improve communications.

On Hold

Develop partnerships to procure services and materials on a regional basis.

Working with South West Regional Procurement Excellence Network to discuss future opportunities for collaboration.

Ongoing

4.5 Communicate regularly with our community and involve them in decision-making.

Review the Community Engagement Policy to guide council decision making.

Officers had been awaiting the commencement of the *Local Government Act 2020* prior to reviewing the Community Engagement Policy.

Under the new Act, Council is required to adopt a Community Engagement Policy by March 2021, taking into consideration the Community Engagement Principles of the new Act. Work is to begin on this review with the new Council in late 2020.

LGPRF

Service / indicator / measure	Results 2017	Results 2018	Results 2019	Results 2020	Material Variations & Comments
Governance					
Transparency Council decisions made at meetings closed to the public [Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x100	16.37%	17.86%	6.10%	8.11%	This value has increased slightly compared to the previous year. Please note that the 25 March 2020 Ordinary Council Meeting was cancelled due to COVID-19. Since April 2020, in response to the COVID-19 pandemic and in accordance with directions issued by the Chief Health Officer at the time of each meeting, Council meetings have been live streamed with no public gallery in attendance.
Consultation and engagement Satisfaction with community consultation and engagement Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement	46.00	55.00	54.00	55.00	This score indicates that the community's satisfaction with community consultation and engagement has remained relatively constant over the past three years.
Attendance Councillor attendance at council meetings [The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)] x100	98.21%	97.14%	90.29%	92.48%	This score indicates that Councillor attendance at Council meetings is at a very high value. Councillors have physically attended Council meetings during the COVID-19 pandemic, with social distancing etiquette being observed.
Service cost Cost of elected representation [Direct cost of the governance service / Number of Councillors elected at the last Council general election]	\$39,185.69	\$41,116.71	\$42,300.86	\$44,852.14	The figures indicate that the cost of elected representation indicate a slight increasing trend.
Satisfaction Satisfaction with council decisions [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	45.00	49.00	52.00	50.00	This score indicates that the community is slightly less satisfied with council decisions than the previous year.



DEMOCRATIC GOVERNANCE

Kennett River

DEMOCRATIC GOVERNANCE

Council's main responsibilities are to set the overall directions and goals for the municipality and then monitor their implementation and success. The tools for setting these directions and goals are the major strategic plans. These include the Council Plan, the Strategic Resource Plan, the Municipal Strategic Statement and the Municipal Public Health and Wellbeing Plan. Council also has a role in advocating on behalf of its communities to state and federal levels of government, statutory authorities and other sectors.

Colac Otway Shire is constituted under the *Local Government Act 1989* and *Local Government Act 2020* to provide leadership for the good governance of the municipal district for the benefit and wellbeing of the community.

Council has a number of roles including:

- taking into account the diverse needs of the community in decision making
- providing leadership by establishing strategic objectives and monitoring achievements
- ensuring that resources are managed in a responsible and accountable manner
- advocating the interests of the community to other communities and governments

Colac Otway Shire has been an unsubdivided municipality (no wards) since March 2007.

DECISION-MAKING PROCESS

Council is authorised to make decisions in only one of two ways:

- By resolution at Council meetings and Special Committees of Council.
- By Council officers under delegated authority. The Chief Executive Officer (CEO) is authorised under the *Local Government Act 1989* to manage the day-to-day operations of the organisation. The CEO has the power to delegate decisions on operational matters to officers.

There are certain powers that Council cannot delegate. These are the adoption of the Council Plan and Council Budget.

RELATIONSHIP BETWEEN COUNCIL AND THE EXECUTIVE

Council appoints and instructs the CEO. As such, Councillors are accountable for setting the CEO's performance plan and monitoring performance. The CEO, along with the Executive Management Team, is responsible for implementing resolutions of Council and running the day-to-day affairs of the organisation. Individual Councillors cannot instruct staff to undertake specific duties.

COUNCILLOR CODE OF CONDUCT

The Councillor Code of Conduct was reviewed and adopted by Council on 27 February 2019. The code outlines the principles of good governance, guides Councillors' behaviour, accountability and dispute resolution between Councillors. All Councillors are expected to behave ethically and with integrity. The Code is available on Council's web site under Our Council.

CONFLICT OF INTEREST

In matters that come before Council for a decision, a conflict of interest arises when individual Councillors and/or members of staff find that they, or their immediate family, have either a financial or some other advantage that could be interpreted as having undue influence on the outcome.

To ensure transparency in the decision-making processes of Council, Councillors and staff are required to declare and document their interest in a matter. Where Councillors have declared an interest, they must take no part in the decision-making process. Councillors must also declare an interest at Council's Planning Committee. Although no decisions are made in Councillor Workshops and Briefings, Councillors are still required to declare their interest in a matter and leave the room whilst it is being discussed.

During 2019/20, Councillors registered 16 conflicts of interest during Council Meetings and four in Council Planning Committee Meetings.

Copies of the following publication, published by the Department of Transport, Planning and Local Infrastructure have been provided to Councillors for information: Conflict of Interest: A Guide for Councillors, October 2012.

DEMOCRATIC GOVERNANCE

COUNCIL MEETINGS

In addition to Advisory and Committee meetings listed on page 20 the following Committees of Council are as follows:

CENTRAL RESERVE ADVISORY COMMITTEE

This meeting is held quarterly and facilitates communication between Council, park users and local residents about matters concerning planning, development, maintenance and operation of the reserve.

CHIEF EXECUTIVE APPRAISAL COMMITTEE

The CEO appraisal committee was established to review the performance of the CEO.

CHIEF EXECUTIVE RECRUITMENT SPECIAL COMMITTEE

The CEO recruitment special committee exists to meet as required to consider the appointment of CEO.

COLAC REGIONAL SALEYARDS ADVISORY COMMITTEE

This committee meets quarterly as required, to provide advice on the operations of the centre and make recommendations to Council.

FRIENDS OF THE BOTANIC GARDENS ADVISORY COMMITTEE

This committee meets monthly to undertake voluntary projects and to act as an advisory committee for Council.

LAKE COLAC CO-ORDINATING COMMITTEE

This committee meets quarterly and provides a forum to assist Council in the implementation of the Lake Colac Management Plan and the Lake Colac Master Plan and to advise Council on the revitalisation and development of Lake Colac.

CE EMPLOYMENT MATERS ADVISORY COMMITTEE

Meeting at least six monthly, the committee report to the Council and provide recommendations, appropriate advice, information and feedback on relevant matters.

In addition to the previously listed committees, Councillors represented the Council on other committees and groups:

- Apollo Bay Harbour EOI Project Control Group
- Australian Local Government Association
- Barnard Trust Committee
- Barwon South West Waste and Resource Recovery Local Government Forum
- Colac Community Library and Learning Centre Joint Use Committee
- Colac Otway Network of Community Centres
- Colac Road Safety group
- Community Hub Inc
- COPACC Trust
- Corangamite Regional Library Coporation.
- G21 Board
- G21 Pillar Membership
 - Arts and Culture
 - Economic Development
 - Education and Training
 - Environment
 - Health and Wellbeing
 - Planning and Services
 - Sports and Recreation
 - Transportation
- Lavers Hill & District Emergency Response Planning Committee
- Lavers Hill Swimming Pool Committee of Management
- Mooleric Road Quarry
- Municipal Aerodrome Committee - Colac
- Municipal Association of Victoria
- Municipal Emergency Management Planning Committee
- Municipal Fire Management Planning Committee
- Old Beechy Rail Trail Committee
- Ondie Quarry Consultative Committee
- Otways Tourism Advisory Committee
- Port of Apollo Bay Consultative Group
- Rural Council of Victoria
- Rural Financial Counselling Service Vic - Wimmera Southwest (RFC)
- Tirrengower Drainage Scheme Committee of Management
- Weeds Consultative Committee
- Timber Towns Victoria Committee

DEMOCRATIC GOVERNANCE

No Special Committee Meetings were held in the 2019/20 year

The Ordinary Council Meeting scheduled for 23 March 2020 was cancelled due to the COVID-19 pandemic and Government imposed social distancing restrictions.

Councillor attendance at meetings:

Councillor	Ordinary Council	Special Council	Planning Committee	Councillor Briefing
Jason Schram (Mayor)	11/11	3/3	2/5	24/26
Joe McCracken (Deputy Mayor)	11/11	3/3	5/5	22/26
Brian Crook	10/11	3/3	4/5	25/26
Kate Hanson	10/11	3/3	4/5	20/26
Stephen Hart	11/11	2/3	5/5	24/26
Chris Potter	11/11	3/3	5/5	24/26
Chris Smith	9/11	3/3	5/5	1/26

COUNCILLOR SUPPORT AND REMUNERATION

The Councillor Support Policy provides a broad overview of how the Council provides assistance and support to the Mayor and Councillors in carrying out their roles and official duties. A copy of the policy is available for inspection, as required under section 75B of the *Local Government Act 1989*, and is also available on Council's website under Council Policies

In line with the policy, support is provided to the Mayor in the form of a council vehicle. Information and communication technology is available to all Councillors.

The Councillor Support Policy contains provisions for reimbursement of expenses for training, registration fees for conferences and functions, travel and child care.

The following table set out the allowance paid to Councillors for the reporting period 2019/20.

Councillor	Allowance	Travel	Car Mileage Expenses	Information & Communication Technology	Councillor Total
Jason Schram (Mayor)	\$83,392	-	-	\$778	\$83,170
Joe McCracken (Deputy Mayor)	\$27,226	-	-	\$530	\$27,757
Brian Crook	\$27,226	\$520	\$2,324	\$1,020	\$31,090
Kate Hanson	\$27,226	-	\$1,775	\$784	\$29,785
Stephen Hart	\$27,226	\$1,323	\$5,638	\$290	\$34,476
Chris Potter	\$27,226	\$18	-	\$532	\$27,776
Chris Smith	\$27,226	-	\$1,715	\$206	\$29,147
Organisation Total	\$245,749	\$1,861	\$11,452	\$4,139	\$263,201

Travel includes amounts reimbursed to Councillors for travel for Council business and remote area travel allowances. It also includes any accommodation or other travel related expenses (i.e. fares) that have been reimbursed to Councillors.

DEMOCRATIC GOVERNANCE

The following table shows the IT equipment issued to Councillors for the reporting period 2019/20.

Councillor	Mobile Phone	iPad	Keyboard Case Ipad
Jason Schram (Mayor)	x	x	x
Joe McCracken (Deputy Mayor)	x	x	x
Brian Crook	x	x	x
Kate Hanson	x	x	x
Stephen Hart	x	x	x
Chris Potter	x	x	x
Chris Smith			

LOCAL LAW

The following local laws are in force:

No. 1 Consumption of Liquor in Public Places

Date Adopted by Council: 28 August 2013

Date Operational: 28 August 2013

No. 2 General Law

Date Adopted by Council: 25 September 2013

Date Operational: 25 September 2013

No. 3 Livestock Local Law

Date Adopted by Council: 28 August 2013

Date Operational: 28 August 2013

No. 4 Governance

Date Adopted by Council: 26 November 2014

Date Operational: 12 December 2014

POLICIES, STRATEGIES AND PLANS

The following policies, strategies and key plans were reviewed, endorsed and/or adopted by Council during 2019/20:

Election Period Policy

Adopted: 26 August 2020

Colac 2050 Growth Plan

Adopted: 28 August 2019

G21 and Cricket Victoria Barwon Regional Cricket Strategy

Adopted: 28 August 2019

Procurement Policy

Adopted: 27 November 2019

Forrest Common Master Plan

Adopted: 11 December 2019

Budget Development and Management Policy

Adopted: 29 January 2020

Re-Adoption of the 2017-2021 Council Plan

Adopted: 22 July 2020

Interim Live Streaming of Council Meetings Policy

Adopted: 22 April 2020

Investment Policy

Adopted: 22 April 2020

Fraud and Corruption Policy

Adopted: 27 May 2020

Assistance to Rates Debtors in Hardship Policy

Adopted: 24 June 2020

Residential Properties deemed to be Not Rateable as used for Charitable Purposes Policy

Adopted: 24 June 2020

DEMOCRATIC GOVERNANCE

AUDIT COMMITTEE

The Audit Committee is an advisory committee of Council and its main purpose is to:

1.1 Assist the Council in its oversight responsibilities by monitoring, reviewing and advising on:

- The truth and fairness of the view given by the annual financial and performance statement of the Council.
- The Council's accounting policies and practices in accordance with current and emerging, accounting standards.
- The external auditor's performance.
- The independence and performance of the internal audit function.
- Compliance with legal and regulatory requirements and policies.
- Compliance with Council policy framework.
- Internal controls, the control environment and the overall efficiency and effectiveness of financial operations.
- The Council's overall risk management policy and programs.

1.2 Provide a forum for communication between the Council, management and the internal and external auditors.

The Audit Committee meets at least quarterly and has consisted of the following members over the financial year:

Audit Committee Member	Attendance
Mr Mike Said Independent Member and Chairperson (EMES Consulting)	5/5
Mr Brian Keane (Brian Keane Consulting Pty Ltd)	5/5
Cr Stephen Hart	5/5
Cr Jason Schram	4/8

Mr Mike Said was reappointed Chairperson of the committee on 4 December 2019.

Cr Stephen Hart and Cr Jason Schram were appointed to the Committee at the Ordinary Council Meeting held on 27 October 2017.

The Chief Executive Officer, General Manager Corporate Services, General Manager Infrastructure & Leisure Services, General Manager Development & Community Services, Manager Governance & Communications, Governance Coordinator, Manager Financial Services and the Finance Coordinator attend meetings to assist with information and support.

Over the financial year the Audit Committee dealt with issues under the following headings as per the Audit Committee Charter:

- Financial Reporting
- Internal Control
- Risk Management
- Fraud & Corruption Prevention/Awareness
- Business Continuity
- Internal Audit
- External Audit
- Compliance
- Reporting Responsibilities
- Other Responsibilities

Outcomes 2019-2020

- Development of an Audit Committee Plan for the Year
- Review and endorsement of the Financial Statements, Performance Statement and Audit Management Letters
- Review End of Year Financial Management report
- Reporting of Fraud Control Program
- Review of Quarterly Performance Reports to Council
- Reviewed the audit scopes, reports and recommendations of internal audit projects.

Council's External Auditor is the Victorian Auditor General (agent McLaren Hunt).

Council's Internal Auditor is Crowe Howarth.



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CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

We are committed to ensuring that our governance practices are accountable, transparent and fair and that we act with honesty and integrity in all of our operations and decisions.

Our Chief Executive Officer (CEO), Peter Brown, is a direct appointment of Council and has a number of responsibilities that are set out in the *Local Government Act 1989*. These include:

- establishing and maintaining an appropriate organisational structure
- ensuring Council decisions are implemented promptly
- oversight of the day to day management of Council operations
- implementing the Council Plan
- developing a code of conduct for Council staff
- providing timely advice to the Council.

The CEO is also the main person to whom Council delegates powers.

The organisation supports the Council by being responsive to the community, encouraging democratic participation and involving 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. It encompasses:

- making clear the legislation and regulations under which we operate
- Local Laws we are authorised to make
- ethical decision-making processes
- delegations of authority
- effective risk management systems and processes
- establishing frameworks for planning and monitoring operational effectiveness
- performance management.

COUNCIL PLAN

The Council Plan 2017-2021, developed with extensive community consultation, is a high level strategic document responding to the issues faced by our community and sets our goals, key strategic activities and performance indicators for the four-year period. It also contains the Strategic Resource Plan showing the financial and human resources required to give effect to the plan. The Council Plan is reviewed annually and can be viewed on Council's website under Council Plan

RISK MANAGEMENT

Risk Management has a high organisational profile, reinforced by a Strategic Risk Register which is reviewed and updated bi-annually by staff and monitored by the Risk and Audit Committee. The register guides and supports actions to manage Council's highest perceived risks with risks assessed to a standard consistent with ISO/AS 31000.

Prior to the onset of the current global pandemic, Council committed to an independent review of its business continuity planning in 2020/21. A desktop exercise was conducted this year to validate the effectiveness and relevance of our plans in regards to the test scenario, and whilst the plans proved well in supporting officers through this exercise, Council recognises the importance of continuous improvement and maturity in the way we provide critical services to our various stakeholders.

INSURING RISK

Council has placed particular efforts into evaluating its insurance program, working with our insurance broker to ensure that value for money is achieved whilst maintaining appropriate levels of cover relevant to our risk profile.

CONTRACTS

During 2019/20 Council procured building inspection services totalling \$234,946.37 including GST with one company without inviting a public tender or entering into a contract.

During 2019/20 Council procured software upgrades and consultancy services relating to council software totalling \$289,916.47 including GST with one company without inviting a public tender or entering into a contract.

In both instances Colac Otway Shire sought Ministerial exemptions. Both applications were denied on the basis that the Minister believed that at the time of consideration of the applications the Shire would have already been in breach and hence the exemption would not be provided retrospectively.

GRANTS AND DONATIONS TO THE COMMUNITY

To assist our community to undertake cultural, recreational, environmental and community support projects and activities, Council provides grants and donations to community groups and organisations. In 2019/20 Council provided a total of \$296,706 to our community: \$199,950 as a result of applications for funding by community groups, businesses and organisations for a variety of projects ranging from minor maintenance, to shop façade upgrades, to sporting clubs and arts and theatre groups; and \$96,756 was allocated to support community events and organisations.

GOVERNANCE AND MANAGEMENT CHECKLIST

The checklist forms part of the *Local Government (Planning and Reporting) Regulations 2014* and is designed to measure whether a Council has strong governance and management frameworks. The following pages contains the checklist which is presented in the format prescribed in the regulations.

GOVERNANCE & MANAGEMENT CHECKLIST

Governance and Management Items	Assessment
Community engagement policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	Policy Date of operation of current policy: 24/07/2013
Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Guidelines Date of operation of current guidelines: 24/07/2013
Strategic Resource Plan (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next four financial years)	Adopted in accordance with section 126 of the Act Date of adoption: 22/07/2020
Annual budget (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Adopted in accordance with section 130 of the Act Date of adoption: 22/07/2020
Asset management plans (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Plans Date of operation of current plans: Building Asset Management Plan 12/02/2020 Transport Asset Management Plan 12/02/2020
Rating strategy (strategy setting out the rating structure of Council to levy rates and charges)	Strategy Date of operation of current strategy: 24/04/2019
Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy Date of operation of current policy: 24/10/2018
Municipal emergency management plan (plan under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery)	Policy Date of operation of current policy: 27/05/2020
Business continuity plan (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)	Plan Date of operation: 25/05/2018
Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Plan Date of operation: 13/01/2020
Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	Framework Date of operation of current framework: 24/10/2018
Audit Committee (advisory committee of Council under section 139 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements)	Established in accordance with section 139 of the Act Date of establishment: 31/12/1995

GOVERNANCE & MANAGEMENT CHECKLIST

Governance and Management Items	Assessment
Internal audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Engaged Date of engagement: 01/08/2017
Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Framework Date of operation: 28/07/2014
Council Plan reporting (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Report Date of reports: 23/10/2019 27/05/2020
Financial reporting (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Statements presented to Council in accordance with section 138(1) of the Act Dates statements presented: Q1. 23/10/2019 Q2. 27/11/2019 Q3. 26/02/2020 Q4. 27/05/2020
Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports Date of reports: 04/12/2019 12/02/2020 13/05/2020
Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)	Reports Date of report: Audit Committee Report Half Year 04/12/2019 Full Year 15/05/2020
Annual report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements)	Considered at a meeting of council in accordance with section 134 of the Act Date of consideration: 23/10/2029
Councillor Code of Conduct (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Reviewed in accordance with section 76C of the Act Date reviewed: 27/05/2020
Delegations (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Reviewed in accordance with section 98(6) of the Act Date of review: 24/05/2017
Meeting procedures (a local law governing the conduct of meetings of Council and special committees)	Meeting procedures local law made in accordance with section 91(1) of the Act Date local law made: 26/11/2014

CORPORATE GOVERNANCE

CONTINUOUS SERVICE IMPROVEMENT

The Best Value provisions outlined in the *Local Government Act 1989* require Council to review its services against the following principles:

- Specific quality and cost standards for every Council service
- Responsiveness to community needs
- Accessibility and appropriately targeted services
- Continuous improvement
- Regular community consultation on all services and activities
- Frequent community reporting.

The following pages provide details of service improvements that have been implemented during 2019/20.

PLANNING, BUILDING & HEALTH PROTECTION

Planning & Building

Better Approvals Process initiative resulted in changes to the way that business development enquiries and applications for permits are handled. The project was instigated by Small Business Victoria, and will result in reduced permit processing times and clearer more integrated advice to applicants.

Improvements were made to the Authority software Council uses for processing planning and building permits as part of an on-going program to introduce efficiencies in these areas.

The Building Department commenced using mobile devices to undertake inspections, removing the need for hard copy files to be created and transported off-site for inspections.

Health Protection

Health premises registration renewal dates were amended to ensure they have a common renewal date and payments can now be made electronically via BPay, reducing officer time processing the payments. This change was suggested by the Co-ordinator to make processes more efficient.

ECONOMIC DEVELOPMENT & TOURISM

Review of Events Policies (4) into one overarching policy.

Service reviews across the organisation will continue, with a review of the Colac Regional Saleyards earmarked for 2020/21.

We continue to consolidate and build on our relationships with our local chambers of commerce, and have instigated meetings that bring the Colac and Apollo Bay chambers together to encourage more collaboration and information sharing.

The need to be agile during the COVID-19 pandemic is ever present. The Economic Development & Tourism team has and will continue to play a strong role in supporting our business community throughout the COVID-19 pandemic.

Early support included online surveying, regular newsletter communication, webinars, phone contact with more than 500 local businesses and drop-ins to local businesses to find out what support they needed from Council. This led to the development of a Business and Community Support Package that will be rolled out in the 2020-2021 financial year.

ENVIRONMENT & COMMUNITY SAFETY

Environment and Sustainability

In collaboration with Council's Services and Operations department, the Environment unit developed Colac Otway Shire's first stand-alone operational Weed Management Policy, as well as the associated procedures and process documents that flow from it. It is a very positive outcome to have a formalised cross-organisational set of guidelines for Council's approach to weed management and will enable Council to conduct its operations based on a rigorous framework into the future.

Council adopted a target to be carbon neutral by 2020, and work still needs to be done to honour that commitment in terms of emissions offsetting options to address Council's residual and unavoidable emissions. The Environment Unit will present a report to Council outlining the best offsetting options available in early 2021 focusing on accredited, not-for-profit tree planting carbon sequestration programs within the municipality to achieve multiple benefits such as contribution to the local economy and biodiversity improvements.

Emergency Management and Fire Prevention

Council's Fire Prevention area is now working hand in hand with the Country Fire Authority and Forest Fire Management (DELWP) as part of the Victorian Government's Safer Together Strategic Fuel Breaks program. This multi-agency approach has been expanded to Colac Otway Shire to investigate and undertake planning to expand the network of strategic fuel breaks onto viable areas.

Council is also engaged in Community Based EM Projects as mentioned previously to better understand the communities at risk from a variety of emergencies. Examples of this include the Community Based Emergency Leadership program for 20/21, development of township based community profiles, and supporting Community led initiatives including EM planning in Apollo Bay and the Forrest Bushfire Forum.

The EM team will continue to identify and develop more bushfire safety options for the community i.e. Bushfire Places of Last Resort, community response planning, recovery planning etc.

CORPORATE GOVERNANCE

Closed Landfill Management

Together with the Barwon South West Waste & Resource Recovery Group (BSWRRG), Council is developing a closed landfill aftercare management plan for its closed landfills that will help us understand the risk and cost involved to manage these sites into the future. Utilising the closed landfill work undertaken by the BSWRRG will mean that Council has a unified approach to landfill aftercare management that is consistent with other councils in the region.

INFRASTRUCTURE SERVICES

Building on the Project Management Framework completed in 2018/19, a new process for project scoping and delivery, including a comprehensive Project Plan template, has been developed to ensure all due diligence investigations and considerations are identified prior to seeking funding for projects. A number of unknowns have emerged during project delivery on some projects leading to cost increases and delays. Occasionally this is due to unexpected conditions, however sometimes risks such as these can be avoided by identifying all project considerations and involving key stakeholders early in the project planning phase. Capturing this information early builds a stronger case with external funding bodies and can improve Council's chances of receiving funding in the future.

Project communications are being improved with the development of a stakeholder communication and engagement plan template, flyer templates for external project communications and the use of OneNote for weekly project manager updates.

SERVICES & OPERATIONS

Redefining a Parks and Gardens Supervisor role into an improvement focused role, has allowed for improved functionality and aesthetics of our townships, which ensures the users have a pleasant experience. Customer and staff feedback drove the move with 78 improvements including tree planting, street scapes, garden beds and round about improvements. Feedback from the Indigenous community for a roundabout with an Aboriginal flag design was well received with commentary about creating a more inclusive community.

Road Maintenance Framework guidelines were created and field staff were trained in conjunction with Australian Roads Research Board. This framework was introduced to increase the life cycle and quality of the road network and reduce ongoing maintenance costs. A full road envelope mentality was introduced including not only the road surface, but the trees, drains, shoulders and roadside furniture as part of a full "fix it right first time" approach.

Operational efficiency requirements and staff development through a focused training program was implemented in 2019/20. With the introduction of a 25% new workforce, management identified the gaps within the program and equipment requirements and created a program to fill these gaps. Thirty-four different courses with 290 people being trained and qualified were undertaken resulting in a more engaged, efficient and dynamic workforce.

Further safety measures including, Safe Work Procedures (SWPs) and Take 5 Safety to complement Safe Work Method Statements (SWMS) were introduced for the Service & Operations staff. Safety is the number one priority and focus and the SWPs and Take 5 allows staff to assess each job on its merits taking into consideration factors such as terrain, weather conditions, overhead and underground hazards and competency of staff to perform the task by "taking 5 minutes" to assess the job on hand before commencing.

One-Note based Services and Operations Management System was put in place for ease of information location and to collaborate all materials and resources required for Services & Operations staff to perform their tasks. It was identified that information was difficult to access as it was spread in multiple locations, systems and programs across the internal IT network. The move to the management system has allowed leaders within Service & Operations to access information easily to perform their duties safely, timely, on budget and within legislative requirements.

INFORMATION MANAGEMENT

Information Management

Availability of local network drives to capture corporate records has been restricted to ensure compliance with record keeping legislation. Digital mail solution integrated with normal administration practices led to significant efficiency savings across the organisation. Council appointment an external storage facility for hardcopy archives to be stored, this ensures Council meets compliance requirements with record keeping standards.

Digital Enablement of a Mobile Workforce – Modernisation of the Compliance department was implemented with fit-for-purpose mobile software and belt worn infringement printers, that integrate with GIS mapping and Civica software. This provides immediate access of information such as pet registration and similar data while out in the field.

CORPORATE GOVERNANCE

COMMUNITY SERVICES

Organisations providing Commonwealth subsidised aged care services are required to comply with the Aged Care Quality Standards (Quality Standards). Organisations will be assessed and must be able to provide evidence of their compliance with, and performance against, the Quality Standards.

The Quality Standards focus on outcomes for consumers and reflect the level of care and services the community can expect from organisations that provide Commonwealth subsidised aged care services.

All policies, procedures, client and staff handbooks have been reviewed to ensure they meet the standards.

PEOPLE & CULTURE

The upgrade of our Staff Intranet allowed the creation of digital Smart Forms to be created. Our Chief Executive Officer, Peter Brown, requested that hard copy forms be replaced by digital forms and staff were provided with training. Customer requests are now automated and integrate with other systems that minimise errors and expedite both internal and external customer service.

COVID-19 hindered the delivery of face to face to training so the initiation of the purchase of a Learning Management System will allow staff to access learning and development opportunities at any time and on a vast array of subjects, which they have not had access to in the past.

COPACC

The COVID-19 experience has provided an opportunity to review and reflect on our service provision. The restrictions on physical distancing may continue for some time to come, and we need to adapt and improvise if we are to compete in the business/corporate events and conferencing arena.

Installation of enhanced audio visual equipment in our meeting spaces will provide a point of difference, and present additional flexibility for our existing and potential new clients when considering COPACC as the venue to host their events.

We will also discuss and explore options to utilise the Civic Hall as a performance space during the theatre season, to increase access for our mobility impaired patrons.

BLUEWATER LEISURE CENTRE

A history of unreliable plant room operations led to the introduction of maintenance contracts to service the critical plant room machinery – boilers, pumps, heat exchangers and filters. Results have shown no unscheduled stoppages since these were introduced.

As a result of the Life Saving Victoria Pool Safety Assessment, work on actions is underway to improve scores including: the installation of new signage in the pool hall (complete); a review of policies and procedures (underway); the development of an annual training calendar; an associated register of training and qualifications for staff and in conjunction with Council's Risk & OHS Coordinator; a review of the centre's emergency management planning structure.

Gym patron feedback instigated a remodel of the gym space and brought about the procurement of the latest technology in gym equipment. Works included strengthening the weight area flooring, painting and the installation of visual and modern audio equipment.

Aquatic patron feedback resulted in a refurbishment of the sauna room, the installation of solid and easy to clean wall panelling right through the pool hall (replacing the damaged, flaking plasterboard) and painting of areas in need.

LEGISLATIVE COMPLIANCE

Council has responsibilities under a wide range of Victorian and Commonwealth legislation. Some of the key Acts that affect Council are:

Building Act 1993

Carers Recognition Act 2012

Domestic Animals Act 1994

Environment Protection Act 1970

Equal Opportunity Act 2010

Food Act 1984

Freedom of Information Act 1982

Information Privacy Act 2000

Infringements Act 2006

Land Acquisition and Compensation Act 1986

Local Government Act 1989

Local Government Act 2020

Occupational Health and Safety Act 2004

Privacy and Data Protection Act 2014

Planning and Environment Act 1987

Protected Disclosure Act 2012

Public Health and Wellbeing Act 2008

Road Management Act 2004

Road Safety Act 1986

Sentencing Act 1991

Subdivision Act 1988

Valuation of Land Act 1960

A number of these Acts are required to be reported on in Council's Report.

CORPORATE GOVERNANCE

AGED CARE ACT 2012

Colac Otway Shire is fully accredited and compliant with the National Disability Insurance Scheme (NDIS) and the Aged Care Act.

We are also accredited and compliant with The Aged Care Quality Standards.

DOMESTIC ANIMALS ACT 1994

Under the Act Council is required to evaluate its Domestic Animal Management Plan implementation in the annual report. The plan was prepared in accordance with the requirements and responsibilities under the *Domestic Animals Act 1994*, the *Impounding of Livestock Act 1994*, the Colac Otway Shire Council's General Local Laws and relevant policies. A review of the plan (D.A.M.P) commenced in early 2017, with the revised plan endorsed by Council on 22 November 2017.

The Domestic Animal Management Plan addresses topics including Authorised Officer training, promotion of responsible pet ownership including registration, minimisation of dog attacks, operation of the municipal pound facility and general service delivery throughout the municipality. All officers are trained to the required standard with Certificate IV in Statutory Compliance and Certificate IV in Animal Management or their equivalent.

As at 30 June 2020 there were 4,848 domestic animals registered: 3,583 dogs and 1,265 cats.

Of the 162 dogs impounded, 142 were returned to their owner, 15 were rehoused and 5 were euthanised.

Of the 163 cats impounded, 26 were returned to their owner, 93 were rehoused and 44 were euthanised.

We continued to receive support through a local vet who is running a cat adoption program and a reduced price desexing program, enabling a slight increase on the number that were rehoused in the previous year.

FOOD ACT 1984

In accordance with section 7E of the *Food Act 1984*, Council is required to publish a summary of any Ministerial Directions received during the financial year in its annual report. No Ministerial Directions were received by council during 2019-2020.

FREEDOM OF INFORMATION ACT 1982

The *Freedom of Information Act 1982* gives the community the right to access certain Council documents. The Act has four basic principles:

1. Local governments are required to publish information about the documents they hold, particularly those which affect members of the public in their dealings with Council.
2. Each person has a legally enforceable right to access information, limited only by exemptions necessary for the protection of the public interest and the private and business affairs of persons from whom information is collected by Council.
3. People may appeal against a decision not to give access to information or not to amend a personal record.
4. People may request inaccurate, incomplete, out of date or misleading information in their personal records be amended.

Freedom of Information (FOI) requests must be made in writing and be accompanied by a \$29.60 application fee. Applicants should also indicate how they would like to receive the information. For further information and access to the FOI Access Request Form, visit Council's website on the FOI page.

Appeals

Applicants may appeal the decision made about their FOI request or the cost charged for access to documents. The letter containing the decision also outlines the appeal process. There were eight FOI requests received in 2019/20.

PRIVACY & DATA PROTECTION ACT 2014

The *Privacy and Data Protection Act 2014* contains ten Information Privacy Principles that outline how Victorian public sector organisations must handle your information. Council has adopted policies on information privacy that meet the requirements of the *Privacy and Data Protection Act 2014*. The responsible handling of personal information is a key aspect of governance and we are strongly committed to protecting an individual's right to privacy. no complaints were received during 2019/20. Council's Information Privacy Policy can be downloaded from our website.

CORPORATE GOVERNANCE

PUBLIC INTEREST DISCLOSURES ACT 2012 (Vic)

The Colac Otway Shire is committed to the aims and objectives of the Public Interest Disclosures Act 2012 (Vic). Council has established guidelines for responding to public interest disclosures. Reports of improper conduct, corrupt conduct, criminal offences, serious professional misconduct, conduct involving a substantial mismanagement of public resources or conduct involving a substantial risk to public health and safety by Colac Otway Shire or its employees, can be made to the nominated Council staff or the independent Broad-based-Anti-Corruption Commission (IBAC). Disclosures may be made by any person including a member, officer or employee of Colac Otway Shire. There were no public interest disclosures reported in 2019/20. A copy of the Public Interest Disclosures policy is available from Council's website.

- A document containing details of all leases involving land, which was entered into by the Council as lessor, including the lessee and the terms and the value of the lease.
- A register maintained under section 224(1A) of the Act of authorised officers appointed under that section.
- A list of donations and grants made by Council in the previous 12 months, including the names of person who, or bodies which, have received a donation or grant and the amount of each donation or grant.

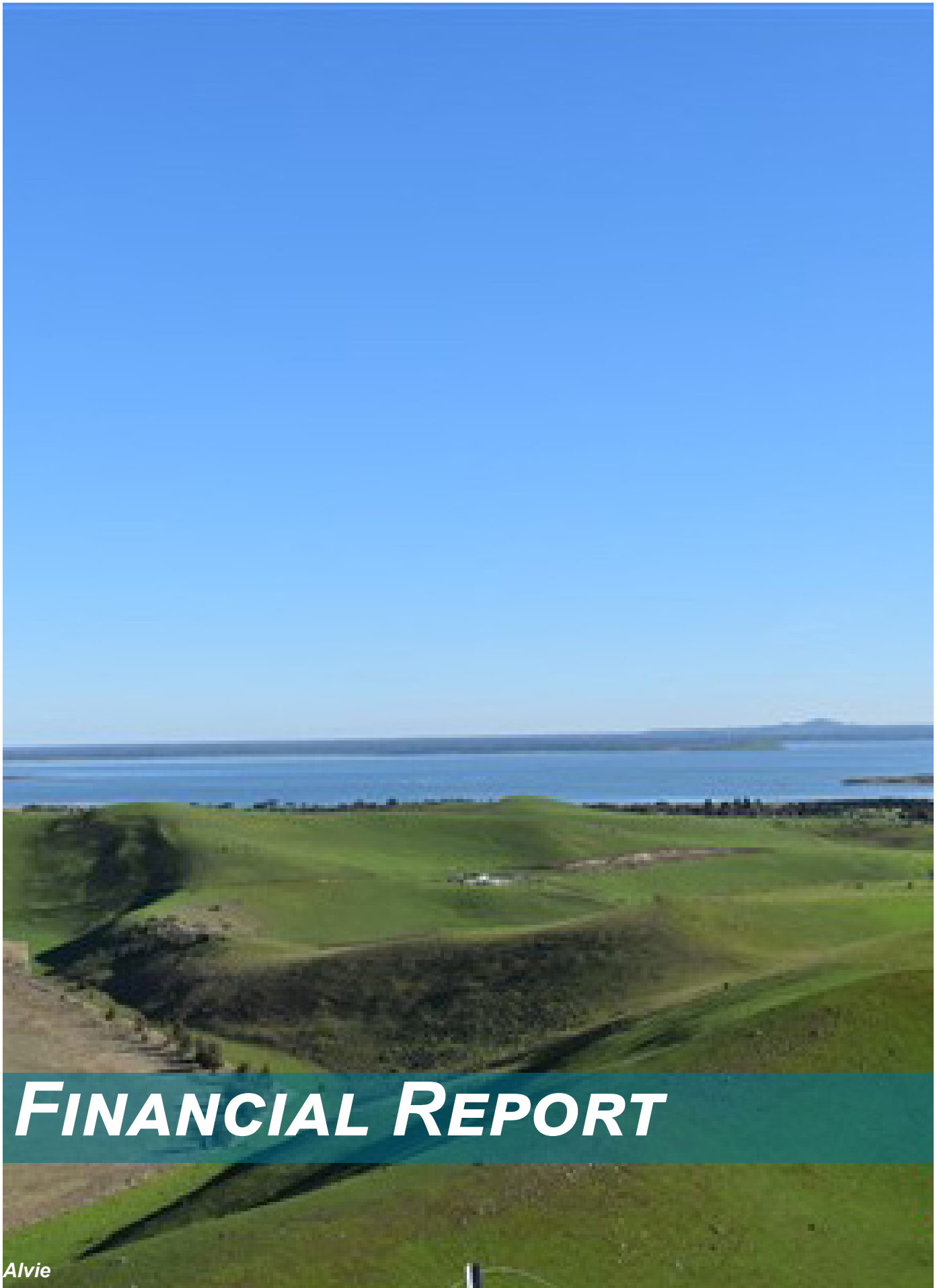
ROAD MANAGEMENT ACT 2004

Council, as a road authority, is required under Section 22 of the Act to publish a copy or summary of any direction received from the Minister in its annual report. No Ministerial Directions were received during 2019/20.

PUBLIC ACCESS TO REGISTERS AND DOCUMENTS

In accordance with regulation 12 of the *Local Government (General) Regulations 2015*, Council is required to have the following list of documents available for public inspection. These documents can be viewed at the Colac Otway Shire Offices at 2-6 Rae Street, Colac from 8.30am to 5.00pm Monday to Friday.

- A document containing details of overseas or interstate travel (other than interstate travel by land for less than three days) undertaken in an official capacity by Councillor or any member of Council staff in the previous 12 months.
- Agendas and Minutes of Ordinary and Special meetings held in the previous 12 months which are kept under section 93 of the Act, other than those agendas and minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act.
- Minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months, other than those minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act.
- A register of delegations kept under sections 87 (1) and 98(4) of the Act, including the date on which the last review took place under sections 86(6) and 98(4), respectively, of the Act.



FINANCIAL REPORT

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FINANCIAL PERFORMANCE REPORT

FINANCIAL PERFORMANCE

We are committed to providing accurate, understandable and fair reporting on our financial performance for 2019/20 and our financial position at the end of the period. It enables an assessment of our ability to deliver current services and maintain existing facilities in the longer-term.

In brief

The 2019/20 results show that Council remains financially sustainable, but some critical indicators continue to trend downward. Specifically:

- An adjusted Underlying Deficit in 2019/20 of \$1.91m. i.e. without revenue from capital grants, etc. Council would have made a deficit of \$1.91m.
 - The adjusted Underlying Deficit would have been \$585k if the new Accounting Standards had not been introduced in 2019/20.
- Third successive year of a reduction in the Working Capital Ratio, to 178%. This is positively impacted by \$3.4 million cash received in advance.
- Third successive year of a reduction in the Internal Financing Ratio to 83.3%.

An explanation and some commentary of these indicators are discussed further in this report.

Other key results include:

- Net Surplus \$1.17m
- Capital Works program \$14.89m, of which 75% related to asset renewal projects
- Cash Balance \$16.2m

The \$187k unfavourable result compared to budget primarily relates to the following:

- \$3.7m of unbudgeted grants, including:
 - \$1.9m relating to the management of Port of Apollo Bay.
 - \$0.37m received for various bridge projects.
 - \$0.54m received for various road projects.
- \$728k of additional non-monetary contributions;
- \$4.0m of additional Materials and Services expense;
 - Materials and Services increased by 1.87% compared to 2018/19.
- \$1.1m of additional employee benefits.
 - Employee benefits increased by 1.96% compared to 2018/19.

For more information on the actual variances to budget please refer to the 'In Principle' Financial Statements Note 1 – Performance against budget.

Council ended the financial year with a total cash balance of \$16.2 million. This is a decrease of \$4.3 million from the prior year primarily due to;

- Reducing reserve commitments by \$5.86m;
- Timing of payments and receipts;
- Funding 100% (\$14.89m) of the capital works program from operating cash and cash reserves;
- \$1.7m of existing loans and borrowings were repaid;
- No additional loans and borrowings were undertaken in 2019/20.

OPERATING RESULTS

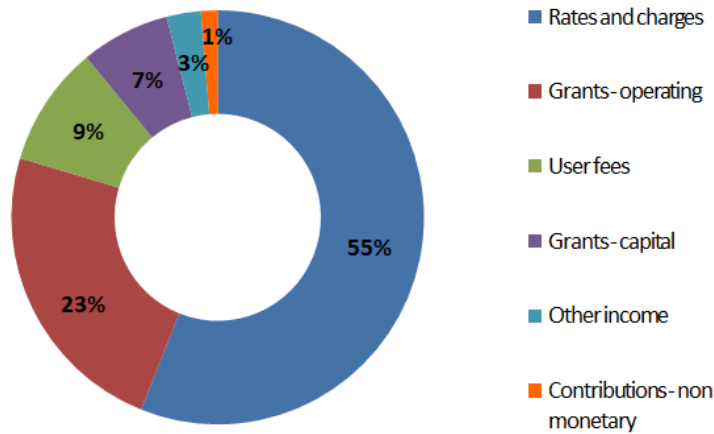
The surplus for the year totalled \$1.17 million, compared to a surplus of \$6.97 million in 2018/19.

Council's major challenge in future years is to continue generating sufficient cash to fund infrastructure renewal requirements whilst maintaining service levels. This challenge is further impacted given the current restrictions on Council's ability to raise revenue within the rate cap, set under the State Government's Fair Go Rates System. Council is currently undertaking a project to develop a more robust long term financial plan that will assist in meeting these renewal requirements.

FINANCIAL PERFORMANCE REPORT

REVENUE

Total revenue for 2019/20 was \$56.8 million (budgeted \$51.3 million) compared with \$61.6 million for 2018/19. Further detail on our income can be seen in the Comprehensive Income Statement.

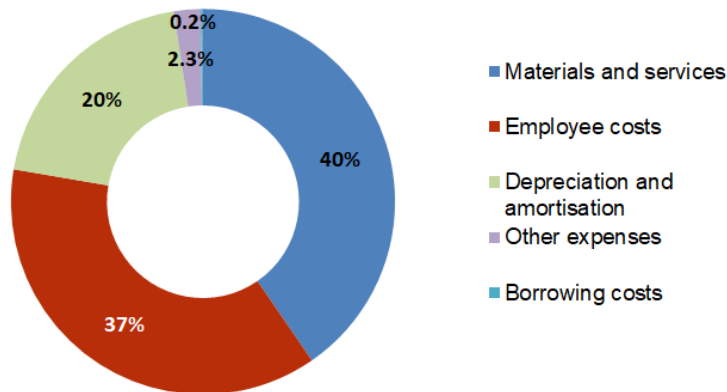


An analysis of Council’s revenue sources highlights that 78% of our income is derived from two income categories:

- Rates and charges 55%
- Operating grants 23%

EXPENDITURE

Total expenses for 2019/20 were \$55.6 million; \$1 million, or 1.8%, more than the \$54.6 million spent in 2018/19 (detailed in the Comprehensive Income Statement).



An analysis of expenses indicates that 97% were in the following three categories:

- Materials and services 40%
- Employee benefits 37%
- Depreciation and amortisation 20%

At the adoption of the 2019/20 budget officers recommended a rate increase of 2.0%, which was the rate cap set by the State Government. Council voted to adopt a rate increase of 0.5% and instructed that the saving of 1.5%, or \$450,000, must be achieved with a reduction in Employee costs.

FINANCIAL PERFORMANCE REPORT

The Annual Financial Report indicates that actual Employee Costs exceeded budget, and is specifically detailed in Note 1.1, item 8 of the Annual Financial Report, which includes:

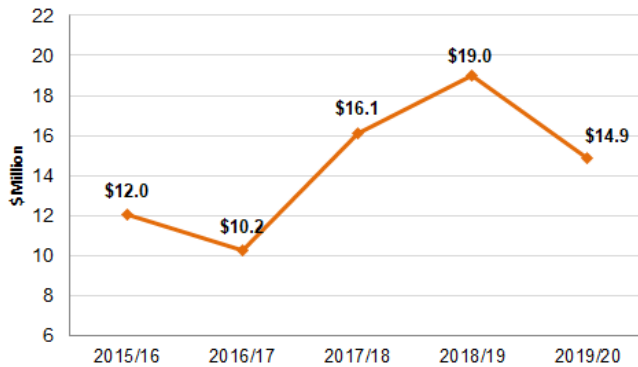
- \$240k due to utilisation of three additional FTE in Services and Operations, rather than the use of budgeted contractors.
- \$218k due to a change in the discount rates applied to the leave provision.
- \$145k due to salaries being paid to employees on long term injuries. Council received \$90k in reimbursements from its insurer.
- \$128k fully funded additional employees required to fulfil additional Home Care Packages.
- \$110k due to the restructure of Bluewater Fitness Centre. This is partly offset by \$47k in additional revenue for 2019/20
- \$104k due to the utilisation of employees to deliver initiatives, whereby contracted expenditure was expected. This includes the City Deal Project and the MCH Hard to Staff Project.
- \$57k due to a decision to increase resources in the Statutory Planning area to improve the level of service to the community.
- \$47k due to an increase in the WorkCover premium above the budgeted level. This is partly due to several long-term WorkCover claims.
- \$36k fully funded employee costs were utilised in relation to Aboriginal Engagement – Healthy Babies Stronger Families.
- \$25k fully funded employee costs in relation to the Working for Victoria initiative.
- \$22k fully funded employee costs relating to the Port of Apollo Bay.

The \$450,000 reduction in employee costs required was achieved with the following savings:

Position	2019/20 Saving	
	FTE	\$'000
Employee Benefit Savings		
Reduced FTE		
Corporate Services administration support reduced	0.50	40
Health & Wellbeing Administrator	0.50	31
Environmental Project Officer/Coordinator restructure	0.40	28
GIS Coordinator - New service-sharing arrangement	1.00	95
Customer Assist role not replaced - Apollo Bay	0.19	13
Local Laws Administrator	0.15	10
Finance Projects Officer	0.20	21
Contracts Administrator	0.70	46
Infrastructure Customer Service Coordinator	0.50	46
Total FTE reduction savings	4.14	329
Delayed recruitment without backfill	2.22	187
Total identified Employee Benefit savings	6.36	516

FINANCIAL PERFORMANCE REPORT

CAPITAL WORKS



In 2019/20 Council's Capital Works activities decreased by \$4.1 million from last year, to a total of \$14.9 million. Renewal of our existing assets accounted for \$11.2 million, new assets accounted for \$3 million and upgrade to existing assets totalled \$0.7 million. The investment in capital works is a strategic approach to maintaining or renewing the community's existing assets as they age. Council is currently undertaking a large body of work to review existing and develop new asset management plans.

Activities included:

- \$4.5 million on road works.
- \$2.9 million on drainage and storm water.
- \$2.2 million on renewal of Council's plant, machinery and equipment.
- \$1.1 million on buildings.
- \$0.5 million on footpaths and cycle ways.
- \$0.5 million on bridge works.

ASSETS

Total assets are valued at \$377 million; 99% consisting of:

- Property, plant, equipment and infrastructure (land, buildings, roads, bridges etc.)
- Cash assets (mainly short-term investments)

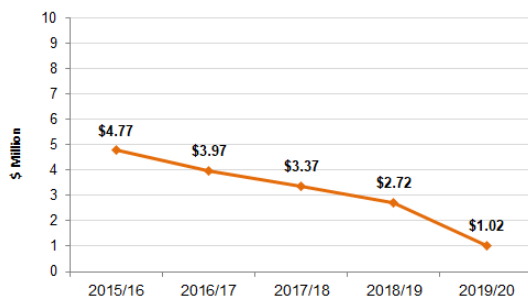
LIABILITIES

Total liabilities were \$21.9 million as at 30 June 2020. Liabilities included loans, amounts owed to suppliers, lease obligations, provisions for landfill rehabilitation and amounts owed to employees for leave entitlements. Liabilities increased by \$0.9 million, in comparison with 2018/19.

Due to the introduction of new Accounting Standards, Council was required to recognise lease liabilities of \$0.9 million in 2019/20.

LOAN LIABILITY

Council's borrowings liability levels reduced from \$2.72 million in 2018/19 to \$1.02 million in 2019/20.



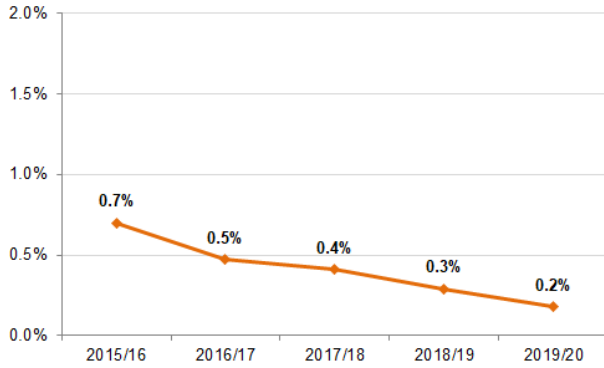
During 2019/20 Council made total loan payments of \$1.8 million (\$1.7 million repayment and \$0.1 million interest). Council's current loans and borrowing are well under the prudential ratio limits previously used by the Victorian State Government.

FINANCIAL PERFORMANCE REPORT

FINANCIAL INDICATORS

The financial indicators included in this report provide information on performance trends over time.

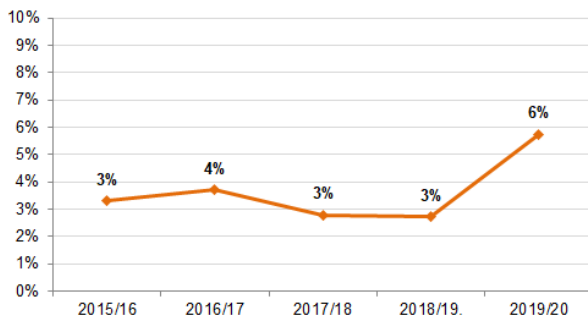
DEBT SERVICING RATIO



The Debt Servicing Ratio essentially shows how much Council spends on maintaining its outstanding debts compared with how much revenue it earns. These debt-servicing costs refer to the payment of interest on loan borrowings and any lease interest. The ratio expresses the amount of interest paid as a percentage of our total revenue.

The ratio of 0.2% is very low and indicates that Council is able to service existing debt levels and have further capacity to borrow if required.

DEBT REPAYMENT RATIO

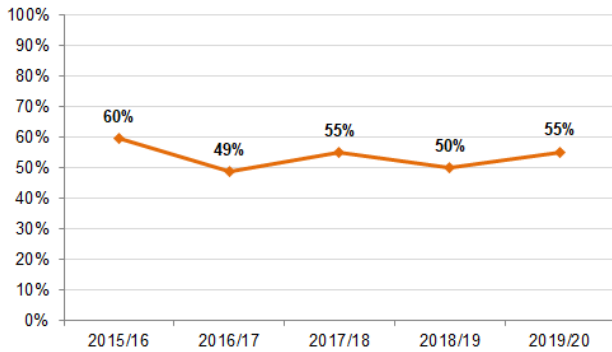


The Debt Repayment Ratio is used to illustrate how much rate revenue is used to fund existing debt for the year. This includes the payment of principal and interest relating to loans and leases. The rate at which the ratio either increases or decreases is a reflection of Council’s debt redemption strategy. The debt repayment ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal.

The Debt Repayment Ratio was higher in 2019/20 due to the increased repayment of loans, including a \$1m bond repayment in November 2019, which was taken under the Local Government Funding Vehicle in 2014.

FINANCIAL PERFORMANCE REPORT

REVENUE RATIO



The Revenue Ratio shows the level of reliance on rate revenue. It is an indication of how much total revenue comes from rates and charges. It is influenced by other revenue sources such as government grants, contributions, special charges, user fees and charges. Rate income is a secure and predictable source of revenue. A low ratio can warn of undue reliance on other forms of revenue, which may or may not be sustainable, e.g. government grants. The preferred position is for a reliance on rates and other commercial revenue, with a low dependency on government grants.

FINANCIAL SUSTAINABILITY INDICATORS

Financial sustainability is defined in a number of different ways. A generally accepted definition is whether local governments have sufficient current and prospective financial capacity (inflows) to meet their current and prospective financial requirements (outflows).

To be sustainable, councils need to have some excess capacity at any point in time to be able to manage future financial risks and shocks without having to radically adjust their current revenue or expenditure policies.

The following seven indicators are utilised and published by the Victorian Auditor General annually, to assess the financial viability of councils. The figures for the financial years 2015/16 to 2018/19 are taken from the Victorian Auditor-General’s Office (VAGO) report that can be found at:

<https://www.audit.vic.gov.au/sites/default/files/2019-11/20191127-Local-Government-report.pdf>

The 2019/20 figures in the following graphs are officer calculations of the ratios. The following table summarises Colac Otway Shire Council’s result for 2019/20:

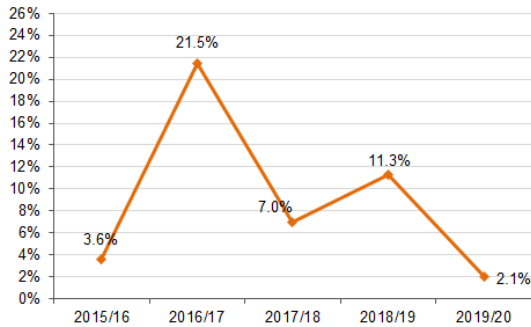
Indicators	Colac Otway Result	Risk Levels		
		High	Medium	Low
Net Result Ratio	2.1%	Less than Negative 10%	Between negative 10% and zero	Greater than zero
Adjusted underlying result	-3.5%	Less than 0%	Between 0% and 5%	Greater than 5%
Liquidity Ratio	178.4%	Less than 75%	Between 75% and 100%	Greater than 100%
Indebtedness Ratio	27.1%	Greater than 60%	Between 40% and 60%	Less than 40%
Internal Financing Ratio	83.3%	Less than 75%	Between 75% and 100%	Greater than 100%
Capital Replacement	136.0%	Less than 100%	Between 100% and 150%	Greater than 150%
Renewal Gap	108.8%	Less than 50%	Between 50% and 100%	Greater than 100%

The following information provides a definition for each indicator and the five-year trend for each:

FINANCIAL PERFORMANCE REPORT

NET RESULT RATIO

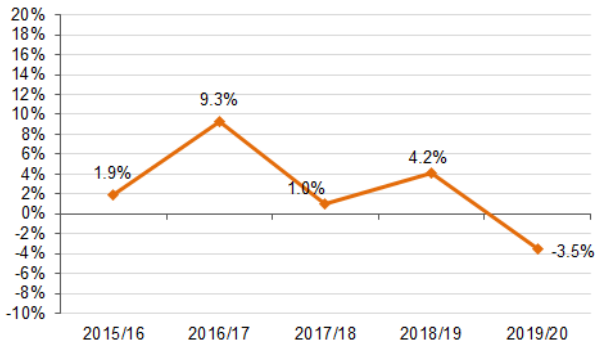
This measures how much of each dollar collected as revenue translates to net result. A positive result indicates a surplus, and the larger the percentage, the stronger the result.



This ratio includes capital grants and grants received in advance that aid in generating a surplus. This can be utilised for new assets or asset renewal. This result places Council within the 'Low' risk category for financial sustainability.

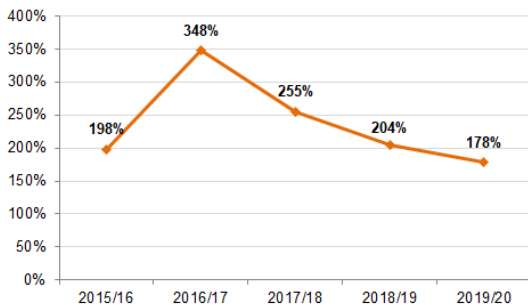
ADJUSTED UNDERLYING RESULT

This measures an entity's ability to generate surplus in the ordinary course of business—excluding non-recurrent capital grants, non-monetary asset contributions, and other contributions to fund capital expenditure from the net result. A deficit suggests a reduction in the operating position.



WORKING CAPITAL RATIO

This measures an entity's ability to pay existing liabilities in the next 12 months. A ratio greater than 100% means there are more cash and liquid assets than short-term liabilities.



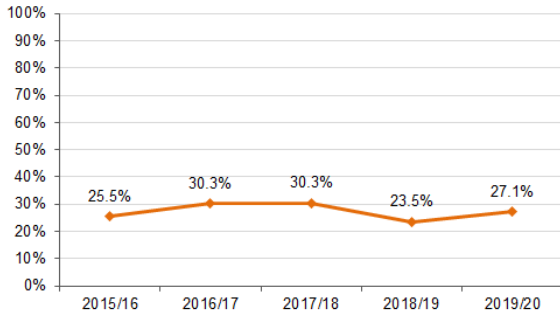
The Working Capital Ratio expresses the level of current assets, such as cash and investments, that Council has available to meet our current liabilities. This includes outstanding creditors and employee entitlements.

The current ratio of 178% is greater than the target for low risk, but does include \$3.4 million of cash received in advance.

FINANCIAL PERFORMANCE REPORT

INDEBTEDNESS RATIO

This assesses an entity's ability to pay the principal and interest on borrowings, as and when they fall due, from the funds it generates. The lower the ratio, the less revenue the entity is required to use to repay its total debt. Own-sourced revenue is used, rather than total revenue, because it does not include grants or contributions.

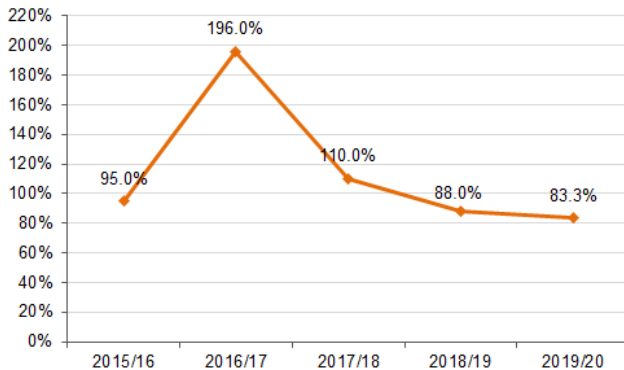


This ratio indicates our ability to repay debt from our own sources of revenue, such as rates and charges. The ratio is comfortably in the low risk category, indicating that we are generating sufficient funds to cover debt without requiring outside assistance.

Despite repaying a large amount of debt in 2019/20 this indicator has increased due to the low level of own sourced income.

INTERNAL FINANCING RATIO

This measures an entity's ability to finance capital works using cash generated by its operating cash flows. The higher the percentage, the greater the ability for the entity to finance capital works from its own funds.

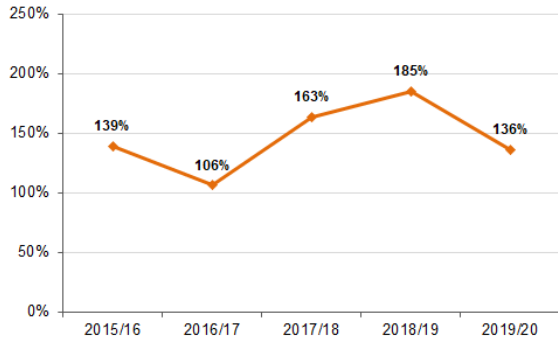


Results indicate that Council's ability to generate sufficient cash from operations to fund the renewal of existing assets has declined over the last three years.

CAPITAL REPLACEMENT RATIO

This compares the rate of spending on infrastructure, property, plant and equipment, and intangibles with its depreciation and amortisation. This is a long-term indicator, as capital expenditure can differ in the short term if there are insufficient funds available from operations, and borrowing is not an option. A ratio less than 100% means the spending on capital works has not kept pace with consumption of assets.

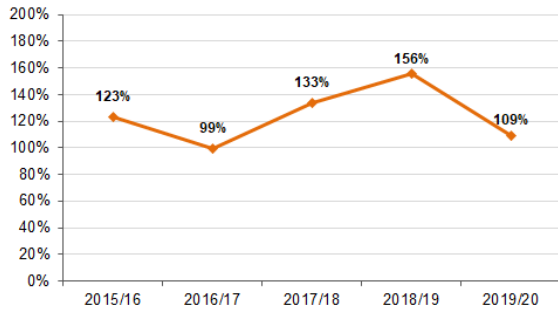
FINANCIAL PERFORMANCE REPORT



This ratio is about the overall spending on assets, both new and existing.

RENEWAL GAP RATIO

This compares the rate of spending on existing assets through renewing, restoring, and replacing existing assets with depreciation. Ratios higher than 100% indicate that spending on existing assets is faster than the depreciation rate.



This ratio is about the renewal and upgrade of our existing assets (i.e. replacing one asset with another of the same or better quality).

UNDERSTANDING THE FINANCIAL STATEMENTS

INTRODUCTION

The financial statements show Council's performance during 2019/20 and our overall financial position as at 30 June 2020.

We present our financial report in accordance with Australian Accounting Standards. Particular terms required by the standards may not be familiar to some readers. Our commitment is to be as transparent as possible. It is in this context that the following explanations have been developed to assist readers to understand and analyse the financial report.

The financial report comprises two sets of statements:

- Financial Statements (see page 106 of this report)
- Performance Statement (see page 102 of this report)

ANNUAL FINANCIAL REPORT

The Annual Financial Report contains the General Purpose Financial Statements. The data throughout this report includes all entities controlled by Council.

Council's financial report has two main sections, the Report and the Notes. There are five Statements and eight Notes. These are prepared by Council staff, reviewed by Council and Council's Audit Committee and then given audit approval by the Victorian Auditor-General.

The five Statements included in the first few pages of the report are:

- Comprehensive Income Statement
- Balance Sheet
- Statement of Changes in Equity
- Statement Cash Flows
- Statement of Capital Works.

The Notes detail Council's accounting policies and give further information about the make-up of the values contained in the statements.

Comprehensive Income Statement

This statement includes all sources of income, less all operating expenses incurred in delivering Council services. It also includes depreciation of the value of buildings, roads, footpaths, drains and all other assets used to deliver Council services. These assets are depreciated over their life as they are used. Capital costs or new assets acquired or created during the year are excluded from this statement.

Preparation of the statement is on an 'accrual' basis. This means that all income and costs for the year are recognised even though the income may not have been received (interest on bank deposits), or expenses not paid (invoices not received for goods and services already used).

The key figure to look at is the surplus/(deficit) for the year. A surplus is positive as it means that revenue was greater than expenses. Continual deficits (losses) may raise questions about Council's ability to be financially viable in the longer-term.

Balance Sheet

The Balance Sheet is a one-page summary of our financial position as at 30 June each financial year. It shows what we own (assets) and what we owe (liabilities). The bottom line of this statement is net assets or the 'net worth' of Council.

The assets and liabilities are separated into current and non-current. Current means those assets or liabilities which will fall due or will be used in the next 12 months. The components of the Balance Sheet are described below.

CURRENT AND NON-CURRENT ASSETS

- Cash and cash equivalents include cash held at bank, petty cash and term deposits with an original investment period of 90 days or less.
- Other financial assets include investments, such as term deposits with original investment periods greater than 90 days.
- Trade and Other Receivables are monies owed to Council by ratepayers and other customers.
- Inventories include any stock being held by Council.
- Other assets include accounts which have been prepaid.
- Investment in Associate and joint ventures is the investment in the Corangamite Regional Library Corporation.
- Property, Plant and Equipment, Infrastructure is the largest component of Council's worth and represents the value of all land, buildings, roads, vehicles, equipment and other items.
- Right-of-use assets consist of leased assets, which Council has the right to use over the life of a lease.

CURRENT AND NON-CURRENT LIABILITIES

- Trade and other payables include monies owed by Council as at 30 June each financial year and unearned income received in advance.
- Trust funds and deposits are monies received and held by Council.
- Provisions include landfill rehabilitation works and employee benefits, such as accrued long service and annual leave.
- Interest bearing loans and borrowings includes loans repaid over a set period of time.
- Lease liabilities are financial obligations to make the payments arising from leased assets, where control of the asset is transferred to Council.

UNDERSTANDING THE FINANCIAL STATEMENTS

NET ASSETS

This term is used to describe the difference between the value of total assets and the value of total liabilities. It represents the net worth of Council as at 30 June each financial year. The net value of Council is also synonymous with total equity.

TOTAL EQUITY

- Asset revaluation reserve is the difference between the cost of property and infrastructure assets and their current valuations.
- Other reserves are allocations of the accumulated surplus for specific funding purposes. Some are required by legislation; some are mandated under Council policy.
- Accumulated surplus is the value of all net assets accumulated over time.

STATEMENT OF CHANGES IN EQUITY

The value of total equity, as set out in the balance sheet, changes during the year. The statement shows movement in total equity and any movement between accumulated surplus and reserves.

The main reasons for changes in equity are:

- The 'profit and loss' from operations, described in the Comprehensive Income Statement as the surplus (deficit) for the year.
- The use of monies from Council's reserves and transfers to Council's reserves.
- Revaluation of assets occurs to ensure that assets are correctly valued at current replacement value.

STATEMENT OF CASH FLOW

The Statement of Cash Flows summarises Council's cash payments and cash receipts for the year. This statement is presented according to a very specific Accounting Standard and needs some care in analysis. The values may differ from those shown in the Comprehensive Income Statement because this statement is prepared on an accrual accounting basis.

payments for the acquisition of assets, such as new plant, roads and other long-term revenue producing assets. It also includes the proceeds from the sale of assets, such as plant and land.

The amounts disclosed in the Cash Flow Statement are our cash flows generated from, and used in, three main areas:

1. Cash Flow from Operating Activities

Receipts: All cash received into Council's bank account from ratepayers and other monies owed to Council. Receipts also include the interest assets from Council's cash investments. It does not include the costs associated with the sale of assets.

Payments: All cash paid from Council's bank account to suppliers, staff and other persons. It does not include the costs associated with the creation of assets.

2. Cash Flow from Investing Activities

The accounting term Investing Activities relates to

3. Cash Flow from Financing Activities

This is where the receipt and repayment of borrowed funds are recorded, as well as any movement in trust funds and deposits held by Council.

The bottom line of Statement of Cash Flows is our total cash at the end of the financial year.

The Statement of Cash Flows is important as it shows the source of our funds and details how they are spent.

STATEMENT OF CAPITAL WORKS

The Statement of Capital Works summarises Council spending on assets for the year. The Statement of Capital Works breaks all capital expenditure incurred by Council into three broad headings - Property, Plant and Equipment, and Infrastructure, with relevant sub groups below these.

The Statement of Capital Works also shows asset spending by three categories:

- New asset expenditure - spending on assets that Council has not possessed previously.
- Asset renewal expenditure - spending on renewing Council's existing assets back to their original service provision capacity.
- Asset upgrade expenditure - spending on improving the service capacity of Council's existing assets.

UNDERSTANDING THE FINANCIAL STATEMENTS

NOTES TO THE ACCOUNTS

The Notes are an important and informative section of the report. The Australian Accounting Standards are not prescriptive on a lot of issues.

Apart from the accounting policies, the Notes also give details behind many of the summary figures contained in the statements. The Note numbers are shown beside the relevant items in the Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity and the Statement of Cash Flows.

Note 1 provides for a comparison between end of year actual results and Council's original budget, highlighting and providing explanations for major variances.

Where Council wishes to disclose other information that cannot be incorporated in the statements, then this is shown in the Notes. Other Notes include:

- The cost of the various functions of Council.
- The breakdown of expenses, revenues, reserves and other assets.
- Transactions with persons related to Council.
- Financial performance indicators.

The Notes should be read in conjunction with the other parts of the Financial Statements to get a clear picture of the accounts.

WHAT IS THE PERFORMANCE STATEMENT?

The Performance Statement reports on Council's progress for the financial year against the Local Government Performance Reporting Framework indicators adopted as part of the annual budget. They include financial and non-financial data.

Our external auditors review the evidence and accuracy of the results.

STATEMENT BY PRINCIPAL ACCOUNTING OFFICER AND COUNCILLORS

The Certification of the Principal Accounting Officer is made by the person responsible for the financial management of Council. It assures that, in her/his opinion, the financial statements have met all the statutory and professional reporting requirements. The Certification of Councillors is made by two councillors on behalf of Council confirming that in their opinion the financial statements are fair and not misleading. The Chief Executive Officer also endorses and signs the certification.

AUDITORS GENERAL'S REPORT

The Independent Auditor's Report provides an external opinion on the financial statements. The opinion covers statutory and professional requirements as well as addressing the fairness aspects of the financial statements.

Colac Otway Shire Council
ANNUAL FINANCIAL REPORT

For the Year Ended 30 June 2020

**Colac Otway Shire Council
Financial Report
Table of Contents**

	Page
FINANCIAL REPORT	
Certification of the Financial Statements	1
Victorian Auditor-General's Office Audit Report	2
Financial Statements	
Comprehensive Income Statement	4
Balance Sheet	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Statement of Capital Works	8
Overview	9
Notes to Financial Statements	
Note 1 Performance against budget	10
1.1. Income and expenditure	10
1.2. Capital works	13
Note 2 Analysis of Council	14
2.1. Analysis of Council results by program	14
Note 3 Funding for the delivery of our services	15
3.1. Rates and charges	15
3.2. Statutory fees and fines	15
3.3. User fees	15
3.4. Funding from other levels of government	16
3.5. Contributions	17
3.6. Net gain/(loss) on disposal of property, infrastructure, plant and equipment	17
3.7. Other income	17
Note 4 The cost of delivering services	18
4.1. Employee costs	18
4.2. Materials and services	18
4.3. Depreciation and amortisation	19
4.4. Bad and doubtful debts	19
4.5. Borrowing costs	19
4.6. Other expenses	19
Note 5 Our financial position	20
5.1. Financial assets	20
5.2. Non-financial assets	22
5.3. Payables	22
5.4. Interest-bearing liabilities	23
5.5. Provisions	23
5.6. Financing arrangements	24
5.7. Commitments	25
5.8. Leases	26
Note 6 Assets we manage	28
6.1. Property, infrastructure plant and equipment	28
6.2. Investments in associates, joint arrangements and subsidiaries	32
Note 7 People and relationships	33
7.1. Council and key management remuneration	33
7.2. Related party disclosure	34
Note 8 Managing uncertainties	35
8.1. Contingent assets and liabilities	35
8.2. Change in accounting standards	35
8.3. Financial instruments	36
8.4. Fair value measurement	37
8.5. Events occurring after balance date	38
Note 9. Other matters	38
9.1. Reserves	38
9.2. Reconciliation of cash flows from operating activities to surplus/(deficit)	41
9.3. Superannuation	41
Note 10 Change in accounting policy	43
Note 11 Impact of COVID 19 pandemic on Colac Otway Shire operations and 2019-20 financial report	44

Colac Otway Shire Council
2019/2020 Financial Report

Certification of the Financial Statements

In my opinion, the accompanying financial statements have been prepared in accordance with the *Local Government Act 1989*, the *Local Government (Planning and Reporting) Regulations 2014*, the Australian Accounting Standards and other mandatory professional reporting requirements.



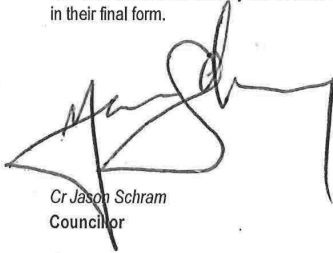
Jason Clissold FCPA
Principal Accounting Officer

21 October 2020
Colac

In our opinion the accompanying financial statements present fairly the financial transactions of Colac Otway Shire Council for the year ended 30 June 2020 and the financial position of the Council as at that date.

As at the date of signing, we are not aware of any circumstances that would render any particulars in the financial statements to be misleading or inaccurate.

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify the financial statements in their final form.



Cr Jason Schram
Councillor

21 October 2020
Colac



Cr Stephen Hart
Councillor

21 October 2020
Colac



Peter Brown
Chief Executive

21 October 2020
Colac

Independent Auditor's Report

To the Councillors of Colac Otway Shire Council

Opinion	<p>I have audited the financial report of Colac Otway Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2020 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • statement of capital works for the year then ended • notes to the financial statements, including significant accounting policies • certification of the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2020 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors
- conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
28 October 2020



Sanchu Chummar

as delegate for the Auditor-General of Victoria

Colac Otway Shire Council
2019/2020 Financial Report

**Comprehensive Income Statement
For the Year Ended 30 June 2020**

	Note	2020 \$'000	2019 \$'000
Income			
Rates and charges	3.1	31,366	30,905
Statutory fees and fines	3.2	807	885
User fees	3.3	5,269	5,167
Grants - operating	3.4	13,174	16,719
Grants - capital	3.4	3,902	5,984
Contributions - monetary	3.5	195	180
Contributions - non monetary	3.5	728	457
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	(44)	202
Share of net profits (or loss) of associates and joint ventures	6.2	51	35
Other income	3.7	1,303	1,037
Total income		56,752	61,570
Expenses			
Employee costs	4.1	20,727	20,329
Materials and services	4.2	22,458	22,047
Depreciation and amortisation	4.3	10,944	10,266
Amortisation - intangible assets	4.4	-	2
Amortisation - right of use assets	4.5	95	-
Bad and doubtful debts	4.6	15	47
Borrowing costs	4.7	102	178
Finance costs - leases	4.8	35	-
Other expenses	4.9	1,209	1,729
Total expenses		55,585	54,599
Surplus/(deficit) for the year		1,167	6,971
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	6.1	32,113	20,920
Total comprehensive result		33,280	27,891

The above comprehensive income statement should be read in conjunction with the accompanying notes.

Page 4

Colac Otway Shire Council
2019/2020 Financial Report

Balance Sheet
As at 30 June 2020

	Note	2020 \$'000	2019 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1	16,198	20,524
Trade and other receivables	5.1	3,359	3,304
Inventories	5.2	215	149
Other assets	5.2	486	431
Total current assets		20,259	24,408
Non-current assets			
Property, infrastructure, plant and equipment	6.1	355,731	319,427
Investments in associates, joint arrangements and subsidiaries	6.2	441	390
Right-of-use assets	5.8	863	-
Total non-current assets		357,036	319,817
Total assets		377,295	344,226
Liabilities			
Current liabilities			
Trade and other payables	5.3	5,622	3,900
Trust funds and deposits	5.3	985	802
Interest-bearing liabilities	5.4	286	1,697
Provisions	5.5	4,357	5,540
Lease liabilities	5.8	105	-
Total current liabilities		11,356	11,939
Non-current liabilities			
Interest-bearing liabilities	5.4	738	1,024
Provisions	5.5	9,005	7,967
Lease liabilities	5.8	773	-
Total non-current liabilities		10,516	8,991
Total liabilities		21,872	20,930
Net assets		355,423	323,296
Equity			
Accumulated surplus		130,527	124,652
Reserves	9.1	224,896	198,644
Total Equity		355,423	323,296

The above balance sheet should be read in conjunction with the accompanying notes.

Page 5

Colac Otway Shire Council
2019/2020 Financial Report

Statement of Changes in Equity
For the Year Ended 30 June 2020

	Note	Accumulated		Revaluation	Other
		Total	Surplus	Reserve	Reserves
2020		\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year		323,296	124,652	176,018	22,626
Impact of change in accounting policy - AASB 15 Revenue from Contracts with Customers	10	(1,153)	(1,153)		
Adjusted Opening balance		322,143	123,499	176,018	22,626
Surplus/(deficit) for the year		1,167	1,167	-	-
Net asset revaluation increment/(decrement)	6.1	32,113	-	32,113	-
Transfers to other reserves	9.1	-	(13,598)	-	13,598
Transfers from other reserves	9.1	-	19,459	-	(19,459)
Balance at end of the financial year		355,423	130,527	208,131	16,765

	Note	Accumulated		Revaluation	Other
		Total	Surplus	Reserve	Reserves
2019		\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year		292,887	116,159	155,098	21,630
Prior Period Error Adjustment	6.1	2,518	2,518	-	-
Surplus/(deficit) for the year		6,971	6,971	-	-
Net asset revaluation increment/(decrement)	6.1	20,920	-	20,920	-
Transfers to other reserves	9.1	-	(15,644)	-	15,644
Transfers from other reserves	9.1	-	14,648	-	(14,648)
Balance at end of the financial year		323,296	124,652	176,018	22,626

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Page 6

Colac Otway Shire Council
2019/2020 Financial Report

Statement of Cash Flows
For the Year Ended 30 June 2020

	Note	2020 Inflows/ (Outflows) \$'000	2019 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		30,712	30,758
Statutory fees and fines		807	885
User fees		5,981	5,636
Grants - operating		13,438	16,714
Grants - capital		4,546	5,984
Contributions - monetary		195	180
Interest received		272	270
Trust funds and deposits taken/(paid)		183	410
Other receipts		1,003	731
Net GST refund/(payment)		1,718	1,684
Employee costs		(20,340)	(20,103)
Materials and services		(25,270)	(24,899)
Other payments		(1,209)	(1,729)
Net cash provided by/(used in) operating activities		<u>12,036</u>	<u>16,521</u>
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.1	(14,682)	(18,970)
Proceeds from sale of property, infrastructure, plant and equipment	3.6	233	288
Payments for investments		(27,000)	(41,500)
Proceeds from sale of investments		27,000	58,918
Net cash provided by/(used in) investing activities		<u>(14,449)</u>	<u>(1,263)</u>
Cash flows from financing activities			
Finance costs		(102)	(178)
Repayment of borrowings		(1,697)	(649)
Interest paid - lease liability		(35)	-
Repayment of lease liabilities		(79)	-
Net cash provided by/(used in) financing activities		<u>(1,913)</u>	<u>(827)</u>
Net increase (decrease) in cash and cash equivalents		(4,326)	14,431
Cash and cash equivalents at the beginning of the financial year		20,524	6,093
Cash and cash equivalents at the end of the financial year		<u>16,198</u>	<u>20,524</u>
Restrictions on cash assets	5.1		
Financing arrangements	5.6		

The above statement of cash flows should be read in conjunction with the accompanying notes.

Colac Otway Shire Council
2019/2020 Financial Report

**Statement of Capital Works
For the Year Ended 30 June 2020**

	Note	2020 \$'000	2019 \$'000
Property			
Land		22	58
Total land		<u>22</u>	<u>58</u>
Buildings		1,082	1,098
Total buildings		<u>1,082</u>	<u>1,098</u>
Total property		<u>1,104</u>	<u>1,156</u>
Plant and equipment			
Plant, machinery and equipment		2,176	883
Fixtures, fittings and furniture		599	229
Computers and telecommunications		147	-
Total plant and equipment		<u>2,921</u>	<u>1,112</u>
Infrastructure			
Roads		4,464	9,643
Bridges		548	580
Footpaths and cycleways		478	2,107
Drainage		2,860	2,597
Other infrastructure		2,510	1,774
Total infrastructure		<u>10,859</u>	<u>16,702</u>
Total capital works expenditure	6.1	<u>14,885</u>	<u>18,970</u>
Represented by:			
New asset expenditure		2,977	2,986
Asset renewal expenditure		11,164	12,900
Asset upgrade expenditure		744	3,084
Total capital works expenditure		<u>14,885</u>	<u>18,970</u>

The above statement of capital works should be read in conjunction with the accompanying notes.

Page 8

OVERVIEW**Introduction**

The Colac Otway Shire Council was established by an Order of the Governor in Council on 23 September 1994 and is a body corporate. The Council's main office is located at 2-6 Rae Street Colac Victoria 3250.

Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with the Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1989, and the Local Government (Planning and Reporting) Regulations 2014.

Significant accounting policies**(a) Basis of accounting**

The accrual basis of accounting has been used in the preparation of these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of employee provisions (refer to Note 5.5)
- the determination of landfill provisions (refer to Note 5.5)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities (refer to Note 3)
- the determination, in accordance with AASB 16 Leases, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- other areas requiring judgements

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation (except where transitional requirements of AASB 15 Revenue from Contracts with Customers, AASB 16 Leases and AASB 1058 Income of Not-for-Profit Entities do not require restatement of comparatives under the modified retrospective approach adopted by the Council), and disclosure has been made of any material changes to comparatives.

(b) Rounding

Unless otherwise stated, amounts in the financial report have been rounded to the nearest thousand dollars. Figures in the financial statement may not equate due to rounding.

(c) Abbreviation

The letter 'k' has been used to represent thousands ('000's) and the letter 'm' has been used to represent millions ('000,000's).

Note 1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$500,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 26 June 2019. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for income and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

These notes are prepared to meet the requirements of the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

1.1. Income and expenditure

	Budget 2020 \$'000	Actual 2020 \$'000	Variance 2020 \$'000	Variance 2020 %	Ref
Income					
Rates and charges	31,165	31,366	201	1	
Statutory fees and charges	816	807	(10)	(1)	
User fees and charges	5,268	5,269	1	0	
Grants - Operating	10,022	13,174	3,152	31	1
Grants - Capital	3,340	3,902	562	17	2
Contributions - monetary	132	195	64	48	3
Contributions - non-monetary	-	728	728	100	4
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	147	(44)	(191)	(130)	5
Share of net profits/(losses) of associates and joint ventures	35	51	16	47	6
Other income	416	1,303	887	213	7
Total income	51,341	56,752	5,411	11	
Expenses					
Employee costs	19,656	20,727	(1,070)	(5)	8
Materials and services	18,431	22,458	(4,027)	(22)	9
Bad and doubtful debts	2	15	(13)	(653)	10
Depreciation and amortisation	10,600	10,944	(344)	(3)	
Amortisation - right of use assets	-	95	(95)	100	11
Borrowing costs	112	102	10	9	
Finance costs - leases	-	35	(35)	100	12
Other expenses	1,186	1,209	(23)	(2)	
Total expenses	49,987	55,585	(5,598)	(11)	
Surplus/(deficit) for the year	1,354	1,167	(187)	(14)	

Colac Otway Shire Council
2019/2020 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2020

Note 1 Performance against budget

1.1. Income and expenditure (cont'd)

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Grants - Operating	<p>\$2.06m of this variance relates to conditional grants that were received in 2018-19, whereby the associated projects were completed in 2019-20. The new Accounting Standards require this revenue to be recognised in 2019-20. (refer to Note 10(d) for further detail regarding the impact of the new Accounting Standards).</p> <p>Unbudgeted funding was also received (\$317k) in relation to the following unbudgeted, fully funded, projects:</p> <ul style="list-style-type: none"> • Working for Victoria (\$109k) • Roadside Weeds and Pests (\$43k). • Birregurra Stormwater Drainage Strategy (\$50k). • Aboriginal Engagement - Healthy Babies Stronger Families (\$105k). • Wye River Surf Life Saving Club – Bushfire Recovery Wye Peak Challenge - (\$10k).
2	Grants - Capital	<p>Funding was received for unbudgeted capital works, including State Grants to complete Forest St, Jacksons Track and Upper Gellibrand Road Bridges (\$367k). Also, funding received for Roads to Recovery exceeded budget (\$210k).</p>
3	Contributions - monetary	<p>Monetary contributions that were received include \$60k of unbudgeted revenue relating to the Apollo Bay Community Infrastructure Plan. Corresponding expenditure has been included in Material and Services (No net impact).</p>
4	Contributions - Non-monetary	<p>Colac Otway received the following gifted assets from developers for subdivision works not budgeted for:</p> <ul style="list-style-type: none"> • \$290k Roads • \$381k Drainage • \$57k Footpaths
5	Net gain/(loss) on disposal of property, infrastructure, plant and equipment	<p>This unfavourable variance relates to the timing of the disposal of several plant items, which were disposed prior to the end of useful life. This decision was made to avoid the repair costs that would otherwise be incurred to ensure the items were operational.</p>
6	Share of net profits/(losses) of associates and joint ventures	<p>Council's share of the Corangamite Regional Library Corporation is an estimate and is not ascertainable at the time of budget preparation.</p>
7	Other income	<p>Reimbursements for employees on Workcover (\$90k) were received in 2019-20 that were not budgeted, which partially offsets the additional employee costs relating to employees with long-term workplace injuries. Reimbursements from the AFL for Match Day expenditure (\$57k) was received for the unbudgeted AFL match held in Colac.</p>

Colac Otway Shire Council
2019/2020 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2020

Note 1 Performance against budget

1.1. Income and expenditure (cont'd)

(i) Explanation of material variations

Variance Ref	Item	Explanation
8	Employee costs	<p>Employee costs were higher than budgeted due to a range of factors, including:</p> <ul style="list-style-type: none"> • \$240k due to the utilisation of 3 additional FTE in Services and Operations, rather than the use of budgeted contractors. • \$218k due to a change in the discount rates applied to the leave provision. • \$145k due to salary being paid to employees on long term injuries. Council received \$90k in reimbursements from its insurer. • \$128k fully funded additional employees required to fulfill additional Home Care Packages. • \$110k due to the restructure of Bluewater Fitness Centre. This is partly offset by \$47k in additional revenue for 2019/20. • \$104k due to the utilisation of employees to deliver initiatives, whereby contracted expenditure was expected. This includes the City Deal Project, and the MCH Hard to Staff Project. • \$57k due to a decision to increase resources in the Statutory Planning area to improve the level of service to the community. • \$47k due to an increase in the Workcover Premium above budgeted level. This is partly due to several long-term Workcover claims. • \$36k fully funded employee costs were utilised in relation to Aboriginal Engagement - Healthy Babies Stronger Families. • \$25k fully-funded employee costs in relation to the Working For Victoria initiative. • \$22k fully funded employee costs relating to the Port of Apollo Bay. • Employee costs were favourably impacted due to the impact of COVID-19.
9	Materials and services	<p>This variance includes \$2.44m relating to projects carried forward from 2018-19, including:</p> <ul style="list-style-type: none"> • Port of Apollo Bay Operations - In harbour dredging project (\$1m) - fully-funded • Port Boat Ramp Car Park Renewal Project (\$711k) - fully funded • Apollo Bay Community Infrastructure Plan (\$195k) • Lighting Project (\$100k). <p>In addition to the carried forward items, this unfavourable variance can also be attributed to:</p> <ul style="list-style-type: none"> • Unbudgeted funding was received, which resulted in unbudgeted project expenditure (\$181k), including Birregurra Stormwater Drainage Strategy (\$118k). • Fully-funded Home Care Package delivery (\$170k). • Expensed items of capital, as some capital works did not meet the capitalisation threshold and have been treated as operational expenditure (\$1.7m). Expensed capital items amounted to \$2.36m in 2018-19.
10	Bad and doubtful debts	<p>There has been a movement in the Doubtful Debts Provision of \$13k, reflecting expected funds owing to Colac Otway Shire that are no longer expected to be recovered.</p>
11	Amortisation - right of use assets	<p>This variance is due to the introduction of the Accounting Standard AASB 16 Leases and the subsequent recognition requirements. The expenditure relating to leases was previously budgeted and recognised within Materials and Services.</p>
12	Finance costs - leases	<p>This variance is due to the introduction of the Accounting Standard AASB 16 Leases and the subsequent recognition requirements. The expenditure relating to leases was previously budgeted and recognised within Materials and Services.</p>

Colac Otway Shire Council
2019/2020 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2020

Note 1 Performance against budget
1.2. Capital works

	Budget 2020 \$'000	Actual 2020 \$'000	Variance 2020 \$'000	Variance 2020 %	Ref
Property					
Land	-	22	22	100	1
Buildings	726	1,082	356	49	2
Total property	726	1,104	378	52	
Plant and equipment					
Plant, machinery and equipment	2,170	2,176	6	0	
Fixtures, fittings and furniture	840	599	(241)	(29)	3
Computers and telecommunications	140	147	7	5	
Total plant and equipment	3,150	2,921	(229)	(7)	
Infrastructure					
Roads	5,942	4,464	(1,478)	(25)	4
Bridges	715	548	(167)	(23)	5
Footpaths and cycleways	383	478	95	25	6
Drainage	450	2,860	2,410	536	7
Other infrastructure	1,695	2,510	815	48	8
Total infrastructure	9,185	10,859	1,674	18	
Total capital works expenditure	13,061	14,885	1,824	14	
Represented by:					
New asset expenditure	1,645	2,977	1,332	81	
Asset renewal expenditure	10,776	11,164	388	4	
Asset upgrade expenditure	640	744	104	16	
Total capital works expenditure	13,061	14,885	1,824	14	

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Land	Strategic acquisition of land for the Tiger Rail Trail
2	Buildings	A number of unbudgeted works carried-forward from 2018-19 were completed during 2019-20. This includes the Winifred Nance Kindergarten project.
3	Fixtures, fittings and furniture	This programme has a number of items that have been expense due to low value items. The remainder of this programme will be carried over relating to the Memorial Square to be expended in the 2020-21 year (\$241k).
4	Roads	This programme has a number of items that have been allocated to different areas. This is due to the complex nature of the programmes associated with this class of assets. For example with a reconstruction programme works may include retaining structures, drainage or footpaths.
5	Bridges	There are a number of projects that have been either rescoped or have been retendered during the year. These works will be completed during the 2020-21 year. These include Forrest Street Bridge Replacement (\$130k)
6	Footpaths and cycleways	Completion of a number of projects carried-forward from the 2018-19 financial year are included within this figure. This included works on the Hart Street Footpath (\$25k) and smaller amounts in Skenes Creek and Colac.
7	Drainage	The variance largely relates to the Wye River and Separation Creek reticulated drainage works (\$2.2m). These works were unbudgeted in 2019-20, however they are funded by the State and Federal Government.
8	Other infrastructure	The overspend is related to Flood Recovery works completed in the 2019-20 year. These works include a large amount of retaining wall works across the shire. These works are funded by the State and Federal Government.

Note 2 Analysis of Council

Note 2.1. Analysis of Council results by program

Council delivers its functions and activities through the following programs.

(a) Chief Executive

Chief Executive provides efficient, effective and proactive support services to include the Mayor and Councillors. Chief Executive provides effective governance oversight of the organisation. Service areas include governance, enterprise risk and legal services.

Corporate Services

Corporate Services Management provides efficient, effective and proactive support services across council to enable the delivery of policy commitments, council vision and mission. The provision of these services includes finance services, digital information and technology, property and procurement, strategy and program delivery and program integration and development. Human resource management provides support to the organisation and ensures councils customer focus includes communication and community engagement processes.

Development and Community Services

Development and Community Services Management provides high quality community focused programs, service delivery and communication to residents. Development and Community Services Management is comprised of community care, connected communities, family services and health communities. The planning services area includes the assessment of town development, health and local laws, planning strategy and urban growth. Economic Development supports local festivals and events and advocates on behalf of the community for major events, tourism and cultural opportunities.

Infrastructure and Leisure Services

Infrastructure and Leisure Services Management is responsible for constructing new infrastructure and maintaining existing infrastructure across a very diverse range of assets that underpin the wellbeing of the community. These assets include capital works engineering services, waste, parks and gardens, emergency management and municipal resources. Infrastructure and Leisure Services Management is responsible for arts and culture, Port of Apollo Bay, leisure management and services and operations of council assets.

(b) Summary of revenues, expenses, assets and capital expenses by program

	Income	Expenses	Surplus/ (Deficit)	Grants included in income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2020					
Chief Executive	6	1,569	(1,563)	-	1,485
Corporate Services Management	41,313	19,841	21,472	11,248	27,159
Development and Community Services Management	6,786	13,025	(6,239)	2,537	13,735
Infrastructure and Leisure Services Management	8,646	21,150	(12,503)	3,291	334,917
	56,752	55,585	1,167	17,076	377,295
2019					
Chief Executive	1	1,514	(1,512)	-	1,099
Corporate Services Management	40,795	21,713	19,081	11,375	33,769
Development and Community Services Management	6,524	11,631	(5,107)	2,704	12,807
Infrastructure and Leisure Services Management	14,251	19,741	(5,491)	8,623	296,551
	61,570	54,599	6,972	22,702	344,226

Colac Otway Shire Council
2019/2020 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2020

Note 3 Funding for the delivery of our services	2020	2019
3.1. Rates and charges	\$'000	\$'000

Council uses Capital Improved Value as the basis of valuation of all properties within the municipal district. The Capital Improved Value of a property is its value of the land plus buildings and other improvements.

The valuation base used to calculate general rates for 2019/20 was \$6,619 million (2018/19 \$6,195 million).

General rates residential	16,223	15,750
General rates farm / rural	5,666	5,617
General rates commercial / industrial	3,215	3,259
Municipal charge	2,787	2,730
Garbage charge	3,196	3,147
Interest on rates and charges	81	162
Special rates and charges	22	22
Revenue in lieu of rates	176	217
Total rates and charges	31,366	30,905

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2020, and the valuation will be first applied in the rating year commencing 1 July 2020.

Annual rates and charges are recognised as revenues when Council issues annual rates notices. Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

3.2. Statutory fees and fines

Town planning fees	329	466
Health regulations	225	171
Building permits	90	103
Infringements and costs	84	94
Engineering fees	45	-
Land information certificates	33	31
Freedom of information	1	1
Special Charge schemes	-	19
Total statutory fees and fines	807	885

Statutory fees and fines (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

3.3. User fees

Aged services fees	2,183	1,618
Leisure centre fees	1,096	1,357
Colac livestock selling centre fees	462	488
Parking, animal control and local laws fees	238	287
Visitor information centre fees	230	300
Colac Otway performing arts & cultural centre fees	212	394
Waste disposal fees	215	198
Council properties fees and rental	213	211
Other fees and charges	187	38
Apollo bay harbour fees	111	118
Child care childrens programs	82	93
Town planning and building services fees	40	64
Total user fees	5,269	5,167

User fees are recognised as revenue when the service has been provided or council has otherwise earned the income.

Colac Otway Shire Council
2019/2020 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2020

Note 3 Funding for the delivery of our services	2020	2019
3.4. Funding from other levels of government	\$'000	\$'000
Grants were received in respect of the following :		
Summary of grants		
Commonwealth funded grants	9,799	10,157
State funded grants	7,277	12,545
Total grants received	17,076	22,702
(a) Operating Grants		
<i>Recurrent - Commonwealth Government</i>		
Financial Assistance Grant - untied base grant	3,926	4,939
Financial Assistance Grant - local roads	2,726	2,154
Family and community services	538	493
Diesel rebate scheme	97	178
Aged and disability services	78	91
Public Health	2	2
<i>Recurrent - State Government</i>		
Aged and disability services	1,254	1,271
Port management	861	1,060
Maternal and child health	397	417
Recreation and culture	216	105
Family and community services	91	15
School crossing supervisors	68	54
Fire Service Property Levy	47	-
Public Health	18	24
Environment and protection services	12	65
Total recurrent operating grants	10,333	10,868
<i>Non-recurrent - Commonwealth Government</i>		
Environment and protection services	200	200
City Deal	90	-
Recreation and culture	54	-
<i>Non-recurrent - State Government</i>		
Port Management	1,943	1,427
Recreation and culture	109	50
Family and community services	107	-
Environment	106	61
Roads	100	11
Strategic Planning	51	104
Civic Precinct	40	-
Disaster Recovery - Bushfire	26	3,998
Economic Development	15	-
Total non-recurrent operating grants	2,841	5,851
Total operating grants	13,174	16,719
(b) Capital Grants		
<i>Recurrent - Commonwealth Government</i>		
Roads to recovery	1,703	1,954
Recreation and culture	50	-
Total recurrent capital grants	1,753	1,954
<i>Non-recurrent - Commonwealth Government</i>		
Roads	334	-
Recreation and culture	-	146
<i>Non-recurrent - State Government</i>		
Roads	1,001	1,112
Recreation and culture	750	743
Family and community services	64	286
Bushfire recovery	-	1,742
Total non-recurrent capital grants	2,149	4,030
Total capital grants	3,902	5,984

Page 16

Colac Otway Shire Council
2019/2020 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2020

Note 3 Funding for the delivery of our services	2020	2019
3.4. Funding from other levels of government (cont'd)	\$'000	\$'000
(c) Unspent grants received on condition that they be spent in a specific manner		
Balance at start of year	2,682	3,705
Received during the financial year and remained unspent at balance date	1,690	2,447
Received in prior years and spent during the financial year	(2,682)	(3,470)
Balance at year end	<u>1,690</u>	<u>2,682</u>

Grant income is recognised at the point in time when the council satisfies its performance obligations as specified in the underlying agreement.

3.5. Contributions

Monetary	195	180
Non-monetary	728	457
Total contributions	<u>923</u>	<u>637</u>

Contributions of non monetary assets were received in relation to the following asset classes:

Drainage	381	169
Roads	290	222
Footpath	57	67
Total non-monetary contributions	<u>728</u>	<u>457</u>

Monetary and non monetary contributions are recognised as revenue when Council obtains control over the contributed asset.

3.6. Net gain/(loss) on disposal of property, infrastructure, plant and equipment

Proceeds of sale	233	288
Written down value of assets disposed	(277)	(86)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	<u>(44)</u>	<u>202</u>

The profit or loss on sale of an asset is determined when control of the asset has passed to the buyer.

3.7. Other income

Other income	968	413
Reimbursements	181	305
Interest	150	306
Rates Legal Costs Recovered	3	8
Scheme Interest Received	2	1
Colac Otway performing arts & cultural centre fees	-	4
Total other income	<u>1,303</u>	<u>1,037</u>

Interest is recognised as it is earned.

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.

Colac Otway Shire Council
2019/2020 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2020

Note 4 The cost of delivering services	2020	2019
4.1. (a) Employee costs	\$'000	\$'000
Wages and salaries	15,027	14,330
Employee leave	2,115	2,154
Superannuation	1,739	1,664
Casual staff	832	1,204
Sick leave	524	567
WorkCover	247	161
Fringe benefits tax	148	146
Other employee benefits	93	102
Total employee costs	20,727	20,329

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)

	94	101
	<u>94</u>	<u>101</u>

Employer contributions payable at reporting date.

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)

	1,017	911
Employer contributions - other funds	628	652
	<u>1,646</u>	<u>1,563</u>

Employer contributions payable at reporting date.

	145	152
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Refer to note 9.3 for further information relating to Council's superannuation obligations.

4.2. Materials and services

Contract Payments	11,375	10,553
Materials	4,296	4,900
Subscriptions and memberships	2,007	1,715
Consultants	1,048	963
Utilities	977	906
Agency staff	918	1,067
Plant and equipment maintenance	533	665
Insurances	508	388
Legal costs	496	520
Training costs	261	301
Other	38	10
Hire costs	2	60
Permits	-	1
Total materials and services	22,458	22,047

Page 18

Colac Otway Shire Council
2019/2020 Financial ReportNotes to the Financial Report
For the Year Ended 30 June 2020

Note 4 The cost of delivering services	2020	2019
4.3. Depreciation and amortisation	\$'000	\$'000
Infrastructure	7,932	7,554
Plant and equipment	1,310	1,394
Property	1,702	1,318
Total depreciation	10,944	10,266
Intangible assets	-	2
Total depreciation and amortisation	10,944	10,268

Refer to note 6.1 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

4.4 Amortisation - Intangible assets

Software	-	2
Total Amortisation - Intangible assets	-	2

4.5 Amortisation - Right of use assets

Plant and Equipment	95	-
Total Amortisation - Right of use assets	95	-

4.6 Bad and doubtful debts

Other debtors	15	47
Total bad and doubtful debts	15	47

Movement in provisions for doubtful debts

Balance at the beginning of the year	44	8
New provisions recognised during the year	37	44
Amounts already provided for and written off as uncollectible	(2)	(8)
Amounts provided for but recovered during the year	(22)	-
Balance at end of year	57	44

Provision for doubtful debt is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.

4.7 Borrowing costs

Interest - Borrowings	102	178
Total borrowing costs	102	178

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council.

4.8 Finance Costs - Leases

Interest - Lease Liabilities	35	-
Total finance costs	35	-

4.9 Other expenses

Community grants and donations	474	588
Councillors' allowances	262	253
Other	267	729
Rates and charges written off	65	26
Fire services levy	61	58
Auditors remuneration	45	46
Animal registration levy	22	19
Royalties and commissions	13	10
Total other expenses	1,209	1,729

Colac Otway Shire Council
2019/2020 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2020

Note 5 Our financial position	2020	2019
5.1. Financial assets	\$'000	\$'000
(a) Cash and cash equivalents		
Cash on hand	5	5
Cash at bank	1,146	5,319
Term deposits	15,047	15,200
Total cash and cash equivalents	16,198	20,524
Total financial assets	16,198	20,524

Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:

- Trust funds and deposits	985	802
- Statutory reserves	936	768
- Conditional grants unspent (Excludes Port of Apollo Bay)	1,580	1,083
- Port of Apollo Bay reserve cash held	565	2,022
- Disaster recovery reserve	6	2,155
Total restricted funds	4,072	6,830
Total unrestricted cash and cash equivalents	12,126	13,695

Intended allocations

Although not externally restricted the following amounts have been allocated for specific future purposes by Council:

- Other reserve funds allocated for specific future purposes.	12,793	14,310
- Carried forward works committed	2,466	3,485
Total funds subject to intended allocations	15,259	17,795

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.

Other financial assets are valued at fair value, at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

Colac Otway Shire Council
2019/2020 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2020

Note 5 Our financial position	2020	2019
5.1. Financial assets (cont'd)	\$'000	\$'000
(b) Trade and other receivables		
Current		
Statutory receivables		
Rates Debtor	2,336	1,691
Government operating grants	143	763
Net GST receivable	182	268
Special rate assessment	42	40
Parking infringement debtor	60	52
Other infringements	124	117
Provision for doubtful debts - infringements	(14)	-
Other debtors	530	418
Provision for doubtful debts - other debtors	(43)	(44)
Total current trade and other receivables	<u>3,359</u>	<u>3,304</u>
Total trade and other receivables	<u>3,359</u>	<u>3,304</u>

Short term receivables are carried at invoice amount. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Long term receivables are carried at amortised cost using the effective interest rate method.

(c) Ageing of Receivables

The ageing of the Council's trade and other receivables (excluding statutory receivables) that are not impaired was:

Current (not yet due)	379	242
Past due by up to 30 days	12	69
Past due between 31 and 180 days	43	26
Past due between 181 and 365 days	28	28
Past due by more than 1 year	24	8
Total trade and other receivables	<u>487</u>	<u>374</u>

(d) Ageing of individually impaired Receivables

At balance date, other debtors representing financial assets with a nominal value of \$43k (2019: \$44k) were impaired. The amount of the provision raised against these debtors was \$43k (2019: \$44k). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of receivables that have been individually determined as impaired at reporting date was:

Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 180 days	-	7
Past due between 181 and 365 days	-	5
Past due by more than 1 year	43	32
Total trade & other receivables	<u>43</u>	<u>44</u>

Colac Otway Shire Council
2019/2020 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2020

Note 5 Our financial position

5.2. Non-financial assets	2020	2019
(a) Inventories	\$'000	\$'000
Inventories held for distribution	53	17
Inventories held for sale	162	132
Total inventories	215	149

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

(b) Other assets

Prepayments	134	239
Accrued income	352	192
Total other assets	486	431

5.3. Payables

(a) Trade and other payables	\$'000	\$'000
Trade payables	2,327	2,723
Accrued expenses	822	1,178
Unearned Income	2,473	-
Total trade and other payables	5,622	3,900

Unearned income

Grants received in advance - operating	1,401	-
Grants received in advance - capital	289	-
Other	783	-
Total unearned income	2,473	-

(b) Trust funds and deposits

Refundable deposits	409	440
Fire services levy	349	307
Retention amounts	228	55
Total trust funds and deposits	985	802

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

Purpose and nature of items

Refundable deposits - Deposits are taken by council as a form of surety in a number of circumstances, including in relation to building works, tender deposits, contract deposits and the use of civic facilities.

Fire Service Levy - Council is the collection agent for fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the state government in line with that process.

Retention Amounts - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

Colac Otway Shire Council
2019/2020 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2020

Note 5 Our financial position

5.4. Interest-bearing liabilities	2020 \$'000	2019 \$'000
Current		
Borrowings - secured	286	1,697
	<u>286</u>	<u>1,697</u>
Non-current		
Borrowings - secured	738	1,024
	<u>738</u>	<u>1,024</u>
Total	<u>1,024</u>	<u>2,721</u>

Borrowings are secured by council rates and charges

(a) The maturity profile for Council's borrowings is:

Not later than one year	286	1,697
Later than one year and not later than five years	738	1,024
Later than five years	-	-
	<u>1,024</u>	<u>2,721</u>

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities at initial recognition.

5.5. Provisions

	Employee \$ '000	Landfill restoration \$ '000	Total \$ '000
2020			
Balance at beginning of the financial year	4,241	9,265	13,507
Additional provisions	1,391	-	1,391
Amounts used	(1,415)	(203)	(1,618)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	243	(161)	82
Balance at the end of the financial year	<u>4,461</u>	<u>8,901</u>	<u>13,362</u>
2019			
Balance at beginning of the financial year	4,015	9,036	13,051
Additional provisions	1,696	-	1,696
Amounts used	(1,470)	(147)	(1,617)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	-	377	377
Balance at the end of the financial year	<u>4,241</u>	<u>9,265</u>	<u>13,507</u>
	2020	2019	
	\$'000	\$'000	
(a) Employee provisions			
Current provisions expected to be wholly settled within 12 months			
Annual leave	1,167	1,146	
Long service leave	202	202	
Time in lieu	99	99	
	<u>1,468</u>	<u>1,447</u>	
Current provisions expected to be wholly settled after 12 months			
Annual leave	244	246	
Long service leave	2,399	2,309	
	<u>2,644</u>	<u>2,555</u>	
Total current employee provisions	<u>4,111</u>	<u>4,002</u>	
Non-current			
Long service leave	349	239	
Total non-current employee provisions	<u>349</u>	<u>239</u>	
Aggregate carrying amount of employee provisions:			
Current	4,111	4,002	
Non-current	349	239	
Total aggregate carrying amount of employee provisions	<u>4,461</u>	<u>4,241</u>	

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

Note 5 Our financial position**5.5. Provisions (cont'd)****(a) Employee provisions***Wages and salaries and annual leave*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulated sick leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. LSL is measured at present value. Unconditional LSL is disclosed as a current liability. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability.

Key assumptions:

- discount rate	0.02%	1.04%
- index rate	1.75%	1.75%

	2020	2019
	\$'000	\$'000
(b) Landfill restoration		
Current	246	1,537
Non-current	8,655	7,728
	<u>8,901</u>	<u>9,265</u>

Council is obligated to restore various landfill sites to a particular standard. The forecast life of the sites are based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Key assumptions:

- discount rate	0.58%	1.46%
- index rate	1.50%	2.00%

5.6. Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2020.

Business Card Facility (balance cleared monthly)	50	50
Total facilities	<u>50</u>	<u>50</u>
Used facilities	-	-
Unused facilities	<u>50</u>	<u>50</u>

Note 5 Our financial position**5.7. Commitments**

The Council has entered into the following commitments. Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
2020					
Operating					
Garbage collection	565	-	-	-	565
Consultancies	252	-	-	-	252
Civil Works	933	-	-	-	933
Information Technology	41	41	24	-	105
Total	1,791	41	24	-	1,856
Capital					
Civil Works	1,617	1,350	-	-	2,967
Plant and Equipment	250	250	-	-	500
Total	1,867	1,600	-	-	3,467
2019					
Operating					
Garbage collection	3,034	759	-	-	3,793
Consultancies	61	61	-	-	122
Street Lighting	600	-	-	-	600
Information Technology	52	-	-	-	52
Total	3,748	820	-	-	4,567
Capital					
Civil Works	2,293	1,617	1,350	-	5,260
Plant and Equipment	250	250	250	-	750
Total	2,543	1,867	1,600	-	6,010

Note 5 Our financial position

5.8 Leases

Policy applicable before 1 July 2019

As a lessee, council classifies leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to council.

Operating lease payments, including any contingent rentals, were recognised as an expense in the comprehensive income statement on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. The leased asset was not recognised in the balance sheet.

All incentives for the agreement of a new or renewed operating lease were recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives were received to enter into operating leases, the aggregate cost of incentives were recognised as a reduction of rental expense over the lease term on a straight-line basis, unless another systematic basis was more representative of the time pattern in which economic benefits from the leased asset were consumed.

Policy applicable after 1 July 2019

Council has applied AASB 16 Leases using a modified retrospective approach with the cumulative effect of initial application recognised as an adjustment to the opening balance of accumulated surplus at 1 July 2019, with no restatement of comparative information. The council applied the approach consistently to all leases in which it is a lessee.

On transition to AASB 16 Leases, Council elected to apply the practical expedient to 'grandfather' the assessment of which transactions are leases. The council has applied this practical expedient to all of its contracts and therefore applied AASB 16 Leases only to contracts that were previously identified as leases.

At inception of a contract, all entities would assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To identify whether a contract conveys the right to control the use of an identified asset, it is necessary to assess whether:

- The contract involves the use of an identified asset;
- The customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The customer has the right to direct the use of the asset.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

As a lessee, Council recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentives received; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an appropriate incremental borrowing rate. Generally, Council uses an appropriate incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that Council is reasonably certain to exercise, lease payments in an optional renewal period if Council is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Council is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Council has elected to apply the temporary option available under AASB 16 Leases which allows not-for-profit entities to not measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

Colac Otway Shire Council
2019/2020 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2020

Note 5 Our financial position
5.8 Leases (cont'd)

<i>Right-of-Use Assets</i>	Plant and Equipment	Total
	\$'000	\$'000
Balance at 1 July 2019	869	869
Additions	89	89
Amortisation charge	(95)	(95)
Balance at 30 June 2020	<u>863</u>	<u>863</u>

Lease Liabilities	2020
Maturity analysis - contractual undiscounted cash	\$'000
Less than one year	140
One to five years	521
More than five years	373
Total undiscounted lease liabilities as at 30 June:	<u>1,034</u>

Lease liabilities included in the Balance Sheet at 30 June:

Current	105
Non-current	773
Total lease liabilities	<u>879</u>

Short-term and low value leases

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets (individual assets worth less than existing capitalisation thresholds for a like asset up to a maximum of AUD\$10,000), including IT equipment. Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

	2020
Expenses relating to:	\$'000
Short-term leases	81
Leases of low value assets	-
Total	<u>81</u>
Variable lease payments (not included in measurement of lease)	-

i. Leases classified as operating leases under AASB 117 Leases

At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at Council's incremental borrowing rate as at 1 July 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. Council applied this approach to all applicable leases.

Council used the following practical expedients when applying AASB 16 Leases to leases previously classified as operating leases under AASB 117 Leases.

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Adjusted the right-of-use assets by the amount of AASB 137 Provisions, Contingent Liabilities and Contingent Assets onerous contract provision immediately before the date of initial application, as an alternative to an impairment review.
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

ii. Leases previously classified as finance leases

For leases that were classified as finance leases under AASB 117 Leases, the carrying amount of the right-of-use asset and the lease liability at 1 July 2019 are determined at the carrying amount of the lease asset and lease liability under AASB 117 Leases immediately before that date.

Council is not required to make any adjustments on transition to AASB 16 Leases for leases in which it acts as a lessor, except for a sub-lease. Council accounted for its leases in accordance with AASB 16 Leases from the date of initial application.

Impact on financial statements

On transition to AASB 16 Leases, Council recognised an additional \$869k of right-of-use assets and \$869k of lease liabilities, recognising the difference in retained earnings.

When measuring lease liabilities, Council discounted lease payments using its incremental borrowing rate at 1 July 2019. The weighted-average rate applied is 4.25%.

Note 6 Assets we manage**6.1. Property, infrastructure, plant and equipment (cont'd)***Acquisition*

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

In accordance with Council's policy, the threshold limits have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

<i>Asset recognition thresholds and depreciation periods</i>	Depreciation Period	Threshold Limit \$'000
Land		
land	-	-
land under roads	-	-
land improvements	-	5
Buildings		
heritage buildings	90 - 180 years	5
buildings	10 - 120 years	5
shelters	10 - 90 years	5
building improvements	10 - 180 years	5
leasehold improvements	10 - 180 years	5
<u>Plant and Equipment</u>		
Furniture		
art work	0 - 100 years	4
indoor furniture	5 - 30 years	4
playground equipment	10 - 40 years	4
Plant		
heritage plant and equipment	-	10
fixed plant, machinery and equipment	3 - 50 years	10
fleet (vehicles)	3 - 30 years	10
major plant	3 - 50 years	10
minor plant	3 - 10 years	4
Equipment		
appliances	3 - 60 years	4
fixed equipment / fixtures and fittings	5 - 55 years	4
computers and telecommunications	3 - 21 years	4
leased plant and equipment	-	4
<u>Infrastructure</u>		
Roads		
road and tarmac formation and earthworks	-	10
road and tarmac pavements	10 - 80 years	10
road and tarmac seals	10 - 60 years	10
road and tarmac kerb, channel and minor culverts	45 - 80 years	2.5
footpaths and cycleways	15 - 50 years	2.5
Bridges		
bridges deck	10 - 70 years	10
bridges substructure	10 - 70 years	10
bridges major culverts	50 - 70 years	10
Drainage		
open drainage network	10 - 100 years	10
pit and pipe network	40 - 100 years	10
water retention structures	80 - 100 years	10
Other Infrastructure		
gardens and landscaping	5 - 25 years	10
playing surfaces	10 - 70 years	10
retaining structures	10 - 45 years	10
off street car parks	25 - 100 years	10
aerodromes	25 - 100 years	10
<u>Intangible assets</u>		
software	5 years	4

Note 6 Assets we manage**6.1. Property, infrastructure, plant and equipment (cont'd)****Land under roads**

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

Buildings, land improvements, plant and equipment, infrastructure, and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

Straight line depreciation is charged based on the residual useful life as determined each year.

Depreciation periods used are listed above and are consistent with the prior year unless otherwise stated.

Repairs and maintenance

Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

Valuation of land and buildings

Valuation of land and buildings were undertaken 2017-2018 by a qualified independent valuer Mr Les Speed – Certified Practising Valuer – API Member No. 623379 of Preston Paterson Rowe. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Specialised land is valued at fair value using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2020 are as follows:

	Level 1	Level2	Level 3	Revaluation Date
Land	-	21,784	-	30/06/2018
Specialised land	-	-	3,607	30/06/2018
Buildings	-	9,492	33,966	30/06/2018
Total	-	31,275	37,574	

Note 6 Assets we manage**6.1. Property, infrastructure, plant and equipment (cont'd)****Valuation of infrastructure**

Valuation of infrastructure assets has been determined in accordance with an internal valuation undertaken by Budhimma Edi (B.Eng).

An index and condition based revaluation was conducted in the current year.

The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2020 are as follows:

	Level 1	Level 2	Level 3	Revaluation Date
Roads	-	-	204,294	30/06/2020
Bridges	-	-	13,735	30/06/2020
Footpaths and cycleways	-	-	19,427	30/06/2018
Drainage	-	-	26,549	30/06/2020
Other infrastructure	-	-	7,070	N/A
Total	-	-	271,076	

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$1 and \$270 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$200 to \$2,250 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 40 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 5 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2020	2019
	\$'000	\$'000
Reconciliation of specialised land		
Land under roads	224	224
Parks and reserves	3,383	3,362
Total specialised land	3,607	3,586

Correction of a prior period error

Council have identified a prior period error, which relates to the recognition of Council assets that were not recognised in the Financial Statements in prior years. These identified assets relate to the recognition of Drainage assets valued at \$2.518m. The Financial Statements have been adjusted to reflect the Found Assets, including the restatement of the 2018-19 comparative figures, increasing property, infrastructure, plant and equipment and accumulated surplus.

The error has been corrected by restating each of the impacted financial statement line items for the year in which the error occurred and described above.

	2020	2019
	\$'000	\$'000
Drainage		
Opening Balance	25,372	22,941
Movements in fair value	(9,748)	419
Movements in accumulated depreciation	10,926	(506)
Closing balance per financial statements	26,549	22,854
Adjustment - Found Assets	-	2,518
Adjusted Closing Balance	26,549	25,372

Note 6 Assets we manage	2020	2019
6.2. Investments in associates, joint arrangements and subsidiaries	\$'000	\$'000

(a) Investments in associates

Investments in associates accounted for by the equity method are:

- Corangamite Regional Library Corporation
- Colac Community Library and Learning Centre

Corangamite Regional Library Corporation*Background*

The Corangamite Regional Library Corporation is a corporation owned by four (4) councils: Colac Otway Shire, Corangamite Shire, Moyné Shire and Warrnambool City. Colac Otway Shire has a 24.04% equity interest in 2019/2020 (2018/2019 24.05%).

Fair value of Council's investment in Corangamite Regional Library Corporation**Council's share of accumulated surplus/(deficit)**

Council's share of accumulated surplus/(deficit) at start of year	375	293
Reported surplus/(deficit) for year	51	34
Transfers (to) from reserves	0	46
Council's share of accumulated surplus/(deficit) at end of year	<u>426</u>	<u>374</u>

Council's share of reserves

Council's share of reserves at start of year	15	61
Transfers (to) from reserves	-	(46)
Council's share of reserves at end of year (based on population)	<u>15</u>	<u>15</u>

Movement in carrying value of specific investment

Carrying value of investment at start of year	390	355
Share of surplus/(deficit) for year	51	34
Share of asset revaluation		
Change in equity share due to population change	-	1
Carrying value of investment at end of year	<u>441</u>	<u>390</u>

Significant restrictions

The associate is not required to repay dividends, loans or advances to Council.

(b) Investments in joint ventures**Colac Community Library and Learning Centre***Background*

The Colac Community Library and Learning Centre is a joint venture between the Colac Otway Shire and Victorian Department of Education and Early Childhood Development and the Colac Secondary College, which results in Colac Otway Shire legally owning 50% of the assets.

The venture's purpose is to construct and operate a joint use library facility.

Council's commitment to the venture is limited to providing a contribution to the construction and fitout costs. Council's share is 50% of costs.

Council accounts for its interests in the joint venture by applying the proportionate consolidation method and by combining Council's share of each of the assets, liabilities, incomes and expenses of the jointly controlled entity with similar items line by line in council's financial statements.

Council's share of accumulated surplus/(deficit)

Council is not entitled to a share of any accumulated surplus or deficit.

Council's share of reserves

Council is not entitled to a share of any reserves

Movement in carrying value of specific investment

Carrying value of investment at start of year	2,840	2,880
Depreciation	(40)	(40)
Carrying value of investment at end of year	<u>2,800</u>	<u>2,840</u>

Council's share of expenditure commitments

Council is not exposed to any further expenditure commitments.

Council's share of contingent liabilities and contingent assets

There are no known contingencies outstanding as at 30 June 2020.

Significant restrictions

The joint venture is not required to repay dividends, loans or advances to Council.

Colac Otway Shire Council
2019/2020 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2020

Note 7 People and relationships	2020	2019
7.1. Council and key management remuneration	No.	No.
(a) Related Parties		
<i>Parent entity</i>		
Colac Otway Shire Council is the parent entity.		
<i>Subsidiaries and Associates</i>		
Interests in subsidiaries and associates are detailed in Note 6.2.		
(b) Key Management Personnel		
Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:		
Councillors		
	Councillor Chris Potter	
	Councillor Stephen Hart	
	Councillor Chris Smith	
	Councillor Brian Crook	
	Councillor Kate Hanson	
	Councillor Joe McCracken	
	Councillor Jason Schram (Mayor)	
Chief Executive Officer and other Key Management Personnel		
	Chief Executive	
	General Manager Corporate Services	
	General Manager Infrastructure and Leisure Services	
	General Manager Development & Community Services	
Total Number of Councillors	7	8
Total of Chief Executive Officer and other Key Management Personnel	4	5
Total Number of Key Management Personnel	<u>11</u>	<u>13</u>
(c) Remuneration of Key Management Personnel		
	2020	2019
	\$'000	\$'000
Total remuneration of key management personnel was as follows:		
Short-term benefits	1,027	1,088
Long-term benefits	19	18
Post employment benefits	72	75
Total	<u>1,118</u>	<u>1,181</u>
The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:		
\$1 - \$9,999	-	1
\$20,000 - \$29,999	4	3
\$30,000 - \$39,999	2	2
\$40,000 - \$49,999	-	1
\$60,000 - \$69,999	-	1
\$70,000 - \$79,999	-	1
\$80,000 - \$89,999	1	-
\$180,000 - \$189,999	-	1
\$190,000 - \$199,999	1	2
\$200,000 - \$209,999	2	-
\$230,000 - \$239,999	1	-
\$240,000 - \$249,999	-	1
	<u>11</u>	<u>13</u>
(d) Senior Officer Remuneration		
A Senior Officer is an officer of Council, other than Key Management Personnel, who:		
a) has management responsibilities and reports directly to the Chief Executive; or		
b) whose total annual remuneration exceeds \$151,000		
The number of Senior Officers are shown below in their relevant income bands:		
	2020	2019
	No.	No.
Income Range:		
\$140,000 - \$149,999	-	1
\$150,000 - \$159,999	3	2
\$160,000 - \$169,999	-	1
\$170,000 - \$179,999	1	-
\$180,000 - \$189,999	1	-
	<u>5</u>	<u>4</u>
Total Remuneration for the reporting year for Senior Officers included above, amounted to:	831	606

Colac Otway Shire Council
2019/2020 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2020

Note 7 People and relationships	2020	2019
7.2. Related party disclosure	\$'000	\$'000

(a) Transactions with related parties

During the period Council entered into the following transactions with related parties.

Employee benefit	46	22
Materials & Services	35	19
Other Expenses	6	4

The following is the aggregate amount of transactions with **Investments in associates**.

Payments made to Corangamite Regional Library Corporation	727	709
Payments received from Corangamite Regional Library	1	28

All transactions Council enter into with related parties are undertaken on commercial terms, within Council Policy.

(b) Outstanding balances with related parties

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties.

Accounts Receivable	-	-
Accounts Payable	2	1

(c) Loans to/from related parties

There are no loans in existence at balance date that have been made, guaranteed or secured by the council to any related parties.

(d) Commitments to/from related parties

There are no commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party.

Note 8 Managing uncertainties**8.1. Contingent assets and liabilities****(a) Contingent assets**

Council has a number of funding sources that are contingent on the completion of an acquittal report early in the 2019/20 financial year resulting in revenue being recognised, and cash received, in 2020/21, rather than 2019/20.

(b) Contingent liabilities**Superannuation**

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined in Note 9.3. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

Financial Assurances

Council is obligated under Section 194 (2A) and 21 of the Environment Protection Act 1970 to provide financial assurance for any remedial action, rehabilitation and site aftercare costs in relation to the Alvie tip site. The purpose of this provision is to ensure that Council does not impose any undue burden on Council's ratepayers to address any of these costs during the operation or after the closure of its operating landfill sites. The amount of the financial assurance provided to the Environment Protection Authority (EPA) is \$322,500.

(c) Guarantees for loans to other entities

Council has no guarantees in place for loans to other entities.

8.2. Change in accounting standards

The following new AAS's have been issued that are not mandatory for the 30 June 2020 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

AASB 1059 Service Concession Arrangements: Grantors (AASB 1059) (applies 2020/21 for LG Sector)

AASB 1059 addresses the accounting for a service concession arrangement by a grantor that is a public sector entity by prescribing the accounting for the arrangement from the grantor's perspective. It requires the grantor to:

- recognise a service concession asset constructed, developed or acquired from a third party by the operator, including an upgrade to an existing asset of the grantor, when the grantor controls the asset;
- reclassify an existing asset (including recognising previously unrecognised identifiable intangible assets and land under roads) as a service concession asset when it meets the criteria for recognition as a service concession asset;
- initially measure a service concession asset constructed, developed or acquired by the operator or reclassified by the grantor at current replacement cost in accordance with the cost approach to fair value in AASB 13 Fair Value Measurement. Subsequent to the initial recognition or reclassification of the asset, the service concession asset is accounted for in accordance with AASB 116 Property, Plant and Equipment or AASB 138 Intangible Assets, as appropriate, except as specified AASB 1059;
- recognise a corresponding liability measured initially at the fair value (current replacement cost) of the service concession asset, adjusted for any other consideration between the grantor and the operator; and
- disclose sufficient information to enable users of financial statements to understand the nature, amount, timing and uncertainty of assets, liabilities, revenue and cash flows arising from service concession arrangements.

Based on the Council's current assessment, there is expected to be no impact on the transactions and balances recognised in the financial statements as the Council is not a grantor in a service concession arrangement.

AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material (applies 2020/21 for

The Standard principally amends AASB 101 Presentation of Financial Statements and AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. The amendments refine the definition of material in AASB 101. The amendments clarify the definition of material and its application by improving the wording and aligning the definition across AASB Standards and other publications. The impacts on the local government sector are expected to be minimal.

AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework

This Standard sets out amendments to Australian Accounting Standards, Interpretations and other pronouncements to reflect the issuance of the Conceptual Framework for Financial Reporting (Conceptual Framework) by the AASB. The impacts on the local government sector are expected to be minimal.

Note 8 Managing uncertainties

8.3. Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of council financial instruments will fluctuate because of changes in market prices. The Council's exposure to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1989*. Council manages interest rate risk by adopting an investment policy that ensures:

- diversification of investment product;
- monitoring of return on investment; and
- benchmarking of returns and comparison with budget.

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

(c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

- council have a policy for establishing credit limits for the entities council deal with;
- council may require collateral where appropriate; and
- council only invest surplus funds with financial institutions which have a recognised credit rating specified in council's investment policy.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when council provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 8.1(b).

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

Note 8 Managing uncertainties**8.3. Financial instruments (cont'd)****(d) Liquidity risk**

Liquidity risk includes the risk that, as a result of council's operational liquidity requirements it will not have sufficient funds to settle a transaction when required or will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 8.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.4.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

(e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of + 0.25% and -0.25% in market interest rates (AUD) from year-end rates of 0.81%.

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

8.4. Fair value measurement*Fair value hierarchy*

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy, Council's financial assets and liabilities are measured at amortised cost.

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. AASB 13 Fair value measurement, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

Note 8 Managing uncertainties**8.4. Fair value measurement (cont'd)***Revaluation*

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 2 to 5 years. The valuation is performed either by experienced council officers or independent experts.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

8.5. Events occurring after balance date

The COVID-19 Pandemic has created unprecedented economic uncertainty. Actual economic events and conditions in the future may be materially different from those estimated by Colac Otway Shire at the reporting date. As responses by government continue to evolve, management recognises that it is difficult to reliably estimate with any degree of certainty the potential impact of the pandemic after the reporting date on Colac Otway Shire, its operations, its future results and financial position. The state of emergency in Victoria was extended on 16 August 2020 until 13 September 2020 and the state of disaster still in place.

No other matters have occurred after balance date that require disclosure in the financial report.

Note 9 Other matters**9.1. Reserves**

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
(a) Asset revaluation reserves			
2020			
Property			
Land	16,529	-	16,529
Buildings	8,570	-	8,570
	25,099	-	25,099
Plant and Equipment			
Fixed plant, furniture and equipment	293	-	293
	293	-	293
Infrastructure			
Roads	109,441	31,235	140,676
Bridges	7,914	-	7,914
Footpaths and cycleways	7,312	386	7,698
Kerb and channelling	11,619	-	11,619
Drainage	14,341	492	14,833
	150,626	32,113	182,740
Total asset revaluation reserves	176,018	32,113	208,131
2019			
Property			
Land	16,529	-	16,529
Buildings	8,570	-	8,570
	25,099	-	25,099
Plant and Equipment			
Fixed plant, furniture and equipment	293	-	293
	293	-	293
Infrastructure			
Roads	88,521	20,920	109,441
Bridges	7,914	-	7,914
Footpaths and cycleways	7,312	-	7,312
Kerb and channelling	11,619	-	11,619
Drainage	14,341	-	14,341
	129,706	20,920	150,626
Total asset revaluation reserves	155,098	20,920	176,018

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

Colac Otway Shire Council
2019/2020 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2020

Note 9 Other matters

9.1. Reserves (cont'd)

(b) Other reserves

2020

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
Carried Forward Projects	3,372	2,465	(3,372)	2,466
Port of Apollo Bay	2,022	1,499	(2,956)	565
Waste Management	2,004	3,199	(2,896)	2,307
Long Service Leave	2,572	332	(252)	2,652
Landfill rehabilitation (Alvie)	923	57	-	980
Recreational lands	768	124	-	892
Colac livestock selling centre	26	462	(488)	-
Rehabilitation	789	143	-	932
Plant replacement	2,441	1,591	(2,176)	1,856
Tirrengower Drainage Scheme	11	22	(9)	24
Local Government Financial Vehicle Sinking Funds	1,000	-	(1,000)	-
Water Saving Urban Design	-	44	-	44
Contingent Liability	500	-	(500)	-
Strategic Projects	382	220	-	602
Financial Assistance Grants received in advance	3,663	3,438	(3,662)	3,439
Disaster Recovery	2,155	-	(2,149)	6
Total Other reserves	22,627	13,598	(19,459)	16,765

2019

Carried Forward Projects	3,970	-	(598)	3,372
Port of Apollo Bay	1,173	2,690	(1,842)	2,022
Waste Management	1,778	3,156	(2,929)	2,004
Long Service Leave	2,631	2,750	(2,809)	2,572
Landfill rehabilitation (Alvie)	866	57	-	923
Recreational lands	725	43	-	768
Colac livestock selling centre	124	488	(586)	26
Rehabilitation	646	143	-	789
Plant replacement	2,082	1,783	(1,424)	2,441
Tirrengower Drainage Scheme	11	22	(23)	11
Local Government Financial Vehicle Sinking Funds	1,004	100	(104)	1,000
Unallocated Surplus	934	-	(934)	-
Contingent Liability	500	-	-	500
Strategic Projects	200	382	(200)	382
Financial Assistance Grants received in advance	3,199	3,663	(3,199)	3,663
Disaster Recovery	1,789	366	-	2,155
Total Other reserves	21,630	15,644	(14,648)	22,627

Note 9 Other matters

9.1. Reserves (cont'd)

Purposes for ReservesCarried forward projects reserve

This reserve is to recognise the funds allocated and received in prior financial periods that are committed to unfinished projects. This includes grants received in advance for specific projects and funds allocated from prior financial years for projects that are still incomplete at the end of the current financial year.

Port of Apollo Bay reserve

These funds are bound by an agreement with the Department of Transport concerning the operations of the Port of Apollo Bay and are the value of cash assets owed.

Waste Management reserve

This reserve was set up as a source of funding the replacement of kerbside bins. All funds in this reserve are collected from the waste collection service charge and are to be used only in connection with the waste collection service.

Long service leave reserve

The purpose of this reserve is to ensure that the nominal long service leave balances owing to employees are maintained.

Landfill rehabilitation (Alvie) reserve

This reserve relates to the funds required to restore the Alvie Tip. The rehabilitation reserve will continue to grow until the Tip closes, at which time, the funds will be utilised to meet this obligation.

Recreational lands reserve

Statutory reserve to be used for the development of recreational reserves and public open space.

Colac livestock selling centre reserve

This reserve is for the purpose of funding works at the Colac Livestock Selling Centre and all funds are derived from any surplus made from the operations of the Colac Livestock Selling Centre.

Rehabilitation reserve

This reserve is to fund the rehabilitation of the various waste disposal sites across the Colac Otway Shire.

Plant replacement reserve

This reserve is to fund the replacement of council's plant at the end of their useful lives. Inflows to the reserve accrue out of any plant operating surplus with the funds then being used for the changeover of plant.

Tirrengower Drainage Scheme reserve

These funds are collected via a special rate and must be expended against the purpose of the drainage scheme at Tirrengower.

Local Government Financing Vehicle Sinking Fund

This reserve has been established to set aside monies to fund the repayment of the Local government Financing Vehicle (LGFV) bonds as the bonds come due for payment.

Water Saving Urban Design reserve

Statutory reserve to be used for the construction of Future Water Quality Infrastructure.

Contingent liability reserve

This reserve allows for the payment of a potential obligation that may be incurred depending on the outcome a future event.

Strategic Projects Reserve

The purpose of this reserve is for strategic projects and acquisitions of new or expanded assets that are of an intergenerational nature.

Financial Assistance Grants received in advance

The purpose of this reserve is to set aside any Commonwealth Financial Assistance Grant funding received in advance of its intended allocation.

Disaster Recovery reserve

The purpose of this reserve is to set aside funds received in advance for use in the recovery of Disaster events. The reserve may only be used in accordance with the terms of the disaster relief funding agreements.

Colac Otway Shire Council
2019/2020 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2020

Note 9 Other matters	2020	2019
9.2. Reconciliation of cash flows from operating activities to surplus/(deficit)	\$'000	\$'000
Surplus/(deficit) for the year	1,167	6,971
Revenue adjustment - impact of AASB 15 Revenue from Contracts with Customers	(1,153)	-
Depreciation/amortisation	11,039	10,268
Finance costs	137	178
Share of result of associate	(51)	(35)
Profit/(loss) on disposal of property, infrastructure, plant and equipment	44	(202)
Contributions - non monetary assets	(728)	(457)
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(55)	(115)
(Increase)/decrease in prepayments	104	16
(Increase)/decrease in accrued income	(160)	(88)
(Decrease)/increase in trade and other payables	1,722	(882)
(Increase)/decrease in inventories	(67)	2
(Increase)/decrease in trust funds & deposits	183	410
(Decrease)/increase in provisions	(145)	455
Net cash provided by/(used in) operating activities	12,036	16,521

9.3. Superannuation

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in Comprehensive Income Statement when they are made or due.

Accumulation

The Fund's accumulation categories receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2020, this was 9.5% as required under Superannuation Guarantee legislation).

Defined Benefit

Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan. There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Colac Otway Shire Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

Funding Arrangements

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary.

A triennial actuarial review is currently underway for the Defined Benefit category as at 30 June 2020 and is expected to be completed by 31 December 2020.

As at 30 June 2019, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Colac Otway Shire Council is a contributing employer was 107.1%.

The financial assumptions used to calculate the VBIs were:

Net investment returns 6.0% pa

Salary information 3.5% pa

Price inflation (CPI) 2.0% pa.

Vision Super has advised that the VBI at 30 June 2020 was 104.6%.

The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2019 interim actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Note 9 Other matters

9.3. Superannuation (cont'd)

Employer Contributions

Regular Contributions

On the basis of the results of the 2017 full actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2020, this rate was 9.5% of members' salaries (9.5% in 2018/2019). This rate will increase in line with any increases in the SG contribution rate. In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

Funding Calls

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

The 2019 interim actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Colac Otway Shire is a contributing employer. Generally, a full actuarial investigation conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2019 and a full actuarial investigation was conducted as at 30 June 2017.

The Fund's actuarial investigations identified the following for the Defined Benefit category of which Colac Otway Shire Council is a contributing employer:

	2019 \$'000	2017 \$'000
A VBI surplus	151,300	69,800
A total service liability surplus	233,400	193,500
A discounted accrued benefits surplus	256,700	228,800

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2019.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2019.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to the investigation date.

Council was notified of the 30 June 2019 VBI during August 2019.

The 2020 triennial actuarial investigation

A triennial actuarial investigation is being conducted for the Fund's position as at 30 June 2020. It is anticipated that this actuarial investigation will be completed by 31 December 2020. The financial assumptions for the purposes of this investigation are:

	2020 Triennial Investigation	2017 Triennial Investigation
Net investment return	5.6% pa	6.5% pa
Salary inflation	2.50 % pa for the first two years and 2.75% pa thereafter	3.5% pa
Price inflation	2.0% pa	2.5% pa

Note 10 Change in accounting policy

Council has adopted AASB 15 Revenue from Contracts with Customers, AASB 16 Leases and AASB 1058 Income of Not-for-Profit Entities, from 1 July 2019. This has resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements.

Due to the transition methods chosen by Council in applying these standards, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standards except in relation to contracts that were not complete at 1 July 2019. The transition impact of these are detailed below.

a) AASB 15 Revenue from Contracts with Customers - Impact of Adoption

AASB 15 Revenue from Contracts with Customers applies to revenue transactions where Council provides services or goods under contractual arrangements.

Council adopted AASB 15 Revenue from Contracts with Customers using the modified (cumulative catch up) method. Revenue for 2019 as reported under AASB 118 Revenue is not adjusted, because the new standard is only applied from the date of initial application.

AASB 15 Revenue from Contracts with Customers requires revenue from contracts with customers to be recognised as Council satisfies the performance obligations under the contract.

b) AASB 16 Leases

AASB 16 Leases requires right of use assets and related liabilities for all lease agreements to be recognised on the balance sheet. The Statement of Comprehensive Income is to separately recognise the amortisation of the right of use asset, and the finance costs relating to the lease. Council has elected to adopt the modified (cumulative catch up) method under the standard and as such has not adjusted 2019 disclosures. The transition impact of these are detailed below.

c) AASB 1058 Income of Not-for-Profit Entities

AASB 1058 Income of Not-for-Profit Entities applies to income received where no contract is in place. This includes statutory charges (such as rates) as well as most grant agreements.

Council adopted AASB 1058 Income of Not-for-Profit Entities using the modified (cumulative catch up) method. Income for 2019 is not adjusted, because the new standard is only applied from the date of initial application.

AASB 1058 Income of Not-for-Profit Entities requires income to be recognised as Council satisfies the performance obligations under the contract.

d) Transition Impacts

The following table summarises the impact of transition to the new standards on retained earnings at 1 July 2019.

	2019 \$'000
Retained earnings at 30 June 2019	124,652
Revenue adjustment - impact of AASB 15 Revenue from Contracts with Customers	(1,153)
Retained earnings at 1 July 2019	123,499

Council adopted the practical expedient of deeming the lease asset to be equal in value to the lease liability at 1 July 2019. As such there was no impact on retained earnings on the adoption of AASB 16

The following table summarises the impacts of transition to the new standards on Council's balance sheet for the year ending 30 June 2019.

	As reported 30 June 2019 \$'000	Adjustments \$'000	Post adoption \$'000
Assets			
Right of use assets	-	869	869
Grants receivable	-	1,529	1,529
	-	2,398	2,398
Liabilities			
Unearned income - operating grants	-	2,062	2,062
Unearned income - capital grants	-	619	619
Lease liability - current	-	79	79
Lease liability - non-current	-	790	790
	-	3,551	3,551

Note 11 Impact of COVID 19 pandemic on Colac Otway Shire operations and 2019-20 financial report

On 30 January 2020, COVID 19 was declared as a global pandemic by World Health Organisation. Since then, various measures have been taken by all three levels of Government in Australia to reduce the spread of COVID-19. This crisis and measures taken to mitigate it has impacted Colac Otway Shire operations in the following areas for the financial year ended 30 June 2020:

- In response to significant government directive amidst the COVID-19 outbreak, the following facilities were closed.
 - Bluewater Leisure Centre.
 - Colac Otway Performing Arts & Cultural Centre.
 - Colac Visitor Information Centre.
 - Great Ocean Road Visitor Information Centre.
- These closures resulted in a decrease in the council User Fee revenue and also decreased associated expenses.
- In response to government directives, additional ICT infrastructure has been introduced to ensure that Council Officers have the ability to work from home effectively and the public can participate in Ordinary Council Meetings.
- In response to government directives, additional hygiene and cleaning practices have been introduced within the workplace.
- There has been a financial impact to Council from deferral of rates revenue and the implementation of an interest free period. The Rates Debtor balance as at 30 June 2020 has increased by \$645k compared to last year, which can predominately be attributed to rate payers taking advantage of the interest free period.
- A Community Support Package was developed to support the local business community's COVID-19 response and recovery, which was adopted in 2020-2021.

Performance Statement

For the year ended 30 June 2020

Description of Municipality

Colac Otway Shire is situated about 160 kilometers south-west of the Melbourne CBD and approximately an hour's drive to the large regional cities of Geelong to the east, Ballarat to the north and Warrnambool to the west. Colac Otway Shire has a unique and precious natural environment containing some of the most picturesque scenery in the State. A large proportion is Forest Park and National Park but it also includes beaches, rugged coastline, rainforests, waterfalls, volcanic lakes and craters.

Our resident population is estimated at 21,564 as at 30 June 2020. Approximately 83.2% of the Shire's residents were born in Australia and of those born overseas, only 4.2% came from non-English speaking nations. The forecast through to 2041 is for growth of approximately 23.39%, this significant increase is expected in part due to the completion of the dual highway to Geelong. The duplication opens up the region, making commuting an attractive option for both the local population and for those seeking a lifestyle change. With the attraction of affordable housing and great lifestyle, we are ideally located for those looking for a rural idyll within a comfortable commuting distance to major centres.

The five major industry sectors are:

- Manufacturing (1,291 persons or 13.5%)
- Health Care & Social Assistance (1,209 persons or 12.7%)
- Agriculture, Forestry & Fishing (1,191 persons or 12.5%)
- Retail Trade (872 persons or 9.1%)
- Tourism (835 persons or 8.7%)

In combination, these five industries employed a total of 5,398 people or 56.5% of the employed resident population.

Colac Otway Shire Council provides 49 high quality services and facilities across a range of areas including Community Services, Environmental Services, Customer Services, Health and Wellbeing, Planning and Building, Economic Development and Tourism, Parks and Gardens.

Sustainable Capacity Indicators

For the year ended 30 June 2020

Service/indicator/ measure	Results 2017	Results 2018	Results 2019	Results 2020	Material Variations and Comments
Population <i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$2,192.10	\$2,341.46	\$2,539.11	\$2,577.70	The indicator has been contained to a 1.5% increase from 2018/19 primarily due to the increase in Employee Benefits and Materials and Services both being kept below 2%. This indicator will generally increase annually due to the stable population of the shire.
Infrastructure per head of municipal population [Value of infrastructure / Municipal population]	\$11,996.72	\$12,203.77	\$13,558.14	\$15,319.07	An asset revaluation was completed in 2019/20 for infrastructure assets, which resulted in a net revaluation increment. This indicator has increased as a result of the increased value of infrastructure assets.
Population density per length of road [Municipal population / Kilometres of local roads]	13.18	13.22	13.20	13.28	
Own-source revenue <i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,664.87	\$1,677.98	\$1,777.87	\$1,797.15	The growth in this indicator has been restricted primarily due to the 0.5% increase in rate revenue in 2019/20 (rate cap 2.5%). Rate Revenue is Council's primary source of own-sourced revenue.
Recurrent grants <i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$573.06	\$617.03	\$596.29	\$560.47	Council's recurrent grants have remained steady over recent years. The fluctuation in this indicator is primarily the result of the timing and amount of Federal Assistance Funding. 53% of 2019/20 funding was received in 2018/19.
Disadvantage <i>Relative Socio-Economic Disadvantage</i> [Index of Relative Socio- Economic Disadvantage by decile]	3.00	3.00	3.00	3.00	A rating of 3 indicates Colac Otway Shire is considered a disadvantaged area.

Service/indicator/ measure	Results 2017	Results 2018	Results 2019	Results 2020	Material Variations and Comments
<p>Workforce turnover Percentage of staff turnover [Index of Relative Socio- [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100</p>	23.8%	17.9%	17.3%	11.2%	<p>Following two Alignment and Engagement Survey's the organisation has begun to respond to the cultural and employment concerns raised by our employees. Specific actions have been implemented to improve engagement and communication within the organisation, presence of leadership, addressing short-term and contracted employees and implementing cultural improvement activities. The organisation's collective response to turnover is seeing improvements in retention of employees. A further contributing factor to reduced turnover is suspected to be due to COVID-19.</p>

Definitions

"**adjusted underlying revenue**" means total income other than—

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to in paragraphs (a) and (b)

"**infrastructure**" means non-current property, plant and equipment excluding land

"**local road**" means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*

"**population**" means the resident population estimated by council

"**own-source revenue**" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)

"**relative socio-economic disadvantage**", in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of SEIFA

"**SEIFA**" means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its website

"**unrestricted cash**" means all cash and cash equivalents other than restricted cash

Service Performance Indicators

For the year ended 30 June 2020

Service/indicator/ measure	Results 2017	Results 2018	Results 2019	Results 2020	Material Variations and Comments
Aquatic Facilities Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	6.08	5.01	4.60	5.17	Numbers were trending upward until COVID closed the centre on 23 March 2020. Re-opening 1 June 2020 for pool only (20 people at a time) and 22 June 2020 for Gym (20 people at a time) restricted the upward trend significantly.
Animal Management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	New in 2020	New in 2020	New in 2020	100%	<i>This new indicator now on reports the percentage of successful animal management prosecutions.</i> Council only pursued two prosecutions in 2019/20 and was successful in both cases.
Animal Management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	10.00	6.00	4.00	Retired in 2020	<i>This measure has been retired.</i>
Food Safety Health and safety <i>Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	81.25%	100.00%	94.74%	97.50%	High result consistent with 2018/19 performance, reflecting focus given by staff to this task. 39 of the 40 notifications had been followed up by 30 June 2020.

Service/indicator/ measure	Results 2017	Results 2018	Results 2019	Results 2020	Material Variations and Comments
Governance Satisfaction <i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	45.00	49.00	52.00	50.00	
Libraries Participation <i>Active library borrowers in municipality</i> [Number of active library members / Municipal population] x100	16.70%	16.04%	14.99%	15.45%	Active borrowers of physical collections are lower in 2019/20 due to the closure of Library centres between 23 March 2020 and 9 June 2020, in response to the COVID-19 pandemic. Despite this, borrowing figures have increased slightly due to active borrowers of E-resources being included this year for the first time.
Maternal and Child Health (MCH) Participation <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	69.68%	70.85%	74.44%	55.23%	Following advice from DHHS to Maternal Child Health Services in response to the COVID-19 pandemic, priority was placed on visits for babies 0-8 weeks old during the last quarter of 2019/20. This has resulted in a drop in attendance from older children who were otherwise well.
Participation <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	60.38%	66.67%	58.33%	55.26%	Less identified Aboriginal families in the last financial year. This result is based on small numbers of enrolled children.
Roads Satisfaction <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	42.00	39.00	42.00	44.00	The Services and Operations team has continued their focus on "Fix it first time" and has shown a determination to react to problems more quickly. Its compliance with the response times contained in the Road Management Plan improved into the high 90's during the year.

Service/indicator/measure	Results 2017	Results 2018	Results 2019	Results 2020	Material Variations and Comments
Statutory Planning Decision making Council planning decisions upheld at VCAT [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	100.00%	100.00%	0.00%	50.00%	Three of the six VCAT decisions were upheld
Waste Collection Waste diversion Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	47.09%	47.79%	52.06%	60.38%	The increase in waste diverted from landfill is due to better source separation at the kerbside and the extra weekly collection of green organics in October/ November and yellow recycling bins during Christmas school holiday period.

Definitions

"**Aboriginal child**" means a child who is an Aboriginal person

"**Aboriginal person**" has the same meaning as in the *Aboriginal Heritage Act 2006*

"**active library member**" means a member of a library who has borrowed a book from the library

"**annual report**" means an annual report prepared by a council under sections 131, 132 and 133 of the *Local Government Act 1989*

"**class 1 food premises**" means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 1 food premises under section 19C of that Act

"**class 2 food premises**" means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 2 food premises under section 19C of that Act

"Community Care Common Standards" means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth

"**critical non-compliance outcome notification**" means a notification received by council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health

"**food premises**" has the same meaning as in the *Food Act 1984*

"**local road**" means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*

"**major non-compliance outcome notification**" means a notification received by a council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized

officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken

"**MCH**" means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age

"**population**" means the resident population estimated by council

"**target population**" has the same meaning as in the Agreement entered into for the purposes of the *Home and Community Care Act 1985* of the Commonwealth

"**WorkSafe reportable aquatic facility safety incident**" means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the *Occupational Health and Safety Act 2004*.

Financial Performance Indicators

For the year ended 30 June 2020

Dimension/indicator/measure	Results				Forecasts				Material Variations and Comments
	2017	2018	2019	2020	2021	2022	2023	2024	
Efficiency Expenditure level <i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$3,087.23	\$3,279.64	\$3,546.50	\$3,609.44	\$3,641.69	\$3,806.03	\$3,859.68	\$3,912.59	The indicator has been contained to a 1.8% increase from 2018/19 primarily due to the increase in Employee Benefits and Materials and Services both being kept below 2%. This indicator will generally increase annually due to the stable population of the shire.
Revenue level <i>Average rate per property assessment</i> [General rates and Municipal charges / Number of property assessments]	\$1,747.87	\$1,752.27	\$1,787.51	\$1,811.10	\$1,848.12	\$1,864.17	\$1,896.62	\$1,929.68	Historically, this indicator has been consistent with other Large Rural Shires. The current Strategic Resource Plan assumes a 2.25% average rate increase for 2022 to 2024.
Revenue level <i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,650.83	\$1,664.15	\$1,788.98	Retired in 2020					<i>This measure has been retired.</i>
Liquidity Working capital <i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	348.05%	254.66%	204.46%	178.40%	153.64%	125.52%	87.51%	56.62%	Working capital is forecast to continually decrease over the coming years as increases in revenue are not sufficient to cover the increases in operating costs associated with delivering the current level of services. Council will need to review its Revenue Strategy and the type and level of service it offers to address this concern.

Dimension/indicator/measure	Results				Forecasts				Material Variations and Comments
	2017	2018	2019	2020	2021	2022	2023	2024	
Unrestricted cash <i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	192.27%	9.42%	119.98%	104.93%	109.36%	80.39%	42.00%	11.25%	This indicator has reduced, and is forecast to reduce further, primarily due to increases in revenue not being sufficient to cover the increases in operating costs associated with delivering the current level of services. The 2019/20 result has been impacted by increased expenditure/reduced revenue resulting from the COVID-19 pandemic and an average rate increase of 0.5% (rate cap 2.5%), which is insufficient to meet increasing costs.
Obligations Loans and borrowings <i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	13.67%	11.36%	8.92%	3.27%	2.32%	1.82%	0.00%	0.00%	This indicator is much lower in 2019/20 due to a \$1m bond repayment in November 2019, which was taken under the Local Government Funding Vehicle in 2014.
<i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	3.71%	2.79%	2.71%	5.74%	1.06%	0.56%	1.89%	0.00%	This indicator was much higher in 2019/20 due to a \$1m bond repayment in November 2019, which was taken under the Local Government Funding Vehicle in 2014

Dimension/indicator/measure	Results				Forecasts				Material Variations and Comments
	2017	2018	2019	2020	2021	2022	2023	2024	
Indebtedness Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100	30.33%	30.33%	23.52%	27.14%	26.07%	25.27%	23.44%	22.87%	This has increased primarily due to Council's own-sourced income only increasing by 1.9% in 2019/20. This was largely impacted by an average rate increase of 0.5% (rate cap 2.5%) and also some lost revenue relating to the COVID-19 pandemic.
Asset renewal and upgrade Asset renewal and upgrade compared to depreciation [Asset renewal and asset upgrade expense / Asset depreciation] x100	New in 2020	New in 2020	New in 2020	108.81%	89.48%	107.16%	108.28%	104.54%	This indicator is budgeted to significantly reduce in 2020/21 due to a reduced capital works program and a one-off reduction in renewal projects. This reduction in renewal expenditure has been reallocated to support the community in the recovery from the COVID-19 pandemic.
Asset renewal Asset renewal compared to depreciation [Asset renewal expense / Asset depreciation] x100	97.66%	115.56%	125.63%	Retired in 2020					<i>This measure has been retired.</i>

Dimension/indicator/measure	Results				Forecasts				Material Variations and Comments
	2017	2018	2019	2020	2021	2022	2023	2024	
Operating position Adjusted underlying result Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	9.27%	0.97%	4.15%	-3.55%	-1.02%	-2.41%	-2.81%	-3.05%	This indicator has reduced, and is forecast to remain in deficit, primarily due to increases in revenue not being sufficient to cover the increases in operating costs associated with delivering the current level of services. The 2019/20 result has been impacted by increased expenditure/reduced revenue resulting from the COVID-19 pandemic and an average rate increase of 0.5% (rate cap 2.5%), which is insufficient to meet increasing costs. The 2019/20 result has also been impacted by the introduction of new Accounting Standards. The result would have been -1.04% if these Accounting Standards had not been introduced.
Stability Rates concentration Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100	56.35%	58.51%	53.55%	58.39%	57.42%	56.29%	56.64%	56.93%	This indicator has increased due to a significant reduction in adjusted underlying revenue in 2019/20. The 2018/19 figure contained some large operating grants that are classified as adjusted underlying revenue.
Rates effort Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.50%	0.51%	0.46%	0.47%	0.45%	0.44%	0.43%	0.43%	This indicator is forecast to continually decrease as property values are expected to increase at a greater rate than rate revenue. Property values are forecast to increase by 4% p.a. compared to a 2.25% p.a. average increase in rate revenue.

Definitions

"**adjusted underlying revenue**" means total income other than—

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to in paragraphs (a) and (b)

"**adjusted underlying surplus (or deficit)**" means adjusted underlying revenue less total expenditure

"**asset renewal expenditure**" means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability

"**current assets**" has the same meaning as in the AAS

"**current liabilities**" has the same meaning as in the AAS

"**non-current assets**" means all assets other than current assets

"**non-current liabilities**" means all liabilities other than current liabilities

"**non-recurrent grant**" means a grant obtained on the condition that it be expended in a specified manner and is not expected to be received again during the period covered by a council's Strategic Resource Plan

"**own-source revenue**" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)

"**population**" means the resident population estimated by council

"**rate revenue**" means revenue from general rates, municipal charges, service rates and service charges

"**recurrent grant**" means a grant other than a non-recurrent grant

"**residential rates**" means revenue from general rates, municipal charges, service rates and service charges levied on residential properties

"**restricted cash**" means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year

"**unrestricted cash**" means all cash and cash equivalents other than restricted cash

Other Information

For the year ended 30 June 2020

1. Basis of preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the Local Government Act 1989 and Local Government (Planning and Reporting) Regulations 2014.

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics).

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 22 July 2020 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.

Certification of the Performance Statement

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.



Jason Clissold FCPA
Principal Accounting Officer
21 October 2020
Colac

In our opinion, the accompanying performance statement of the Colac Otway Shire Council for the year ended 30 June 2020 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify this performance statement in its final form.



Cr Jason Schram
Councillor
21 October 2020
Colac



Cr Stephen Hart
Councillor
21 October 2020
Colac



Peter Brown
Chief Executive
21 October 2020
Colac

Independent Auditor's Report

To the Councillors of Colac Otway Shire Council

Opinion	<p>I have audited the accompanying performance statement of Colac Otway Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • description of municipality for the year ended 30 June 2020 • sustainable capacity indicators for the year ended 30 June 2020 • service performance indicators for the year ended 30 June 2020 • financial performance indicators for the year ended 30 June 2020 • other information and • the certification of the performance statement. <p>In my opinion, the performance statement presents fairly, in all material respects, the performance of the council for the year ended 30 June 2020, in accordance with the performance reporting requirements of Part 6 of the <i>Local Government Act 1989</i>.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. I and my staff are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria and have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the performance statement	<p>The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 1989</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.</p>
Auditor's responsibilities for the audit of the performance statement	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists.</p>

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.

As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
28 October 2020



Sarfchu Chummar

as delegate for the Auditor-General of Victoria

ACRONYMS & DEFINITIONS

AFL	Australian Football League
BSWWRRG	Barwon South West Waste & Resource Recovery Group
BMS	Building Management Systems
CBD	Central Business District
CEO	Chief Executive Officer
COS	Colac Otway Shire
COPACC	Colac Otway Performing Arts & Cultural Centre
CCPW	Community Combating Pests & Weeds
Cr	Councillor
COVID-19	Coronavirus Pandemic
DELWP	Department of Environment, Land, Water & Planning
DWMP	Domestic Wastewater Management Plan
EEO	Equal Employment Opportunity
EFT	Electronic Funds Transfer
EM	Emergency Management
EMT	Executive Management Team
EOI	Expression of Interest
EPA	Environment Protection Agency
ERC	Emergency Recovery Centre
FTE	Full Time Equivalent
FOI	Freedom of Information
FPN	Fire Prevention Notice
G21	Geelong Regional Alliance
GORVIC	Great Ocean Road Visitor Information Centre
GSPO	Guidelines for Safe Pool Operations
HVAC	
IBAC	Independent Broad-based Anti-Corruption Commission
IT	Information Technology
LGES	
LGPRO	Local Government Professionals
LGPRF	Local Government Performance Reporting Framework
LTFP	Long Term Financial Plan
MCH	Maternal and Child Health
MFPO	Municipal Fire Prevention Officer
NSP	
OHS	Occupational Health & Safety
OPASS	Older Persons and Ability Support Services
PHEV	
RFC	
SafetyMAP	Accreditation through the Victorian Workcover Authority
SRP	Strategic Resource Plan
VAGO	Victorian Auditor-Generals Office
VCAT	Victorian Civil and Administrative Tribunal

INDEX

A		G	
About this Annual Report	5	Governance and Management Checklist	80-82
Acronyms and definitions	22	Grants and donations	80
Appreciating our staff	26	L	
Appreciating our Volunteers	28	Legislative compliance	85
Audit committee	26	Aged Care Act 2012	86
Auditor General's report	104-105 & 161-162	Domestic Animal Management Plan	86
C		Equal Employment Opportunity	25
CEO and Administration role	22, 80	Food Act	86
Chief Executive's report	10-12	Freedom of Information	86
Committees of Council	75	Privacy and Data Protection	86
Community engagement	20	Public Interest Disclosure Act 2012 (Vic)	87
Conflict of interest	74	Road Management	87
Contacting Council	3	Local Government Performance Reporting	39, 51-52, 60-64, 72
Continuous improvement	83-85	M	
Contracts	80	Major Initiatives	15
Corporate governance	80	Major changes	29
Corporate Planning and Reporting	28	O	
Council meetings	20 & 75	Occupational Health and Safety	27
Council Plan Performance Reporting		Organisation Structure	23
Theme 1: Our Prosperity	31	Our People	22
Theme 2: Our Places	41	Our community	7
Theme 3: Our Community	54	P	
Theme 4: Leadership & Management	66	Performance statement	147-159
Council's role	74	Policies, strategies and plans	77
Council's relationship to the Executive	74	Public access to registers and documents	87
Councillors	19	Progress against Council Plan	35,46-50, 58-59, 69-71
Councillor attendance at meetings	76	R	
Councillor Code of Conduct	74	Risk Management	80
Councillors Councillor support and remuneration	76-77	Risk Insurance	80
D		S	
Decision making	74	Services to our community	32, 42, 55, 67
Democratic Governance	74	Shire profile	6
E		Sustainability Report	16-17
Executive Management Team	22	U	
Economic Factors	29	Understanding the financial statements	98-100
F		V	
Fast Facts	9	Vision and strategic direction	5
Financial Summary	13-14		
Financial indicators	93		
Financial performance	89, 90-97		
Financial report	102-146		
Financial sustainability indicators	148-149		

Item: 10.4

Quarterly Performance Report - July - September 2020

OFFICER	Melanie Duve
GENERAL MANAGER	Peter Brown
DIVISION	Executive
ATTACHMENTS	1. Quarterly Performance Report - September 2020 Revised - 3 December 2020 [10.4.1 - 66 pages]
PURPOSE	To provide Council with the Quarterly Performance Report, 1 July to 30 September 2020.

1. EXECUTIVE SUMMARY

This report provides information to Council and the community on the progress of Council Plan actions, Planning activities, Capital Works and Major Projects and the status of Council's financial performance as at 30 September 2020.

2. RECOMMENDATION

That Council notes the Quarterly Performance Report 2019-2020 for the period of 1 July to 30 September 2020.

3. KEY INFORMATION

The Quarterly Performance Report July to September 2020 provides Council with a progress report as at 30 September and is structured in several sections as follows:

- Introduction, Council's strategic direction, Council Plan 2017-2021 themes, source and application of Council funds
- Chief Executive Report - highlights and challenges for the quarter
- Council Plan Performance Report
- Planning and Building Performance Report
- Capital Works Performance Report
- Major Initiatives Performance Report
- Quarterly Budget Report for 3 Months Ended 30 September 2020.

The Executive Management Team has reviewed the results to 30 September and after taking the 2019/20 actual results into consideration (including carry forwards), provide the following summary in relation to the 2020/21 forecast results.

Compared to the adopted budget:

- The Original Budget adopted had an operating deficit of (\$448k).
- The September 2020 forecast adjustments have increased the operating result by \$1.395m to \$947k surplus.
- Capital works program is currently forecast to increase by \$4.2m to \$14.4m.
- Closing cash balance is currently forecast to increase by \$1m to \$14.8m.
- Reserve balance is forecast to increase by \$1.4m to \$14.3m. ie Cash will only exceed reserves by approximately \$536k.

Further details of these results are contained within the attached report. The current forecast assumes that all major projects and capital works are completed on 30 June 2021 and that 50% of the 2020/21 Federal Assistance Grants are received in advance again.

Impact of the COVID-19 pandemic on the 2020/21 budget

The 2020/21 budget was impacted by the onset of the COVID-19 pandemic, requiring Council to make amendments to support the community and cover expected lost revenue and increased costs resulting from the pandemic. These amendments included a reduction in spending of \$1.94m to enable Council to deliver a responsible budget. This reduced spending was to cater for:

- Allocated \$950k to help lead and support the community
- \$785k expected lost revenue/additional cost (refer to Table 1):
 - \$455k operational impact in 2019/20
 - \$330k operational impact in 2020/21

Lost Revenue/additional cost	2019/20 \$'000	2020/21 \$'000	Total \$'000	Comments
Operations				
BWFC	(40)	(40)	(80)	
CDPACC	(80)	(20)	(100)	
Interest on Rates	(15)	0	(15)	Interest to be waived until 30 June 2020.
Additional IT Infrast.	(75)	0	(75)	System upgrade and remote access for staff to continue working
Visitor Information Centre closures	(30)	(30)	(60)	\$15k per month lost revenue/offset by \$5k in casual wages per month
Audio/Visual Conferencing Hardware and Software	(50)	0	(50)	To enable Council business to continue.
Additional cleaning service	(70)	(70)	(140)	\$5,000 per week
Employee Costs - Delay recruitment	50		50	Estimate across the organisation
PPE Equipment	(15)		(15)	Masks, hand sanitiser & wipes for staff protection
Reduced Planning & Building Permit revenue		(50)	(50)	Reduced permit demand & loss of fee revenue due to economic impacts - mainly in 2020/21.
Virus Vaccination (when available)	0	0	0	Cost unknown at this time
Reduced Local Laws Infringements, fees, etc.	(80)	(70)	(150)	
Other	(50)	(50)	(100)	Contingency for additional expenditure
Total Deficit relating to operations	(455)	(330)	(785)	

It is important to note that \$1.35m of this reduced spend was relating to Capital Works, which is not reflected in the Operational Result. The budget was therefore constructed to produce an operational deficit, but to still maintain Council's working capital.

The reduction in Capital Works, included reductions to the following:

- Sealed Road Resealing Program (\$350k)
- Building Renewal (\$250k)
- Unsealed Road Reconstruction Program (\$200k)
- Footpath Renewal Program (\$100k)
- Matching Grants Funding Allocation (\$448k)

The budget contained flexibility for Council should the final cost be greater than \$785k, such as reducing the amount allocated to the Business and Community Support Fund or borrowing from internal reserves.

September Update of COVID-19 impact

Officers continue to monitor the estimated impacts of COVID-19, which are still considered reasonable at this stage. Below are the changes to the forecasted operational impact of the Pandemic:

- School Crossings – Reduced expenditure due to reduced staffing requirements (\$13k).
- COPACC – Costs of COVID lower than expected (\$53k).
- Due to uncertainty surrounding restrictions of gym and pool use in Victoria, there is uncertainty regarding the forecasted impact on Bluewater Leisure Centre, although this is being monitored closely by Officers.

4. COMMUNITY CONSULTATION & ENGAGEMENT

Comprehensive community consultation and engagement was undertaken during the development of the Council Plan 2017-2021 and the 2020-2021 Budget.

5. ALIGNMENT TO COUNCIL PLANS, POLICIES OR STRATEGIES

Alignment to Council Plan 2017-2021:

Theme 4 - Our Leadership & Management

1. Effectively manage financial resources.
3. Organisational development and legislative compliance.
4. Provide value for money services for our community.

6. CONSIDERATIONS

ENVIRONMENTAL, SOCIAL & CULTURAL, & ECONOMIC

Not applicable

LEGAL & RISK

Section 138 of the *Local Government Act 1989* requires financial reporting to be provided to Council on a quarterly basis.

FINANCIAL & BUDGETARY

Financial and budgetary considerations are addressed in the body of the report.

7. IMPLEMENTATION STRATEGY

Not applicable

COMMUNICATION

The Quarterly Performance Report will be available on Council's website following the December 2020 Ordinary Council Meeting.

TIMELINE

Not applicable

8. OFFICER DIRECT OR INDIRECT INTEREST

No officer declared an interest under the *Local Government Act 2020* in the preparation of this report.



Quarterly Performance Report 2020/21

First Quarter

1 July - 30 September 2020



Table of Contents

Introduction	3
Chief Executive Report	4
Council Plan Strategic Themes	6
Understanding the Quarterly Performance Report	7
Council Plan 2017-2021 Progress Against Actions	
Our Prosperity	8
Our Places	12
Our Community	16
Our Leadership and Management	19
Planning and Building Performance Report	23
Capital Works and Major Projects	31
Finance Performance Report	
Executive Summary	45
Income Statement	54
Balance Sheet	55
Statement of Cash Flow	56
Service Area Report	57

Acknowledgment

The Colac Otway Shire proudly acknowledges the Gulidjan and Gadubanud peoples as the traditional custodians of the Colac Otway Region.

We pay our respects to their Ancestors and Elders, past, present and emerging. We recognise and respect their unique cultural heritage, beliefs and relationship to their traditional lands, which continue to be important to them today and into the future.

Introduction

How to read this report

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

Measuring Our Progress

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

Council Direction set in the Council Plan 2017-2021

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

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

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

Community Engagement in the Development of the Council Plan

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

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

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

Chief Executive Report

The first quarter of the 2020/21 financial year for Colac Otway Shire Council was dominated by the organisation's management of COVID-19 outbreaks in Colac and Beeac and the impact of State Government restrictions on Council's customer-facing services.

Council responded to the unprecedented challenges of the pandemic, including provision of relief services, while continuing to deliver Council's core services, major infrastructure projects and meet statutory requirements of the new Local Government Act and 2020 Council Elections.

Colac Otway's COVID-19 relief program included on-the-ground community support and increased communications after it was identified that Council needed to lead and initiate relief at a local level.

At the start of July, with no active cases in COS and the state open for school holiday travel, the focus was on preventing the spread, with Council distributing thermometers to accommodation providers for onsite testing of guests and increasing communications on COVID-19 precautions.

Bluewater pool reopened following ceiling maintenance work and Council received strong community support for the installation of lighting on the Queen Street footpath, which will be partially funded through a Department of Justice grant.

Installation of a 30kW solar PV system on the Colac Community Library and Learning Centre was completed and Colac Otway Shire again recorded above average immunisation rates.

Council received results of a Community satisfaction survey and will continue to focus on improving public perception of planning services and road maintenance, including educating the community on Council-managed roads and State-managed roads.

The first COVID-19 outbreak in Colac in mid-July forced the closure of major employer Australian Lamb Company and prompted the State Government's establishment of an Incident Control Centre in COPACC to lead a localised pandemic management plan with the support of Council, agencies and the Australian Defence Force.



Council established a relief centre at COPACC to distribute food and emergency supplies to people isolating or quarantining and unable to access support, and a dedicated hotline staffed seven days a week, which expanded the role of Colac Otway's COVID-19 Relief & Recovery Team.

Council worked in partnership with ALC, Diversitat, DHHS and the ICC to deliver clear COVID-19 messaging in various languages, and supported Colac Area Health with the promotion and establishment of drive-through COVID-19 testing site at Colac's Central Reserve.

Support for CAH and Great Ocean Health testing sites continued during a second outbreak in Colac, affecting numerous workplaces including major employer Bulla.

The reintroduction of statewide COVID-19 restrictions from August 6 also forced the closure or extended closure of Council's Customer Service Centres, Visitor Information Centres, Bluewater, COPACC and school crossing services.

During ongoing COVID-19 closures, impacted staff were offered leave options or redeployment, with the State Government's Working for Victoria program enabling the extended redeployment of staff into cleaning, and service and operations maintenance roles across the shire.

Work-from-home arrangements continued for Council's office-based staff in accordance with government directions during the quarter while Council's customer service was delivered primarily via phone or online.

The Working for Victoria program also enabled Council to employ local people from outside the organisation across diverse roles including the roll-out of Council's Business & Community Support Package and other initiatives to support post-COVID-19 recovery.

Building on strong relationships with our local businesses and business networks has been vital throughout the COVID-19 process, with business leaders playing a key role in a community-led COVID campaign and prevention approach.

This community partnership continues to be a focus in recovery as Council expand outdoor dining opportunities and develops a "buy local" campaign in consultation with Colac and Apollo Bay Chambers of Commerce.

In addition to COVID-19 management during the first quarter, Council started planning and design for 13 infrastructure projects across the shire, funded under the Federal Government Roads & Community Infrastructure Funding.

Major projects, the Colac Velodrome upgrade and Central Reserve Netball Courts redevelopment, were both delayed however the netball courts are on track for pre-Christmas completion.

The velodrome can be used but the asphaltting has not been completed to a satisfactory standard for competition racing and Council is seeking a resolution.

Other challenges for the quarter included a social-media driven backlash against Council's grey-headed flying fox dispersal program, which gained DELWP approval in August.

Following years of advocacy, Colac Otway Shire secured almost 4.5 hectares of the former Colac High School site for community use, and will continue to seek opportunities to purchase additional adjacent land if it becomes available.

Colac Otway promoted the 2020 Council election and hosted information sessions for potential candidates.

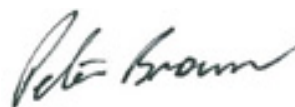
Fourteen (14) candidates, including four Councillors seeking re-election, nominated for October election and conducted non-contact campaigns during challenging times.

Council developed and adopted mandatory policies including the Public Transparency Policy, as required in the new Local Government Act, prior to entering caretaker period.

Community consultation and planning work continued for the Apollo Bay Harbour redevelopment, funded under the Geelong City Deal, while funding advocacy continued for other community projects such as the Forrest Gateway project.

Council meetings continued to be livestreamed and closed to the public, in accordance with COVID-19 restrictions, while Council supported positive community initiatives including a virtual concert and promotions to support local business.

Colac Otway Shire, like other Regional Victorian municipalities, reached the end of the first quarter moving from a COVID-19 relief phase to recovery, cautiously finalising community relief services, and shifting to planning for the upcoming fire danger period.



Peter Brown
Chief Executive
Colac Otway Shire Council

Council Plan Strategic Themes

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

Our Prosperity

Colac Otway Shire has a diverse economy, much of it built on the natural environmental values of the area. The area has enjoyed successful dairy and food processing industries for many decades; supports the timber industry; has a growing tourism industry built on both a striking coastline and the forests of the Otway's; small, specialist food producers, many forming the Colac Otway food trail; plus, a host of local retail businesses, arts and crafts enterprises; and health and education services.

The Shire has two larger towns of Colac and Apollo Bay, and a number of smaller towns. Each of these has unique attractions and supports local cultures and communities. The Shire is strategically placed halfway between Geelong and Warrnambool which provides opportunities for economic development and a growing population supported by access to work.

Our Places

Infrastructure assets such as roads, drainage and footpaths are important because they help deliver services to the community. Roads and footpaths provide the ability for people to access work, education and recreation. Drainage provides protection to properties and allows for safe transport.

It is important for us to manage assets in a rational way so that we can ensure they are sustainable over the long term so that those services are provided to future generations.

Our Community

Colac Otway Shire sustains a mixed population of tourists, businesses, farmers, retirees and families, some of whom settled in the Shire recently and some who can trace their families' history back to European settlement, whilst our population of Aboriginal people dates back tens of thousands of years. The land of the Shire sustains different ways of living, from affordable housing options in the towns, to spectacular properties with views of the forest and the sea. Potential for population growth in the Shire will increase due to highway improvements and proximity to the larger centres of Geelong and Warrnambool. The Shire enjoys good services and infrastructure, supporting families to connect and live well at all life stages. While the Shire is well resourced compared with many other semi-rural shires, with the potential of continued growth there needs to be good planning to have the right infrastructure and services in place.

Our Leadership & Management

There are many demands on the resources of Colac Otway Shire. The major source of income, ratepayer funds, has been constrained through the introduction of rate capping by the State government and an increasing challenge for the community to continue to afford rate increases.

The environment of the shire is attractive and well-recognised. Its' diversity also results in involvement by many authorities and stakeholders, creating the need for partnerships and clarity about the role of the shire. Recently experienced incidents such as bushfire and floods impact on the community and draw a significant amount of organisational resources, both in emergency response but also in longer term planning and support to the community. It is expected that such events will be more common as climate change accelerates.

Understanding the Report

The Quarterly Performance Report provides council and the community with information on the progress of Council Plan Actions, Planning and Building activities, Capital Works and Major Projects and the status of Council's finances.

The following pie chart shows 42% of the actions are on track as of the first quarter of 2020-2021. There are 30 actions (40%) that are ongoing for the four years of the Council Plan 2017-2021. Of the 76 Council Plan actions, three need further work to ensure they remain on track, COVID-19 restrictions has impacted some of these actions, therefore it is still unknown if these actions can be completed under the current Council Plan. 13% of actions have now been completed under the current Council Plan.

What the icons mean:



ON TRACK

Work has commenced and on track



Action has been completed



MONITOR

Action is ongoing for duration of the Council Plan



NEEDS WORK

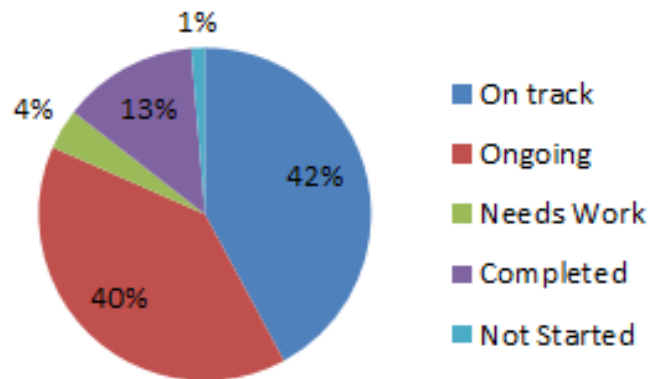
Project has commenced, actions require further work



No TARGET






Work has not commenced

Progress Status





The following pages provide information about the status of each Council Plan Action, with further details about progress and challenges in the commentary.


Our Prosperity


Action	% Complete	Status
1.1.1. Provide direction on how growth across the shire should proceed and ensure adequate land is provided for industrial and residential use.	25.00	 ON TRACK
<p>The Colac 2050 Growth Plan completed in 2018 establishes growth areas for Colac/Elliminyt and officers have sought funding from the Victorian Planning Authority to commence a Precinct Structure Plan for the Colac West growth area to facilitate rezoning and release of further residential land. Officers are also liaising with land owners concerning rezoning proposals in Colac, and are finalizing the Development Plan for existing residential zoned land abutting the former Colac High School site which will allow land to be subdivided for housing. Officers are progressing technical assessments for industrially zoned land east of Forest Street in Colac for a Development Plan that aims to facilitate future industrial development. A business case has also been prepared for the 2020/21 budget process for funding of a Settlement Strategy for the Shire that would review planning for small towns in the Shire.</p>		
Action	% Complete	Status
1.1.2 Implement a Colac Otway Economic Development Strategy.	25.00	 ON TRACK
<p>Implementation of the Economic Development strategy is ongoing. The focus in the first quarter has been on our community's response and recovery from COVID-19.</p>		
Action	% Complete	Status
1.1.3 Conduct a review of the housing stock in Colac and establish a Residential Housing Strategy to ensure current and future stock is suitable to attract new residents.	25.00	 ON TRACK
<p>Council has not yet funded a specific review of housing stock in Colac, but strategic planning is occurring to facilitate development of land adjacent to the former Colac High School through preparation of a Development Plan, and funding is being sought externally to initiate a Precinct Structure Plan for the Colac West growth area. Officers have also participated in a Key Worker Housing Project with other Great Ocean Road councils which aims to identify actions to overcome housing availability constraints for employees in Colac's key professional and manufacturing industries and for seasonal workers in Apollo Bay. Officers are also participating in a G21 Regional Social Housing Study which will identify housing needs across the Shire for the most vulnerable and establish strategies to address this.</p>		
Action	% Complete	Status
1.1.4 Identify and improve tourism assets across the Shire.	Ongoing	 MONITOR
<p>This is a significant piece of work that will require funding to complete. The public toilets at Kennett River and surrounding parking areas will be upgraded under the City Deal project in 2021 – work has commenced on pre-planning for this work. Work is also occurring to finalise the Apollo Bay Harbour Development Plan, with Stage 1 redevelopment works set to commence in 2021 under the City Deal project.</p>		
Action	% Complete	Status
1.1.5 Prepare an Infrastructure Master Plan for Apollo Bay and Coastal Townships, covering categories including roads, car parking, bus parking, footpaths and storm water drainage.	25.00	 ON TRACK
<p>A draft Community Infrastructure Plan is being finalised for Apollo Bay, Marengo and Skenes Creek which will be presented to Council early in 2021. It builds on the previous Coastal Tourism Traffic & Parking Study and will provide strategies for improvement of public land in the three townships including the main central foreshore of Apollo Bay and commercial areas. It will specifically address footpath, toilet and other infrastructure improvements required to support residential and tourism needs, and will recommend changes to traffic management. A Harbour Development Plan had been prepared as part of this project, but was progressed separately to exhibition of a draft plan in August, which will be finalized by December.</p>		


Our Prosperity

Action	% Complete	Status
1.1.6 Attract investment to implement key master plans that will drive economic growth such as the Lake Colac Foreshore Master Plan.	Ongoing	 MONITOR
Council continues to seek funding opportunities that will help realise the objectives set out in key strategies including the Lake Colac Foreshore Masterplan. The detailed design work for the Forrest Mountain Bike Strategy implementation continues and should be completed by December 2020.		








Action	% Complete	Status
1.1.7 Remove unnecessary planning triggers to streamline planning processes.	25.00	 ON TRACK
Council is waiting on gazettal of Amendment C102 by the Planning Minister to finalise a process of removing redundant Environmental Significance Overlays at Colac, Elliminyt and in the Warrion Groundwater Area. Amendment C90 has also been submitted to the Planning Minister for approval – this amendment will remove planning permit requirements associated with building works in flood prone areas where they are constructed above the nominated flood level. Officers are also preparing an amendment to Heritage overlay provisions in Colac to remove permit requirements for minor building works following a Council resolution at the September meeting. Officers are also close to finalizing a review of the Erosion Management Overlay provisions which will result in reduced mapping of the overlay and reduced planning permit requirements.		

Action	% Complete	Status
1.1.8 Strengthen partnerships with employers in the Shire, and continue to participate in and support the Designated Area of Migration Agreement and associated projects.	Ongoing	 MONITOR
Council officers have maintained direct contact with employers, and also maintained contact with employer representative bodies such as the Chamber of Commerce and the 'Keeping Colac Safe' business leaders group. Council officers have worked actively with the Warrnambool City Council to support the designated area migration agreement. Council has also worked with the Chin community on the potential for Chin community members to be employed in Colac's manufacturing industries. This project has stalled as a result of the Covid 19 pandemic.		





Action	% Complete	Status
1.2.9 Identify and promote Tourism pathways between attractions across the whole shire.	Ongoing	 No TARGET
While COVID-19 has had a significant effect on tourism, Council continues its activities in tourism promotion in partnership with, and aligned with the strategies of, Great Ocean Road Regional Tourism.		

Action	% Complete	Status
1.2.10 Identify and support employment in tourism.	Ongoing	 MONITOR
COVID-19 has caused a significant downturn of the tourism industry. Council support during this time has included calls to tourism operators to direct them to government support, the implementation of BookEasy online booking software, and an additional injection of \$30,000 for a targeted marketing campaign aimed at attracting domestic visitation to Apollo Bay and the Otways as part of our community's COVID-19 recovery. In addition, Council is facilitating the expansion of outdoor dining throughout the shire, with a particular emphasis on Apollo Bay as it will be a focus for tourism visitation when restrictions list.		


Our Prosperity


Action	% Complete	Status
1.2.11 Explore options to facilitate new tourism accommodation	50.00	 ON TRACK
An assessment of accommodation opportunities for Colac is currently being developed, which will provide a basis for Council to pursue investment from the private sector.		
Action	% Complete	Status
1.2.12 Review Planning controls for the coastal hinterland and support establishment of tourist accommodation.	0.00	 NEEDS WORK
Funding from Council is required to progress this initiative.		
Action	% Complete	Status
1.2.13 Review the Shire Events Strategy and partner with event organisers to assist them preserve the amenity of residents while running successful events.	Complete	
Action completed in 2019/20.		
Action	% Complete	Status
1.2.14 Facilitate the attraction of investment in the development of high standard accommodation in Colac and Apollo Bay, complemented by high yielding nature based experiences.	Ongoing	 MONITOR
An assessment of accommodation opportunities for Colac is currently being developed, which will provide a basis for Council to pursue investment from the private sector.		
Action	% Complete	Status
1.2.15 Encourage and support existing owners of accommodation to upgrade, refurbish and develop new infrastructure to meet visitor demand.	Ongoing	 MONITOR
Due to COVID-19, this action has been temporarily put on hold to respect the financial difficulties our accommodation sector is experiencing as a result of restrictions and social distancing. However, investigations continue into securing opportunities to expand Colac and Apollo Bay's accommodation offerings more broadly.		
Action	% Complete	Status
1.2.16 Review the Great Ocean Road Closure Policy.	Complete	
Policy has been reviewed and endorsed by Council. Expressions of Interest have been advertised and will be reviewed in late October.		
Action	% Complete	Status
1.3.17 Seek regional funds from State and Federal Governments.	Ongoing	 MONITOR
Council is proactive in its advocacy for funding from State and Federal Governments. This is a constant and ongoing process. A focus on grant management is being provided through Economic Development.		


Our Prosperity


Action	% Complete	Status
1.3.18 Develop and maintain regional partnerships and joint advocacy.	25.00	 ON TRACK
Council continues to be involved with all regional bodies, including G21, Barwon Regional Partnership, the Regional Development Australia Barwon South West committee and the great South Coast CEOs group. Council has been involved in a number of joint advocacy plans with each of these groups.		
Action	% Complete	Status
1.3.19 Seek to influence education providers to match local job opportunities with available skills training.	25.00	 ON TRACK
Council has ongoing participation in the GROW program as well as regular liaison with local employers and schools to support the implementation of this action.		
Action	% Complete	Status
1.3.20 Support programs to reduce youth unemployment and promote employment for disadvantaged groups in partnership with employers, G21 and the GROW initiative.	20.00	 MONITOR
Council has ongoing participation in the GROW initiatives and their rollout relevant to the Colac Otway Shire.		
Action	% Complete	Status
1.4.21 Maintaining connections with the Great Ocean Road Authority and provide input into social, economic and environmental values.	25.00	 ON TRACK
Council continues to attend all forums and respond to all questionnaires and requests for information. Council has maintained an ongoing relationship with the interim management arrangements.		


Our Places


Action	% Complete	Status
2.1.1 Develop and implement a Property Strategy.	25.00	 MONITOR
This has been scoped and intention is to develop internally. No further work has commenced on this during the first quarter due to the COVID-19 pandemic.		

Action	% Complete	Status
2.1.2 Develop and maintain constructive partnerships to access appropriate levels of funding, coordination, infrastructure and services.	Ongoing	 MONITOR
Council officers are monitoring federal and state governments to ensure that all grant opportunities are considered and able to be realised - if appropriate		


Action	% Complete	Status
2.1.3 Conduct an ongoing program of service reviews to guide planning for infrastructure	25.00	 ON TRACK
Council has an adopted service review program. Due to COVID-19 the review program has been suspended for the 2020/21 budget year.		


Action	% Complete	Status
2.1.4 Council to work with key stakeholders such as the Otway Coast Committee, the Apollo Bay Chamber of Commerce and Council with the aim of aligning strategic planning and advocacy efforts for Apollo Bay	Ongoing	 MONITOR
Council officers continue to meet with representatives of coastal communities with a focus on the community infrastructure plan for Apollo Bay and implementation of the City Deal. Council officers have liaised directly with the Apollo Bay Chamber of Commerce in relation to responses to the COVID-19 pandemic.		


Action	% Complete	Status
2.2.5 Update the Planning Scheme to reflect changing community needs and priorities.	25.00	 ON TRACK
A range of planning scheme amendments are in various stages of progress, aiming to remove unnecessary planning controls from overlays. A Flood Study is close to being finalized for Birregurra, and draft planning controls are being prepared to reflect outcomes of new flood mapping in the Planning Scheme. Planning scheme amendments are also being prepared to facilitate development outcomes at a future service station site east of Colac and at the Red Rock Art Gallery in Cororooke.		


Action	% Complete	Status
2.2.6 Ensure best practice guides planning and management of the natural environment and associated assets.	25.00	 ON TRACK
Environmental Planning advice has been provided to the Planning Department on statutory and strategic planning matters to ensure developments are sustainable and have minimal impact on the natural environment.		


Our Places

Action	% Complete	Status
2.3.7 Enhance the attractiveness of towns in the shire for both residents and tourists/visitors.	50.00	 ON TRACK
Townships within the shire have received beatification and general maintenance activities from Service and Operations in conjunction with Working for Victoria.		


Action	% Complete	Status
2.3.8 Advocate for improvements to public open space where the State Government is the land owner/manager.	Ongoing	 MONITOR
Discussions continue with Otway Coast Committee and DELWP to improve infrastructure and open space where Council is not the land manager. Council officers have been included in discussions with the development of the Apollo Bay Recreation Reserve master plan.		


Action	% Complete	Status
2.3.9 Develop and implement a prioritised program to review and implement master plans, community infrastructure plans and structure plans for small towns across the shire, including the City Deal project.	25.00	 ON TRACK
A business case has been prepared for the 2020/21 budget process for funding of a Settlement Strategy for the Shire that would review planning for small towns in the Shire. The Colac 2050 Growth Plan completed in 2018 establishes growth areas for Colac/Elliminyt and officers have sought funding from the Victorian Planning Authority to commence a Precinct Structure Plan for the Colac West growth area to facilitate rezoning and release of further residential land. Officers are also liaising with land owners concerning rezoning proposals in Colac, and are finalizing the Development Plan for existing residential zoned land abutting the former Colac High School site. A draft Community Infrastructure Plan is being finalized for Apollo Bay, Marengo and Skenes Creek.		


Action	% Complete	Status
2.3.10 Incorporate treatments into infrastructure standards that enhance community perceptions of safety.	Complete	
Crime Prevention Through Environmental Design principles are applied in all design work as industry best practice. This requirement is incorporated into all design briefs.		


Action	% Complete	Status
2.3.11 Maintain parks and gardens, sports reserves and streetscapes.	Ongoing	 MONITOR
A service level has been established for parks and open spaces which includes a schedule of works. The schedule takes into account open space growth rates in the various seasons. There is also a schedule for pressure washing the main streets of Apollo Bay and Colac CBD areas. Scheduled staff leave over the Christmas / New Year period has been managed to ensure that service levels are maintained.		


Our Places


Action	% Complete	Status
2.3.12 Support enjoyment of outdoor experiences through the provision of a network of quality open spaces, including paths and trails.	Ongoing	 MONITOR
Council has received notification that the application to complete Stages one and three of the Cororooke Open Space Master Plan has been successful. Work continues in progressing the upgrade to the Memorial Square Playspace – funding has been secured, and a detailed concept plan finalised following an extensive community engagement process.		

Action	% Complete	Status
2.3.13 Develop a prioritised program of works to support physical activity and active transport, and advocate for funding to continue to implement actions identified in the Active Transport Strategy.	Ongoing	 MONITOR
Council has received notification that the application to complete Stages one and three of the Cororooke Open Space Master Plan has been successful. Work continues in progressing the upgrade to the Memorial Square Playspace – funding has been secured, and a detailed concept plan finalised following an extensive community engagement process.		


Action	% Complete	Status
2.3.14 Evaluate the feasibility of a regional wet waste facility to manage waste from road and drainage maintenance.	Complete	
Action completed in 2019/20		


Action	% Complete	Status
2.3.15 Continue to support the Apollo Bay community's advocacy for the development of a public indoor heated swimming pool in Apollo Bay.	Complete	
Action completed in 2019/20		


Action	% Complete	Status
2.3.16 Work with our community to protect amenity values in our places through strategic compliance action and animal management that is focused on ensuring education, safety and livability.	25.00	 ON TRACK
The Local Laws and Community Safety Team has had to adjust to the challenges faced under COVID Restrictions. More focus has been placed on animal management, free camping areas and facilitating outdoor dining rather than timed parking.		


Action	% Complete	Status
2.4.17 Ensure best practice guides planning and management of the natural environment and associated assets, and Council's response to climate change.	25.00	 ON TRACK
Environmental advice has been provided to all areas of Council to ensure that their programs are undertaken in an environmentally sensitive manner. Advice has recently been provided on community grants and a range of capital works projects.		


Our Places


Action	% Complete	Status
2.4.18 Advocate and drive discussion to minimise coastal erosion in partnership with other stakeholders, implement measures to assist climate adaptation and protection of the Great Ocean Road.	25.00	 ON TRACK
Council continues to advocate for more action to be taken to manage the coastal erosion issues in Apollo Bay and Marengo. The State Government allocated funding to enable further investigations to be undertaken by DELWP. The findings of the investigations will provide a basis for Council to update its advocacy approach to seek the funding required to implement engineering solutions to the current problem areas.		

Action	% Complete	Status
2.4.19 Improve the health and sustainability of the natural environment through structured planning with our partners.	25.00	 ON TRACK
Council continues to work with multiple agencies (e.g. DEWLP, Barwon Water, CCMA etc) through various forums (e.g. G21 Environment Pillar, IWM Network, CCMA Partnership Network etc) to enable joint planning and collaboration on regional projects.		








Action	% Complete	Status
2.4.20 Deliver localised planning to communities to reduce fire risk.	25.00	 ON TRACK
Council to work with High Risk communities to develop local plans that help the local community reduce the threat of fire. Work continues with the Forrest community and plans are being made to provide scenarios to a number of other townships through a 'virtual' portal to enable further conversations to be had that aim to identify local solutions to local problems and help further reduce the threat of fire.		

Action	% Complete	Status
2.4.21 Implement emission reduction programs for Council operations.	25.00	 ON TRACK
Work has commenced on the planning to upgrade more streetlights in 2020/21 but this is contingent on Regional Roads Victoria agreeing to share some of the cost. If Regional Roads Victoria are not willing to share the costs then a proposal will be prepared to use the funding for other emission reduction programs associated with Council's large facilities.		


Action	% Complete	Status
2.4.22 Enhance the level of resource recycling and reuse across the shire.	Complete	
Service and operations utilise recovered road materials for sub base on new roads. This is recovered from asphalt jobs and Vic roads reconstruction work.		


Action	% Complete	Status
2.4.23 Enhance and protect biodiversity through weed control and revegetation.	25.00	 ON TRACK
The last round of the Community Combatting Weeds Project has been allocated and plans for a more targeted approach to manage large weed infestations on Council managed roads and reserves is being developed to enable works to commence in October 2020.		


Our Places


Action	% Complete	Status
2.4.24 Implement Council's Climate Adaption Strategy.	25.00	 ON TRACK
Work has been undertaken in partnership with DELWP to help make the coastal towns of Kennett River, Grey River and Skenes Creek more resilient to extreme climate events. The work undertaken provides a list of actions for Council to seek funding for in order to make the towns more resilient to bushfire, flood and landslips.		
Action	% Complete	Status
2.5.25 Develop a system of capital allocations based on Asset Management Plans.	25.00	 MONITOR
This work has not yet been scheduled. It requires the development of a capital allocation policy or similar. This work will be scheduled as Asset Management Plans near completion. It should be noted, though, that typically 90% of our capital works program is renewal of existing assets.		
Action	% Complete	Status
2.5.26 Develop a project management framework, covering proposals, planning and delivery.	Complete	
Action completed in 2019/20		
Action	% Complete	Status
2.5.27 Develop a capital works reporting framework.	Complete	
Action completed in 2019/20		
Action	% Complete	Status
2.5.28 Deliver the annual capital works program.	25.00	 ON TRACK
Action is ongoing and reported on monthly.		
Action	% Complete	Status
2.6.29 Community based planning to build local understanding and preparedness for emergency events.	25.00	 ON TRACK
Council to work with High Risk communities to develop local plans that help the local community reduce the threat of fire. Work continues with the Forrest community and plans are being made to provide scenarios to a number of other townships through a 'virtual' portal to enable further conversations to be had that aim to identify local solutions to local problems and help further reduce the threat of fire.		
Action	% Complete	Status
2.6.30 Education, joint planning and preparations undertaken to prepare for climate related threats and emergencies.	25.00	 ON TRACK
Council continues to work with a range of organisations (e.g. DELWP, CFA, SES, DHHS) through a range of forums (Municipal Fire Management Planning Committee, Municipal Emergency Management Planning Committee, Regional Emergency Management Committee) to prepare for extreme weather events. The recent audit of Council's Municipal Emergency Management Plan by SES stated that the plan was considered an example of Best Practice.		


Our Community


Action	% Complete	Status
3.1.1 Support community organisations through the community grants program.	Complete	
The 2020/21 Community Grants program is fully allocated.		


Action	% Complete	Status
3.1.2 Support community clubs, groups and associations to provide welcoming and inclusive environments for all members of our community within council facilities.	Ongoing	
No work has been completed in this area due to COVID-19's impact on community sport. Officers have worked with Leisure Networks during this time to support our local sporting clubs during COVID-19 restrictions.		

Action	% Complete	Status
3.2.3 Provide grant programs to involve local people in activities that facilitate their health, wellbeing and enjoyment.	Complete	
The 2020/21 Community Grants program is fully allocated. There are many projects that have been funded which encourage and facilitate health and wellbeing outcomes.		


Action	% Complete	Status
3.2.4 Supports community activities through information dissemination and planning information.	Ongoing	
Officers continue to work with Leisure Networks to provide support and necessary information for our local organisations supporting our community. State Sporting Associations and their representatives have been working closely with Council and clubs during COVID-19 to monitor the impact the pandemic is having on our local clubs and community.		


Action	% Complete	Status
3.3.5 Provide opportunities for lifelong learning and community connections through library programs.	25.00	
Library branches have been closed for much of the quarter due to COVID-19 restrictions. Council has continued planning for the transition of library services to the Geelong Regional Library Corporation to be ready for the July 2021 changeover.		


Action	% Complete	Status
3.3.6 Support for community groups.	Ongoing	
Leisure Networks, on behalf of Colac Otway Shire, has been contacting local sporting organisations throughout COVID-19 to assist and support clubs through these challenging times.		


Action	% Complete	Status
3.4.7 Deliver programs through the Bluewater Centre that promote physical activity in the shire.	Ongoing	
Bluewater has been closed for much of the quarter due to COVID-19 restrictions.		


Our Community


Action	% Complete	Status
3.4.8 Build capacity of local sports groups in promoting healthy eating and physical activity.	Ongoing	 MONITOR
No targeted workshops have been conducted during this period due to COVID-19.		

Action	% Complete	Status
3.4.9 Encourage more people to participate and be inclusive of others.	Ongoing	 MONITOR
No additional progress in the first quarter, due to COVID-19 restrictions.		


Action	% Complete	Status
3.4.10 Participate in the G21 Healthy Eating and Active Living regional priority project.	25.00	 ON TRACK
Council continues to participate in the G21 Healthy Eating and Active Living project.		


Action	% Complete	Status
3.4.11 Consider health of the community when formulating policy for Council's Property Strategy.	20.00	 NEEDS WORK
No further work has commenced on this during the first quarter due to the COVID-19 pandemic.		

Action	% Complete	Status
3.5.12 Increase advocacy in partnership with our community to enhance cultural awareness, inclusiveness, safety and health, community, family and education.	Ongoing	 MONITOR
Council continues to implement the Healthy Babies Strong Families project in partnership with our key partners.		


Action	% Complete	Status
3.6.1.1 Update social infrastructure planning on a continuing basis to guide asset planning.	25.00	 ON TRACK
This should be ongoing as it is a continual cycle of planning and renewal. A social and community infrastructure assessment for Apollo Bay, Marengo and Skenes Creek is currently being prepared as a part of the Community Infrastructure Plan which is due to be considered by Council early in 2021.		


Our Leadership & Management


Action	% Complete	Status
4.1.1 Manage the short and long-term financial sustainability of the shire through prudent financial management.	Ongoing	
<ul style="list-style-type: none"> - The 2020/21 budget was prepared in a manner to ensure Council's working capital was being maintained. - The incoming Council will be briefed on Council's current financial sustainability challenges in preparation for the preparation on the 10 year Financial Plan. - Council will review current services and levels provided to the community as part of the 10 year Financial Plan. - As a matter of prudent financial management officers advocate for revenue increases to line with rate cap to ensure Council costs do not continue to outstrip increased revenue. - The budget is prepared and monitored according to Council's Budget Development and Management Policy. 		

Action	% Complete	Status
4.1.2 Maintain the 10 year long term financial plan (LTFP).	25.00	
An enormous amount of work has been done developing service plans that provide the detail informing the LTFP. The LTFP will be adopted by Council prior to 31 October 2021, as required by the LGA 2020.		


Action	% Complete	Status
4.1.3 Identify new income opportunities	Ongoing	
Council officers are monitoring federal and state governments to ensure that all grant opportunities are considered and able to be realised - if appropriate		


Action	% Complete	Status
4.1.4 Maintain low risk audit rating for financial sustainability.	Ongoing	
The Victorian Auditor General no longer provides and overall risk rating in relation to financial sustainability. Council's results for 2019/20 suggest that 4 of the 7 financial indicators published by the Victorian Auditor General will be low, with Internal Financing and Capital Replacement being medium risk and adjusted underlying result being high risk. These are expected to be published in late 2020/early 2021.		


Action	% Complete	Status
4.2.5 Ensure where ever possible decisions are debated and made in open Council meetings.	50.00	
Consideration is given to all reports by the Governance team and sometimes the Executive Management Team also when it is proposed an item be heard in closed session. Internal practices have been refined in recent years to decrease the number of reports considered in closed session.		


Action	% Complete	Status
4.2.6 Develop and implement a program of regular reporting on key activities to ensure they are focused on implementing priorities.	25.00	
Management reporting to the Executive Management Team is detailed on a monthly basis and where appropriate this is reflected in the Council quarterly report and to the Audit and Risk Committee as necessary.		

Our Leadership & Management




Action	% Complete	Status
4.2.7 Organisational development and legislative compliance	Ongoing	
<ul style="list-style-type: none"> - Wide Area Network (WAN) project is almost completed with Whelan Street and Port of Apollo Bay last two sites remaining to have infrastructure completed. An application for technology change has been submitted to NBN Co. due to current limited connection at the Port. - Windows 10 Standard Operating Environment (SOE) project has been completed. - Development of Disaster Recovery (DR) Plan is progressing and IM Strategy completed and endorsed. - Citrix Virtualization Environment has been developed significantly - updated to cater for secure way for Staff to WFH due to COVID-19. - GIS shared service team work is progressing - GIS Software replacement software Spatial Spectrum Analyst (SSA) having completed Staff training, project completion is expected next quarter due to COVID-19 and further enhancements to the solution based on further Staff feedback from the training. - Submit a Request online forms established and implemented – further enhancements being developed. - Protective Data Security Plan 2018-2020 submitted to OVIC. - Implementation of Victorian Protective Data Security Standards (VPDSS) commenced – Risk Register created to track all elements. - Information Asset Register (IAR) data collection work commenced. - Shared Network Drive restrictions completed – exemptions identified & migration of records commenced. - Teamware Library software closure commenced in order to decommission legacy software – in-house script developed for record migration. - External Mail House Solution (BING) enhanced for organisational usage during COVID-19 working from home arrangements. - External Archive Storage Service (GRACE) engaged and archive transfer built into business processes in order to comply with record keeping standards. 		

Action	% Complete	Status
4.3.8 Support organisational development to ensure key organisational capability areas support the organisation to deliver on Council priorities.	25.00	
<p>Through engagement with the organisation, the People and Culture team identify organisational and cultural activities to support all employees. This is delivered through staff surveys, annual performance management cycle and review of policy and procedure. The implementation of the new values and behaviours will provide a strong platform to drive the culture of the organisation.</p>		

Action	% Complete	Status
4.3.9 Manage our risk exposure, including providing a safe working environment where "Work Health and Safety is everyone's business"	25.00	
<p>The O&HS and Risk team continue to work with the organisation to ensure a high focus on the safety of employees and the community. Support is provided through up to date policies, advice and risk management processes. This includes health awareness and education, wellbeing and a comprehensive approach to injury or illness in the organisation.</p>		

Action	% Complete	Status
4.4.10 Implement a program of ongoing service reviews to ensure our services are efficient and effective and are valued by the community	Ongoing	
<p>Council has an adopted service review plan. As a result of COVID-19, budget adjustments for the funding of service reviews for 20/21 was reallocated. Service reviews will continue in a limited form as and when funding is available.</p>		

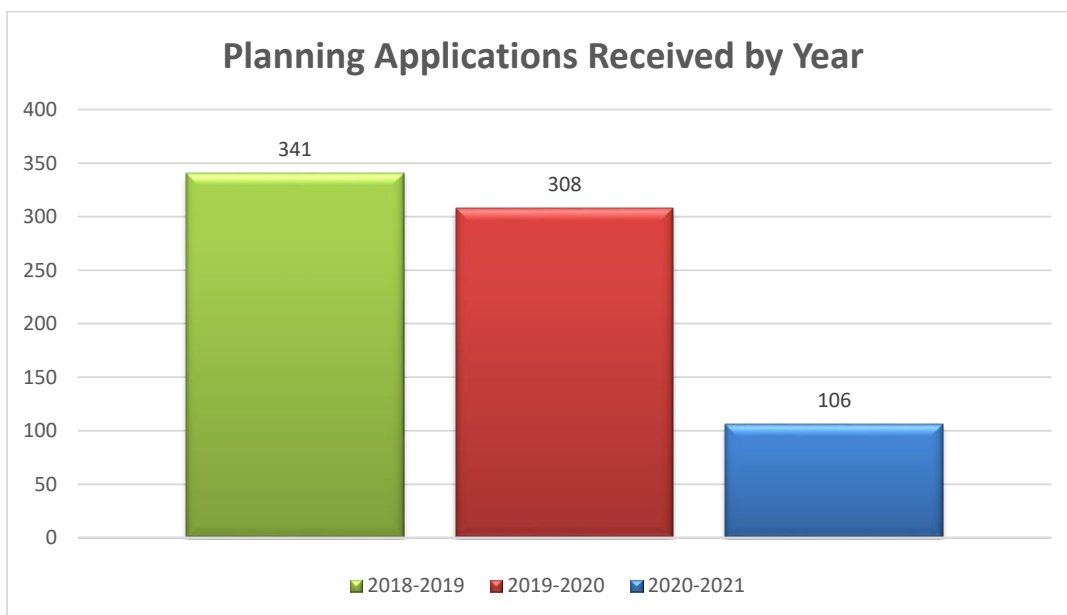
Our Leadership & Management

Action	% Complete	Status
4.4.11 Enhance opportunities for increased local spending of Council expenditure.	Ongoing	 MONITOR
Council's Procurement Policy includes a 5% mandatory weighting in the tender process for local content.		
Action	% Complete	Status
4.4.12 Develop partnerships to procure services and materials on a regional basis.	Ongoing	 MONITOR
Due to COVID-19 restrictions, no further progress has been made with this action.		
Action	% Complete	Status
4.5.13 Review the Community Engagement Policy to guide council decision making	5.00	 NEEDS WORK
In accordance with the provisions of the <i>Local Government Act 2020</i> , Council is required to adopt a Community Engagement Policy by 1 March 2021 that takes into account the new Act's Community Engagement Principles. Work on this policy revision will commence following the October 2020 local government elections with the newly-elected Councillors. This will be led by Council's Strategic Engagement Coordinator.		

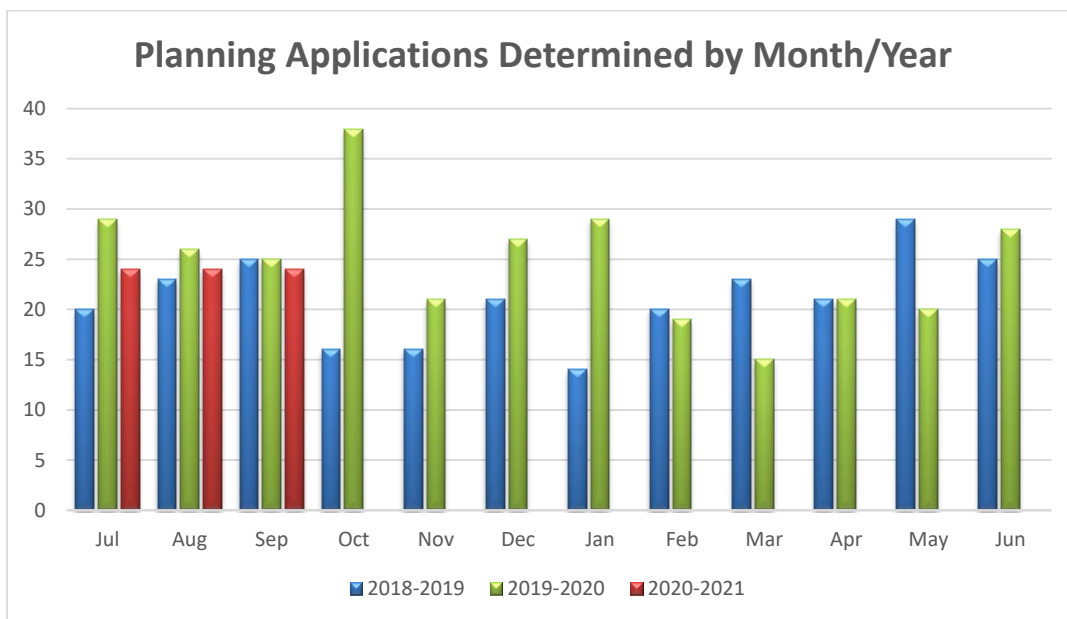
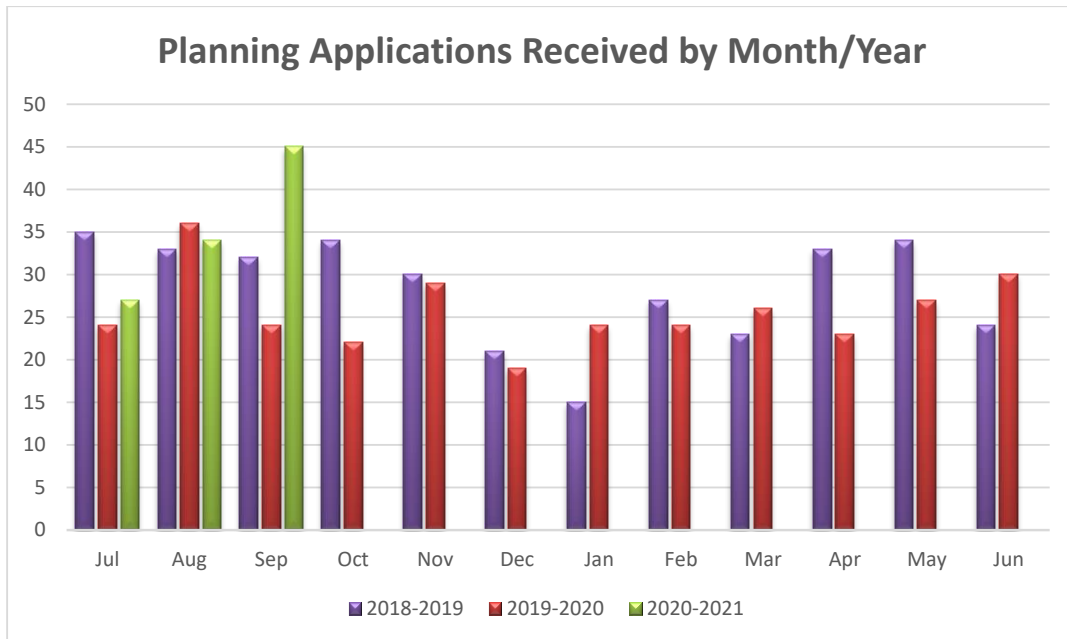


Planning & Building Performance Report

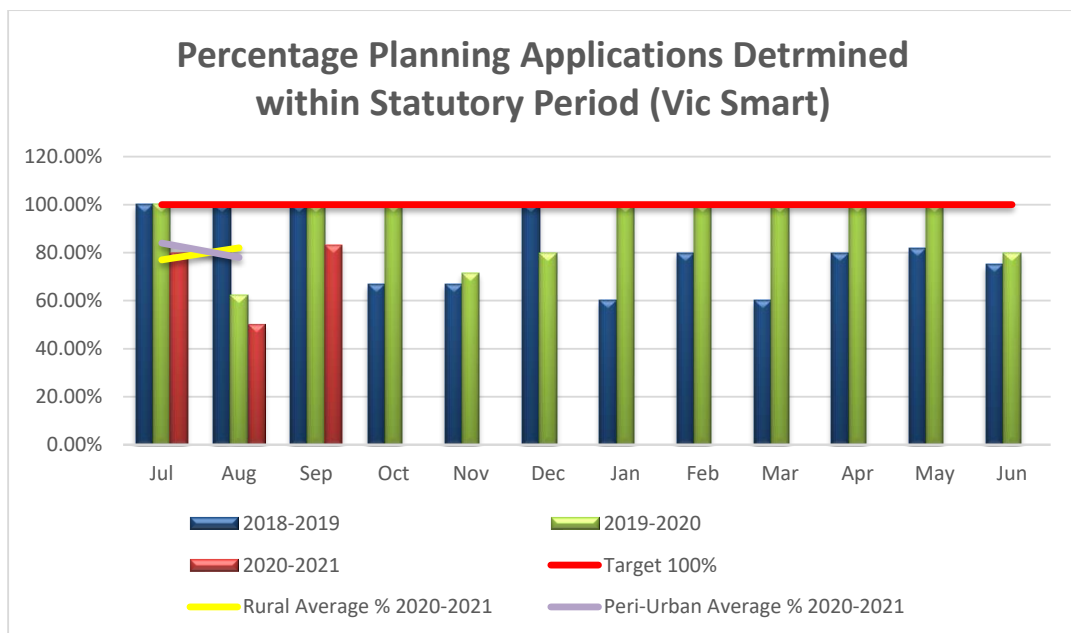
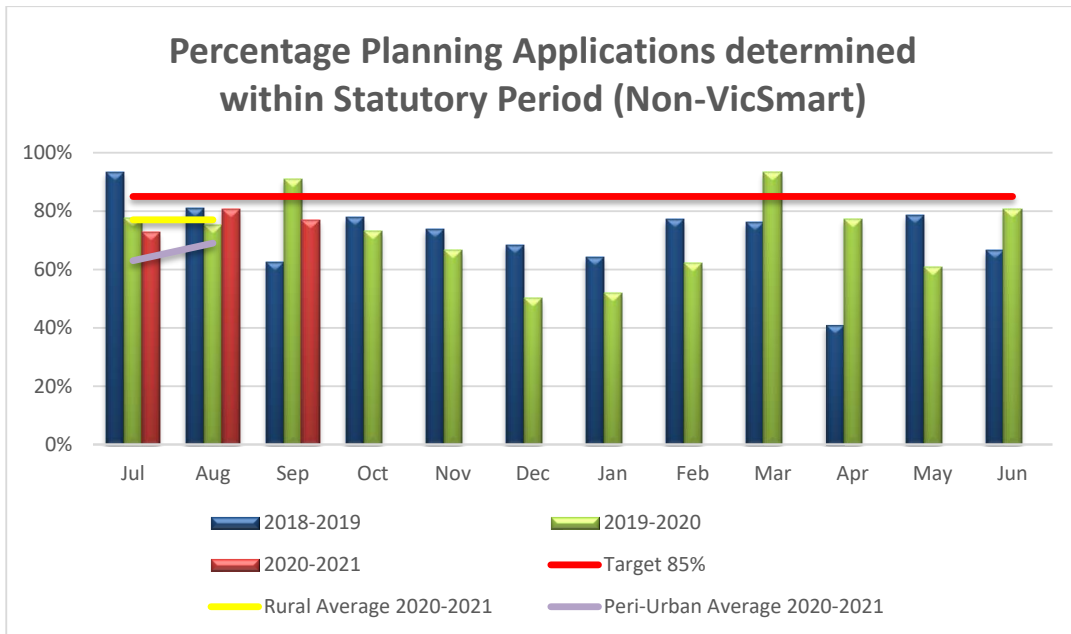
Planning & Building Performance Report July – September 2020



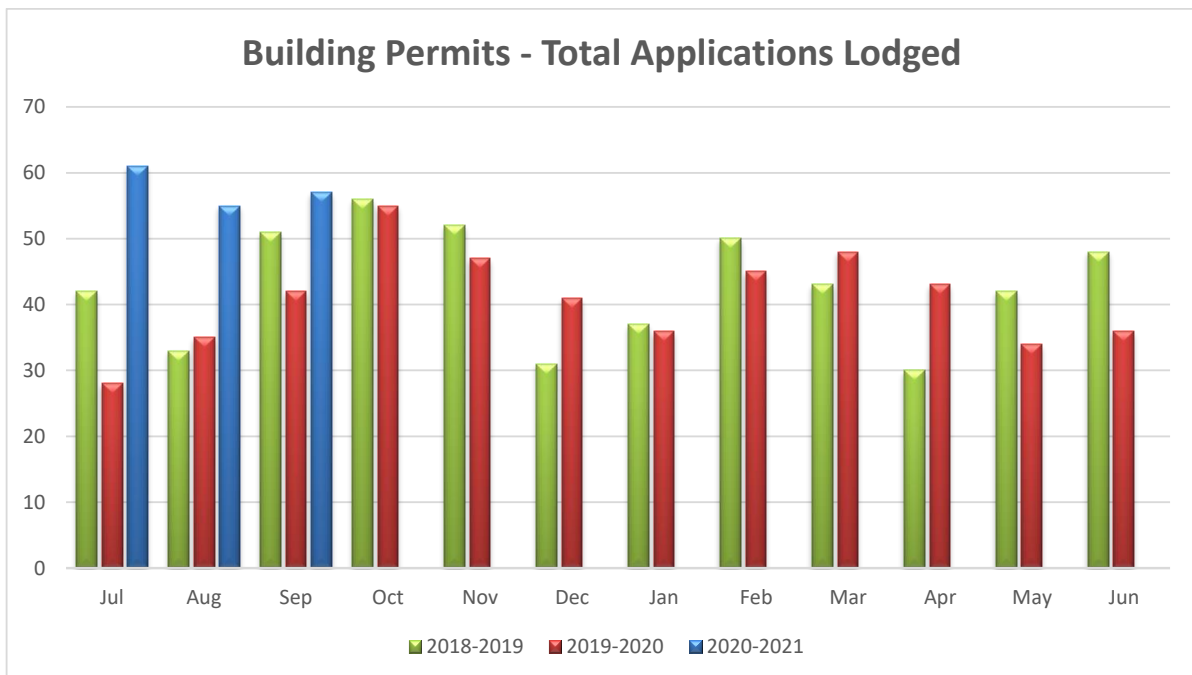
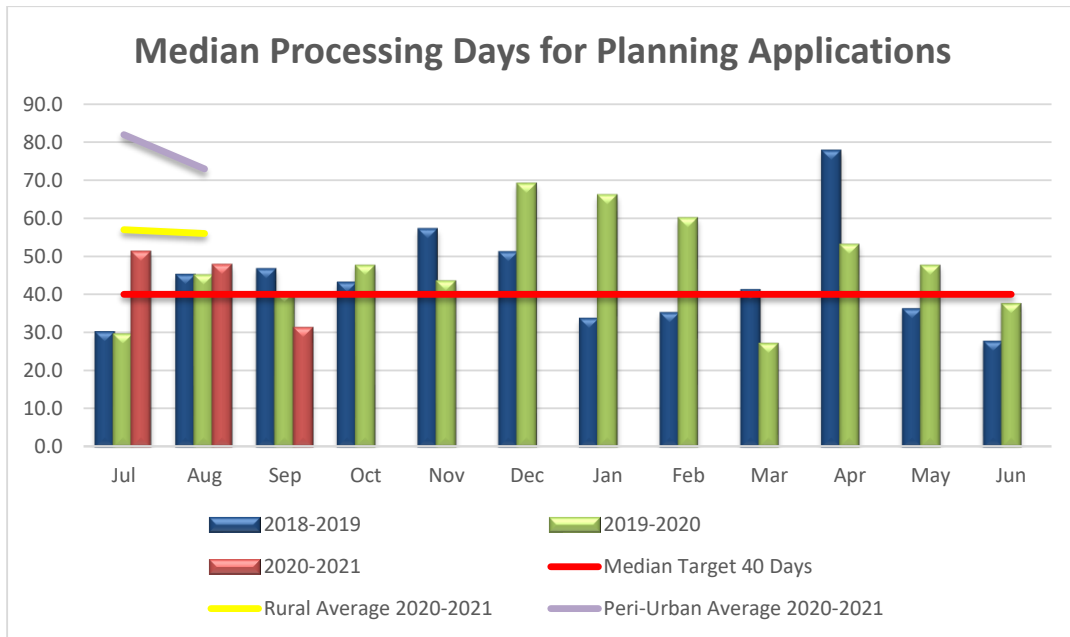
Planning & Building Performance Report July – September 2020



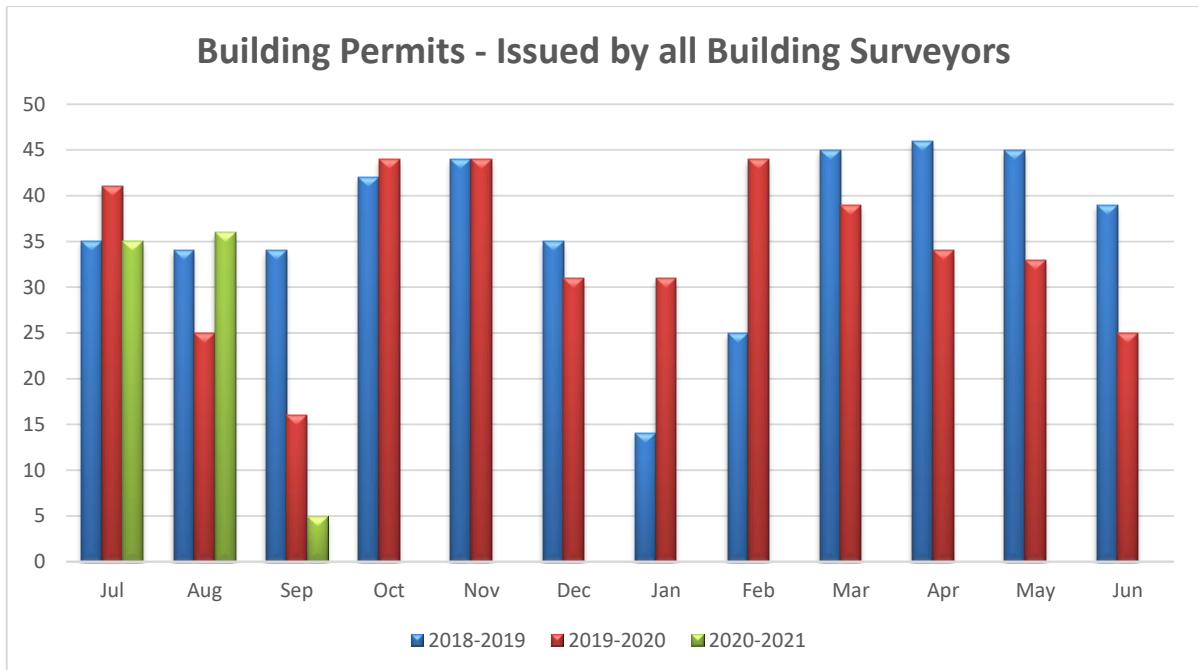
Planning & Building Performance Report July – September 2020



Planning & Building Performance Report July – September 2020



Planning & Building Performance Report July – September 2020



Planning Performance

The following is a brief summary of performance and level of activity in Planning:

There has been a significant increase in the number of incoming planning permit applications in the September quarter, with 106 new applications. If this trend were to continue, the rate of incoming applications would be 38% higher than the 2019/20 year, and is an increase of 24% on 2018/19. This could be attributed to Federal Government stimulus incentives for new housing, businesses seeking to adapt to the restrictions imposed on them due to the pandemic, or an increase in demand for alterations and extensions to existing homes whilst people are working from home.

The 45 new planning applications received in September alone was almost double the number received in the corresponding month in 2019, placing additional pressures on planning staff. The additional staff member employed in Statutory Planning in 2019 has assisted the team to respond to this increase in workload. We will continue to monitor workload levels to determine whether additional temporary resources are required to manage this. Pleasingly, the statutory planning team have maintained a high output of planning decisions during the September quarter with an average of 27 applications determined per month. Staff have been able to perform planning assessments and maintain continuity of service well during the COVID-19 working from home arrangements, due to the suite of technological improvements enacted over recent years.

The proportion of planning applications determined within the 60 day statutory period in the quarter ranged between 73-81%, marginally lower than the aspirational target of 85% and similar to performance in the June quarter despite the increase in incoming applications. The team determined between 50-83% VicSmart eligible applications within the statutory 10 business days, less than the target of 10 days. The median number of days for processing planning applications of 31 in September was significantly below the aspirational target of 40 days, continuing a positive trend with a median of 47.5 days in August and 51 days in July. This measure removes the distorting impact of applications processed in either a very short or long period of time, reflecting performance more effectively than an average.

Council's performance is significantly better than that of other rural Councils (median of mid-fifties) and peri-urban Councils adjacent to metropolitan areas (mid-seventies).

Council officers from Planning, Building, Health, Infrastructure and Local Laws have co-ordinated to provide streamlined and expedited advice to businesses in recent months to support them reopening after pandemic related restrictions, particularly relating to expansion of outdoor dining opportunities. This advice and support has been led by Economic Development using the Better Approvals process of a 'concierge', and with the assistance of Working for Victoria funded staff. The State Government gazetted a planning scheme amendment on 21 October 2020 that exempts businesses from complying with planning controls for temporarily changing the way they establish outdoor dining on their own land (including changes to internal dining arrangements). These exemptions apply whilst there is a State of Disaster declaration in place, and for 12 months after this date. The exemptions will therefore apply until at least November 2021, and will also mean that temporary structures to support outdoor dining arrangements on public land can be put in place without planning requirements provided the public land manager is in support. Local Law permits are being issued swiftly for permit applications to establish dining arrangements on footpaths outside food and drink establishments.

Council has been receiving complaints from some residents in Wye River & Separation Creek concerning the on-going exemptions from third party (objector) appeal rights against Council decisions for applications in the bushfire affected areas, particularly where land has been sold and purchasers are seeking to take advantage of the streamlined planning provisions to construct larger and bulkier new houses. The streamlined provisions expire on 30 June 2021, and after this time all planning decisions will revert to the normal planning controls in these towns, restoring objector appeal rights. Both Council and the Progress Association earlier in the year requested the State Government to amend these provisions to address the concern, but this was not supported.

In the meantime, Council have reassured the Association that officers will continue to carefully assess all applications against the neighbourhood character standards that apply to coastal development, and all applications will still be subject to public notice. Officers will be cautious in the way they assess objector's concerns to ensure they are appropriately considered in the process.

Council has also been receiving complaints from residents in the northern areas of Apollo Bay about single dwelling developments that they believe inappropriately respond to the preferred character and amenity of the town. Whilst these concerns are acknowledged, previous strategic planning for Apollo Bay by Council has not resulted in planning controls being applied to this area relating to single dwellings under 8m in height. A neighbourhood character study was undertaken by Council in 2003, and whilst identifying a need to protect the low density character of the town through minimum lot sizes for subdivision and maximum building heights, controls were not considered to be warranted to apply to all types of development. This means that whilst an 8m height provision is in place, single houses under that height do not come under planning control. This leaves Council unable to control the design and appearance of such dwellings. Whilst the concerns of residents are appreciated, the planning framework for Apollo Bay (which seeks to balance neighbourhood character protection with owner rights to develop without unnecessary planning controls) does not currently control this form of development.

A Development Plan was placed on exhibition in September for the residentially zoned area between Pisces Caravan Park and Wild Dog Creek at 6230 and 6280 Great Ocean Road, Apollo Bay. This land was subject to exhibition of a similar Plan in 2017 which Council refused to approve based on concerns about lot sizes, landslip management and the layout. The plan is required to be submitted and approved under Schedule 5 to the Development Plan Overlay (DPO5) in the Colac Otway Planning Scheme, prior to the issue of any permit for subdivision. The previous plan was refused by the Victorian Civil and Administrative Tribunal (VCAT) following a two day hearing in June 2018. The revised version of the Development Plan seeks to address the concerns raised by the Tribunal.

Informal notice of the plan was given for 4 weeks and submissions will be considered before the plan is reported to the Planning Committee for a decision. It is noted that there are no formal rights to object to the plan by residents, but Council can consider the issues raised by them when making a decision. There are no rights of appeal against the decision by objectors.

Building Performance

The following is a brief summary of building activity in the Shire, noting that Council is no longer receiving new building permit applications after Council decided not to continue this service at its May meeting:

173 building permit applications were lodged in the September quarter, far higher than the 105 lodged in the same quarter in 2019 (up 65%), and the 113 lodged in the June 2020 quarter (up 53%). This corresponds with the higher numbers of incoming planning permit applications and reflects a current high level of building construction activity despite the economic impacts of COVID-19.

The number of building permits issued in August (36) was high compared to the same month in 2019 (25), and consistent with July (35). This continues a positive trend in the June quarter of where the number of Building Permits issued in the Shire was quite high (between 39-46).

NB: Building Permit data for September was incomplete when this report was generated and therefore is not referred to above.



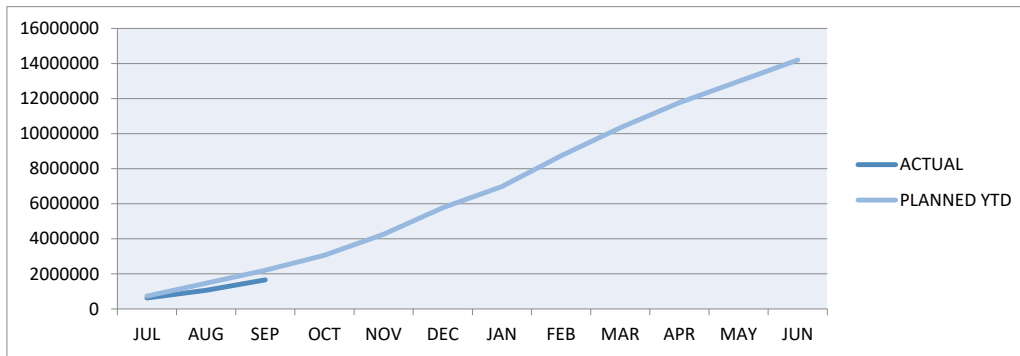
Capital Works & Major Initiatives Performance Report

**COLAC OTWAY SHIRE COUNCIL
CAPITAL EXPENDITURE REPORT
For 3 Months Ending 30 September 2020**

Current Capital Works Program Percentage Summary as at 30 September 2020

	Year to Date		Annual
	Actual	Forecast	Forecast
	\$	\$	\$
Capital Project Expenditure - YTD	1,658,561	2,400,009	14,346,467
Planned vs Actual		69%	12%

Expenditure - Forecast vs Actual



Commentary

The Capital Projects Year-to-date (YTD) expenditure to 30 September 2020 of \$1.66m is 75% of the \$2.4m forecasted YTD spend, and 12% of the annual forecasted spend.

It is important to note that:

- The forecast YTD figure reflects the forecasted figures in BIS.
- The forecast YTD figure relies on accurate phasing.
- The 'Actual' figure does not include commitments.

COLAC OTWAY SHIRE COUNCIL
CAPITAL EXPENDITURE REPORT
For 3 Months Ending 30 September 2020

2020-21 Capital Expenditure Program Summary

	Year to Date		Annual		YTD/
	Actual	Forecast	Budget	Forecast	Forecast
	\$	\$	\$	\$	%
Active Reserves Programme	960	0	0	0	0%
Bridges Programme	411,541	206,978	620,000	1,470,701	28%
Building Programme	59,177	164,481	356,000	657,931	9%
Crack Sealing Programme	1,181	0	80,000	80,000	1%
Footpath Programme	35,225	103,493	413,000	886,002	4%
Furniture Programme	20,874	0	0	0	0%
ICT Hardware Programme	1,345	31,746	21,000	126,991	1%
ICT Software Programme	1,430	30,102	0	120,410	1%
Kerb and Channel Programme	0	35,238	75,000	140,952	0%
Light Fleet Programme	167,052	180,000	720,000	720,000	23%
Major Plant Programme	0	426,249	1,705,000	1,705,000	0%
Open Space Assets	2,706	15,792	50,000	63,172	4%
Open Space Furniture Programme	1,049	0	0	0	0%
Open Space Programme	280,435	350,384	0	891,532	31%
Playground Programme	14,261	146,859	0	687,444	2%
Reseal Programme	393	0	862,539	862,539	0%
Resheet Programme	510,965	299,997	1,200,000	1,200,000	43%
Road and Street Furniture Programme	7,398	32,499	130,000	150,000	5%
Road Improvement Programme	65,911	123,846	430,735	780,394	8%
Road Reconstruction Programme	14,709	0	2,280,000	2,480,000	1%
Road Slip Programme	39,693	159,960	574,000	639,855	6%
Road Stabilisation Programme	0	7,386	314,000	343,544	0%
Stormwater Assets	0	84,999	340,000	340,000	0%
Stormwater Programme	22,256	0	0	0	0%
Total	1,658,561	2,400,009	10,171,274	14,346,467	12%

Attachment 10.4.1 Quarterly Performance Report - September 2020 Revised - 3 December 2020

COLAC OTWAY SHIRE COUNCIL
CAPITAL EXPENDITURE REPORT
For 3 Months Ending 30 September 2020

Work Order	Year to Date		Annual	
	Actual	Forecast	Budget	Forecast
	\$	\$	\$	\$
Active Reserves Programme				
00035287 - 2018-19 Capital Works - Active Reserve Programme - Cororooke Toilets	396	0	0	0
00035814 - 2018-19 - Capital Works - Western Reserve Oval Reconstruction and Lighting	565	0	0	0
Active Reserves Programme Total	960	0	0	0
Bridges Programme				
00031853 - Budget Work Order - Bridge Rehabilitation Programme	0	154,998	620,000	760,484
00035604 - 2018-19 - Capital Works - Bridge Programme - Consultancy Fees	3,294	0	0	0
00036158 - 2019-20 Capital Works - Bridge Programme - Forest St Bridge Widening	406,484	31,980	0	127,917
00036729 - 2020-21 Capital Works - LRCI Fund - Bridges - Barongarook Creek Pedestrian Bridge	1,595	20,000	0	427,300
00036731 - 2020-21 Capital Works - LRCI Fund - Stormwater - Drainage and Pedestrian Crossing Forrest Common	168	0	0	155,000
Bridges Programme Total	411,541	206,978	620,000	1,470,701
Building Programme				
00031855 - Budget Work Order - Building Renewal Programme	0	89,001	356,000	356,000
00035072 - 2018-19 - Capital Works - Forrest Caravan Park Waste Water Upgrade	3,682	63,606	0	254,431
00035543 - 2018-19 Capital Works - Building Renewal Programme - Gellibrand Neighbourhood House	0	11,874	0	47,500
00035999 - 2018-19 Capital Works - Building Renewal Programme - Kennett River Toilets	916	0	0	0
00036384 - 2019-20 Capital Works - Building Renewal Programme - Bluewater - Building Renewal Works	52,058	0	0	0
00036418 - 2019-20 Capital Works - Building Renewal Programme - Rae St Precinct EWS	1,948	0	0	0
00036718 - 2020-21 Capital Works - Building Renewal Programme - Bluewater Roof Replacement	574	0	0	0
Building Programme Total	59,177	164,481	356,000	657,931
Crack Sealing Programme				
00036325 - Budget Work Order - Crack Sealing Programme	1,181	0	80,000	80,000
Crack Sealing Programme Total	1,181	0	80,000	80,000
Footpath Programme				
00031845 - Budget Work Order - Footpath Renewal Programme	2,782	75,750	303,000	303,000
00036506 - 2019-20 Capital Works - Footpath Renewal Programme - Cressy Gravel Path	753	0	0	0
00036510 - 2020-21 Capital Works - Roadknight Street Footpath Birregurra	1,586	26,741	110,000	110,000
00036533 - 2019-20 Capital Works - Footpath Renewal Programme - Beeac Gravel Path	2,644	0	0	0
00036666 - 2020-21 Capital Works - Footpath Renewal Programme - Corangamite Street	1,069	0	0	0
00036669 - 2020-21 Capital Works - Footpath Renewal Programme - Wilson Street	2,209	0	0	0
00036670 - 2020-21 Capital Works - Footpath Renewal Programme - Murray Street	12,088	0	0	0
00036687 - 2020-21 Capital Works - Footpath Renewal Programme - Bartlett Street	6,217	0	0	0
00036722 - 2020-21 Capital Works - LRCI Fund - Roadknight Street Footpath	1,977	0	0	195,000
00036723 - 2020-21 Capital Works - LRCI Fund - Footpath - Thomson Street, Apollo Bay	686	0	0	40,000
00036724 - 2020-21 Capital Works - LRCI Fund - Footpath - Tulloh Street Elliminyt	970	0	0	80,000
00036725 - 2020-21 Capital Works - LRCI Fund - Footpath - Corangamite Lake Road, Cororooke	1,100	0	0	85,000
00036726 - 2020-21 Capital Works - LRCI Fund - Footpath - Colac Lavers Hill Road, Gellibrand	647	1	0	60,001
00036727 - 2020-21 Capital Works - LRCI Fund - Footpath - College Drive, Lavers Hill	194	1,001	0	13,001
00036740 - 2020-21 Capital Works- Footpath Programme - Great Ocean Road Path	175	0	0	0
00036741 - 2020-21 Capital Works- Footpath Programme - Rex Norman Park Paths	129	0	0	0
Footpath Programme Total	35,225	103,493	413,000	886,002
Furniture Programme				
00032708 - Capital Works 2015-16 - Furniture and Equipment Replacement Programme - Upgrade of 2-way Radio System	20,874	0	0	0
Furniture Programme Total	20,874	0	0	0
ICT Hardware Programme				
00035067 - 2018-19 - Capital Works - Wide Area Network (WAN) Upgrade and Expansion	1,345	26,496	0	105,991
00036453 - 2020-21 Capital Works - Council Meeting Audio Recording System	0	5,250	21,000	21,000
ICT Hardware Programme Total	1,345	31,746	21,000	126,991
ICT Software Programme				
00035065 - 2018-19 - Capital Works - Civica Suite - Major Upgrade + functionality expansion	1,430	30,102	0	120,410
ICT Software Programme Total	1,430	30,102	0	120,410

Attachment 10.4.1 Quarterly Performance Report - September 2020 Revised - 3 December 2020

COLAC OTWAY SHIRE COUNCIL
CAPITAL EXPENDITURE REPORT
For 3 Months Ending 30 September 2020

Work Order	Year to Date		Annual	
	Actual	Forecast	Budget	Forecast
	\$	\$	\$	\$
Kerb and Channel Programme				
00031854 - Budget Work Order - Kerb and Channel Replacement Programme	0	35,238	75,000	140,952
Kerb and Channel Programme Total	0	35,238	75,000	140,952
Light Fleet Programme				
00031824 - Budget Work Order - Light Fleet Acquisitions and Sales	0	180,000	720,000	720,000
00036738 - 2020-21 Capital Works - Fleet Replacement - Ford Fortuner GXL	45,850	0	0	0
00036739 - 2020-21 Capital Works - Fleet Replacement - Toyota Kluger GXL AWD	46,185	0	0	0
00036743 - 2020-21 Capital Works - Fleet Replacement - Toyota Hilux SR Space Cab	37,508	0	0	0
00036744 - 2020-21 Capital Works - Fleet Replacement - Toyota Hilux SR Space Cab	37,508	0	0	0
Light Fleet Programme Total	167,052	180,000	720,000	720,000
Major Plant Programme				
00031825 - Budget Work Order - Major Plant Acquisitions and Sales	0	399,999	1,600,000	1,600,000
00036455 - 2020-21 Capital Works - Operational Skid Steer Attachments	0	18,750	75,000	75,000
00036456 - 2020-21 Capital Works - Slip-on Field Sprayer Unit	0	7,500	30,000	30,000
Major Plant Programme Total	0	426,249	1,705,000	1,705,000
Open Space Assets				
00031849 - Budget Work Order - Open Space Renewal Programme	64	15,792	50,000	63,172
00035152 - 2019-2018 - Capital Works - Memorial Square Public Safety Infrastructure	2,643	0	0	0
Open Space Assets Total	2,706	15,792	50,000	63,172
Open Space Furniture Programme				
00031922 - Colac CBD and Entrances Project Works	1,049	0	0	0
Open Space Furniture Programme Total	1,049	0	0	0
Open Space Programme				
00035945 - 2019-20 - Capital Works - Open Space - Central Reserve Lighting and Netball Court Redevelopment	202,482	279,827	0	609,308
00036011 - 2019-20 - Capital Works - Open Space - Elliminyt Recreation Reserve Velodrome Resurfacing	65,903	32,556	0	130,224
00036421 - 2019-20 Capital Works - Botanic Gardens Heritage Tree Works	1,780	38,001	0	152,000
00036509 - 2019-20 Capital Works - Open Space - Barongarook Picnic Area Relocation Works	10,269	0	0	0
Open Space Programme Total	280,435	350,384	0	891,532
Playground Programme				
00035101 - 2018-19 Capital Works - Memorial Square Masterplan Implementation	0	2,811	0	11,245
00035946 - 2019-20 Capital Works - Playground Programme - Memorial Square Playspace	13,898	144,048	0	576,199
00036733 - 2020-21 Capital Works - LRCI Fund - Playground Programme - Pejuli St Playspace	363	0	0	100,000
Playground Programme Total	14,261	146,859	0	687,444
Reseal Programme				
00031880 - Budget Work Order - Local Roads Reseal Programme	393	0	862,539	862,539
Reseal Programme Total	393	0	862,539	862,539

COLAC OTWAY SHIRE COUNCIL
CAPITAL EXPENDITURE REPORT
For 3 Months Ending 30 September 2020

Work Order	Year to Date		Annual	
	Actual	Forecast	Budget	Forecast
	\$	\$	\$	\$
Resheet Programme				
00031851 - Budget Work Order - Unsealed Road Resheet Programme	1,009	299,997	1,200,000	1,200,000
00035204 - 2018-2019 Capital Works - Resheet Programme - McMasters Road, Eurack	224	0	0	0
00036467 - 2019-20 Capital Works - Resheet Programme - Biddles Road, Apollo Bay	859	0	0	0
00036543 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Barham River Road, Apollo Bay	46,367	0	0	0
00036544 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Binns Road, Apollo Bay	375	0	0	0
00036547 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Binns Road, Glenaire	99,267	0	0	0
00036548 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Wild Dog Creek Road	8,148	0	0	0
00036560 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Karlson St, Skenes Ck	5,032	0	0	0
00036562 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Tiger Lane, Skenes Ck	12,606	0	0	0
00036566 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Cashins Road, Kawarren	10,982	0	0	0
00036575 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Beal Street, Birregurra	4,068	0	0	0
00036576 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Beeac Dreeite Road, Dreeite	13,122	0	0	0
00036579 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Boxs Road, Pirron Yallock	8,224	0	0	0
00036580 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Christies Road, Elliminyt	10,595	0	0	0
00036581 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Clifton Road, Carpendeit	22,916	0	0	0
00036582 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Dewings Bridge Road, Barwon Downs	32,948	0	0	0
00036583 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Dykes Road, Stonyford	15,078	0	0	0
00036584 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Farrells Road, Warrion	4,056	0	0	0
00036585 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Forest Street South, Elliminyt	7,051	0	0	0
00036586 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Gold Hole Road, Barongarook	41,838	0	0	0
00036587 - 2020-21 Capital Works - Unsealed Road Pavement Programme - McLaughlins Road, Barwon Downs	10,552	0	0	0
00036589 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Parks Lodge Road, Barongarook	39,228	0	0	0
00036591 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Rifle Butts Road, Colac West	5,556	0	0	0
00036592 - 2020-21 Capital Works - Unsealed Road Pavement Programme - South Larpent Road, Larpent	22,451	0	0	0
00036593 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Scoullers Road, Stonyford	27,333	0	0	0
00036594 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Taylors Road, Barwon Downs	37,889	0	0	0
00036595 - 2020-21 Capital Works - Unsealed Road Pavement Programme - Warncoort Cemetery Road, Warncoort	23,189	0	0	0
Resheet Programme Total	510,965	299,997	1,200,000	1,200,000
Road and Street Furniture Programme				
00031867 - Budget Work Order - Road Safety Devices Programme	218	32,499	130,000	130,000
00034829 - 2017-18 Capital Works - Street Furniture Renewal Programme - Misc Sign Replacement	1,708	0	0	0
00035947 - 2019-20 Capital Works - Street Furniture Programme - Coastal Tourism Parking, Traffic & Interim Toilet	188	0	0	0
00036355 - 2019-20 Capital Works - Street Furniture Programme - Queen Street Public Lighting Installation	3,917	0	0	0
00036476 - 2019-20 Capital Works - Street Furniture Programme - Welcome to Colac Signs	972	0	0	0
00036730 - 2020-21 Capital Works - LRCI Fund - Road Safety - Speed Hump Installation - Wilson Street, Colac	395	0	0	20,000
Road and Street Furniture Programme Total	7,398	32,499	130,000	150,000

Attachment 10.4.1 Quarterly Performance Report - September 2020 Revised - 3 December 2020

COLAC OTWAY SHIRE COUNCIL
CAPITAL EXPENDITURE REPORT
For 3 Months Ending 30 September 2020

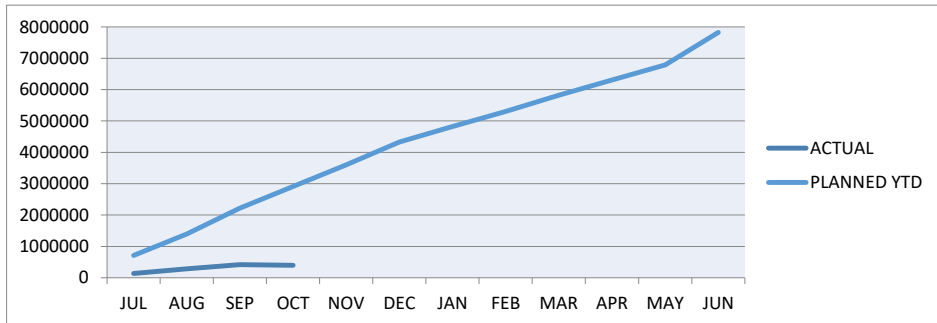
Work Order	Year to Date		Annual	
	Actual	Forecast	Budget	Forecast
	\$	\$	\$	\$
Road Improvement Programme				
00033517 - Budget Work Order - Strategic Road Improvements	37,432	16,164	0	64,659
00036322 - 2019-20 Capital Works - Strategic Road Improvement - Road and Rail Interface	23,043	0	0	0
00036451 - 2020-21 Capital Works - Colac Otway Parking & traffic Strategy Implementation (Forrest - TAC Grant)	5,436	42,684	170,735	170,735
00036457 - 2020-21 Capital Works - Rail Level Crossing Interface Improvement (Back Larpent Road)	0	39,999	160,000	160,000
00036459 - 2020-21 Capital Works - COS Tourism and Parking Strategy - Delivery of Improvement Works	0	24,999	100,000	100,000
00036728 - 2020-21 Capital Works - LRCI Fund - Road Improvement - Swan March-Stoneyford Road, Swan Marsh	0	0	0	285,000
Road Improvement Programme Total	65,911	123,846	430,735	780,394
Road Reconstruction Programme				
00031850 - Budget Work Order - Sealed Road Reconstruction Renewal Programme	725	0	2,280,000	2,280,000
00031882 - Budget Work Order - Sealed Roads Major Patch Programme	1,067	0	0	0
00035993 - 2019-20 Capital Works - Road Reconstruction Programme - Collins Road	200	0	0	0
00036105 - 2019-20 Capital Works - Final Seal - Sealed Road Pavement Programme - Costins Access	637	0	0	0
00036454 - 2020-21 Capital Works - Colac Aerodrome - taxiway - earthworks - Grant Match	524	0	0	0
00036597 - 2020-21 Capital Works - Sealed Road Pavement Programme - Forest Street Reconstruction	10,897	0	0	0
00036720 - 2020-21 Capital Works - LRCI Fund - Road Reconstruction - Connor Street, Colac	660	0	0	200,000
Road Reconstruction Programme Total	14,709	0	2,280,000	2,480,000
Road Slip Programme				
00031864 - Budget Work Order - Road Slip Rehabilitation Programme	546	159,960	574,000	639,855
00035081 - 2017-18 Capital Works - Flooding Event - Road Slip Programme - Creamery Road, Barwon Downs	10,700	0	0	0
00035808 - 2018-2019 - Capital Works - Road Slip Rehabilitation Programme - Site 6 Binns Road	82	0	0	0
00035809 - 2018-2019 - Capital Works - Road Slip Rehabilitation Programme - Site 8 Binns Road	82	0	0	0
00035810 - 2018-2019 - Capital Works - Road Slip Rehabilitation Programme - Site 10 Killala Road	82	0	0	0
00035811 - 2018-2019 - Capital Works - Road Slip Rehabilitation Programme - Site 12 Wild Dog Road	82	0	0	0
00036496 - 2019-20 Capital Works - Road Slip Rehabilitation Programme - Blue Johanna Slip - Landslip Remediation	1,072	0	0	0
00036499 - 2019-20 Capital Works - Road Slip Rehabilitation Programme - Blue Johanna Slip - Landslip Remediation Small	17,554	0	0	0
00036607 - 2020-21 Capital Works - Landslip Rehabilitation Program - Sunnyside Road Landslip	9,493	0	0	0
Road Slip Programme Total	39,693	159,960	574,000	639,855
Road Stabilisation Programme				
00035355 - 2018-19 Capital Works - Road Stabilisation Program - Hearn Street, Colac	0	7,386	0	29,544
00036736 - Budget Work Order - Road Stabilisation Programme	0	0	314,000	314,000
Road Stabilisation Programme Total	0	7,386	314,000	343,544
Stormwater Assets				
00031841 - Budget Work Order - Drainage Renewal Programme	0	84,999	340,000	340,000
Stormwater Assets Total	0	84,999	340,000	340,000
Stormwater Programme				
00034298 - 2016-17 Capital Works - Stormwater Improvement Programme - Thompson Street Outfall	7,046	0	0	0
00035058 - 2016-17 Capital Works - Bushfire Recovery - Wye River and Separation Creek Township - Reticulated Stormwater Drainage- Table drains and driveway culve	0	0	0	0
00035059 - 2016-17 Capital Works - Bushfire Recovery - Wye River and Separation Creek Township - Reticulated Stormwater Drainage- Pits & Pipes	11,756	0	0	0
00035969 - Budget Work Order - Stormwater Programme	2,211	0	0	0
00036302 - 2019-20 Capital Works - Drainage Improvement Programme - Thompson Street Outfall	706	0	0	0
00036515 - 2020-21 Capital Works - Roadside Drainage Program - Pooneet Road	268	0	0	0
00036524 - 2020-21 Capital Works - Roadside Drainage Program - Kennys Lane	268	0	0	0
Stormwater Programme Total	22,256	0	0	0
Total	1,658,561	2,400,009	10,171,274	14,346,467

**COLAC OTWAY SHIRE COUNCIL
MAJOR INITIATIVES REPORT
For 3 Months Ending 30 September 2020**

Current Major Initiatives Percentage Summary as at 30 September 2020

	2020-21 Actual	2020-21 Forecast		
Major Initiatives Expenditure	423,082	7,876,203	5%	Expended
Major Initiatives Income	(1,171,722)	(5,852,180)	20%	Received
Major Initiatives Net	(748,640)	2,024,023		

Expenditure - Forecast vs Actual



Commentary

The forecast YTD expenditure as at 30 September was \$2.2m. The Actual YTD spend has been \$0.4m. This indicates that only 19% of expected Major Initiatives spend has been achieved.

It is important to note that:

- The forecast YTD figure relies on accurate phasing.
- The 'Actual' figure does not include commitments.

COLAC OTWAY SHIRE COUNCIL
MAJOR INITIATIVES REPORT - EXPENDITURE
For 3 Months Ending 30 September 2020

Notes

1. The 'Actual' figure does not include commitments.

Project	YTD Actuals	Annual Budget	Annual Forecast	Comment
	\$	\$	\$	
Full Listing of Major Initiatives				
Major Initiatives in Original Budget				
Forrest Mountain Bike Trail Revitalisation	0	750,000	750,000	Onground work will commence once pre-planning studies have been completed, likely to be during 2021 (see row 38 for more information).
ICT Program	4,425	215,000	317,976	Telecommunications Continuity - In discussions with multiple vendors on options available in market with cloud based solutions, with a target implementation for EOFY. Completed 1 vendor demo with members of ICT X functional group and Surf Coast ICT team invitees. A 2nd Contact Centre specific demo is scheduled for Customer Assist Team. This solution will further enable a more mobile workforce. Discussions and RFQ proposal in progress for AV Room setups for use with MS Teams for COPACC, S&OPS, Nelson St and Whelan Street AB.
Community Vision Plan	0	100,000	100,000	Community Engagement processes are being developed to inform the Plan
Energy Efficient Main Roads Street Lighting Upgrade Completion	0	70,000	70,000	costs of the upgrades to the remaining lights. We hope to have confirmation of their commitment by the end of Nov. If they are not willing to share the cost then a major variation will need to be
Bruce Street Landfill Audit	0	55,000	55,000	A request for quote process has been undertaken and work awarded. The project is on track to be completed in early 2021.
Grant Preparation / Detailed Design	783	50,000	50,000	Some priorities have been identified to progress with available staff (GOR path, • Blackspot funding, Colac entry signs, further work to progress road safety projects) Currently recruiting design co-ordinator to manage remaining scoping work (eg Harris st bridge) up to \$100k
Alvie Landfill - Update & Verify Rehabilitation Plan	0	35,000	35,000	A request for quote process has been undertaken and work awarded. The project is on track to be completed in early 2021.

COLAC OTWAY SHIRE COUNCIL
MAJOR INITIATIVES REPORT - EXPENDITURE
For 3 Months Ending 30 September 2020

Notes

1. The 'Actual' figure does not include commitments.

Project	YTD Actuals	Annual Budget	Annual Forecast	Comment
	\$	\$	\$	
Preparation Municipal Public Health & Wellbeing Plan	0	30,000	30,000	Community Engagement processes are being developed to inform the Plan
Development of the Council Plan 2021-2025	0	25,000	25,000	Community Engagement processes are being developed to inform the Plan
Services & Operations Bring Your Own Device (Phone)	0	15,360	15,360	Project to be operationalised quarter three 2021
Planning & Building ICT Improvements	0	15,000	15,000	No expenditure to date due to COVID restrictions preventing on-site IT access by consultant. Works being scheduled for early 2021.
Recurrent Access and Compliance Works - Public Spaces and Facilities	0	15,000	15,000	COPACC parking and entry path works - currently testing levels for feasibility to meet compliance requirements for accessible grade
SpendMapp - Regional Spend Data to evaluate Local Economy, Events, Visitor habits etc	0	15,000	15,000	Agreement with SpendMapp signed and the first year of data was paid for out of the 2019-20 budget. This budget will be expended in June 2021.
Colac Otway Shire Advertising and Marketing	0	10,000	10,000	
Councillor Induction Program	0	10,000	10,000	
City Deal Project - Apollo Bay Harbour Redevelopment	94,522	3,600,000	4,163,765	
Apollo Bay Early Years Hub - Council Contribution	0	500,000	500,000	Project Control Group and Design Reference Group have been formed by Victorian Schools Building Authority. Designs and costings are being finalised. Project to be completed for opening January 2022.
COS Central Enrolment for Kindergarten	0	75,000	75,000	Scoping of Central Enrolment processes have commenced.
Major Initiatives in Original Budget Total	99,730	5,585,360	6,252,101	

Attachment 10.4.1 Quarterly Performance Report - September 2020 Revised - 3 December 2020

COLAC OTWAY SHIRE COUNCIL
MAJOR INITIATIVES REPORT - EXPENDITURE
For 3 Months Ending 30 September 2020

Notes

1. The 'Actual' figure does not include commitments.

Project	YTD Actuals	Annual Budget	Annual Forecast	Comment
	\$	\$	\$	
Major Initiatives Carried Forward				
Bruce St Investigation	5,186	0	15,000	Environmental audit complete and valuation undertaken of the site. A property consultant is being engaged to prepare information on affordable housing options for Council to consider as part of sale consideration.
Council Property Management Framework	0	0	113,677	
Streamlining Planning Scheme - cutting red tape	696	0	33,242	On track. Amendment C106 (Heritage) considered at September Council meeting and subject to current authorisation request to Minister. A broader amendment to Planning Scheme is due early 2021 to review other overlay schedules.
Economic Development - Forrest Mountain Bike Trail Implementation	462	0	83,321	Currently in pre-planning study phase, due for completion by January 2021. Tenders for onground work have been awarded.
Small Town Improvement Programme (STIP) - Apollo bay Memorial Options Plan	0	0	7,000	On hold until Department of Transport decides what it wishes to do with the intersection.
Amendment C90 - Flood Overlay Changes	2,420	0	2,500	Minor expenditure associated with finalisation of amendment with DELWP that extended unexpectedly into 20/21.
Pound Road records archive remediation and administration	300	37,968	37,968	Stage 1 of project complete with large transfer of physical archives to external storage site, stage 2 delayed due COVID resource constraints. Stage 2 to be scoped to initiate back scanning element of project with 20-21 budget submission process.
Trim Upgrade and Development	3,879	19,697	19,697	Test Environment have been developed, and roll out to test users has commenced. Initial testing due 27 November 2020 to allow necessary bug/issue fixes. Live production environment set to be deployed weekend of 15 January 2020.
CCTV Upgrades for Colac CBD	0	0	27,000	Funding is for operations - needs to be transferred to Strategic Property ops budget
Birregurra Stormwater Drainage Strategy	11,245	0	0	
Memorial Square Toilet Design (Masterplan Implementation)	4,111	0	0	Options have been tested and concepts have been prepared. Currently undertakeing targeted consultation regarding traffic arrangements. Concepts are being finalised for presentation to EMT, Council and public exhibition. On track.
Apollo Bay Harbour Precinct Development Plan	920	0	90,602	On track. Draft Development Plan exhibited and Council to consider submissions at the December meeting. ARUP developing Business Case for additional private/public investment, due to be completed early 2021. Timing fast tracked to facilitate City Deal implementation.
GROW Project	0	0	12,000	Money will be expended before Christmas - was directed towards an accommodation feasibility study.
Former Colac High School Site Master Plan	1,560	0	17,407	Waiting on confirmation from DTF about the land acquisition process. Continuing discussions with the VSBA regarding the master planning process for the new Colac Specialist School and how this will interact with the open space.

Attachment 10.4.1 Quarterly Performance Report - September 2020 Revised - 3 December 2020

COLAC OTWAY SHIRE COUNCIL
MAJOR INITIATIVES REPORT - EXPENDITURE
For 3 Months Ending 30 September 2020

Notes

1. The 'Actual' figure does not include commitments.

Project	YTD Actuals	Annual Budget	Annual Forecast	Comment
	\$	\$	\$	
Colac Civic Precinct Plan	40,031	0	82,412	Completed Office and COPACC needs assessment and commencing procurement for the Master Plan part of the project. Expecting additional grant income which needs to be reforecast.
Revised Erosion Management Overlay Mapping	2,750	0	53,976	Project on track and due to be completed by 31 December.
Development of Public Toilet Strategy	6,854	0	0	Background report finalised. Draft strategy currently being drafted - expected January. Delays caused by staff changes and insufficient data re toilet assets. Note carry forward figure of \$45,000 is not currently showing in this table as forecast budget.
ICT - Works Management System	0	0	30,000	
ICT - ePlanning - Public Portal	0	0	50,000	Work commenced on project brief and scheduling times with other Councils to investigate options.
Infrastructure External Design	29,408	0	0	Carried forward amount (not showing in forecast figure). Consultant engaged to deliver designs, underway and on track.
S&O Safety Audit Action Plan	14,821	0	20,008	Audit items 83% completed. Reporting to EMT separately each quarter. Remaining budget expected to be spent on Admin support and some contractors to complete remaining actions.
Kerbside Collection & Transfer Station Operations Contract Preparation	36,171	30,000	30,000	
Domestic Wastewater Management Plan Review	0	0	15,000	Project initiated, and consultant appointed to prepare technical information. Being conducted inhouse with technical support. Due to be completed April/May 2021.
Colac West Development Plan	1,105	0	0	Project was not funded as was anticipated to be completed in 2019/20 and no carry forward funds available. Significant delay in 2020 due to COVID restrictions impacting on ability to complete cultural heritage assessment. Expenditure still to occur on that element and completion of stormwater assessment and urban design. Will require allocation of funds.
Communities Combating Pests & Weeds Impacts During Drought 2019-2020	0	0	104,724	The final round of grants have been finalised and all funds allocated. Invoices are being processed and the project is on track to be completed by the end of Dec 2020
Apollo Bay Community Infrastructure Plan	45,902	0	147,040	Some delay to completion of draft CIP due to fast tracking of Harbour Development Plan (now separate project), and issues being resolved with stakeholders such as DELWP and RRV. Expect draft Plan to Council in April 2021.
Gender Equity	5,000	0	4,300	On track. \$5,000 spent on gender equity program - a women's leadership program has been purchased and is due to commence on 24/9/2020.
J Barrys Road Industry Development Plan	3,740	0	89,120	On track. Consultants currently preparing technical assessments.
OBRT Risk Assessments	11,300	0	0	Risk assessments completed and paid for in 2019/20 financial year (Services and Operations to lead implementation of recommendations). 2020/21 Financial year actual expenditure paid for the Old Beechy Rail Trail Licence Agreement - Landowner Public Liability Insurance Policy (annual premium), as a result of undertaking the risk assessments and licence agreement negotiations. <i>Note: Need to allocate \$12,000 annually for Landowner Public Liability Insurance Policy Premium (ongoing operational expense).</i>

COLAC OTWAY SHIRE COUNCIL
MAJOR INITIATIVES REPORT - EXPENDITURE
For 3 Months Ending 30 September 2020

Notes

1. The 'Actual' figure does not include commitments.

Project	YTD Actuals	Annual Budget	Annual Forecast	Comment
	\$	\$	\$	
City Deal Project - Great Ocean Walk Stage 1 Wild Dog to Skenes Creek	43,428	0	169,778	
City Deal Project - Infrastructure Improvements Kennett River	49,834	0	276,512	
LRCI Fund - Apollo Bay Recreation Reserve	681	0	40,000	Contractor has been appointed and works have commenced onsite for the sealing of the remaining two tennis/hetball courts at the reserve.
Transition of Library Services	1,548	0	0	Progressing well.
Major Initiatives Carried Forward Total	323,352	87,665	1,572,284	
New Major Initiatives from 2020/21 funding				
Local Planning & Change Management Grant	0	0	31,818	
Bruce Street Solar Array	0	0	20,000	A request for quote is currently being developed to progress the feasibility study. The works are expected to be undertaken by March 2021
New Major Initiatives from 2020/21 funding Total	0	0	51,818	
Total Initiatives Expenditure	423,082	5,673,025	7,876,203	

COLAC OTWAY SHIRE COUNCIL
 MAJOR INITIATIVES REPORT - INCOME
 For 3 Months Ending 30 September 2020

Work Order	YTD Actuals	Annual Budget	Annual Forecast
	\$	\$	\$
Income for Major Initiatives			
Major Initiatives in Original Budget			
City Deal Project - Apollo Bay Harbour Redevelopment	(563,765)	(3,600,000)	(4,163,765)
Forrest MTB Revitalisation	0	(500,000)	(500,000)
Apollo Bay Early Years Hub - Council Contribution	0	(500,000)	(500,000)
COS Central Enrolment for Kindergarten	(27,678)	(75,000)	(75,000)
Major Initiatives in Original Budget Total	(591,443)	(4,675,000)	(5,238,765)
Major Initiatives Carried Forward			
Forrest Mountain Bike Trail Implementation	0	0	(46,187)
J Barrys Road Industry Development Plan	(89,120)	0	(89,120)
City Deal Project - Great Ocean Walk Stage 1 Wild Dog to Skenes Creek	(169,778)	0	(169,778)
City Deal Project - Infrastructure Improvements Kennett River	(276,512)	0	(276,512)
Major Initiatives Carried Forward Total	(535,410)	0	(581,597)
New Major Initiatives from 2020/21 funding			
Local Planning & Change Management Grant	(31,818)	0	(31,818)
Amendment C109cola 10 Drapers Road, Colac East - Signage Amendment	(3,051)	0	0
Kerbside Transition	(10,000)	0	0
New Major Initiatives from 2020/21 funding Total	(44,869)	0	(31,818)
Total Major Initiatives Income	(1,171,722)	(4,675,000)	(5,852,180)



Financial Performance Report

Quarterly Budget Report for 3 Months Ending 30 September 2020

Executive Summary

The financial performance of Council remains consistent with the adopted budget. As discussed below there are some variances to budget expected, but overall these will not materially alter Council's overall financial position.

After taking the 2019/20 actual results into consideration (including carry forwards), the following summary can be provided in relation to the 2020/21 forecast results.

Compared to the adopted budget:

- The Original Budget adopted an operating deficit of (\$448k).
- The September 2020 forecast adjustments have increased the operating result by \$1.395m to \$947k.
- Capital works program is currently forecast to increase by \$4.2m to \$14.4m.
- Closing cash balance is currently forecast to increase by \$1m to \$14.8m.
- Reserve balance is forecast to increase by \$1.4m to \$14.3m. I.e. Cash will only exceed reserves by approximately \$536k.

Further detail of these results are contained within the body of this report. The current forecast assumes that all major projects and capital works are completed on 30 June 2021 and that 50% of the 2021/22 Federal Assistance Grants are received in advance again.

Impact of the COVID-19 pandemic on the 2020/21 budget

The 2020/21 budget was impacted by the onset of the COVID-19 pandemic, requiring Council to make amendments to support the community and cover expected lost revenue and increased costs resulting from the pandemic. These amendments included a reduction in spending of \$1.94m to enable Council to deliver a responsible budget. This reduced spending was to cater for:

- Allocated \$950k to help lead and support the community.
- \$785k expected lost revenue/additional cost (refer to Table 1):
 - \$455k operational impact in 2019/20
 - \$330k operational impact in 2020/21

Table 1

Lost Revenue/additional cost	2019/20 \$'000	2020/21 \$'000	Total \$'000	Comments
Operations				
BWFC	(40)	(40)	(80)	
COPACC	(80)	(20)	(100)	
Interest on Rates	(15)	0	(15)	Interest to be waived until 30 June 2020.
Additional IT Infrast.	(75)	0	(75)	System upgrade and remote access for staff to continue working
Visitor Information Centre closures	(30)	(30)	(60)	\$15k per month lost revenue/offset by \$5k in casual wages per month
Audio/Visual Conferencing Hardware and Software	(50)	0	(50)	To enable Council business to continue.
Additional cleaning service	(70)	(70)	(140)	\$5,000 per week
Employee Costs - Delay recruitment	50		50	Estimate across the organisation
PPE Equipment	(15)		(15)	Masks, hand sanitiser & wipes for staff protection
Reduced Planning & Building Permit revenue		(50)	(50)	Reduced permit demand & loss of fee revenue due to economic impacts - mainly in 2020/21.
Virus Vaccination (when available)	0	0	0	Cost unknown at this time
Reduced Local Laws Infringements, fees, etc.	(80)	(70)	(150)	
Other	(50)	(50)	(100)	Contingency for additional expenditure
Total Deficit relating to operations	(455)	(330)	(785)	

It is important to note that \$1.35m of this reduced spend was relating to Capital Works, which is not reflected in the Operational Result. The budget was therefore constructed to produce an operational deficit, but to still maintain Council's working capital.

The reduction in Capital Works, included reductions to the following:

- Sealed Road Resealing Program (\$350k)
- Building Renewal (\$250k)
- Unsealed Road Reconstruction Program (\$200k)
- Footpath Renewal Program (\$100k)
- Matching Grants Funding Allocation (\$448k)

The budget contained flexibility for Council should the final cost be greater than \$785k, such as reducing the amount allocated to the Business and Community Support Fund or borrowing from internal reserves.

September Update of COVID-19 impact

Officers continue to monitor the estimated impacts of COVID-19, which are still considered reasonable at this stage. Below are the changes to the forecasted operational impact of the Pandemic:

- School Crossings – Reduced expenditure due to reduced staffing requirements (\$13k).
- COPACC – Costs of COVID lower than expected (\$53k).
- Due to uncertainty surrounding restrictions of gym and pool use in Victoria, there is uncertainty regarding the forecasted impact on Bluewater Leisure Centre, although this is being monitored closely by Officers.

OPERATING RESULT

Council's net surplus to 30 September 2020 is \$26.1m. This is high due to the fact that General Rates, Municipal Charge and Waste Charges are raised during August.

Council's original operating budget showed a net deficit of (\$448k). The adjustments in Table 2 provide a reconciliation to the forecast surplus of \$947k.

Table 2

	\$'000
2020/21 Adopted Budget Surplus/(Deficit)	(448)
Operating Carry Overs from 2019/20*	(702)
Port of Apollo Bay Carry Overs from 2019/20*	(175)
Major Initiatives Carry Overs from 2019/20*	(934)
Outstanding Grants relating to above 2019/20 projects*	1,413
2020/21 LRCI Funding received- Government Budget Grant increase above expectations.	1,662
Insurance – Unbudgeted legal Reimbursement	284
Beeac land sale	60
Increase in number of subdivision on Roads Permits	55
Infrastructure Development - Engineering fees received	51
MAV 2020/21 Invoice processed in 2019/20	40
Unbudgeted Family Day Care funding received - Federal Support	31
Staff satisfaction Survey- Reduction in resourcing requirements	20
Bruce St investigation - Government reform delay in work	(15)
Bruce Street Solar Array – To be included as part of budget adoption	(20)
Rent for Pound Road Depot incorrectly excluded from budget	(23)
Building Permit Fees - No permit related fees will be received due to Council service change to no longer process building permit applications	(25)
Insurance premium increase above expectations - MAV Insurance - Local Government Liability	(30)
BoQ - Payment to liquidators to release equipment – Not budgeted	(32)
Insurance premium increase above expectations - Councillor & Officer Liability	(35)
Increase in budget for product scoping – Detailed design works for potential grant funding opportunities	(50)
Pennyroyal Hall Contributions – Contributions not budgeted	(57)
Relocation of Flying Foxes – Required works above expectations	(70)
Federal Assistance Grant Allocation less than budgeted. (allocation was less than the budgeted increase of 2.5%)	(120)
Other (<\$10k)	1
Changes to expected impact of COVID	
School Crossings – Reduced expenditure due to COVID	13
COPACC – Costs of COVID lower than expected	53
Net Forecast adjustment	1,395
2020/21 Annual Forecast Surplus/(Deficit) as at 30 September 2020	947

*These amounts relate to approved projects that were not complete by 30 June 2020, but still require completing in 2020/21 (Carry over). The funding of these projects are provided for in Council's working capital balance.

Actual results for the 3 months to 30 September 2020 are generally showing that Council will achieve the financial position adopted in the 2020/21 adopted budget.

There remains a number of uncertainties surrounding Council expenditure in 2020/21.

These uncertainties include:

- 2-way radio contract.
- Further work relocating Flying Foxes.
- Election Costs.
- COVID-19 impact on Bluewater Leisure Centre

As will be discussed later in this report, Council's cash balance forecast for 30 June 2021 remains marginal when compared to the level of reserves.

Major Initiatives

Per the attached schedule, \$0.4m of Major Projects have been expended as at 30 September 2020. This represents 7% of the original budget (\$5.6m), but only 5% of the forecast (\$7.9m). \$1.2m of revenue has been received in relation to major projects, which represent 20% of the annual forecast (\$5.9m).

Rates and Charges

Rates and Charges are forecast to achieve budget.

Grants

Grants are progressing ahead of budget primarily due to timing and \$1.19m of new grant revenue being included in the forecast in relation to the unbudgeted, fully funded, projects. Corresponding expenditure has been included in Material and Services and Employee Costs (No net impact):

- Working For Victoria - \$1.08m.
- MCH - \$75k.
- Local Planning and Change Management funding - \$32k.

In addition to these projects, additional LRCI Funding of \$1.7m is forecast to be received, which will increase the Capital Works Program by the equivalent amount.

Contributions – Monetary

Contributions are forecast to achieve budget.

Other Income

Other Income received in 2020/21 is forecast to increase, due to the following:

- Reimbursement of legal expenditure - \$284k.
- Engineering fees - \$78k.

Employee Costs

Employee costs for 2020/21 have been forecast to increase by a total of \$738k due to the following:

- \$784k - Fully-funded by the Working for Victoria grant funding.
- Employee cost savings within COPACC and School Crossings due to COVID-19.

Material and Services

Materials and Services at 30 September 2020 were \$4.5m, which represented 20% of the original budget (\$22.5m) and 17% of the forecast (\$26.0m). The forecast has been adjusted to include carry forwards and the expenditure relating to new funded projects, including:

- \$296k - Fully-funded by the Working for Victoria grant funding.

There was \$63k expended on legal fees for the quarter ending 30 September 2020. The legal expenditure related to the following matters:

- Waste Contract (\$36k)
- 2-Way Radio (\$10k)
- Other (Individually <\$5k) (\$17k)

As a comparison, total Legal costs incurred for the 12 months ending 30 June 20 were \$496k.

CAPITAL WORKS

As per the attached report \$1.7m of the capital works program has been delivered to 30 September 2020. This represents 16% of the original budget (\$10.1m) and 12% of the current forecast (\$14.3m)

Council's original Capital budget totalled \$10.1m. Table 3 provides a reconciliation to the current forecast of \$14.3m.

Table 3

	\$'000
2020/21 Capital Works Budget	(10,171)
Capital Projects Carry Overs from 2019/20*	(2,204)
2020/21 LRCI Funding - Government Budget Grant increase above expectations, resulting in increased capital works	(1,660)
Bridge Rehabilitation Programme – Budget not sufficient to complete programme of works	(141)
Central Reserve – Increased scope of works resulting in additional costs	(170)
2020/21 Capital Works Forecast	(14,346)

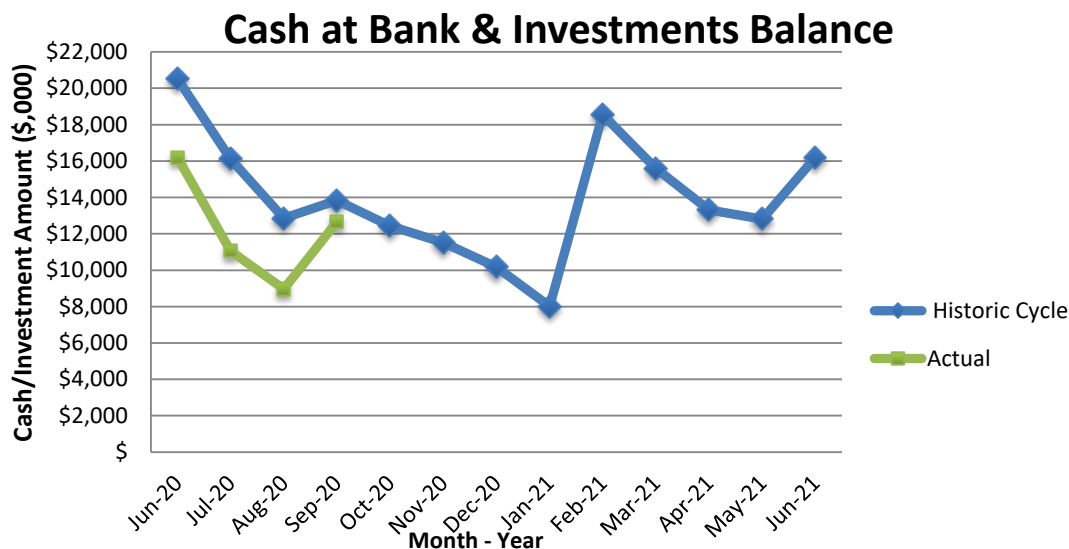
BALANCE SHEET AND CASH FLOW

Cash Balance

The current cash balance is forecast to be \$14.8m at 30 June 2021, which will be approximately \$536k more than the expected Reserves balance of \$14.26m. This assumes all expenditure including capital works and major projects are completed by 30 June 2021.

The graph below shows projections of how Council's cash balance was expected to perform to 30 September 2020. The graph portrays:

- Historical Cycle – which is an estimation of what the cash balance is expected to be at the end of each month based upon historical averages. The historical cycle will reflect recent years which include one off major projects.
- The Actual – this is the actual balance at the end of each month of the year up to and including September 2020.



It can be seen that Council’s cash balance is within expectations and every opportunity is taken to invest surplus cash to maximise investment returns in accordance to Council’s Investment Policy.

The investment income received to 30 September was \$11k, which is below the YTD budget of \$37k. Investment income is subject to timing and the level of interest rates.

As at 30 September 2020, Term Deposits were earning an average of 0.62%. This is 0.37% above the cash rate, which exceeds the performance benchmark of the Reserve Bank Cash rate plus 0.35%. Our investments were within the diversification limits set-out in the investment policy.

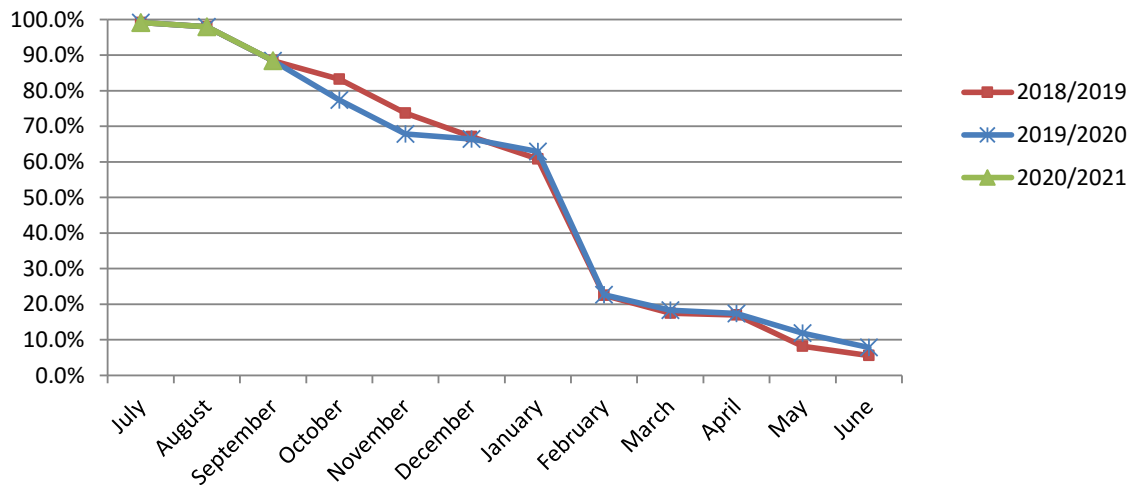
Rate Debtors

As at 30 September 2020, \$31.8 million was raised in rates and charges including batches of supplementary valuations generated by changes to council’s property base. At 30 September 2020 12% of the rates raised have been collected, which was consistent with the same period of the 2019/20 financial year of 12%.

The due date for ratepayers opting to pay in full is 15 February 2021. The due dates for ratepayers opting to pay via instalments are 30 September 2020, 30 November 2020, 28 February 2021 and 31 May 2021. Any ratepayer who has not opted for instalment payments is required to make the full payment before 15 February 2021.

The following graph shows that current collection trends are closely following the 2018/19 and 2019/20 collection trends:

% of Rates Outstanding



Borrowings Analysis

The following is the current schedule of Debt held by Council at 30 September 2020:

Loan Description	Current Year Loan Liability	Non-Current Loan Liability	Meeting Schedule
9203 - Loan 7 - Roads, car parking etc (\$1.65m)	\$0	\$0	Y
9206 - Loan 10 - AB tfr statn, libra (\$2m)(NAB)	\$0	\$0	Y
9207 - Loan 11 - Lakeside, AB tfr s(\$1.1m)(NAB)	\$114,683	\$0	Y
9208 - Loan 12 - Saleyards roof (\$1.178m)(CBA)	\$57,615	\$676,303	Y
9209 - Loan 13 - Street light PV panels (\$416k)	\$44,276	\$61,702	Y
9210 - Loan 14 - Bluewater redevelop(\$1m)(Bond)	\$0	\$0	Y
TOTAL	\$216,573	\$738,005	

As at 30 September 2020 principal repayments of \$70k have been made in 2020/21.

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

Measure	Calculation	Explanation	30-Jun-20	30-Sep-20	Current Risk Rating
Indebtedness (%)	Non-current liabilities / own-sourced revenue	Comparison of non-current liabilities (mainly comprising borrowings) to own-sourced revenue. The higher the percentage, the less the entity is able to cover non-current liabilities from the revenues the Own-sourced revenue is used, rather than total revenue, because it does not include grants or contributions.	27%	31%	Low
Borrowings % of rate Revenue (%)	Interest bearing loans and borrowings / rate revenue	Measurement of the proportion of borrowings against rate revenue raised. The higher the % the higher the proportion of available annual rate revenue is being used to back borrowings.	3%	3%	Low

Other Reserves

The 2020/21 forecast is indicating that Council's cash balance at 30 June 2021 is forecast to be \$536k in excess of the forecast reserves balance, which is a positive result given there was a deficit balance at 30 June 20.

Table 4 summarises the 2020/21 Cash v Reserve movements.

Table 4

	\$'000
Cash v Reserves Surplus/(Deficit) 2019/20	(567)
Increase/(Decrease) in Cash per adopted budget	830
(Increase)/Decrease in Reserves per adopted budget	(99)
Increase/(Decrease) in Operating per forecast (exclude carry forwards)	1,793
(Increase)/Decrease in Capital Works per forecast	(1,971)
Increase/(Decrease) in expected receipts from rates debtors – Balance at 30 June 2020 was larger than expected	550
Cash v Reserves Surplus/(Deficit) Forecast as at 30 September 2020	536

It must be noted that the Balance Sheet is also forecasting a 'Trade and Other Payables' balance of \$5.7m at 30 June 2021. Hence, the current measure of cash v reserves is heavily dependent on the timing of receivables and payables and does not consider Council's net working capital position.

It must be remembered that it is assumed all major projects and capital works are completed this financial year.

Local Authorities Superannuation Fund - Defined Benefits

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

Date	Vested Benefits Index
June 2018	106.0%
September 2018	106.9%
December 2018	101.9%
March 2019	105.4%
June 2019	107.1%
September 2019	107.3%
December 2019	107.7%
March 2020	102.1%
June 2020	104.6%

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

A VBI must generally be kept above the fund's nominated shortfall threshold of 97%. When an actuarial investigation is in progress, the fund's VBI must be at least 100%. A full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year.

As at 30 June 2020, the actual VBI for the sub-plan was 104.6%, which presents a decrease compared to that of 30 June 2019. The VBI is primarily impacted by:

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

As at 30 September 2020 the estimated VBI was 104.5%, which represents a 0.1% decrease from the actual VBI as at 30 June 2020.

Colac Otway Shire Council
Comprehensive Income Statement
 For 3 Months Ending 30 September 2020

	YTD		Annual		YTD %	
	Actual \$'000	Budget \$'000	Budget \$'000	Forecast \$'000	Budget %	Forecast %
Income						
Rates and charges	31,753	31,737	31,902	31,902	100%	100%
Statutory fees and fines	186	144	598	573	31%	32%
User fees	1,444	1,400	5,818	5,810	25%	25%
Grants - operating	4,504	3,483	14,720	17,089	31%	26%
Grants - capital	463	513	1,800	4,885	26%	9%
Contributions - monetary	24	5	19	19	128%	128%
Contributions - non monetary	-	-	-	-	0%	0%
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	15	55	232	292	6%	5%
Share of net profits (or loss) of associates and joint ventures	-	-	30	30	0%	0%
Other income	77	122	515	921	15%	8%
Total income	38,465	37,458	55,634	61,521	69%	63%
Expenses						
Employee costs	4,694	4,931	20,520	21,258	23%	22%
Materials and services	4,467	5,943	22,480	26,144	20%	17%
Depreciation and amortisation	2,700	2,700	10,800	10,800	25%	25%
Amortisation - right of use assets	38	29	115	115	33%	33%
Bad and doubtful debts	-	1	2	2	0%	0%
Borrowing costs	15	13	53	53	28%	28%
Finance Costs - leases	16	-	49	49	33%	33%
Other expenses	394	503	2,063	2,153	19%	18%
Total expenses	12,325	14,120	56,082	60,574	22%	20%
Surplus/(deficit) for the year	26,141	23,338	(448)	947		
Other comprehensive income						
Items that will not be reclassified to surplus or deficit in future periods						
Net asset revaluation increment/(decrement)	-	-	-	-		
Share of other comprehensive income of associates and joint ventures	-	-	-	-		
Total comprehensive result	26,141	23,338	(448)	947		

Refer to the 'Operating Result' section of the Quarterly Budget Report for further operational analysis.

Colac Otway Shire Council
Balance Sheet
As at 30 September 2020

	YTD	Annual	Annual
	\$'000	Budget	Forecast
	\$'000	\$'000	\$'000
Assets			
Current assets			
Cash and cash equivalents	12,655	13,842	14,797
Trade and other receivables	33,332	2,897	2,723
Inventories	208	156	190
Other assets	541	273	329
Total current assets	46,735	17,168	18,039
Non-current assets			
Intangible assets	-	-	-
Right of use assets	863	1,152	748
Property, infrastructure, plant and equipment	355,731	322,784	358,448
Investments in associates, joint arrangements and subsidiaries	441	465	471
Total non-current assets	357,035	324,401	359,667
Total assets	403,771	341,569	377,707
Liabilities			
Current liabilities			
Trade and other payables	5,214	4,237	5,749
Trust funds and deposits	1,318	585	724
Interest-bearing liabilities	217	142	142
Lease liabilities	105	110	100
Provisions	4,357	6,100	4,357
Total current liabilities	11,211	11,174	11,072
Non-current liabilities			
Interest-bearing liabilities	738	596	596
Lease liabilities	773	1,042	663
Provisions	9,005	8,555	9,005
Total non-current liabilities	10,516	10,193	10,264
Total liabilities	21,727	21,367	21,336
Net assets	382,044	320,202	356,371
Equity			
Accumulated Surplus	157,148	131,289	133,979
Reserves	224,896	188,913	222,392
Total Equity	382,044	320,202	356,371

Colac Otway Shire Council
Statement of Cash Flows
For 3 Months Ending 30 September 2020

	YTD	Annual		YTD %	
	Actual	Budget	Forecast	Budget	Forecast
	Inflows/ (Outflows) \$'000	Inflows/ (Outflows) \$'000	Inflows/ (Outflows) \$'000	Inflows/ (Outflows) %	Inflows/ (Outflows) %
Cash flows from operating activities					
Rates and charges	5,719	32,065	32,775	18%	17%
Statutory fees and fines	186	598	573	31%	32%
User fees	1,444	5,818	5,810	25%	25%
Grants - operating	2,976	14,798	17,106	20%	17%
Grants - capital	463	1,800	4,885	26%	9%
Contributions - monetary	24	19	19	128%	128%
Trust funds and deposits taken/(paid)	333	(262)	(523)	(127%)	(64%)
Other receipts	76	516	921	15%	8%
Employee costs	(5,394)	(20,520)	(21,258)	26%	25%
Materials and services	(5,667)	(22,328)	(25,828)	25%	22%
Other payments	(394)	(2,063)	(2,153)	19%	18%
Net cash provided by/(used in) operating activities	(234)	10,441	12,326	(2%)	(2%)
Cash flows from investing activities					
Payments for property, infrastructure, plant and equipment	(3,198)	(10,170)	(14,287)	31%	22%
Proceeds from sale of property, infrastructure, plant and equipment	15	1,062	1,062	1%	1%
Net cash provided by/(used in) investing activities	(3,183)	(9,108)	(13,225)	35%	24%
Cash flows from financing activities					
Finance costs	(15)	(53)	(53)	28%	28%
Repayment of borrowings	(69)	(286)	(286)	24%	24%
Interest paid - lease liability	(12)	(49)	(49)	25%	0%
Repayment of lease liabilities	(29)	(115)	(115)	25%	0%
Net cash provided by/(used in) financing activities	(125)	(503)	(503)	25%	25%
Net increase (decrease) in cash and cash equivalents	(3,543)	830	(1,402)		
Cash and cash equivalents at the beginning of the period	16,198	13,012	16,198		
Cash and cash equivalents at the end of the period	12,655	13,842	14,797		

COLAC OTWAY SHIRE COUNCIL
SERVICE AREA REPORT
For 3 Months Ending 30 September 2020

The following analysis provides Council with detailed financial information for the Service Areas of Council.

Notes

1. Income is presented as a negative. Favourable variances will therefore be a negative.
2. The 'Actual' figure does not include commitments.
3. Inaccurate phasing results in unreliable YTD Forecast figures.
4. These are net figures for each service area.

Dept	Unit	Service
------	------	---------

SERVICE	Year to Date			Annual		Commentary
	Actual	Forecast	Variance	Budget	Forecast	
	\$	\$	\$	\$	\$	
Chief Executive Office						
Chief Executive						
03000 - Chief Executive Office Operations (WO)	147,350	167,805	(20,455)	573,062	533,062	The September 20 Quarterly Forecast was adjusted to reflect \$40k favourable variance due to the 20/21 MAV membership being paid in 2019-20.
Chief Executive Total	147,350	167,805	(20,455)	573,062	533,062	
Governance						
03010 - Communications Operations (WO)	88,876	96,106	(7,230)	392,817	392,817	
03030 - Elected Members Support (WO)	56,225	98,547	(42,322)	394,200	394,200	
03320 - Governance Management Operations (WO)	101,243	182,890	(81,647)	666,318	710,792	Timing difference relating to the expenditure for VEC and Community Vision Plan.
Governance Total	246,344	377,543	(131,199)	1,453,335	1,497,809	
Chief Executive Office Total	393,694	545,348	(151,654)	2,026,397	2,030,871	
Corporate Services						
Assets, Borrowings, Overheads, Adjustments						
01130 - Grants Commission Funding (WO)	(877,744)	(859,435)	(18,309)	(7,204,418)	(7,084,418)	
01511 - Capital Works Income (WO)	(379,727)	(1,351,994)	972,267	(1,800,000)	(4,974,921)	Timing difference of grants received.
01545 - Light Fleet Revenue (WO)	(14,545)	(140,445)	125,900	(562,000)	(562,000)	
03055 - On-Cost Recovery	(452,016)	243,661	(695,677)	0	0	Timing difference - This includes the timing of Workcover invoicing and employee leave taken.
03121 - Loan Repayments	14,833	25,488	(10,655)	101,959	101,959	
03175 - VicRoads Operations (WO)	(523)	0	(523)	0	0	
03260 - Corporate Overheads (WO)	19,985	24,999	(5,014)	100,000	100,000	
19183 - Asset profit	0	207,498	(207,498)	830,000	830,000	Timing difference - This is impacted by the timing of asset disposals
19185 - Depreciation, Amortisation and revaluation	2,700,000	2,728,740	(28,740)	10,915,000	10,915,000	
Assets, Borrowings, Overheads, Adjustments Total	1,010,262	878,512	131,750	2,380,541	(674,380)	

COLAC OTWAY SHIRE COUNCIL
SERVICE AREA REPORT
For 3 Months Ending 30 September 2020

The following analysis provides Council with detailed financial information for the Service Areas of Council.

Notes

1. Income is presented as a negative. Favourable variances will therefore be a negative.
2. The 'Actual' figure does not include commitments.
3. Inaccurate phasing results in unreliable YTD Forecast figures.
4. These are net figures for each service area.

Dept	Unit	Service
------	------	---------

SERVICE	Year to Date			Annual		Commentary
	Actual	Forecast	Variance	Budget	Forecast	
	\$	\$	\$	\$	\$	
Corporate Services Management						
03100 - Corporate Services Management (WO)	(143,210)	106,266	(249,476)	416,861	441,061	Timing difference - Working for Victoria funding received in excess of related expenditure.
03330 - Contracts and Procurement Operations (WO)	69,428	90,353	(20,925)	353,257	359,057	
Corporate Services Management Total	(73,781)	196,619	(270,400)	770,118	800,118	
Financial Services						
03110 - Property & Rates Operations (WO)	86,601	93,464	(6,863)	312,922	312,922	
03111 - Rates Revenue	(28,674,116)	(28,606,228)	(67,888)	(28,766,728)	(28,766,728)	
03115 - Financial Services Management (WO)	48,534	41,950	6,584	216,504	248,504	
03118 - Payroll Services (WO)	41,920	44,380	(2,460)	182,462	182,462	
03120 - Financial Control Operations (WO)	103,572	115,291	(11,719)	475,662	475,662	
Financial Services Total	(28,393,489)	(28,311,143)	(82,346)	(27,579,178)	(27,547,178)	
Information Services						
03140 - IT Services Operations (WO)	499,178	467,263	31,915	1,799,212	1,898,909	Timing difference - This is due to the timing of software and renewal licenses being different to budget.
03142 - Information Management Services (WO)	43,865	85,321	(41,456)	169,449	345,417	
03145 - GIS Operations (WO)	0	14,499	(14,499)	58,000	58,000	
03150 - Records Management Operations (WO)	57,135	175,824	(118,689)	514,611	720,919	Timing difference - Initiatives budgeted to have been further expended, including Municipal Management Software Remediation and ICT Projects.
Information Services Total	600,178	742,907	(142,729)	2,541,272	3,023,245	

COLAC OTWAY SHIRE COUNCIL
SERVICE AREA REPORT
For 3 Months Ending 30 September 2020

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Dept	Unit	Service
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SERVICE	Year to Date			Annual		Commentary
	Actual	Forecast	Variance	Budget	Forecast	
	\$	\$	\$	\$	\$	
People and Culture						
03160 - Human Resources Operations (WO)	79,347	109,979	(30,632)	414,173	419,220	
03162 - Organisational Development Operations (WO)	82,167	86,238	(4,071)	351,497	351,497	
03164 - PPC Management (WO)	5,000	7,012	(2,012)	10,850	15,150	
03165 - Risk Management Operations (WO)	533,635	236,938	296,697	653,015	454,023	These are timing differences due to payment of Insurance. The Forecast has been adjusted to reflect MAV Insurance above budget (\$30k), Councillor and Officer Liability Insurance above budget (\$35k) and Reimbursement of Legal Expenditure (\$284k).
03170 - Customer Service Operations (WO)	100,646	113,217	(12,571)	463,216	463,216	
04150 - Colac Visitor Information Centre Operations (WO)	(3,566)	19,807	(23,373)	103,948	103,948	Reduction in salaries due to VIC's extended closure.
04155 - Great Ocean Road VIC Operations (WO)	40,466	45,871	(5,405)	240,547	240,547	
People and Culture Total	837,695	619,062	218,633	2,237,246	2,047,601	
Corporate Services Total	(26,019,135)	(25,874,043)	(145,092)	(19,650,001)	(22,350,594)	

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SERVICE	Year to Date			Annual		Commentary
	Actual	Forecast	Variance	Budget	Forecast	
	\$	\$	\$	\$	\$	
Development and Community Services						
Healthy Active Communities						
03710 - Libraries (WO)	189,098	187,434	1,664	741,000	741,000	
03740 - Recreation Operations (WO)	52,172	62,553	(10,381)	250,212	290,212	
03750 - Family & Children's Services Operations (WO)	(30,152)	(34,503)	4,351	121,885	90,661	
03770 - Maternal & Child Health Operations (WO)	27,582	10,972	16,610	60,688	60,688	Additional salaries to cover leave. Timing difference due to funding payment missing cut off.
04140 - Community Service Management Operations (WO)	22,997	85,101	(62,104)	237,738	374,724	Aboriginal Community Development Healthy Stronger Babies & Community Activation and Social Isolation professional service invoices not yet paid. Some parts of projects are on hold due to staff taking leave and restructure.
Healthy Active Communities Total	261,697	311,557	(49,860)	1,411,523	1,557,285	
OPASS						
03820 - Aged Care Management Administration (WO)	(722,735)	(282,512)	(440,223)	(676,413)	(651,596)	Additional funding received - working with Finance to look at required additional costs
03871 - Regional Assessment Service Operations (WO)	(15,704)	306	(16,010)	(31,351)	(17,237)	Project on hold due to staff leave and correct phasing of income received
OPASS Total	(738,439)	(282,206)	(456,233)	(707,764)	(668,833)	
Development and Community Services Management						
04000 - Community & Development Services Management (WO)	73,751	63,756	9,995	309,446	309,446	
Development and Community Services Management Total	73,751	63,756	9,995	309,446	309,446	

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SERVICE	Year to Date			Annual		Commentary
	Actual	Forecast	Variance	Budget	Forecast	
	\$	\$	\$	\$	\$	
Economy and Business Enterprises						
03350 - Colac Livestock Selling Centre Operations (WO)	(18,453)	(16,658)	(1,795)	(29,600)	(29,600)	
03735 - Leisure Centre Operations (WO)	362,456	386,821	(24,365)	936,394	971,394	Due to changes in opening. Expected to be closed in this period. Had nearly a full month of opening.
03880 - COPACC Management Operations (WO)	(20,156)	39,073	(59,229)	567,642	515,140	Received all of Creative VIC Grant, budgeted salaries but staff currently not working
03910 - Events Operations (WO)	22,114	22,731	(617)	127,084	127,084	
03920 - Tourism Operations (WO)	116,519	115,765	754	216,494	216,494	
04170 - Economic Development Operations (WO)	238,448	168,685	69,763	1,153,988	1,312,570	Forrext MTB project invoices not yet processed
04175 - Airfield Operations (WO)	(4,112)	243	(4,355)	(60)	(60)	
Economy and Business Enterprises Total	696,816	716,660	(19,844)	2,971,942	3,113,022	
Planning, Building and Health						
04005 - Strategic Planning Operations (WO)	43,327	194,357	(151,030)	260,704	566,495	Apollo Bay Precinct & J Barry Road Industry Development invoice not yet been processed.
04007 - Planning Building & Health Management (WO)	162,332	129,203	33,129	458,426	594,814	Additional staff expenses above budget
04010 - Statutory Planning Operations (WO)	46,566	73,921	(27,355)	406,161	406,161	Additional planning fees income above budget
04015 - Planning Compliance (WO)	24,174	22,111	2,063	107,584	107,584	
04020 - Building Services Operations (WO)	(1,514)	55,818	(57,332)	201,475	226,475	Some building survey invoices not yet processed
04100 - Public Health Operations (WO)	109,999	119,063	(9,064)	509,467	524,467	Domestic Wastewater Management Plan works scheduled for warmer months
Planning, Building and Health Total	384,883	594,473	(209,590)	1,943,817	2,425,996	
Development and Community Services Total	678,709	1,404,240	(725,531)	5,928,964	6,736,916	

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SERVICE	Year to Date			Annual		Commentary
	Actual	Forecast	Variance	Budget	Forecast	
	\$	\$	\$	\$	\$	
Disaster Recovery						
Flood						
06070 - Disaster Recovery Events (Bushfire) (WO)	0	0	0	0	0	
06090 - Disaster Recovery Events (Flood) (WO)	0	0	0	0	0	
Flood Total	0	0	0	0	0	
Disaster Recovery Total	0	0	0	0	0	
Environment and Infrastructure Services						
Arts and Leisure						
03745 - Arts & Leisure Management (WO)	15,022	25,278	(10,256)	103,550	103,550	OBRT Risk Assessments taking place
Arts and Leisure Total	15,022	25,278	(10,256)	103,550	103,550	
Assets and Project Delivery						
03205 - Infrastructure Development (WO)	90,527	55,387	35,140	341,501	229,726	Currently working through with the area to reallocate budgets and actuals to their respective areas.
03305 - Asset and Project Delivery Management (WO)	11,333	36,854	(25,521)	149,345	154,345	
03310 - Project Delivery (WO)	187,794	112,141	75,653	461,288	461,288	
03340 - Asset Management (WO)	204,297	235,206	(30,909)	865,627	1,029,304	
03345 - Strategic Property Management (WO)	36,987	80,885	(43,898)	100,216	157,216	
04038 - Standpipe Management Operations (WO)	862	2,067	(1,205)	8,500	8,500	
Assets and Project Delivery Total	531,801	522,540	9,261	1,926,477	2,040,379	

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SERVICE	Year to Date			Annual		Commentary
	Actual	Forecast	Variance	Budget	Forecast	
	\$	\$	\$	\$	\$	
Environment and Community Safety						
03415 - Landfill Management (WO)	61,778	42,626	19,152	185,016	185,016	
04037 - School Crossing Supervision Operations (WO)	13,126	13,269	(143)	73,431	60,431	
04040 - Local Laws Operations (WO)	133,047	100,571	32,476	403,765	403,765	Income low due to lack of permits issued
04060 - Environmental and Community Safety Operations (WO)	70,160	89,595	(19,435)	471,022	595,746	Pests & weeds and Street Lighting projects behind forecast
04065 - Environment & Community Safety Management (WO)	46,685	42,607	4,078	200,671	200,671	
04085 - Emergency Management Operations (WO)	236,718	231,221	5,497	952,543	952,543	
Environment and Community Safety Total	561,514	519,889	41,625	2,286,448	2,398,172	

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SERVICE	Year to Date			Annual		Commentary
	Actual	Forecast	Variance	Budget	Forecast	
	\$	\$	\$	\$	\$	
Environment and Infrastructure Services Management						
03200 - Environment & Infrastructure Services Management (WO)	82,406	79,245	3,161	325,969	325,969	
03206 - City Deals Project (WO)	(822,270)	24,837	(847,107)	0	0	
Environment and Infrastructure Services Management Total	(739,865)	104,082	(843,947)	325,969	325,969	
Services and Operations						
03240 - Parks, Gardens and Open Space Maintenance (WO)	317,225	633,634	(316,409)	2,318,500	2,388,500	These items are travelling well, being 100k favorable variance. This is due to the timing of capital works which is phased consistently throughout the year.
03274 - Transport Infrastructure Maintenance (WO)	1,128,123	980,921	147,202	4,035,024	4,035,024	
03550 - Plant Operations (WO)	(59,587)	(16,045)	(43,542)	(66,000)	(66,000)	
03551 - Plant Operations (GL Only)	(353,489)	(341,647)	(11,842)	(1,236,440)	(1,236,440)	
03570 - Services & Operations Depot (WO)	309,697	253,020	56,677	940,499	963,599	
03410 - Waste Management Administration (WO)	90,567	210,231	(119,664)	768,829	768,829	
03411 - Waste Services (Garbage Charge Income) (WO)	(3,079,232)	(3,130,829)	51,597	(3,140,580)	(3,140,580)	
03420 - Domestic Refuse Collection (WO)	246,108	427,295	(181,187)	1,757,691	1,757,691	Timing of invoice in arrears is causing this variance.
03431 - Transfer Station Operations (WO)	255,032	291,977	(36,945)	1,201,063	1,201,063	
03490 - Buildings Maintenance & Operations (WO)	272,101	219,873	52,228	904,450	904,450	
Services and Operations Total	(873,454)	(471,570)	(401,884)	7,483,036	7,576,136	
Environment and Infrastructure Services Total	(504,982)	700,219	(1,205,201)	12,125,480	12,444,206	

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	\$	\$	\$	\$	\$	
Port of Apollo Bay						
Capital Works						
37510 - Apollo Bay Harbour Capital Works (WO)	65,178	126,249	(61,071)	0	284,996	
Capital Works Total	65,178	126,249	(61,071)	0	284,996	
Port Administration						
33550 - Apollo Bay Harbour Major Plant Operation Cost	22,045	0	22,045	0	0	
35510 - Apollo Bay Harbour Admin (WO)	(776,384)	(740,835)	(35,549)	16,907	(93,093)	
Port Administration Total	(754,339)	(740,835)	(13,504)	16,907	(93,093)	
Port of Apollo Bay Total	(689,160)	(614,586)	(74,574)	16,907	191,903	
Total	(26,140,874)	(23,838,822)	(2,302,052)	447,747	(946,698)	

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Colac Otway
S H I R E

Item: 10.5

Apollo Bay Harbour Development Plan - Consideration of Submissions

OFFICER	Erin Sonogo
GENERAL MANAGER	Ian Seuren
DIVISION	Development & Community Services
ATTACHMENTS	<ol style="list-style-type: none"> 1. Harbour Development Plan [10.5.1 - 66 pages] 2. Apollo Bay Harbour Development Plan - Summary Table - Requested Changes and Suggestions - Updated [10.5.2 - 2 pages]
PURPOSE	To consider submissions received in relation to the draft Apollo Bay Harbour Development Plan, and to seek Council resolution to adopt the Development Plan.

1. EXECUTIVE SUMMARY

The draft Apollo Bay Harbour Development Plan (Development Plan) is the product of a detailed land use planning process that commenced in 2019. The Development Plan is a requirement of the Special Use Zone, Schedule 2 (SUZ2) to the Colac Otway Planning Scheme which applies to the harbour precinct. Approval of a development plan is required before a planning permit application can be made for any new buildings and works (with some exemptions).

The draft Development Plan has been prepared by Tract Consultants and is founded on an extensive program of community engagement with stakeholders including the Apollo Bay Harbour Redevelopment Project Control Group (Harbour PCG), the Port of Apollo Bay Consultative Committee, the Apollo Bay Golf Club Committee, other agencies and the general community.

Following resolution from Council on 26 August 2020, the draft Development Plan was placed on public exhibition for a period of 6 weeks. A total of 71 written submissions were received from the general public, community groups and government agencies. One submission from a member of the public was later withdrawn resulting in 70 current submissions. 42 submitters expressed general support for the plan and/or redevelopment objectives; 8 submitters were opposed; and 15 offered suggestions for improvements and/or requested changes. 5 were agency submissions.

The purpose of this report is to consider the submissions received and consider whether to adopt the Development Plan with minor revisions as recommended in response to submissions outlined in this

report. A decision to adopt the Development Plan will facilitate the detailed design and consent processes for implementation of projects at the harbour which are funded by the \$12 million City Deal program. Officers are recommending its adoption subject to some minor refinements.

2. RECOMMENDATION

That Council:

- 1. Consider the submissions received in relation to the draft Apollo Bay Harbour Development Plan; and**
- 2. Resolve to adopt this Plan as the approved Development Plan under the Special Use Zone of the Colac Otway Planning Scheme subject to the following changes:**
 - a. Delete the proposed new boat trailer parking at Point Bunbury and replace with standard car parking to avoid encroaching on the stormwater asset and minimise potential conflict with the golf course.**
 - b. Review the site for proposed standard car parking at the east end of Point Bunbury with a view to utilising this area for overflow boat trailer parking.**
 - c. Investigate options to locate a drop-off zone for small tourist buses and oversize vehicles.**
 - d. Amend Figure 7 and Figure 28 to show a key pedestrian crossing between the public toilets beneath the Port Depot building and the new lower terrace boardwalk.**
 - e. Amend Section 4.3.5 Key Building Requirements to clarify that expansion of the Fishermen's Co-op building footprint along the northern façade is permitted to be a maximum of 4.5m from the northern most point of the existing building.**
 - f. Amend Section 4.4.1 Landscape and Public Realm Objectives to include an objective to utilise landscaping in car parking areas to improve visual amenity, provide shade and reduce the impact of urban heat caused by large areas of sealed surfaces.**
 - g. Amend Section 5.3.10 Car Parking and Access to include a policy guideline which requires medium scale trees to be planted in car parking areas to improve visual amenity, provide shade and reduce urban heat island effects while ensuring that viewlines to the Harbour are protected.**
 - h. Include a new policy direction at Section 5.4.2 which references utilising inclusive design principles where possible for future public realm furniture.**
 - i. Amend all references to the Nelson Street (north side) pathway to show a width of 3 metres (rather than 2.5m).**
 - j. Include a section which provides an overview of the Marine and Coastal Policy and how it has influenced the precinct layout, outlines future approvals processes and changing governance arrangements.**
 - k. Update the reference to the Siting and Design Guidelines for Structures on the Victorian Coast at Section 5.2 with the revised guidelines dated May 2020.**
 - l. Minor updates to document text to reflect preferred objectives under the Native Vegetation Framework (i.e. 'avoid' removal rather than 'minimise').**

3. KEY INFORMATION

BACKGROUND

Harbour Planning

The Apollo Bay Harbour Development Plan (Development Plan) (**Attachment 1**) is the culmination of over a decade of planning and engagement aimed at increasing its attractiveness as a place to visit alongside its role as a working port. In 2008 a Master Plan was prepared following a comprehensive Enquiry by Design process led by the State Government which formed the basis of new planning provisions proposed for the precinct. In 2015, the land was rezoned to the Special Use Zone (SUZ2) with an accompanying schedule setting out requirements for the preparation of a Development Plan to guide future land use and development, and to facilitate the preferred vision for the precinct.

Notwithstanding these positive steps, there continued to be challenges in developing a shared vision and Council embarked on a new process to prepare a Development Plan in 2017. A Project Control Group (PCG) comprising strong community representation was established to oversee the work necessary to plan and seek funding and investment. Consultant Essential Economics undertook a Market Sounding exercise which found there would only likely be moderate interest by the private sector in investing in the harbour (potentially between \$2M-\$10M) due to a range of uncertainties including a lack of detailed technical studies, government investment commitment and tenure arrangements. The Expression of Interest (EOI) process that was intended to follow was placed on hold, following a decision to improve the attractiveness of the harbour as an investment proposition by undertaking much of the detailed planning work up front and to complete the work required for preparation of the Harbour Development Plan.

City Deal Funding

In late 2018 Council was successful in obtaining a \$12m funding commitment for Stage 1 improvements to the harbour redevelopment as part of the City Deal initiative, funded by the Federal Government. The Stage 1 improvements include:

- Upgrading of the Mother's Beach car park;
- Relocation/upgrade of the Port Operations Depot building, including new public toilets;
- Harbour precinct entry road upgrade;
- Breakwater Road upgrade;
- Provision or upgrade of pedestrian and bicycle paths connecting the Harbour precinct with Apollo Bay (Nelson Street), including interpretative signage;
- A new boardwalk along the water's edge;
- Extension of the Fisherman's Co-operative building;
- Replacement of fencing in the harbour;
- Utility upgrades.

The funding does not include:

- Constructed shared pathways along Trafalgar Street or Gambier Street;
- A new Sailing Club facility with change rooms and amenities;
- A new shed for the Ocean Rescue Boat;
- Commercial buildings proposed on the lower terrace;
- New car parking at Point Bunbury;

- A pathway along the foreshore from Mother's Beach towards the town centre;
- Public toilets at Point Bunbury.

A Project Director was appointed in early 2020 to manage the implementation of the City Deal Projects in Colac Otway Shire and there are time frames for expenditure of funding in the signed City Deal agreement. It is therefore imperative that the Development Plan for the harbour be progressed as a priority.

Business Case

Complementing the Development Plan will be a Business Case, which is currently being prepared by consulting firm, ARUP. The purpose of this work is to provide evidence and analysis to underpin the case for Government investment in the precinct, including further funding required to complete all elements of the final Development Plan, beyond those funded through the City Deal to date. ARUP has provided direction to ensure that the Development Plan has the best chance of being commercially attractive to the private sector through a subsequent EOI process. Tract Consultants (who prepared the draft Development Plan) and ARUP have been working collaboratively throughout the course of the preparation of the draft Development Plan.

Community Infrastructure Plan

In March 2019, Tract Consultants were appointed to prepare the Apollo Bay, Skenes Creek and Marengo Community Infrastructure Plan (CIP). The CIP is a partnership project between the Colac Otway Shire and the Otway Coast Committee (OCC). The primary purpose of the CIP is to guide the provision of key community and civil infrastructure needs over the next 20-30 years.

Key deliverables of the project include:

- A Harbour Development Plan.
- A District Plan outlining key linkages between towns and between activity centres and destinations (recreational trails, walking and cycling connections).
- Foreshore Masterplans for Skenes Creek, Apollo Bay Central Foreshore and Marengo.
- A Streetscape Plan for the Great Ocean Road and Pascoe Street in the commercial heart of Apollo Bay.
- Township Design Guidelines for Apollo Bay that includes streetscape and park furniture and materials palette.

Recommendations arising from the CIP will be based on a number of inputs, including:

- Community and stakeholder suggestions and aspirations.
- Background technical studies covering coastal process and hazards, a community infrastructure audit and assessment, and a civil infrastructure audit.
- Review of other relevant State and Council legislation, strategies and policies which inform or influence infrastructure provision.

Significant background literature review, technical analysis and extensive community consultation has been completed for the project to date. This work is summarised in the Issues and Opportunities Paper which was released to the public in November 2019 and the Phase 2 Consultation Summary released in March 2020 (both available on Council's website).

Following the second round of consultation, the list of ideas, issues and concerns to be worked through for different parts of the project grew significantly. With the arrival of the City Deal funding it became apparent that priority would need to be given to the Harbour Development Plan within the CIP in order to meet funding timelines and approvals. The Harbour Development Plan involves a different approvals process to the other plans in the CIP in accordance with the Special Use Zone, Schedule 2 (SUZ2) in the Colac Otway Planning Scheme. As such, Tract Consultants were requested to progress the Harbour Development Plan as the first stage of the CIP, while continuing to work towards solutions for other parts of the project. It is anticipated that the completed draft CIP report will be presented to Council in early-mid 2021.

DRAFT APOLLO BAY HARBOUR DEVELOPMENT PLAN

Special Use Zone, Schedule 2 – Apollo Bay Harbour

The Apollo Bay harbour precinct is zoned Special Use (SUZ2) in the Colac Otway Planning Scheme (Clause 37.01-02). In accordance with the SUZ2 an approved Development Plan is required before new use or development takes place, with some exemptions as set out in the schedule. The purpose of the SUZ2 is:

- To provide for the co-ordinated redevelopment of the Apollo Bay Harbour that is consistent with an approved Development Plan.
- To upgrade the boating facilities to a regional level facility in accordance with the Western Victoria Boating Coastal Action Plan (2010) and Boating Coastal Action Plan Interim Review (2013).
- To accommodate port operations in new and improved facilities.
- To contribute to the development and growth of regional tourism.
- To ensure that the combination of uses, their overall density and the scale, character and level of development are compatible with:
 - The amenity of the surrounding area.
 - The skyline as seen from the northern and eastern breakwater.
 - The capacity of the existing road system and any proposed modifications to accommodate an increase in traffic.
 - The need to provide for ongoing commercial port operations and commercial tourism uses.
- To encourage small scale commercial development that does not adversely impact retailing in the Apollo Bay shopping centre.
- To provide safe and efficient vehicle, pedestrian and cycling movements and linkages between the Apollo Bay Harbour and Apollo Bay shopping centre.
- To encourage a high standard of coastal urban design and architectural excellence in the public realm.
- To ensure development is protected from climate change impacts such as sea level rise and storm surge.
- To ensure any redevelopment is consistent with the heritage values of the precinct.
- To provide for the ongoing operation of the Apollo Bay golf course.

Until a Development Plan is approved, Council cannot consider any proposal for use and/or development which requires a planning permit (it is noted that some works can occur without a development plan such as routine harbour management operations and minor works).

The SUZ2 sets out a number of projects which it encourages be included in the Development Plan, recognising that their inclusion is subject to the outcome of technical studies and other inputs. The key projects as set out under the SUZ2 include:

- Harbour Precinct Entry Road upgrade;
- Breakwater Road upgrade;
- New or upgraded pedestrian and cycle links throughout the Harbour, including a boardwalk along the water's edge and links between the Harbour and town centre;
- Extension of the Fishermen's Co-operative building for fish processing operations and increased public use opportunities;
- New harbour edge buildings which could cater for a mix of commercial and/or community uses;
- New recreational marina moorings along the eastern breakwater;
- Increased capacity of the boat launching facility;
- Upgrade of boat trailer parking and other parking;
- Relocated and expanded port operations and boat repair facility;
- New sailing club facility generally in its current position;
- Potential Aboriginal and Cultural Centre;
- Provision for other commercial water based development;
- Extension of the eastern breakwater;
- Upgrade of Mother's Beach car park;
- Retention and expansion of public open space that encourages informal recreational use by the public.

The draft Development Plan includes all of the projects listed. It is noted that some of these projects have already been completed as they did not require a planning permit. These projects include an upgrade to the boat ramp and improved parking in Point Bunbury.

The SUZ2 also stipulates that the Development Plan should provide a precinct approach to car parking provision in four nodes, and that upgrading of these parking facilities will be used to justify waiving parking requirements for future individual projects:

- Mother's Beach car park;
- Fishermen's Co-op;
- Boat trailer car park;
- Breakwater Road.

Investigations found that it was not possible to increase parking along Breakwater Road due to the culturally significant vegetated midden to the north of the road and servicing infrastructure constraints on the south. Instead, the draft Development Plan proposes to enhance parking in nearby streets – Nelson Street and Trafalgar Street, with Trafalgar Street maintaining the ability to accommodate overflow trailer parking.

Public Exhibition

The Special Use Zone requires that the Development Plan be publicly exhibited for a minimum period of 6 weeks. The exhibition period commenced on 3 September and concluded on 18 October 2020.

A total of 71 written submissions were received, including 5 agency submissions – the remainder coming from the general public, adjoining landowners/leaseholders and community organisations. One submission from a member of the public was withdrawn, resulting in 70 current submissions. A total of 42 submitters expressed general support for the plan and/or redevelopment objectives; 8 submitters were opposed; and 15 offered suggestions for improvements and/or requested changes.

A complete copy of all submissions has been provided separately to Council.

The key messages from the community emerging from the submissions included:

- Support for the redevelopment as an opportunity to grow and/or highlight the commercial fishing industry, and for Apollo Bay to position itself as a key tourist destination centred on the harbour as an authentic working port.
- Construction of a beach-side access to the harbour is desired by many in the community. There is a perception that this link is more direct, safer in terms of avoiding conflict with the golf course, and will have a higher level of amenity than the link via Nelson Street. DELWP has stated in their submission that they do not support this pathway.
- A view that pedestrian safety should be well resolved throughout the precinct, including all-abilities access. Many suggestions were received, including that pedestrians and vehicles should be separated as much as possible, and safe crossings, and signage/wayfinding should be incorporated.
- The community have a strong interest in what the future buildings will look like. There is support for the design theme to reflect contemporary but casual architecture, with forms and materials that reflect the authentic working port function, whilst respecting landform and protection of views.
- There is some concern about the size of the double-storey section of the depot building.
- There is also some concern about potential traffic congestion in surrounding streets.
- A number of submitters have expressed support for adaptable use of the proposed retail tenancies. A number of ideas have been put forward for use of this space, and point to this space as emerging as a flexible multi-use space.

These matters, and other issues raised in submissions are considered in more detail below:

Safety impacts due to golf course, and/or concern that physical barriers to mitigate will be unsightly

Numerous submitters raised concerns about safety from golf balls for pedestrians, buildings and vehicles where new pathways, formalised car parking or buildings are proposed adjacent to the Apollo Bay Golf Course.

The Apollo Bay Golf Club also made a detailed submission to the draft Development Plan, generally in support of the plan subject to certain criteria being met including reconfiguration of a couple of tees and screening to address safety concerns. The Club expressed opposition to proposed boat trailer parking adjacent to the 3rd green due to safety concerns and intrusion into the stormwater drainage swale.

Officer comment:

The draft Development Plan notes the intention to investigate screening of the 9th tee to reduce the potential for golf balls to be hit outside the course. In addition, it is proposed to work with the Golf Club to reorientate tees and fairways, redirecting the path of travel of golf balls and thereby reducing the need for physical barriers. Where required, safety barriers would be designed to minimise their visual impact. The detail of safety barriers including the location, materials and size would need to be

determined through a separate design exercise that would also look in detail at proposed changes to the golf course.

Ongoing discussions with the Golf Club have indicated that the proposal for boat trailer parking adjacent to the 3rd green is not feasible as part of the area performs a stormwater drainage function and having trailers this close to the green would present a safety hazard. Officers assessed the location with Golf Club Committee members and agree with this position. It is therefore recommended that the Development Plan be amended to change these 11 spaces to standard car parking only, thereby reducing the proximity of vehicles to the golf course. It is understood that standard car parking would not impact on the swale drain.

Harbour facilities and operations

Submitters raised a range of matters in relation to harbour facilities and operations, including the:

- Need to address shortage of berths/moorings for commercial and recreational vessels, including the need to provide for permanent berths for commercial tourism vessels;
- Provision of refuelling facilities (unleaded), wastewater pump-out facilities, freshwater for wash down of vessels and safe access to boats for customers.
- Safe entry/exit for vessels at harbour mouth.
- Lack of buffers between operational areas of the port, and the general public.

Officer comment:

A key purpose of the SUZ is to upgrade boating facilities to a regional level facility. The draft Development Plan makes provision for additional marina berths at both the eastern breakwater and by extending the existing berth facilities off the northern breakwater.

Whilst not providing specific details, the draft Development Plan notes that the inner harbour will be subject to an additional planning process which will consider water operations and facilities in more detail (well beyond the scope of what is required for the SUZ2). The draft Development Plan anticipates that a future plan could provide for the following:

- Long term expansion of berths on both the main breakwater and along the eastern breakwater.
- Improvement of facilities for visiting boats.
- Improvements to breakwaters.
- Addressing sand ingress into the harbour.
- Development of leisure areas and infrastructure for tourism.

It is noted that many of these works associated with the upgrades are exempt from the need for a future planning permit provided they are undertaken by or on behalf of the public land manager. It is considered unnecessary to include further detail on these issues in the Development Plan.

One submitter has suggested moving the fish cleaning table due to the ongoing presence of aggressive seals. Options for relocating the table are currently being investigated and can occur outside the development plan process.

Traffic, Access and Parking

A number of submitters raised concerns that the plan does not make adequate provision for parking, for boat/trailers, buses/RVs and general parking. The importance of boat trailer parking was noted with some submitters suggesting more boat trailer parking be provided within the precinct rather than standard parking, particularly given the increasing numbers of recreational fishers using the harbour

boat ramp and due to the focus on improving active transport options to the precinct for other visiting pedestrians and cyclists.

There were a couple of submissions concerned with loss of on-street parking available for people attending the Catholic Church on the corner of Nelson and Trafalgar Streets, with a request for timed parking restrictions or other traffic management strategies during specified periods.

Some submitters felt that traffic to/from and within the harbour precinct was not adequately addressed and that a specific traffic management plan was needed to consider future demand for the precinct, prepared by a traffic engineer. Submitters identified a number of locations they viewed as conflict/congestion points including Nelson Street east, Trafalgar Street, the Breakwater Road/Trafalgar Street intersection (Fishermen's Co-op corner) and the boat ramp.

In addition to the proposed volume of parking, submitters were concerned with pedestrian safety within the precinct particularly as a result of moving the Port Depot building to the west side of Trafalgar Street with the slipway remaining on the eastern side.

The Department of Transport (DOT) made a submission, noting their ongoing involvement in development of the Plan through their local Ports Division. DOT emphasised the need for ongoing access to port operations during construction phases and requested that any relocation of depot operations only occur after a new facility is completed. DOT noted the significant vehicle traffic associated with port operations including trucks, forklifts and fuel tankers and the need to consider these needs alongside pedestrian safety as part of traffic planning and management.

Officer comment:

Existing constraints due to landform, existing land use and tenure mean that the opportunity to provide more parking within and adjacent to the harbour precinct is limited. The location of car parking within the precinct is largely governed by the provisions of the SUZ2, which sets out four nodes for future parking. As noted above, it was not feasible to provide parking along Breakwater Road and thus parking within the precinct is confined to three locations (Mothers Beach car park, Fishermen's Co-op and Point Bunbury car park).

The layout of car parking has been designed to avoid intrusion on the golf course and to avoid highly valued open space areas. Any increase in parking proposed on the draft Development Plan is outside of the existing Golf Course Lease Area. The proposal for additional boat trailer parking near the 3rd green in Point Bunbury has been further investigated with the Golf Club Committee and it is now recommended that this be deleted and replaced with standard car parking (refer to the discussion on safety and the golf course above).

Parking has generally been designed to avoid encroaching into sensitive coastal open space in accordance with the Marine and Coastal Policy 2020. As mentioned, opportunities for additional parking in the harbour precinct are very limited but it is recognised that there is high demand for these facilities that is anticipated to grow. The harbour precinct has been earmarked for increased development at both State and local government levels for many years, recently evident through the commitment of \$12 million as part of the City Deal funding. While there is a strong desire to attract additional tourism to this working port it needs to be acknowledged that this is also part of a coastal environment, with sensitive and culturally significant areas that should be preserved for future generations to enjoy. The Development Plan proposes to include some additional standard car parks at Point Bunbury on the north side of the sealed car park between the beach access ramp and the current informal overflow area at the eastern most end of the car park. The proposed site was assessed as part of a background Flora and Fauna Assessment for the precinct as a higher quality area

of native vegetation (Coastal Dune Scrub EVC) that may provide habitat for some threatened shorebird species. Further investigation, including fauna surveys, will need to be undertaken should this option for additional parking be pursued that carefully weighs the economic and social value of additional parking against any potential environmental impacts.

The following table sets out the net impact on parking as proposed in the draft Development Plan.

LOCATION	EXISTING CAR PARKS	PROPOSED CAR PARKS	CHANGE
Central Harbour			
• Mothers Beach	84	64 (2DDA)	-20
• Fishermen's Co-op	15	5 (2DDA)	-10
• Slipway	0	4	+4
Sub-total	99	73	-26
Point Bunbury			
• Regular parks	31 (2 DDA)	47 (4DDA)	+16
• Boat trailer parks	34 (+gravel overflow)	45	+11
• Sailing Club parks	17	17	0
Sub-total	82	109	+27
On-street			
• Nelson Street	34	44	+10
• Trafalgar Street	30	37	+7
Sub-total	64	81	+17
OVERALL	245	263	+18
Loss of spaces within Central Harbour			-10
Additional standard spaces (when counting on street parking)			+7
Additional boat trailer parks			+11

***DDA – disabled parking bay**

The table shows that there would be a net loss overall within the Harbour precinct itself, largely as a result of the relocation of the Port Depot operations to the Mother's Beach car park. A range of options were investigated for the new Depot facility and on balance the current option was considered the most favourable and has generally been supported through submissions, by users of the harbour precinct and the Golf Club.

To minimise the impact of the loss of parking within the precinct, additional on-street parking is proposed for Nelson and Trafalgar Streets. Utilising these locations, the draft Development Plan has managed to achieve an overall net gain in parking of 18 spaces.

It has been recommended above that the proposed boat trailer parking at Point Bunbury be deleted as it is not considered feasible. To offset this loss, and recognising the high level of demand for this style of parking near the boat ramp, it is also recommended that the additional standard parking proposed for the eastern most point of Point Bunbury be reviewed and considered for overflow boat trailer parking. Cars with boat trailers will also be able to utilise parking in Trafalgar Street which will be designed to have the flexibility to accommodate overflow trailers when needed.

In relation to concerns about parking in surrounding streets, parking restrictions could be implemented and enforced by Council on an as-needs basis.

With regard to traffic and access, it is noted that the draft Development Plan includes at Section 4.6 Access and Connections, the following objectives:

- Provide a clear, safe, connected and logical movement network throughout the precinct for various users.
- Improve pedestrian and cyclist amenity and priority within and across the precinct.
- Improve vehicular movement, parking and safety at opportunity sites including along Nelson Street and Trafalgar Street.
- Mitigate the impacts of relocating the Port Operations Depot on parking within and around the precinct.

The draft Development Plan was designed on the basis that there would be little change to overall car parking numbers within the precinct itself, that emphasis would be placed on improving active transport options to the precinct and recognising the small-scale nature of new commercial development proposed for the precinct. There are no changes proposed to the existing Port Depot operations at this time that would necessitate an increase in commercial traffic over and above the existing levels.

At the time planning permit applications are sought for any new commercial development, access and traffic management will be further considered and applications would need to be accompanied by traffic management plans. It is noted that the SUZ2 waives car parking requirements for future development on the basis that parking will be consolidated in centralised locations.

Sub-consultants, WGA (traffic engineers) reviewed a number of access points for the project including the Breakwater Road / Mothers Beach car park entry, the Breakwater Road realignment past the Fishermen's Co-op and the proposed road designs for Nelson Street, Trafalgar Street and Mother's Beach car park. WGA also reviewed turning circle requirements for various vehicle types in both the Mother's Beach and Point Bunbury car parks.

Detailed road and path designs have not been prepared at this stage, and are generally outside the scope of a Development Plan. However, any design will need to take into account the accessibility principles within the Development Plan, including the creation of safe and convenient all-abilities access.

It has been identified through the consultation process that accessibility would be enhanced through the provision of a bus drop-off zone. It is recommended that further work take place to identify an appropriate location for a drop-off bay for mini-bus size vehicles, noting that the precinct is not designed to accommodate larger coaches.

In terms of safety for pedestrians moving between the public toilets beneath the Port Depot building and the lower terrace boardwalk it is considered that this aspect could be improved by the inclusion of a formalised pedestrian crossing at this location. It is recommended that Figure 7 and Figure 28 be amended to show a key pedestrian crossing over Trafalgar Street (north) between the toilets and the boardwalk.

Visual impacts

The most common concern in relation to visual impact was the second-storey section of the Port Depot, and to a lesser extent the Fishermen's Co-op second storey. A small number of submissions

state that the plans appear to show excessive bulk throughout the precinct, general concerns around loss of character and concerns about loss of views across the site from Nelson Street and residential properties along Nelson Street.

Officer comment:

The development shows the maximum extent of built form permitted (i.e. building envelopes). It does not represent the final, detailed built form. Any detailed development will be required to address the design guidelines, which seek to achieve a cohesive and site responsive design theme across the harbour precinct. Any detailed design proposed would be required to comprise materials and design elements that are sympathetic to the existing character of the harbour.

It is noted that the Siting and Design Guidelines for Structures on the Victorian Coast referred to in Section 5.2 of the Development Plan have been updated in recent months and it is recommended that the Plan be updated with the revised date.

Design details would be managed through the planning permit process. A planning permit would be required for buildings and works to the Fishermen's Co-op building, the retail tenancies and the Port Depot building. Any proposal must be consistent with the design guidelines in the Development Plan. When a detailed proposal is received, the application will be formally referred to the Office of the Victorian Government Architect to provide an independent assessment of the architectural merit of the buildings.

One submitter referred to the built form diagrams as having a concrete block appearance. However, the intent of the diagrams is not to illustrate materials at this stage. As mentioned above, these are 3D envelopes that depict the maximum allowable built form. Substantial use of concrete would be unlikely to be considered as being sympathetic to the desired character.

A number of submitters suggest consolidation of the various buildings into fewer buildings, with various ways of achieving this put forward. However, the proposed layout has been through a rigorous consultation process with directly affected stakeholders and current and future building occupants, and is considered to be the best option having regard to the needs of occupants and the constraints of the site. The Port Depot building will accommodate both public amenities and port users' facilities, thereby consolidating three existing buildings into one. Potential has also been identified to better integrate the golf club maintenance shed with the Depot building, and to try to address the un-used triangular piece of land between the two buildings. Coupled with a small reduction in the extent of the corner of the Depot building where it projects into the golf course, it is anticipated that these minor changes will provide for a better approach to the tee for golfers, and result in a more efficient use of the available space. Further discussions with the Golf Club will be entered into in the detailed design planning around this element of the plan. The changes mentioned will not necessitate amendment of the Development Plan.

The impact of the second floor of the Port Depot building on views from Nelson Street is not expected to be unreasonable. The topography of land in this location is such that there is an approximate fall of 5-6 metres from Nelson Street to the Mothers Beach car park which will substantially alleviate the visible height of a new building. It is also proposed to remove the existing vegetation from the immediate locality of the depot which will open up views to the ocean across the site. This vegetation comprises a mix of species and forms, and it is proposed to replace with plantings that will be selected to screen the rear of the depot building whilst not obscuring views further. Once detailed designs are prepared for the Port Depot building, further consideration will be given to view impacts and mitigating any view loss.

The proposed building height as shown in the building envelope for the Fishermen's Co-op is also considered reasonable. Visual impacts will be further considered once an application for a planning permit is made with detailed design plans.

It has been identified through the consultation process that there will be a need to vegetate car parking areas to improve visual amenity, provide shade and reduce the urban heat island effect of large expanses of bitumen. It will be important to select appropriate trees of a modest height in order to ensure view lines to the harbour from beyond the precinct are not negatively impacted by new planting. It is recommended that the Landscape and Public Realm objectives in the Development Plan be amended to include such an objective. It is also recommended that Section 5.3.10 Car Parking and Access includes policy guidelines for the provision of medium scale trees in car parking areas that will not impede views to the harbour precinct.

Inclusive design

A couple of submitters felt the Development Plan could be strengthened in regard to additional guidance on all-abilities considerations and inclusive design for precinct infrastructure beyond just ensuring disabled toilet and parking facilities are provided. One submission raising this as an issue was later withdrawn.

Officer comment:

The Development Plan refers throughout to all-abilities compliance where possible not just for toilets and parking, but also for pathways and pedestrian spaces. These matters will be further considered through the detailed design process. It is proposed however to amend the Development Plan to note the following:

- 3m wide shared pathway along Nelson Street (rather than the 2.5m referred to in the draft Plan);
- Include a policy direction on utilising inclusive design where possible at Section 5.4.2 in relation to Public Realm furniture.

Beach-side pathway

A number of submitters expressed support for a pedestrian path in the area of the beach/dunes, connecting the harbour with the foreshore. It is put forward by some submitters that this is also the most direct link, and the route that would be the most utilised. Two public submissions did not support the foreshore path. DELWP has expressed concerns with the proposed pathway however they acknowledge it may remain as an aspiration for Colac Otway Shire subject to a number of factors including but not limited to:

- Planning and detailed design
- Funding and resources
- Marine and Coastal Act Consent
- Extensive community engagement
- All other relevant planning and environmental approval processes

Officer comment:

There are a number of challenges around construction of structures on the ocean front, with consent required from DELWP under the Marine and Coastal Act 2018. In its submission to the draft Development Plan, DELWP have indicated its concerns with the proposed pathway however have confirmed that they are supportive of it being an aspiration for Council and the community.

It is noted that DELWP has highlighted policy 8.4 relating to planning for Coastal Settlements which states:

8.4 Avoid development on primary coastal dune systems, shorelines of estuaries, wetlands and low-lying coastal areas.

In assessing the merits of the proposed path there are also many other applicable policies in the Marine and Coastal Policy which will require due consideration, including:

8.7 Urban renewal and redevelopment opportunities should be encouraged within existing settlements where they do not increase coastal hazard risk.

10.4 Use strategic and spatial planning to identify recreation and activity nodes to create efficient and compatible relationships between buildings and infrastructure and minimise impacts on the marine and coastal environment.

11.4 Provision or improvement of buildings and structures on marine and coastal Crown land is confined to those providing significant net community benefit and whose function depends on being on or near the water.

11.12 Provide well designed and safe access to marine and coastal Crown land (e.g. through paths/fencing) to:

- a. minimise risk to public safety
- b. protect cultural values
- c. protect natural values and habitats at critical life stages (such as for migratory and nesting shorebirds)
- d. avoid exacerbating erosion and landslip

Council officers recognise the importance of a pathway connecting the harbour precinct to the Apollo Bay foreshore to a large portion of the Apollo Bay community as evidenced through the number of submissions supporting the pathway and previous consultation on the matter. It is also recognised that it is very important to provide good pedestrian connections to the harbour, which is currently somewhat isolated from the main township, given the intent is to increase tourist visitation to the harbour via active transport modes due to the limited availability of car parking. It is acknowledged that a path in this location is subject to additional complex approvals processes beyond the Development Plan with no guarantee of success. However, officers recommend pursuing further investigation of this option given its potential significant net community benefit to the town.

Coastal climate change/storm tide events

Submissions about coastal climate change referred to both sea level rise and storm surge events, and the potential to impact on the proposed structures within the harbour.

Officer comment:

Consulting firm, Water Technology was engaged to prepare an investigation into coastal processes: "The Apollo Bay, Skenes Creek & Marengo CIP – Issues and Opportunities Paper – Coastal study (2019)."

The study addresses the interactions of storm tides, coastal climate change, terrestrial runoff and coastal processes. Impacts are generally limited to the low-lying areas of the inner harbour. Further detailed studies will inform the future development and design of harbour upgrades, to protect harbour infrastructure from the anticipated effects of coastal erosion.

The following diagrams depict the year 2100 storm tide level of 2.61m AHD. Durable infrastructure proposed in the development plan is generally outside the impact area modelled under this scenario, with the exception of the boardwalk at the water's edge. Any detailed infrastructure design will need

to have regard to the likely impacts within the lifespan of the infrastructure. It is recommended that the Development Plan be amended to include provisions to ensure that new development and infrastructure is above the 2.61m AHD level – refer to the discussion under the CCMA submission on the following page.



Figure 1. Land levels to metres AHD. Land identified above 2.61m AHD correlates closely to the 2100 storm tide inundation shown in Figure 1. (Lidar source 2006/07 Coastal DSE DEM)

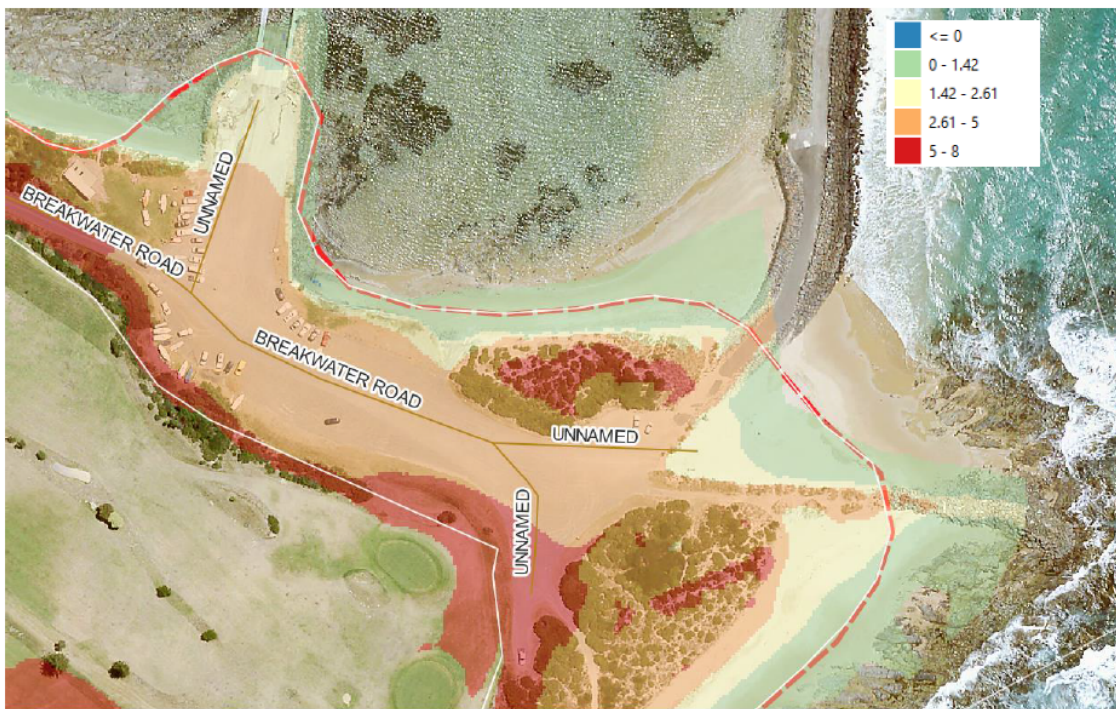


Figure 2. Land levels to metres AHD. Land identified above 2.61m AHD correlates closely to the 2100 storm tide inundation shown in Figure 1. (Lidar source 2006/07 Coastal DSE DEM)

Community/cultural use

A significant number of submitters have expressed support for an adaptable space open for community and cultural uses, with a range of uses being suggested. Suggestions include room for hire, an indigenous interpretation space referencing traditional owner use and occupation of the area, and a marine interpretation and research centre.

Officer comment:

The spaces identified as retail tenancies in the development plan could be adapted for this purpose. The EOI process which Council will be carrying out will provide the opportunity for detailed proposals for the use of the space to be put forward.

Retail tenancies

The viability of the retail spaces has been queried by a number of submitters. A range of views on this matter have been put forward, including that there should be no retail uses at the harbour, to a scale back of the amount of retail floor space.

Officer comment:

The Development Plan is a plan for future development, with a focus on creating an adaptable, economically viable precinct. There is a significant level of community support for an expanded range of uses at the harbour. The exhibition process has also revealed support for adaptable, multi-use spaces, for which the lower floor tenancies could be utilised. It is considered that inclusion of additional floor space within the harbour precinct is necessary to achieve the evolving vision.

Opposition to Development Plan

A total of 8 submitters expressed either total, or partial opposition to the redevelopment.

Of the objections to the redevelopment, two of the submitters were objecting on the basis that there are other projects in the locality that they felt should be a priority over the redevelopment of the harbour. One objection was a partial objection, and raised higher-level issues relevant to the development principles and requirements contained within the Special Use Zone controls, and therefore outside the scope of what is able to be considered as part of the Development Plan.

Other issues raised in objections have been discussed above.

Fishermen's Co-op Submission

The Fishermen's Co-op has provided a detailed submission, setting out the Key Development Goals of the Co-op in the context of Section 4.3.5 Key Building Requirements (Fishermen's Co-op Building) of the draft Development Plan. The Co-op confirm that their redevelopment plans generally fall within the scope of what is allowed under the Development Plan. However, the following additional comments are made:

- The Development Plan allows for expansion of the current footprint along the northern façade to be a maximum of 4.5m. The Co-op proposes to extend 9.5m from the northern wall.
- It is imperative that the "service area" shown in cross section A-A (figure 10) is sufficient to accommodate the access requirements to service the Co-op (loading and unloading of kitchen supplies, fish, bait, ice, rubbish and gas) in its newly configured form.

The submission also refers to the proposed 'Foreshore Trail' (Figure 7) from Mothers Beach through to the township foreshore and emphasises that this is one of the most important aspects of the plan to create connectivity between the township and the harbour precinct and suggests that it should be a number one priority in the future.

Officer comment:

It is recommended that Section 4.3.5 of the Development Plan be amended to clarify the maximum northern boundary setback in line with the Fishermen's Co-op submission.

Other Suggestions in Submissions

Table 1 shown in **Attachment 2** to this report outlines a number of other single requests or suggestions for change to the Development Plan. It is not considered that any of these requests require an amendment to the Development Plan and a comment has been made alongside each as to why this is the case.

Agency Submissions:

Council received 5 submissions from affected and interested agencies, including:

- Corangamite Catchment Management Authority (CCMA)
- Environment Protection Authority (EPA)
- Parks Victoria
- Department of Transport (DoT)
- Department of Environment Land Water and Planning (DELWP)

Summaries of each submission is provided as follows:

Corangamite Catchment Management Authority

The CCMA are the authority responsible for waterway and floodplain management in the Corangamite Catchment, with expertise extending to coastal hydrology and coastal climate change matters. The CCMA note that the Development Plan appears to be consistent with their advice, although they sought clarification on a few assets. The CCMA request that the Development Plan be amended to include the following points as part of future key building requirements:

- All buildings and high value assets must be located outside the 1% AEP storm surge level of 2.61m AHD which reflects the 2100 storm tide inundation.
- Car parks may be supported in areas of inundation subject to provision of detail around levels of inundation.
- Any infrastructure proposed below the year 2100 2.61m AHD level should clearly articulate how impacts from sea level rise will be addressed.
- Any proposed facilities within the harbour (i.e. improved facilities for visiting boats, long term opportunities for new berths including access) must be designed to take into consideration year 2100 storm tide inundation levels of 2.61m AHD plus appropriate freeboard requirements (typically ranging between 0.3-0.6 metres).

Officer comment:

The CCMA position is supported and it is recommended that Council amend the draft Development Plan to include the above points in Section 5 Design Guidelines. This will assist with ensuring that future approvals adequately address the issue of erosion and inundation risk.

Environment Protection Authority

The EPA advise that the objectives of the draft Development Plan are unlikely to pose a risk to the environment, amenity or human health due to pollution or waste, and therefore have no concerns at the present time. The Authority highlight EPA Publication 624: Cleaner Marinas: EPA Guidelines for protecting Victoria's marinas as a reference document to inform ongoing management of the harbour.

Officer comment:

The EPA suggestions are noted.

Parks Victoria

Parks Victoria raise a number of minor matters that may be addressed separately to the Development Plan, specifically:

- Wayfinding signage for the Great Ocean Walk;
- Moorings/storage for a newly acquired research/compliance boat.

Officer comment:

Noted and will be considered in future planning and projects.

Department of Transport

DOT raise a number of operational and design matters, not directly related to Development Plan content, set out under the following headings:

- Relocation of port depot facilities: Note the requirement for operational continuity during construction. Also express a preference for the port waterside development to be integrated with the landside development.
- Great Ocean Road/Nelson Street intersection: Supportive of the upgrade and requests that any design considers the traffic demand generated by future development at the harbour.
- Active Transport: Supportive of goals around increased active transport modes. Recommend that the Nelson Street shared path be increased from 2.5m to 3m. Suggests consideration of safe crossing points for cyclists.

Officer comment:

Noted and will be considered as part of future detailed design processes. Propose to change the shared path along Nelson Street to a width of 3m.

Department of Environment, Land, Water and Planning (DELWP)

The Department have provided a detailed submission to the draft Development Plan. Due to the nature of the matters raised, a summary and responses is provided in the below table, for clarity:

Issue	Officer Response
Coastal Climate Change: DELWP note that it is unclear to them if the CHVA referenced in the SUZ has been carried out.	Water Technology have prepared a coastal study as part of the CIP, and which has been used to inform planning of the harbour. This satisfies the need for a CHVA under the SUZ, as it establishes the year 2100 sea level AHD, and harbour infrastructure has been planned around this.
Native Vegetation and Weed Control: Consider that the information presented in the DP is inadequate against the requirement to identify and manage native vegetation and weed control. Lack of consideration for flora and fauna in the text of the document.	Biosis have conducted the required assessment – <i>Apollo Bay Harbour: Terrestrial flora and fauna assessment</i> . Document text will be updated to reflect preferred terminology in relation to <i>avoiding</i> , rather than <i>minimising</i> vegetation removal.
Construction Environmental Management Plan Query whether a plan has been prepared.	This plan will be part of the planning permit approvals process. It is not possible to prepare this plan prior to detailed design.
Future governance Notes that responsibility for management of foreshore areas will be transferred from OCC to new GOR Coasts and Parks Authority (GORCAPA) on 1 December 2020. DELWP request clarity as to how the Development Plan will support the transition.	The transition of governance arrangements over the foreshore will generally not impact the implementation of the development plan. The text of the Development Plan will be updated to refer to GORCAPA and the Coastal and Marine Management Plan (CMMP) currently being prepared.

Issue	Officer Response
<p>Beach-side path/boardwalk DELWP, whilst acknowledging that a path or boardwalk will remain an aspiration for Colac Otway Shire, advise that achievement of a path or boardwalk in this location is subject to a range of factors including:</p> <ul style="list-style-type: none"> • Planning and detailed design; • Funding and resources; • Marine and Coastal Act consent; • Community engagement; • Planning and environmental approval processes. 	<p>Comments are noted. It is proposed to retain reference to the path in the document, to ensure that the Development Plan reflects the community aspirations for access and connectivity.</p>
<p>Coastal dependency of structures and installations DELWP consider that inadequate consideration has been given to siting features away from the coast.</p>	<p>The items covered by the development plan are coastal dependent and it is not feasible to consider their relocation. Consents will be required under the <i>Marine and Coastal Act 2018</i>. Any new infrastructure must be justified on the basis of need and consistency with the Marine and Coastal Policy and have due regard to the Siting and Design Guidelines for Structures on the Victorian Coast (updated 2020). The text of the Development Plan will be updated to provide more clarity around this.</p>
<p>Port operations building Concerns raised about size of the building and impact on views, having regard to siting and design of structures on the coast (document).</p>	<p>The current location for the port building was chosen after consideration of a range of locations within the harbour precinct. The current location has consolidated three separate buildings into a single building, consistent with objectives in the Coastal and Marine Policy. The building is coastal dependent and there is no potential to move the building away from the harbour.</p>
<p>Cultural Heritage</p>	<p>Two comprehensive assessments (2006 & 2019) have been undertaken to date. A CHMP will be required before any statutory authorisations (e.g., planning permits) may be granted.</p>
<p>Sailing Club</p>	<p>Coastal dependent use (per the Marine & Coastal Policy). Location has considered potential sea level rise to 2021. Two storey building was considered to minimise footprint but it was considered more appropriate to maintain single storey in this location. Size of potential footprint is still small (150sqm max). Location is next to grassy lay down area with good access to ramp reducing potential for pedestrian / vehicle /craft conflict across the car park.</p>

4. COMMUNITY CONSULTATION & ENGAGEMENT

The draft Development Plan has been publicly exhibited for the minimum 6-week period required by the SUZ. Exhibition concluded on 18 October 2020.

Engagement during the exhibition period comprised the following:

- Establishment of a community consultation page on Council’s website, containing a ‘smart form’ to allow submissions to be lodged directly via the website.

- Development of a variety of materials to assist in understanding of the Development Plan, including a summary document and Webinar, available on the website.
- Advertising in the public notices section of the Apollo Bay News Sheet and Colac Herald.
- A postcard drop to residents of Apollo Bay, Skenes Creek and Marengo, and non-resident ratepayers, directing them to the consultation page of the website.
- Social media posts, including Council's Facebook page.
- Opportunity to set up a one-on-one meeting with a strategic planning officer to discuss the plan.
- Availability of Council officers to answer general enquiries from the public and stakeholders about the plan.
- The Geelong Advertiser published a story about the plan. Although publishing of the story was not requested by Council, The Advertiser were supplied with suitable images by Council staff, to accompany their story.
- Q&A Sessions with a number of local community groups, including the Apollo Bay Golf Club, Port of Apollo Bay Consultative Committee, Action for Apollo Bay, and representatives from the Apollo Bay Chamber of Commerce.
- A Hearing of Submissions held 9 December 2020.

The Harbour Redevelopment PCG has been presented with the submissions. Members present expressed a range of views on the detail of the plan, but were unanimously supportive of the plan being presented to Council in its current form for consideration for adoption. It was noted in the meeting that although the Sailing Club did not make a formal submission during the exhibition period, that as a key stakeholder, previous discussions that have taken place between the Sailing Club and Council and the current design response reflects the outcome of these discussions.

5. ALIGNMENT TO COUNCIL PLANS, POLICIES OR STRATEGIES

Alignment to Council Plan 2017-2021:

Theme 1 - Our Prosperity

1. Plan infrastructure, assets and land use with a long-term vision for economic growth.
2. Support a thriving economy and industries.
3. Strengthen partnerships with key stakeholders to benefit the whole community.
4. Improve strategic planning and coordination of the Great Ocean Road.

Theme 2 - Our Places

1. Assets and infrastructure meet community needs.
2. Our places are managed for long-term sustainability.
3. Towns and places are welcoming and attractive.

Theme 3 - Our Community

1. Increase social connection opportunities and community safety.

Theme 4 - Our Leadership & Management

2. Openness and accountability in decision making.
4. Provide value for money services for our community.

6. CONSIDERATIONS

ENVIRONMENTAL, SOCIAL & CULTURAL, & ECONOMIC

The harbour facilities are a major asset for Apollo Bay and there is potential to capitalise on the existing infrastructure to derive economic benefit for the local community. A development plan is needed as a pre-requisite for the implementation of works funded under the City Deal and for future development in the precinct.

Environmental concerns are addressed through the preparation of technical reports which have been used to inform the Development Plan, and future approvals will be subject to further detailed studies where required under legislation.

The Apollo Bay harbour precinct is strongly intertwined with the heritage and culture of the township and its residents. Maintaining the authentic character and enhancing the existing operations and features, including the history of traditional owners, is important to the community and which the draft Development Plan seeks to achieve.

LEGAL & RISK

Adoption of a Development Plan is a requirement of the Special Use Zone 2 (SUZ2), before any substantial works can proceed. Funding has been committed to many of the items in the Development Plan through the City Deal initiative. Delay in finalising the draft Development Plan will delay drawing on the funding and potentially put its availability at risk.

Public exhibition of the Development Plan has concluded and was carried out in accordance with the requirements of the SUZ2.

FINANCIAL & BUDGETARY

The Development Plan is being undertaken with funds allocated in previous financial years that has been carried forward for this purpose.

7. IMPLEMENTATION STRATEGY

It is anticipated that once the Development Plan is adopted, detailed planning for the construction of items funded under the City Deal could commence immediately. A business case is also being prepared which will provide detailed analysis of the potential commercial viability for private sector investor/s - once complete the Expressions of Interest process would be able to commence.

COMMUNICATION

Communication with the public and stakeholders is occurring on an ongoing basis.

TIMELINE

Once adopted, the Development Plan process is essentially concluded.

8. OFFICER DIRECT OR INDIRECT INTEREST

No officer declared an interest under the *Local Government Act 2020* in the preparation of this report.

COMMUNITY
INFRASTRUCTURE
PLAN

APOLLO BAY HARBOUR DEVELOPMENT PLAN

DRAFT AUGUST 2020

APOLLO BAY - SKENES CREEK - MARENGO

CONTENTS

1	INTRODUCTION	4	5	DESIGN GUIDELINES	62
1.1	Introduction	4	5.1	Overview	62
1.2	Report Structure	5	5.2	Policy Guidance	62
1.3	Study Area	5	5.3	New Buildings, Car Parking and Access	62
2	CONTEXT	6	5.4	Landscape / Public Realm	65
2.1	Overview	6			
2.2	Planning Scheme - Schedule 2 to the Special Use Zone	6			
2.3	City Deal Funding	6			
2.4	Port Management Arrangements	7			
2.5	Supporting Documents	7			
2.6	Key Analysis Findings	12			
2.7	Community and Stakeholder Feedback	12			
3	HARBOUR DEVELOPMENT PLAN	14			
3.1	The Development Plan	14			
4	KEY COMPONENTS OF THE DEVELOPMENT PLAN	22			
4.1	Overview	22			
4.2	Land Use and Development	23			
4.3	Built Form	30			
4.4	Landscape and Public Realm	40			
4.5	Heritage and Environment	46			
4.6	Access and Connections	50			

Traditional Owner Acknowledgement

Colac Otway Shire Council (COSC) proudly acknowledge the Eastern Maar as the traditional custodians of the area.

We pay our respects to their Ancestors and Elders, past and present.

We recognise and respect their unique cultural heritage, beliefs and intrinsic connection to their traditional lands, which continue to be important to them today.

We value the contribution their caring for Country makes to the land, coastlines, waterways and seascapes within the municipality.

We support the need for genuine and lasting partnerships with the Eastern Maar People to understand their culture and connections to Country in the way we plan for, and manage. We embrace the spirit of reconciliation, working towards self-determination, equity of outcomes and an equal voice for Australia's First People. By integrating traditional ecological knowledge and land management practices with contemporary western ecological knowledge, we can deliver better environmental outcomes, make communities more liveable, and provide a great visitor experience.

Report Authors

This report has been prepared by Tract Consultants Pty Ltd (Landscape Architects, Urban Designers, Town Planners, Consultation), under the management of Colac Otway Shire Council.

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1 INTRODUCTION

1.1 Introduction

The Apollo Bay Harbour is a key state-owned asset contributing significantly to Victoria's economy. As just one of three safe blue havens in Victoria, west of Port Phillip Bay, the Harbour is identified in the Planning Scheme as a key development opportunity 'to deliver economic benefits to the Shire and promote Apollo Bay as a tourist destination.'

Colac Otway Shire is the designated Port Manager for the harbour through an agreement with the State Government and is responsible for its management, operations and maintenance. The redevelopment and improvement of the harbour has been a long term goal for Council and the Community. It will provide a major boating, recreational and visitor destination for Apollo Bay and the region, whilst protecting the landscape, environment, heritage and authenticity of the harbour.

To facilitate the redevelopment of the Apollo Bay Harbour precinct, the Apollo Bay Harbour Development Plan has been prepared by Tract Consultants in conjunction with a number of specialist consultants, on behalf of Colac Otway Shire Council.

1.1.1 What is a Development Plan?

A Development Plan is a planning tool that provides a vision and strategic guidance for the future development of an area to ensure that this is well-coordinated and orderly.

The Development Plan ensures that all issues, concerns and opportunities are considered together before any redevelopment occurs, so that both the big picture and detail is established early on in the process and future redevelopment will work to achieve this vision.

The Development Plan outlines how new buildings and landscaping will look and how pedestrians and vehicles will move around the site. It identifies commercial and recreational areas within the precinct, where public facilities such as toilets, landscaping, picnic areas and car parks will be located and how the precinct will connect to and complement surrounding streets, parks, beaches as well as the Apollo Bay Town Centre.

The Development Plan has been informed by significant community input, as well consideration of State and Local policies. It ensures the precinct is sustainably developed and managed so that it caters for the future needs of the Apollo Bay community and visitors.

1.1.2 Why is a Development Plan required?

In order to allow for the redevelopment, an approved Development Plan is required under the Special Use Zone - Schedule 2 of the Colac Otway Planning Scheme.

The Development Plan is intended to:

- establish certainty in terms of the overall use and development of the site;
- provide flexibility to allow for possible minor changes at the detailed design phase; and
- be endorsed as the statutory "umbrella" document within which further planning approvals for various stages of the development will sit.

Without an approved Development Plan, Council cannot consider any significant development proposals within the harbour precinct. Redevelopment of the harbour must be consistent with the requirements of the Special Use Zone.

1.1.3 How will the Apollo Bay Harbour Development Plan be used?

The Apollo Bay Harbour Development Plan will provide a development framework upon which the Apollo Bay Harbour will be developed over the next 20-30 years.

The Development Plan will be used by Colac Otway Shire Council to:

- To guide land use decision making on future planning permit applications.
- To allow for projects to be completed as part of the City Deal Funding program.
- To attract future funding.

The Development Plan will support a Business Case and an Expression of Interest process for private investment in the Harbour. The Business Case and an Expression of Interest process for private investment will be prepared separately.

1.2 Report Structure

The Harbour Development Plan was developed as part of the Apollo Bay, Skenes Creek and Marengo Community Infrastructure Plan (the CIP). It is however a stand alone document, consistent with the requirements of the Special Use Zone.

The structure of the Harbour Development Plan is outlined below, in Figure 1.



Figure 1. Harbour Development Plan Structure

1.3 Study Area

The Study Area for the Harbour Development Plan is defined by the Special Use Zone and is outlined below in red.



Figure 2. Development Plan Study Areas

2 CONTEXT

2.1 Overview

In order to understand the context, challenges and opportunities to be addressed at Apollo Bay Harbour, an analysis of the area was undertaken using information gathered from past studies, desktop analysis, site visits, specialist technical reports, as well as community and stakeholder engagement. The following is a summary of key background material, analysis and consultation findings informing this Development Plan.



Image 1. Historic photo of the Apollo Bay Harbour, date unknown.



Image 2. Apollo Bay Harbour, present day.

2.2 Planning Scheme - Schedule 2 to the Special Use Zone

A number of master planning processes with the community have been undertaken for the harbour precinct generating a range of ideas. These ideas have been implemented through the application of the Special Use Zone. Specifically, the zone:

- Prohibits accommodation as a use.
- Requires that development supports the ongoing operations and viability of the Harbour's port operations (including commercial fishing and the Fishermen's Cooperative).
- Requires that built form reinforces the established landscape character and does not intrude upon the Harbour's southern skyline.
- Allows for up to 200m² of food / drink premises without a permit. This can be exceeded with a permit.
- Provides for the ongoing operation of the Apollo Bay Golf Course.

Also relevant, the Special Use Zone - Schedule 2 outlines key projects for a future Development Plan. These include:

- The Harbour Precinct Entry Road Upgrade to straighten the 'dog leg' south of the Fishermen's Co-Op building and provide safer access to the Harbour.
- Breakwater Road Upgrade to a suitable standard to allow two-way vehicle movement with allowance for parallel parking if there is sufficient space.
- Provision for upgrade of pedestrian/bicycle paths throughout the harbour.

- Retain and provide for the eastern extension of the Fishermen's Co-Op building for fish processing operations.
- Construct new Harbour Edge Buildings located on the water's edge south of the boardwalk which could cater for a mix of retail, hospitality, aquatic based recreation, health and wellbeing facilities and multi-use event and meeting spaces for club, community and commercial activities.
- Provide a new recreational marina mooring along the eastern breakwater wall based on appropriate mooring types.
- Increasing the capacity of the boat launching facility to at least three lanes.
- Relocate and expand the port operations and boat repair facility to the north to provide for the pedestrian boardwalk.
- A new Sailing Club Facility to be provided generally in its current position to provide clubrooms, race control facilities, toilets and storage space, roll-in access to the Harbour Beach and grassed surrounds for small craft laydown.
- The potential for an Aboriginal and Cultural Centre, subject to a detailed business case and the support of the Aboriginal community.
- Provision for other commercial water based development.
- Provide for an extension of the eastern breakwater by approximately 60 metres to enable safe access to the Harbour.
- Upgrading of the Mothers Beach car park to maximise the number of parking spaces available.
- Retention and enhancement of Public Open Space within the Harbour that contributes to the use and enjoyment of the harbour and vistas to the Otway Coast.

2.3 City Deal Funding

Funding has been secured by Council through the 'City Deal' which will support a first stage of redevelopment for the harbour. Stage One will focus on a wide range of upgrades and new infrastructure to facilitate regional tourism, to provide social and recreational opportunities for the community and create better links with the town centre.

Specifically the City Deal Funding will allow for the following works to be undertaken:

- Upgrading of Mothers Beach Car Park.
- Harbour Precinct Entry Road Upgrade.
- Breakwater Road Upgrade.
- Provision or upgrade of pedestrian and bicycle paths connecting the harbour precinct with the township including historical and interpretive signage.
- A new boardwalk along the harbour water's edge.
- Extension of the Fishermen's Co-operative building.
- New port operations depot, and public change room and amenities.
- Replacement of fencing in the harbour.

2.4 Port Management Arrangements

2.4.1 Port Management - Services and Operations

Colac Otway Shire has been responsible for the management, operations and maintenance of the Port of Apollo Bay since it assumed control from the Port of Geelong in 1995. The Victorian Department of Transport (DOT) provides the operational and capital funding for the port. The Council's harbour management team provides all maintenance and services at the port. Some of the major services provided and operations performed by the Port of Apollo Bay team include:

- Dredging – the harbour's entrance and inner harbour areas are prone to significant sand silting. Dredge vessel 'Apollo' is used by the harbour management team regularly as required to maintain a sufficiently deep harbour entrance and internal channel, enabling continuous safe navigation of vessels.
- Navigational Aids - provision and maintenance of NAVAIDS to ensure safe navigation of vessels through the waters surrounding the harbour and into the harbour itself.
- Provision of marina berths and swing moorings for permanent in-water storage of vessels.
- Provision of temporary berths and moorings for visiting vessels.
- Maintenance of the boat ramp.
- Wharf maintenance – structural repairs and general maintenance to ensure the harbour remains safe, productive and progressive.

- Provision of slipway operations - the slipway is available for harbour users/vessel owners requiring out of water maintenance or marine survey inspections.

Colac Otway Shire Council manage two leases associated with the Harbour precinct. These include the Fishermen's Co-op site and the Apollo Bay Sailing Club site. These lease areas and arrangements may need to change over time to reflect the development outcomes of the plan.

Any new commercial uses within the precinct would be subject to new lease arrangements.

2.5 Supporting Documents

The following documents provide background for this Development Plan:

2.5.1 Cultural Heritage Strategy

A Cultural Heritage Strategy was prepared by Australian Cultural Heritage Management to identify and document relevant legislative requirements regarding the protection and management of cultural heritage within the Apollo Bay Harbour area, document registered Aboriginal Places and historic archaeological sites within and surrounding the Harbour area, document the condition of the Harbour in relation to disturbance and the potential for the presence of cultural heritage within the area, consult with relevant stakeholders regarding cultural heritage within the Harbour area, and make recommendations for the protection and management of Aboriginal and historic cultural heritage within the Apollo Bay Harbour.

A background assessment of the Harbour identified the following:

- There are 20 registered Aboriginal Places surrounding the Harbour.
- There is one registered Place (VAHR 7620-0192), consisting of a shell midden and possibly a former freshwater spring, located within the boundary of the Harbour.
- The entire Harbour area is considered to be of local historic significance and is listed on the Heritage Overlay of Colac Otway's Planning Scheme, as the Apollo Bay Pier Precinct (HO300).

The report identified several legislative requirements relating to cultural heritage places and values within the Harbour area including:

- Historic site Apollo Bay Pier Precinct (HO300) is protected under the Planning and Environment Act 1987; any activity which alters the Apollo Bay Pier Precinct (HO300) will require a planning permit from Colac Otway Shire.
- The Apollo Bay Harbour is located in an area of Aboriginal cultural heritage sensitivity and is protected under the Aboriginal Heritage Act 2006. Any high impact activity, as defined in Division 5 of the Aboriginal Heritage Regulations 2018, will require the preparation and approval of a Cultural Heritage Management Plan (CHMP) before any works as part of that activity can proceed.
- In the event that a high impact activity is being undertaken within the Apollo Bay Harbour in an area of significant ground disturbance; at least a Preliminary Aboriginal Heritage Test (PAHT), should be undertaken to determine if a CHMP is required before the activity commences.
- Any land rehabilitation works or activity that is likely to harm Aboriginal Place Point Bunbury Midden 1 and Spring (VAHR 7620-0192) will require a cultural heritage permit before that activity can proceed. A cultural heritage permit is required for these activities even if they do not require a cultural heritage management plan.

The following management recommendations were identified in relation to cultural heritage within the Apollo Bay Harbour precinct:

- Due to the culturally sensitive nature of the Apollo Bay Harbour, and for the potential for archaeological deposits to occur even in disturbed contexts, it is recommended that a voluntary CHMP or PAHT be prepared for minor activities (i.e. activities not considered to be of high impact under the Aboriginal Heritage Regulations 2018).
- Continue consultation with Aboriginal Victoria (AV) and the Traditional Owners the Eastern Maar Aboriginal Corporation (EMAC) to create a cultural heritage strategy that encompasses the entire cultural landscape of the coast fringe of Apollo Bay, rather than focusing just on the Apollo Bay Harbour.
- Proactive consultation should occur between Colac Otway Shire, AV and the EMAC on all projects to ensure that concerns regarding cultural heritage are identified and addressed during the early stages of the project.
- The EMAC should be engaged by Colac Otway Shire to organise the commemoration of Aboriginal cultural heritage along the coastal area of Apollo Bay.

2.5.2 Geotechnical Assessment

A Geotechnical and Groundwater Assessment of the Apollo Bay Harbour study area was undertaken to :

- Inform potential investors of the geotechnical conditions in the Study Area.
- Identify any general issues or constraints which might be present in the area of interest by geotechnical sampling to a depth required for two storey buildings and associated infrastructure.
- Assess land and water based geotechnical conditions within the area of interest.
- Inform this Development Plan.

The investigation was however limited to a desktop study and site walkover only.

The following key geotechnical issues were identified in the report and may affect future development in the precinct:

1. Scour of footings from coastal erosion
2. Relatively shallow permanent groundwater and documented perched ground water tables in the immediate project area.
3. Past use of part of the site for port development. The depth of disturbed material and fill is unknown.
4. Bulk earthworks completed for the port development. It is unlikely that supervision of earthworks documents are readily available.

The report noted that based on the results of the site walkover and desktop study, geotechnical risks for the proposed development of the precinct were likely to be acceptable subject to;

- Completion of an appropriately scoped coastal erosion and scour assessment.
- Completion of a geotechnical investigation.
- Appropriate design and construction of the proposed new development.

2.5.3 Flora and Fauna Assessment

A flora and fauna assessment of the terrestrial area of Apollo Bay Harbour was undertaken to explore future development options and inform this Harbour Development Plan. Key findings in relation to the precinct are as follows:

- 2.248 ha of native vegetation, including 0.070 hectares of Coastal Dune Grassland EVC 879, and 2.178 ha of Coastal Dune Scrubland EVC 160. Both EVCs have a bioregional conservation status of depleted.
- No significant ecological communities were deemed to be present within the study area.
- No significant species were recorded during the site assessment. However coastal dune scrub and coastal dune grassland may be utilised as breeding habitat for several threatened shorebird species and the precinct could potentially provide habitat for other threatened species.
- Due to the proximity of the ocean and the Barham River estuary the site may be used a wildlife corridor for shorebird species.

Where appropriate, impacts on native vegetation and threatened species habitat should be minimised. Additionally, there is the potential to enhance the environmental qualities and landscape character of the foreshore through increased planting of appropriate species.

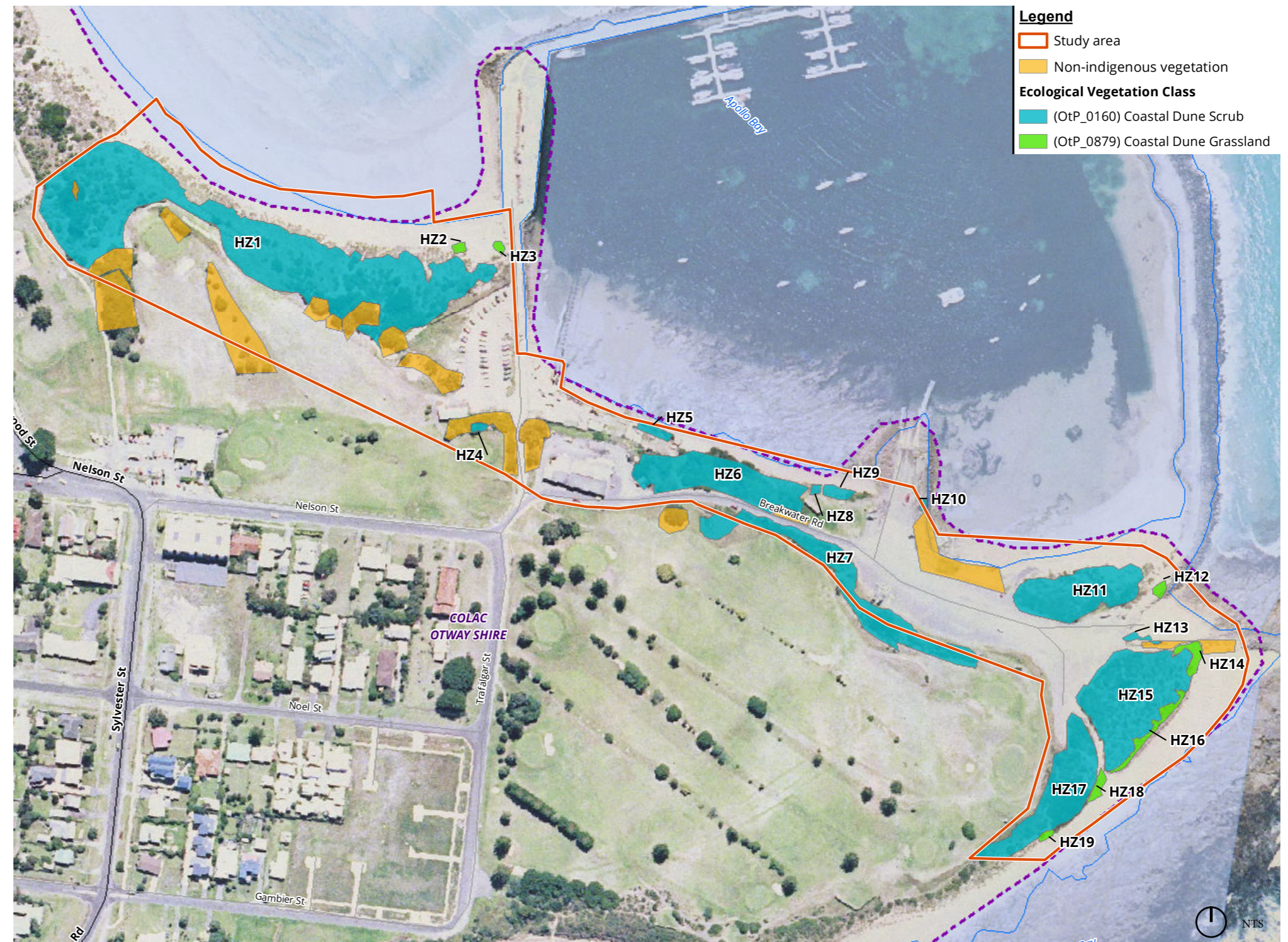


Figure 3. Ecological features within study area. Source: :Apollo Bay Harbour: Terrestrial flora and fauna assessment, prepared by Biosis, July 2019.

2.5.4 Coastal Study

The Apollo Bay, Skenes Creek & Marengo CIP - Issues and Opportunities Paper: Coastal study prepared by Water Technology. Key findings in relation to the precinct are as follows:

- Erosion to the inner Harbour access ramp to the beach, and to the dunes at the Harbour's south-eastern beach. This is considered most likely due to carpark runoff (access ramp) and storm tides/loss of vegetation/wind erosion/currents due to seiching (dune).
- The dune to the west of the inner-boat ramp is well vegetated and showing no signs of erosion.
- The beach at the northern end of Mounts Bay (Bunbury Point) is stable, with no indication of erosion.
- Analysis of inundation and risk associated with storm tide surges indicated assets at risk could include car parks and low-lying areas of the inner harbour.
- The Bunbury Point Groyne is currently holding sand, with one section close to shore that needs urgent repair. At present, the structure could be outflanked during a storm event.
- The proposed new Harbour boardwalk and area for the lower terrace commercial tenancies are not considered to be at risk from erosion or future sea level rise issues.
- The car park and grass area in front of the Apollo Bay Sailing Club sit above the predicted storm-tide levels up to 2100. Erosion risk here is low, considering its protection by the breakwaters and its present condition.

Erosion within the harbour has not been considered in previous reports but with coastal processes affecting the south-eastern dune accelerated erosion is possible.



Figure 4. Storm Tide Inundation. Source: Apollo Bay, Skenes Creek & Marengo CIP - Issues and Opportunities Paper: Coastal study prepared by WaterTechnology.



2.6 Key Analysis Findings

The Apollo Bay Harbour Precinct is an important asset and a major tourism opportunity for Apollo Bay and the region. It includes a number of facilities that support tourism, commercial, recreational fishing and marine safety. There are opportunities to expand harbour based activities whilst providing additional attractions that enhance the Harbour as a key tourist destination.

Background research, previous studies and site visits undertaken for the project identified the opportunity to improve the appearance and amenity of the harbour for both residents and visitors, while retaining its authenticity and functionality as a working port.

The following provides a summary of key analysis findings relevant to the Apollo Bay Harbour and are mapped in Figure 5:

- The Fishermen's Co-Op have proposed a concept plan for providing new and improved facilities in their current location. This includes an expanded building and improved access.
- The Slipway Yard and Port Operations Depot restrict public access to the harbours edge.
- There are significant views from the harbour area, including to the town centre, beach and Otway Ranges.
- Vehicle and pedestrian access between the Harbour, town centre and Point Bunbury is disjointed and / or constrained. Additionally the Great Ocean Walk is visually disconnected from the harbour, headland and golf course features.
- The challenges of providing a new access along the dunes from the harbour to the town centre including existing land use constraints, the implications of sea level rise, storm surge and erosion.

- The harbour precinct includes a number of facilities that supports tourism, commercial, recreational fishing and marine safety. There are opportunities to expand harbour based activities whilst developing leisure areas and infrastructure facilities that address the needs of short term and day tourism, such as parking.
- Aboriginal archaeological sites and other heritage sites are present and should be respected.
- Dense vegetation along the foreshore, between the Co-Op and Sailing Club, has low environmental value.
- The working depth of the harbour is maintained through dredging. Sand ingress is an ongoing issue.

Further details regarding key analysis findings can be found in the Apollo Bay, Skenes Creek and Marengo CIP - Issues and Opportunities Report.

2.7 Community and Stakeholder Feedback

The following key themes relative to Apollo Bay Harbour emerged during consultation:

2.7.1 Key Challenges

- Ensuring the commercial viability of the harbour.
- Improving the amenity and capacity of car parking areas.
- Allowing for public access while retaining the authenticity and functionality of the harbour.
- Minimising the impacts of trapped sand on the harbours usability.
- Preserving and celebrating existing aboriginal heritage sites.
- Providing clear and connected pedestrian links between the Harbour and Town Centre.
- Maintaining the primacy of the Harbour as a working port.

2.7.2 Key Opportunities

- Improving dredging to ensure sand levels don't impact harbours usability.
- Celebrating the fishing and aboriginal heritage of the site through interpretation.
- Potential for additional bus parking.
- Potential for a maritime museum, which may also include interpretation of aboriginal heritage.
- Providing additional public toilets at the Fishermen's Co-Op.
- Improving pedestrian access along the waters edge and along the street to Point Bunbury and the car parking area.
- Making the harbour area a recreational, passive, reflective and publicly accessible space.
- Improving facilities for visiting boats.
- Supporting the Golf Club to implement their redevelopment plans.
- Providing better pedestrian connections from the Harbour to the town.

Further details regarding consultation can be found in the Apollo Bay, Skenes Creek and Marengo CIP Phase 1 and Phase 2 - Consultation Summary.

DRAFT APOLLO BAY HARBOUR DEVELOPMENT PLAN

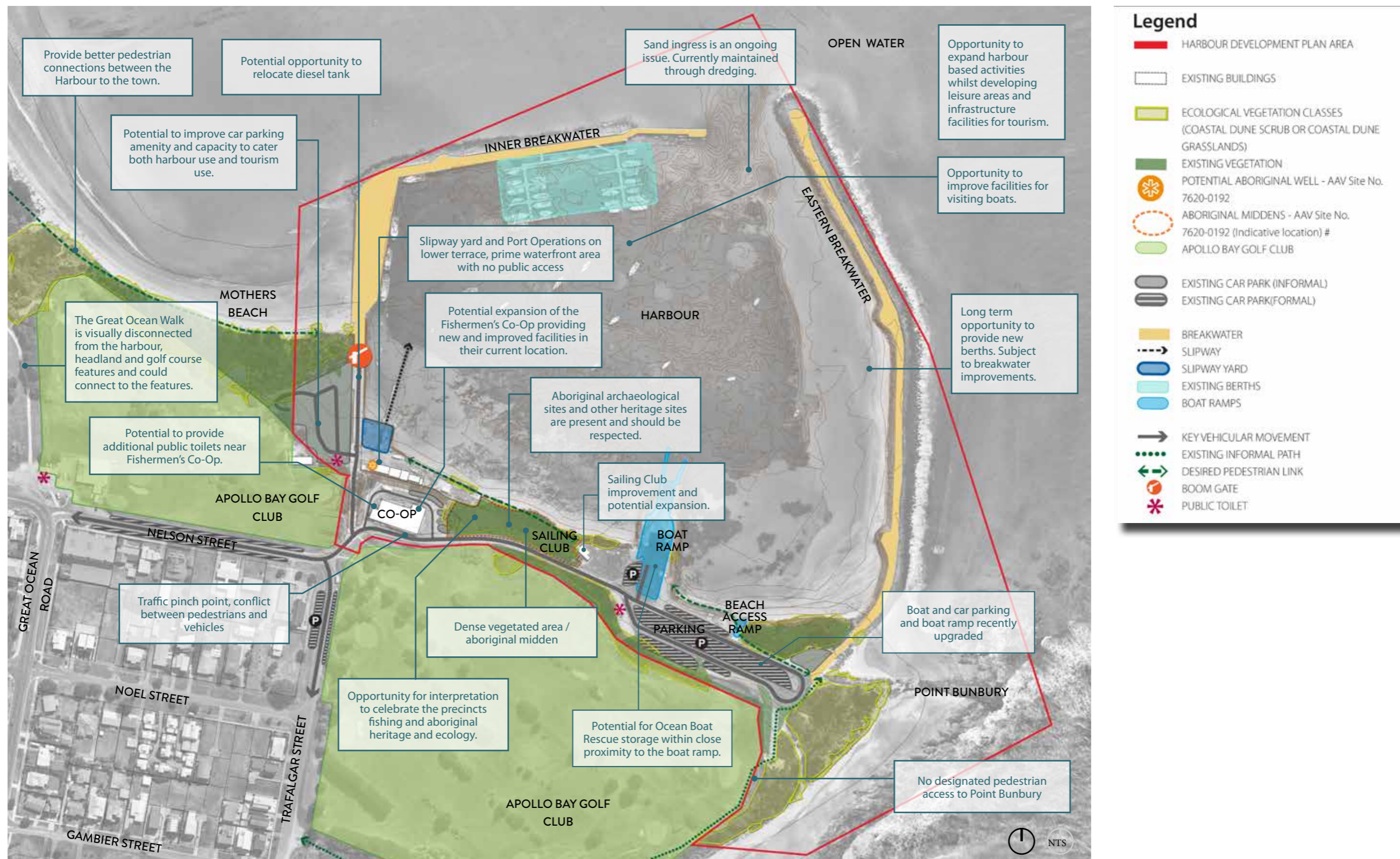


Figure 5. Apollo Bay Harbour - Opportunities and Issues Plan

3 HARBOUR DEVELOPMENT PLAN

3.1 The Development Plan

3.1.1 Overview

The Development Plan provides the overall framework for the redevelopment of Apollo Bay Harbour in accordance with the provisions of the Special Use Zone - Schedule 2.

The Development Plan establishes the general layout of the site and indicates the various land uses, activities and connections proposed for Apollo Bay Harbour. It provides the framework for the detailed plans which will be prepared for planning applications to be lodged for each stage of the project.

3.1.2 Key Outcomes

Key outcomes outlined by the Development Plan include:

- New buildings along the lower terrace allowing for cafes, retail, tourist operators and a potential aboriginal and cultural centre to activate the waterfront promenade.
- The redevelopment and expansion of the Fishermen's Co-Op building on the upper terrace, including:
 - Reconfiguration of access and car parking arrangement
 - Expansion of the fish and chip café.
 - Allowance for additional uses including a restaurant and outdoor dining.
 - An additional level of development to maximise views out of the precinct.
- Relocated Port Operations within an improved area / compound. A new and expanded 2 storey building will allow for:
 - Office space, including the Harbour Masters Office (upper level)
 - Garage, workshop and storage space (ground floor)
- A continuous pedestrian access between the town centre and Point Bunbury. This includes a waterfront promenade on the lower terrace of the site and a new boardwalk along the waters edge between the promenade and the sailing club and pedestrian access to the breakwaters.
- Enhanced public open space through the creation of nodes of interest and connectivity that encourages exploration of the area.
- Improved access between the Fishermen's Co-Op and Golf Club for both vehicles and pedestrians.
- More efficient and formalised parking area, that is integrated into its landscape setting.
- Streetscape improvements along Nelson Street and Trafalgar Street to improve pedestrian access and allow for additional parking within close proximity to the precinct.
- Relocated Diesel Tank to the inner breakwater.
- Improved and potentially expanded Sailing Club Facility (located in its current position) to include clubrooms, race control facilities, toilets, boat storage and storage space, roll-in access to the Harbour Beach and grassed surrounds for small craft laydown.
- Relocated Golf Maintenance Shed and outdoor supplies area.
- Provision of new public toilets and changing rooms underneath the Port Operations Depot Building and at Point Bunbury.
- Provision of Port User amenities, including toilets and changing rooms, underneath the Port Operations Depot Building.
- Provision of the Ocean Rescue Boat Shed within proximity of boat ramp.
- Upgrades to the Breakwater Road / Nelson Street to allow two-way vehicle movement, in particular south of the Fish Co-Op building.
- Additional boat trailer parking and car parking spaces at Point Bunbury.
- End of trip facilities (i.e. bike parking).
- Gateway and wayfinding signage throughout the precinct.
- Improved intersection at Nelson Street and Great Ocean Road (subject to further detailed investigations).
- Retention of aboriginal heritage, where known.
- Opportunity to provide new berths along the inner breakwater, with the long term opportunity for additional berths along the eastern breakwater subject to improvements to the breakwater.

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Figure 6. Apollo Bay Harbour - Overall Development Plan



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Figure 7. Central Area Plan

NTS

PLEASE NOTE: Any infrastructure suggested on or close to dunal areas will need further rigorous investigation by the relevant authorities, particularly with regard to potential erosion and dune stability.

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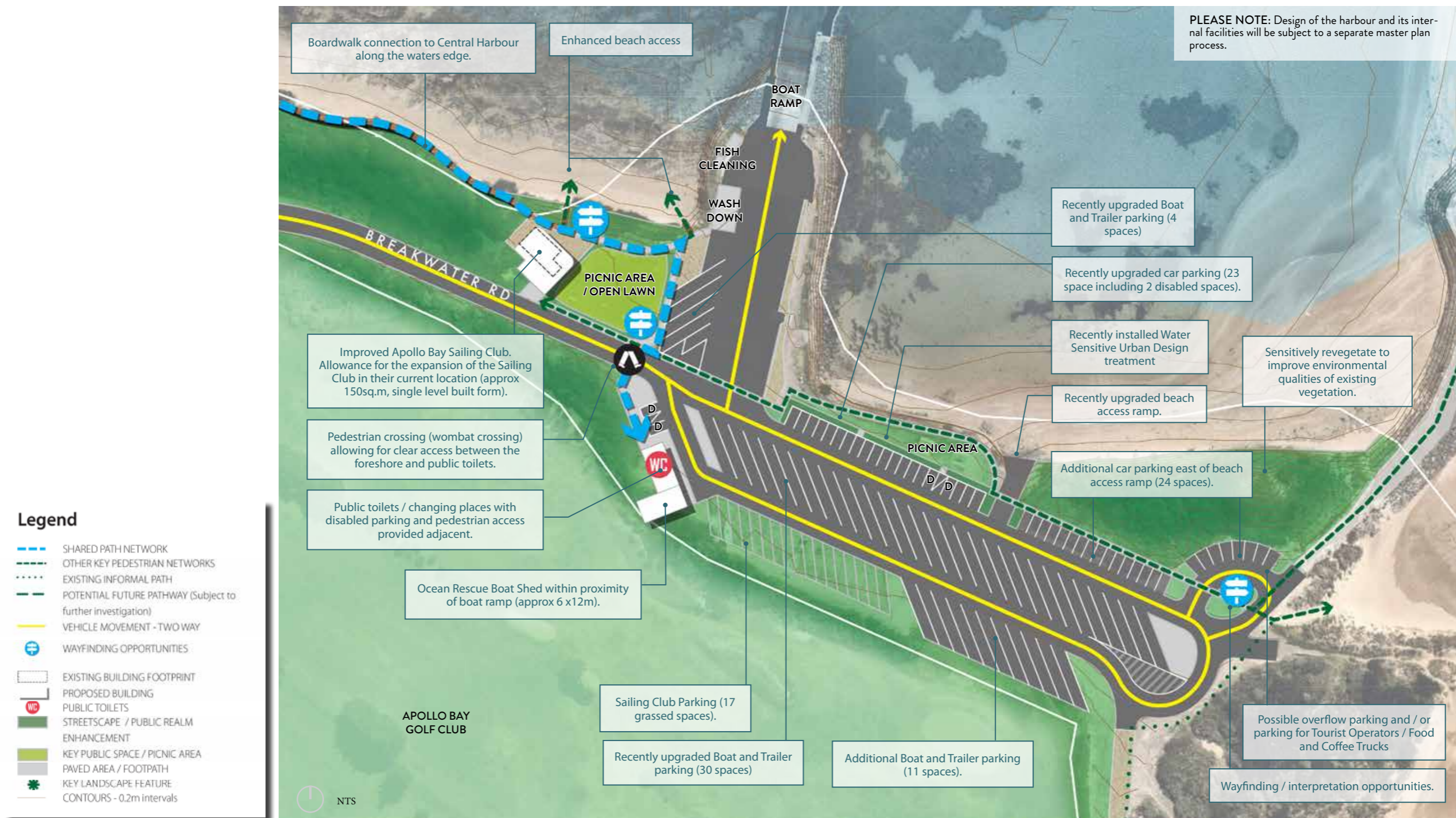


Figure 8. Point Bunbury Plan

PLEASE NOTE: Any infrastructure suggested on or close to dunal areas will need further rigorous investigation by the relevant authorities, particularly with regard to potential erosion and dune stability.

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3.1.3 Cross Sections



Figure 9. Cross Section A -A' - Apollo Bay Harbour - Existing Conditions

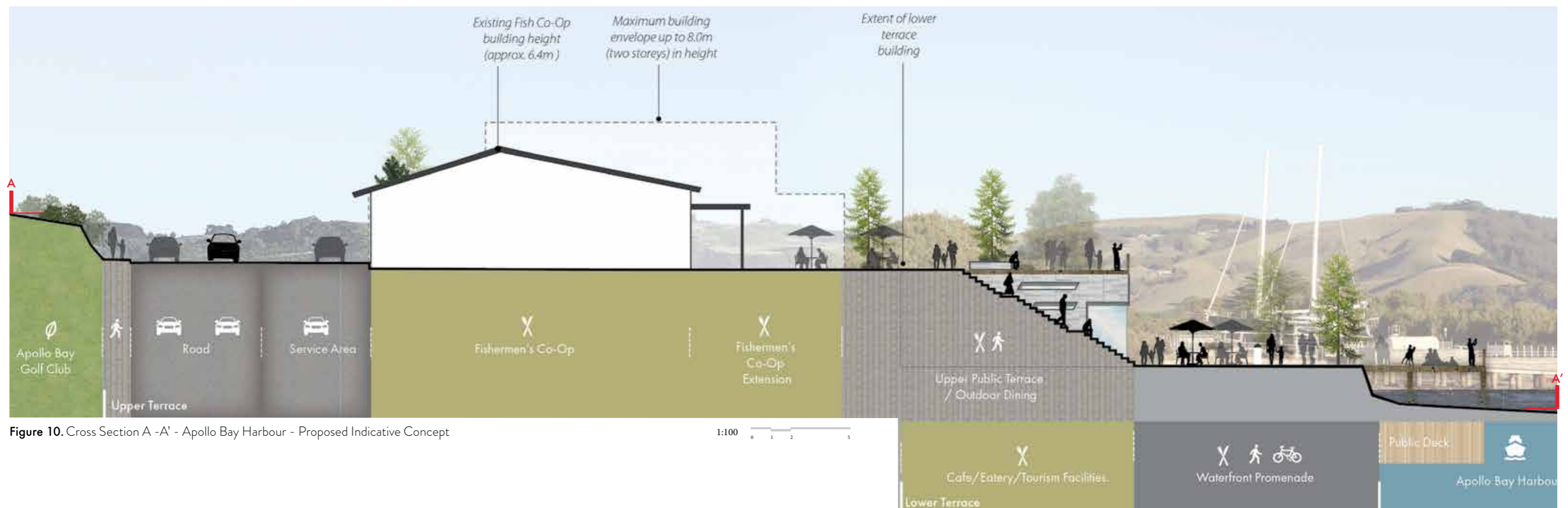


Figure 10. Cross Section A -A' - Apollo Bay Harbour - Proposed Indicative Concept

3.1.4 3D Perspectives



Figure 13. Proposed Built Form Illustration - Elevated View West



Figure 12. Proposed Built Form Illustration - Upper Terrace View North West



Figure 15. Proposed Built Form Illustration - Waterfront Promenade View South towards the Restaurant / Fish Co-Op



Figure 14. Proposed Built Form Illustration - Waterfront Promenade View South East towards the Restaurant / Fish Co-Op



4 KEY COMPONENTS OF THE DEVELOPMENT PLAN

4.1 Overview

This section describes the key components of the Apollo Bay Development Plan and is outlined under the following sections:

- Land Use and Development
- Built Form
- Land Use and Public Realm
- Heritage and Environment
- Access and Connections



4.2 Land Use and Development

Constructed in the 1950's, the harbour provides a home for a range of local, commercial and recreational fishing uses and other water-based activities. Additionally, a number of community uses are based at the harbour, while the harbour and headlands provide a range of recreational opportunities for both residents and visitors to Apollo Bay.

4.2.1 Land Use Objectives

Overall objectives for land form are to:

- Retain the authenticity and functionality of the Harbour as a working port.
- Accommodate the Port Operations in new and improved facility.
- Provide for ongoing commercial port operations, commercial and recreational fishing, commercial tourism uses and other water-based activities.
- Provide for the ongoing operation of the Apollo Bay Golf Course.
- Allow for the expansion of the Apollo Bay Fishermen's Co-Op and its associated uses.
- Provide for a mix of use, including cafes, retail, tourist operators and cultural centre, that enhance the precinct as an engaging and active location and key destination for residents and visitors.
- Allow for the expansion of the Sailing Club in its current location.
- Provide opportunities for permanent and temporary small scale commercial development that does not adversely impact retail in the Apollo Bay Town Centre and is relevant to the harbour context.
- Contribute to the development and growth of regional tourism by providing a wider range of recreational and open space opportunities, public amenities and improving access for visitors and locals.

This is outlined further in the following pages.

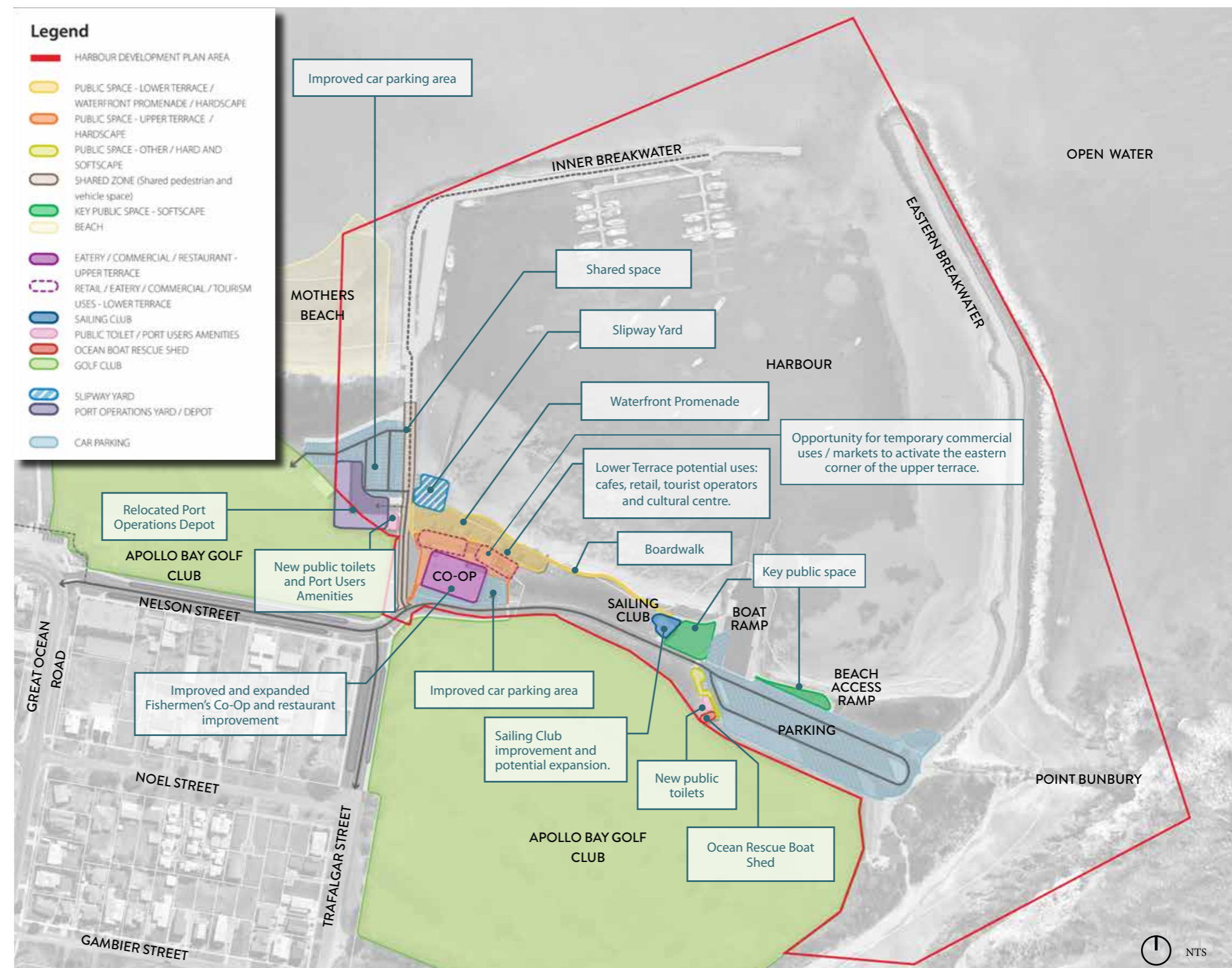


Figure 16. Land Uses

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4.2.2 Ports Operations

The Port Operations; including the harbour office, depot buildings and yard facilities; are an integral part of the harbour precinct and provide an important role in ensuring the safety of boaters along Victoria's coastline. These facilities, in their current location restrict public access along the harbours edges. Additionally, there is a need to expand these facilities to support its ongoing operation and to ensure the facility complies with standards.

The Development Plan proposes to relocate the Port Operations depot (including the buildings and yard) within an improved area / compound at the southern end of the Mothers Beach car park. The area will allow for:

- A new and expanded building for equipment storage, staff amenities and administration which will include:
 - Harbour Masters Office. Located at the southern eastern end of the depot, this two storey building will provide for expanded meeting and office space on the upper level and change facilities, kitchen and amenities on the lower level. The lower level of the building will also incorporate public toilets and change rooms to support visitors to the precinct, as well as separate toilets and change rooms for Port Users. The public toilets will be located outside of the depot area and will be publicly accessible, while the Port User amenities will be accessed within the depot via a key / pincode.
- Garage / Workshop / Storage Shed. Running in an L shape along the southern and western boundaries of the Port Operations depot, this single storey building will provide for a garage, workshop and storage space.

- Outdoor yard space and spill kit and decontamination area.

To allow for the relocation of the Port Operations depot, the Golf Maintenance Shed will also be relocated further north.

Operational areas of the depot should maintain a clean and orderly appearance for residents, visitors and to public areas. Vegetation, level differences and screen walls will screen the depot yard and to improve the amenity of adjacent public realm.



Image 4. Parts of the port operations depot could be screened, particularly from Mothers Beach Car Park. Screening that incorporate materials reflecting the harbour character could be used to provide interest. Planting could also be used to soften this edge.

4.2.3 Slipway / Breakwaters

As a working harbour, boat maintenance is essential. A slipway is located at the lower section of the harbour, near the entry to the main breakwater and adjacent Mothers Beach car park. It has direct harbour access and includes a hardstand area and winch. The slipway is available for harbour users/ vessel owners requiring out of water maintenance.

The slipway is a unique aspect of the harbour and provides visitors with the opportunity to view some of the workings of a functioning harbour. However, there are some amenity issues associated with boat maintenance activities that do impact adjacent public spaces (i.e. dust and spray from the slipway).

The Development Plan proposes screening or similar be provided around the slipway yard to minimise these adverse impacts. The screen could also incorporate interpretive signage that provides information about the slipway and the history of the harbour.

Improvements to the slipway itself are not proposed as part of this Development Plan. Any future expansion of the slipway area would require reclamation investigations.

The harbour is enclosed by two large breakwaters, an eastern and inner. Both breakwaters allow for pedestrian and vehicular access and recreational fishing. The Development Plan proposes that safe pedestrian access along the breakwaters is maintained to allow people to experience an authentic working harbour. Pedestrian connections to both will also be enhanced.

4.2.4 Diesel Tank

The Diesel Tank is currently located at Mothers Beach Car Park. It is proposed that the tank is moved to a new location along the inner breakwater. This will allow for increased car parking at Mothers Beach Car Park.



Image 3. Diesel tank located currently within the Mothers Beach Car Park.

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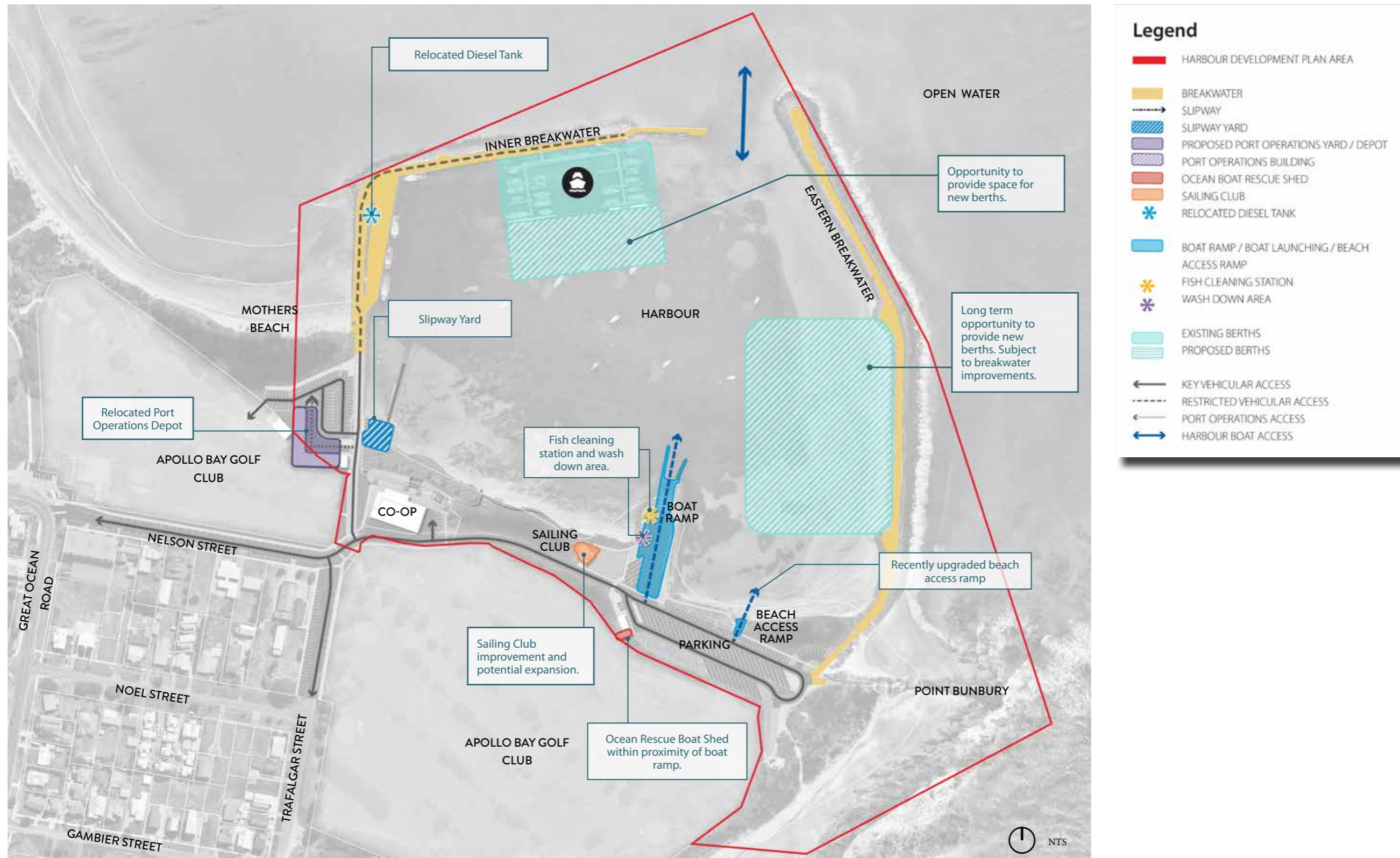


Figure 17. Water Related Uses

4.2.5 Apollo Bay Ocean Rescue

The Ocean Rescue Boat is provided to assist in a range of water-based emergencies including marine pollution response, firefighting, Victoria Police operations or even wildlife emergencies such as an entanglement.

The Development Plan proposes that a secure building is provided for the storage of the Ocean Rescue Boat at Point Bunbury. The building will be located adjacent to the car park area, close to the existing boat ramp, and would allow for easy boat launch and potentially improve rescue times.

The proposed building is expected to be approximately 75sq.m to accommodate the boat and allow appropriate access, however this would be subject to further detailed design. There is also the opportunity to integrate this building with the adjacent public toilets and to provide a building that is designed to be sympathetic to its landscape setting and visually appealing.



Image 5. Apollo Bay Ocean Rescue Boat will be permanently located within the precinct in a new building.

4.2.6 Sailing Club

A new and expanded Sailing Club Building is proposed generally in the location of the current facility. The new building (max. 150sq.m) will provide clubrooms, race control facilities, toilets and storage space, while the adjacent lawn area will allow for outdoor gathering, for roll-in access to the Harbour Beach and for small craft laydown. There is the potential to connect this new building to services including water, electricity and sewerage, where these are available.

The Development Plan encourages this new one storey building to be of high architectural quality, reflective of its prominent position and the aesthetics and character of the harbour. It will be set back into the vegetated slope to minimise its visibility along Breakwater Road. In addition, storage of the Sailing Club's duty boat is required within the harbour precinct. The duty boat is launched by trailer and is used for safe supervision of races, kids sailing, towing in becalmed boats, assisting with capsizes etc. The boat is approximately 7m long and its storage integrated into the new building.

A deck area / paved area along the northern facade of the building will provide an active edge to the waterfront and engage with adjacent public areas.

The Sailing Club also leases an area to the south of the car park for dry boat store for sailing boats, located in the adjacent car park. This area has recently been upgraded as part of the broader car parking improvements at Point Bunbury and will continue to be made available by boat owners to store their boats in the area between November and April.



Image 6. Opportunity to integrate the new building with the landscape setting.



Image 7. Use of natural materials and well articulated form.



Image 8. Opportunity for deck along the northern facade facing the water.

4.2.7 Golf Club

The Development Plan supports ongoing operation of the Golf Club in the precinct. The Golf Club sits south-west of the Harbour Precinct and is divided into two by Breakwater Road. A semi private 9 hole golf course it includes a clubhouse and associated car park located near the intersection of Great Ocean Road and Nelson Street, as well as a maintenance shed near the Mothers Beach car park.

To allow for the relocation of the Port Operations depot, the golf maintenance shed will be replaced and relocated further north. In addition; the presentation of this area; which will be accessed from the parking area near Mothers Beach, will be enhanced by landscape screening.



Image 9. There is potential to provide a maintenance building reflective of the landscape qualities of the harbour and the coast.

4.2.8 Fishermen's Co-Op

In operation since 1948, the current Fishermen's Co-Op includes a fish and chip café, seafood storage and processing facilities, as well as an informal thoroughfare, parking and an outdoor eating and viewing area. The Fishermen's Co-Op have however proposed a concept plan for providing new and improved facilities in their current location. This includes an expanded building and improved access.

The Development Plan supports the redevelopment and expansion of the Fishermen's Co-Op building on the upper terrace of the harbour precinct including:

- Reconfiguration of access and car parking arrangement;
- Expansion of the fish and chip café; and
- Allowance for additional uses including a restaurant and outdoor dining.

The expanded building footprint includes a maximum area of 1000sq.m for the lower level, with a maximum of 450sq.m for the upper level. The upper level setback can be used as balcony space.

This redevelopment would occur within an expanded lease footprint which is subject to further negotiations between the Fish Co-Op and the responsible land authority.

In addition to building changes, car parking and vehicular access will be reconfigured to remove vehicle access in front of the Co-Op building and formalise a parking area to the east of the building.



Image 10. Opportunity to expand fish and chip offering.



Image 11. Opportunity for restaurant on upper deck to take advantage of water views.



Image 12. Opportunity to enhance sales area.

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4.2.9 Retail / Commercial Uses

The Special Use Zone provision currently allows for a range of retail and commercial activities in the precinct which will support the local community, visitors to Apollo Bay Harbour and the needs of the harbour users.

A new building (approximately 760 - 800sq.m, excluding verandahs) being proposed along the lower terrace will allow for a range of retail and commercial activities to be established in the precinct. The new building will be set back into the slope and will allow a mix of uses including cafes, retail, tourist operators and a potential aboriginal and cultural centre to activate the waterfront promenade. These uses will focus on the waterfront promenade and adjacent public spaces to create a highly active and engaging place all year round.

Details of specific uses within these buildings will be the subject of a separate process. Indicatively, it is anticipated the building will allow for:

- Retail / Café – Retail and cafes uses could be developed to cater to the demand generated from residents and visitors to the harbour. The retail uses should respond to the harbour context, while the inclusion of a cafe / takeaway should provide an alternative offer to the Fish Co-Op and restaurant.
- Tourist Operators – There are several tourist operators in the region and associated with the harbour area. There could be the opportunity for some of these operators to establish a presence in the precinct, or alternatively a shop front be provided with a range of tourist operators using this to advertise, organise booking and act as a meeting point.

- A potential Aboriginal and Cultural Centre - There has long been the intention to provide an Aboriginal and Cultural Centre to identify the unique qualities and heritage of the harbour. The centre could include all hours access and information display and interpretation has the potential to provide a unique and site specific attraction that links history of the harbour with the broader history of Apollo Bay and its region. This proposal is subject to further discussion with local community groups.

The building form should be iconic and set the scene for a world class destination.



Image 13. Waterfront activated through food and beverage and cafes



Image 15. Opportunity for heritage and cultural centre to identify the unique qualities and heritage of the harbour.



Image 14. Opportunity for tourist operators in shop front along waterfront promenade.

4.2.10 Temporary Retail / Commercial Uses

The Development Plan provides a number of flexible, multi-functional space that can stage temporary commercial uses. The spaces may also be used to support a range of markets and special events that take place across the site. These include:

- **Upper Terrace** - This space (approx. 100sq.m in area) provides the opportunity for temporary retail / commercial uses to set up in the central harbour area. It provides the opportunity for seasonal and / or smaller operators to trade within the area, particularly during peaks seasons and when demand suits. These uses will also help activate the eastern corner of the upper terrace.
- **Point Bunbury** - There is the potential for the overflow parking area (approx. 350sq.m. in area) to be utilised for temporary traders including food / coffee vans and tourist operators. These uses will also help activate the eastern breakwater.

To support temporary based uses the Development Plan proposes that these areas are accessible for vehicles and infrastructure supply points (3 phase power, drainage, water supply) are provided in these two locations.

A booking system could be established to enable the spaces to be used by the broader community.



Image 16. Opportunity to allow for temporary retail / commercial operators within the precinct, with the potential for markets.

4.2.11 Public Toilets

Toilets are important for visitors and a range of site users. They must be high quality and meet the needs of a full range of visitors. The Development Plan proposes two new permanent toilet facilities to be created in the precinct. These include:

- **Central Area** - Located on the lower level of the redeveloped Port Operations building, with access from the adjacent public spaces (east and north). The toilets will provide easy access for residents and harbour users to new retail / commercial uses and the waterfront promenade, as well as service the needs of all precinct visitors. There is also the opportunity to include showers and lockers as part of this facility for beach users and bike riders. Building approx. 60sq.m.
- **Point Bunbury** - Additional toilets are also required to support uses at Point Bunbury. A new permanent toilet facility will be provided in the car park area. Building approx. 50-75sq.m.

Both toilets should be open at all times of the day.

4.2.12 Port User Amenities

The Development Plan allows for the provision of Port User amenities. These will be located on the lower level of the redeveloped Port Operations building, with access from the depot area (via a key or pincode). Amenities should include toilets, showers and lockers.



Image 17. Well designed public toilets, reflecting the coastal character of Apollo Bay.

4.3 Built Form

Existing buildings within the Harbour Precinct are generally non-descript and functional buildings, reflecting the working qualities of the harbour. These include the Fishermen’s Co-Operative (Fish Co-Op), Harbour Masters Office / Port Operations Depot buildings, the Sailing Club, the Golf Maintenance Shed and relocatable public toilets.

The Development Plan supports plans by the Fishermen’s Co-Op, Harbour Masters Office / Port Operations Depot and the Sailing Club to upgrade and expand their buildings. New buildings also provide opportunities for new retail and commercial uses within the precinct, as well as improved amenities and facilities for visitors and port users.

4.3.1 Built Form Objectives

Overall objectives for built form are to:

- Ensure future built form reinforces the qualities and aesthetics of the working harbour and its coastal landscape setting.
- Minimise the visual impact of buildings from key views and surrounding vantage points.
- Allow for the expansion of the Apollo Bay Fishermen’s Co-Op.
- Allow for the expansion of the Sailing Club in its current location.
- Allow the provision of additional retail / commercial uses and public amenities within the precinct.

This is outlined further in the following pages and in the Design Guidelines.

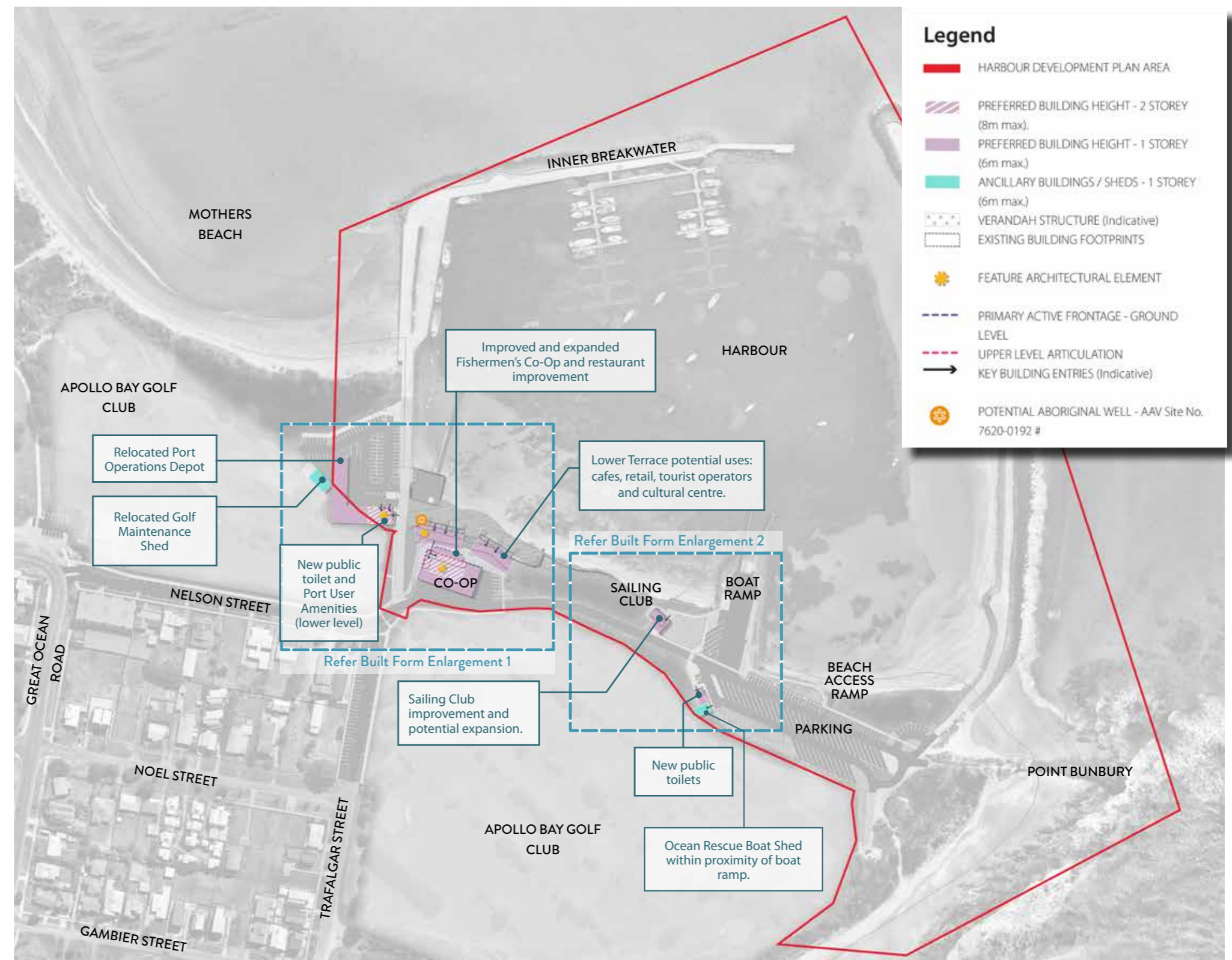


Figure 18. Built Form

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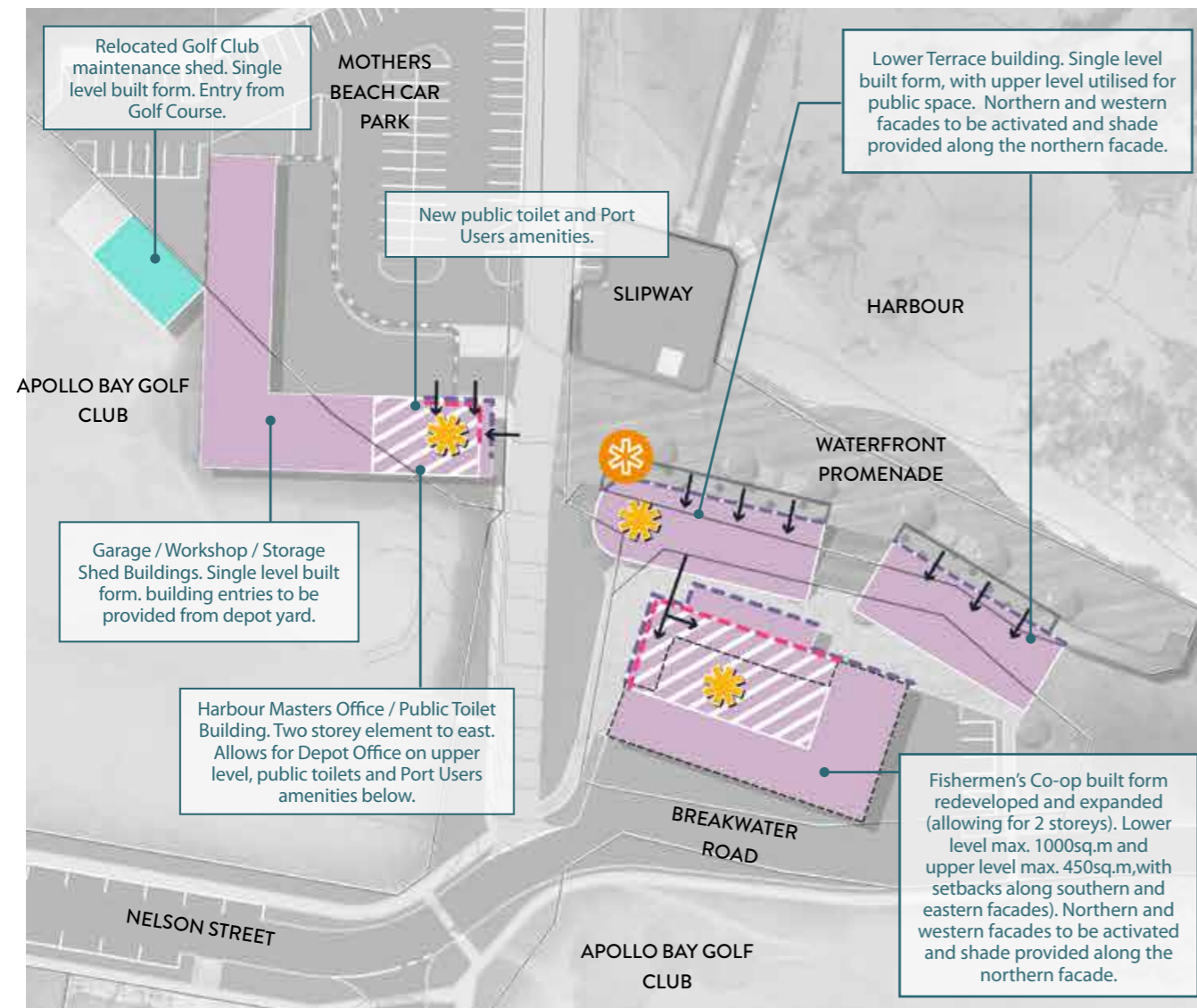


Figure 19. Built Form Enlargement 1

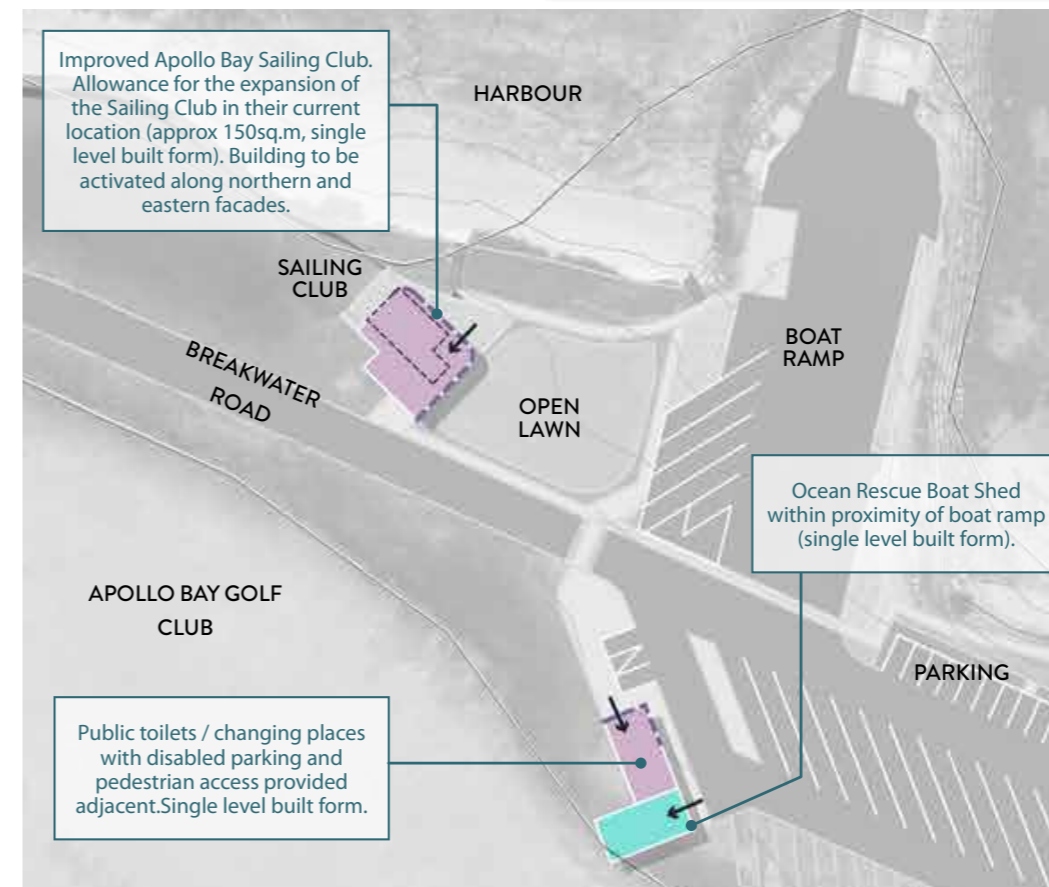


Figure 20. Built Form Enlargement 2

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4.3.2 Views and building heights

The character and identity of the Apollo Bay Harbour is largely influenced by expansive coastal and harbour views as well as long vistas to the foothills behind Apollo Bay and Skenes Creek. Panoramic views to the coast and surrounding hills are available from most locations within the precinct and will be a key feature for new buildings and public spaces.

Views to the harbour from outside of the precinct are available from the Apollo Bay foreshore / beach, and along the Great Ocean Road. The Fish Co-Op is partially visible in these views against the backdrop of large Norfolk Island Pines along the Golf Course edge. The vegetated coastal dunes in the foreground and middleground are the dominant features of views to the harbour.

The impact of future building heights on a number of these views was tested through 3D modelling. This testing demonstrated that a building height of two storeys (8.0m) would maintain a strong dominance of the landscape setting when the harbour was viewed outside of the precinct (refer to Figures 22-25).

The Development Plan proposes discretionary building height of 8.0m, with a maximum of two storeys for both the future Fish Co-Op development and the Depot Office. This is greater than the existing Fish Co-Op height of approximately 6.4m (single storey with pitched roof).

The proposed 8.0m height limit however provides scope for larger floor to ceiling heights on both the ground floor level and upper level of buildings, which would enable retail, office or hospitality uses on both levels. This will support hospitality uses on the upper level of the Fish Co-Op building with outdoor decks that take advantage of views to the water. All other buildings are not to exceed a height of 6.0m (single level).

Generous floor to ceiling heights will allow for adaptable designs and enable buildings to accommodate either retail or commercial uses over time. They also allow a greater level of amenity for occupants by allowing more light to enter the building, improved natural ventilation and reduced heat gain.

At the ground level, generous floor to ceiling heights allow for improved entrance design and a greater sense of openness for occupants, which is important for retail or restaurant uses.

The Development Plan encourages articulated roof forms. This will contribute to a visually interesting skyline and better respond to the character of the existing Fish Co-Op and the surrounding land form. The Development Plan allows roof forms, architectural features and detailing to extend beyond the 8.0m building height for buildings.



Image 18. Existing Fish Co-Op Building with Norfolk Island Pines in the background



Image 19. Close up of Norfolk Island Pines

4.3.3 Building Design

Existing buildings within the Harbour Precinct reflect the quality of a working harbour with a range of buildings and sheds of limited architectural quality. The Fish Co-Op building is intended to be retained and extended however it also has limited architectural quality.

There is an opportunity for new buildings and extensions to define an exciting identity for the Harbour that responds to the rugged, coastal, harbour character and promotes design excellence.

Design excellence is not only measured by how a building looks but also a number of other factors. These include how the building responds to the site and surroundings, whether the building is fit for purpose and built to last, whether people can access and use the building with ease, whether a building provides a high level of internal amenity, how the building responds to the street and adjoining spaces and the extent to which the building responds to Environmentally Sustainable Development principles.

A key issue raised during community consultation phases was visual bulk of future built form. This is particularly important in the Harbour and for views from outside of the Precinct. The Development Plan aims to ensure that future buildings and alterations to buildings are articulated to resemble individual structures rather than large bulky forms. This includes the provision of interesting roof forms, which will further reduce visual bulk.



Image 21. Generous floor to ceiling heights



Image 22. Simple built form with a focus on glass and timber.



Image 25. Views to the water are maximised



Image 20. Articulated forms to reduce visual bulk



Image 23. Simple built form with a focus on glass and timber.



Image 26. Articulated facade with shade provided for outdoor dining.



Image 24. Use of natural materials with access clearly identified.



Image 27. Built form utilizing natural materials.

4.3.4 Design Guidelines

Design Guidelines have been prepared to guide the development of built form of Apollo Bay Harbour.

The Design Guidelines seek to ensure built form complements the unique character, coastal location and heritage of the harbour, as well as ensure high quality architectural and environmental design outcomes.

The Design Guidelines are outlined in Chapter 5 of this report.

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4.3.5 Key Building Requirements

The following outlines the key buildings within the precinct and key design considerations for each. These requirements should be read in conjunction with the Built Form Design Guidelines in Section 5.

Fishermen's Co-op Building

Built Form Element	Development Requirement
Area	<ul style="list-style-type: none"> Lower level to be a maximum of 1000sq.m, with a maximum of 450sq.m for the upper level. Expansion of the current building footprint along the northern facade to be a maximum of 4.5m only. Expansion along eastern and southern facades not permitted.
Building Height	<ul style="list-style-type: none"> Building heights should not exceed 8.0m (two storeys) above ground level. Roof forms may extend above this height to provide articulation.
Upper Level Setbacks	<ul style="list-style-type: none"> The upper level should be set back 4m from the northern building frontage, 7.5m from the western frontage and 11m from the eastern building frontage. The upper level setback should be used as balcony space.
Access	<ul style="list-style-type: none"> Key pedestrian entries are to be located along the western and northern frontages. Loading access to be located along the southern and eastern frontages.
Building Design	<ul style="list-style-type: none"> New additions and extensions to the existing building should integrate with the existing building, be built in a high quality style and utilise natural materials and simple forms. Northern and eastern facades should be articulated to reduce visual bulk. Shading device to be provided on the northern facade. Provide for temporary wind protection for outdoor dining areas and use materials that are highly transparent. Consider opportunities to incorporate local heritage and interpretation regarding the Fish Co-Op and the fishing industry.
Public Realm Interface	<ul style="list-style-type: none"> For areas identified as 'Primary Active Frontages' in Figure 19, buildings should provide pedestrian interest and interaction with a permeable façade incorporating windows and door openings with clear glazing.

Lower Terrace Building

Built Form Element	Development Requirement
Building Height	<ul style="list-style-type: none"> Building heights should not exceed 6.0m (one storey) above ground level. Roof forms may extend above this height to provide articulation.
Access	<ul style="list-style-type: none"> Key public entries to be located northern frontages. Allow for public use of the roof level of the building. This level will be integrated with the public space in front of the Fish Co-Op building. Allow for public access between the upper and lower levels including the provision of a central set of stairs between the two buildings and a ramp access / all abilities access to the east of the eastern building. Loading access to be provided from the front of buildings and generally undertaken outside of operating hours
Building Design	<ul style="list-style-type: none"> Utilise high quality style, utilising natural materials, heavy timber, simple forms and elements reminiscent of its harbour context. The building style and design should appear cohesive with the Fish Co-Op extension and proposed retail and commercial buildings. Northern facade to be articulated to reduce visual bulk. Balustrade design (along edge of upper terrace) should be integrated with the overall building façade design. Shading device to be provided on the northern facade. Provide for temporary wind protection for outdoor dining areas and use materials that are highly transparent Consider the opportunity to incorporate local heritage and interpretation regarding the Fish Co-Op and the fishing industry. There is the potential that this building maybe the location of the aboriginal well. This building should respond to any discovered heritage items, as well as consider the opportunity to incorporate local heritage and interpretation.
Public Realm Interface	<ul style="list-style-type: none"> For areas identified as 'Primary Active Frontages' in Figure 19, buildings should provide pedestrian interest and interaction with a permeable façade incorporating windows and door openings with clear glazing.

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Port Operations Buildings

Built Form Element	Development Requirement
Building Height	<ul style="list-style-type: none"> • Harbour Masters Office / Public Toilet / Port Users Amenities Building - Heights should not exceed 8.0m (two storeys) above ground level. Roof forms may extend above this height to provide articulation. • Garage / Workshop / Storage Shed Buildings - Heights should not exceed 6.0m (one storey) above ground level. Roof forms may extend above this height to provide articulation.
Upper Level Setbacks	<ul style="list-style-type: none"> • The upper level should be set back 2m from the eastern building frontage. The upper level setback should be used as balcony space.
Access	<ul style="list-style-type: none"> • Restricted pedestrian access to the Harbour Masters Office to be located within the Depot area, along the northern facade. • Access to the public toilets to be provided along the eastern and northern facades, and within the public realm. • Access to the Port User amenities to be provided from within the depot area via a key / pincode. • Pedestrian and vehicle entries to the Garage / Workshop / Storage Shed to be located within the Depot area, along the northern and eastern facades.
Building Design	<ul style="list-style-type: none"> • Utilise high quality style, utilising natural materials, heavy timber, simple forms and elements reminiscent of the harbour context. The building style and design should appear cohesive with the Fish Co-Op extension and proposed retail and commercial buildings. • Garage/Workshop / Storage Shed buildings should be simpler in their forms and materials but appear cohesive with the Harbour Masters Office.
Fencing	<ul style="list-style-type: none"> • Fencing around the Depot Area should be semi-transparent
Other	<ul style="list-style-type: none"> • Public toilets to include as a minimum: <ul style="list-style-type: none"> • Male and female toilets; • DDA compliant facilities; and • Potentially a 'changing places' facility near commercial and retail uses.

Sailing Club Building

Built Form Element	Development Requirement
Area	<ul style="list-style-type: none"> • Maximum of 150.sq.m. • Expansion of the current building footprint along the eastern and southern facades only. Expansion to minimise impacts on existing vegetation along southern facade. Expansion along western and northern facades is not permitted.
Building Height	<ul style="list-style-type: none"> • Building heights should not exceed 6.0m (one storey) above ground level. Roof forms may extend above this height to provide articulation.
Access	<ul style="list-style-type: none"> • Key public entries to be located along the eastern and northern façades, facing the open lawn and waters edge.
Building Design	<ul style="list-style-type: none"> • High quality style, utilising natural materials, heavy timber, simple forms and elements reminiscent of its harbour context. The building style and design should appear cohesive with those elsewhere in the precinct. • Building to be set into landform to minimise its visibility along Breakwater Road.
Other	<ul style="list-style-type: none"> • Consider the opportunity to incorporate storage of the duty boat within the building. • Connect new buildings to services including water, electricity and sewerage, where these are available.

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Point Bunbury Public Toilets

Built Form Element	Development Requirement
Building Height	<ul style="list-style-type: none"> Building heights should not exceed 6.0m (one storey) above ground level. Roof forms may extend above this height to provide articulation.
Access	<ul style="list-style-type: none"> Key pedestrian entries to be located along the eastern and northern façades, facing the car park area.
Building Design	<ul style="list-style-type: none"> Utilise high quality style, utilising natural materials, heavy timber, simple forms and elements reminiscent of its harbour context. The building style and design should appear cohesive with those elsewhere in the precinct.
Other	<ul style="list-style-type: none"> Public toilets to include as a minimum: <ul style="list-style-type: none"> Male and female toilets; DDA compliant facilities;

Ocean Rescue Shed

Built Form Element	Development Requirement
Building Height	<ul style="list-style-type: none"> Building heights should not exceed 6.0m (one storey) above ground level. Roof forms may extend above this height to provide articulation.
Building Design	<ul style="list-style-type: none"> Utilise simple forms with materials and colours consistent with buildings elsewhere in the precinct.

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4.3.6 Built Form Massing

The following key plan and illustrations demonstrate the desired built form including impact of the proposed building heights on key views across the Harbour Precinct.



Figure 21. Proposed Built Form - View Key Plan

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Figure 22. View 1 - Proposed Built Form Illustration - Mother Beach Car Park View South



Figure 23. View 2 - Proposed Built Form Illustration - Elevated Dune View South East

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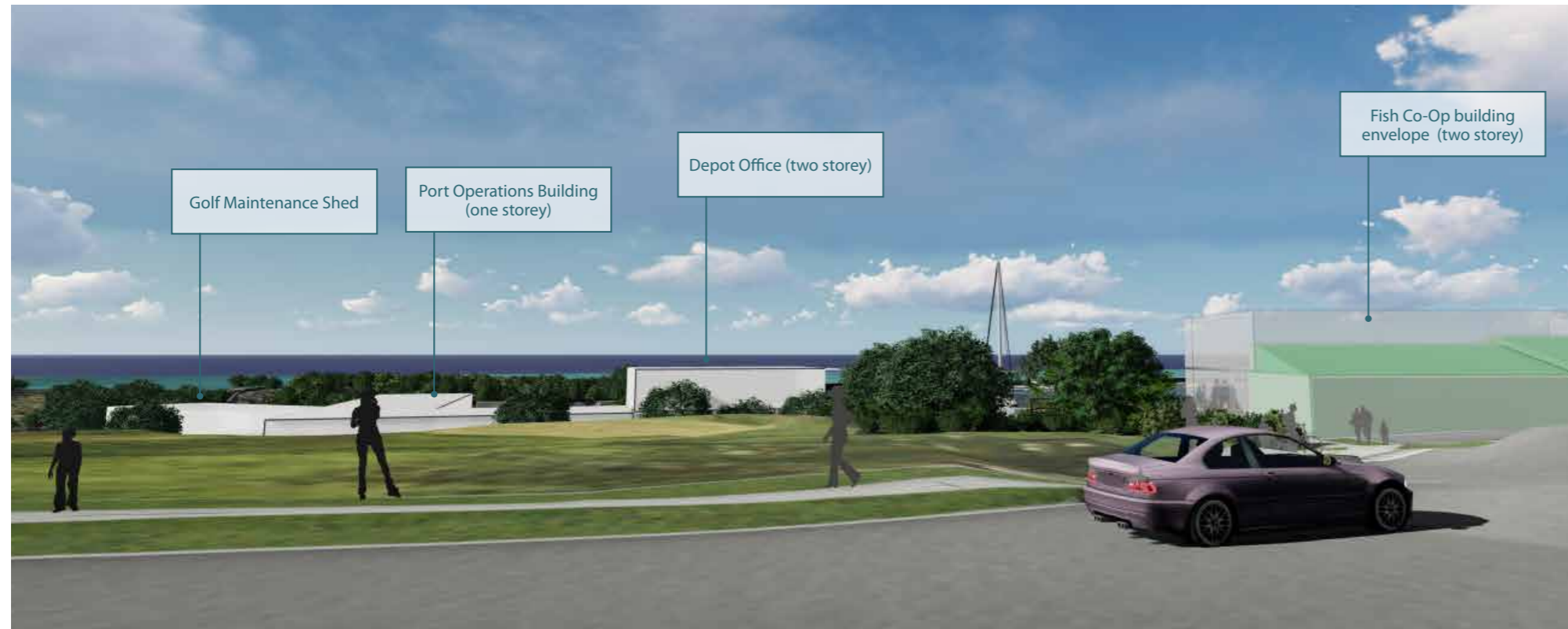


Figure 24. View 3 - Proposed Built Form Illustration - Trafalgar Street / Breakwater Road Intersection View North East



Figure 25. View 4 - Proposed Built Form Illustration - Main Street / Surf Life Saving Club View South East

4.4 Landscape and Public Realm

Apollo Bay Harbour will complement and enhance the attractions of Apollo Bay to the local community and visitors. The landscaped open space network will provide linkages to the Great Ocean Walk with key pedestrian paths extending along the foreshore reserve, the harbour precinct, and through to Point Bunbury.

The Development Plan for Apollo Bay Harbour includes extensive landscaped open space, plaza spaces and boardwalks, shared pedestrian and cyclist paths, as well as publicly accessible beaches.

An increase in accessible public open space will be achieved through the relocation of the Port Operations Depot, which will allow for a new boardwalk/promenade along the southern harbour edge. Improvements to pathways and access for pedestrians will enhance the opportunities for visitors and residents to enjoy the harbour and will reinforce it as a key destination within Apollo Bay.

4.4.1 Landscape and Public Realm Objectives

Overall objectives for the public realm and open space are to:

- Provide a range of public spaces, nodes and uses that enhance peoples experience of the harbour and establish the precinct as a key destination for both visitors and residents;
- Improve access to and the appearance of public spaces throughout the precinct;
- Create a cohesive landscape and public realm character that complements and reinforces the valued working harbour and coastal aesthetics, as well as the harbours heritage;
- Balance functionality and visual appearance; and
- Ensure spaces are comfortable, safe and enjoyable for all people at all hours of the day.

4.4.2 Upper Terrace

A key feature of the Development Plan is the expanded upper terrace. The upper terrace is designed to provide a unique perspective and to maximise expansive views of the harbour. It will be a flexible multi-purpose public space that will function in both day to day mode and in special event mode. The space will also become a visual feature that along with the new Fish Co-Op will help to identify the space as a central part of the precinct and a key destination within Apollo Bay.

The upper terrace will:

- Provide expanded outdoor spaces (minimum width of 10m) that allow for outdoor seating, dining and public access to views for the adjacent harbour / water.
- Provide comfortable and sheltered spaces and seats for people to sit and enjoy the views.
- Provide generous pedestrian walkway (min 3m) to access the Fish Co -Op and restaurant.
- Be publicly accessible at all hours of the day.
- Be predominately a hard paved space that utilises level changes and a combination of hard and soft landscape elements to define spaces and create visual interest.
- Provide a balustrade or similar to ensure safety.
- Be adaptable for a variety of event needs. This should include access to power, water and other facilities to ensure it is able to be used for events.
- Provide clearly defined connections between the upper and lower terrace and the Fish Co-Op.
- Utilise materials and finishes that are high quality and reflect the character of the precinct.

- Include art, sculpture and interpretation to strengthen the character of the precinct and create an engaging space for people.

In event mode the space will a public gathering space for special community events and activities such as markets and festivals.



Image 28. Stairs providing access between the upper and lower levels of the harbour.



Image 29. Upper deck with seating and canopy trees to maximise views to the water.

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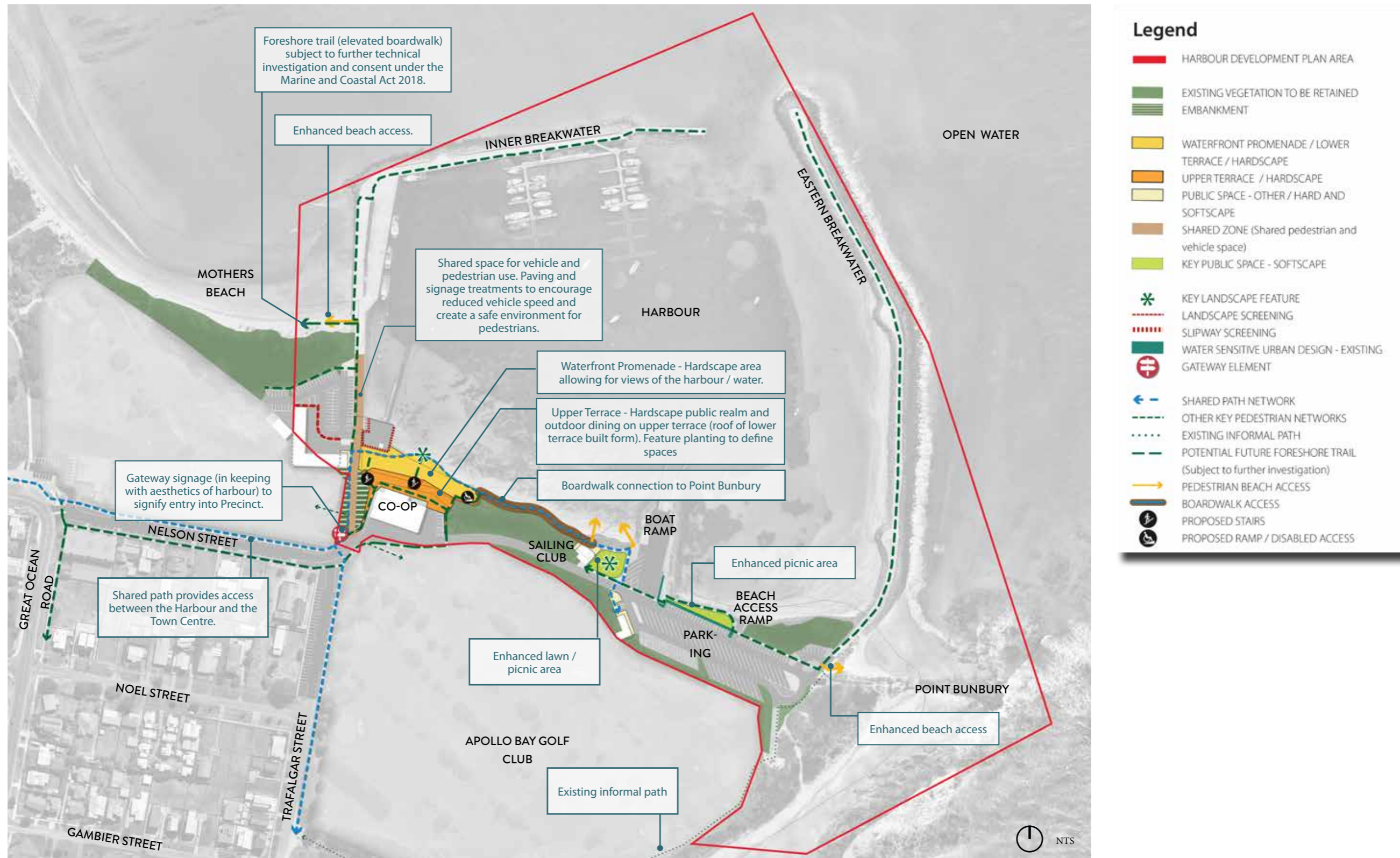


Figure 26. Landscape and Public Realm

4.4.3 Waterfront Promenade / Lower Terrace

The relocation of the Port Operations Depot allow for public access along the harbours edge and the creation of a new Waterfront Promenade. The Waterfront Promenade will provide the opportunity for people to get close to the waters edge, to access the new retail and commercial uses and to allow for safe pedestrian access between Mothers Car Park to Point Bunbury. The promenade will be connected to the upper terrace via two sets of stairs (west and central) and ramp to the east. The central steps will be generous and provide another form of seating for people and a distinctive feature of the space.

The waterfront promenade will:

- Be a focal point for the harbour development.
- Provide generous (minimum 10m wide) and safe pedestrian walkway to new retail and commercial uses provided along the lower terrace, as well as provide space for outdoor seating and dining.
- Provide a clearly defined and continuous connection (minimum 2.5m wide) between Mothers Car Park and Point Bunbury, via an elevated board-walk along the waters edge.
- Ensure views to the adjacent harbour / water are maximised.
- Provide comfortable and sheltered spaces for people to sit and enjoy the views.
- Provide a balustrade or similar along the waters edge to ensure safety.

- Provide screening to minimise potential amenity impacts from the slipway.
- Include art, sculpture and interpretation to strengthen the character of the precinct and create an engaging space for people.
- Be publicly accessible at all hours of the day.
- Utilise materials and finishes that are high quality and reflect the character of the precinct.



Image 30. Waterfront promenade with views of water and seating opportunities.



Image 31. Waterfront promenade with uses along the lower terrace and balustrade allowing for safe access along the upper terrace.

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4.4.4 Boardwalk

A boardwalk will connect the Waterfront Promenade to the Sailing Club at Point Bunbury. The 2.5m wide (minimum) elevated timber boardwalk will be characterised by a meandering organic form nestled along the shoreline of the harbour, with the vegetated embankment as a backdrop. It will ensure ease of movement throughout the precinct and will allow access for all people at high and low tides.

A critical consideration of providing access in this location was to avoid impacting the adjacent middens / vegetation. The boardwalk allows for these areas to be integrated into the experience, while ensuring these areas remain preserved.

The boardwalk will:

- Be a 2.5m wide minimum all abilities elevated timber boardwalk.
- Provide access between the Waterfront Promenade to Point Bunbury / the Sailing Club, via the southern edge of the harbour.
- Provide spaces for people to sit / congregate and enjoy the water views.
- Provide a balustrade or similar along the waters edge to ensure safety.
- Minimise impacts to vegetation and aboriginal heritage sites.
- Include interpretation to strengthen the character of the precinct and create an engaging experience for people.
- Consider the opportunities for lighting to ensure the space is available at more hours of the day.

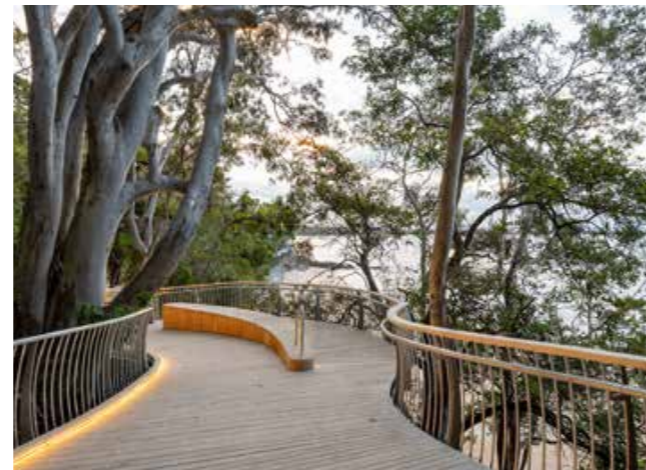


Image 32. Simple timber pedestrian boardwalk allowing access along waters edge.

4.4.5 Shared Space

The access road between the Breakwater Road and the Inner Breakwater is proposed as a shared space for pedestrians and cars. This will provide a unique pedestrian friendly space that allows for safe pedestrian access between the public toilets, car parking and the retail and commercial uses along the waterfront promenade.

The shared space will:

- Provide a pedestrian friendly space that allows for public access to key attractions and amenities within the precinct.
- Allow for a pattern of movement that better responds to the function of the harbour, not only a working environment, but also as a key destination within Apollo Bay.
- Provide paving and signage treatments that encourage reduced vehicle speed and create a safe environment for pedestrians.

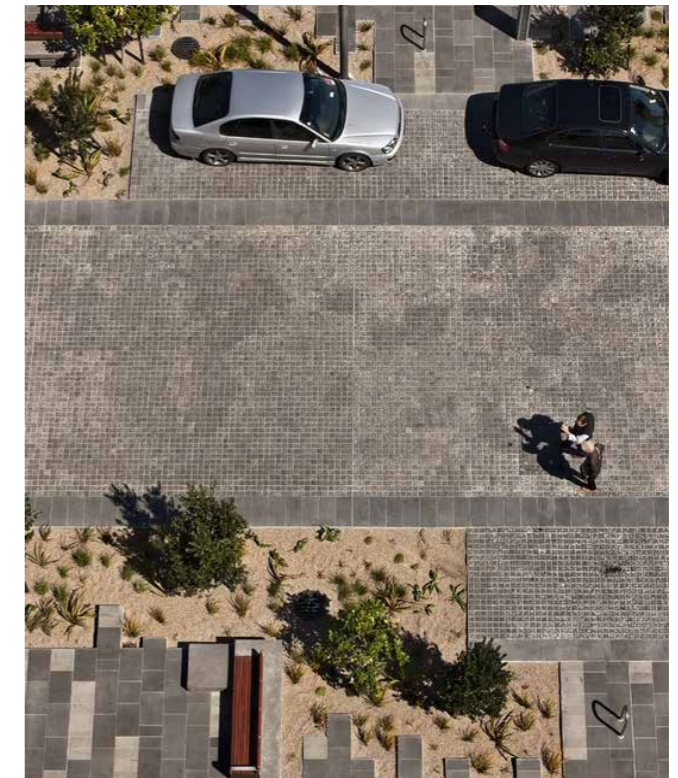


Image 33. Shared pedestrian and vehicle space with paving encouraging low speeds.

4.4.6 Open Lawn / Picnic Areas

The Development Plan proposes to retain and enhance existing open lawn and picnic areas within the precinct. Existing open lawn and picnic areas include the open lawn adjacent the Sailing Club and the picnic area to the north of the car parking area.

These areas will be improved to:

- Provide additional seating, picnic facilities and supporting infrastructure that is well considered and appropriately located.
- Enhance accessibility including mitigation of barriers to movement (i.e. newly incorporated water sensitive urban design).
- Provide shade and weather protection that improves comfort within the space while maximising views to the water.
- Utilising materials and finishes that are consistent and reinforce that character of the precinct.
- Maintain the ability to use the open lawn for small craft laydown for the Sailing Club.



Image 34. Key nodes providing opportunities for seating or relaxing on the grass.

4.4.7 Public Art

While specific locations for public art have not been identified, the Development Plan encourages the incorporation of public art within the landscape and public realm. Public art could include sculpture, lighting, paving and planting treatments. Public art should reflect the local qualities of Apollo Bay Harbour and its history and be carefully considered and located. Further guidance regarding public art is located in Section 5 - Design Guidelines.



Image 35. Public art reflecting harbour themes.

4.4.10 Gateway Element

The Development Plan proposes to provide a 'Gateway Element' near the intersection of Breakwater Road / Trafalgar Street to signify entry into the Harbour Precinct. This element could include signage, planting treatments, public art and / or lighting. It should clearly define the entry to the harbour precinct, be integrated into the landscape and reflect its coastal and working harbour character.

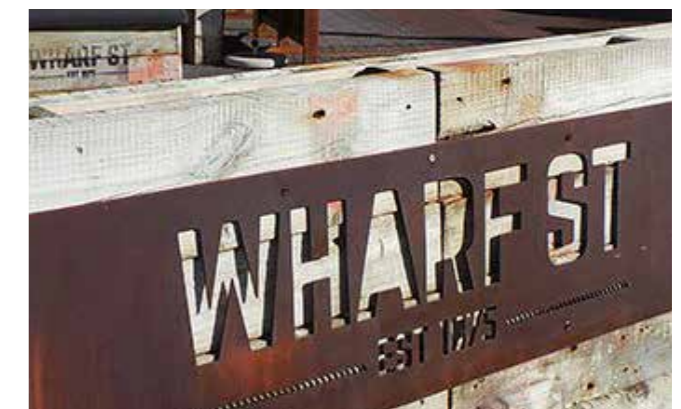


Image 36. Signage and landscape treatments could provide entry statement into precinct.

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4.4.8 Events

The Harbour is currently host to the Apollo Bay Seafood Festival which occurs annually. The festival is a key feature in the Apollo Bay events calendar and attracts visitors from far and wide.

The Development Plan identifies a number of opportunities for the public realm to provide for events. This could include:

- **Harbour Central** - The expanded upper and lower terraces could all be adapted for temporary use for large events such as markets, festivals, arts and cultural events (that cannot be located at the foreshore). Additional space along the shared space and Mothers Car Park could also be incorporated as part of this events setting.
- **Point Bunbury Car Park** - This area could all be adapted for temporary use for large events such as markets, festivals, arts and cultural events (that cannot be located at the foreshore).

Themes for events should draw on local heritage, fishing / water related uses and/or tourism offerings.

To support temporary based events the Development Plan proposes that infrastructure supply points (3 phase power, drainage, water supply) are provided in these two locations.



Image 37. Opportunities for events throughout the precinct.

4.4.9 Materials and Finishes

The harbour has a rich heritage and its character is reflective of its function as a working harbour, as well as its coastal location. The Development Plan proposes to express these valued qualities within new works and the related materials palette, making it visually distinct from other areas of Apollo Bay.

A cohesive palette of materials and finishes will be used throughout to provide consistency and reinforce the valued qualities and heritage of the precinct. Locally sourced materials, such as timber will feature throughout and provide a reference to past industries, while other natural materials such as stone and rocks will provide a tactile quality and connection to its coastal location. Materials will also respond to the function of the spaces created and their proposed use.

Further guidance in relation to public realm materials and finishes is outlined in the Design Guidelines within this report.



4.5 Heritage and Environment

The Harbour and Point Bunbury are prominent and historic features of Apollo Bay, given their connection to the settlement of the area. While much of the area around the harbour has been altered overtime, there are still highly valuable remnants including native vegetation patches, known and yet to be discovered aboriginal sites, as well as Post European heritage.

4.5.1 Heritage and Environment Objectives

Overall objectives for heritage and environment are to:

- Respect, protect and interpret the Aboriginal and European heritage and history of the precinct, where appropriate.
- Protect indigenous vegetation within the precinct (i.e. habitat zones as shown on Figure 27), where possible and appropriate.
- Reinforce the landscape character of the precinct through further indigenous planting.
- Ensure development is protected from climate change impacts such as sea level rise and storm surge.

This is outlined further in the following pages.

4.5.2 Aboriginal Heritage

While the full extent of Aboriginal heritage sites around the harbour is unclear, key known sites include 7620-0192 – a shell midden and a (suspected) freshwater spring (Aboriginal Well).

The shell midden extends from the Fishermen's Co-Op to the boat ramp, and is protected by current vegetation in this location.

The location of the freshwater spring is yet to be confirmed however is believed to be located in the embankment next to the Fishermen's Co-Op, most likely under the current Depot Office.

The Development Plan aims to ensure that aboriginal artefacts and sites within the precinct are protected and sensitively incorporated as part of future development. There are also opportunities for interpretation of these sites, where appropriate and approved by the local Aboriginal group.



Image 38. Undated photograph in the Valentine postcard series shows a sign marking a path down to the "Aboriginal Well" from atop the bluff in Apollo Bay before harbour construction commenced - Source: Apollo Bay Harbour Archaeological Investigation - Final Master Report 2006.

4.5.3 Post European Heritage

A heritage overlay (HO300) applies to the Harbour Precinct and includes the Fishermen's Co-Op building, breakwaters, piers and beacons. The heritage overlay identifies the Harbour as having historic and social importance to the Shire of Colac Otway. This is due to the precincts connection to the development of the fishing industry within Apollo Bay. Additionally, the precinct has played an important role in the development of the leisure industry, with recreational fishing. Both industries contribute significantly to Apollo Bay's economy.

The Development Plan proposes that fishing (commercial and recreational) and leisure are retained as key functions of the precinct. The Development Plan aims to enhance the leisure opportunities through improved public spaces and access, while retaining the authenticity and functionality of the harbour.

To reinforce the importance of the harbour precinct and its local importance, the Development Plan encourages opportunities for interpretation, where appropriate.



Image 39. Harbour photographed in c. 1957. The photo captures Fishermen on the breakwater, with the Fishermen's Cooperative building standing prominently above the shore in the background.

4.5.4 Vegetation

A flora and fauna assessment of the terrestrial area of Apollo Bay Harbour was undertaken to inform the Apollo Bay Harbour Development Plan. Refer 5.2.1 Flora and Fauna Assessment.

The Development Plan aims to protect and minimise the impacts on identified EVC habitat zones (as identified on Figure 27). There are also areas of vegetation that have low environmental qualities, but provide dune stability, protection from erosion, or enhance the landscape character of the precinct (i.e. the embankment as shown on Figure 27). The Development Plan encourages the re-vegetation of these areas to enhance their environmental qualities. Care should be taken however in locations with known aboriginal sites to ensure disturbance of these sites is minimised. Additionally re-vegetation should consider the impact on views, and consider approaches such as succession planting where stability is an issue.

Other key considerations for vegetation includes:

- Provision of trees, shrubs and grasses which respect and reflect the local environment;
- Use of local, indigenous and native species will be preferred and sourced locally where possible;
- No weed species will be used; and
- Plant species will focus on those which are low maintenance, drought-resistant and fauna friendly.

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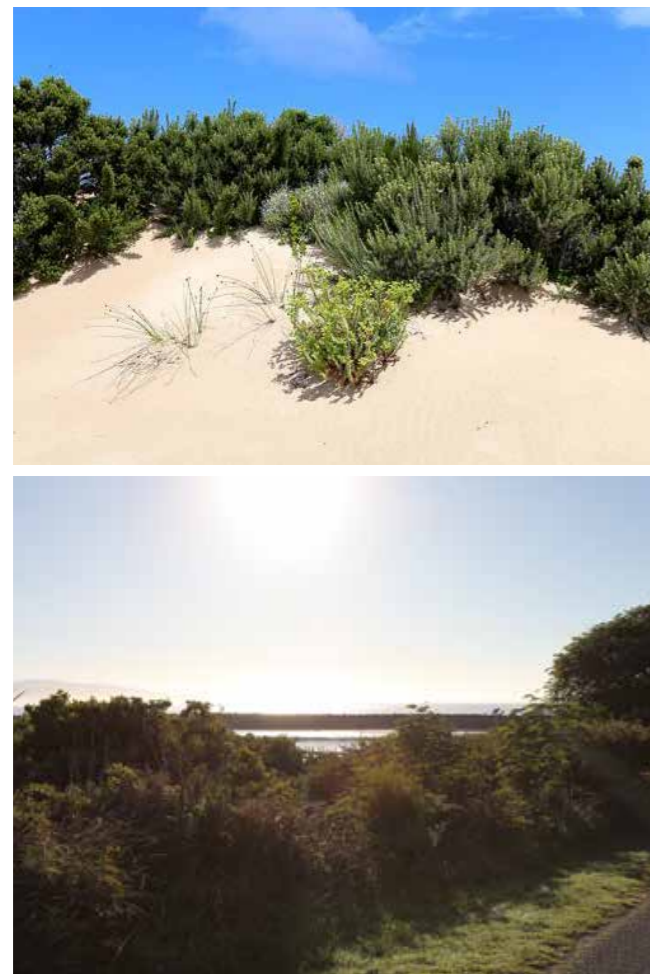


Image 40. Opportunity to enhance existing vegetation within the precinct.



Figure 27. Heritage and Environment

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4.5.5 Water Sensitive Urban Design

Recent upgrades at Point Bunbury car park have incorporated Water Sensitive Urban Design (WSUD) into the public realm. This reduces the impacts of stormwater runoff from the hard surface areas of the adjacent car parking area.

Future improvements to the public realm provide opportunities for further WSUD treatments to be incorporated. In particular within car parking areas to reduce stormwater runoff and allow for irrigation of trees and planting or where large areas of hard surfaces are provided i.e. the upper and lower terrace.



Image 41. Opportunities to enhance the vegetation along the coastal edge through sensitive re-vegetation.



Image 42. Opportunities to educate people about the unique environment around the harbour.

In providing further WSUD treatments within the harbour area, the Development Plan encourages the careful consideration of movement networks and desire lines to ensure these are not adversely impacted. This has been the case with the current WSUD provided at Point Bunbury, which provides a barrier to movement between car parks and picnic areas along the water.



Image 43. Water sensitive urban design integrated into the recent upgrades at Point Bunbury.



Image 44. Opportunity to integrated water sensitive urban design within public spaces.

4.5.6 Coastal Protection

The issue of climate change is an important consideration for all coastal communities and for the Development Plan.

DELWP are currently working with the Otway Coast Committee (OCC), Colac Otway Shire (COS), Regional Roads Victoria (RRV) and the local community to identify locations and short and long term options for protecting the coastline along Apollo Bay and Marengo, which are under-threat and experiencing the impacts of coastal erosion.

While the treatment of coastal erosion is outside the scope of the Development Plan, it does aim to ensure all new structures and works proposed are located away from areas identified as potentially at risk of sea level rise and future erosion. Key development areas around the Sailing Club, as well as the Fish Co-Op and retail / commercial uses lie above the predicted storm-tide levels up to 2100. Erosion risk in this location is also considered low with the breakwaters providing protection to these areas.

The Point Bunbury Groyne has reached capacity and is currently holding sand. The original purpose and current function of this groyne should be investigated further.



4.6 Access and Connections

The Development Plan aims to provide an integrated movement network within the harbour precinct.

4.6.1 Access and Connection Objectives

Overall objectives for the access and connections are to:

- Provide a clear, safe, connected and logical movement network throughout the precinct for various users.
- Improve pedestrian and cyclist amenity and priority within and across the precinct.
- Improve vehicular movement, parking and safety at opportunity sites including along Nelson Street and Trafalgar Street.
- Mitigate the impacts of relocating the Port Operations Depot on parking within and around the precinct.

This is outlined further in the following pages.

4.6.2 Pedestrian and Cycle Movement

Applying a destination approach, the Development Plan aims to improve the quality and legibility of pedestrian connections between the harbour and other key destinations within Apollo Bay, as well as provide a range of recreational opportunities for visitors and residents alike.

Providing a cohesive and integrated network of walking, cycling and multi-purpose paths is one of the most important components of the Development Plan.



Image 45. Clearly defined pedestrian links

Shared Path Network

A key element of the Development Plan is the shared path providing a continuous connection between the town centre and Point Bunbury. The 2.5m shared path will provide access to some of the best features the harbour has to offer, while ensuring safe access throughout much of the precinct.

The shared path extends from the Apollo Bay foreshore reserve, along the perimeter of the Golf Course (north side of Nelson Street) and Mothers Beach access road (a shared space) before continuing to Point Bunbury via the new waterfront promenade and boardwalk. The promenade and boardwalk provide a unique experience of the site, allowing people to access the harbours edge and previously inaccessible areas of the precinct.

The shared pathway will:

- Provide a consistent and safe 2.5m wide (minimum) shared path between the Harbour and the Foreshore Reserve;
- Minimise road crossings, where possible;
- Allow for all abilities access into and through the precinct (subject to detailed design).
- Incorporate wayfinding signage at considered and relevant locations to direct people and encourage them to explore (refer Figure 28);
- Incorporate the installation of seating nodes at key locations and roughly at 200m intervals;
- Incorporate art, sculpture, lighting and interpretation along the network; and
- Provide additional cycling infrastructure at key points.



Image 46. Seating nodes to allow people to rest and take in the views



Image 47. Wayfinding signage to help people navigate through the precinct.

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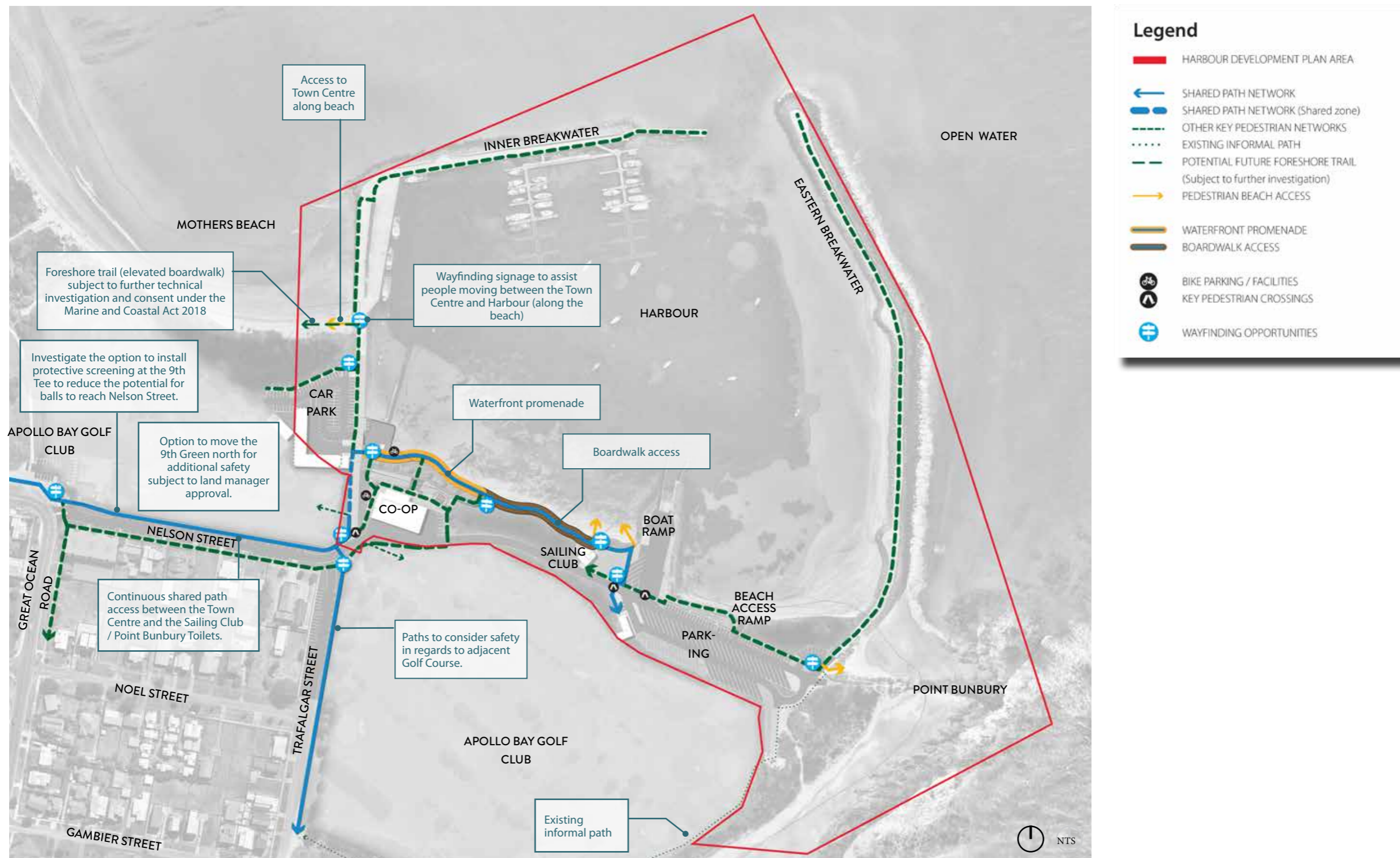


Figure 28. Access and Circulation - Walking and Cycling

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Key Pedestrian Movements

Supporting the shared path network will be a number of key pedestrian paths (identified as Key Pedestrian Movement on Figure 28). These will complement the shared path network to create a highly permeable and legible pedestrian framework for the precinct.

Pedestrian access should always be available (including high and low tides) and include nodes of interest (e.g. information boards, seating, and viewing points). Where possible, all abilities (DDA) compliant pedestrian spaces and paths will be provided throughout the precinct. This will be subject to further detailed design.

Safety of pedestrians and cyclists should also be considered. In particular, the Golf Course will need to ensure the safety of pedestrians walking along new pathways adjacent to the Golf Course.

The key pedestrian paths will:

- Provide a 1.5m wide (minimum) path between key locations as generally outlined in Figure 28;
- Allow for all abilities access, where possible.
- Incorporate wayfinding and interpretation signage at considered and relevant locations to direct people and encourage them to explore (refer Figure 28); and
- Incorporate the installation of seating nodes at key locations.



Image 48. Clearly defined paths



Image 49. Providing access for all people



Image 50. Incorporating interpretation signage to provide people with a greater understanding of the features of the harbour and encouraging them to explore

Breakwater Road to Mothers Beach Car Park Path

A new pedestrian path is proposed along the western edge of the road between Breakwater Road and Mothers Beach Park. This pedestrian path should allow for all abilities access.

To allow for this pedestrian path, additional space will be required to the west. This is likely to result in a new retaining wall along the Golf Course edge and the possible removal of a tree. The alignment and design of this pedestrian path is however subject to further detailed design.

Potential Future Pathway

Providing clear and connected pedestrian links between the Harbour and Town Centre, along the foreshore reserve was a key aspiration identified by a number of community members during consultation.

While this continues to be a key aspiration for the community, there are a number of challenges including lease arrangements, pedestrian safety, funding and impacts on the coastal environment that were still being investigated at the time of this report. The current proposal is for a boardwalk on the beach side of the dunes at Mothers Beach. The potential for a boardwalk will be considered as part of investigations into future coastal protection works that may involve the installation of a sand shifting pipeline along the dunes. The proposal is subject to the path being dual purpose i.e. path and housing for a sand redistribution infrastructure, related technical studies and funding.

Existing Informal Path

While access around Point Bunbury and south along the headland to Marengo is restricted due to the Golf Club activities, a gravel path allows for informal access. This will be retained, however due to safety concerns, will not be upgraded.

Beach Access

The beach will also provide access for pedestrians to and from the precinct. Access to the beach can be gained via existing access points, as well as newly created access points. All new and upgraded beach access points should consider coastal conditions and be sensitively integrated to minimise erosion and impacts to the dunes.



Image 51. Examples of improved beach access

Bike Facilities

The Development Plan proposes to encourage residents and visitors to cycle to the precinct and other key destinations throughout Apollo Bay. Cycle infrastructure bike hoops and bike pumps is proposed near the Fishermen’s Co-Op and the new retail / commercial uses on the lower terrace. This should be integrated into the design of the public realm in sculptural forms.

Other opportunities include cleat resistant floors, water bottle refill stations, bike repair stations, signage showing cycle networks and connections to broader regional trails. These are subject to further detailed design.

In addition, there is the opportunity to encourage cycling related businesses to develop around the harbour precinct such as a bike service and repair workshops and bike hire and shuttle service depots.



Image 52. Bike repair station with pump and tools.



Image 53. Bike parking located near activities where it is easy to find.

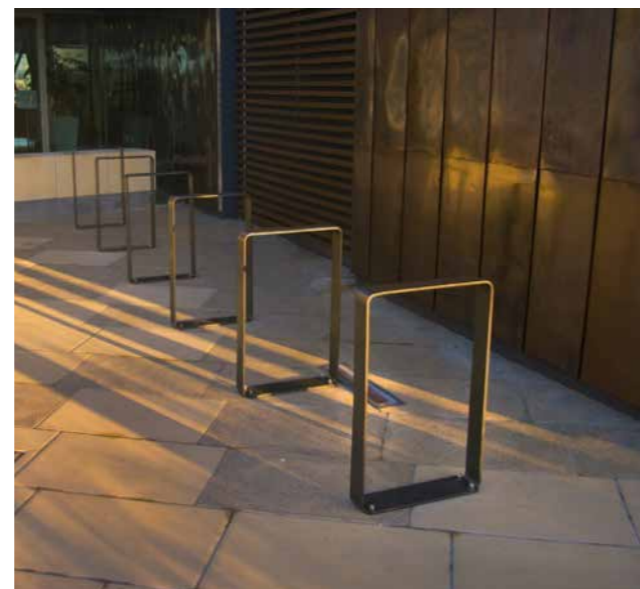


Image 54. Sculptural bike elements consistent with the rustic character of the harbour.

Wayfinding

Wayfinding aims to help guide people through a space and enhance their understanding and experience of their environment. It can include directional signage, interpretive signage, public art and public realm treatments such as paving and furniture. The Development Plan proposed to provide a series of way-finding opportunities at key nodes and decision points along key pedestrian paths within the precinct. These points are identified on Figure 28. While the design of all signage within the precinct is subject to further detailed design, consistent wayfinding signage should be provided to delineate entries and exits, key networks, parking and loading areas within the precinct. Signage within the precinct should be consistent in style and form and reflect the aesthetics of the harbour precinct.



Image 55. Existing wayfinding signage located along the Apollo Bay foreshore.



Image 56. Simple wayfinding signage with map.

4.6.3 Vehicular Movement

Breakwater Road and Intersection

Vehicles travelling to the harbour will be arriving predominantly along Nelson Street / Breakwater Road. The Development Plan takes this into account and proposes upgrades to Breakwater Road to allow for improved two-way vehicle movement to accommodate an increase in traffic and safer pedestrian access.

In particular, a 'pinch point' between the Fishermen's Co-Op and the Golf Club will be improved through intersection upgrades at the entrance to Mothers Beach car park. These upgrades will include:

- Straightening and widening Breakwater Road (to a minimum width of 7.0m) to improve sightlines and manoeuvring, particularly for larger vehicles travelling to and from the Point Bunbury; and
- Providing clear pedestrian footpaths and crossing points to improve pedestrian safety and wayfinding. To facilitate these improvements, a modified lease boundary has been negotiated with the Golf Course. This will affect the south east corner of the intersection.

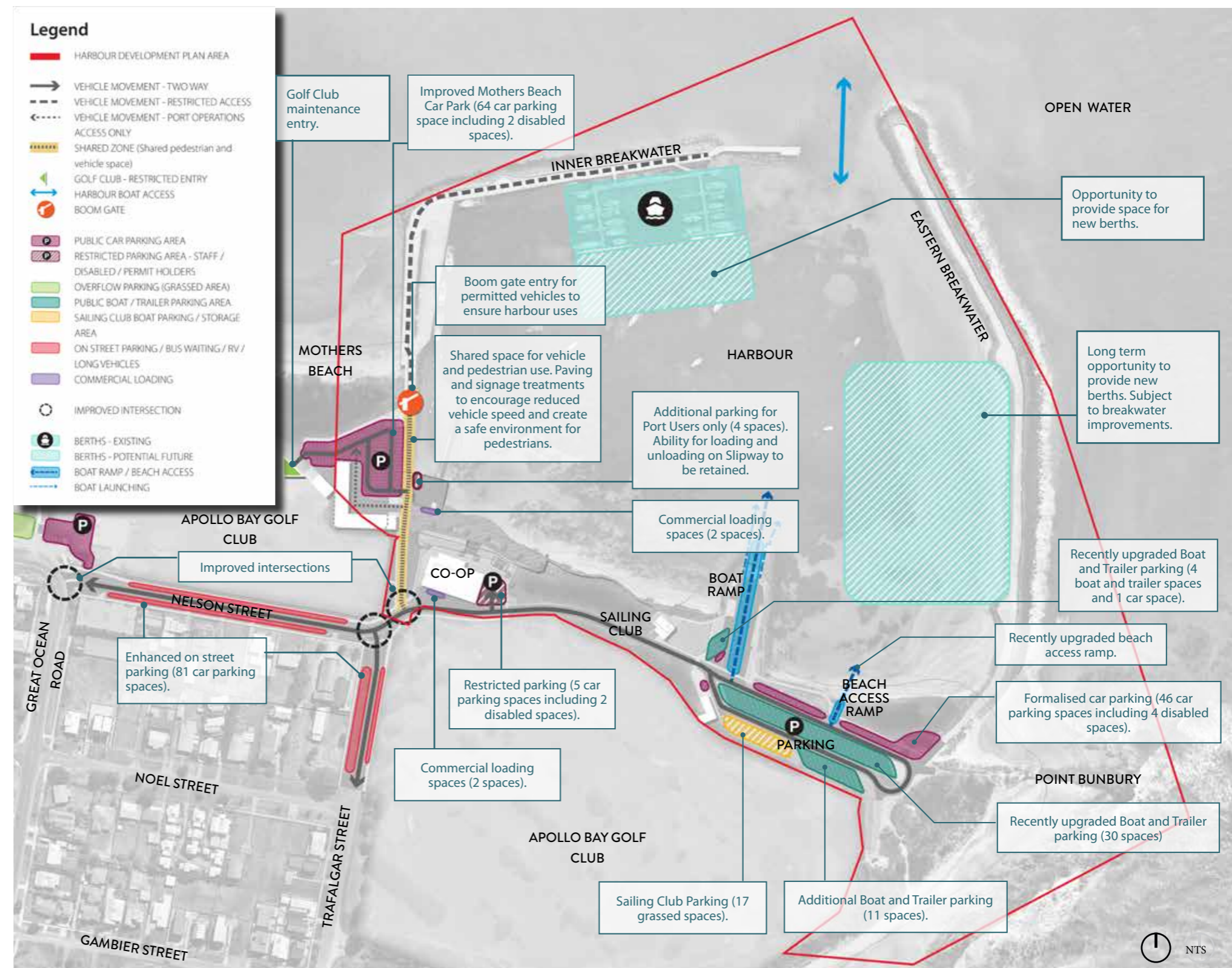


Figure 29. Access and Connections - Vehicular and Parking

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Breakwater Access

Two breakwaters, an eastern and inner, enclose the harbour. Both of these breakwaters are accessible to pedestrian. Restricted access is provided for vehicles along the inner breakwater, with access controlled via a boom gate / swipe card near Mothers Beach. The Development Plan proposes to maintain restricted access for vehicles along the inner breakwater.

Port Operations / Golf Club Access

The Development Plan aims to enhance circulation for operation vehicles to and within the Port Operations depot. Operational vehicles will be able to enter the depot via a managed access point, just south of Mothers Beach car park. Vehicles will be able to move through the depot area in a forwards direction and exit at the north of the site, into the adjacent car park area. A minimum 4.0m wide access way within the depot should be provided to allow for this access.

Access to the Golf Maintenance Shed will be permitted from Mothers Beach Car Park via a secured gate. This will allow restricted access into the Golf Club only.



Image 57. Existing 'pinch' point along Breakwater Road, adjacent to the Fish Co-Op.

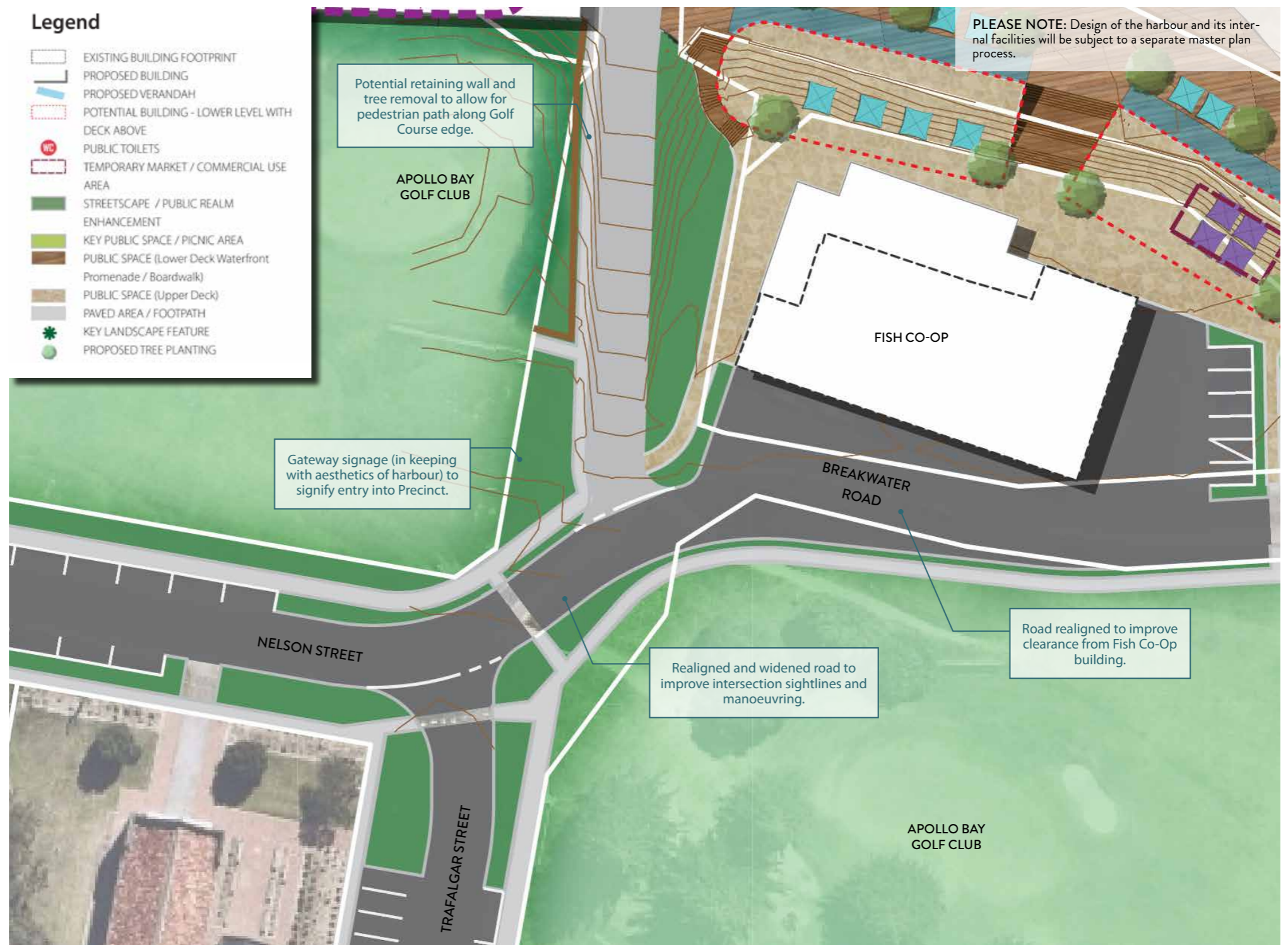


Figure 30. Central Area Plan - Breakwater Road Intersection



PLEASE NOTE: Any infrastructure suggested on or close to dunal areas will need further rigorous investigation by the relevant authorities, particularly with regard to potential erosion and dune stability.

Nelson Street

Nelson Street provides vehicular access between the Great Ocean Road / Apollo Bay Town Centre and the precinct. It provides the front door to the harbour precinct and draws people into the site. The streetscape should not only be distinctive but should allow for vehicular movement that better responds to the needs of the harbour precinct and provide additional car parking opportunities.

To enhance streetscape amenity, the Development Plans proposes the provision of canopy trees along the residential side of the street. The species provided should allow for residential views to the ocean to be maintained, while offering shade and shelter for pedestrians. Additional car parking along Nelson Street will be provided to offset the loss of parking within Mothers Car Park and minimise the loss of parking within the precinct resulting from the relocation of the Port Operations Depot. Parallel parking will be extended and formalised along both sides of the street, while carriageway widths will be maintained to allow for larger vehicular access. Detailed design will be required to ensure proposed tree planting and car parking avoid existing powerlines and services along the street.



Figure 31. Cross Section B-B' - Nelson Street - Existing Conditions



Figure 32. Cross Section - Nelson Street - Existing Conditions

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To cater for the potential of increased traffic to the precinct, the intersection of Nelson Street with the Great Ocean Road will need to be improved. Key considerations for improving this intersection include enhancing sightlines and the potential to provide dedicated right hand turn lanes into the precinct. Additionally, the concept will need to respond to proposed changes along the Great Ocean Road and the western extension of Nelson Street.

At the time of this report, discussions were being undertaken with Colac Otway Shire Council and Regional Roads in order to develop preferred concept. The design of this intersection will be subject to ongoing discussions / coordination.



Figure 33. Cross Section B-B' - Nelson Street - Proposed

1:100 0 1 2 5



Image 58. Existing view along Nelson Street, looking east towards the harbour.



Figure 34. Cross Section - Nelson Street - Proposed



Trafalgar Street

Trafalgar Street extends south from the harbour area and along the western edge of the golf course. Additional parking is proposed along part of the street to provide overflow parking for the harbour and offset the loss of parking within Mothers Car Park. Formalised parallel parking is proposed along the Golf Course side of the street, while 90 degree angled parking can be accommodated adjacent the existing church. Footpaths are allowed for along both sides of the street, including a 2.5m wide shared path along the Golf Course side.



Figure 35. Cross Section C-C' - Trafalgar Street - Existing Conditions



Figure 36. Cross Section - Trafalgar Street - Existing conditions



Figure 37. Cross Section C-C' - Trafalgar Street - Proposed



Figure 38. Cross Section - Trafalgar Street - Proposed

4.6.4 Car Parking

The Development Plan provides a precinct approach to parking provision. Parking is provided at the following locations:

- **Mothers Beach Car Park** (approx. 64 car parking spaces, including 2 disabled spaces) – primarily for commercial activities and recreational visitors. This area will be improved to create a more efficient and formalised parking area, that is integrated into its landscape setting.
- **Fishermen's Co-Op** (approx. 5 car parking spaces, including 2 disabled spaces) – provides disabled parking at the upper deck, as well as limited employee parking for the Fishermen's Co-Op and service entry to the building.
- **Point Bunbury Car Park** (approx. 47 car parking spaces including 4 disabled spaces, 45 boat and trailer spaces, 17 dry boat store)– recently upgraded to formalise parking facilities and allow for 2 way access lanes around the parking areas. Primarily for parking generated by the access to the boat ramp and Sailing Club, as well as visitors to Point Bunbury and the Breakwaters. It includes boat and trailer parking, dry boat store for sailing boats and public car parking. Additional boat and trailer parking will also be provided along the Golf Course edge, while additional car parking will be provided to the east of the beach access ramp.
- **Commercial Loading** - (approx 4 loading spaces) - provides commercial loading access to the Fish Co-Op and to commercial tenancies along the waterfront promenade.
- **Port Users** - (approx 4 port user spaces) - allows for parking for Port Users only, adjacent to the Slipway.

A total of 116 car parking spaces, 4 commercial loading spaces, 4 port user spaces, 45 boat and trailer spaces and 17 dry boat spaces are provided in these locations. The upgrading of these parking facilities provides justification to waive the Clause 52.06 parking requirements for uses identified in the Development Plan.

Additional expanded parking capacity has been allowed for along Nelson Street and Trafalgar Street through formalisation of on street parking. This will allow for approximately 81 car parking spaces and will help to accommodate peak demand. Alternatives to on-site car parking (e.g. Shuttle bus), could also be considered during peak times. Improved surveillance and lighting will also be provided to improve safety to car parking areas.

Access to and from car parks will be provided through improvements to Breakwater Road and Nelson Street. Refer to External Street Networks for further details.



Image 59. Formalised car parking



Image 60. Potential to plant trees within car parking areas to provide shade. Impacts to key views should be minimised however.



Image 61. Potential of passive irrigation of plants within car park area (i.e. utilising stormwater runoff).

4.6.5 Water Based Movement

Berths

The inner breakwater includes a number of fixed berths used by both the commercial fishing fleet and recreational vessels. The Development Plan allows for the expansion of commercial berths along the inner breakwater, as well as the long term potential for additional berths along the eastern breakwater (subject to further investigations and dredging).

The entrance to the harbour has to be regularly dredged to ensure it remains open to vessels. Sand has gathered in the south-eastern part of the harbour (east of the beach access ramp) and will need to be removed in the future if additional berths are to be accommodated.



Image 62. Existing berths located along the inner breakwater at Apollo Bay.

Boat Launch Infrastructure

Point Bunbury currently provides for a main boat ramp located in the middle of the harbour. The boat ramp has recently been upgraded (concrete / asphaltting works) as part of the recent upgrades to the Point Bunbury car park.

No further upgrades are proposed as part of the Development Plan.



Image 63. Recently upgraded car parking and boat launch facilities at Point Bunbury.

5 DESIGN GUIDELINES

5.1 Overview

Design Guidelines have been prepared to guide future development at the Harbour Precinct so that it contributes to the character of the harbour, provides a high level of amenity for residents, employees and visitors, and sets benchmarks in design quality. The guidelines will ensure future development:

- Complements the natural and cultural values and aesthetics of the precinct;
- Responds to themes of the precinct, including its history, its environment and its people;
- Considers a site responsive approach to design;
- Contributes to the coastal and working character of the precinct; and
- Achieves a certain standard as outlined in this Development Plan.

These guidelines consist of two key sections. These are:

- **New Buildings, Car Parking and Access** - Provides guidance for the future detailed design of the new buildings.
- **Public Realm** - Provides guidance for the future detailed design of all elements within the public realm.

5.2 Policy Guidance

All buildings and works should be consistent with:

- Siting and Design Guidelines for Structures on the Victorian Coast, Victorian Coastal Council (May 1998),
- Good Design and the Coast, Issue 2003, by the Office of the Victorian Government Architect, Victorian Coastal Strategy 2014 or subsequent version.

5.3 New Buildings, Car Parking and Access

5.3.1 Heritage

- Alterations and additions to buildings should be undertaken in a way that respects their design, appearance and significance in accordance with the Heritage Overlay.

5.3.2 Building Height

- Internal building spaces are designed to be adaptable and have a high level of amenity.
- Ground floors should be developed with a minimum floor to floor dimension of 4.0m at ground level and 3.7m at the second levels to enable adaptation to a variety of uses.

5.3.3 Building Siting

- Buildings should be sited to retain and sensitively respond to known and yet to be discovered aboriginal heritage (i.e. shell middens and potential well).
- Buildings should be sited to minimise the impact to indigenous vegetation (i.e. habitat zones as shown on Figure 27), where possible and appropriate.
- Orientate buildings and position windows, awnings and shutters to maximise views to the water and to capture solar access in winter and provide appropriate shading in summer.

5.3.4 Building Form and Design

- Buildings are to be of a responsive architectural style and reflect a form of development appropriate to the coastal character of the precinct. Avoid excessive detailing in facades.
- Built form and design should complement the topography to minimise the cut and fill.
- Pitched roofs (greater than 5 degrees to allow self washing) are encouraged. This is reminiscent of the existing Co-Op building and the surrounding undulating topography.
- Roof forms should be integrated with the overall building façade design. On larger buildings, articulate or divide roof forms into distinct sections in order to minimise visual bulk.
- All building walls that are visible from key public areas should be articulated to provide visual interest. Articulation can be achieved by varying building setbacks or projecting building elements, utilising glazing, and varying building materials, finishes and colours. Avoid excessive blank walls.
- Provide vertical articulation to visually break up the appearance of wider building frontages i.e. retail / commercial uses along the waterfront promenade.
- Upper levels of buildings should be designed to provide habitable rooms with windows or balconies that overlook the public realm and capture views towards the water.
- The buildings should provide awnings along the interface with the upper terrace and waterfront promenade to provide shelter and shade to pedestrians.
- Any sheds / outbuildings should complement the form, materials and colours of adjacent buildings.

DRAFT APOLLO BAY HARBOUR DEVELOPMENT PLAN



Image 65. Indicative roof form that has been integrated with the overall design of the building.



Image 66. Simple materials reflecting the coastal character of the harbour.



Image 67. Indicative articulated facade

5.3.5 Materials and Colours

- Use a mix of traditional and natural materials, textures and finishes that contribute to the coastal and working harbour character of the precinct. This could include a complementary combination of materials selected from the following; simulated weatherboards, lightweight materials, timber, render, corten and natural stonework.
- All cladding, trim and painted external walls should be coloured and maintained in muted natural / coastal tones or other similar colours. Avoid the use of bright, bold colours that are not compatible with the muted tones of the natural landscape.
- External finishes should be of low reflectivity to minimise glare and reflection to surrounding areas. This includes roofing materials and glazing. Solar panels are exempted.
- Materials should consider the coastal environment and be resistant to elements such as salt, wind and sand.
- Utilise locally sourced, ecologically friendly and low embodied energy materials, recycled/ recyclable materials, where appropriate.

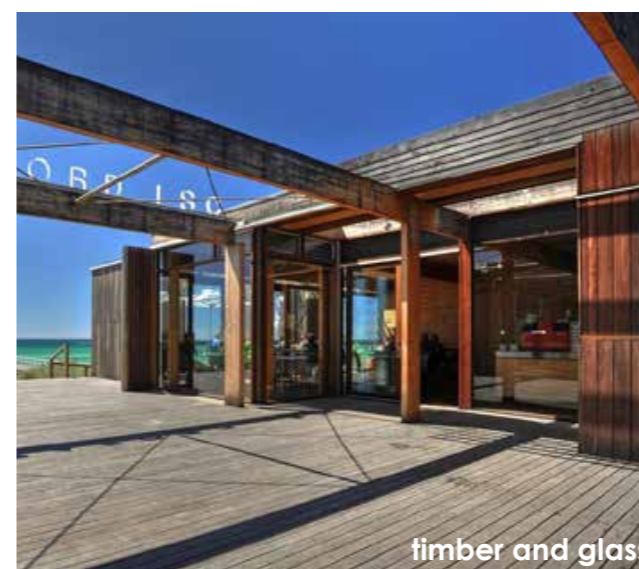
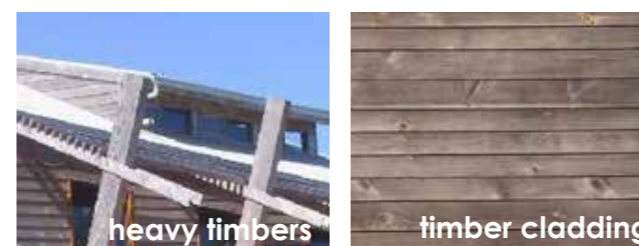
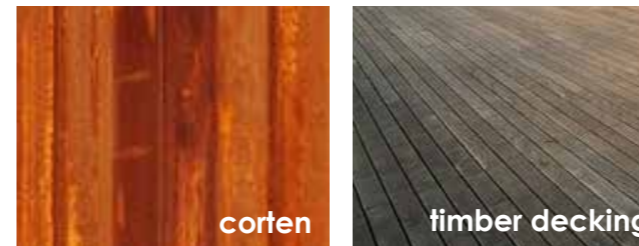


Image 64. Indicative example of preferred materials and external finishes for the Sailing Club building

5.3.6 Layout and Entries

- Building entries are to be located and orientated to address key public areas to provide logical and convenient access for visitors.
- Distinguish service entries from retail and commercial entries.

5.3.7 Servicing and Bins

- Ensure building services are incorporated into the design of developments and screened from key public areas, in particular the upper terrace and waterfront promenade.
- Provide appropriate waste storage, loading and recycling facilities and screen them from public view.
- Loading and storage areas should be located to the rear or the building and hidden from key public views, where possible. Landscaping, articulation and fencing are key considerations to screen these areas.

5.3.8 Signage

- In addition to the requirements of Clause 52.05 of the Colac Otway Shire Planning Scheme and any local policy covering signage, should:
 - Be of a scale, design and location that complements the design and proportion of the building and the landscape setting.
 - Be kept to a minimum by consolidating information.
 - Be designed to avoid visual clutter and avoid unnecessary repetition.
 - Be limited to one suspended sign per frontage, perpendicular to the façade, located below the verandah.
 - Be coloured in muted natural / coastal tones or other colours approved by the responsible authority and should complement the colours of the building. Avoid the use of animation, flashing, bright or reflective surfaces and colours that are not compatible with the muted tones of the natural landscape.

5.3.9 Environmentally Sustainable Design

- Encourage best practice Environmentally Sustainable Design in all new buildings.
- Where practical, incorporate solar (photo-voltaic) panels to generate electricity.
- Ensure stormwater harvesting and reuse from all major roof surfaces. The water should be used for landscape irrigation, cleaning and toilet flushing.
- Provide water efficient taps and fittings and utilise recycled or tank water to minimise consumption of potable water.
- Where practical, incorporate grey water treatment and re-use systems (in accordance with EPA requirements) to provide additional water sources for irrigation of landscapes, cleaning and toilet flushing.
- Consider wind energy generation provided it does not adversely impact on key views.
- Position windows, awnings and shutters to capture solar access in winter and provide appropriate shading in summer.
- Utilise natural systems to provide cross flow ventilation of buildings while ensuring openings are sealed in winter to minimise draft.
- Utilise insulation in combination with other materials that maximise thermal performance. Insulation products containing recycled or renewable materials are preferred.
- Heating and cooling systems should be zoned to meet the operating times and uses of the internal uses.
- Maximise natural lighting through skylights, light wells and positioning windows to capture northern light.
- Utilise energy efficient lighting and appliances.
- Where practical, source local building materials to reduce transportation. Selection should also take into account the embodied energy required in the production of the material.
- Consider the environmental credentials of external finishes such as durable external materials / paints and paints that are low in volatile organic compounds (VOC).
- Recycled, rather than newly processed, products and materials should be considered such as concrete with recycled aggregate, recycled steel and cement substitutes.
- Timbers from sustainability managed plantations, salvaged or recycled sources are preferred
- Windows should be double or triple glazed to provide insulation from both hot and cold conditions. Tinted or toned windows are not encouraged as these can limit the warmth from the winter sun, distort and discolour views and limit views into the building from the adjacent public realm.

5.3.10 Car Parking and Access

- Separate pedestrian / cyclist entry and movements (e.g. by landscaping) from vehicle movements, particularly loading and servicing, where feasible.
- Clearly define pedestrian access between car parks and building entries.
- Pedestrian access within the precinct should be designed to achieve Disability Discrimination Act (DDA) compliance, where possible.
- Loading areas should be clearly defined with line marking, designed to allow unobstructed vehicle access and provide appropriate turning areas in accordance with Australian Standards AS 2890.2 - Parking facilities Part 2: Off-street commercial vehicle facilities.
- Car parking spaces and access ways should be designed in accordance with the dimensions specified in the Australian Standards.
- Utilise porous surfaces and minimise impervious sealed surfaces in order to maximise onsite stormwater infiltration.
- Utilise water sensitive urban design techniques to treat stormwater run-off from car parks and passively irrigate vegetation.
- Directional signage should be provided within the precinct to delineate entries and exits, parking and loading areas. Directional signage within the precinct should be consistent in style and form.

5.4 Landscape / Public Realm

5.4.1 Materials and Colours

- All landscape interventions should be appropriate to the coastal and working harbour character of the precinct, be constructed of durable materials, vandal resistant, robust, safe and easily maintained.
- Where practical, source local materials to reduce transportation. Selection should also take into account the embodied energy required in the production of the material
- Timbers from sustainability managed plantations, salvaged or recycled sources are preferred
- The preferred materials for the public realm should contribute to the coastal and working harbour character of the precinct. Materials should be selected from the following:
 - Grass / lawn;
 - Heavy timbers totems / bollards;
 - Timber furniture and outbuildings;
 - Granitic gravel paths;
 - Natural stones and rocks;
 - Exposed aggregate concrete feature paving; and
 - Asphalt paving

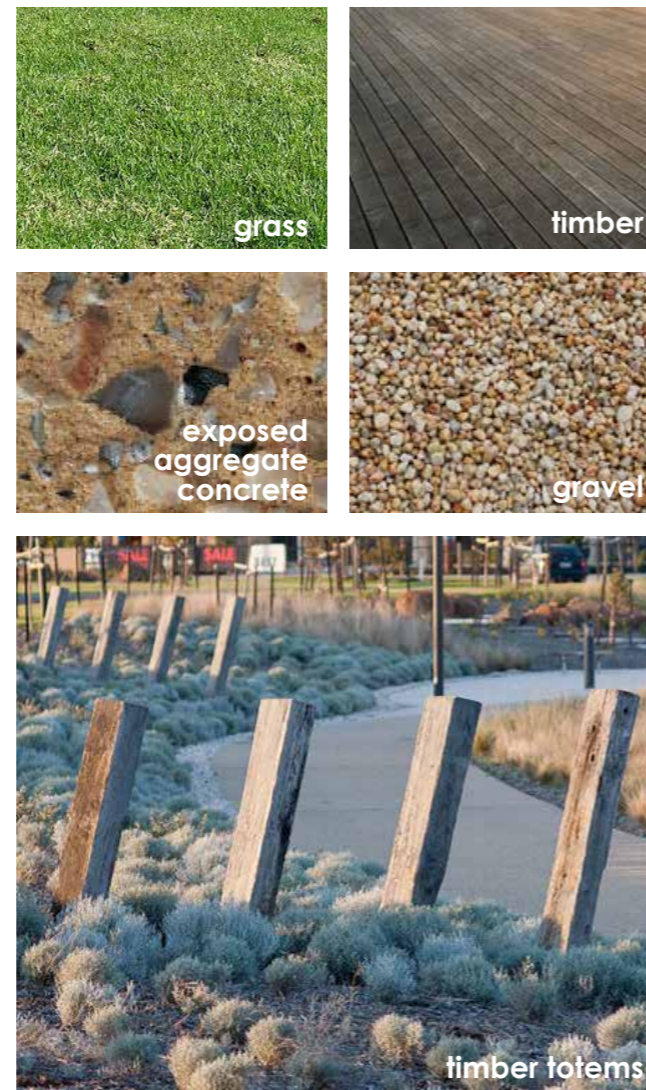


Image 68. Indicative example of preferred materials and external finishes for use within the public realm



Image 69. Indicative example of preferred furniture styles and forms for use within the public realm

5.4.2 Furniture

- Furniture including barbecues, bollards, seating and picnic tables should be functional and utilise simple forms and natural materials.
- The design of furniture should be consistent in style and form.

5.4.3 Lighting

- Lighting should be provided for the purposes of security and safe pedestrian access to buildings and car parks. It should be designed so that it does not adversely impact on the safety of road users and does not impact on views to the water. Lighting of public art and interpretation elements is encouraged.

5.4.4 Vegetation and Planting

- Avoid or minimise the removal of native vegetation, where possible.
- All works within the precinct should ensure appropriate protection of existing vegetation including protection during construction.
- Vegetation should be resistant to coastal conditions (i.e. salt, wind and sand tolerant). Species that do not require irrigation from potable water supply are preferred.
- Where practical, indigenous and native coastal planting species that complement the coastal character of the precinct should be utilised.
- Vegetation should not impede on key sight lines from the upper and lower terrace.
- Shade trees should be incorporated, where practical.
- No plants classified as environmental weeds are to be planted on the precinct.

5.4.5 Public Art

- Public art should:
 - Contribute to the cultural identity and create a distinctive sense of place;
 - Respond to themes of the precinct, including its history, its environment and its people;
 - Relate to buildings and the coastal character of the precinct;
 - Respond to the challenge of climate change through sustainable design and fabrication;
 - Utilise timber and forms reminiscent of past site uses; and
 - Lighting of public art should complement lighting in public areas.

5.4.6 Interpretation

- The design of interpretation should be consistent in style and form throughout the precinct.
- Interpretation should:
 - Be subtle in the landscape and not be visually intrusive;
 - Contribute to the cultural identity and create a distinct sense of place; and
 - Respond to themes of the precinct, including its history, its environment and its people.
- Lighting of interpretation should complement lighting in public areas.



Summary of Requests for Changes/Suggestions

This table outlines other single requests or suggestions for changes to the draft Development Plan.

Issue/Theme	Response
Pedestrian and Traffic Safety/function	
Look at options to separate pedestrians and vehicles around the boat ramp/fish cleaning area.	There is leeway in the development plan to move items such as pathways, subject to detailed technical work.
Relocate pedestrian path in Nelson Street to south side instead of north (due to safety issues from golf course)	New pathways are proposed for both sides of Nelson Street. It is noted that the pedestrians already use the north side of Nelson Street as an informal walkway. Formalising the path on the north side will occur alongside works on the golf course to mitigate safety concerns, and will be an improvement on the existing situation.
Suggest speed humps near the Fishermen’s Co-op will be required to slow vehicles down once the road is widened.	Vehicle speeds to be addressed in detailed road design work (Future).
Consider making Nelson Street one-way into the harbour.	Outside the scope of the Development Plan. Vehicle movement along the Great Ocean Road and the entry to the harbour precinct will be considered in more detail through the Community Infrastructure Plan project.
Consider a roundabout at Noel Street and the Great Ocean Road to remove congestion.	Outside the scope of the Development Plan. Vehicle movement along the Great Ocean Road and the entry to the harbour precinct will be considered in more detail through the Community Infrastructure Plan project.
Stop sign needed where the lower car park intersects Breakwater Road.	Road function to be addressed in detailed road design work (Future).
Consider closing Nelson Street at the War Memorial and making this into a green area/ town square.	Outside the scope of the Development Plan.
Provision of Vehicle Parking	
More car parking needed at Mothers Beach.	Land use and landform constraints prevent additional car parking being provided.
Consider creating sealed car parks on the golf course side of Trafalgar Street.	Proposed to design additional parking in Trafalgar Street to allow for overflow parking for boat trailers – Discussed further in main report.
Sailing Club/ On water activities	
Move the path in front of the sailing club closer to the water to allow more space for club activities.	There is potential to move the pathway. The development plan allows for some flexibility in placement of items, subject to the outcome of detailed technical and design investigations. The Sailing Club will be further consulted in any planning process.
Retain the ocean swim club change shed.	This item is proposed to either remain or be incorporated into the new amenities proposed at the Depot.
Potential to develop Apollo Bay harbour as a location for national sailing events.	Noted
Creation of berths for itinerant keel boats would encourage greater visitation by yachts.	Noted

Accessibility/Inclusive design	
Locate access ramp closer to Co-op.	Landform constraints prevent the access ramp being located closer to the Co-op.
Wheelchair friendly seating and picnic tables.	Noted.
Cultural/Heritage	
Restore the water well and create a cultural display.	Further work is required to identify the well to understand how it may be accommodated in a culturally sensitive way. Eastern Maar will have a central role in decision-making including on site presence during investigation works.
Consult with the Apollo Bay & District Historical Society early in the design process, to ensure that the design picks up on historical themes/ references and opportunities are identified for heritage interpretation.	Noted.
Built form/Site Layout	
Co-development of the Port Depot building and golf course club house, and free up area for additional parking and playing area.	Opportunities for consolidation of uses have been identified through the Development Plan process. Further integration of the golf club maintenance shed with the Depot building will be further investigated.
Consolidate uses into fewer buildings.	
Consolidate golf club maintenance shed with rescue boat shed.	
Environmental	
Use indigenous species in landscaping/revegetation.	Noted.
Reduce the height of the sand dunes along the foreshore which have built up since the construction of the Harbour and now impede views to the ocean.	Outside the scope of the Development Plan.
Land Use/Activity	
Suggest limited residential use could be accommodated at the Co-op.	Prohibited under the SUZ2.
Some existing storage for the Port Depot could be relocated to the industrial estate.	This has been considered in the Development Plan process and was not found to be feasible.
Suggestion of more seating, small shelters and BBQs to improve the visitor experience.	Provision of additional user facilities will be addressed as part of the detailed designs for the precinct.
Support for Great Southern Reef Marine & Coastal Education Centre, comprising displays of Marengo Reefs, marine geology, fossil displays, aboriginal cultural centre; house community marine research programs and diving research training facilities.	Noted. Expression of Interest process to be undertaken to seek tenants for the retail spaces, which could be adapted for a variety of purposes.
Establishment of a Maritime Hub with spaces for agency collaboration, and public education and research programs.	

Item: 10.6

Apollo Bay Early Years Hub - Options

OFFICER	Tamzin McLennan
GENERAL MANAGER	Ian Seuren
DIVISION	Development & Community Services
ATTACHMENTS	Nil
PURPOSE	To consider a funding contribution to the childcare component of the Apollo Bay Early Years Hub

1. EXECUTIVE SUMMARY

For many years the Apollo Bay community, in partnership with Council, has advocated for the need for an Early Years Hub. In part this has been due to the poor condition and lack of capacity of the existing Apollo Bay Kindergarten (located at 69 McLachlan Street, Apollo Bay), as well as additional early years needs including day care and health services such as Maternal and Child Health.

In 2019, the Victorian Government announced the development of a two-room, 66 place kindergarten facility at the Apollo Bay P-12 College site to replace Council's current facility located at 69 McLachlan Street, Apollo Bay. This development will be fully funded by the Victorian School Building Authority (VSBA) and will house both three-year-old and four-year-old kinder.

Council has identified thorough community consultation a need for an integrated early years facility that would house additional services such as Maternal & Child Health (M&CH), long day care and playgroup. In early 2019, Council undertook an extensive consultation project to determine the early years needs of the community and prepare concept plans for an integrated early years hub.

In the 2020/21 budget Council has committed \$500,000 to the new kindergarten facility from the proceeds of the sale of the existing kindergarten, to contribute to M&CH and consulting space only. Further funds would be required to develop facilities for childcare. This project is a current Priority Project for Council.

An opportunity has arisen for Council to consider providing funds to the childcare component of the project through its recent allocation from the Federal Government's Local Roads and Community Infrastructure Program (LRCI). In order to incorporate the childcare component into the current scope of works the VSBA needs Council's commitment by mid-December 2020.

Officers have carried out research to determine how the addition of childcare rooms could be incorporated into the space-limited site, in a way that caters for current and future demand. This report offers Council a number of options to consider regarding future childcare provision in Apollo Bay.

2. RECOMMENDATION

That Council:

- 1. Provides in-principle support to the childcare component of the Apollo Bay Early Years Hub as part of a staged approach on the Apollo Bay P-12 College site.***
- 2. Does not commit to funding the childcare component of the Apollo Bay Early Years Hub out of the Local Roads and Community Infrastructure Program (LRCI) funding.***
- 3. Investigates alternative funding sources to deliver the childcare component.***
- 4. Reaffirms its previous \$500,000 commitment to the Maternal and Child Health component of the Apollo Bay Early Years Hub.***
- 5. Instructs officers to continue to work with the Victorian School Building Authority (VSBA) to finalise designs for the kindergarten and Maternal and Child Health projects with a view to the project being completed in time for the commencement of the 2022 educational year.***

3. KEY INFORMATION

Background

The desire for an early years hub incorporating two kindergarten rooms (for three and four-year old kinder), a permanent Maternal and Child Health Centre and childcare (long day care) rooms is well established and understood by Council and the Apollo Bay community and was subject to extensive community consultation in 2019.

The Victorian Government is in the final design stages for a 66-place, two-room kindergarten to accommodate three and four-year-old kinder, and Council has committed \$500,000 to building and adjoining Maternal and Child Health consulting space, which will be funded from the proceeds of the sale of the current kindergarten building.

The Federal Government's second round \$1.7 million LRCI program has presented Council with an opportunity to fund the childcare component of the Apollo Bay Early Years Hub at the planning stage of the building process. This represents the most cost effective and efficient way to incorporate the childcare component into the project, but a decision on whether to proceed with the childcare component is time critical.

The VSBA is making rapid progress towards finalising its plans for the kindergarten build, necessitating an urgent response from Council to determine if the childcare component is to be included, and if so how many places the childcare component of the project would offer. This is ensure that the additional build can be adequately costed and any redesign of common spaces such as toilets, staff rooms, offices, outdoor spaces and car parks can be accommodated.

Community need

While population forecasts for growth in the Great Ocean Road and Otways segment of our shire are slow (0.83 per cent, or an additional 640 people by 2041) childcare remains an important service that supports the early education of local children and supports parents to be active in work and community life. By way of example, approximately 8 per cent of Great Ocean Road Health's (GOR Health) existing staff have children enrolled at the current Apollo Bay Childcare centre, several others are on a waiting list, and another four are on maternity leave and thus will require the service in the near future order to return to work. Without the current childcare service, those staff members would not be able to contribute to GOR Health and the community more broadly.

Some of the key drivers identified for an Early Years Hub in Apollo Bay include:

- The worsening condition of the current kindergarten building. It was assessed by a certified engineer in 2018 to be "at the end of its service life, needing major repair works to continue in its current use". Following this recommendation, Council undertook works to prolong the life of the building up until the kindergarten could be relocated to another site.
- The current kindergarten building does not meet the new ratios of a 33-place kindergarten and will have limited capacity to cater for the introduction of three-year-old kinder in 2021.
- There are considerable benefits to consolidating early years education in one location, including the ability to utilise the new kindergarten rooms for outside kinder 'wraparound' care – making the new building more efficient.
- Co-location of services will significantly increase integration with the Apollo Bay P-12 College.
- The presence of a permanent M&CH space will link to the provision of early years services.
- There is a need to find an alternative place for childcare in Apollo Bay to enable GOR Health to reclaim an area currently dedicated to childcare, for its core service delivery. GOR Health have advised that ideally need the space by 2023.

In early 2019, Council engaged a consultant to undertake a thorough community engagement process with stakeholders in Apollo Bay about the concept of an Early Years Hub. This consultation identified:

- That an integrated early years facility would best benefit the Apollo Bay community.
- That it would be preferable that the Early Years Hub be located on the Apollo Bay P-12 College site.
- Several early childhood services were under threat of ceasing if an alternative location was not secured.
- Apollo Bay Childcare is a privately run 42 place long day care service. The service is currently located in buildings owned by GOR Health. These buildings are part of a proposed redevelopment which will potentially result in no site for childcare within the current precinct by the end of 2023. This childcare service currently provides childcare to 66 families within the current area and employs 16 qualified staff. The service has been unable to secure appropriate and affordable accommodations for the childcare service within Apollo Bay.
- M&CH services were in office space within the GOR Health precinct until January 2019 due to the redevelopment of the health facilities. M&CH service has been relocated to a vacant meeting room at the Apollo Bay Senior Citizen's Centre for the time being. M&CH services are provided by a single nurse, one day a week.

- Apollo Bay Playgroup has relocated to the Apollo Bay Senior Citizen's Centre due to the kindergarten building no longer meeting their needs. It caters for approximately 16 families and operates every Monday.

A 2019 *Economic analysis of universal early childhood education in the year before school in Australia* by PWC, focussed on children accessing 15 hours of early childhood education in the year before school, found that there were approximately \$2 of benefits for every \$1 spent on early childhood education. These kinds of benefits can also be extrapolated across the day care services under consideration by Council. The beneficial multipliers include:

- Additional income and higher taxes paid by parents or carers who choose to work more because early childhood education is available.
- The cognitive benefits of children who receive an early childhood education being linked with higher earnings over their lifetime.
- Additional taxes being paid to governments as a result.
- Benefits to employers and businesses who are able to attract and retain workers.

Current challenges

GOR Health is in the process of developing a masterplan for its site due to the need to better accommodate services. The Department of Health and Human Services has been clear that childcare will not be part of GOR Health's core business model going forward.

The existing childcare service is currently housed at GOR Health on a temporary arrangement. GOR Health requires the space currently used for childcare for its allied health services and visiting specialists including dietetics, physiotherapy, hearing, optometry and podiatry. GOR Health requires the space by the end of 2023.

The current Apollo Bay Childcare service provider has been unable to find alternative accommodation and is not in a financial position to build a new facility. Due to the high cost of land in Apollo Bay, it is unlikely that the private sector would have the capacity to develop a childcare centre on a greenfield or retrofitted site because they would not be able to achieve return on investment.

Proposed model

While Apollo Bay Childcare has a 42-place capacity, currently the service accommodates a maximum of 30 children per day. Of those, a maximum 8 per day are in the 0-2 year cohort; 8 per day are in the 2-3 year cohort and up to 18 per day are in the 3-12 year cohort. There are waiting lists for the 0-2 and 3-12 age cohorts.

Council sought advice from Community Childcare Association (CCC) on possible physical models for childcare the Early Years hub. The advice was based on the current usage numbers, but Council expressed a desire to be able to cater for future growth if possible. The CCC is Victoria's peak body for community-owned, not-for-profit long day care and outside school hours care (OSHC).

Within the current site allowances, several layouts were considered and assessed by the CCC. They were:

- **Option 1 (preferred option):** Two 'multi-aged' childcare rooms for the 0-3 cohort. Room 1 to accommodate 8 children, and Room 2 to accommodate 12 children; with the 3-12 cohort receiving care in the kindergarten rooms as part of a 'wraparound' service.

- Option 2: Two ‘multi-aged’ childcare rooms for the 0-3 cohort. Room 1 to accommodate 12 children, and Room 2 to accommodate 12 children; with the 3-12 cohort receiving care in the kindergarten rooms as part of a ‘wraparound’ service.
- Option 3: One ‘multi-aged’ room accommodating 20 children in the 0-3 cohort; with the 3-12 cohort receiving care in the kindergarten rooms as part of a ‘wraparound’ service.

Council officers are working with the VSBA to ensure that these three layouts can fit on the site; and to get high level indicative construction prices to inform Council’s decision making. While high level costings are available for Councillors to consider, it will take about 4-6 weeks to refine designs to the point where we can obtain more definite costings based on resolved detailed designs.

The second round of the LRCI funding will be available from 1 January 2021, and must be expended by 31 December 2021. Council is likely to consider allocation of the LRCI funding at its January or February 2021 Ordinary Council Meeting. The VSBA has provided Council with high level costings and these have been provided to Councillors on a confidential basis on the request of the VSBA, in order to protect a potential tender process to follow. Further work also has to be done to scope the cost and location of additional car parking to accommodate the increased building size. Currently, 17 car parks are planned for the centre to service the kindergarten and M&CH consulting room, which includes one accessible car park. While officers are still receiving advice from its Planning and Project Delivery departments, based on the approximate floor space proposed for the childcare centre, another 4-5 spaces would be needed, and that work would have to be led and funded by Council over and above the childcare build.

Options available to Council

The following options have been prepared for Council’s consideration.

Option 1: Council does not proceed with the childcare component of the Early Years Hub as part of the current build, but commits to a staged approach to childcare on the school site which may require Council to seek funding from other sources in the future.

The VSBA requires Council’s commitment to the childcare component of the Early Years Hub project by mid-December 2020 in order to incorporate the childcare build into its current schedule. At present, only high-level costings are available. If Council was to commit to the project as part of its December 2020 Ordinary Council Meeting, Council would be accepting a risk that the project costs are not clearly understood and could cost more (or less) than the high-level estimates received from the VSBA (which have been provided to Council confidentially). Under this option, Council would not proceed with the childcare component as part of the current build due to the uncertainty of the funding commitment required, but would commit to a staged approach to childcare on the current school site.

The benefits of this approach include:

- Council does not commit funding until it fully understands the financial impost, reducing the risk of any budget overruns.
- There is time to consult key user groups and further refine the childcare design to reflect community needs.
- The LRCI funding can be distributed to other similarly worthwhile projects throughout the shire.

The risks of this approach include:

- Any future construction project on the school site would be more complex and significantly more expensive. The VSBA has indicated that a future construction project immediately adjacent to an operational kindergarten program would be extremely challenging. Therefore, if a childcare centre was to be added at a later date, the construction schedule may have to be squeezed into a short window over the summer holiday period, and/or potentially disrupt existing service delivery.
- The LRCI funding is a unique opportunity that could fully fund the childcare component at no cost to Council. It's unlikely Council would be able to afford to fund a childcare centre independently without external funding, meaning the staged timeline would be dependent on being able to secure support from the state or federal governments via other funding programs. However, external funding from other levels of government is likely to require a matching contribution from Council. This increases the risk of Apollo Bay being without a childcare service if the new facility cannot be funded and built before the end of 2023.
- It's likely a staged build would be significantly more expensive. Rather than enlarging the current common facilities in the planning stages (e.g. toilets, tea rooms, storage and office space), these additional facilities may have to be added to the staged build. In addition, many construction costs (eg: design, project management, site prelims, start ups etc.) would be duplicated by constructing the facility in two stages. These costs are also increased due to the somewhat remote location of Apollo Bay.

Option 2: Proceed with the childcare component of the Apollo Bay Early Years Hub based on the high level costings provided, utilising funds from the LRCI.

Under this option, Council would provide a solid commitment to the VSBA to fund the childcare component on the school site, with an understanding that the final budget figures are still being developed. Even if the onsite building had to be staged in part, the intent would be to complete both the kindergarten and childcare projects before the commencement of the 2022 educational year.

Between now and February 2021, officers would work with the VSBA and our planning and project delivery teams to design and cost the project so that an accurate figure was available to Council.

The benefits of this approach include:

- The future of childcare in Apollo Bay would be guaranteed, underpinning an important service for working parents.
- The Early Years Hub will provide comprehensive services, which will support better health, social and educational outcomes for the children using the service.
- The build of the kindergarten and childcare components would happen concurrently, offering cost and time efficiencies.
- The VSBA would manage the build component, reducing the management impost on Council's project delivery team.

The risks of this approach include:

- Council acknowledges that its commitment is based on preliminary cost estimates, and further funding allocations may be required if detailed costings come back more expensive than anticipated.

- The funding body responsible for LRCI has indicatively said the childcare project fits the funding criteria, provided the childcare centre was 'generally accessible to the public', however the Federal Government will make its final decision once Council's entire LRCI project list is presented for signoff.
- Council is yet to determine and agree on the preferred management model for the Early Years Hub in partnership with the community.
- Council is yet to fully understand any potential ongoing maintenance and operational costs.

Option 3: Council does not proceed with the childcare component of the Early Years Hub as part of the current build, and looks for alternative opportunities for the provision of childcare in Apollo Bay.

Under this option, Council would explore alternative opportunities for the provision of childcare in Apollo Bay, which may include developing a childcare centre on another site, or relying on the private sector to fill the gap. It is officers' view that this is the least preferred option, based on risks including:

- Council may need to consider finding another site for the childcare centre if it cannot use land it currently owns (which is limited), resulting in an additional outlay for land.
- Due to the cost of land and construction, it is unlikely that the private sector would develop a standalone childcare facility separate to kindergarten due to limited profitability and return on investment.
- If the current kindergarten site was used, Council would have to find another \$500,000 from its budget to fund the M&CH component of the Early Years Hub that has previously been committed to.
- If Council was to build a childcare centre on another site, it would have to bear the costs of a far bigger build (40+ childcare places, compared to the 20 being considering now due to the flexibility of utilising the kindergarten rooms for wraparound care). Further, it would have to fund ancillary spaces that are currently proposed to be shared, such as staff tea rooms, office space and breakout rooms.
- Council would have to project manage the build (as opposed to the VSBA).
- Car parking provisions would be more onerous and expensive. Current estimates are that Council will have to provide an additional 4-5 car parks at the Early Years Hub, based on the additional floor space being proposed at the school site for a 20-24 place childcare building. On an alternative site, Council would be responsible for funding car parks to meet the needs of a 40+ capacity facility.
- It is unlikely Council would be able to afford to fund a childcare centre independently without external funding, meaning the timeline would be dependent on being able to secure support from the state or federal governments. External support would likely require a matching contribution from Council. This increases the risk of Apollo Bay being without a childcare service if the new facility cannot be funded and built by the end of 2023.
- A childcare development on an alternative site deviates from the integrated Early Years Hub that the community agreed would represent the best outcome for early childhood education in Apollo Bay.

4. COMMUNITY CONSULTATION & ENGAGEMENT

Council has partaken in an extensive consultation process regarding the Apollo Bay Early Years Hub.

An Apollo Bay Early Years Hub Working Party was established in 2018 and included the following stakeholders:

- Apollo Bay P-12 College (Principal and School Council rep)
- Great Ocean Road Health
- Apollo Bay Kindergarten
- Apollo Bay Childcare Service
- Council officers including Maternal and Child Health nurses and Family and Children's officers.

In addition, Council engaged a consultant to conduct community engagement work in March 2019. The consultant met with stakeholders and community members through community meetings, focus groups and one on one interviews regarding early childhood needs within the Apollo Bay community and what they see as important for early years. During this process the consultant asked the community what early childhood facilities were needed in Apollo Bay and what the facility could look like. Two concept plans were drafted and costings prepared for each.

This formed the basis of the initial work in seeking external funding and contributed to successfully securing funding from the VSBA for the kindergarten component of the Apollo Bay Early Years Hub. Council will continue to engage with relevant stakeholders in determining the future management model for operation of the Apollo Bay Early Years Hub.

5. ALIGNMENT TO COUNCIL PLANS, POLICIES OR STRATEGIES

Alignment to Council Plan 2017-2021:

Theme 1 - Our Prosperity

1. Plan infrastructure, assets and land use with a long-term vision for economic growth.

Theme 2 - Our Places

1. Assets and infrastructure meet community needs.

Theme 3 - Our Community

1. Increase social connection opportunities and community safety.
3. Opportunities for the community to participate in lifelong learning.
5. Foster an inclusive community.
6. Community planning informs provision of Council services and social infrastructure.

6. CONSIDERATIONS

ENVIRONMENTAL, SOCIAL & CULTURAL, & ECONOMIC

This project will have a major impact on how the Apollo Bay community interacts with Early Years Services. It is anticipated that the facility will link to the environmental philosophy of the Apollo Bay community and its residents including Environmentally Sustainable Design elements.

The facility will be a social hub and link for families to come together and create a learning environment in which children can be active participants in their community and the world around them. Having a fully integrated early years hub will provide better access to a broader range of children's services and education.

The provision of early years services, including childcare services, is an important element of a strong local economy. The take up of childcare in recent years clearly shows the demand in Apollo Bay which has assisted with many parents' return to work. There are significant challenges with attracting a suitable workforce in Apollo Bay, particularly for the tourism and health sectors, and the provision of stable childcare options is vital in helping to address this issue.

LEGAL & RISK

The existing childcare service is currently housed at GOR Health on a temporary arrangement. GOR Health is in the process of redeveloping the facilities at their Apollo Bay site and they are likely to require the childcare space to achieve this by the end of 2023. The Apollo Bay Childcare service has been unable to find alternative accommodation and is not in a financial position to build a new facility.

Therefore, if childcare is not included in the Apollo Bay Early Years Hub the community is at risk of losing its only childcare service. This service currently provides childcare to 66 families and employs 16 staff. This service also provides before and after school care to children attending Apollo Bay P-12 College. This service also provides a direct link to employment of GOR Health Service staff who rely on the childcare centre being available for them to work. This could have a flow on effect on how effectively health services can be made available to the community due to the retention of skilled health service staff.

Providing an integrated early years service including M&CH in Apollo Bay is a high priority due to the high levels of vulnerability for families living in and around Apollo Bay, according to the latest Australian Early Development Census data. If this service is not included in the Apollo Bay Early Years Hub, mothers and their young infants are at risk of becoming developmentally vulnerable and unsupported.

FINANCIAL & BUDGETARY

Council has already committed through the 2020/21 budget to make a contribution of \$500,000 to the project. This contribution will be offset by the sale of the current kindergarten property which has been valued at the same amount.

The VSBA has provided high level cost estimates in order for Council to consider a contribution to the project. Based on these estimates, it is likely that Council would need to allocate the majority of its \$1.7m funding from the LRCI to the project. More accurate cost estimates would be available as the project works through the detailed design process.

Normally Council would seek a federal contribution for the project to match the State Government and Council contributions. The Building Better Regions Fund (BBRF) was considered to be a possible source of funding. The BBRF Round 5 has just been announced but is yet to open for applications. Therefore, even if Council submitted an application and was successful, it would likely be early to mid-2021 before the outcome was known. This timing wouldn't align to the construction of the facility in one phase. In addition, Council would need to provide a matching contribution to grants secured through normal funding programs such as the BBRF.

7. IMPLEMENTATION STRATEGY

Round Two of the Local Roads and Community Infrastructure (LRCI) Program will be open on 1 January and projects must be implemented by 31 December. The new Program Guidelines are currently being prepared as is the new Project Nomination Form which will streamline the process for Round Two.

Council will continue to work with the VSBA as part of the Project Control Group for the Apollo Bay Kindergarten Development project, to ensure designs meet the needs of the community.

COMMUNICATION

The decision will be communicated to the relevant stakeholders and community immediately.

TIMELINE

The VSBA has committed to having the new kindergarten facility open and operating by the start of the 2022 school year. The VSBA are well progressed in the design of the facility and are anticipating in having concept plans finalised by the end of 2020. Construction is anticipated to commence in early 2021.

8. OFFICER DIRECT OR INDIRECT INTEREST

Manager Healthy Active Communities Tamzin McLennan declared a material interest under Section 126 of the *Local Government Act 2020* in the preparation of this report. The interest relates to her parents' ownership of a property in Gallipoli Parade, directly opposite the proposed Early Years Hub. Ms McLennan will not participate in any decisions that would affect the amenity of the subject property.

Item: 10.7

Contract 2103 - Design and Construct Barongarook Creek Bridge

OFFICER	Kristy Cochrane
GENERAL MANAGER	Tony McGann
DIVISION	Environment & Infrastructure
ATTACHMENTS	Nil
PURPOSE	To approve and award Contract 2103 Design & Construct – Pedestrian & Cycling Bridge over Barongarook Creek, Colac

1. EXECUTIVE SUMMARY

The construction of a new pedestrian and cycling bridge over the Barongarook Creek, Colac is one of the approved projects to be delivered as part of the first round of the Federal Local Roads and Community infrastructure (LRCI) Program. The project budget is \$390,000.

Eight tender submissions have been received for Contract 2103 Design & Construct – Pedestrian & Cycling Bridge over Barongarook Creek, Colac.

Works under contract include the design and construction of a new 3.0m wide, approximately 25 metres long pedestrian and cycling bridge over Barongarook Creek. Provisional shared path works are also included to connect to the existing shared path that runs along Barongarook Creek to Lake Colac.

The recommended tenderer has provided a high-quality submission, with a tendered price within the available budget and the ability to meet required timeframes for delivery.

The contract is a lump sum contract. The start date will begin on the day of awarding the contract and the practical completion date is specified as 30 June 2021.

2. RECOMMENDATION

That Council:

- 1. Awards Contract 2103 – Design and Construct – Pedestrian & Cycling Bridge (over Barongarook Creek) Colac, to Fleetwood Urban Pty Ltd at the lump sum price referred to in the confidentially distributed document pertaining to this contract.*
- 2. Authorises the Chief Executive to sign the contracts following award of Contract 2103.*
- 3. Requests that the Chief Executive ensures the contract price is listed on Council's website once steps listed in point 2 have been completed.*

3. KEY INFORMATION

Tender Advertisement

A request for tender for Contract 2103 ***Pedestrian & Cycling Bridge (over Barongarook Creek) Colac*** was advertised in the Colac Herald, the Geelong Advertiser and via eProcure Panel (MAV website) on 30 October 2020.

The scope of works includes the design and construction of a new pedestrian and cycling bridge over Barongarook Creek, Colac. The bridge structure will be 3.0 m wide and 25 -30m long and provide a robust and attractive connection, be visually sympathetic with its surroundings and have minimal ongoing maintenance requirements. The bridge will provide a connection between existing paths on opposite sides of the Barongarook Creek. The works also involve DDA compliant approach paths and associated landscaping.

Provisional shared path works are also included under Contract 2103 to construct a new concrete shared path in the adjacent public carpark to create a continuous and direct path between the new pedestrian and cycling bridge and the pre-existing shared path that runs along Barongarook Creek to Lake Colac.

Tenders submissions for RFT 2103 closed on 25 November 2020 with submissions received from eight (8) applicants.

Evaluation of Tenders

Tenders are evaluated in accordance with Council's Procurement Policy and Tenders/Quotations and Purchasing Procedure, considering the following weighted selection criteria:

Criteria

Price	35%
Local Content	5% (Mandatory)
Capability <ul style="list-style-type: none">Suitable prior experience of the company with similar design and construction projects including pedestrian bridges, footpaths & landscapingSuitable prior experience of on-site staff & sub-contractors with similar design and construction projects including pedestrian bridges, footpaths & landscaping	30%

<ul style="list-style-type: none"> • Demonstrated ability to produce a quality design and build outcome - evidenced by the proposed preliminary design submitted with the tender docs 	
<p>Capacity</p> <ul style="list-style-type: none"> • Understanding of project requirements and outcomes to be delivered; ability to provide alternative design options • Suitable outline of methodology, equipment/plant used and key steps of project provided • Works Schedule provided meets project timelines 	30%

The Tender Evaluation Report, bridge concept and design options can be found in the confidential attachment.

4. COMMUNITY CONSULTATION & ENGAGEMENT

Community members lobbied Councillors requesting that the old bridge be replaced at the time it was destroyed, however Council was not in a position to be able to fund a replacement of the asset at that time and flood recovery funding available at the time did not extend to this project.

Following the Major Regional Projects Victoria (MRPV) replacement of the Murray Street bridge, the community again sought that Council replace the bridge to ensure that accessible path connections were able to be achieved via the off-road network along Barongarook Creek.

Officers have consulted with relevant stakeholders including Corangamite Catchment Management Authority (CCMA), Department Environment, Land Water and Planning (DELWP), Aboriginal Affairs Victoria (AAV)/Eastern Maar Aboriginal Corporation (EMAC), Scouts Victoria. Council officers and the Contractors will continue to liaise with affected residents and businesses to minimise disruptions whilst works are underway.

Council has been successful in accessing funding to complete the pedestrian bridge replacement works through the Federal Government Local Roads and Community Infrastructure grant program.

5. ALIGNMENT TO COUNCIL PLANS, POLICIES OR STRATEGIES

Alignment to Council Plan 2017-2021:

Theme 2 - Our Places

1. Assets and infrastructure meet community needs

Theme 3 - Our Community

4. Provision of resources to support physical activity by the community.

6. CONSIDERATIONS

ENVIRONMENTAL, SOCIAL & CULTURAL, & ECONOMIC

This project proposes to replace the old wooden pedestrian bridge which washed away during the 2016 floods and provides an essential component in the provision of a continuous off-road creek-side trail for cycling and walking. Once complete, this bridge will form part of a continuous 1.3 kilometre off-road walking and cycling connection from the Coles on Bromfield Street all the way to Lake Colac. Off road trails are known to attract more usage than paths that are interrupted by roads and other barriers. Once completed, this project is anticipated to encourage higher usage and improve physical and mental health benefits for residents and visitors.

Consultants were engaged to carry out due diligence for geotechnical conditions and impact of works on trees and vegetation. The project has been scoped so that no native vegetation removal is anticipated and no in-stream works are required.

CCMA have been consulted for works on water permits and have provided their in-principle support for the project pending a review of the final bridge design.

Officers are currently in discussions with EMAC and Cultural Heritage consultants around the cultural requirements needed for the project. A voluntary Cultural Heritage Management Plan (CHMP) may be required and is yet to be confirmed.

LEGAL & RISK

The successful tenderer is required to provide a CEMP (Construction Environmental Management Plan) that addresses environmental, social, cultural considerations. The CEMP will be actively managed by Council staff throughout the contract term.

The successful tenderer is required to provide adequate documentation for occupational health and safety requirements, including site specific potential hazard assessment and Safe Work Method Statements (SWMS). This documentation will be thoroughly checked by Council staff prior to commencement and measures put in place to ensure it is adhered to throughout the work.

The successful tenderer is required to have the necessary insurance to comply with Council's requirements.

FINANCIAL & BUDGETARY

Council has been allocated an amount of \$390,000 from the Federal Government Local Roads and Community Infrastructure Program for the Pedestrian & Cycling bridge over Barongarook Creek project.

The tendered lump sums and the recommended tenderer can be seen in the Tender Evaluation Report, the balance of available funds is sufficient to cover project management costs, design modifications, CHMP fees, and construction contingency.

Given the project costs fall within the above commitments from Federal Government funding there are no anticipated financial implications for Council for this project.

7. IMPLEMENTATION STRATEGY

Upon Council's approval, the contract can be awarded in December 2020 and design works will commence immediately, with a view to finalisation and acceptance of design in February, enabling the bridge components to be ordered in February/March and delivered to site for installation by May.

The actual installation will only take 1-2 days and the bridge approach/provisional carpark footpath works, landscaping works and bridge foundation works will be coordinated with and scheduled to compliment the bridge delivery and placement dates.

COMMUNICATION

A letter of acceptance and contracts will be issued to the successful tenderer. The contracts shall be signed by both the Contractor and Council prior to the commencement of works.

Public notices of works will be circulated/advertised when a commencement date is agreed.

TIMELINE

All works funded under the Federal LRCI program are to be completed by 30 June 2021. The timeline provided by the recommended tenderer lists practical completion by mid June 2021.

8. OFFICER DIRECT OR INDIRECT INTEREST

No officer declared an interest under the *Local Government Act 2020* in the preparation of this report.

Item: 10.8

Council Meeting and Planning Committee Meeting Dates 2021

OFFICER	Lyndal McLean
CHIEF EXECUTIVE	Peter Brown
DIVISION	Executive
ATTACHMENTS	Nil
PURPOSE	To confirm the scheduling of Council meetings and Planning Committee meetings for 2021.

1. EXECUTIVE SUMMARY

Council holds Council, Planning and Special meetings for the purpose of transacting the business of Council. Meetings are open to the public and the community is welcome to attend to observe their elected representatives' consideration of issues.

The Governance Rules of Colac Otway Shire requires that Council fixes the date and time of meetings.

2. RECOMMENDATION

That Council:

- confirms the meeting dates and venues for Council meetings for 2021 at 4 pm as follows:*
 - Wednesday, 27 January 2021, COPACC, Colac*
 - Wednesday, 24 February 2021, COPACC, Colac*
 - Wednesday, 24 March 2021, COPACC, Colac*
 - Wednesday, 28 April 2021, COPACC, Colac*
 - Wednesday, 26 May 2021, Apollo Bay Senior Citizens' Centre*
 - Wednesday, 23 June 2021, COPACC, Colac*
 - Wednesday, 28 July 2021, COPACC, Colac*
 - Wednesday, 25 August 2021, COPACC, Colac*
 - Wednesday, 22 September 2021, Apollo Bay Senior Citizens' Centre*
 - Wednesday, 27 October 2021, COPACC, Colac*

- *Wednesday, 24 November 2021,* COPACC, Colac
- *Wednesday, 15 December 2021,* COPACC, Colac

2. confirms the meeting dates and venues for the Planning Committee meetings for 2021 to commence at 2 pm as follows:

- *Wednesday, 27 January 2021,* COPACC, Colac
- *Wednesday, 10 February 2021,* COPACC, Colac
- *Wednesday, 10 March 2021,* COPACC, Colac
- *Wednesday, 14 April 2021,* COPACC, Colac
- *Wednesday, 12 May 2021,* COPACC, Colac
- *Wednesday, 9 June 2021,* COPACC, Colac
- *Wednesday, 14 July 2021,* COPACC, Colac
- *Wednesday, 11 August 2021,* COPACC, Colac
- *Wednesday, 8 September 2021,* COPACC, Colac
- *Wednesday, 13 October 2021,* COPACC, Colac
- *Wednesday, 10 November 2021,* COPACC, Colac
- *Wednesday, 8 December 2021,* COPACC, Colac

3. confirms the meeting date and venue for a Special Council meeting at 4 pm as follows:

- *Wednesday 10 November 2021, COPACC, Colac*

3. KEY INFORMATION

Thus far in 2020, Ordinary Council meetings have been held on the fourth Wednesday of the month at 4pm at COPACC in Colac, with no meetings held in Apollo Bay due to COVID-19 restrictions.

Colac Otway Shire Governance & Communications team proposed that Community Conversation sessions be hosted in the shire's small towns during 2020 to provide opportunities for Councillors to meet with residents and discuss local issues in an informal setting. The Councillor-community sessions were considered a valuable opportunity to engage with our small communities in the absence of Council meetings being held in small towns. The schedule had been developed, taking into account fire risk, convenient times for individual communities, and opportunities to co-ordinate Conversation sessions with planned community meetings. A Lavers Hill Community Conversation session was scheduled at the Lavers Hill Hall in March, a session was planned at Kawarren prior to the Kawarren Recreation Committee at Echidna House in May, and Cressy in September. All sessions were cancelled due to COVID-19 restrictions. Council intends to reschedule these sessions in 2021 when COVID-19 restrictions allow them to proceed.

Planning Committee meetings have been held on the second Wednesday of the month, as required, at 4pm at COPACC in Colac, except for January which did not have a Planning Committee meeting scheduled.

Council meeting dates for 2021

It is proposed that for 2021, Council meetings are to be scheduled for the fourth Wednesday of the month, except for:

- December 2021 - to facilitate Council business prior to the office closure over the Christmas/ New Year period. The December meeting has instead been scheduled for the third Wednesday of the month.

Planning Committee dates for 2021

It is proposed that 2021 Planning Committee meetings are scheduled for the second Wednesday of each month, except for:

- January 2021 - to allow for government office closures over the Christmas / New Year period, this meeting has instead been scheduled for the fourth Wednesday of the month.

4. COMMUNITY CONSULTATION & ENGAGEMENT

In accordance with the Governance Rules Council is required to provide to the public reasonable notice of each Council meeting. The Council's consideration of meeting dates for the calendar year ahead provides certainty for the community about decision-making at Colac Otway Shire Council.

5. ALIGNMENT TO COUNCIL PLANS, POLICIES OR STRATEGIES

Alignment to Council Plan 2017-2021:

Theme 4 - Our Leadership & Management

5. Communicate regularly with our community and involve them in decision-making.

6. CONSIDERATIONS

ENVIRONMENTAL, SOCIAL & CULTURAL, & ECONOMIC

Council meetings which are open to the public allow community members to participate in the decision-making processes of local government. Under current COVID-19 restrictions, Council meetings are live streamed with no public gallery.

LEGAL & RISK

There are a number of Occupational Health and Safety issues in relation to holding Council meetings at other locations and where meetings extend late into the evening. With existing safety practices in place and the close monitoring of meeting finish times, these risks can be managed.

FINANCIAL & BUDGETARY

The proposed arrangements generally match those already in place and appropriate allocations have been made. Additional costs are incurred for meetings held away from COPACC and these have been included in current budget allocations.

7. IMPLEMENTATION STRATEGY

The proposed schedule of Council and Planning Committee meetings would commence in January 2021 and conclude at the end of December 2021.

COMMUNICATION

The dates, times and locations of Council meetings will be published in the local press and on Colac Otway Shire Council's website.

TIMELINE

With the meeting schedule for 2021 determined, Councillors will consider meeting dates for 2022 in October or November 2021.

8. OFFICER DIRECT OR INDIRECT INTEREST

No officer declared an interest under the *Local Government Act 2020* in the preparation of this report.

Item: 10.9

Audit and Risk Committee Minutes - 14 October 2020

OFFICER	Lyndal McLean
CHIEF EXECUTIVE	Peter Brown
DIVISION	Executive
ATTACHMENTS	1. Audit and Risk Committee Meeting - Minutes - Signed - 14 October 2020 [10.9.1 - 11 pages]
PURPOSE	To receive for information the Colac Otway Shire Audit and Risk Committee minutes dated 14 October 2020.

RECOMMENDATION

That Council receives for information the Colac Otway Shire Audit and Risk Committee minutes dated 14 October 2020.



AUDIT COMMITTEE MEETING

MINUTES

Wednesday 14 October 2020

at 9:00 am

By videoconference



COLAC OTWAY SHIRE AUDIT AND RISK COMMITTEE MEETING

Wednesday 14 October 2020

TABLE OF CONTENTS

1 Declaration of Opening of Meeting	3
2 Present.....	3
3 Apologies	3
4 Declarations of Interest	3
5 Confirmation of Minutes	3
6 Business arising from the previous meeting.....	4
7 Officer Reports.....	5
7.1 External Audit - Review the performance of and meet separately with the External Auditor ...	5
7.2 Financial Reporting - Review annual financial and performance statement 2019/20.....	6
7.3 Financial Reporting - Review significant accounting and reporting issues - Port of Apollo Bay Special Purpose Statements.....	8
7.4 Other - Review Audit Committee Plan	9
7.5 Other - Evaluate performance of Audit Committee.....	10

COLAC OTWAY SHIRE AUDIT AND RISK COMMITTEE MEETING

MINUTES of the *AUDIT AND RISK COMMITTEE MEETING OF THE COLAC OTWAY SHIRE* held by videoconference on Wednesday 14 October 2020 at 9:00 am.

MINUTES

1 DECLARATION OF OPENING OF MEETING

2 PRESENT

Mike Said (Chair)
Brian Keane
Cr Stephen Hart
Cr Jason Schram

Peter Brown, Chief Executive
Errol Lawrence, General Manager, Corporate Services
Tony McGann, General Manager, Infrastructure & Leisure Services
Ian Seuren, General Manager, Development & Community Services
Sarah McKew, Manager, Governance & Communications
Lyndal McLean, Governance Coordinator
Tamara Stewart, HR Project Officer
Jason Clissold, Manager, Financial Services
Nick Howard, Finance Coordinator
Darren Graham, Business Coordinator, Services & Operations
Christopher Kol, McLaren Hunt

3 APOLOGIES

Andrew Zavitsanos (Crowe)

4 DECLARATIONS OF INTEREST

Nil

5 CONFIRMATION OF MINUTES

- Audit Committee Meeting held on 12 August 2020.

RESOLUTION

MOVED Brian Keane, SECONDED Cr Stephen Hart

That the Audit and Risk Committee confirm the minutes from the Audit Committee Meeting held on 12 August 2020.

CARRIED 4 : 0

6 BUSINESS ARISING FROM THE PREVIOUS MEETING

Nil



Item: 7.1

External Audit - Review the performance of and meet separately with the External Auditor

OFFICER	Lyndal McLean
CHIEF EXECUTIVE	Peter Brown
DIVISION	Executive
ATTACHMENTS	Nil
PURPOSE	To review the performance of and meet separately with the External Auditor.

SUMMARY

A Closed Session meeting of the Audit Committee members took place on 14 October 2020 from 8.30am - 9.00am to consider the items listed below. Christopher Kol, of McLaren Hunt, Council's External Auditor, also attended the meeting from 8.45am.

Audit Committee Plan

- Item 8.7(D) Meet separately with the External Auditor
- Item 8.7(E) Review the performance of the External Auditor



Item: 7.2

Financial Reporting - Review annual financial and performance statement 2019/20

OFFICER	Jason Clissold
GENERAL MANAGER	Errol Lawrence
DIVISION	Corporate Services
ATTACHMENTS	<ol style="list-style-type: none"> 1. 2019 - 2020 In Principle Financial Statements [7.2.1 - 46 pages] 2. 2019 - 2020 In Principle Performance Statement [7.2.2 - 12 pages] 3. 2019 - 2020 Draft Closing Report [7.2.3 - 17 pages] 4. 2019 - 2020 Draft Management Letter [7.2.4 - 13 pages]
PURPOSE	To consider the 2019/20 'In Principle' Financial & Performance Statements and to recommend their approval to Council.

RECOMMENDATION

That the Audit and Risk Committee:

1. *Approves, in principle, the 2019/20 Colac Otway Shire Council Financial Statements, subject to any changes that are recommended or agreed by the auditor in accordance with section 132(2) of the Local Government Act 1989;*
2. *Approves, in principle, the 2019/20 Colac Otway Shire Council Performance Statement, subject to any changes that are recommended or agreed by the auditor in accordance with Section 132(2) of the Local Government Act 1989;*
3. *Makes provision for the 2019/20 Colac Otway Shire Council Financial Statements and Performance Statement to be referred back to the Audit and Risk Committee for information, if there is any significant change prior to certification; and*
4. *Recommends that Council, in accordance with section 132 of the Local Government Act 1989:*
 - a. *approve 'in principle' the 2019/20 Colac Otway Shire Council Financial Statements and Performance Statement; and*

- b. nominate and authorise two Councillors, to certify the 2019/20 Colac Otway Shire Council Financial Statements and Performance Statement in their final form.*

ALTERNATIVE MOTION

MOVED Cr Jason Schram, SECONDED Cr Stephen Hart

That the Audit and Risk Committee:

- 1. Approves, in principle, the 2019/20 Colac Otway Shire Council Financial Statements, subject to any changes that are recommended or agreed by the auditor in accordance with section 132(2) of the Local Government Act 1989;*
- 2. Approves, in principle, the 2019/20 Colac Otway Shire Council Performance Statement, subject to any changes that are recommended or agreed by the auditor in accordance with Section 132(2) of the Local Government Act 1989;*
- 3. Makes provision for the 2019/20 Colac Otway Shire Council Financial Statements and Performance Statement to be referred back to the Audit and Risk Committee for information, if there is any significant change prior to certification; and*
- 4. Recommends that Council, in accordance with section 132 of the Local Government Act 1989:*
 - a. approve 'in principle' the 2019/20 Colac Otway Shire Council Financial Statements and Performance Statement; and*
 - b. nominate and authorise two Councillors, to certify the 2019/20 Colac Otway Shire Council Financial Statements and Performance Statement in their final form.*
- 5. Thanks the officers and auditors for preparing and auditing the accounts under difficult circumstances due to the COVID-19 environment.*

CARRIED 4 : 0



Item: 7.3

Financial Reporting - Review significant accounting and reporting issues - Port of Apollo Bay Special Purpose Statements

OFFICER	Jason Clissold
GENERAL MANAGER	Errol Lawrence
DIVISION	Corporate Services
ATTACHMENTS	1. Port of Apollo Bay Special Purpose Report 2019 - 2020 as at 24 Sept 2020 [7.3.1 - 12 pages]
PURPOSE	To note the 2019/20 Special Purpose Financial Report relating to the Port of Apollo Bay Management Agreement

RESOLUTION

MOVED Brian Keane, SECONDED Cr Stephen Hart

That the Audit and Risk Committee notes the 2019/20 Port of Apollo Bay Special Purpose Financial Report, subject to any changes that are recommended or agreed by the auditor to be used to meet the reporting requirements of the Port of Apollo Bay Management Agreement.

CARRIED 4 : 0



Item: 7.4

Other - Review Audit Committee Plan

OFFICER	Lyndal McLean
CHIEF EXECUTIVE	Peter Brown
DIVISION	Executive
ATTACHMENTS	<ol style="list-style-type: none">1. Audit Committee Plan 2020 - printed 15 September 2020 [7.4.1 - 2 pages]2. Audit Committee Plan 2021 - printed 15 September 2020 [7.4.2 - 2 pages]3. Policy Review Plan - Audit & Risk Committee [7.4.3 - 1 page]
PURPOSE	To review the Audit Committee Plan

RESOLUTION

MOVED Brian Keane, SECONDED Cr Jason Schram

That the Audit Committee notes the updated 2020 Audit Committee Plan.

CARRIED 4 : 0



Item: 7.5

Other - Evaluate performance of Audit Committee

OFFICER	Lyndal McLean
CHIEF EXECUTIVE	Peter Brown
DIVISION	Executive
ATTACHMENTS	1. Audit Committee Performance Survey template - 2020 [7.5.1 - 3 pages]
PURPOSE	To provide a summary of the review that was conducted in September 2020 of the Audit Committee's effectiveness.

RESOLUTION

MOVED Cr Jason Schram, SECONDED Brian Keane

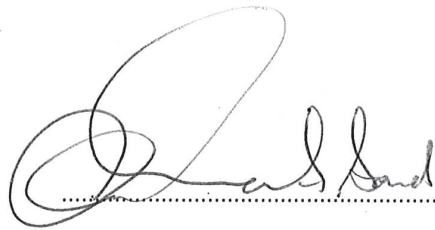
That the Audit and Risk Committee:

- 1. notes the results of the review of the effectiveness of the Audit Committee for 2019-2020 and advises of any actions required.*
- 2. requests that a copy of the annual assessment be provided to the Chief Executive Officer for tabling at the next Council meeting, as required by the Local Government Act 2020.*

CARRIED 4 : 0

The meeting was declared closed at 11.03am.

CONFIRMED AND SIGNED at the meeting held on 2 December 2020.

.....CHAIR

Item: 10.10

Authorisation of Officers under the Planning and Environment Act 1987

OFFICER	Maree Powell
GENERAL MANAGER	Errol Lawrence
DIVISION	Corporate Services
ATTACHMENTS	<ol style="list-style-type: none">1. Authorisation - Tony Gullone - Planning & Environment Act [10.10.1 - 1 page]2. Authorisation - Mandy Baker - Planning & Environment Act [10.10.2 - 1 page]
PURPOSE	For Council to appoint officers as authorised officers under the section 147(4) of the <i>Planning and Environment Act 1987</i> .

1. EXECUTIVE SUMMARY

The purpose of the report is for Council to appoint Tony Gullone, Acting Manager Environment and Community Safety, and Mandy Baker, Acting Emergency Management Coordinator, as authorised officers under section 147(4) of the Planning and Environment Act 1987.

2. RECOMMENDATION

That Council:

1. ***Appoints Tony Gullone and Mandy Baker as authorised officers pursuant to section 147(4) of the Planning and Environment Act 1987.***
2. ***Notes that the Instruments of Appointment and Authorisation come into force immediately the common seal of Council is affixed to the Instruments and remain in force until Council determines to vary or revoke them.***
3. ***Delegates to the Chief Executive Officer authority to sign and place under Council Seal the Instruments of Appointment and Authorisation.***

3. KEY INFORMATION

BACKGROUND

The *Planning and Environment Act 1987* establishes a framework for planning the use, development and protection of land in Victoria in the present and long-term interests of all Victorians.

Various staff members within the Council's Planning, Environment and Community Safety Departments are required to undertake assessments, give advice or investigate various issues in relation to the Act. In order to undertake these assessments legally, particularly during issues of non-compliance, authorisation under the Act is required.

KEY INFORMATION

It is required that Council appoint officer Tony Gullone as Acting Manager Environment and Community Safety and Mandy Baker as Acting Emergency Management Coordinator under the Act due to the following:

- The Planning and Environment Act 1987 regulates enforcement and is reliant on authorised officers acting on behalf of the Responsible Authority.
- Legal advice recommends that authorised officers be appointed by Council using an instrument to address specific authorisation provisions of section 147(4) of the Planning and Environment Act 1987 versus the broader authorisations of section 224 of the Local Government Act 1989.

It is important to note that the broader Instruments of Appointment and Authorisation by the Chief Executive Officer pursuant to section 224 of the Local Government Act 1989 must also be retained as it appoints the officer's positions as an authorised officer for the administration and enforcement of other acts.

4. COMMUNITY CONSULTATION & ENGAGEMENT

Not Applicable

5. ALIGNMENT TO COUNCIL PLANS, POLICIES OR STRATEGIES

Alignment to Council Plan 2017-2021:

Theme 4 - Our Leadership & Management

3. Organisational development and legislative compliance.

6. CONSIDERATIONS

ENVIRONMENTAL, SOCIAL & CULTURAL, & ECONOMIC

Authorisation is required for officers to investigate and enforce planning and land use issues as outlined in this report serve to protect the wider environment in line with the requirements of the planning scheme and *Planning and Environment Act 1987*.

LEGAL & RISK

The *Planning and Environment Act 1987* regulates enforcement and is reliant on authorised officers acting on behalf of the responsible authority.

FINANCIAL & BUDGETARY

Not applicable

7. IMPLEMENTATION STRATEGY

TIMELINE

The attached Instruments of Appointment and Authorisation (*Planning and Environment Act 1987*) come into force immediately upon execution.

8. OFFICER DIRECT OR INDIRECT INTEREST

No officer declared an interest under the *Local Government Act 2020* in the preparation of this report.



INSTRUMENT OF APPOINTMENT AND AUTHORISATION

(Planning and Environment Act 1987)

In this Instrument “**officer**” means –

TONY GULLONE

By this Instrument of Appointment and Authorisation Colac Otway Shire Council –

1. Under section 147(4) of the *Planning and Environment Act 1987* appoints the officer to be an authorised officer for the purposes of the *Planning and Environment Act 1987* and the regulations made under that Act; and
2. Under section 313 of the *Local Government Act 2020* authorises the officer either generally or in a particular case to institute proceedings for offences against the Acts and regulations described in this Instrument.

It is declared that this Instrument –

- (a) comes into force immediately upon its execution;
- (b) remains in force until varied or revoked

This Instrument is authorised by a resolution of the Colac Otway Shire Council on 16 December 2020.

THE COMMON SEAL of Colac Otway Shire
Council was hereunto affixed in accordance
with Local Law No 4

.....
Chief Executive Officer

Dated



INSTRUMENT OF APPOINTMENT AND AUTHORISATION

(Planning and Environment Act 1987)

In this Instrument “**officer**” means –

MANDY BAKER

By this Instrument of Appointment and Authorisation Colac Otway Shire Council –

1. Under section 147(4) of the *Planning and Environment Act 1987* appoints the officer to be an authorised officer for the purposes of the *Planning and Environment Act 1987* and the regulations made under that Act; and
2. Under section 313 of the *Local Government Act 2020* authorises the officer either generally or in a particular case to institute proceedings for offences against the Acts and regulations described in this Instrument.

It is declared that this Instrument –

- (a) comes into force immediately upon its execution;
- (b) remains in force until varied or revoked

This Instrument is authorised by a resolution of the Colac Otway Shire Council on 26 August 2020.

THE COMMON SEAL of Colac Otway Shire
Council was hereunto affixed in accordance
with Local Law No 4

.....
Chief Executive Officer

Dated

Item: 10.11

Report of Informal Meetings of Councillors

OFFICER	Lyndal McLean
CHIEF EXECUTIVE	Peter Brown
DIVISION	Executive
ATTACHMENTS	<ol style="list-style-type: none"> 1. Councillor Induction - 11 November 2020 CB 20201111 [10.11.1 - 2 pages] 2. Councillor Induction - 13 November 2020 CB 20201113 [10.11.2 - 2 pages] 3. Councillor Induction - 16 November 2020 CB 20201116 [10.11.3 - 2 pages] 4. Councillor Briefing - 18 November 2020 CB 20201118 [10.11.4 - 3 pages] 5. Councillor Induction - 19 November 2020 CB 20201119 [10.11.5 - 2 pages] 6. Council Preparation Meeting - 25 November 2020 OCM 20201125 [10.11.6 - 1 page] 7. Councillor Induction - 26 November 2020 CB 20201126 [10.11.7 - 2 pages] 8. Councillor Briefing - 2 December 2020 CB 20201202 [10.11.8 - 3 pages]
PURPOSE	To report the Informal Meetings of Councillors.

1. EXECUTIVE SUMMARY

INFORMAL MEETINGS OF COUNCILLORS

The Colac Otway Shire Governance Rules require that records of informal meetings of Councillors which meet the following criteria:

If there is a meeting of Councillors that:

- *is scheduled or planned for the purpose of discussing the business of Council or briefing Councillors;*
- *is attended by at least one member of Council staff; and*

- *is not a Council meeting, Delegated Committee meeting or Community Asset Committee meeting*

be tabled at the next convenient meeting of Council and recorded in the minutes of that Council meeting.

All relevant meetings have been recorded and documented, as attached.

2. REPORTING

The Informal Meetings of Councillors are reported herewith:

- | | |
|--|-------------------------|
| • <i>Councillor Induction</i> | <i>11 November 2020</i> |
| • <i>Councillor Induction</i> | <i>13 November 2020</i> |
| • <i>Maddocks Councillor Information Session</i> | <i>16 November 2020</i> |
| • <i>Councillor Briefing</i> | <i>18 November 2020</i> |
| • <i>Councillor Induction</i> | <i>19 November 2020</i> |
| • <i>Council Meeting Preparation</i> | <i>25 November 2020</i> |
| • <i>Councillor Induction</i> | <i>26 November 2020</i> |
| • <i>Councillor Briefing</i> | <i>2 December 2020</i> |

3. KEY INFORMATION

- The Friends of the Colac Botanic Gardens Advisory Committee Meetings have not recommenced.
- A resolution to dissolve the Roads Advisory Committee occurred at the 25 November 2020 Council Meeting.
- Airfields Advisory Committee have not held a meeting since the 25 November 2020 Council Meeting.
- Lake Colac Advisory Committee have not held a meeting since the 25 November 2020 Council Meeting.
- Colac Livestock Selling Centre Advisory Committee's next meeting will be held on 11 December 2020.

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

- | | |
|---|------------------|
| • Councillor Induction | 11 November 2020 |
| • Councillor Induction | 13 November 2020 |
| • Maddocks Councillor Information Session | 16 November 2020 |
| • Councillor Briefing | 18 November 2020 |
| • Councillor Induction | 19 November 2020 |
| • Council Meeting Preparation | 25 November 2020 |
| • Councillor Induction | 26 November 2020 |
| • Councillor Briefing | 2 December 2020 |

4. OFFICER DIRECT OR INDIRECT INTEREST

No officer declared an interest under the *Local Government Act 2020* in the preparation of this report.



Informal Meeting of Councillors Record

Councillor Induction

Date: 11 November 2020

Time: 12:00 pm

Meeting Location: Meeting Rooms 1 and 2, COPACC

Invitees:
Cr Jamie Bell, Cr Graham Costin, Cr Kate Hanson, Cr Stephen Hart, Cr Joe McCracken, Cr Chris Potter, Cr Margaret White, Peter Brown, Errol Lawrence, Tony McGann, Ian Seuren, Tamara, Stewart
Attendees:
Cr Jamie Bell, Cr Graham Costin, Cr Kate Hanson, Cr Stephen Hart, Cr Joe McCracken, Cr Chris Potter, Cr Margaret White, Peter Brown, Errol Lawrence, Tony McGann, Ian Seuren, Tamara, Stewart
External attendees:
Nil
Apologies:
Nil
Absent:
Nil

Meeting Commenced at: 12:00pm

Declarations of Interest:

Name	Item	Reason
Nil		



Councillor Induction 11 November 2020 (continued)		
Time	Item	Attendees
12:00pm - 12:57pm	Introduction from Peter Brown; CEO's role in local government including Councillor/ Officer Protocols	Peter Brown
12:57pm – 2:05pm	Councillor Transition Manual - Induction	Peter Brown
2:05pm – 2:17pm	Break	
2:17pm – 3:10pm	Councillor Transition Manual – Induction continued Cr Bell left the meeting at 2:35pm; returned at 2:36pm.	Peter Brown
3:10pm – 3:49pm	Break	
3:49pm – 4:41pm	Introduction – Corporate Services directorate Introduction – Development & Community Services directorate Introduction – Environment & Infrastructure directorate Introduction – Governance & Communications	Errol Lawrence Ian Seuren Tony McGann Tamara Stewart
4:41pm – 4:53pm	Break	
4:53pm – 5:43pm	Councillor Aspirations for Council Term	Peter Brown Errol Lawrence Tony McGann Ian Seuren Tamara Stewart
5:43pm – 6:30pm	Councillor only time	
6:30pm	Meeting closed	



Informal Meeting of Councillors Record

Councillor Induction

Date: 13 November 2020

Time: 1:00pm

Meeting Location: Meeting Rooms 1 and 2, COPACC

Invitees:
Cr Jamie Bell, Cr Graham Costin, Cr Kate Hanson, Cr Stephen Hart, Cr Joe McCracken, Cr Chris Potter, Cr Margaret White, Peter Brown, Errol Lawrence, Tony McGann, Ian Seuren, Tamara Stewart
Attendees:
Cr Jamie Bell, Cr Graham Costin, Cr Kate Hanson, Cr Stephen Hart, Cr Joe McCracken, Cr Chris Potter, Cr Margaret White, Peter Brown, Errol Lawrence, Tony McGann, Ian Seuren, Tamara Stewart, Cameron Duthie, Doug McNeill, Frank Castles, James Myatt, Jason Clissold, Jo Grainger, Madeleine Bisits, Peter MacDonald, Steven Crawford, Tamzin McLennan, Terry Maisey
External attendees:
Nil
Apologies:
Stewart Anderson, Lee Castles
Absent:
Nil

Meeting Commenced at: 1:05pm

Declarations of Interest:

Name	Item	Reason
Nil		



Councillor Induction 13 November 2020 (continued)		
Time	Item	Attendees
1:05pm – 1:43pm	Manager presentations Cr Potter attended the meeting at 1:24pm. Cr McCracken attended the meeting at 1:42pm.	James Myatt Jason Clissold Jo Grainger Steven Crawford
1:43pm – 1:48pm	Break	
1:48pm – 2:48pm	Manager Presentations continued	Cameron Duthie Frank Castles Madeleine Bisits Doug McNeill Tamzin McLennan Peter MacDonald Terry Maisey
2:48pm – 3:01pm	Break	
3:01pm – 3:45pm	Apollo Bay Early Years Hub - project overview	Ian Seuren Madeleine Bisits
3:45pm – 4:16pm	Planning 101	Doug McNeill
4:16pm – 4:30pm	Break	
4:30pm – 5:30pm	Mock Council Meeting – Mayor Election and run-through of Special Council Meeting	Peter Brown
5:30pm	Meeting Closed	



Informal Meeting of Councillors Record

Councillor Induction

Date: 16 November 2020

Time: 10:30am

Meeting Location: Meeting Rooms 1 and 2, COPACC and by videoconference

Invitees:
Cr Jamie Bell, Cr Graham Costin, Cr Kate Hanson, Cr Stephen Hart, Cr Joe McCracken, Cr Chris Potter, Cr Margaret White, Peter Brown, Errol Lawrence, Tony McGann, Ian Seuren, Tamara Stewart, Belinda Rocka
Attendees:
Cr Jamie Bell, Cr Graham Costin (videoconference), Cr Kate Hanson, Cr Stephen Hart (videoconference), Cr Joe McCracken (videoconference), Cr Chris Potter (videoconference), Cr Margaret White, Peter Brown, Errol Lawrence (videoconference), Ian Seuren (videoconference), Tamara Stewart (videoconference), Belinda Rocka (videoconference)
External attendees:
Mark Hayes (Partner and Sector Leader – Local Government Victoria, Maddocks) by videoconference
Apologies:
Tony McGann
Absent:
Nil

Meeting Commenced at: 10:30am

Declarations of Interest:

Name	Item	Reason
Nil		



Councillor Induction 16 November 2020 (continued)		
Time	Item	Attendees
10:30am – 12:28pm	Councillor Induction Presentation - Maddocks	Mark Hayes
12:28pm – 12:31pm	Break	
12:31pm	Meeting closed	



Informal Meeting of Councillors Record

Councillor Briefing

Date: 18 November 2020

Time: 1:00pm

Meeting Location: Meeting Room 1 and 2 COPACC and by videoconference

Invitees:
Cr Jamie Bell, Cr Graham Costin, Cr Kate Hanson, Cr Stephen Hart, Cr Joe McCracken, Cr Chris Potter, Cr Margaret White, Peter Brown, Errol Lawrence, Tony McGann, Ian Seuren, Tamara Stewart, Lyndal McLean
Attendees:
Cr Jamie Bell, Cr Graham Costin (videoconference), Cr Kate Hanson, Cr Stephen Hart, Cr Joe McCracken, Cr Chris Potter, Cr Margaret White, Peter Brown, Errol Lawrence, Tony McGann, Ian Seuren, Tamara Stewart, Lyndal McLean, Peter Macdonald, Doug McNeill, Tamzin McLennan, Simon Clarke, Helen Evans
External attendees:
Nil
Apologies:
Nil
Absent:
Nil

Meeting Commenced at: 1:05pm

Declarations of Interest:

Name	Item	Reason
Nil		



Councillor Briefing 18 November 2020 (continued)		
Time	Item	Attendees
1:05pm – 1:16pm	Tabling of petitions: <ul style="list-style-type: none"> ▪ Reduce Annual Council Rates for Apollo Bay Businesses ▪ Rate Relief for Apollo Bay 	Tamara Stewart
1:16pm – 1:17pm	Oath of Office	Tamara Stewart Lyndal McLean
1:17pm – 1:54pm	Draft Community Engagement Policy	Peter Macdonald Tamzin McLennan
1:54pm – 2:03pm	Break	
2:03pm – 2:10pm	General Business: - Action for Apollo Bay	Peter Brown
2:10pm – 2:21pm	Combined Planning Scheme Amendment & Planning Permit Application – 10 Drapers Road, Colac East	Doug McNeill Simon Clarke Helen Evans
2:21pm – 2:22pm	Municipal Association of Victoria (MAV) - Report from Delegate	Cr Hart
2:22pm – 2:25pm	Appointment of Independent Audit and Risk Committee Member	Errol Lawrence
2:25pm – 2:26pm	Informal Meetings of Councillors	Tamara Stewart Lyndal McLean
2:26pm – 3:01pm	Councillor Appointments to Internal Committees	Tamara Stewart Lyndal McLean
3:01pm – 3:40pm	Councillor Appointments to External Committees	Tamara Stewart Lyndal McLean



Councillor Briefing 18 November 2020 (continued)		
Time	Item	Attendees
3:40pm – 3:53pm	Break	
3:53pm – 3:54pm	Audit Committee Annual Assessment of Performance against Committee Charter Audit and Risk Committee Meeting Minutes - 12 August 2020	Tamara Stewart Lyndal McLean
3:54pm – 4:28pm	General Business: <ul style="list-style-type: none"> ▪ Apollo Bay Early Years Hub ▪ Proposed Council Meeting Dates 2021 ▪ Briefings 2021 ▪ Planning Committee Meetings 2021 	
4:28pm	Meeting closed	



Informal Meeting of Councillors Record

Councillor Induction

Date: 19 November 2020

Time: 2:00pm

Meeting Location: Meeting Room 1 and 2 COPACC and by videoconference

Invitees:
Cr Jamie Bell, Cr Graham Costin, Cr Kate Hanson, Cr Stephen Hart, Cr Joe McCracken, Cr Chris Potter, Cr Margaret White, Peter Brown, Errol Lawrence, Tony McGann, Ian Seuren, Tamara Stewart
Attendees:
Cr Jamie Bell, Cr Graham Costin (videoconference), Cr Kate Hanson, Cr Stephen Hart, Cr Joe McCracken (videoconference), Cr Chris Potter, Cr Margaret White, Peter Brown, Errol Lawrence (videoconference), Tony McGann, Ian Seuren, Tamara Stewart, Callum Fairnie, Alison Martin, Sarah Osborne, Peter Macdonald, Jason Clissold, Tony Gullone, James Myatt, Tamzin McLennan, Lyndal McLean
External attendees:
Nil
Apologies:
Nil
Absent:
Nil

Meeting Commenced at: 2:03pm

Declarations of Interest:

Name	Type of Disclosure	Item	Reason
Cr Stephen Hart	General Conflict of Interest	Priority Projects and Advocacy	Of 26 Funding Priorities – One project Lavers Hill to Crowes and Melba Gully Trail Plain Implementation is a proposed path past my home property. This proposed path may effect my residential amenity.



Councillor Induction 19 November 2020 (continued)		
Time	Item	Attendees
2:03pm – 2:29pm	Introduction to Emergency Management	Callum Fairnie
2:29pm – 3:00pm	COVID-19 Update	Callum Fairnie Tony Gullone James Myatt
3:00pm – 3:22pm	Break	
3:22pm – 3:40pm	Media Protocols	Alison Martin Sarah Osborne
3:40pm – 4:06pm	Priority projects and advocacy	Peter Brown Errol Lawrence Ian Seuren Tony McGann Tamara Stewart Alison Martin
4:06pm – 4:42pm	Council Plan, Community Vision, Municipal Public Health & Wellbeing Plan, Annual Report	Peter Macdonald Tamzin McLennan
4:42pm – 5:30pm	The Budget & Financial Position of Council	Jason Clissold
5:30pm – 6:32pm	Run through of Council Meeting	Peter Brown Ian Seuren Tamara Stewart Lyndal McLean
6:32pm	Meeting closed	



Informal Meeting of Councillors Record

Council Meeting Preparation

Date: 25 November 2020

Time: 2:00pm

Meeting Location: Meeting Room 1 and 2 COPACC

Invitees:
Cr Jamie Bell, Cr Graham Costin, Cr Kate Hanson, Cr Stephen Hart, Cr Joe McCracken, Cr Chris Potter, Cr Margaret White, Peter Brown, Errol Lawrence, Tony McGann, Ian Seuren, Tamara Stewart, Lyndal McLean
Attendees:
Cr Jamie Bell, Cr Graham Costin, Cr Kate Hanson, Cr Stephen Hart, Cr Joe McCracken, Cr Chris Potter, Cr Margaret White, Peter Brown, Errol Lawrence, Tony McGann, Ian Seuren, Tamara Stewart, Lyndal McLean, Tamzin McLennan
External attendees:
Nil
Apologies:
Nil
Absent:
Nil

Meeting Commenced at: 2:04pm

Declarations of Interest:

Name	Item	Reason
Nil		

Time	Item	Attendees
2:04pm – 2:49pm	Council Meeting preparation	Tamara Stewart Lyndal McLean Tamzin McLennan
2:49pm	Meeting closed	



Informal Meeting of Councillors Record

Councillor Induction

Date: 26 November 2020

Time: 9:00am

Meeting Location: By videoconference

Invitees:
Cr Jamie Bell, Cr Graham Costin, Cr Kate Hanson, Cr Stephen Hart, Cr Joe McCracken, Cr Chris Potter, Cr Margaret White, Peter Brown, Errol Lawrence, Tony McGann, Ian Seuren
Attendees:
Cr Jamie Bell, Cr Graham Costin, Cr Kate Hanson, Cr Stephen Hart, Cr Joe McCracken, Cr Chris Potter, Cr Margaret White, Peter Brown, Errol Lawrence, Tony McGann, Ian Seuren, Jo Grainger
External attendees:
Andrew Marty (Managing Director, SACS Consulting), Lisa Mahood (Council Convener, Governance Evaluator)
Apologies:
Cr Joe McCracken
Absent:
Nil

Meeting Commenced at: 9:00am

Declarations of Interest:

Name	Item	Reason
Nil		



Councillor Induction 26 November 2020 (continued)		
Time	Item	Attendees
9:00am – 10:45am	Values and Behaviours	Andrew Marty Jo Grainger
10:45am – 11:00am	Break	
11:00am – 11:33am	Governance Evaluator Induction	Lisa Mahood Tamara Stewart
11.33am	Meeting Closed	



Informal Meeting of Councillors Record

Councillor Briefing

Date: 2 December 2020

Time: 12:45pm

Meeting Location: Meeting Room 1 and 2 COPACC and by videoconference

Invitees:
Cr Jamie Bell, Cr Graham Costin, Cr Kate Hanson, Cr Stephen Hart, Cr Joe McCracken, Cr Chris Potter, Cr Margaret White, Peter Brown, Errol Lawrence, Tony McGann, Ian Seuren,
Attendees:
Cr Jamie Bell, Cr Graham Costin (videoconference), Cr Kate Hanson, Cr Stephen Hart (videoconference), Cr Joe McCracken, Cr Chris Potter, Cr Margaret White, Peter Brown, Errol Lawrence, Tony McGann, Ian Seuren, Tamara Stewart, Doug McNeill, Vicki Jeffries (videoconference), Tamzin McLennan, Sharyn Ryan (videoconference), Madeleine Bisits, Nick Howard (videoconference), Melanie Duve, James Myatt (videoconference), Lyndal McLean, Frank Castles (videoconference), Sally Conway (videoconference)
External attendees:
Nil
Apologies:
Nil
Absent:
Nil

Meeting Commenced at: 12:45pm

Declarations of Interest:

Name	Item	Reason
Nil		



Councillor Briefing 2 December 2020 (continued)		
Time	Item	Attendees
12:45pm – 1:27pm	Apollo Bay Harbour Development Plan – Consideration of Submissions	Doug McNeill Frank Castles Simon Clarke Sally Conway
1:27pm – 1:34pm	Break Cr Costin attended the meeting at 1:32pm	
1:34pm – 2:01pm	Australia Day Awards 2021	James Myatt Vicki Jeffries
2:01pm – 2:52pm	Apollo Bay Early Years Hub	Tamzin McLennan Sharyn Ryan
2:52pm – 3:03pm	LRCI Program Extension Proposed Projects	Madeleine Bisits
3:03pm – 3:14pm	Break	
3:14pm – 3:37pm	Quarterly Performance Report 2020/21 - July to September 2020	Nick Howard Melanie Duve
3:37pm – 3:50pm	Petitions: <ul style="list-style-type: none"> ▪ Reduce Annual Council Rates for Apollo Bay Businesses ▪ Rate Relief for Apollo Bay 	Errol Lawrence James Myatt
3:50pm – 3:52pm	Contract 2103- Design and Construction of Barongarook Creek Bridge	Madeleine Bisits
3:52pm – 4:08pm	Proposed Council Meeting and Planning Committee Dates 2021	Tamara Stewart Lyndal McLean
4:08pm – 4:12pm	Councillor update from Committee Meetings	



Councillor Briefing 2 December 2020 (continued)		
Time	Item	Attendees
4:12pm – 4:29pm	General Business: <ul style="list-style-type: none"> ▪ Strategic discussion ▪ Town Planning ▪ City Deals ▪ Staff-Councillor Protocol ▪ Council Tours ▪ Annual Leave 	Frank Castles
4:29pm	Meeting closed	

CLOSED SESSION

RECOMMENDATION

That pursuant to the provisions of Section 66 of the Local Government Act 2020, the meeting be closed to the public and Council move into Closed Session in order to deal with:

SUBJECT	REASON	SECTION OF ACT
<i>Minutes of the Closed Session Council Meeting held on 25 November 2020</i>	This matter deals with personal information, being information which if released would result in the unreasonable disclosure of information about any person or their personal affairs.	Section 3 (1) (f)
<i>Appointment of Independent Member to the Audit and Risk Committee</i>	This matter deals with personal information, being information which if released would result in the unreasonable disclosure of information about any person or their personal affairs.	Section 3 (1) (f)
<i>Appointment of Audit and Risk Committee Chairperson</i>	This matter deals with personal information, being information which if released would result in the unreasonable disclosure of information about any person or their personal affairs.	Section 3 (1) (f)
<i>Australia Day Awards 2021</i>	This matter deals with personal information, being information which if released would result in the unreasonable disclosure of information about any person or their personal affairs.	Section 3 (1) (f)