



**Colac Otway
SHIRE**

AGENDA

ORDINARY COUNCIL MEETING OF THE COLAC-OTWAY SHIRE COUNCIL

22 JANUARY 2014

at 5:00 PM

COPACC Meeting Rooms

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

COLAC-OTWAY SHIRE COUNCIL MEETING

22 JANUARY 2014

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NOTICE is hereby given that the next **ORDINARY COUNCIL MEETING OF THE COLAC-OTWAY SHIRE COUNCIL** will be held in COPACC Meeting Rooms on 22 January 2014 at 5.00pm.

AGENDA

1. OPENING PRAYER

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

2. PRESENT

3. APOLOGIES

4. MAYORAL STATEMENT

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

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

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

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

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Thank you. Now 30 minutes is allowed for question time. Please remember, you must ask a question. If you do not ask a question you will be asked to sit down and the next person will be invited to ask a question. This is not a forum for public debate or statements.

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

5. QUESTION TIME

6. DECLARATION OF INTEREST

7. CONFIRMATION OF MINUTES

- Ordinary Council Meeting held on the 18/12/13.

Recommendation

That Council confirm the above minutes.

OFFICERS' REPORTS

Chief Executive Officer

OM142201-1 CEO'S PROGRESS REPORT TO COUNCIL

Corporate and Community Services

OM142201-2 FINANCIAL INFORMATION 2012/2013
OM142201-3 OPERATIONAL PLAN SECOND QUARTER PERFORMANCE REPORT
OCTOBER - DECEMBER 2013
OM142201-4 SECOND QUARTER FINANCIAL PERFORMANCE REPORT 2013-2014
OM142201-5 DRAFT RATING STRATEGY 2014-2017
OM142201-6 NAMING OF ROADS, LOCALITIES AND FEATURES POLICY

Infrastructure and Services

OM142201-7 ROAD MANAGEMENT COMPLIANCE REPORT

Sustainable Planning and Development

OM142201-8 PLANNING SCHEME AMENDMENT C76 (BIRREGURRA STRUCTURE
PLAN AND NEIGHBOURHOOD CHARACTER STUDY)
CONSIDERATION OF SUBMISSIONS

General Business

OM142201-9 ASSEMBLY OF COUNCILLORS
OM142201-10 MINUTES OF THE OLD BEECHY RAIL TRAIL COMMITTEE

Notices of Motion

OM142201-11 COUNCILLOR VOTING ON THE BLUEWATER FITNESS CENTRE
PROJECT

Rob Small
Chief Executive Officer

CHIEF EXECUTIVE OFFICER

ITEM	
<u>OM142201-1</u>	<u>CEO'S PROGRESS REPORT TO COUNCIL</u>

OM142201-1**CEO'S PROGRESS REPORT TO COUNCIL**

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

EXECUTIVE**Memorial Square Elms**

The CEO has met with the Chair of Colac Otway Residents Action Group (CORAG) to discuss concerns over the ageing Elm trees in Memorial Square.

Also present was the gentleman who was almost hit by a falling limb in Memorial Square on Remembrance Day. As a result of the event an Arborist reviewed the condition of the trees and recommended a range of actions. These have almost all been carried out with three trees yet to be felled. These have been cordoned off and signage will be attached as soon as printing is complete. As a result of the meeting, the CEO has asked that a peer review of the first arborist's report be undertaken. This in no way shows a lack of confidence in the initial report but rather to give confidence to the community.

Service Level Reviews

These have progressed through the latter part of December 2013 and into January 2014. It is anticipated that these will all be complete by the end of January 2014.

South West Sustainability Partnership

The CEO, who chairs this group, convened a meeting on 16 January 2014 to progress the installation of LED and low carbon emission street lamps across the five Council areas that make up the Great South Coast.

Our own installation of LED street light luminaires is due to commence in February 2014.

CORPORATE & COMMUNITY SERVICES**RECREATION ARTS AND CULTURE****Events****Custom Car and Bike show (18 January 2014)**

Custom Car and Bike show festivities began on Friday night with a drive-in movie at the Colac Showgrounds. Saturday featured the show's main event, 'Show 'N' Shine' comprising approximately 500 cars and 250 bikes. The event concluded on Sunday, with cars and motorcycles cruising the Otways.

Australia Day (26 January 2014)

Hundreds of people are expected to enjoy the Colac Otway Shire Australia Day Celebrations held in Forrest. Community members will be able to hear music by the Colac City Band. Several people will become Australian citizens and Australia Day awards will be given for the Citizen of the Year, Young Citizen of the Year, Community Service Award and Sporting Service Award. After the official ceremonies are completed, the crowd can enjoy activities

including a bush band, country market, BBQ, and activities for the children.

Event Policy

At the Council meeting held on 27 November 2013 Council resolved to seek public comment on the draft Events Policy. The objectives of the Events Policy are to:

- a) Promote and encourage events in the Colac Otway Shire which enhance the resident, participant and visitor experience.
- b) Set principles for determining the level of Council support for events.
- c) Ensure that risks are minimised and there is compliance with regulatory requirements during events.
- d) Provide a framework for the approval, communication and evaluation of events.

Copies of the policy are available for inspection at Council's customer service centres in Rae Street Colac and Nelson Street Apollo Bay or at www.colacotway.vic.gov.au. Written comments on the policy will be received until Friday 31 January 2014.

Upcoming Events

Events which will be held throughout the Colac Otway Shire in February 2014 include:

- Heritage Festival (Colac – 1 & 2 February)
- Run Colac 2014 (Colac – 7 February)
- Hoot 'n' Nanny (Colac – 8 February)
- Relay for Life (Colac - 22 & 23 February)
- the Seafood Festival (Apollo Bay – 22 February)
- Bulla Fun Run (Colac – 28 February)
- Apollo Bay Music Festival (Apollo Bay - 28 February and 1 March).

Recreation

Playground Framework

A framework is being developed to outline the principles and standards for playground development, maintenance and upgrades. It sets goals for future work so that resources are focused on ensuring that our playgrounds are challenging, safe and accessible for all. Council requires such a document to respond to the communities increasing usage and expectations of play spaces in public open space and to adapt play spaces to future changes in the environment.

COPACC

COPACC held a successful school holiday program in January 2014 with children participating in a variety of workshops including food preparation, drama and stop motion animation movie making.

Early sales for the 2014 Primary Schools Education Season have been very strong and subscriptions for the Morning Music Program are also selling well.

The COPACC Team are currently preparing for the Colac Herald COPACC 2014 Theatre Season Launch on Saturday 22 February 2014. We are pleased that the Colac Herald has returned as the naming rights sponsor for the year.

Bluewater Fitness Centre**Apollo Bay Pool**

The Apollo Bay Pool has commenced the peak season. The pool is open for 26 days straight from the 1 to the 26 of January 2014. During this time VICSWIM will facilitate three weeks of swimming lessons for the community.

With the new weather policy in place to guide operations the pool was open on 4 occasions in December 2013 when the weather permitted: the 1st, 8th, 22nd & 28th. There were a total of 83 visits to the facility in December with the following table outlining the breakdown.

	Quantity
Adult Swim	19
Concession Swim	5
Child Swim	35
Toddler Swim	3
Family Swim	6
Spectator Entry	15
Adult Season Pass	0
Concession Season Pass	0
Family Season Pass	0
Stadium Entry	0
TOTAL December visitation	83

HEALTH & COMMUNITY SERVICES**Maternal & Child Health****Statistics – December 2013**

- 12 infants enrolled from birth notifications

<u>Key Ages and Stages Consultations</u>					
Home visits 14					
2wks	13	4wks	16	8wks	19
4mths	16	8mths	10	12mths	11
18mths	14	2yrs	9	3.5yrs	15

Other services provided include:

- 70 additional consultations
- 28 phone consultations
- 6 child and family referrals
- New Parents Groups - 4 sessions in Colac
- 25 families are currently enrolled under Enhanced Home Visiting service (vulnerable and at risk families), which includes 2 families requiring two staff members twice a week.

Children & Family Services

Bluewater Fitness Centre Crèche

After months of waiting Council has finally received notification of approval from the Department of Education and Early Childhood for a new licence to operate the crèche at the youth club whilst the redevelopment of the Bluewater Fitness Centre takes place. The crèche has now started taking bookings.

Smalltalk is back!

Glastonbury was successful in securing more funding from the State Government to run its smalltalk program which will start Term 1 of this year. Council has been a great supporter of the smalltalk program in the past as it focuses on improving children's language development which is an area of concern for the Colac Otway area having reflected quite poorly in the Australian Early Development Index (AEDI) results. This is also something Council identified in the Council Plan and Public Health and Wellbeing Plan.

The smalltalk program has been developed for parents of babies and toddlers in close collaboration with parents and with service providers in the Supported Playgroup and Maternal and Child Health sectors. The content of smalltalk is based on scientific evidence that suggests that children's language development and early learning is shaped by the frequency and quality of the interactions they have with their parents in the early years, and the level of stimulation in the home environment.

The smalltalk program provides parents with strategies to enhance their children's learning at home. The strategies build on existing parenting strengths, enabling parents to be more knowledgeable and confident in their own abilities to meet their parenting responsibilities. They also help parents meet their own needs as a person and a parent.

The parenting strategies in smalltalk are incorporated into the normal rhythm and activities of supported playgroups and parenting groups, using a flexible approach that meets the needs of the families in the group. Some families also receive individual coaching in the home. Both group and individual sessions help parents to identify natural learning opportunities in their daily interactions with their children.

Family Assistance Law

There has been some clarification on the Family Assistance Law and how Family Day Care Services must comply with it. Council's Children & Family Services Co-ordinator accepted an invitation to attend a meeting in Melbourne in late December with Michael Maynard, Victorian State Manager for the Department of Education, regarding some of the implications from the clarification of the Family Assistance Law. Discussions were held around how this could affect our service and how we can comply with the current Family Assistance Law.

Over the coming months we will look at developing some new policies and procedures around implementing fees for service and the record keeping associated with the facilitation of these fees. Council aims to have these in place by the new financial year.

INFRASTRUCTURE & SERVICES**CAPITAL WORKS**

ACTIONS	STATUS	% COMPLETION	PROGRESS COMMENTS
Manage preparation of 2013/14 capital works program including designs and specifications for projects.	In Progress	80%	Plans and specifications are being developed for the rehabilitation of Barham River Road and Ferrier Drive, Apollo Bay. Both of these projects are included on Council's 2013/14 Sealed Road Renewal Programme. Other design works associated with the renewal programs have been completed.
Apollo Bay Footpath Strategy	In Progress	50%	The Apollo Bay Commuter Footpath Strategy is presently being drafted with a detailed works program. The Strategy will aim to address the issues of providing a network of footpaths in the township of Apollo Bay which is safe and convenient for pedestrians to use. A draft Strategy will be presented to Council at the February 2014 Council meeting to seek endorsement for placing the document on public exhibition.
Complete the 2013/14 component of the Old Beechy Rail Trail project funded by RIDF.	In Progress	75%	Tenderers have been awarded for the Beech Forest to Ferguson and Dinmont to Ditchley Gully sections of the trail. Works are expected to commence by the end of January 2014.
Facilitate the review of Council's Road Safety Strategy in conjunction with Colac Road Safe.	In Progress	90%	A draft of the Strategy has been forwarded to Victoria Police Colac, VicRoads and the Colac Community Road Safety Council for initial comments. Any feedback received will be incorporated into the draft prior to presentation to Council.
Undertake a Parking Study for the township of Wye River	In Progress	70%	Parking control line (yellow painted edge line) has been installed along the length of The Boulevarde, Wye River. Alternative parking control measures are to be investigated by Council officers along Sarsfield Street, Separation Creek.
Implement the Cressy Shelford Road rehabilitation plan.	In Progress	75%	Actions associated with the rehabilitation plan are progressing. Targeted weed control will be undertaken during Autumn 2014. Monitoring plots are being installed to inform and measure the success of weed control, threatened species recovery, and to inform future burning regimes.

SUSTAINABLE ASSETS

ACTIONS	STATUS	% COMPLETION	PROGRESS COMMENTS
Work with the Finance Unit to complete Stage 1 of the Authority Asset Management Module implementation.	In Progress	25%	This project has commenced and involves the consolidation of Council's disparate sources of asset information into a single asset register. Activities are progressing with work being completed in conjunction with the Finance Unit. Data and attribute structures are still being finalised to ensure that maximum benefit can be derived from the new asset system.
Asbestos Register Update.	In Progress	10%	A consultancy brief is being developed for a review of Council's existing Asbestos Register. It is intended that quotes will be sought in late January 2014.
Review annual budget requirements for renewal program and present to Exec as part of the budget process and incorporate into long term and capital works plans.	In Progress	50%	Modelling of future asset renewal needs has been completed in preparation for the 2014/15 Budget. The outcomes of this will be reported to the Executive Management Team and Council early in the 2014 calendar year.
Monitor the performance and condition of Council's various asset types through programmed inspections and data collection.	In Progress	25%	Infrastructure Management Group has been appointed to conduct a condition audit of Council's footpath network. It is expected that field survey work will commence during January 2014. Quotations are presently being sourced from suitably equipped contractors to undertake CCTV camera inspections of selected lengths of our underground drainage pipes.
Develop long term asset renewal funding plan for Council buildings.	In Progress	10%	Proposals from suitably qualified consultants are being obtained to commence condition inspections of key Council buildings.
Community infrastructure and asset renewal plan.	In Progress	40%	Draft Asset Management Plans for all of Council's infrastructure asset categories including; roads, bridges, parks & gardens, footpaths and buildings have been finalised. This suite of documents also includes a General Asset Management Plan which provides details around the processes and procedures used. It is anticipated that these documents will be presented to Council in the new year for adoption.
Complete road and footpath network inspections to meet frequencies prescribed by Council's Road	In Progress	50%	Routine inspections of footpaths in Colac, Area 2 were completed during December 2013. Inspections of Council's rural Link road network are presently underway. All inspections are conducted in accordance

ACTIONS	STATUS	% COMPLETION	PROGRESS COMMENTS
Management Plan.			with Council's Road Management Plan.
Implement the 2013/14 Kerb & Channel Renewal Programme.	In Progress	5%	The final works programme has been determined. Works associated with the kerb and channel renewal programme is expected to commence in February 2014.
Manage building maintenance programme to address programmed and reactive maintenance needs.	In Progress	50%	Maintenance works during December 2013 and early January 2014 have been routine in nature to ensure the safety and serviceability of our buildings and facilities.
Coordinate inspections and reporting of Essential Safety Measures relating to nominated Council buildings.	In Progress	10%	A tender brief is currently in development for delivery of inspection services by external contractors. It is anticipated that quotations will be sought in mid January 2014. This will involve the inspection and testing of various fire safety elements such as fire extinguishers, exit lights, emergency lights etc at prescribed intervals.
Footpath Renewal Program	In Progress	85%	A small section of footpath was replaced at the intersection of Calvert Street and Grant Street in late December 2013. This year's footpath replacement programme is nearing finalisation with a small amount of work along the Apollo Bay to Marengo shared path and Murray Street, Colac remaining.
Annual Road Resealing Program	In Progress	50%	Council's 2013/14 Sealing Programme commenced 2 December 2013. The majority of this year's works are based in the urban localities of Colac and Apollo Bay. The progress of works has been hindered due to unfavourable working conditions. It is projected that sealing works will be completed by the end of January 2014.
Bridge Reconstruction Program	In Progress	15%	The contract for the replacement of the Lyness Access bridge, Carlisle River was awarded by Council to VEC Civil Engineering at the December 2013 Council meeting. A submission from GHD for consultancy and design services for the rehabilitation of the Sand Road bridge was accepted in late December 2013. Preliminaries for each project are expected to commence during January 2014. Both of these projects are being completed under Council's \$1M allocation from the State Government's Country Roads and Bridges Initiative.

ACTIONS	STATUS	% COMPLETION	PROGRESS COMMENTS
Building Renewal Program	In Progress	25%	<p>The following is a status summary of projects being completed under the 2013/14 Building Renewal programme:</p> <ul style="list-style-type: none"> • Painting of Former Home Hardware building – Completed • New cabinetry to Beeac Tennis Clubrooms – Completed • Refurbishment of the Irrewillipe Recreation Reserve Clubrooms (Stage 1) to address risk and compliance issues - Quotes being sought. • Larpent Hall kitchen renovation - Quotes are being sought from local contractors • Refurbishment of the Lake Colac Foreshore public toilets - Quotes are being sought from local contractors.

OTHER HIGHLIGHTS FOR THE PERIOD

Bluewater Fitness Centre Redevelopment - BDH Constructions has signed contracts and taken possession of the Blue Water Fitness Centre site as of early December 2013. Site accommodation has been established on the site. Existing services have been isolated or disconnected and soft demolition commenced just prior to the Christmas break. The building permit was issued the first week of January 2014 and demolition works are progressing on site.

Pirron Yallock Recreation Reserve Clubrooms - The modular building has been purchased and relocated to the reserve at Pirron Yallock successfully late in December 2013. A meeting was held in early January 2014 with representatives of the Committee of Management and other users of the reserve. The aim of this meeting is to finalise the internal layout of the new building to meet the user groups needs and requirements, and to discuss how best to configure access and egress to and from the building. Following this meeting a scope of works will be prepared and sent to local contractors inviting them to quote on the balance of the works for this stage of the project.

COSWORKS

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

Minor Patching

Minor patching works is ongoing on sealed roads throughout the Shire. This is to primarily address pot holes and edge breaks.

Road Regrading

Road regrading continues due to improved weather conditions in all sections of the Shire.

Routine Drainage Works

Routine drainage works were completed in the last month in Apollo Bay, Wye River, Kennett River, Separation Creek, Skenes Creek and Marengo townships. Other drainage works have also been completed in the Kewarren, Gellibrand and Carlisle areas.

Major Patching Works

Completion of dig outs on Moomoowrong Road, Carlisle River was undertaken in preparation for resealing works that are currently underway.

Major Drainage Works

Major drainage works were completed on Trasks Road, Woodrowvale Road, De La Rues Road, Phalps Road, Meadowell Road, Back Larpent Road and Barham River Road. Major drainage works are generally completed in preparation for other programmed works such as resealing and resheeting.

Roadside Slashing

Roadside slashing was completed in the areas of Apollo Bay, Kawarren, Gellibrand, Birregurra, Irrewarra, Barongarook, Barwon Downs, Gerangamete, Pennyroyal, Colac, Elliminyt, Larpent and Swan Marsh.

Vegetation Control

Vegetation control work was completed during the last month along Browntown Track and Morris Track, Lavers Hill.

Sport Ovals

Mowing of the ovals is ongoing as per the programmed schedule.

Tree Maintenance

Tree maintenance works were completed along Walls & Skinners Road, Bushbys Road, Sinclair Street and Arnolds Road. Trees were trimmed and removed in Memorial Square in accordance with the arborist's recommendations.

Bridge Maintenance

The broken crosshead on the Sand Road bridge was replaced last month. This is a temporary repair in order to reopen the bridge to vehicular traffic. Further major works are programmed to be completed under the 2013/14 Bridge Renewal Program.

Township Mowing

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

Road ConstructionWeering School Road

This road has been ripped, crushed, reshaped and compacted. Subbase and base layers have been applied, shaped, compacted and primer seal completed. Minor clean up works are to be completed.

Division Road

Reconstruction works along a section of Division Road continue.

MAJOR CONTRACTS/WASTE UNIT**Submission – Draft Statewide Waste and Resource Recovery Infrastructure Plan (SWRRIP) – 2013-2014, Victoria**

Submissions were invited from Sustainability Victoria (SV) on the Draft Statewide Waste and Resource Infrastructure Plan (SWRRIP) which provides a 30 year roadmap for future investment in Waste & Resource Recovery Infrastructure.

A submission was prepared and lodged with SV by Council officers on 5 December 2013 highlighting a range of issues that have not been addressed adequately in the draft Plan. A

copy of Council's submission was also forwarded to the Barwon Regional Waste Management Group (BRWMG) for information and further action. The submission has since been received and acknowledged by SV.

Some of the points raised in Colac Otway Shire's submission are:

- Suitability of Cressy as a site for a future "Energy from Waste" plant.
- Equitable funding distribution of the revenue raised through the collection of the State Government Landfill Levy.
- Lack of funding support towards rehabilitation of closed landfill sites.
- Complex landfill auditing and environmental monitoring requirements.
- Need for clarification of Council's role in managing commercial and industrial waste and construction and demolition waste.
- Lack of commitment towards Research & Development focussing on advance waste treatment technologies.
- Need for development of a communication plan for effective communication between the three levels of Government, Waste Management Groups and Councils.
- Need for preparation of a detailed action plan indicating future infrastructure needs, priorities, resource allocation and timeframes.

Barwon Regional Waste Management Group (BRWMG) Board Meeting

A meeting of the Barwon Regional Waste Management Group (BRWMG) was held on 12 December 2013 at Geelong. This was the final meeting for the 2013 calendar year.

At the beginning of the Board meeting, three (3) presentations were made as follows:

1. Timber and Wood Waste Strategy by Mr Peter Allen, CEO, Sustainable Resource Use Pty Ltd.
2. A Cleaner Coast, Geelong and Otway is in your Hands – Report Litterers 2013-14 Summer-Easter Campaign – Ms Gayle Seddon, BRWMG.
3. Think Recycle Campaign 2014 – Ms Elsie Neillson, BRWMG.

The BRWMG is currently busy with the following initiatives:

- Liaising with the Environment Protection Agency (EPA) for the development of a 'Garden Organics to Mine Site Rehabilitation Guideline'.
- MRA Consulting was commissioned for the development of a future "Transfer Station Regional Plan".
- Garden Organics Market Development Strategy – The On Farm "Garden Organics Soil Improvement Program".
- Food and Garden Organics – Recycling Education Campaign.
- Waste Mapping – Working with Enterprise Connect and four (4) Deakin University students to undertake Waste Movement Mapping translating to Waste Freight Movement throughout Victoria.
- Public Place Recycling Program – ongoing.

Kerbside Collections

Kerbside collections have been successfully carried out over the Christmas/New Year period. A number of properties had their collection deferred by one (1) day following Christmas Day and New Year's Day. A limited number of calls were received in regard to the delay which indicated the successful use of various media to advertise the change in times.

Additional recycling collections commenced on Monday 30 December 2013 for a four (4) week period. Every property with a weekly waste service will have a recycling service each week for four (4) weeks. This will assist with extra recycling needs due to the Christmas/New Year holiday period and minimise waste to landfill.

Transfer Stations and Drop Off

The Apollo Bay Transfer Station will open each day for the peak summer period until Sunday 2 February 2014. Following this it will operate six (6) days a week (closed on Thursdays) until Sunday 20 April 2014.

Drop Off Facilities at Carlisle, Gellibrand, Beech Forest and Lavers Hill will operate each weekend from the 28 December 2013 to 25 January 2014 and then revert back to fortnightly collections.

Regional Litter Campaign

A regional litter campaign was launched at the RACV Club in Torquay on the 16 December 2013. The campaign will continue through to Easter 2014, with the Barwon Regional Waste Management Group (BRWMG) and its member Councils campaigning against illegal littering from cars in the Barwon region. The litter prevention campaign received funding from the Victorian Government, via Sustainability Victoria's Roadside Litter Prevention Grants program. Council staff have been working with the Otway Coast Committee and Traders to implement the program.



Recycling Inspections

Waste Management staff are carrying out recycling inspections throughout the Shire in a public education campaign. Pictorial educational cards are being left by the inspectors in instances where recycling bins are contaminated by items that are unable to be recycled as part of the kerbside collection. While most residents are trying to do the right thing and recycle materials properly, sometimes they inadvertently place the wrong thing in the recycling bin. This includes common mistakes such as bagged recycling, polystyrene and textiles. The aim of this programme is to assist residents in placing the correct items in their recycling bin for collection to reduce contamination rates within the recycling waste stream.

Tenders

Tenders opened since the last reporting period:

- 1321 – Construction of Footpath – Grant Street, Forrest
- 1337 – Supply & Deliver 4 Wheel Drive Loader – closing 8 January 2014.

Tenders awarded since the last reporting period:

- 1310 – Old Beechy Rail Trail Construction – Beech Forest to Ferguson – R&A Brimacombe Earthmoving
- 1330 – Design & Construct - Lyness Road Bridge – to VEC Civil Engineering
- 1331 – Engineering Design Services – Sand Road Bridge Rehabilitation – to GHD
- 1332 – Consultancy Services – Bruce Street Landfill Monitoring & Feasibility Study – to GHD
- 1338 – Microwave Data Service – Colac to Apollo Bay – to Vertical Telecommunications

Subdivision Works

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

Subdivision	Status
Apollo Bay Industrial Estate Stage (19 Lots)	A certificate of compliance has been issued and outstanding works guaranteed with a security bond. Fill to lots is continuing with surface drainage, landscaping and some ancillary works still remaining.
202A Pound Road Stage 2 (13 Lots)	Civil works have been completed for this subdivision stage. A certificate of compliance is expected to be issued shortly following sign off from other authorities.

Colac Livestock Selling Centre Roof Construction

MKM Constructions finished construction of the galvanised steel framing for the Colac Saleyards roof project in December 2013. The contractors are back on site following the Christmas break. Installation of sheet roofing material is expected to be completed in February 2014.

Rehabilitation of pens and construction of rails around the steel columns has progressed well, as with reinstatement of concrete slabs.

Electrical work including lighting requirements, underground stormwater drainage and water supply installations will commence following fixing of sheet roofing. All works are programmed to be completed by March 2014.



Annual Bituminous Spray Sealing Works

Bituminous spray sealing works commenced December 2013. Rain has affected the progress of works however the Contractor has managed to finish approximately forty percent of the contracted works. The majority of this work has been undertaken in Colac.

Road sealing works are expected to be fully completed by the end of January 2014.

SUSTAINABLE PLANNING and DEVELOPMENT**PLANNING & BUILDING****Development of Bushfire Local Planning Policy**

The draft report for this project is currently being finalised in partnership with the CFA which has been involved in peer reviewing the documents produced by consultants Tract and Terramatrix. Council was briefed on the outcomes of the draft report at workshops on 4 December 2013 and 15 January 2014. It is anticipated that the draft will be reported to the February 2014 Council meeting, with a recommendation that it be placed on public exhibition for 6 weeks.

Planning Scheme Amendment C74 (Apollo Bay Settlement Boundary Review)

With the financial assistance of the State Government Rural Planning Flying Squad, a consultant planner is currently finalising an amendment to implement the recommendations of the Apollo Bay Settlement Boundary and Urban Design Review, adopted by Council in 2012. A rezoning of the Rural Conservation zoned land between Pisces Caravan Park and Wild Dog Creek to a residential zone will also be incorporated into the amendment, along with amendments to the planning controls applying to the Marriners Vue land. The amendment will be placed on exhibition over the coming months.

Colac Structure Plan Review

Council officers are working closely with Regional Development Victoria (RDV) to secure funding to match a contribution allocated by Council in the 2013/14 Council budget to undertake a review of the Colac Structure Plan. The project cannot commence until external funding is committed. A revised project proposal has been submitted to RDV for consideration in accordance with advice received from the Department in discussions with officers.

Planning Scheme Amendment C73 (Apollo Bay Harbour Master Plan)

The public exhibition period for Planning Scheme Amendment C73 finished on 30 October 2013, and a meeting was held with submitters on 25 November 2013. The meeting initiated a number of potential changes which officers are considering in relation to the Master Plan and amendment documents, which it is considered will satisfy some of the key concerns. Officers held a workshop with Councillors on 15 January 2014, which will be followed by a report to the February 2014 Council meeting requesting that submissions be referred to an independent panel for consideration. A meeting is scheduled with the Community Reference Group for the project on 10 February 2014.

Planning Scheme Amendment C75 (Open Space Strategy)

The independent panel established to consider submissions to Amendment C75 to the Planning Scheme held a Directions Hearing in Colac on 17 January 2014. The full hearing of the Panel is scheduled to commence on 12 February 2014. The amendment implements the planning recommendations of the Council's Open Space Strategy.

Amendment VC105 (Reforms to Native Vegetation Permitted Clearing Regulations)

The State Government has gazetted Amendment VC105 to implement its reforms to native vegetation and biodiversity provisions. The amendment changes the Victoria Planning Provisions and all planning schemes by:

- amending the State Planning Policy Framework to reflect the new 'no net loss' approach rather than the previous 'net gain' approach.
- amending Clause 52.17 (Native vegetation) to:
 - rationalise information requirements
 - implement the new risk-based assessment pathways
 - include a simplified approach for applications under a low-risk based pathway and
 - streamline the determination of offset requirements.

The amendment also replaces 'Victoria's Native Vegetation – Framework for Action' with a new incorporated document 'Permitted Clearing of Native Vegetation – Biodiversity Assessment Guidelines' (Department of Environment and Primary Industries, September 2013). These provisions were announced by the State Government in May 2013, but only took statutory effect on 20 December 2013. All vegetation removal across the State will now need to comply with these new provisions.

ECONOMIC DEVELOPMENT**Tourism**

Colac Visitor Information Centre serviced 4,213 customers in December 2013 which was up 9% on last year. Yearly visitation numbers to date have increased by 5%. There was an increase in the local community using the VIC for Christmas shopping. December retail sales reflected an increase of 44%, with year to date sales increase of 8%.

Peak public holiday visitation was up on 2012.

International visitor trends have shown more travellers arriving from the UK and Asia. Interstate visitor trends indicate more travellers have been coming from South Australia and New South Wales. There has been an increase in visitors from China and India. These groups tend to visit for one day, and travel in very large groups.

Free Wi-Fi has been popular with all travellers.

The top enquiries by visitors have been for the Otway Fly and 12 Apostles.

The Great Ocean Road Visitor Information Centre had a total of 16,320 visitors in December 2013, a 5% decrease on the previous year. Phone calls to the Centre were also down by 3% as well as e-mails which were also down by 4%. Phone enquiries were mainly for accommodation (50%) followed by General Enquiries (11%), Attractions (5%), Great Ocean Walk (3%), Apollo Bay (6%) and Transport (4%).

There were a high number of international visitors to the Centre at the beginning of December particularly from the UK, Germany and France. Interstate visitors were travelling from Queensland, New South Wales and South Australia.

The Centre had a total of 5,593 visits during the Christmas / New Year period (26 – 31 December 2013) which was a 3% decrease on the previous year with staff assisting an average of 930 visitors per day. Over the counter enquiries were mainly for general attractions within the region. The Otway Fly Tree Top Adventures was popular amongst visitors with tickets sales being up 35%.

Overall visitation to the Centre for 2013 was 155,278 which were very similar numbers to the previous year. Phone calls to the Centre were up by 42% and e-mails were down by 40%.

Regional Tourism Board

Interviews were conducted during December 2013 for the Industry Representative positions on the new GORRT Board. A meeting of the Interim Board was conducted in Colac on 13 January 2014 to receive a report of the outcome of the interview process and the announcement of the successful applicants who will form part of the new Board is imminent.

Forrest Mountain Bike Strategy

A survey has been completed to help guide the Forrest Mountain Bike Trails Strategy. The survey gave key stakeholders, Forrest residents, organisations and mountain bike enthusiasts the ability to provide feedback on the current trails network. The survey received a high response rate and will assist with the development of the draft report to be completed in the coming months.

Advancing Country Towns (ACT)

A skills & workforce audit survey has been completed by businesses to assist with the Skills & Workforce Development Plan project. The survey gathered vital data from businesses within the Shire regarding recruitment, business planning, skills gaps and demographic modeling. Consultant firm Grant Thornton will develop a draft Workforce Plan in the coming months.

Work is continuing with the Green Feasibility Study project. Consultant 'Community by Design' is close to completing the tender documents and project scope. The consultant has completed a number of phone interviews with local business and community members to gather data on the areas of green business. The tender documents will be sent out to seek submissions from consultants for the feasibility study to be completed. It is anticipated that the tender will be sent out in early 2014.

Small Town Improvement Program

Contact has been made with eligible community groups to advise that applications for 2014/2015 Small Town Improvement Program funding will be accepted up until 28 March 2014.

ENVIRONMENT & COMMUNITY SAFETY

Fire Inspections continue

The Fire Inspection process is well underway and the second round of property inspections has been completed. Council uses every endeavour to gain the cooperation of landowners in complying with fire prevention regulations. Over 100 fire prevention notices have been issued but the vast majority is being complied with. If this notice is not complied with, a fine will be issued and contractors sent in to clean up the property. The fine for not complying with a fire prevention notice is \$1,444.

Prosecutions upheld for Fire Prevention Infringements

At the conclusion of the 2012/13 Fire Danger Period there were eight cases where people failed to pay for both the fines they received for failing to comply with a Fire Prevention Notice and the costs that Council incurred to clean up their property. As a result Council officers prepared prosecution briefs to take the cases to court. A number of the fines were paid before going to court but the others were heard in court during October 2013 and January 2014. All of the cases that Council took to court were upheld by the magistrate and resulted in over \$4,000 in fines and over \$2,000 in clean up works being ordered to be paid to Council. Council is committed to undertaking a rigorous fire inspection program and wants to work with the community to try to reduce the fire risk in our municipality but where

property owners are not willing to do so Council will follow through with prosecutions and take matters to court if necessary.

Parking Inspections being undertaken along the Coast

With the increased number of people visiting the coast at this time of year there is always an increase in the competition for parking spots. It is important that people abide by the rules. Council officers are undertaking regular patrols to try to ensure that people are not overstaying the required limit in timed parking areas. Council officers are also targeting roads that only have space for cars to park on one side of the road in order to ensure that accessibility is maintained. Yellow lines have been placed along some narrow roads. The yellow lines mean that cars cannot park there at any time. It is particularly important that people do not park in these areas because if they do it can prevent access for larger emergency vehicles that may need to use these roads to help protect our coastal towns from the threat of bushfire.

New Working Groups being formed to help improve Lake Colac

Guest representatives from Fisheries Victoria and local key stakeholders with an interest in fish attended the recent Lake Colac meeting. It was resolved that two new working groups would be formed to help improve the values of the lake. One working group will focus on improving the values of the lake for recreational fishing and the other will focus on the maintenance and enhancement of the foreshore vegetation. The two groups will report back to the committee and provide advice to Council officers and the other key agencies on how to make progress in these areas.

Attachments

Nil

Recommendation(s)

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

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**CORPORATE AND COMMUNITY SERVICES**

| <b>ITEM</b>              |                                                                                              |
|--------------------------|----------------------------------------------------------------------------------------------|
| <b><u>OM142201-2</u></b> | <b><u>FINANCIAL INFORMATION 2012/2013</u></b>                                                |
| <b><u>OM142201-3</u></b> | <b><u>OPERATIONAL PLAN SECOND QUARTER PERFORMANCE<br/>REPORT OCTOBER - DECEMBER 2013</u></b> |
| <b><u>OM142201-4</u></b> | <b><u>SECOND QUARTER FINANCIAL PERFORMANCE REPORT 2013-<br/>2014</u></b>                     |
| <b><u>OM142201-5</u></b> | <b><u>DRAFT RATING STRATEGY 2014-2017</u></b>                                                |
| <b><u>OM142201-6</u></b> | <b><u>NAMING OF ROADS, LOCALITIES AND FEATURES POLICY</u></b>                                |



**OM142201-2****FINANCIAL INFORMATION 2012/2013**

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

**Purpose**

The purpose of this report is to provide Council with financial information on "Benchmarking/Performance Indicators" for the financial year 2012/2013 for the Colac Otway Shire as well as comparisons with those Councils in the Large Shire Grouping.

The information has been taken from a number of sources:

- Data from Annual Reports for the 2012/2013 financial year
- Data supplied by Strategy Plus
- Information from the Victorian Auditor General.

**Declaration of Interests**

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

**Background****Part 1 - Financial Information 2012/2013**

A report is prepared on an annual basis based on financial information for both Colac Otway and other Councils in the Large Shire Grouping.

The information is up to the 2012/2013 financial year and is taken from Annual Reports where the information is available.

The paper includes information on the following:

- A Colac Otway Shire Data 2005/06 to 2012/13
- B Colac Otway Shire Indicators/Ratios 2005/06 to 2012/13
- C Staff Numbers and Salary Expenditure 2011/12
- D Staff Numbers and Salary Expenditure 2012/13
- E Large Shire Grouping 2011/12 and 2012/13
- F Financial and Other Indicators 2012/13
- G Debt Management/Borrowings.

**Part 2 - Strategy Plus**

Strategy Plus collects data from the published Annual Reports of all 79 Victorian Councils.

The ratios are based on an interpretation of data provided in the annual reports based on definitions as detailed by Strategy Plus.

The data is merely provided as a source of information to enable Councils to benchmark items of interest from data in publicly available documents.

Victorian Auditor-General (VAG)

The VAG has been preparing data on the results of financial audits and financial sustainability over a number of years.

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

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

*Our Goal:*

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

**Issues / Options**Using Indicators and Data

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

The purpose of utilising financial key performance data analysis is to gain knowledge on how Council performs comparative to like Councils and those across the state and to therefore understand areas where Council performs well and where there are opportunities for Council to seek improvement.

Financial key performance indicators by themselves do not provide definitive answers. Frequently there may be very good and valid reasons for Councils varying from the 'norm'. What they do however is generate the questions that need to be answered and ensure that variances are planned with knowledge rather than by accident.

Given the basis of data collection, it should be noted that the financial statistics contained in this report do not attempt to contain any measures of what services are provided and to what level within Colac Otway, in comparison to other municipalities. This information is not typically available in comparable forms in annual reports.

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

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

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

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

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

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

Local Government in Victoria 2009

#### Large Shire Grouping

The Large Shire Grouping varies based on the organisation analysing the data.

- (a) The Victorian Auditor General's Office (VAGO) includes 16 Councils in the Large Shire grouping:

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

- (b) Strategy Plus includes 19 Councils in the Large Rural Council grouping:

- 1 Baw Baw
- 2 Campaspe
- 3 Colac Otway
- 4 Corangamite
- 5 East Gippsland
- 6 Glenelg
- 7 Horsham
- 8 Macedon Ranges
- 9 Mitchell
- 10 Moira
- 11 Moorabool
- 12 Moyne
- 13 Murrindindi
- 14 South Gippsland
- 15 Southern Grampians
- 16 Surf Coast
- 17 Swan Hill
- 18 Wangaratta
- 19 Wellington.

### Part 1 - Financial Information 2012/2013

#### Key Findings and Recommendations

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

Over the last 8 years there has been an increased emphasis on key challenges to ensure that Colac Otway achieves certain targets as to ensure that the Council's financial position is improved.

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

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

#### Comparisons

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

The data that is available indicates that as at 30 June 2013, Colac Otway compares well with the average of Large Rural Councils in most categories/key performance indicators.

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

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

### Part 2 - Strategy Plus Data

The Strategy Plus paper provides information under the following headings:

- 1 - Assets
- 2 - Capital
- 3 - Cash
- 4 - Indebtedness/Liabilities
- 5 - Operating
- 6 - Rating
- 7 - Capacity to Pay
- 8 - Financial Sustainability Indicators.

#### Summary

The data that is available indicates that Colac Otway compares well with the average of Large Rural Councils in most categories/key performance indicators.

The main areas for ongoing review are:

- The underlying operating deficit
- Liquidity levels
- The level of capital expenditure
- The level of depreciation.

The continued emphasis on these aspects will ensure that Colac Otway improves its financial position.

The payment of the Defined Superannuation Liability has had an impact on a number of the indicators across all of Local Government.

#### VAGO - Financial Sustainability Ratios

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

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

#### *“Background*

*To be financially sustainable, entities need to be able to meet current and future expenditure as it falls due and to absorb foreseeable changes and risks without significantly changing their revenue and expenditure policies. This Part provides insight into the financial sustainability of the 79 local councils.*

#### *Conclusion*

*Two councils improved their financial sustainability risk assessments from medium to low risk, however, the assessments for nine other councils deteriorated—a net movement of seven. Of the nine, eight councils had deteriorating self-financing or indebtedness ratios with five affected by their choice to repay the defined benefit superannuation funding call liability early. One council's sustainability assessment changed from low to high as a result of a liquidity ratio of less than one.*

*Inner metropolitan councils and regional city councils with an established asset base face longer-term pressures in maintaining and renewing existing assets or paying down existing debt while outer metropolitan and large shire councils face an ongoing challenge of maintaining spending on capital works and future renewal works to maintain their assets at serviceable levels. Small shire councils continued reliance on government funding exposes them to higher financial risks in the future.”*

*p.21 Victorian Auditor-General's Report  
Local Government: Results of the 2012/13 Audits*

*“Financial sustainability risk for the 16 large shire councils was assessed as low for 2012–13. Three councils in this cohort were assessed as medium risk (one council in 2011–12).”*

*p.24*

*“The capital replacement indicator for nine of the 16 councils was medium risk, highlighting the challenges large shire councils face in maintaining a level of capital spending to match the rate of depreciation on their existing assets.”*

*p.25*

Below are details showing the various ratios for the 2012/13 financial year and an overall Sustainability Assessment for the last five years.

The information for the period 2008/09 to 2012/13 is taken from the annual results that the Victorian Auditor-General publishes after the end of each financial year.

In 2004/05 the results for Colac Otway Shire Council were indicating an overall “high risk”. Since then the results have indicated an overall “low risk”.

Financial Sustainability Risk Assessment Results for 2012/2013

The overall financial sustainability of Large Shire Councils for 2012/2013 has been assessed as low risk.

The indicators utilised by the Victorian Auditor General to assess the financial viability of councils are:

- Underlying Result – whether enough revenue is generated to cover operating costs (including the cost of replacing assets, reflected in depreciation expense).
- Liquidity – whether sufficient working capital exists to meet short term commitments.
- Self-Financing – whether sufficient operating cash flows are generated to invest in asset renewal and to repay any debt incurred in the past.
- Indebtedness – whether there is an over reliance on debt to fund capital programmes.
- Capital Replacement – whether assets have been replaced at a rate consistent with the rate of their consumption.
- Renewal Gap – whether existing assets have been maintained at a consistent rate.

The matrix below shows a mixed result for 2012/13, with the indicators for Capital Replacement and Renewal Gap showing a Medium risk level.

2012/13 Financial Year

| Indicators              | Colac Otway Result | Risk Levels                |                               |                   |
|-------------------------|--------------------|----------------------------|-------------------------------|-------------------|
|                         |                    | High                       | Medium                        | Low               |
| Underlying Result Ratio | 3.30%              | Negative 10% or less       | Between negative 10% and zero | Greater than zero |
| Liquidity Ratio         | 267%               | Equal to or Less than 100% | Between 100% and 150%         | Greater than 150% |
| Indebtedness Ratio      | 30.32%             | Greater than 60%           | Between 40% and 60%           | Less than 40%     |
| Self-Financing Ratio    | 21.17%             | Less than 10%              | Between 10% and 20%           | Greater than 20%  |
| Capital Replacement     | 132%               | Equal to or less than 100% | Between 100% and 150%         | Greater than 150% |
| Renewal Gap             | 97%                | Equal to or less than 50%  | Between 50% and 100%          | Greater than 100% |

Financial Sustainability - 5 year results 2008/09 to 2012/13

The figures below are for the Colac Otway Shire as well as the figure for the Large Shire Councils for the five year average financial sustainability risk assessment 2008/09 to 2012/13.

Underlying Result (%) 2008/09 to 2012/13

|             |         |      |       |
|-------------|---------|------|-------|
| Colac Otway | 2008/09 | 2.79 | (Low) |
| Colac Otway | 2009/10 | 5.16 | (Low) |
| Colac Otway | 2010/11 | 5.54 | (Low) |



|                                      |             |              |
|--------------------------------------|-------------|--------------|
| Colac Otway 2011/12                  | 1.84        | (Low)        |
| Colac Otway 2012/13                  | 3.30        | (Low)        |
| <b>Colac Otway 5 year Mean</b>       | <b>3.73</b> | <b>(Low)</b> |
| <i>Large Shire Council's Average</i> | <i>5.48</i> | <i>(Low)</i> |

This ratio includes capital grants, which aid in generating an underlying surplus that can be utilised for new assets or asset renewal. This result places Council within the 'Low' risk category for financial sustainability.

Liquidity Ratio 2008/09 to 2012/13

|                                      |             |              |
|--------------------------------------|-------------|--------------|
| Colac Otway 2008/09                  | 2.27        | (Low)        |
| Colac Otway 2009/10                  | 2.18        | (Low)        |
| Colac Otway 2010/11                  | 2.41        | (Low)        |
| Colac Otway 2011/12                  | 2.73        | (Low)        |
| Colac Otway 2012/13                  | 2.67        | (Low)        |
| <b>Colac Otway 5 year Mean</b>       | <b>2.45</b> | <b>(Low)</b> |
| <i>Large Shire Council's Average</i> | <i>2.22</i> | <i>(Low)</i> |

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

The target in Council's Strategic Resource Plan is to maintain a ratio of at least 150%. Our current ratio is well over the recommended limit of 150% indicated by the Auditor General. This is a positive result as it places Council in the 'Low' risk category, indicating that we have no immediate issue with repaying our liabilities when they fall due.

Indebtedness (%) 2008/09 to 2012/13

|                                      |              |              |
|--------------------------------------|--------------|--------------|
| Colac Otway 2008/09                  | 20.03        | (Low)        |
| Colac Otway 2009/10                  | 27.07        | (Low)        |
| Colac Otway 2010/11                  | 33.81        | (Low)        |
| Colac Otway 2011/12                  | 39.50        | (Low)        |
| Colac Otway 2012/13                  | 30.32        | (Low)        |
| <b>Colac Otway 5 year Mean</b>       | <b>30.15</b> | <b>(Low)</b> |
| <i>Large Shire Council's Average</i> | <i>27.96</i> | <i>(Low)</i> |

This ratio indicates the ability to repay debt from our own sources of revenue, such as rates and charges. The ratio has moved from 'Medium' to 'Low' risk as a result of Council funding the \$3.18 million Local Government Defined Benefit Superannuation call during the year. The longer term impact of funding the superannuation call from existing reserves will need to be carefully managed to limit the impact on the condition of Council's assets and Council's ability to meet its ongoing operations.

Self-Financing (%) 2008/09 to 2012/13

|                                     |              |              |
|-------------------------------------|--------------|--------------|
| Colac Otway 2008/09                 | 29.99        | (Low)        |
| Colac Otway 2009/10                 | 31.53        | (Low)        |
| Colac Otway 2010/11                 | 30.27        | (Low)        |
| Colac Otway 2011/12                 | 33.15        | (Low)        |
| Colac Otway 2012/13                 | 21.17        | (Low)        |
| <b>Colac Otway 5 year Mean</b>      | <b>29.22</b> | <b>(Low)</b> |
| <i>Large Shire Councils Average</i> | <i>28.37</i> | <i>(Low)</i> |

Results indicate that we are generating enough cash from operations to fund the renewal of existing assets. Although falling into the 'Low' risk category, Council is only marginally within this grouping.

Capital Replacement 2008/09 to 2012/13

|                                     |             |                 |
|-------------------------------------|-------------|-----------------|
| Colac Otway 2008/09                 | 0.90        | (High)          |
| Colac Otway 2009/10                 | 1.70        | (Low)           |
| Colac Otway 2010/11                 | 1.58        | (Low)           |
| Colac Otway 2011/12                 | 1.42        | (Medium)        |
| Colac Otway 2012/13                 | 1.32        | (Medium)        |
| <b>Colac Otway 5 year Mean</b>      | <b>1.38</b> | <b>(Medium)</b> |
| <i>Large Shire Councils Average</i> | <i>1.45</i> | <i>(Medium)</i> |

This ratio is concerned with the overall spending on assets, both new and existing. The graph shows that there has been a steady decline in the ratio over the last four years.

2012/13 shows an ongoing commitment to maintaining a positive ratio of capital expenditure compared with depreciation of infrastructure assets. As the ratio is below 150%, it now falls into the 'Medium' risk category of the Financial Sustainability Risk assessment.

Renewal Gap 2008/09 to 2012/13

|                                     |             |              |
|-------------------------------------|-------------|--------------|
| Colac Otway 2008/09                 | 0.84        | (Medium)     |
| Colac Otway 2009/10                 | 1.17        | (Low)        |
| Colac Otway 2010/11                 | 1.19        | (Low)        |
| Colac Otway 2011/12                 | 1.12        | (Low)        |
| Colac Otway 2012/13                 | 0.97        | (Medium)     |
| <b>Colac Otway 5 year Mean</b>      | <b>1.06</b> | <b>(Low)</b> |
| <i>Large Shire Councils Average</i> | <i>1.05</i> | <i>(Low)</i> |

This ratio is concerned with the overall spending on assets, both renewal and upgrade to existing. The graph shows that there has been a steady decline in the ratio over the last four years.

2012/13 shows an ongoing commitment to maintaining a positive ratio of capital expenditure compared with depreciation of infrastructure assets. As the ratio is below 150%, it now falls into the 'Medium' risk category of the Financial Sustainability Risk assessment.

Financial Sustainability - 5 year results 2008/09 to 2012/13 (Mean)

| Indicators              | Colac Otway Result | Risk Levels                |                               |                   |
|-------------------------|--------------------|----------------------------|-------------------------------|-------------------|
|                         |                    | High                       | Medium                        | Low               |
| Underlying Result Ratio | 3.73%              | Negative 10% or less       | Between negative 10% and zero | Greater than zero |
| Liquidity Ratio         | 245%               | Equal to or Less than 100% | Between 100% and 150%         | Greater than 150% |
| Indebtedness Ratio      | 30.15%             | Greater than 60%           | Between 40% and 60%           | Less than 40%     |

| Indicators           | Colac Otway | Risk Levels                |                       |                   |
|----------------------|-------------|----------------------------|-----------------------|-------------------|
| Self-Financing Ratio | 29.22%      | Less than 10%              | Between 10% and 20%   | Greater than 20%  |
| Capital Replacement  | 138%        | Equal to or less than 100% | Between 100% and 150% | Greater than 150% |
| Renewal Gap          | 106%        | Equal to or less than 50%  | Between 50% and 100%  | Greater than 100% |

The matrix indicates that the only indicator at a Medium risk level over the 5 year period is the Capital Replacement ratio. All other indicators over the 5 year period are indicating a Low risk level.

### Proposal

The report is for Council's information. The report provides information on a wide variety of data.

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

### Financial and Other Resource Implications

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

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

As noted the payment of the Defined Superannuation Liability has had an impact on a number of the Financial Indicators.

### Risk Management & Compliance Issues

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

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

### Environmental and Climate Change Considerations

Not applicable.

### Community Engagement

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

The method selected is to inform. A copy of the Part 1 information paper has previously been provided to The Audit Committee. A copy of this report will be included in the next Audit Committee agenda.

### Implementation

The report and attached paper are for information only.

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

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

### **Conclusion**

The report indicates that as at 30 June 2013, Colac Otway compares well with the average of Large Rural Councils in most categories/key performance indicators.

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

One of the major ongoing challenges that Council faces is to maintain spending on capital works and existing assets at sufficient levels. As noted by the VAG large shires have challenges in maintaining a level of capital spending to match the rate of depreciation on their existing assets.

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

- The underlying operating deficit
- Liquidity levels
- The level of depreciation
- The level of capital expenditure.

The continued emphasis on these aspects will continue to ensure that Colac Otway improves its financial position.

The information available also indicates that Colac Otway Shire is addressing a number of the challenges that face Council. Over the last 5 years there has been an emphasis on improving Council's financial position.

As noted by the VAG Colac Otway is at a Low risk level for 2012/13. The Mean for the 5 year period to 2012/13 also indicates that Colac Otway is at a Low risk level.

### **Attachments**

1. Financial Information - 2012-2013

### **Recommendation(s)**

***That Council notes the Financial Information 2012/2013 report.***

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OM142201-3**OPERATIONAL PLAN SECOND QUARTER
PERFORMANCE REPORT OCTOBER - DECEMBER 2013**

AUTHOR:	Margaret Giudice	ENDORSED:	Colin Hayman
DEPARTMENT:	Corporate & Community Services	FILE REF:	F11/3291

Purpose

This report provides information to Council and the community on the progress of achieving the key activities in the Operational Plan 2013-2014 for the second quarter of the financial year, ending December 2013.

Declaration of Interests

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

Background

A new Council Plan for 2013-2017 was created subsequent to Council elections on 27 October 2012. Following a review of the planning framework the Council Plan has been positioned as our high level strategic document and an annual Operational Plan introduced.

The Operational Plan follows the structure of the Council Plan with its four key themes or 'pillars' of: Good Governance, A Planned Future, A Place to Live and Grow and A Healthy Community and Environment. It contains details of short term projects, significant recurrent work programs and other activities that were formerly included in the Council Plan.

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

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

Our Goal:

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

As noted above, this report discusses performance against the Operational Plan 2013-2014.

Issues / Options

The attached report provides Council with the second quarterly progress report against the Operational Plan 2013-2014, as at 31 December 2013.

The Operational Plan is structured around the four Pillars of the Council Plan 2013-2017:

1. Good Governance
2. A Planned Future
3. A Place to Live and Grow
4. A Healthy Community and Environment.

In addition to the strategies contained in the Council Plan, the Operational Plan has the Key Strategic Activities and Operational Activities for the current financial year that contribute to achieving the goals of the Council Plan. The Operational Plan is reviewed annually and forms the basis for each Business Unit's annual Business Plans and Budgets.

The Operational Plan contains 52 actions for the 2013/14 financial year. Progress is measured cumulatively over the year, with a target set for each quarter; 50% for December. At the close of the December quarter, the following progress has been achieved:

- 30 actions at least 90% of target
- 8 actions between 70% and 90% of target
- 14 actions less than 70% of target

All actions have commenced. Actions that achieved less than 90% of target for the quarter is due to some of these projects being in the early stages of progress for this financial year.

Throughout the attached report, progress is represented by 'traffic lights'. Cumulative progress for each of the four Pillars is reflected in the progress gauges on the first page of the report. The first gauge in the report depicts the overall progress for the quarter.

As at 31 December 2013, the organisation is on track to achieve a successful outcome for this financial year.

Proposal

That Council considers the quarterly report as provided.

Financial and Other Resource Implications

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

Risk Management & Compliance Issues

This report meets the reporting and risk obligations of officers to Council.

Environmental and Climate Change Considerations

Applied in preparation of the Operational Plan and adoption of budgets.

Community Engagement

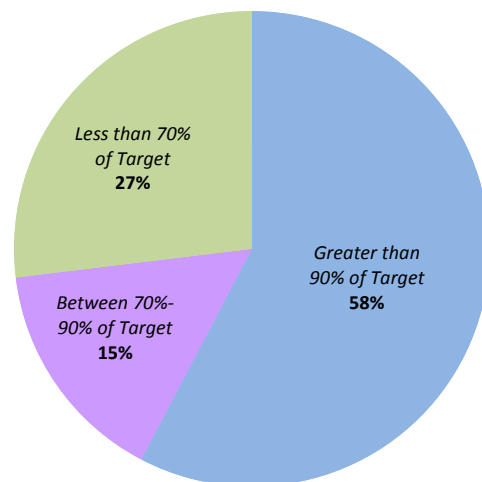
The community engagement strategy follows the recommendations of the Colac Otway Shire Council Community Engagement Policy of January 2010, which details five levels of engagement – inform, consult, involve, collaborate and empower.

The method selected would be to inform when preparing the Operational Plan and Budget. This is a quarterly report that is for the information of Council.

Implementation

The Operational Plan 2013-2014 and Budget are already implemented and operating.

**Progress on Operational Plan Activities
October – December 2013
Progress Target: 50% completion**



Conclusion

The Operational Plan Progress Report reflects the progress to date for the second quarter of the 2013/14 year, with the majority of actions well underway.

Attachments

1. Operational Plan Second Quarter Progress Report 20131219

Recommendation(s)

That Council receives the 2013/2014 Operational Plan Second Quarter Performance Report for the three months ending 31 December 2013.

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**OM142201-4****SECOND QUARTER FINANCIAL PERFORMANCE REPORT  
2013-2014**

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

**Purpose**

The purpose of this report is to provide information to Council and the community on the financial performance of Council up to the second quarter of the financial year, ending December 2013.

**Declaration of Interests**

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

**Background**

Council adopted the budget for 2013-2014 including the Capital Works and Major Projects Programmes at the Council meeting held 10 July 2013. The attached report seeks to provide information on the performance of Council against the adopted budget.

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

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

The provision of this second quarter financial performance report meets our goal of ensuring transparency of governance practices and assists in the effective management of resources.

**Issues / Options**

Attached to this report is the Second Quarter Financial Performance Report 2013-2014.

At the time the budget for 2013-2014 was prepared, it was expected that Council would see an operating surplus of \$2.577 million. Council continues to revise the estimate for the 2013-2014 year activities as more accurate information comes to hand, for example the inclusion of carried forward projects, revisions or alterations to projects and identified savings, with the current operating surplus forecast to be \$7.304 million. The increase in the operating surplus arises from the inclusion of carried forward projects from the 2012-2013 financial year, for example the grant funding for the redevelopment of the Blue Water Fitness Centre. Variations between the forecast and the original budget arise as circumstances change during the course of the financial year.

The achievement of an operating surplus for the 2013-2014 year continues to be a priority of Council. It is important for Council and the community to understand that we continue to refine our forecasts and adjust our activities to ensure that Council is in the position to report an operating surplus for the 2013-2014 financial year.

Council currently has a cash at bank balance of \$9.547 million, which is higher than for the same time in 2012-2013 due to a significant amount of grant funding being received in advance of activities commencing.

Further detail on the financial performance of Council is provided in the attached report.

**Proposal**

That Council considers the report as detailed herein, receives the report as provided and notes the forecast changes to date.

**Financial and Other Resource Implications**

Financial and resource matters affecting the budget performance of Council are detailed in the quarterly financial performance report.

**Risk Management & Compliance Issues**

This report addresses the regulatory reporting requirements of the *Local Government Act 1989*.

**Environmental and Climate Change Considerations**

Any such considerations are applied in preparation of the Council Plan and adoption of the budgets.

**Community Engagement**

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

The method selected is to inform as per statutory obligations when preparing the Council Plan and Budget. This is a quarterly report that is for the information of Council.

**Implementation**

The Council Plan and Budget are already implemented and operating.

**Conclusion**

This report has been compiled by the Finance and Customer Service Unit with the assistance of other affected business units of Council and reflects the performance to date of Council against the budget and targets set by Council for the first quarter of the 2013-2014 financial year.

**Attachments**

1. Report - Quarterly Council Report - 2013-2014 - Quarter 2 Financial Performance Report to Council - December 2013
2. 2013-2014 Project List

**Recommendation(s)**

***That Council receives the second quarter financial performance report for 2013-2014***

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OM142201-5

DRAFT RATING STRATEGY 2014-2017

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

Purpose

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

The purpose of this report is for Council to adopt a preferred position on the Draft Rating Strategy 2014-2017 in order for Council to undertake further consultation with the community.

Declaration of Interests

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

Background

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

What is a rating strategy?

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

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

The importance of a rating strategy

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

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

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

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

Council Plan / Other Strategies / Policy

Good Governance

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

Our Goal:

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

Issues / Options

Consultation

Colac Otway Shire has conducted a range of public consultation activities relating to the differential rating regime to determine the appetite for change from the existing rating differential regime. Information was provided to local media concerning the window of opportunity for public comment.

Four (4) community drop in sessions were conducted across the shire at Colac, Apollo Bay, Birregurra and Beeac to allow the opportunity for interested individuals to attend a drop in session and ask questions and to provide suggestions and comments.

In total some 24 submissions were received from both formal written submissions to comments made at the various drop in sessions.

All of the information collected from the community was then provided to Council and utilised to develop a range of alternative differential rating scenarios.

Council has then reviewed and discussed each of the alternatives prior to developing the preferred option detailed in this strategy. A summary of these issues is provided below:

| Issues | | | Comments |
|--|---------------------|---------------|---|
| Retain | differential | rating | Council supported the retention of the differential structure. |
| structure. | | | |
| Increase differential for “Farms”. | | | |
| Have separate categories for “Commercial” & “Industrial”. | | | Council has considered the impact of this potential change on other rating categories. |
| | | | Council has considered the de-amalgamation of these rating categories and believes there is no need for separate rating categories as both uses are intrinsically commercial in nature. |

| Issues | Comments |
|---|---|
| Reduce differential for “Commercial” (from 165%) to encourage business. | Council has considered the impact of this potential change on other rating categories. |
| All categories pay the same rate in \$ except Commercial & Holiday rental, which should pay 15% higher rate in \$. | Council has considered the impact of this potential change on other rating categories |
| Collect full 20% of income from Municipal Charge to reduce general rates component. | Council has considered the impact of this change and considers the impact on lower valued properties to be inequitable. |
| Similar standard home in Apollo Bay & Colac should pay same amount of rates (regardless of valuation). | Council has determined that the proposed change does not meet the principles of equity, efficiency and simplicity. In addition there is also a legislative limitation on Council's ability to do so. |
| Businesses operating from small blocks whilst farms must have large blocks. | All known businesses are included within the commercial/industrial rating category and all dual use properties are categorised at the highest of the possible rating categories
With regard to the size of land required to undertake what is intrinsically a commercial activity, the basic principle of the rating regime is that it is a wealth tax based on valuation |
| All farms should be a single assessment. | This is not permitted by the Valuation of Land Act 1960 and the <i>Local Government Act 1989</i> . |
| Farms are farmers “superannuation” & “share” portfolio – yet this is rated – Superannuation & share portfolio of residential property owners not taxed – this is unfair. | Council also considers that this equally applies to residential /commercial property owners. |
| Rates payable should be linked to income. | Council has determined that the proposed change does not meet the principles of equity, efficiency and simplicity. In addition there is also a legislative limitation on Council's ability to do so. |
| Rates increases should be limited to CPI increases. | Council considers that this has no bearing on the rating strategy which is concerned with how the rates taxation burden is distributed across the community.
It should be noted that Local government's costs are not commensurate with the Consumer Price Index. |
| Communities feel no benefit received for rates paid. | Council acknowledges that there is no nexus between consumption /benefit and the rate burden. |
| Should be able to show comparison of dollars raised from rates compared to dollars spent in communities. | It is Council's opinion that this issue is based on the benefit principle (the opposite of the wealth tax principle). The application of the benefit principle is difficult in practice because of the complexity and, in some cases, impossibility, of measuring the relative levels of access and consumption across the full range of council services. A simplistic determination of rates based on where services are located is also short-sighted because it ignores |

| Issues | Comments |
|---|--|
| | <p>issues such as:</p> <ul style="list-style-type: none"> • Some services are not location specific; • Access is not synonymous with consumption; • Residents can travel or use technology to access some services; and • Service levels provided in different locations within the municipality have different costs. For example, the actual cost of providing the same service may be higher for Apollo Bay than for a property in the middle of Colac. |
| Rates increases unsustainable for pensioners- income not increasing by same % as rates increases. | Council acknowledges that there is no nexus between the changes in individual income levels and the rate burden. Pensioners do however currently receive a CPI indexed rates concession. |
| Pensioners losing in real terms as Pensioner Rates Concession only increases by CPI but rates increase greater than CPI. | Council acknowledges that there is no nexus between the changes in individual income levels and the rate burden. Pensioners do however currently receive a CPI indexed rates concession. |
| Rates increases unsustainable for farms – income not increasing by same % as rates increases. | Council acknowledges that there is no nexus between the changes in individual income levels and the rate burden. The farm rates are however currently levied at a substantial discount to the base rate. |
| Inadequate funding by State / Federal Governments to local government. | Council acknowledges that this is an ongoing issue and will continue to advocate for additional support. |

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

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

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

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

The changes proposed are to:

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

Proposal

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

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

The draft Rating Strategy 2014-2017 for the Colac Otway Shire Council then proposes the following key strategies be adopted to inform the rating system to be adopted for and applied to future Council resource planning and budgets:

1. Council applies Capital Improved Valuation (CIV) as the valuation methodology to levy Council rates. Council reviews the impacts of revaluations as they occur.
2. Council applies differential rating as its rating system. Council considers that each differential rate contributes to the equitable and efficient carrying out of Council functions.
3. That Council applies differential rates for:
 - 3.1. Residential – Colac
 - 3.2. Residential – Balance of Shire
 - 3.3. Rural – Farm
 - 3.4. Holiday Rental
 - 3.5. Commercial/Industrial – Colac
 - 3.6. Commercial/Industrial – Balance of Shire.
4. The service charges applied by Council are a Waste Collection Charge for the collection and disposal of household waste, including recyclables, litter bins collections and green waste for developed properties only.
5. Council applies a Municipal charge in accordance with legislation.

6. Council will not offer a lump sum payment option therefore all rates must be paid via instalments with the due dates for payment each financial year as follows:
 - 6.1. 1st Instalment due – 30 September
 - 6.2. 2nd instalment due – 30 November
 - 6.3. 3rd Instalment due – 28 February
 - 6.4. 4th Instalment due – 31 May.
7. Council also allows ratepayers to pay property rates via payment arrangements, by any number of instalments, provided the full amount of rates and charges are paid by 31 May each year.
8. Council recognises there are cases of genuine financial hardship and has a Hardship Policy which establishes the guidelines for assessment based on fairness, compassion, confidentiality and compliance with statutory requirements.

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

Financial and Other Resource Implications

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

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

Risk Management & Compliance Issues

The draft rating strategy complies with the following legislation:

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

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

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

Environmental and Climate Change Considerations

No specific items to report.

Community Engagement

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

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

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

Following Council consideration of the draft strategy, officers will commence the public exhibition process by placing advertisements in the local media. Copies of the document will be available on Council’s website and for viewing in the Colac and Apollo Bay Customer Service Centres and at the Colac Community Library and Learning Centre.

The exhibition period will be for a minimum of six weeks within which time written submissions may be received.

Implementation

The public consultation will be implemented as outlined above and will commence in late January 2014, subject to the endorsement of this report.

At the conclusion of the public exhibition period, all written submissions and comments will be received and reviewed by Council. Any modifications to the draft Rating Strategy 2014-2017 may be made as deemed appropriate.

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

Conclusion

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

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

1. Council applies Capital Improved Valuation (CIV) as the valuation methodology to levy Council rates. Council reviews the impacts of revaluations as they occur.
2. Council applies differential rating as its rating system. Council considers that each differential rate contributes to the equitable and efficient carrying out of Council functions.
3. That Council applies differential rates for:

- 3.1. Residential – Colac
 - 3.1.1. Which will include all residential properties within the localities of Colac, Colac East, Colac West and Elliminyt within the Colac residential rating category.
- 3.2. Residential – Balance of Shire
- 3.3. Rural – Farm
 - 3.3.1. Which will also include all vacant land that for planning purposes is zoned for farming use only that has been deemed (less than 5 hectares) as unable to support a farming enterprise capable of supporting a residence.
- 3.4. Holiday Rental
- 3.5. Commercial/Industrial – Colac
- 3.6. Commercial/Industrial – Balance of Shire.
4. The service charges applied by Council are a Waste Collection Charge for the collection and disposal of household waste, including recyclables, litter bins collections and green waste for developed properties only.
5. Council applies a Municipal charge in accordance with legislation.
6. Council will not offer a lump sum payment option therefore all rates must be paid via instalments with the due dates for payment each financial year as follows:
 - 6.1. 1st Instalment due – 30 September
 - 6.2. 2nd instalment due – 30 November
 - 6.3. 3rd Instalment due – 28 February
 - 6.4. 4th Instalment due – 31 May.
7. Council also allows ratepayers to pay property rates via payment arrangements, by any number of instalments, provided the full amount of rates and charges are paid by 31 May each year.
8. Council recognises there are cases of genuine financial hardship and has a Hardship Policy which establishes the guidelines for assessment based on fairness, compassion, confidentiality and compliance with statutory requirements.

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

Attachments

1. Colac Otway Shire Rating Strategy 2014-2017

Recommendation(s)

That Council endorses the draft Rating Strategy 2014-2017 to be placed on public exhibition for a 6 week period in accordance with Council's Community Engagement Policy 2010.

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**OM142201-6****NAMING OF ROADS, LOCALITIES AND FEATURES  
POLICY**

AUTHOR:	Colin Hayman	ENDORSED:	Rob Small
DEPARTMENT:	Corporate & Community Services	FILE REF:	11/96037

**Purpose**

The purpose of this report is to seek Council adoption of the Naming of Roads, Localities and Features policy following a period of time provided for public comments.

**Declaration of Interests**

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

**Background**

As part of the review of Council Policies a new policy was developed to address issues that were raised through various forums and/or processes.

At the 23 October 2013 Council Meeting, Council resolved to endorse the Draft Naming of Roads, Localities and Features Policy.

Following the Council meeting an opportunity was provided to the Community to make comment. Comments on the policies were accepted until Friday 13 December 2013.

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

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

*Our Goal:*

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

**Issues / Options**

As a result of issues that were raised internally as a result of community feedback or the need to put in place a policy direction the new Naming of Roads, Localities and Features policy has been developed.

**Policy No. 20.2 - Naming of Roads, Localities and Features**

As a result of occasional questions to Council regarding the naming of different assets, including buildings a draft policy was developed.

The major emphasis of the policy is to preserve the Shire's identity and heritage and to recognise its cultural and physical diversity and:

- To provide guidelines for the naming of places within the Colac Otway Shire.
- To provide a consistent decision making approach to naming requests.

During the 6 week submission process no comments were received from the community. No changes have been made to the draft policy.

There are three options being presented:

- Option 1      Adopt the Policy.
- Option 2      Not endorse the Policy and direct officers to make changes.
- Option 3      Not endorse the Policy.

Option 1 is the preferred option as the policy has been developed to address issues that have been raised and a public consultation process has been undertaken.

### **Proposal**

It is proposed that Council adopts the following policy:

- Policy No. 20.2 - Naming of Roads, Localities and Features.

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

There are no additional financial and other resource implications.

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

The policy address issues with respect to risk management and compliance.

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

Not applicable.

### **Community Engagement**

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

The method selected to date has been to consult the community with respect to the policy.

An advert was placed in the Colac Herald and the Apollo Bay News during November 2013 seeking comments on the two policies by Friday 13 December 2013.

Copies of the policy were previously provided to Councillors and were discussed at the Councillor workshop on 2 October 2013.

### **Implementation**

Once the Naming of Roads, Localities and Features policy is adopted Council records and website will be updated.

### **Conclusion**

The policy addresses issues that have been raised by staff, council and/or the community.

The policy puts in place processes that provide clear guidelines for Council.

### **Attachments**

1. Policy No 20.2 - Naming of Roads, Localities and Features

### **Recommendation(s)**

***That Council adopts Policy No. 20.2 - Naming of Roads, Localities and Features.***

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INFRASTRUCTURE AND SERVICES

| ITEM | |
|--------------------------|---|
| <u>OM142201-7</u> | <u>ROAD MANAGEMENT COMPLIANCE REPORT</u> |

OM142201-7**ROAD MANAGEMENT COMPLIANCE REPORT**

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

Purpose

The purpose of this report is to present to Council the Road Management Compliance Report which measures the performance of the road and footpath inspection and maintenance functions against the standards prescribed by the Road Management Plan.

Declaration of Interests

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

Background

The attached reports detail the performance of Council's road and footpath management systems and processes for the period of July to September 2013.

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

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

Our Goal:

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

Council is committed to achieving this by inspecting and maintaining its road and footpath assets in accordance with the Road Management Plan.

Issues / Options

The attached compliance reports measure compliance levels and also detail some of the key issues relating to the ongoing management of Council's road and footpath assets.

Roads

Approximately 170km of Council's local road system was inspected over the first quarter of 2013/14. Inspection zones included rural roads around Gellibrand, Barwon Downs and Birregurra. Rural Link roads and Colac Urban Access roads were also inspected during this period.

Of the defects which were responded to, 92% were completed on time. As with previous reporting periods the vast majority of identified issues related to the replacement of damaged or missing signs and guideposts. An emerging issue which was particularly highlighted this quarter is the management of roadside trees. The trimming of roadside trees is rapidly becoming an area of significant expenditure within Council's road maintenance budgets.

All operational activities relating to the inspection and maintenance of Council's road assets meet the performance targets documented in our Road Management Plan.

| Performance Measure (Roads) | Target | Result for Period
July – Sept. 2013 |
|---|---------------|--|
| Routine inspections completed as per Schedule | 100% | 100% |
| Response times for remedial works as assessed in Council's Maintenance Performance Criteria | 85% | 92% |

Footpaths

Approximately 19km of Council footpaths were inspected during this period. This included footpaths located in Colac classified as 'High Use'. That is footpaths in CBD areas, around schools and other community nodes of interest.

A total of 85 defects were identified which required some level of rectification. A large proportion of these related directly to footpath condition with cracking, spalling and raised edges being the predominant defect types.

All defects identified through routine inspections have been addressed. Of these, 81% were rectified within the timeframes prescribed in our Road Management Plan. The performance target for this activity is 85%.

| Performance Measure (Footpaths) | Target | Result for Period
July – Sept. 2013 |
|---|---------------|--|
| Routine inspections completed as per Schedule | 100% | 100% |
| Response times for remedial works as assessed in Council's Maintenance Performance Criteria | 85% | 81% |

Performance across all road management functions are subject to ongoing monitoring. Exception reports are regularly provided to Cosworks as a basis of keeping a check on the level of compliance achieved with respect to maintenance responsiveness.

Proposal

It is intended that Council receives the Road Management Plan Compliance Report for information only.

Financial and Other Resource Implications

No financial implications are applicable at present. The service levels within the Road Management Plan have been aligned to match existing maintenance funding allocations. Any increase in maintenance standards would require a review of current road and footpath maintenance budgets.

Any emerging deterioration trends will need to be continually monitored to determine likely impacts on both future maintenance and capital budgets.

Risk Management & Compliance Issues

Council's objective of road management is to ensure that a safe and efficient road network is provided primarily for use by members of the public and is available for other appropriate uses.

Council has an ongoing statutory obligation to ensure that it is fully compliant with the standards defined in its Road Management Plan.

Council's insurer requires that regular reports be presented and received by Council in relation to the organisation's level of compliance with the Road Management Plan.

Environmental and Climate Change Considerations

No environmental or climate change considerations are applicable at this time.

Community Engagement

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

The method selected is to inform the community through presentation of this report.

The Road Management Plan compliance reports are also presented to Council's Audit Committee as required.

Implementation

This report is provided to Council for information.

Conclusion

This report is provided for information and demonstrates Council's commitment to managing its roads and footpaths in order to fulfil its various statutory obligations and deliver best value services to the community.

Attachments

1. Road Management Plan Compliance Report - Roads
2. Road Management Plan Compliance Report - Footpaths

Recommendation(s)

That Council receives the Road Management Plan Compliance Report for the period July to September 2013 for information.

~~~~~v~~~~~



**SUSTAINABLE PLANNING AND DEVELOPMENT**

| ITEM                     |                                                                                                                                                |
|--------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| <b><u>OM142201-8</u></b> | <b><u>PLANNING SCHEME AMENDMENT C76 (BIRREGURRA<br/>STRUCTURE PLAN AND NEIGHBOURHOOD CHARACTER<br/>STUDY) CONSIDERATION OF SUBMISSIONS</u></b> |



**OM142201-8****PLANNING SCHEME AMENDMENT C76 (BIRREGURRA  
STRUCTURE PLAN AND NEIGHBOURHOOD CHARACTER  
STUDY) CONSIDERATION OF SUBMISSIONS**

|             |                                       |           |            |
|-------------|---------------------------------------|-----------|------------|
| AUTHOR:     | Gemma Browning                        | ENDORSED: | Jack Green |
| DEPARTMENT: | Sustainable Planning<br>& Development | FILE REF: | F11/3291   |

**Purpose**

The purpose of this report is for Council to consider submissions received to Planning Scheme Amendment C76 which implements the recommendations of the *Birregurra Structure Plan 2013* and *Birregurra Neighbourhood Character Study 2012*.

**Declaration of Interests**

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

**Background**

Consultants, Hansen Partnership, were appointed in 2012 to review the previous draft Birregurra Structure Plan prepared by consultant CPG Australia P/L, which was placed on hold in late 2010 following concerns raised by the community in relation to certain aspects of the report. These concerns included identification of a potential development area to the north-west of the township, impact on neighbourhood character from increased development, and limited community consultation. In response to these concerns Council established a Community Reference Group (CRG), committed to review the draft Structure Plan and agreed to commence a Neighbourhood Character Study (which was finalised and adopted in June 2012). The CRG has been successful and provided an important link between Council and the community in reviewing draft proposals and suggesting ideas for consultation.

The Neighbourhood Character Study was adopted by Council in June 2012 and a review of the draft Structure Plan directly followed. The modified *Birregurra Structure Plan 2013* was adopted by Council in June 2013 following a formal public exhibition period. Amendment C76 is the translation of these two documents into the Planning Scheme. The amendment introduces the Design and Development Overlay over various precincts to protect and encourage the preferred character and introduce a greater level of control in relation to fundamental neighbourhood character considerations such as building setbacks, site coverage and building height. In addition a Vegetation Protection Overlay is proposed to ensure larger canopy trees that contribute to the rural landscape character of the township are considered during development. A small amount of rezoning is required to ensure existing land use is acknowledged and to ensure the commercial core of the township is secured to provide longer term options for retail and commercial uses as recommended by the Structure Plan. Changes are also proposed for the Municipal Strategic Statement (MSS) to update the policy in line with the Structure Plan and Neighbourhood Character Study.

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

Creates an attractive Shire with quality buildings and spaces, accessible travel and transport, and a community that has the services and facilities it needs now and in the future;

supports a prosperous economy where trade, manufacturing and business activity flourishes.

*Our Goal:*

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

**Issues / Options**

Exhibition and Submissions

Amendment C76 was on formal public exhibition for 7 weeks from 23 October 2013 to 13 December 2013. Advertisements were placed in the Colac Herald and Birregurra Mail and a mail out was completed across the Birregurra District. In addition a community information session was held on 21 November 2013. The information session only attracted a small number of residents, however it was a good opportunity to go through the proposed planning controls and the discussion was generally positive.

Seven submissions were received through the consultation period, four of which have raised objections to parts of the amendment.

The lack of submissions received through the formal exhibition period is a key indicator that the feedback consistently received throughout the development of both the Neighbourhood Character Study and Structure Plan has been accurately represented in the finalised documents and translated into Amendment C76.

Public Submissions

As a result of public exhibition period seven submissions were received as follows:

- Submission 1 - Barwon Water – no objection
- Submission 2 – EPA – no objection.
- Submission 3 – Corangamite CMA – no objection.
- Submission 4 – objection.
- Submission 5 – objection.
- Submission 6 – objection.
- Submission 7 – objection.

A copy of each submission was circulated to Councillors separately to the agenda for privacy reasons. Before addressing each of the submissions it is important to clarify what options Council has in responding to the submissions. Under the provisions of Section 23(1) of the *Planning and Environment Act 1987*, after considering submissions that request a change to the amendment, Council must:

- a) change the amendment in the manner requested; or
- b) refer the submission to an independent panel; or
- c) abandon the amendment or part of the amendment.

This report recommends that Council supports option (b) and refers all submissions for consideration by a panel. The following is a detailed assessment of the four opposing submissions:

**Submission 4** objects to retaining the existing town boundary. The submission states that the *Birregurra Structure Plan 2013* has failed to consider the practicality of maintaining small farming zone blocks on the periphery of the Township Zone. The submission specifically

recommends that the subject site at 1 Bowden St, Birregurra (refer to Figure 1) is rezoned for residential purposes.

This rezoning is in conflict with the recommendations of the *Birregurra Structure Plan 2013*. The area is not part of any of the three future investigation areas for residential development highlighted by the Structure Plan. The site is not considered appropriate for residential rezoning because a large proportion of the site is susceptible to flooding and landslip making it unsuitable for development. The current application of the Flood Overlay, Land Subject to Inundation Overlay and the Erosion Management Overlay are all strong indicators of the threat of these environmental hazards.

Whilst the subject land may not be agriculturally viable on its own, there is the opportunity for this land to be amalgamated into a larger farming holding in the future. In addition the preferred uses that are listed in the submission can be considered at the current time under the Farming Zone and therefore the current zone shouldn't be viewed as an impediment to development.



Figure 1. Submitter 4 Aerial Map

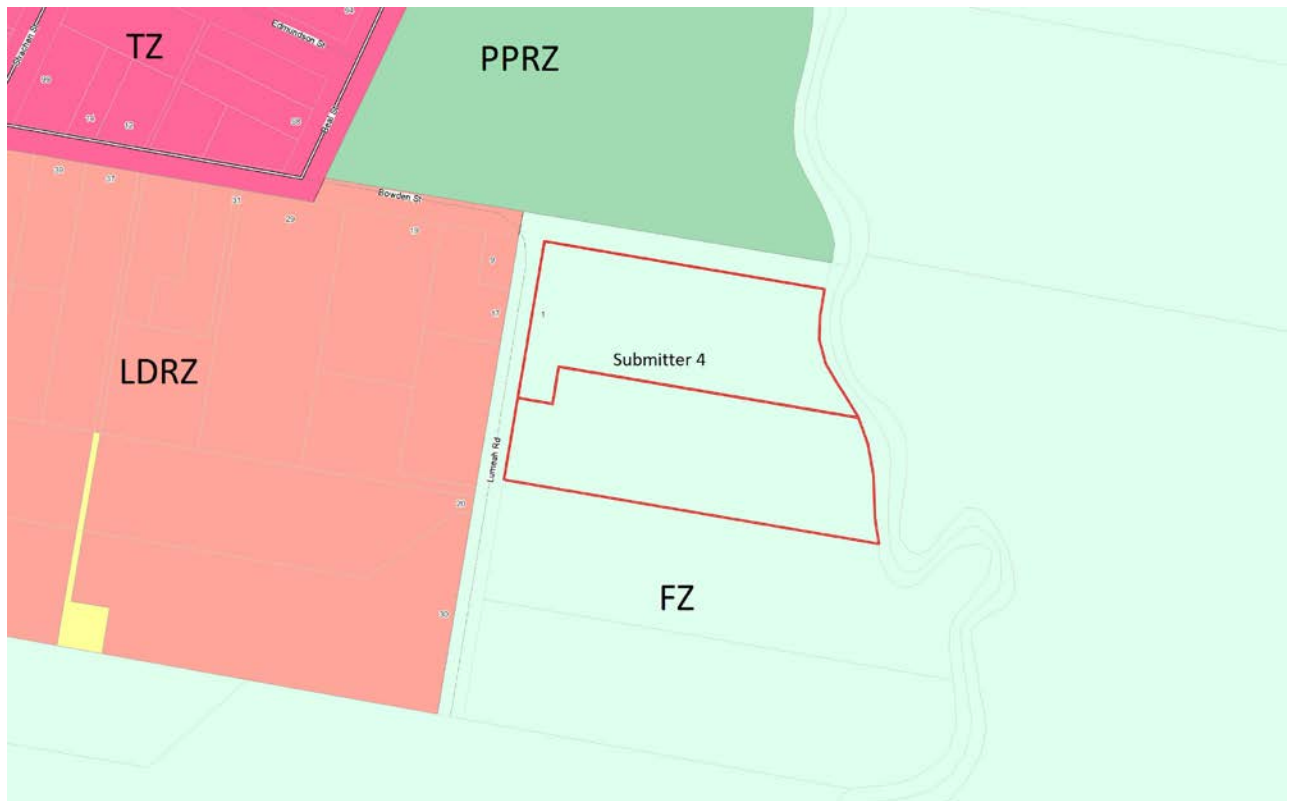


Figure 2. Submitter 4 Existing Zoning Map

**Submissions 5 and 6** both oppose the retention of the existing town boundary and the exclusion of any new residential rezoning. The submissions propose the rezoning of an area of farming land that is adjacent to the existing township, in order to provide a small amount of greenfield land for development in addition to infill. The area that is identified by submitters is within, and adjacent to, an area earmarked in the Structure Plan as a future long term investigation area. The submissions argue that the Structure Plan fails to adequately forward plan for the next 15 years as required under the State Planning Policy Framework and that the likely uptake of infill is overstated. The submissions highlight the increasing desirability of the town given the Princes Highway duplication, possibility of increased train services and growing tourist interest. Submitters 5 and 6 both indicate they have a personal interest in the property identified in figure 3 that forms part of the area suggested in the submissions for rezoning. Submission 6 also proposed that the investigation areas highlighted in the Structure Plan document should also be shown on the Birregurra Structure Plan diagram proposed to form part of the Municipal Strategic Statement.





Figure 3 Submitter 5 &amp; 6

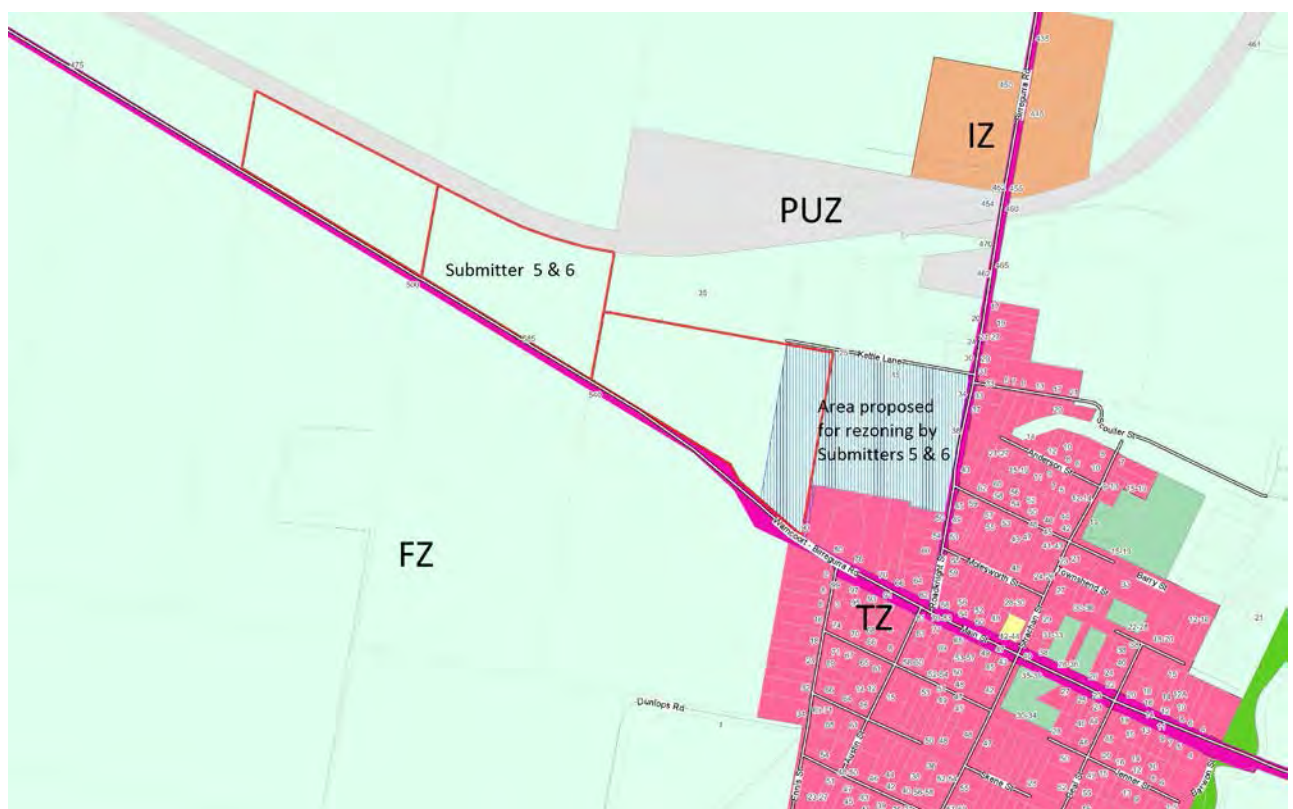


Figure 4 Submitter 5 &amp; 6 Existing Zoning Map

The *Birregurra Structure Plan 2013* indicated that Birregurra had infill capacity to provide between 180 and 320 new dwellings. Historic trends indicate that there is an estimated average annual demand for around 4 to 5 new dwellings per year. If this demand rate doubles, Birregurra would still have the potential to meet this demand by utilising current infill opportunities through to 2031. Given the significant potential for infill development within current zone boundaries, it was recommended that priority should be given to encouraging infill development and avoiding the rezoning of farmland around Birregurra. Importantly, maintaining the existing township boundary will contribute to addressing the community aspirations that were made clear during the consultation. In addition the implementation of the recommendations of the Neighbourhood Character Study through the application of the Design and Development Overlay will ensure that the preservation of Birregurra's rural township character is not compromised by inappropriate infill development.

The Birregurra Structure Plan did not recommend the investigation areas form part of the Structure Plan diagram that goes into the Planning Scheme. This is because the Structure Plan clearly indicates that current rezoning is not required and it was considered that including these investigation areas would set unrealistic expectations that further investigation and rezoning was imminent. The Structure Plan recommends that the first review occur at 3 years, in particular to assess the take up of land for infill residential development, in order for Council to review the residential land supply and demand outlook, based on actual rates of development that have been achieved after sewerage of the town. If this review identified that infill development was not meeting the necessary residential demand then it would be appropriate at this time to begin investigation into the key areas with a view to rezoning and further amending the MSS.

**Submission 7** argues that prioritising infill development will have a detrimental effect on the character of the township. Submission 7 does not recommend any further rezoning and the submitters are owners of a property in Birregurra that is currently zoned Township. In addition the submission raises concern regarding the development of the unnamed waterway for a linear open space corridor due to environmental concerns.

The Birregurra Neighbourhood Character Study 2013 was undertaken to resolve this issue and the implementation of the proposed Design and Development Overlays will ensure that future subdivision and housing is consistent with the retention of the current rural township character of Birregurra. The unnamed waterway is identified in the Structure Plan and then noted in the MSS for use as a future linear open space corridor. This is recognised to ensure planning has regard to this in the future. Feasibility studies and further investigation would be required prior to this waterway being developed for this purpose.

### **Proposal**

In summary it is proposed to:

- Support submissions 1-3
- Not support submissions 4, 5, 6 and 7
- Refer all submissions to an independent planning panel.

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

The panel costs and associated amendment fees are included in the current 2013/14 strategic planning budget. The proposed overlays are expected to have limited impacts on resource and administrative costs of Council as there is not expected to be a large number of additional permits triggered.

**Risk Management & Compliance Issues**

As with other strategic planning projects, there is always a risk that some people's expectations will not be met in the final product. However, Council has committed to significant community consultation and worked closely with the CRG during the project while continuing to point out that recommendations must be aligned with broader State Government policies.

The risk in Council not proceeding with the planning scheme amendment is that the recommendations from the Neighbourhood Character Study and Structure Plan will not be realised. This would leave the township vulnerable to poor planning outcomes as development increases. Amendment C76 provides the opportunity to implement a range of planning controls to appropriately manage growth in Birregurra.

**Environmental and Climate Change Considerations**

Environmental considerations are not specifically relevant to the outcomes of the amendment although some aspects of the amendment do relate to the contribution trees and public open space make to the overall land use of Birregurra.

**Community Engagement**

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

The method selected was to inform, consult and involve which has been demonstrated through the use of the Community Reference Group (CRG). The CRG that was established at the beginning of the Neighbourhood Character Study and continued through the review of the Structure Plan and exhibition of the amendment continues to play an important role in providing feedback on behalf of the community.

As indicated in more detail earlier in the report, public consultation was undertaken prior to the adoption of the Neighbourhood Character Study and Structure Plan. In addition Amendment C76 was on formal public exhibition for seven weeks from 23 October 2013 to 13 December 2013.

Following the closure of the exhibition period, given the small number of submissions, officers contacted submitters to clarify any questions they had and to provide detail on the amendment and proposed panel process. These discussions did not result in any change to the submissions.

**Implementation**

Should Council adopt the officer recommendations, a formal request will be made to the Minister for Planning to appoint an independent planning panel and submissions will be forwarded to Planning Panels Victoria.

**Conclusion**

Council has extensively consulted with the community during the preparation of the *Birregurra Neighbourhood Character Study 2012*, *Birregurra Structure Plan 2013* and Amendment C76 and it is considered that the small number of submissions received during the public exhibition period is a strong indicator that the broader Birregurra community are satisfied with the proposed planning controls in Amendment C76.

There were only four submissions opposing the amendment, and it is considered that the changes proposed by submitters are not justified and are in conflict with the *Birregurra Structure Plan 2013*. It is therefore recommended Council refers the submissions to an independent panel for review.

**Attachments**

1. Attachment 1 C76 Exhibition Explanatory Report, MSS Changes, Ordinances & Maps

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

1. ***Supports submissions 1-3 made to Amendment C76 following its public exhibition.***
2. ***Not supports submissions 4, 5, 6 and 7 to Amendment C76.***
3. ***Refers all submissions to Amendment C76 to an independent planning panel.***

~~~~~v~~~~~

GENERAL BUSINESS

| ITEM | |
|---------------------------|--|
| <u>OM142201-9</u> | <u>ASSEMBLY OF COUNCILLORS</u> |
| <u>OM142201-10</u> | <u>MINUTES OF THE OLD BEECHY RAIL TRAIL COMMITTEE</u> |

OM142201-9**ASSEMBLY OF COUNCILLORS**

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

Introduction

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

Definition

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

It is a meeting at which matters are considered that are intended or likely to be the subject of a Council decision or the exercise of a delegated authority and which is either of the following:

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

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

Advisory Committees

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

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

Councillor briefings

One type of meeting that is clearly an assembly of Councillors is the type of regular meeting, commonly referred to as a “Councillor Briefing” or similar name where Councillors and staff meet to discuss issues that are likely to come before Council for decision.

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

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

While these meetings have no authority to make Council decisions, they are generally assemblies of Councillors and subject to conflict of interest disclosures.

What records are to be kept

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

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

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

Assemblies of Councillors

The following Assemblies of Councillors have been held:

- | | |
|---|------------------|
| • Central Reserve Advisory Committee meeting | 4 December 2013 |
| • Councillor Workshop | 11 December 2013 |
| • Colac Livestock Selling Centre Advisory Committee | 20 December 2013 |

Attachments

1. Councillor Workshop - 20131211
2. Central Reserve Advisory Committee - 20131204
3. Central Reserve Advisory Committee Agenda - 20131204
4. Saleyards Advisory Committee - 20131220

Recommendation(s)

That Council notes the Assembly of Councillors reports for:

- | | |
|---|--------------------------------|
| • <i>Central Reserve Advisory Committee meeting</i> | <i>4 December 2013</i> |
| • <i>Councillor Workshop</i> | <i>11 December 2013</i> |
| • <i>Colac Livestock Selling Centre Advisory Committee</i> | <i>20 December 2013</i> |

~~~~~v~~~~~



**OM142201-10****MINUTES OF THE OLD BEECHY RAIL TRAIL COMMITTEE**

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

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

Attached are the Minutes and Executive Officer Report from the meeting held 7 October 2013.

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

**Attachments**

1. Meeting Minutes Old Beechy Rail Trail 7 October 2013
2. Executive Officer report 7 October 2013

**Recommendation(s)**

***That Council notes the Minutes and Executive Officer report of the Old Beechy Rail Trail Committee for 7 October 2013.***

~~~~~v ~~~~~


NOTICES OF MOTION

| ITEM | |
|---------------------------|---|
| <u>OM142201-11</u> | <u>COUNCILLOR VOTING ON THE BLUEWATER FITNESS CENTRE PROJECT</u> |

OM142201-11**COUNCILLOR VOTING ON THE BLUEWATER FITNESS
CENTRE PROJECT (CR STEPHEN HART)**

TAKE NOTICE that it is my intention to move at the Ordinary Council Meeting of the Colac Otway Shire to be held on 22 January 2014:

That Council:

1. Notes that the Council has still not disclosed how each Councillor voted at the "In Committee" meeting on 23 October 2013 when a majority of Councillors approved the BWFC project with a cost of approximately \$2 million over the approved budget.
2. Accepts and acknowledges that the public have a legitimate right to know how each Councillor voted.
3. Directs the Chief Executive Officer to disclose how each Councillor voted on the "In Committee" resolution on 23 October 2013 that had the effect of approving the BWFC project at a cost of approximately \$2 million over the approved budget.
4. Directs that this be disclosed by close of business, Thursday 23 January 2014.

Recommendation

That Council consider the contents of this Notice of Motion.

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## IN COMMITTEE

### **Recommendation**

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

| <b><i>SUBJECT</i></b>                                                                                                             | <b><i>REASON</i></b>                                | <b><i>SECTION OF ACT</i></b> |
|-----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|------------------------------|
| Confidential Memo for Consideration - Building Maintenance - Essential Safety Measures                                            | this matter may prejudice the Council or any person | Section 89 (2) (h)           |
| Contract 1324 - Telecommunications Services & Hardware - Fixed Voice, Mobile Telephone And Internet Data (MAV Tender TC4322-2013) | this matter deals with contractual matters          | Section 89 (2) (d)           |



# ORDINARY COUNCIL MEETING

## WEDNESDAY, 22 JANUARY 2014

### ATTACHMENTS

PAGE NO.

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##### OM142201-3 Operational Plan Second Quarter Performance Report October - December 2013

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##### OM142201-4 Second Quarter Financial Performance Report 2013-2014

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##### OM142201-6 Naming of Roads, Localities and Features Policy

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#### INFRASTRUCTURE AND SERVICES

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## **SUSTAINABLE PLANNING AND DEVELOPMENT**

### **OM142201-8 Planning Scheme Amendment C76 (Birregurra Structure Plan and Neighbourhood Character Study) Consideration of Submissions**

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## **GENERAL BUSINESS**

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# 1. INTRODUCTION

## FINANCIAL INFORMATION

A report including a variety of financial information was first prepared in 2006 and has been updated on an annual basis.

### **PART 1**

1. INTRODUCTION
2. KEY FINDINGS AND RECOMMENDATIONS
3. INFORMATION
  - A. Colac Otway Shire Data 2005/2006 to 2012/2013
  - B. Colac Otway Shire Indicators/Ratios 2005/2006 to 2012/2013
  - C. Staff Numbers and Salary Expenditure 2011/2012
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  - E. Large Shire Grouping 2011/2012 and 2012/2013
  - F. Financial and Other Indicators 2012/2013
  - G. Debt Management/Borrowings

## STRATEGIC RESOURCE PLAN (SRP)

The SRP includes information on the following:

- Link between Strategic Resource Plan and Council Plan
- Financial Sustainability
- Long-Term Borrowing Strategies
- Statutory and other Reserves
- Rating and other Revenue Strategies
- Asset Management
- Capital Works Programme
- Service Provision and Planning
- Strategic Financial Plan

The SRP includes Council's key strategic directions on each of these items.

### **PURPOSE OF THE SRP**

Council is required to prepare a SRP under section 126 of the *Local Government Act* (1989).

The purpose of the SRP is to:

- Establish a financial framework over the next 4 years to ensure Council's strategic objectives, as expressed in its Council Plan, are achieved;
- Provide an assessment of the resources (financial and non-financial) required to accomplish the objectives and strategies included in the Council Plan (non-financial resources are assumed to include human resources and Council's asset base, which are all referred to in various parts of the SRP);
- Establish a basis to measure Council's adherence to its policies and strategies; and

- Assist Council to comply with sound financial management principles, in accordance with the *Local Government Act* (1989) and to plan for the long-term financial sustainability of the municipality.

**SRP OBJECTIVES**

The 2011-15 SRP is intended to achieve the following objectives in the 4-year time frame:

- Maintain the existing range and level of service provision and develop the capacity to grow and add new services;
- Maintain a strong cash position, ensuring Council remains financially sustainable in the long-term;
- Achieve underlying surpluses from operations;
- Maintain debt levels below prudential guidelines;
- Continue to pursue ongoing grant funding for strategic capital funds from the state and federal governments;
- Provide for rate increases that establish a funding level for a sustainability index of 100 percent, including increasing funding for capital works (asset renewal, expansion, upgrade) and asset maintenance; and
- Ensure critical renewal is funded annually over the timeframe of the SRP.

**TIMING**

For 2013/2014 the following documents were considered at different time due to the budget for 2013/2014 not being completed until 17 July 2013:

- Draft Budget 2013/2014
- Council Plan 2013/2017
- Strategic Resource Plan 2013/2014 to 2016/2017

The Council Plan including the Strategic Resource Plan needed to be submitted to the Minister by the 30 June 2013 under s.125 of the *Local Government Act* 1989.

## **LONG TERM FINANCIAL PLAN (LTFP)**

The Long Term Financial Plan for 2012/2013 to 2021/2022 establishes a financial framework over the next 10 years to ensure Council's strategic objectives are achieved.

### **CONTENTS OF THE LTFP**

The LTFP includes sections on:

- Link between Long Term Financial Plan and Council Plan
- Financial Sustainability
- Long-term Borrowing Strategies
- Statutory and other Reserves
- Asset Management
- Service Provision and Planning
- Long Term Financial Plan

### **PURPOSE OF THE LTFP**

The purpose of the Long Term Financial Plan (LTFP) is to:

- Establish a financial framework over the next ten (10) years to ensure Council's strategic objectives are achieved;
- Provide an assessment of the resources (financial and non-financial) required to accomplish these objectives and strategies;
- Provide a basis for consecutive councils to establish and monitor longer term visions;
- Establish a basis to measure Council's adherence to its policies and strategies; and
- Assist Council to comply with sound financial management principles, in accordance with the *Local Government Act (1989)* and to plan for the long-term financial sustainability of the municipality.

### **LTFP OBJECTIVES**

The 2011-12 iteration of the LTFP is intended to achieve the following objectives in the 10-year time frame. It should be noted that these objectives are consistent with those in the Strategic Resource Plan:

- Maintain the existing range and level of service provision and develop the capacity to grow and add new services;
- Maintain a strong cash position, ensuring Council remains financially sustainable in the long-term;
- Achieve operating statement surpluses with the exclusion of all non-operational items such as granted assets and capital income;
- Maintain debt levels below prudential guidelines;
- Continue to pursue recurrent grant funding for strategic capital funds from the state and federal government;
- Provide for rate increases that establish a funding level for a sustainability and investment gap elimination, including increasing funding for capital works (asset renewal, expansion, upgrade) and asset maintenance; and
- Ensure critical renewal is funded annually over the timeframe of the LTFP.

### **ANNUAL REVIEW OF LTFP**

Given the many and varied possible changes that may impact on Council's position over the next ten years it is vital that this plan be reviewed on a regular basis.

The challenge for Council, in the short-term, is to fund the appropriate level of investment in the community's assets and simultaneously accommodate the pressures of growth, including new capital investment and expanded service provision.

The other related issues are the risks and liabilities that Council and the community face if Council does not invest in asset renewal at an adequate rate.

The LTFP establishes the strategic financial direction for Council to meet the funding and investment challenges that lie ahead in the next 10-years. The LTFP is prepared in conjunction with the SRP and Council Plan to ensure the affordability of activities included in the Council Plan.

The next review of the LTFP will be undertaken as part of the 2014/2015 budget process.

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## **2. KEY FINDINGS AND RECOMMENDATIONS**

The report and information available indicates that Colac Otway Shire continues to address a number of challenges that face Council.

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

- Increased asset renewal and maintenance spending;
- Moving from operating deficits to operating surpluses.

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

The need to improve Council's financial position has been supported by increased and improved data and information both internally eg. Infrastructure Renewal analysis and externally eg MAV, Price Waterhouse etc.

Even though different organisations use different measures the messages are consistent with respect to Infrastructure Renewal and Operating Deficits.

### **COMPARISONS**

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

The data that is available indicates that as at 30 June 2013, Colac Otway compares well with the Average of Large Rural Councils in most categories/key performance indicators.

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

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

The continued emphasis on these aspects will continue to ensure that Colac Otway improves its financial position.

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**RECOMMENDATIONS**

1. **Strategic Resource Plan**

*That the Strategic Resource Plan continues to be reviewed on an annual basis to ensure that it reflects the current financial position of Council.*

2. **Long Term Financial Plan**

*That the Long Term financial Plan is reviewed and updated as part of the 2014/2015 budget process.*

3. **Updating Data**

*That the data in the report is updated on an annual basis to ensure that the steps that have been taken are recorded to develop a greater understanding of trends both positive and negative.*

4. **Underlying Deficit**

*That emphasis continues to be placed on achieving an Underlying Surplus on an ongoing basis.*

5. **Useful Lives of Assets**

*That a review is undertaken of the useful lives of assets and depreciation rates on a regular basis.*

6. **Debt Management**

*That Council continues to assess its borrowing capacity against the Prudential Guidelines set by State Government and the Strategic Resource Plan.*

7. **Financial Sustainability Indicators**

*That Council continues to monitor the various indicators with respect to Financial Sustainability.*



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### **3. INFORMATION**

#### **A - Colac Otway Shire Data 2005/2006 to 2012/2013**

Includes financial data for the period 2005/2006 to 2012/2013 and a snapshot of the last 4 years of:

- Expenditure (Operating)
- Depreciation
- Revenue
- Rates and Charges
- Grants
- Operating Surplus (Deficit)
- Assets
- Loan Liability

#### **B – Colac Otway Shire – Indicators/Ratios 2005/2006 to 2012/2013**

The ratios listed include 5 that are included in the financial statements and another 6 that are part of the indicators required to be reported by the Victorian Local Government Department.

#### **C - Staff Numbers and Salary Expenditure 2011/2012**

Provides details of staff numbers and Salary Expenditure for 2011/2012 for the Large Shire Grouping of Councils.

The information has been obtained from Annual Reports where available on the Internet. Not all staffing information re. staff numbers and EFT's has been obtained. A number of Councils do not include the number of staff EFTs in their reports.

#### **D – Staff Numbers and Salary Expenditure 2012/2013**

Provides details of staff numbers and salary expenditure for 2012/2013 for the Large Shire Grouping of Councils.

The information has been obtained from Annual Reports where available on the Internet. Not all staffing information re. staff numbers and EFT's has been obtained. A number of Councils do not include the number of staff EFTs in their reports.

The figures provide a guide only, as they do not tell the full story.

#### **E – Large Shire Grouping 2011/2012 and 2012/2013**

The information provides a variety of indicators of the Large Shire Grouping of 16 Councils.

**F - Financial and Other Indicators**

The information provides data for 2012/2013 and a comparison against the average of the Large Rural Councils over a broad range of information.

**G – Debt Management/Borrowings**

The information provides details on debt management and details of Council's borrowings.

## A – COLAC OTWAY SHIRE DATA 2005/2006 TO 2012/2013

The following table provides data on various financial categories for the period from 2005/2006 to 2012/2013 (8 year period).

Also included in this section is a snapshot in graph form of the last 4 years of:

- Expenditure (Operating)
- Depreciation
- Revenue
- Rates and Charges
- Grants
- Operating Surplus (Deficit)
- Assets
- Loan Liability

### WHAT DOES THE DATA SHOW?

#### INCOME

|                                | 2005/06<br>\$'000 | %          | 2012/13<br>\$'000 | %          |
|--------------------------------|-------------------|------------|-------------------|------------|
| Rates & Charges                | 13,198            | 43         | 23,349            | 52         |
| Grants                         | 11,534            | 37         | 15,255            | 34         |
| User Charges, Fees & Fines     | 3,698             | 12         | 4,380             | 10         |
| Reimbursements & Contributions | 1,090             | 4          | 860               | 2          |
| Interest Income                | 450               | 1          | 502               | 1          |
| Other                          | 1,072             | 3          | 235               | 1          |
| <b>Total</b>                   | <b>31,042</b>     | <b>100</b> | <b>44,581</b>     | <b>100</b> |

### OVER THE 8 YEAR PERIOD 2005/2006 TO 2012/2013

#### **INCOME**

|                   |                                                   |       |
|-------------------|---------------------------------------------------|-------|
| Total Income      | increased by                                      | 43.6% |
| Rates and Charges | increased by                                      | 76.9% |
|                   | (average rates & charges have increased by 65.9%) |       |
| Grants            | increased by                                      | 32.3% |

#### **EXPENSES**

|                          |              |       |
|--------------------------|--------------|-------|
| Total Expenses           | increased by | 46.3% |
| Employee Costs**         | increased by | 80.6% |
| Depreciation             | increased by | 25.0% |
| Finance Costs (Interest) | increased by | 7.6%  |
| Materials & Services     | increased by | 26.4% |

\*\*It should be noted that certain expenditure items e.g. councillor allowances were not included in Employee costs in the earlier years.

## **CAPITAL WORKS**

The 2012/2013 total Capital Works is 37.4% higher than 2005/2006.

In 2005/2006 Capital Works of \$8.5m were undertaken. For 2012/2013 Capital Works of \$11.7m were undertaken.

## **EMPLOYEE PROVISIONS**

|                    | 2005/2006<br>\$'000 | 2012/2013<br>\$'000 |
|--------------------|---------------------|---------------------|
| Annual Leave etc.  | 720                 | 1,368               |
| Long Service Leave | 1,280               | 2,718               |
| Time in Lieu Leave | -                   | 103                 |
| <b>Total</b>       | <b>2,892</b>        | <b>4,189</b>        |

Annual Leave provisions have increased by 90% while Long Service Leave Provisions have increased by 112.3%.

The provisions in 2012/2013 include oncosts for superannuation and workcover. Oncosts were not included in 2005/2006.

Time in Lieu Leave has been brought to account for the first time in 2012/2013.

## **STAFF NUMBERS**

Total Expenditure (Operating and Capital) has increased 39.6% over the 8 year period.

|              | 2005/2006<br>\$'000 | 2012/2013<br>\$'000 |
|--------------|---------------------|---------------------|
| Operating    | 29,303              | 44,581              |
| Capital      | 8,536               | 11,726              |
| <b>Total</b> | <b>37,839</b>       | <b>56,307</b>       |

Staff numbers have increased (excludes vacant positions):

|       |                  |                                |
|-------|------------------|--------------------------------|
| Total | 15.5% (increase) | (2012/13 - 335* 2005/06 - 290) |
| EFT   | 21.2% (increase) | (2012/13 - 223* 2005/06 - 184) |

\* The EFT for 2012/13 is based on annual hours worked in each unit.

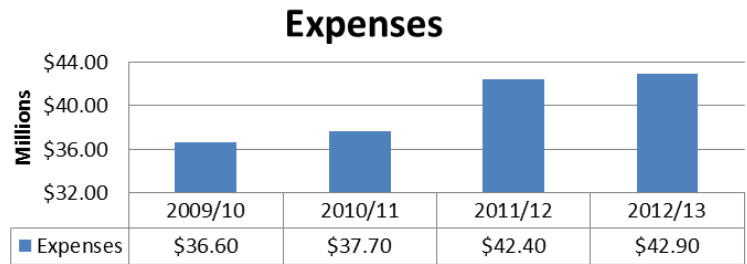
**A - COLAC OTWAY SHIRE DATA 2005/2006 TO 2012/2013**

|                                                    | 2005/06 | 2006/07 | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 |
|----------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Income \$'000                                      | 31,042  | 31,791  | 32,950  | 37,771  | 39,126  | 41,091  | 43,600  | 44,581  |
| Expenses \$'000                                    | 29,303  | 30,816  | 32,271  | 35,926  | 36,551  | 37,849  | 42,374  | 42,857  |
| Net Surplus/(Deficit) \$'000                       | 1,739   | 975     | 679     | 1,845   | 2,575   | 3,242   | 1,226   | 1,724   |
| Rates & Charges \$'000                             | 13,198  | 14,748  | 16,384  | 17,602  | 18,559  | 20,465  | 21,789  | 23,349  |
| Increase on Previous Year                          | 7.3%    | 11.7%   | 11.1%   | 7.4%    | 5.4%    | 10.3%   | 6.5%    | 7.2%    |
| Grants \$'000                                      | 11,534  | 9,635   | 10,818  | 13,066  | 12,276  | 14,322  | 15,824  | 15,255  |
| Employee Expenses \$'000<br>(excluding Super call) | 8,987   | 9,577   | 10,058  | 11,250  | 12,387  | 14,311  | 15,390  | 16,231  |
| Depreciation \$'000                                | 7,545   | 7,435   | 7,508   | 8,902   | 8,409   | 7,783   | 8,665   | 9,430   |
| Capital Works \$'000                               | 8,536   | 8,292   | 8,968   | 8,027   | 12,892  | 11,400  | 11,464  | 11,726  |
| Assets \$'000                                      | 207,058 | 208,010 | 237,186 | 247,927 | 253,852 | 253,956 | 287,274 | 290,845 |
| Cash \$'000                                        | 8,114   | 6,988   | 6,412   | 9,651   | 9,762   | 10,775  | 13,613  | 11,745  |
| Loans and Borrowings \$'000                        | 3,923   | 3,466   | 2,980   | 2,462   | 4,157   | 4,845   | 4,188   | 4,974   |
| Employee Provisions \$'000                         | 2,029   | 2,095   | 2,031   | 2,311   | 3,020   | 3,187   | 3,642   | 4,189   |
| Staff Nos - Total                                  | 290     | 288     | 289     | 287     | 331     | 324     | 360     | 335     |
| - EFT                                              | 183.9   | 185     | 186     | 189     | 211.8   | 212     | 219     | 223     |

## SNAPSHOT – LAST 4 YEARS

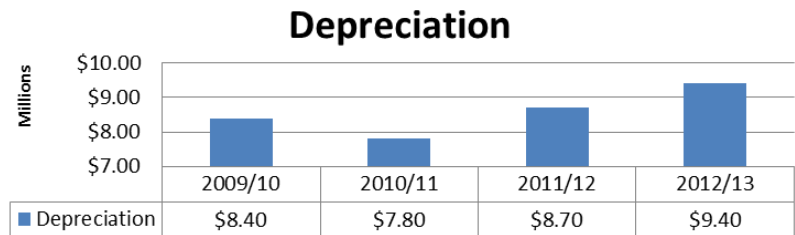
### Expenses

|           |         |
|-----------|---------|
| 2009/2010 | \$36.6m |
| 2010/2011 | \$37.8m |
| 2011/2012 | \$42.4m |
| 2012/2013 | \$42.9m |



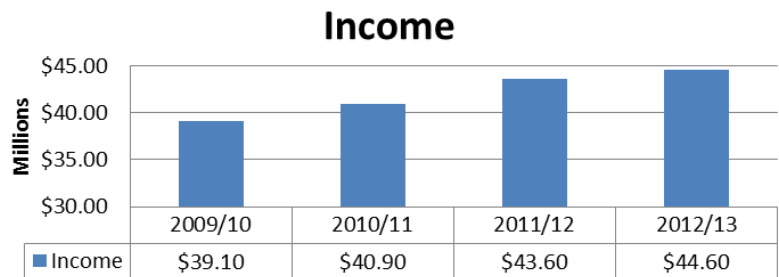
### Depreciation

|           |        |
|-----------|--------|
| 2009/2010 | \$8.4m |
| 2010/2011 | \$7.8m |
| 2011/2012 | \$8.7m |
| 2012/2013 | \$9.4m |



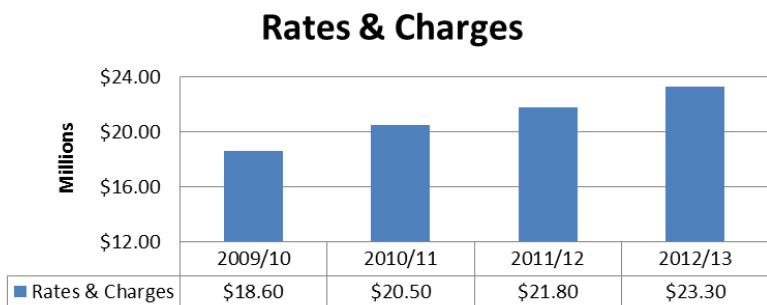
### Income

|           |         |
|-----------|---------|
| 2009/2010 | \$39.1m |
| 2010/2011 | \$40.9m |
| 2011/2012 | \$43.6m |
| 2012/2013 | \$44.6m |



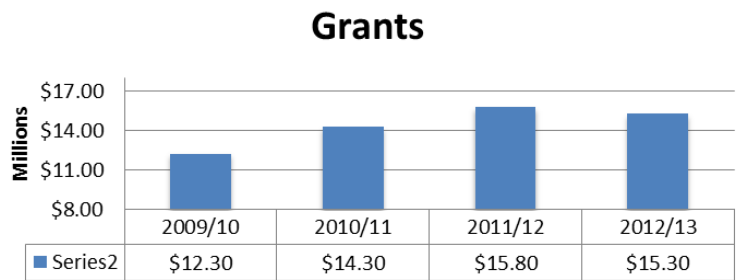
### Rates & Charges

|           |         |
|-----------|---------|
| 2009/2010 | \$18.6m |
| 2010/2011 | \$20.5m |
| 2011/2012 | \$21.8m |
| 2012/2013 | \$23.3m |



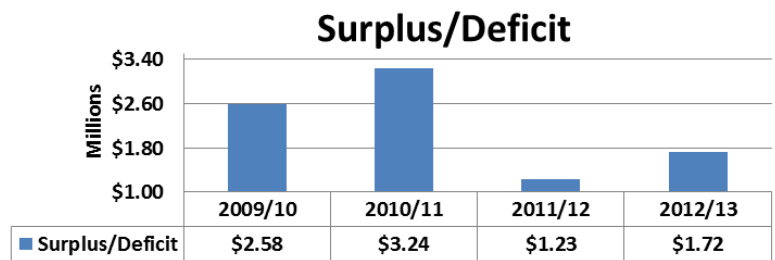
### Grants

|           |         |
|-----------|---------|
| 2009/2010 | \$12.3m |
| 2010/2011 | \$14.3m |
| 2011/2012 | \$15.8m |
| 2012/2013 | \$15.3m |



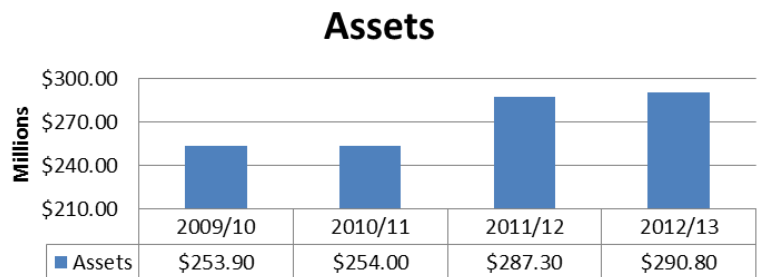
### Surplus/Deficit

|           |                                 |
|-----------|---------------------------------|
| 2009/2010 | \$2.58m Surp                    |
| 2010/2011 | \$3.24 m Surp<br>(excluding AB) |
| 2011/2012 | \$1.23m Surp                    |
| 2012/2013 | \$1.72m Surp                    |



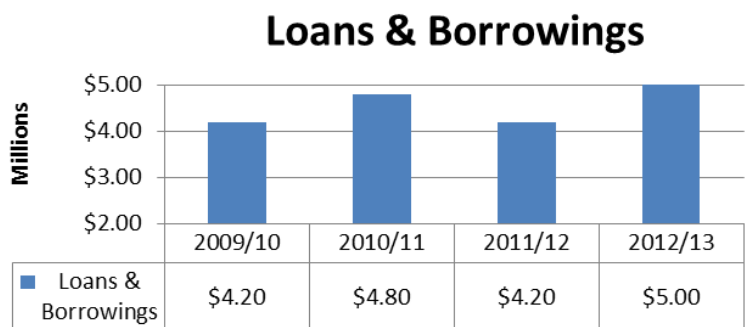
### Assets

|           |          |
|-----------|----------|
| 2009/2010 | \$253.9m |
| 2010/2011 | \$254.0m |
| 2011/2012 | \$287.3m |
| 2012/2013 | \$290.8m |



### Loans and Borrowings

|           |        |
|-----------|--------|
| 2009/2010 | \$4.2m |
| 2010/2011 | \$4.8m |
| 2011/2012 | \$4.2m |
| 2012/2013 | \$5.0m |



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## **B - SHIRE INDICATORS/RATIOS 2005/2006 to 2012/2013**

The ratios listed include 5 that are included in the financial statements, another 6 that are part of the Indicators reported by the Victorian Local Government Department and 5 from the Victorian Auditor General.

### **DEBT SERVICING RATIO**

Between 2005/2006 and 2010/2011 there was a steady decrease in the ratio.

The ratio increased in 2011/2012 and 2012/2013 as a result of the loan borrowing program undertaken. 2012/2013 has reduced from the 2011/2012 ratio.

### **DEBT COMMITMENT RATIO**

Between 2003/2004 and 2009/2010 there was a steady decrease in the ratio.

The ratio increased in 2010/2011 and 2011/2012 as a result of the loan borrowing program undertaken and decreased in 2012/2013.

### **DEBT EXPOSURE RATIO**

The ratio increased from 13.9% in 2005/2006 to 18.8% in 2012/2013.

### **REVENUE RATIO**

The ratio has increased to 52.4% in 2012/2013.

This has increased from 44.0% in 2005/2006.

For the last four years the ratio has averaged 46.5%

### **WORKING CAPITAL RATIO**

Up to 2011/2012 the ratio increased as a result of grants received in advance and works incomplete as at 30 June. For 2012/2013 the figure has reduced slightly from 2011/2012.

The aim is to have a ratio of at least 150% or 1.5:1.

### **VICTORIAN LOCAL GOVERNMENT DEPARTMENT**

The following 6 indicators/ratios are collected by the Victorian Local Government Department.

- Average Rates and Charges per Assessment
- Average Rates and Charges per Residential Assessment
- Average Liabilities per Assessment
- Operating Result per Assessment



- 
- Average Operating Expenditure per Assessment
  - Average Capital Expenditure per Assessment

Comparisons with other Councils in the Large Shire Grouping of the above 6 ratios for the 2012/2013 financial year are detailed in Part E of this report.

## **VICTORIAN AUDITOR GENERAL FIGURES**

### **UNDERLYING RESULT**

The figures indicate the Shire has had an underlying surplus for the last 6 years. Needs to be closely monitored. It should be noted that other methods indicate that Council has an underlying surplus.

### **LIQUIDITY RATIO**

Figures have not been included as the ratio is the same as the Working Capital ratio on previous page.

### **SELF-FINANCING RATIO**

Results indicate that the Shire is generating enough cash from operations to fund the acquisition of new assets and the renewal of existing assets.

### **INDEBTEDNESS RATIO**

The ratio increased in 2011/2012 to 39.5% due to the loan program undertaken and the recognition of the Unfunded Superannuation Liability, but has reduced to 30.9% in 2012/2013.

### **CAPITAL REPLACEMENT RATIO**

The figures show that Council has had a ratio of above 100% for the last 8 years.

### **RENEWAL GAP RATIO**

The figures were first calculated in 2006/2007. The figures for each year have been fairly constant except for 2008/2009. There was a decrease in 2012/2013 due to the impact of funds being reallocated to pay off part of the Defined Benefits liability.

### **SUMMARY**

These indicators are then categorised into Risk Levels – High, Medium and Low.  
For 2012/2013 Council will achieve a 'low' risk in four of the six Sustainability Ratios.

The figures indicated in the following table for 2012/13 for the Victorian Auditor General Ratios are not the final approved figures for the period. The final published figures vary to the amounts included in the table.

**B - COLAC OTWAY SHIRE INDICATORS/RATIOS 2005/2006 to 2012/2013**

|                                                                                                                 | 2005/06 | 2006/07 | 2007/08 | 2008/09 | 2009/10 | 2010/11 | 2011/12 | 2012/13 |
|-----------------------------------------------------------------------------------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Debt Servicing Ratio (%)<br>(to identify the capacity of a Council to service its outstanding debt)             | 0.9%    | 0.8%    | 0.7%    | 0.5%    | 0.4%    | 0.5%    | 0.8%    | 0.7%    |
| Debt Commitment Ratio (%)<br>(to identify a Council's debt redemption strategy)                                 | 5.3%    | 5.0%    | 4.4%    | 4.0%    | 2.4%    | 3.5%    | 4.6%    | 3.0%    |
| Debt Exposure Ratio<br>(to identify a Council's exposure to debt)                                               | 13.9%   | 12.1%   | 11.2%   | 11.4%   | 14.0%   | 12.3%   | 21.6%   | 18.8%   |
| Revenue Ratio (%)<br>(to identify a Council's dependence on non-rate income)                                    | 44.0%   | 46.4%   | 49.7%   | 46.9%   | 47.4%   | 36.2%   | 50.0%   | 52.4%   |
| Working Capital Ratio<br>(to assess a Council's ability to meet current commitments)                            | 243.2%  | 266.6%  | 226.0%  | 226.8%  | 218.1%  | 240.9%  | 273.0%  | 266.8%  |
| Average Rates & Charges per Assessment                                                                          | \$956   | \$1,069 | \$1,151 | \$1,228 | \$1,288 | \$1,400 | \$1,474 | \$1,586 |
| Average Rates & Charges per<br>Residential Assessment                                                           | \$878   | \$950   | \$1,090 | \$1,000 | \$1,031 | \$1,151 | \$1,222 | \$1,222 |
| Average Liabilities per Assessment                                                                              | \$818   | \$698   | \$619   | \$695   | \$887   | \$977   | \$1,169 | \$720   |
| Operating Result per Assessment                                                                                 | \$128   | \$71    | \$48    | \$129   | \$213   | \$222   | \$64    | \$118   |
| Average Operating Expenditure per Assessment                                                                    | \$2,142 | \$2,069 | \$2,246 | \$2,437 | \$2,528 | \$2,580 | \$2,794 | \$2,935 |
| Average Capital Expenditure per Assessment                                                                      | \$626   | \$601   | \$630   | \$564   | \$895   | \$780   | \$774   | \$803   |
| <b>Victorian Auditor-General Ratios</b>                                                                         |         |         |         |         |         |         |         |         |
| Underlying Result                                                                                               | 5.0%    | (5.0%)  | 0.8%    | 2.8%    | 5.2%    | 5.5%    | 1.8%    | 7.0%    |
| Self-Financing Ratio<br>(to assess Council's ability to replace assets from cash generated by operations)       | 22.5%   | 24.2%   | 25.8%   | 30.0%   | 31.5%   | 30.3%   | 33.2%   | 21.4%   |
| Indebtedness Ratio<br>(to assess Council's ability to cover longer term liability from its own sourced revenue) | 34.2%   | 31.3%   | 24.1%   | 20.0%   | 27.1%   | 33.8%   | 39.5%   | 30.9%   |
| Capital Replacement Ratio<br>(comparison of the rate of spending on infrastructure with depreciation)           | 113%    | 112%    | 119.4%  | 90.2%   | 169.6%  | 157.5%  | 142%    | 124.3%  |
| Renewal Gap Ratio (comparison of rate of spending on Renewal and Upgrade with depreciation)                     | -       | 109%    | 117%    | 84%     | 116.9%  | 118.8%  | 112.1%  | 96.8%   |

## C - STAFF NUMBERS AND SALARY EXPENDITURE 2011/2012

Provides details of staff numbers and salary expenditure for 2011/2012 for the Large Shire Grouping of Councils.

The information has been obtained from Annual Reports where available. Not all staffing information re staff numbers and EFT's has been obtained.

The figures provide a guide only, as they do not tell the full story eg. depends on the level of contracting out of services.

In 2011/2012 some Councils had additional capital expenditure as a result of rehabilitation works following floods.

|                       | Total<br>Expenditure<br>\$<br>'000 | Total Employee<br>Expenditure<br>\$<br>'000* | % of Employee<br>Expenditure/Total<br>Operating<br>Expenditure<br>% | Total Capital<br>Expenditure<br>\$<br>'000 $\Delta$ | Staff<br>Numbers | EFT |
|-----------------------|------------------------------------|----------------------------------------------|---------------------------------------------------------------------|-----------------------------------------------------|------------------|-----|
| Colac Otway           | 42,374                             | 15,390                                       | 36.3                                                                | 11,375                                              | 360              | 219 |
| Bass Coast            | 59,873                             | 22,278                                       | 37.2                                                                | 18,360                                              | 432              | 324 |
| Baw Baw               | 69,919                             | 21,292                                       | 30.5                                                                | 14,909                                              | 408              | N/A |
| Campaspe              | 72,572                             | 26,284                                       | 36.2                                                                | 25,919                                              | 597              | N/A |
| Corangamite           | 41,565                             | 13,736                                       | 33.1                                                                | 11,695                                              | 277              | 189 |
| East Gippsland        | 85,265                             | 20,688                                       | 24.3                                                                | 22,853                                              | 449              | 290 |
| Glenelg               | 43,814                             | 17,290                                       | 39.5                                                                | 9,586                                               | N/A              | 231 |
| Macedon Ranges        | 61,926                             | 24,637                                       | 39.8                                                                | 18,482                                              | 664              | N/A |
| Mitchell              | 54,382                             | 17,709                                       | 32.6                                                                | 11,378                                              | 426              | N/A |
| Moir                  | 47,130                             | 15,575                                       | 33.1                                                                | 12,496                                              | 256              | 194 |
| Moorabool             | 47,457                             | 14,433                                       | 30.4                                                                | 16,056                                              | 242              | 192 |
| Moyne                 | 42,585                             | 14,301                                       | 33.6                                                                | 11,716                                              | 326              | 220 |
| South Gippsland       | 54,079                             | 19,068                                       | 35.3                                                                | 14,163                                              | 361              | N/A |
| Southern<br>Grampians | 38,662                             | 14,355                                       | 37.1                                                                | 11,577                                              | 430              | 230 |
| Surf Coast            | 57,711                             | 19,452                                       | 33.7                                                                | 22,477                                              | N/A              | 222 |
| Wellington            | 75,793                             | 21,005                                       | 27.7                                                                | 21,089                                              | 445              | 266 |
| Averages              | 55,944                             | 18,593                                       | 33.8                                                                | 15,883                                              | 405              | 234 |

\* Total Employee Expenditure excludes the additional call for superannuation

$\Delta$  Total Capital Expenditure figures taken from Standard Statement of Capital works.

## D - STAFF NUMBERS AND SALARY EXPENDITURE 2012/2013

Provides details of staff numbers and salary expenditure for 2012/2013 for the Large Shire Grouping of Councils.

The information has been obtained from Annual Reports where available. Not all staffing information re staff numbers and EFT's has been obtained. A number of Councils do not provide staff EFT numbers.

The figures provide a guide only, as they do not tell the full story eg. depends on the level of contracting out of services.

In 2012/2013 some Councils had additional capital expenditure as a result of rehabilitation works following floods.

|                       | Total<br>Expenditure<br>\$<br>'000 | Total Employee<br>Expenditure<br>\$<br>'000* | % of Employee<br>Expenditure/Total<br>Operating<br>Expenditure<br>% | Total Capital<br>Expenditure<br>\$<br>'000 <sup>△</sup> | Staff<br>Numbers | EFT |
|-----------------------|------------------------------------|----------------------------------------------|---------------------------------------------------------------------|---------------------------------------------------------|------------------|-----|
| Colac Otway           | 42,857                             | 16,231                                       | 37.9                                                                | 11,726                                                  | 335              | 223 |
| Bass Coast            | 60,774                             | 24,248                                       | 39.9                                                                | 16,633                                                  | 430              | 324 |
| Baw Baw               | 70,422                             | 22,222                                       | 31.6                                                                | 15,234                                                  | 405              | N/A |
| Campaspe              | 72,704                             | 28,849                                       | 39.7                                                                | 24,236                                                  | 682              | N/A |
| Corangamite           | 38,576                             | 13,165                                       | 34.1                                                                | 11,131                                                  | N/A              | N/A |
| East Gippsland        | 77,462                             | 22,044                                       | 28.5                                                                | 26,123                                                  | 439              | 296 |
| Glenelg               | 42,214                             | 18,214                                       | 43.2                                                                | 14,373                                                  | 379              | 236 |
| Macedon Ranges        | 58,980                             | 25,968                                       | 44.0                                                                | 17,140                                                  | 641              | 303 |
| Mitchell              | 52,498                             | 20,430                                       | 38.9                                                                | 14,479                                                  | 467              | 250 |
| *Moirā                | 52,864                             | 16,564                                       | 31.3                                                                | 7,832                                                   | N/A              | N/A |
| Moorabool             | 43,869                             | 15,685                                       | 35.8                                                                | 12,676                                                  | 267              | N/A |
| Moyne                 | 39,811                             | 14,802                                       | 37.2                                                                | 15,441                                                  | 322              | 215 |
| South Gippsland       | 57,310                             | 19,738                                       | 34.4                                                                | 12,278                                                  | 361              | N/A |
| Southern<br>Grampians | 35,999                             | 14,764                                       | 41.0                                                                | 12,962                                                  | 456              | 212 |
| Surf Coast            | 55,199                             | 20,501                                       | 37.1                                                                | 14,695                                                  | N/A              | 234 |
| Wellington            | 74,436                             | 21,063                                       | 28.3                                                                | 18,410                                                  | 435              | 270 |
| Averages              | 54,748                             | 19,656                                       | 36.4                                                                | 14,602                                                  | 432              | 256 |

<sup>△</sup> Total Capital Expenditure figures taken from Standard Statement of Capital works.

\*Excludes \$36.2m for flood recovery works.

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## E - LARGE SHIRE GROUPING 2011/2012 AND 2012/2013

The information provides a variety of indicators of the Large Shire Grouping of 16 Councils of which Colac Otway Shire is included.

- Bass Coast
- Baw Baw
- Campaspe
- Colac Otway
- Corangamite
- East Gippsland
- Glenelg
- Macedon Ranges
- Mitchell
- Moira
- Moorabool
- Moyne
- South Gippsland
- Southern Grampians
- Surfcoast
- Wellington

The information is taken from Annual Reports where available.

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

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

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

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

Local Government in Victoria 2009

## SUMMARY

The indicators on the following pages indicate a number of points:

### (A) ALL RATES

The Rates and Charges per assessment for 2012/2013 indicates that Colac Otway was slightly above the average and the median for the group. This was similar for 2011/2012.

### (B) RESIDENTIAL RATES

The Residential Rates and Charges per assessment for 2012/2013 indicates that Colac Otway is slightly below the average and median for the group. There is a wide variety of figures ranging from \$986 to \$1,805.

### (C) LIABILITIES

The Liabilities per assessment for 2012/2013 indicates that Colac Otway is well below the average and the median for the group.

### (D) OPERATING RESULT

The Operating Result per assessment for 2012/2013 indicates that Colac Otway is well below the average median for the group.

### (E) OPERATING COSTS

The Operating Expenditure per assessment for the last three years has indicated that Colac Otway is below the average and median each year for the group.

### (F) CAPITAL EXPENDITURE

The Capital Expenditure per assessment for 2012/2013 indicates that Colac Otway is below the average and similar to the median for the group.

### (G) RENEWAL

The % of infrastructure renewal indicates that Colac Otway is above the average and median for both years for the group.

### (H) RENEWAL AND MAINTENANCE

The % of infrastructure renewal and maintenance indicates that Colac Otway is well above the average and median for 2012/2013 for the group.



**LARGE SHIRE GROUPING – 2011/2012**

|                    | ALL RATES                           | RESIDENTIAL RATES                               | LIABILITIES                   | OPERATING RESULTS                  | OPERATING COSTS                         | CAPITAL EXPENDITURE                   | RENEWAL                  | RENEWAL & MAINTENANCE                    |
|--------------------|-------------------------------------|-------------------------------------------------|-------------------------------|------------------------------------|-----------------------------------------|---------------------------------------|--------------------------|------------------------------------------|
|                    | Rates and charges per assessment \$ | Residential rates and charges per assessment \$ | Liabilities per assessment \$ | Operating result per assessment \$ | Operating expenditure per assessment \$ | Capital expenditure per assessment \$ | Infrastructure renewal % | Infrastructure renewal and maintenance % |
| Bass Coast         | 1,388                               | 1,309                                           | 646                           | 230                                | 2,130                                   | 583                                   | 36                       | 117                                      |
| Baw Baw            | N/A                                 | N/A                                             | N/A                           | N/A                                | N/A                                     | N/A                                   | N/A                      | N/A                                      |
| Campaspe           | 1,489                               | 1,290                                           | 652                           | 50                                 | 3,400                                   | 1,295                                 | 114                      | 147                                      |
| Colac Otway        | 1,474                               | 1,222                                           | 1,169                         | 64                                 | 2,794                                   | 774                                   | 84                       | 94                                       |
| Corangamite        | 1,686                               | 945                                             | 1,652                         | 884                                | 4,379                                   | 1,236                                 | N/A                      | N/A                                      |
| East Gippsland     | 1,382                               | 1,280                                           | 1,006                         | 533                                | 2,559                                   | 863                                   | 103                      | 102                                      |
| Glenelg            | 1,537                               | 919                                             | 1,158                         | 327                                | 2,774                                   | 685                                   | 48                       | 66                                       |
| Macedon Ranges     | 1,582                               | 1,578                                           | 1,192                         | 644                                | 3,009                                   | 898                                   | 65                       | 79                                       |
| Mitchell           | N/A                                 | N/A                                             | N/A                           | N/A                                | N/A                                     | N/A                                   | N/A                      | N/A                                      |
| Moirā              | 1,402                               | 1,325                                           | 1,514                         | 184                                | 2,453                                   | 546                                   | 84                       | 90                                       |
| Moorabool          | N/A                                 | N/A                                             | 1,272                         | 263                                | 2,735                                   | 740                                   | N/A                      | N/A                                      |
| Moyne              | 1,291                               | 1,093                                           | 1,192                         | 343                                | 3,704                                   | 1,019                                 | 97                       | 97                                       |
| South Gippsland    | 1,464                               | 1,191                                           | 501                           | 266                                | 2,358                                   | 643                                   | 77                       | 87                                       |
| Southern Grampians | 1,313                               | 939                                             | 1,488                         | 211                                | 3,607                                   | 1,028                                 | 96                       | 98                                       |
| Surfcoast          | 1,804                               | 1,749                                           | 1,933                         | 338                                | 2,918                                   | 1,328                                 | 66                       | 136                                      |
| Wellington         | 1,230                               | 960                                             | 829                           | 203                                | 2,266                                   | 631                                   | 41                       | 64                                       |
|                    |                                     |                                                 |                               |                                    |                                         |                                       |                          |                                          |
| Median             | 1,464                               | 1,206                                           | 1,192                         | 265                                | 2,826                                   | 770                                   | 73                       | 92                                       |
| Average            | 1,452                               | 1,203                                           | 1,195                         | 290                                | 2,956                                   | 875                                   | 76                       | 99                                       |



**LARGE SHIRE GROUPING – 2012/2013**

|                    | ALL RATES                           | RESIDENTIAL RATES                               | LIABILITIES                   | OPERATING RESULTS                  | OPERATING COSTS                         | CAPITAL EXPENDITURE                   | RENEWAL                  | RENEWAL & MAINTENANCE                    |
|--------------------|-------------------------------------|-------------------------------------------------|-------------------------------|------------------------------------|-----------------------------------------|---------------------------------------|--------------------------|------------------------------------------|
|                    | Rates and charges per assessment \$ | Residential rates and charges per assessment \$ | Liabilities per assessment \$ | Operating result per assessment \$ | Operating expenditure per assessment \$ | Capital expenditure per assessment \$ | Infrastructure renewal % | Infrastructure renewal and maintenance % |
| Bass Coast         | 1,388                               | 1,309                                           | 646                           | 230                                | 2,130                                   | 583                                   | 36                       | 117                                      |
| Baw Baw            | N/A                                 | N/A                                             | N/A                           | N/A                                | N/A                                     | N/A                                   | N/A                      | N/A                                      |
| Campaspe           | 1,580                               | 1,228                                           | 1,163                         | (14)                               | 3,624                                   | 1,208                                 | 95                       | 126                                      |
| Colac Otway        | 1,586                               | 1,222                                           | 720                           | 118                                | 2,935                                   | 803                                   | 87                       | 127                                      |
| Corangamite        | 1,768                               | 1,053                                           | 1,291                         | 134                                | 4,051                                   | 1,169                                 | N/A                      | N/A                                      |
| East Gippsland     | 1,382                               | 1,280                                           | 1,006                         | 533                                | 2,559                                   | 863                                   | 103                      | 102                                      |
| Glenelg            | 1,608                               | 982                                             | 2,208                         | (1,287)                            | 4,176                                   | 1,030                                 | 59                       | 73                                       |
| Macedon Ranges     | 1,640                               | 1,620                                           | 945                           | 905                                | 2,805                                   | 815                                   | 50                       | 69                                       |
| Mitchell           | 1,571                               | 1,424                                           | 1,238                         | 1,338                              | 2,980                                   | 822                                   | 107                      | 102                                      |
| Moirā              | N/A                                 | N/A                                             | N/A                           | N/A                                | N/A                                     | N/A                                   | N/A                      | N/A                                      |
| Moorabool          | N/A                                 | N/A                                             | N/A                           | N/A                                | N/A                                     | N/A                                   | N/A                      | N/A                                      |
| Moyne              | 1,360                               | 1,166                                           | 1,250                         | 520                                | 3,448                                   | 1,329                                 | 104                      | 103                                      |
| South Gippsland    | 1,625                               | 1,363                                           | 554                           | 92                                 | 2,999                                   | 643                                   | 73                       | 87                                       |
| Southern Grampians | 1,417                               | 1,048                                           | 1,154                         | 2,290                              | 4,021                                   | 1,159                                 | 71                       | 82                                       |
| Surfcoast          | 1,885                               | 1,805                                           | 1,867                         | 257                                | 2,755                                   | 733                                   | 64                       | 142                                      |
| Wellington         | 1,292                               | 986                                             | 823                           | 219                                | 2,217                                   | 548                                   | 81                       | 73                                       |
|                    |                                     |                                                 |                               |                                    |                                         |                                       |                          |                                          |
| Median             | 1,580                               | 1,228                                           | 1,154                         | 230                                | 2,980                                   | 822                                   | 77                       | 102                                      |
| Average            | 1,546                               | 1,268                                           | 1,143                         | 410                                | 3,131                                   | 900                                   | 73                       | 100                                      |

## F - FINANCIAL AND OTHER INDICATORS 2012/2013

The following information provides general and financial data for the financial year 2012/2013 taken from Annual Accounts and budget documentation.

The data is based on "Large Rural". The grouping includes 16 Councils.

### LARGE SHIRE GROUPING

The large Shire grouping includes sixteen Councils. Bass Coast, Baw Baw, Campaspe, Colac – Otway, Corangamite, East Gippsland, Glenelg, Macedon Ranges, Mitchell, Moira, Moorabool, Moyne, South Gippsland, Southern Grampians, Surf Coast and Wellington.

Below is data on each Council compared with Colac Otway.

Population is the ABS Census Data 2011 and the No of Assessments is for 2012/2013 taken from 2013/2014 Budget documents.

|                    | Population | No of Assessments | Area Sq kms | Local Road Network kms | No of Councillors |
|--------------------|------------|-------------------|-------------|------------------------|-------------------|
| Colac Otway        | 20,973     | 14,604            | 3,427       | 1,723                  | 7                 |
| Bass Coast         | 29,614     | 28,539            | 865         | 897                    | 7                 |
| Baw Baw            | 42,864     | 22,650            | 4,027       | 1,726                  | 9                 |
| Campaspe           | 36,357     | 20,048            | 4,526       | 3,200                  | 7                 |
| Corangamite        | 16,370     | 9,504             | 4,396       | 2,203                  | 7                 |
| East Gippsland     | 42,193     | 29,822            | 21,056      | 3,000                  | 8                 |
| Glenelg            | 19,764     | 13,956            | 6,212       | 2,614                  | 9                 |
| Macedon Ranges     | 42,780     | 20,632            | 1,747       | 1,500                  | 9                 |
| Mitchell           | 34,637     | 17,059            | 2,864       | 1,300                  | 9                 |
| Moira              | 28,123     | 16,851            | 4,057       | 3,547                  | 9                 |
| Moorabool          | 28,125     | 14,656            | 2,110       | 1,428                  | 7                 |
| Moyne              | 15,453     | 11,571            | 5,478       | 2,961                  | 7                 |
| South Gippsland    | 27,506     | 18,956            | 3,280       | 2,807                  | 9                 |
| Southern Grampians | 16,352     | 10,735            | 6,807       | 2,350                  | 7                 |
| Surf Coast         | 25,874     | 19,686            | 1,562       | 1,057                  | 9                 |
| Wellington         | 41,440     | 33,569            | 10,900      | 3,300                  | 9                 |
| Average            | 29,277     | 18,927            | 5,207       | 2,226                  | 8.1               |

### Summary

Colac Otway is less than the average in each of the 5 categories of data.

- 5<sup>th</sup> lowest population
- 5<sup>th</sup> lowest number of rateable properties
- 6<sup>th</sup> lowest area sq kms
- 5<sup>th</sup> lowest local road network kms

As indicated in Part E Indicators only ever tell part of the story.

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The Large Shire Grouping of 16 Councils varies greatly:

|                    |                             |
|--------------------|-----------------------------|
| Population         | 15,453 to 42,864            |
| Assessments        | 9,504 to 33,569             |
| Area Sq Kms        | 865 sq kms to 21,056 sq kms |
| Local Road Network | 897 kms to 3,547 kms        |

The financial indicators on the following pages indicate a number of points:

- (a) Even though Colac Otway has had a surplus for the last 7 years and a surplus of \$1.72m in 2012/2013 it is still well under the average of \$5.7m. Colac Otway's surplus is the 4<sup>th</sup> lowest in the Large Shire Grouping.

- (b) Even though Colac Otway had cash at the end of the 2012/2013 year of \$11.75m it is still well under the average of \$17.12m. Colac Otway's level of cash is the 4<sup>th</sup> lowest in the Large Shire Grouping.

The average of cash and investments across the Large Rural Shires has reduced from \$18.2m in 2011/2012 to \$17.12m in 2012/2013. This most likely reflects the effect of the paying out of the Defined Benefits Superannuation liability.

- (c) Colac Otway's Depreciation as a % of total expenditure is approximately 15% above the average of the Large Shire Grouping. Colac Otway's % is 22% compared with the average of 19.2%.
- (d) Colac Otway's Depreciation as a % of Total Assets is well over the average of the Large Shire Grouping. Colac Otway's % is 3.24% compared with the average 2.25%.
- (e) Colac Otway's Total Outstanding loans of \$4.97m is well under the average of \$6.78m of the Large Shire Grouping.
- (f) Colac Otway's Principal Repayments of \$392,000 is the 4<sup>th</sup> lowest and well under the average of \$1.08m.
- (g) The Debt Commitment ratio indicates that Colac Otway is well under the average and median of the Large Shire Grouping.
- (h) For 2012/2013 Colac Otway had a Revenue Ratio of 52.4% which is well over the average of 46.1%.
- (i) Colac Otway Shire's Working Capital Ratio of 266.8% well is over the average of 199.7%.

**LARGE SHIRE GROUPING 2012/2013**

|                    | TOTAL<br>INCOME<br>\$'000 | TOTAL EXPENSES<br>\$'000 | SURPLUS/<br>(DEFICIT)<br>\$'000 | RATE & CHARGE<br>REVENUE<br>\$'000 | GOVERNMENT<br>GRANTS<br>\$'000 | DEPRECIATION<br>\$'000 | TOTAL<br>ASSETS<br>\$'000 | CASH &<br>INVESTMENTS<br>\$'000 |
|--------------------|---------------------------|--------------------------|---------------------------------|------------------------------------|--------------------------------|------------------------|---------------------------|---------------------------------|
| Bass Coast         | 67,347                    | 60,774                   | 6,573                           | 40,384                             | 13,242                         | 11,223                 | 511,803                   | 17,014                          |
| Baw Baw            | 82,213                    | 70,422                   | 11,791                          | 41,484                             | 22,093                         | 10,037                 | 517,066                   | 20,727                          |
| Campaspe           | 81,247                    | 72,704                   | 8,543                           | 31,706                             | 28,903                         | 13,346                 | 572,607                   | 18,818                          |
| <b>Colac Otway</b> | <b>44,581</b>             | <b>42,857</b>            | <b>1,724</b>                    | <b>23,349</b>                      | <b>15,255</b>                  | <b>9,430</b>           | <b>290,845</b>            | <b>11,745</b>                   |
| Corangamite        | 39,850                    | 38,576                   | 1,274                           | 16,798                             | 14,948                         | 10,287                 | 392,428                   | 8,111                           |
| East Gippsland     | 93,483                    | 77,462                   | 16,111                          | 42,419                             | 26,111                         | 18,027                 | 799,770                   | 27,878                          |
| Glenelg            | 45,453                    | 58,131                   | (12,679)                        | 20,899                             | 16,454                         | 9,058                  | 317,901                   | 16,071                          |
| Macedon Ranges     | 78,002                    | 58,980                   | 19,022                          | 35,092                             | 17,515                         | 10,926                 | 585,288                   | 16,225                          |
| Mitchell           | 63,463                    | 52,498                   | 10,965                          | 27,673                             | 13,433                         | 9,308                  | 400,265                   | 14,700                          |
| Moir               | 82,550                    | 89,064                   | (6,514)                         | 27,692                             | *45,371                        | 8,688                  | 611,468                   | 15,693                          |
| Moorabool          | 51,614                    | 43,868                   | 7,746                           | 24,162                             | 18,147                         | 7,555                  | 505,387                   | 11,272                          |
| Moyne              | 45,845                    | 39,811                   | 6,034                           | 16,736                             | 15,490                         | 10,618                 | 386,428                   | 15,837                          |
| South Gippsland    | 59,068                    | 57,310                   | 1,758                           | 31,375                             | 21,309                         | 9,506                  | 484,854                   | 9,992                           |
| Southern Grampians | 42,350                    | 35,999                   | 6,351                           | 15,309                             | 14,208                         | 9,350                  | 308,880                   | 13,413                          |
| Surfcoast          | 60,386                    | 55,199                   | 5,187                           | 37,761                             | 11,469                         | 9,744                  | 400,518                   | 20,016                          |
| Wellington         | 81,800                    | 74,436                   | 7,365                           | 44,204                             | 26,759                         | 21,149                 | 854,477                   | 36,397                          |
|                    |                           |                          |                                 |                                    |                                |                        |                           |                                 |
| <b>Median</b>      | <b>61,925</b>             | <b>57,721</b>            | <b>6,462</b>                    | <b>29,534</b>                      | <b>16,985</b>                  | <b>9,891</b>           | <b>495,121</b>            | <b>15,954</b>                   |
| <b>Average</b>     | <b>63,709</b>             | <b>58,006</b>            | <b>5,703</b>                    | <b>29,815</b>                      | <b>20,044</b>                  | <b>11,141</b>          | <b>496,249</b>            | <b>17,119</b>                   |

\* Figures include funds for disaster recovery.

**LARGE SHIRE GROUPING 2012/2013**

|                       | *                                     |                                   |                             |                                |                                             |  | RATIOS (details next page)             |                                         |                              |                                       |                                         |
|-----------------------|---------------------------------------|-----------------------------------|-----------------------------|--------------------------------|---------------------------------------------|--|----------------------------------------|-----------------------------------------|------------------------------|---------------------------------------|-----------------------------------------|
|                       | TOTAL LOANS &<br>BORROWINGS<br>\$'000 | PRINCIPAL<br>REPAYMENTS<br>\$'000 | DEBT<br>SERVICING<br>\$'000 | RATES<br>OUTSTANDING<br>\$'000 | RATES O/ST<br>AS A % OF<br>TOTAL<br>RATES % |  | (a)<br>DEBT<br>SERVICING<br>RATIO<br>% | (b)<br>DEBT<br>COMMITMENT<br>RATIO<br>% | (c)<br>REVENUE<br>RATIO<br>% | (d)<br>DEBT<br>EXPOSURE<br>RATIO<br>% | (e)<br>WORKING<br>CAPITAL<br>RATIO<br>% |
| Bass Coast            | 7,767                                 | 1,049                             | 539                         | 1,760                          | 4.4                                         |  | 0.8                                    | 3.9                                     | 60.0                         | 8.7                                   | 179.3                                   |
| Baw Baw               | 8,476                                 | 1,827                             | 540                         | 1,924                          | 4.6                                         |  | 0.7                                    | 5.7                                     | 50.5                         | 14.0                                  | 151.0                                   |
| Campaspe              | 5,851                                 | 2,664                             | 393                         | 695                            | 2.2                                         |  | 0.5                                    | 9.6                                     | 39.0                         | 11.0                                  | 245.9                                   |
| Colac Otway           | 4,974                                 | 392                               | 298                         | 1,377                          | 5.9                                         |  | 0.7                                    | 3.0                                     | 52.4                         | 18.8                                  | 266.8                                   |
| Corangamite           | 4,071                                 | 1,139                             | 215                         | 549                            | 3.3                                         |  | 0.5                                    | 8.1                                     | 42.2                         | 13.2                                  | 171.1                                   |
| East Gippsland        | 8,471                                 | 1,299                             | 946                         | 1,970                          | 4.6                                         |  | 0.9                                    | 4.9                                     | 45.5                         | 16.0                                  | 320.5                                   |
| Glenelg               | 2,468                                 | 306                               | 143                         | 499                            | 2.4                                         |  | 0.3                                    | 2.1                                     | 44.8                         | 8.7                                   | 283.5                                   |
| Macedon<br>Ranges     | 3,932                                 | 1,242                             | 275                         | 2,101                          | 6.0                                         |  | 0.4                                    | 4.3                                     | 45.0                         | 14.6                                  | 151.2                                   |
| Mitchell              | 9,366                                 | 953                               | 380                         | 2,033                          | 7.4                                         |  | 0.6                                    | 4.8                                     | 43.6                         | 20.1                                  | 142.5                                   |
| Moirā                 | 8,311                                 | 916                               | 649                         | 1,310                          | 4.7                                         |  | 0.8                                    | 5.7                                     | 33.6                         | 19.2                                  | 132.2                                   |
| Moorabool             | 11,388                                | 1,490                             | 899                         | 2,620                          | 10.8                                        |  | 1.7                                    | 9.9                                     | 46.8                         | 24.9                                  | 136.5                                   |
| Moyne                 | 2,283                                 | 448                               | 171                         | 1,096                          | 6.6                                         |  | 0.4                                    | 3.7                                     | 36.5                         | 13.3                                  | 146.9                                   |
| South Gippsland       | 134                                   | 317                               | 23                          | 1,439                          | 4.6                                         |  | 0.0                                    | 1.1                                     | 53.1                         | 3.8                                   | 169.9                                   |
| Southern<br>Grampians | 3,938                                 | 271                               | 270                         | 716                            | 4.7                                         |  | 0.6                                    | 3.7                                     | 36.2                         | 11.2                                  | 271.7                                   |
| Surfcoast             | 17,270                                | 1,190                             | 1,257                       | 1,418                          | 3.8                                         |  | 2.1                                    | 7.5                                     | 53.8                         | 26.1                                  | 184.9                                   |
| Wellington            | 9,789                                 | 1,763                             | 726                         | 5,148                          | 11.7                                        |  | 0.9                                    | 5.6                                     | 54.0                         | 12.0                                  | 240.7                                   |
| Median                | 6,809                                 | 1,094                             | 387                         | 1,429                          | 4.7                                         |  | 0.7                                    | 4.9                                     | 45.3                         | 13.7                                  | 175.2                                   |
| Average               | 6,781                                 | 1,079                             | 483                         | 1,666                          | 5.5                                         |  | 0.7                                    | 5.2                                     | 46.1                         | 14.7                                  | 199.7                                   |

---

## DESCRIPTION OF RATIOS

### **(a) Debt Servicing Ratio (to identify the capacity of Council to service its outstanding debt)**

Debt Servicing Costs

Total Revenue

Debt servicing costs refer to the payment of interest on loan borrowings, finance lease and bank overdraft. The ratio expresses the amount of interest paid as a percentage of Council's total revenue.

### **(b) Debt Commitment Ratio (to identify Council's debt redemption strategy)**

Debt Servicing and Redemption Costs

Rate Revenue

The strategy involves the payment of loan principal and interest, finance lease principal and interest. The ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal.

### **(c) Revenue Ratio (to identify Council's dependence on non-rate income)**

Rate Revenue

Total Revenue

The level of Council's reliance on rate revenue is determined by assessing rate revenue as a proportion of the total revenue of Council.

### **(d) Debt Exposure Ratio (to identify Council's exposure to debt)**

Total Indebtedness

Total Realisable Assets

For the purposes of the calculation of financial ratios, realisable assets are those assets which can be sold and which are not subject to any restriction on realisation or use. Any liability represented by a restricted asset is excluded from total indebtedness.

The following assets are excluded from total assets when calculating Council's realisable assets: land – other controlled; buildings on other controlled land; restricted assets; heritage assets; total infrastructure assets and Council's investment in associate.

This ratio enables assessment of Council's solvency and exposure to debt. Total indebtedness refers to the total liabilities of Council. Total liabilities are compared in total realisable assets which are all Council assets not subject to any restriction.

### **(e) Working Capital Ratio (to assess Council's ability to meet current commitments)**

Current Assets

Current Liabilities

The ratio expresses the level of current assets the Council has available to meet its current liabilities.

## G – DEBT MANAGEMENT

Council's borrowing strategy aims to provide a framework for council to work within when sourcing funds for various projects by borrowings. Part of Council's medium to long term financial strategy is to provide adequate and appropriate levels of service to the community, whilst maintaining a prudent financial position. In the light of this requirement, it can be seen that the borrowing strategy is an integral part of Council's long term financial plan.

Borrowings are identified as an important funding source for capital works programs. In the past Council has borrowed strongly to finance large infrastructure projects.

The following table provides a history of Council borrowings for the last seven years and the prudential ratios applicable.

| Year      | Total Borrowings 30 June \$'000 | Liquidity CA/CL Ratio % | Debt Exposure Indebtedness/ Realisable Assets % | Debt Management Debt/Rates % | Debt Management Servicing Costs/Revenue % |
|-----------|---------------------------------|-------------------------|-------------------------------------------------|------------------------------|-------------------------------------------|
| 2006/2007 | 3,466                           | 266.6%                  | 12.1%                                           | 23.8%                        | 0.8%                                      |
| 2007/2008 | 2,980                           | 226.0%                  | 11.2%                                           | 18.4%                        | 0.7%                                      |
| 2008/2009 | 2,462                           | 226.8%                  | 11.4%                                           | 14.0%                        | 0.5%                                      |
| 2009/2010 | 4,157                           | 218.1%                  | 14.0%                                           | 22.4%                        | 0.4%                                      |
| 2010/2011 | 4,845                           | 240.9%                  | 12.3%                                           | 23.7%                        | 0.5%                                      |
| 2011/2012 | 4,188                           | 273.0%                  | 21.6%                                           | 19.2%                        | 0.8%                                      |
| 2012/2013 | 4,974                           | 206.4%                  | 18.8%                                           | 21.3%                        | 0.7%                                      |
| Threshold |                                 | <110%                   | >50%                                            | >80%                         | >5%                                       |

The table shows that at 30 June 2013 Council's borrowing level was \$4.97 million. The table also shows that Council has at all times been well within prudential ratio limits that were previously used for assessment purposes by the State Government.

### PRUDENTIAL GUIDELINES

All borrowings proposed by individual Councils were previously assessed under a borrowing assessment policy adopted by the Local Government Division following consultation with Local Government.

The policy identified four key areas of financial management with certain thresholds that are required to be met. These are longer used for assessment.

| Area            | Financial Indicator                          | Threshold |
|-----------------|----------------------------------------------|-----------|
| Liquidity       | Current Assets to Current Liabilities        | 110%      |
| Debt Exposure   | Total Liabilities to Total Realisable Assets | 50%       |
| Debt Management | Total Debt as a % of Rate Revenue            | 80%       |
| Debt Management | Debt Servicing Costs as a % of Total Revenue | 5%        |

## **LIQUIDITY**

### **Current Assets to Current Liabilities**

This indicator reflects the short-term liquidity position. That is, its ability to repay current commitments from cash or near cash assets. Councils with a ratio of 110% and below or with a deteriorating trend may be financially at risk of not being able to meet creditors commitments. Council's result at June 30, 2013 was 206.4%.

## **DEBT EXPOSURE**

### **Total Indebtedness to Total Realisable Assets**

This indicator reflects the ability to acquit liabilities with the proceeds from the disposal of its realisable assets. Ideally, total liabilities should be significantly less than 50% of total realisable assets. Council's result at June 30, 2013 was 18.8%.

## **DEBT MANAGEMENT**

### **Debt Management: Total Debt as a % of Rate Revenue**

The *Local Government Act* 1989 requires that all loans secured against the revenue stream from rates. A Council with total debt in excess of the revenue from rates would be unable to meet all debt commitments from rate revenue should they be required to be repaid at the one time. A threshold of 80% has been set. Council's result at June 30, 2013 was 21.3%.

### **Debt Servicing Costs as a % of Total Revenue**

This indicator reflects the proportion of total revenue that is used to service debt (interest on outstanding debt and any loan administration charges) and which cannot be used directly for service delivery. A threshold of 5% has been set. Council's result at June 30, 2013 was 0.7%.

### **Budget 2012/2013 and 2013/2014**

The 2012/2013 Budget included a Loan Borrowing Program of \$1.8m to fund works at the Colac Livestock Selling Centre. The 2013/2014 Budget includes a program of \$416,000 for a contribution towards street lighting and other environmental enhancements.

The following table sets out the future debt servicing performance and the expected new borrowings taken up. The figures are based on the financial position of Council as at 30 June 2013.

| Year      | New Borrowings<br>\$'000 | Loan Principal Paid<br>\$'000 | Loan Interest Paid<br>\$'000 | Balance 30 June<br>\$'000 | Loan Debt/Rate Revenue |
|-----------|--------------------------|-------------------------------|------------------------------|---------------------------|------------------------|
| 2012/2013 | \$1,178                  | \$392                         | \$298                        | \$4,974                   | 21.3%                  |
| 2013/2014 | \$416                    | \$471                         | \$353                        | \$4,919                   | 20.0%                  |
| 2014/2015 | To be determined         | \$551                         | \$315                        | \$4,368                   | 16.8%                  |
| 2015/2016 | To be determined         | \$592                         | \$274                        | \$3,776                   | 13.7%                  |



The figures for 2014/2015 and 2015/2016 are based on the Strategic Resource Plan 2013/2013 to 2016/2017.

It is expected that there will be a need to be borrowings in 2014/2015 to fund Council's proportion of the BWFC redevelopment. The amount to be borrowed is yet to be determined.

#### **What Level of Debt is Appropriate?**

The following factors are seen as important issues when considering to borrow:

- level of debt servicing as a proportion of rate revenue;
- ability to raise revenue in addition to rates;
- level of realisable assets to support the indebtedness;
- achieving the right mix of capital works and debt commitments;
- growth rate of municipality;
- community needs; and
- demographics

As at October 2013 the Principal Balance was \$4.84m, made up as follows:

| Loan No      | Purpose/Description                                                       | Loan Amount      | Principal Balance @ Oct 2013 | Take Up Date | Maturity Date |
|--------------|---------------------------------------------------------------------------|------------------|------------------------------|--------------|---------------|
| 6            | COPACC                                                                    | 1,000,000        | 420,717                      | 28/04/99     | 28/04/19      |
| 7            | COPACC, Irrewillipe Rd, Speedway Rd, Car Parking & Apollo Bay Streetscape | 1,650,000        | 819,091                      | 04/04/00     | 04/04/20      |
| 10           | Apollo Bay Waste Transfer Station & Colac Joint Use Library               | 2,000,000        | 1,509,558                    | 25/06/10     | 25/06/20      |
| 11           | Land Purchase & Apollo Bay Waste Transfer Station                         | 1,100,000        | 920,452                      | 25/06/11     | 25/06/21      |
| 12           | Livestock Selling Centre Roof                                             | 1,178,000        | 1,166,082                    | 28/06/13     | 28/06/23      |
| <b>Total</b> |                                                                           | <b>6,928,000</b> | <b>4,835,900</b>             |              |               |

Council is responsible and accountable for indebtedness and the cost of debt servicing needs to be controlled to manageable levels. The table below highlights the relative debt levels of Councils within the large shire grouping at 30 June 2013.

### Comparison with Other Councils

The following table highlights the relative debt levels of Councils within the Large Shire Grouping as at June 30, 2012.

|                             | \$'000       |
|-----------------------------|--------------|
| South Gippsland             | 134          |
| Moyne                       | 2,283        |
| Glenelg                     | 2,468        |
| Macedon Ranges              | 3,932        |
| Southern Grampians          | 3,938        |
| Corangamite                 | 4,071        |
| <b>Colac Otway</b>          | <b>4,974</b> |
| Campaspe                    | 5,851        |
| Bass Coast                  | 7,767        |
| Moir                        | 8,311        |
| East Gippsland              | 8,471        |
| Baw Baw                     | 8,476        |
| Mitchell                    | 9,366        |
| Wellington                  | 9,789        |
| Moorabool                   | 11,388       |
| Surfcoast                   | 17,270       |
| <b>Median Large Shires</b>  | <b>6,809</b> |
| <b>Average Large Shires</b> | <b>6,781</b> |

The average debt for the large Shires has decreased from \$7.08m in 2011/2012 to \$6.78m in 2012/2013.

Section F of this report provides further analysis of the Large Shire Grouping as at June 30, 2013.

|                           | Average Large Shires | Colac Otway |
|---------------------------|----------------------|-------------|
| Debt Servicing            | \$483,000            | \$298,000   |
| Principal Repayments      | \$1,079,000          | \$392,000   |
| Debt Servicing Ratio (%)  | 0.7%                 | 0.7%        |
| Debt Commitment Ratio (%) | 5.2%                 | 3.0%        |
| Debt Exposure Ratio %     | 14.7%                | 18.8%       |
| Working Capital Ratio     | 199.7%               | 266.8%      |



## PART 2 – STRATEGY PLUS DATA

### INDEX

#### Benchmarking/Performance Indicators

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## **BENCHMARKING/ PERFORMANCE INDICATORS**

### **INTRODUCTION**

Over the past few years there has been a lot of information on benchmarking and Key Performance Indicators within Local Government.

This includes:

- Department of Victorian Communities "Local Government in Victoria"
- Annual Report analysis of Large Rural Councils
- Strategy Plus
- Auditor General Victoria

The data in this paper is taken from information supplied by Strategy Plus for the financial year 2012/2013. Strategy Plus analyses the data from all 79 Councils.

This paper, groups the various indicators under the following headings:

- 1 - Assets
- 2 - Capital
- 3 - Cash
- 4 - Indebtedness/Liabilities
- 5 - Operating
- 6 - Rating
- 7 - Capacity to Pay
- 8 - Financial Sustainability Indicators

and provides further analysis, as well as more detailed information on each of the above.

## Comparisons

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

Strategy Plus include the following Councils in the Large Rural Shire grouping:

- |                  |                      |             |
|------------------|----------------------|-------------|
| - Baw Baw        | - Moorabool          |             |
| - Campaspe       | - Moyne              |             |
| - Colac Otway    | - Murrindindi        |             |
| - Corangamite    | - South Gippsland    |             |
| - East Gippsland | - Southern Grampians |             |
| - Glenelg        | - Surfcoast          |             |
| - Horsham        | - Swan Hill          |             |
| - Macedon Ranges | - Wangaratta         |             |
| - Mitchell       | - Wellington         | 19 in total |
| - Moira          |                      |             |

Strategy Plus have used the following figures in the calculation of a number of the indicators.

| <i>Council</i>       | <i>Population per ABS</i> | <i>No of Assessments</i> |
|----------------------|---------------------------|--------------------------|
| Baw Baw              | 44,520                    | 23,499                   |
| Campaspe             | 36,746                    | 20,087                   |
| Colac Otway          | 20,502                    | 14,793                   |
| Corangamite          | 16,358                    | 9,506                    |
| East Gippsland       | 43,103                    | 30,033                   |
| Glenelg              | 19,764                    | 13,939                   |
| Horsham              | 19,667                    | 11,851                   |
| Macedon Ranges       | 43,371                    | 21,024                   |
| Mitchell             | 36,215                    | 17,611                   |
| Moira                | 28,694                    | 16,999                   |
| Moorabool            | 29,263                    | 15,084                   |
| Moyne                | 16,223                    | 11,616                   |
| Murrindindi          | 13,265                    | 9,495                    |
| South Gippsland      | 27,802                    | 19,109                   |
| Southern Grampians   | 16,331                    | 10,808                   |
| Surf Coast           | 27,167                    | 20,037                   |
| Swan Hill            | 20,930                    | 11,793                   |
| Wangaratta           | 27,122                    | 14,663                   |
| Wellington           | 42,147                    | 34,353                   |
| <b>Average</b>       | <b>27,852</b>             | <b>17,174</b>            |
| <b>State Average</b> | <b>70,741</b>             | <b>33,863</b>            |

## **Summary**

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

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

- The underlying operating deficit;
- Liquidity levels;
- The level of depreciation; and
- The level of capital expenditure.

The continued emphasis on these aspects will continue to ensure that Colac Otway improves its financial position.

The information available also indicates that Colac Otway Shire is addressing a number of the challenges that face Council. Over the last 5 years there has been an emphasis on improving Council's financial position.

There has been an increased emphasis on key challenges to ensure that Colac Otway achieves certain targets as soon as possible:

- Increased asset renewal and maintenance spending; and
- Moving from operating deficits to operating surpluses.

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

The need to continue to improve Council's financial position has been supported by increased and improved data and information both internally and externally.

Even though different organisations use different measures the messages are consistent with respect to Infrastructure Renewal, Operating Deficits and liquidity.

## 1. ASSETS

### (a) Total Assets (27)

Total Assets as per Balance Sheet as at 30 June 2013.

|                                |                                |
|--------------------------------|--------------------------------|
| - Average Large Shire Grouping | \$472.32m                      |
| - Median Large Shire Grouping  | \$421.40m                      |
| - State Average (excl Melb)    | \$896.32m                      |
| - Colac Otway                  | \$290.85m (lowest in grouping) |

Range from \$290.85m to \$854.48m

#### **Colac Otway Total Assets**

|         |           |
|---------|-----------|
| 2008/09 | \$247.93m |
| 2009/10 | \$253.85m |
| 2010/11 | \$253.96m |
| 2011/12 | \$287.27m |
| 2012/13 | \$290.85m |

### (b) Total Assets per Assessment (27)

#### **For 2012/13**

|                                |                               |
|--------------------------------|-------------------------------|
| - Average Large Shire Grouping | \$28,622                      |
| - Median Large Shire Grouping  | \$27,839                      |
| - State Average (excl Melb)    | \$27,682                      |
| - Colac Otway                  | \$19,661 (lowest in grouping) |

#### **Colac Otway - Total Assets per Assessment \$**

|         |          |
|---------|----------|
| 2008/09 | \$17,323 |
| 2009/10 | \$17,631 |
| 2010/11 | \$17,277 |
| 2011/12 | \$19,396 |
| 2012/13 | \$19,661 |

### (c) Total Assets per Capita (28)

#### **For 2012/13**

|                                |                                               |
|--------------------------------|-----------------------------------------------|
| - Average Large Shire Grouping | \$17,778                                      |
| - Median Large Shire Grouping  | \$17,440                                      |
| - State Average (excl Melb)    | \$16,345                                      |
| - Colac Otway                  | \$14,186 (5 <sup>th</sup> lowest in grouping) |

#### **Colac Otway - Total Assets per Capita \$**

|         |          |
|---------|----------|
| 2008/09 | \$11,559 |
| 2009/10 | \$11,807 |
| 2010/11 | \$11,493 |
| 2011/12 | \$12,994 |
| 2012/13 | \$14,186 |

(d) **Depreciation (30)**

Level of Depreciation as per Income Statement as at 30 June 2013.

|                                |          |
|--------------------------------|----------|
| - Average Large Shire Grouping | \$10.67m |
| - Median Large Shire Grouping  | \$9.57m  |
| - State Average                | \$14.35m |
| - Colac Otway                  | \$9.43m  |

Range from \$7.28 m to \$21.15m

**Colac Otway Depreciation**

|         |         |
|---------|---------|
| 2008/09 | \$8.90m |
| 2009/10 | \$8.41m |
| 2010/11 | \$7.78m |
| 2011/12 | \$8.67m |
| 2012/13 | \$9.43m |

(e) **Total Depreciation/Total Assets (30)**

This ratio compares the total amount of depreciation charged as a percentage of the Total Assets base.

**For 2012/13**

|                                |      |
|--------------------------------|------|
| - Average Large Shire Grouping | 2.3% |
| - Median Large Shire Grouping  | 2.3% |
| - State Average                | 2.0% |
| - Colac Otway                  | 3.2% |

Colac Otway has the highest % of the Large Shire grouping.

**Colac Otway**

|         |       |
|---------|-------|
| 2008/09 | 3.59% |
| 2009/10 | 3.31% |
| 2010/11 | 3.06% |
| 2011/12 | 3.02% |
| 2012/13 | 3.24% |

Council's ratio continues to be significantly higher than the average for the Large Shire Grouping.

The assumptions made by each Council on useful lives of assets and therefore depreciation rates used will influence outcomes.



(f) **Depreciation on Infrastructure/Total Infrastructure Assets (31)**

This ratio compares the total amount of depreciation charged on infrastructure assets as a percentage of the Total Infrastructure Assets base.

**For 2012/13**

|                                |      |
|--------------------------------|------|
| - Average Large Shire Grouping | 2.3% |
| - Median Large Shire Grouping  | 2.3% |
| - State Average                | 2.4% |
| - Colac Otway                  | 3.3% |

Colac Otway has the highest % of the Large Shire Grouping.

**Colac Otway**

|         |      |
|---------|------|
| 2008/09 | 3.8% |
| 2009/10 | 3.6% |
| 2010/11 | 3.2% |
| 2011/12 | 3.2% |
| 2012/13 | 3.3% |

Even though Council has reviewed depreciation and useful lives, Council is still well above the average in terms of its depreciation on its infrastructure assets. This implies that Council's estimates of useful lives for its infrastructure assets are less than the average for both the group and the State.

It is not essential to perform at the average but rather it is important that the useful life assumptions reflect accurately the local conditions. The roads in the Otways and road construction standards continue to have impacts on the figures.

**Summary - Assets**

**Depreciation**

Colac Otway is one of the smaller Councils in size and has one of the lowest total kilometres in local road network.

The total amount of depreciation as a % of Assets is well above the average for the Large Shire grouping.

It is important that the data is regularly reviewed to ensure that the useful life assumptions accurately reflect the local conditions.

This not only has an impact on the level of depreciation but total assets which is lower than that of like Councils.

## 2. CAPITAL

### (a) Capital Expenditure per Assessment (33)

Amount of Council's expenditure capitalised to the statement of financial position and contributions to major assets not owned by Council divided by the number of assessments.

#### **For 2012/2013**

|                                |       |
|--------------------------------|-------|
| - Average Large Shire Grouping | \$931 |
| - Median Large Shire Grouping  | \$840 |
| - State Average                | \$874 |
| - Colac Otway                  | \$793 |

#### **Colac Otway**

|         |                                             |
|---------|---------------------------------------------|
| 2008/09 | \$564                                       |
| 2009/10 | \$895 (incl. CCLLC and AB Transfer Station) |
| 2010/11 | \$776                                       |
| 2011/12 | \$774                                       |
| 2012/13 | \$793                                       |

#### **Colac Otway – Capital Expenditure**

|         |          |
|---------|----------|
| 2008/09 | \$8.03m  |
| 2009/10 | \$12.89m |
| 2010/11 | \$11.40m |
| 2011/12 | \$11.46m |
| 2012/13 | \$11.73m |

### (b) Capital Expenditure on Renewal and Upgrade as % of Depreciation (35)

#### **For 2012/2013**

|                                |        |
|--------------------------------|--------|
| - Average Large Shire Grouping | 108.8% |
| - Median Large Shire Grouping  | 106.4% |
| - State Average                | 115.0% |
| - Colac Otway                  | 96.8%  |

#### **Colac Otway**

|         |        |
|---------|--------|
| 2008/09 | 84.0%  |
| 2009/10 | 116.9% |
| 2010/11 | 118.8% |
| 2011/12 | 112.0% |
| 2012/13 | 96.8%  |

(c) **Total Capital Expenditure as % of Rate Revenue (36)**

**For 2012/13**

|                                |       |
|--------------------------------|-------|
| - Average Large Shire Grouping | 58.4% |
| - Median Large Shire Grouping  | 52.6% |
| - State Average                | 57.2% |
| - Colac Otway                  | 50.2% |

**Colac Otway**

|         |                                           |
|---------|-------------------------------------------|
| 2008/09 | 45.6%                                     |
| 2009/10 | 69.5% (incl. CCLLC & AB Transfer Station) |
| 2010/11 | 55.7%                                     |
| 2011/12 | 52.6%                                     |
| 2012/13 | 50.2%                                     |

**Summary**

Over the past few years the level of capital expenditure has remained at a far higher level than previous years. This has been necessary to address the Infrastructure Renewal Gap and to provide necessary infrastructure across the Shire.

The level of Capital Works Expenditure in 2012/13 was affected by the decision to defer part of the Capital Works Program to assist in the funding of the Unfunded Superannuation Liability.

This area will need to be closely monitored.

### 3. CASH

(a) **Cash and Investments at End of Year (37)**

**Total cash as per Balance Sheet as at 30 June 2013**

|                                |          |
|--------------------------------|----------|
| - Average Large Shire Grouping | \$18.53m |
| - Median Large Shire Grouping  | \$15.84m |
| - State Average                | \$29.29m |
| - Colac Otway                  | \$11.74m |

Range from \$8.11m to \$36.40m.

**Colac Otway – Cash at End of Year**

|         |          |
|---------|----------|
| 2008/09 | \$9.65m  |
| 2009/10 | \$9.76m  |
| 2010/11 | \$10.78m |
| 2011/12 | \$13.61m |
| 2012/13 | \$11.74m |

(b) **Working Capital Ratio - Liquidity**

Current assets as a ratio of Current Liabilities as at 30 June 2013.

This is a mandatory performance measurement for Local Government and is also used by the Auditor General in assessment of financial viability.

|                                |      |
|--------------------------------|------|
| - Average Large Shire Grouping | 2.02 |
| - Median Large Shire Grouping  | 1.71 |
| - State Average                | 2.09 |
| - Colac Otway                  | 2.06 |

The level of cash funds held in Reserve and for other purposes influences this ratio.

**Colac Otway Working Capital Ratio**

|         |      |
|---------|------|
| 2008/09 | 2.27 |
| 2009/10 | 2.18 |
| 2010/11 | 2.41 |
| 2011/12 | 2.73 |
| 2012/13 | 2.06 |

---

## **Summary**

The aim is to maintain a strong liquidity position (working capital ratio of at least 150%).

Up to 2012/13 Council had an improved cash position at the end of the financial year. This was as a result of receiving significant grants in advance or works in progress on capital works.

It should be noted that the average level of cash and the Working Capital Ratio across the Large Shire Grouping and the State have reduced. This is a consequence of the paying out by Councils of the Superannuation Liability.

It is important that there is regular monitoring of the level of cash, taking into account the required level of financial reserves and other commitments. The level of cash will reduce as grants in advance are no longer received and the level of cash reserves decrease to assist in paying the superannuation liability.

Following the paying out of the Superannuation Liability Council should again be aiming to build up the level of cash reserves.

## 4. INDEBTEDNESS/LIABILITIES

### (a) Liabilities per Assessment \$ (25)

Total liabilities as per the statement of financial position less items held in trust divided by the number of assessments.

#### For 2012/13

|                                |         |
|--------------------------------|---------|
| - Average Large Shire Grouping | \$1,330 |
| - Median Large Shire Grouping  | \$1,281 |
| - State Average                | \$997   |
| - Colac Otway                  | \$1,011 |

#### Colac Otway – Average Liabilities per Assessment \$

|         |                                         |
|---------|-----------------------------------------|
| 2008/09 | \$695                                   |
| 2009/10 | \$888                                   |
| 2010/11 | \$972                                   |
| 2011/12 | \$1,149 (inc. Superannuation Liability) |
| 2012/13 | \$1,011                                 |

### (b) Total Debt (21)

#### Total debt as per the Balance Sheet as at 30 June 2013

|                                |          |
|--------------------------------|----------|
| - Average Large Shire Grouping | \$6.69m  |
| - Median Large Shire Grouping  | \$5.84m  |
| - State Average                | \$12.54m |
| - Colac Otway                  | \$4.97m  |

Range from \$134,000 to \$18.95m.

#### Colac Otway – Total Loans Outstanding

|         |                                         |
|---------|-----------------------------------------|
| 2008/09 | \$2.46m                                 |
| 2009/10 | \$4.16m                                 |
| 2010/11 | \$4.85m                                 |
| 2011/12 | \$7.37m (inc. Superannuation Liability) |
| 2012/13 | \$4.97m                                 |

### (c) Debt Servicing Ratio %

#### Debt Servicing Costs (interest) as a % of adjusted total Revenue as at 30 June 2013

|                                |       |
|--------------------------------|-------|
| - Average Large Shire Grouping | 0.76% |
| - Median Large Shire Grouping  | 0.66% |
| - State Average                | 0.70% |
| - Colac Otway                  | 0.76% |

Range 0.04% to 2.08%

#### Colac Otway – Debt Servicing Ratio

|         |       |
|---------|-------|
| 2008/09 | 0.51% |
| 2009/10 | 0.36% |
| 2010/11 | 0.54% |
| 2011/12 | 0.78% |
| 2012/13 | 0.76% |

---

(d) **Debt Commitment Ratio %**

**Debt Servicing and Redemption Costs as a % of Rate Revenue as at 30 June 2013**

|                                |       |
|--------------------------------|-------|
| - Average Large Shire Grouping | 5.84% |
| - Median Large Shire Grouping  | 5.65% |
| - State Average                | 4.38% |
| - Colac Otway                  | 3.12% |

Range 1.9% to 16.6%

**Colac Otway – Debt Commitment Ratio %**

|         |       |
|---------|-------|
| 2008/09 | 3.99% |
| 2009/10 | 2.40% |
| 2010/11 | 3.52% |
| 2011/12 | 4.58% |
| 2012/13 | 3.12% |

(e) **Debt Exposure Ratio %**

**Total Liabilities as a % of Total Realisable Assets as at 30 June 2013**

|                                |        |
|--------------------------------|--------|
| - Average Large Shire Grouping | 15.94% |
| - Median Large Shire Grouping  | 14.02% |
| - State Average                | 12.30% |
| - Colac Otway                  | 18.79% |

Range 3.78% to 26.09%

**Colac Otway – Debt Exposure Ratio %**

|         |        |
|---------|--------|
| 2008/09 | 10.7%  |
| 2009/10 | 14.0%  |
| 2010/11 | 12.3%  |
| 2011/12 | 21.57% |
| 2012/13 | 18.79% |

(f) **Debt/Rate Revenue (16)**

**Total Debt as a % of Rate Revenue for 2012/13**

|                                |       |
|--------------------------------|-------|
| - Average Large Shire Grouping | 25.1% |
| - Median Large Shire Grouping  | 24.2% |
| - State Average                | 23.9% |
| - Colac Otway                  | 21.3% |

**Colac Otway – Debt/Rate Revenue**

|         |       |
|---------|-------|
| 2008/09 | 14.0% |
| 2009/10 | 22.4% |
| 2010/11 | 23.7% |
| 2011/12 | 33.8% |
| 2012/13 | 21.3% |

**(g) Debt per Capita (21)**

**For 2012/13**

|                                |       |
|--------------------------------|-------|
| - Average Large Shire Grouping | \$251 |
| - Median Large Shire Grouping  | \$249 |
| - State Average                | \$212 |
| - Colac Otway                  | \$243 |

**Colac Otway – Debt per Capita**

|         |                                       |
|---------|---------------------------------------|
| 2008/09 | \$115                                 |
| 2009/10 | \$193                                 |
| 2010/11 | \$219                                 |
| 2011/12 | \$333 (inc. Superannuation Liability) |
| 2012/13 | \$243                                 |

**(h) Debt Commitment per Assessment (23)**

**For 2012/13**

|                                |       |
|--------------------------------|-------|
| - Average Large Shire Grouping | \$281 |
| - Median Large Shire Grouping  | \$262 |
| - State Average                | \$231 |
| - Colac Otway                  | \$262 |

**Colac Otway – Debt Commitment per Assessment**

|         |       |
|---------|-------|
| 2008/09 | \$51  |
| 2009/10 | \$31  |
| 2010/11 | \$88  |
| 2011/12 | \$67  |
| 2012/13 | \$262 |

**Summary**

The above figures and indicators indicate that Council is lower than the average of the Large Shire Grouping.

A number of the indicators have been affected by the outcomes of the Unfunded Superannuation liability.



## 5. OPERATING

### (a) Adjusted Expenditure per Assessment (9)

Adjusted expenditure as per the statement of financial performance divided by the number of assessments.

#### **For 2012/2013**

|                                |         |
|--------------------------------|---------|
| - Average Large Shire Grouping | \$3,253 |
| - Median Large Shire Grouping  | \$2,999 |
| - State Average                | \$2,914 |
| - Colac Otway                  | \$2,788 |

#### **Colac Otway – Adjusted Expenditure per Assessment \$**

|         |         |
|---------|---------|
| 2008/09 | \$2,442 |
| 2009/10 | \$2,529 |
| 2010/11 | \$2,507 |
| 2011/12 | \$2,547 |
| 2012/13 | \$2,788 |

### (b) Adjusted Total Revenue (8)

#### **Total revenue for 2012/13 as per Income Statement**

|                                |          |
|--------------------------------|----------|
| - Average Large Shire Grouping | \$49.31m |
| - Median Large Shire Grouping  | \$45.32m |
| - State Average                | \$84.62m |
| - Colac Otway                  | \$38.42m |

#### **Colac Otway – Adjusted Total Revenue**

|         |          |
|---------|----------|
| 2008/09 | \$31.39m |
| 2009/10 | \$36.26m |
| 2010/11 | \$34.78m |
| 2011/12 | \$39.19m |
| 2012/13 | \$38.42m |

### (c) Expenditure (12)

#### **Adjusted total expenditure for 2012/13 as per Income Statement**

|                                |          |
|--------------------------------|----------|
| - Average Large Shire Grouping | \$53.33m |
| - Median Large Shire Grouping  | \$51.49m |
| - State Average                | \$84.41m |
| - Colac Otway                  | \$41.24m |

#### **Colac Otway – Adjusted Operating Expenditure**

|         |          |
|---------|----------|
| 2008/09 | \$34.95m |
| 2009/10 | \$36.41m |
| 2010/11 | \$36.85m |
| 2011/12 | \$37.72m |
| 2012/13 | \$41.24m |

---

(d) **Revenue Ratio %**

Total Rate Revenue as a percentage of the total revenue of Council

**For 2012/13**

|                                |        |
|--------------------------------|--------|
| - Average Large Shire Grouping | 43.71% |
| - Median Large Shire Grouping  | 43.61% |
| - State Average                | 48.65% |
| - Colac Otway                  | 52.33% |

**Colac Otway – Revenue Ratio**

|         |                                             |
|---------|---------------------------------------------|
| 2008/09 | 46.89%                                      |
| 2009/10 | 47.43%                                      |
| 2010/11 | 36.16% (50% if Port of Apollo Bay excluded) |
| 2011/12 | 49.98%                                      |
| 2012/13 | 52.33%                                      |

(e) **Recurrent/Operating Grants (6)**

Recurrent/Operating Grant Income as a percentage of the adjusted total revenue of Council

**For 2012/13**

|                                |       |
|--------------------------------|-------|
| - Average Large Shire Grouping | 26.3% |
| - Median Large Shire Grouping  | 24.8% |
| - State Average                | 22.9% |
| - Colac Otway                  | 24.6% |

**Colac Otway – Recurrent/Operating Grants %**

|         |       |
|---------|-------|
| 2008/09 | 28.5% |
| 2009/10 | 27.7% |
| 2010/11 | 30.4% |
| 2011/12 | 31.3% |
| 2012/13 | 24.6% |

(f) **Fees and Charges (7)**

Fees and charges as a percentage of the adjusted total revenue of Council

**For 2012/13**

|                                |       |
|--------------------------------|-------|
| - Average Large Shire Grouping | 13.3% |
| - Median Large Shire Grouping  | 12.2% |
| - State Average                | 13.9% |
| - Colac Otway                  | 11.5% |

**Colac Otway – Fees and Charges %**

|         |       |
|---------|-------|
| 2008/09 | 12.3% |
| 2009/10 | 11.9% |
| 2010/11 | 10.8% |
| 2011/12 | 10.4% |
| 2012/13 | 11.5% |

---

(g) **Adjusted Total Revenue per Assessment (8)**

**For 2012/13**

|                                |         |
|--------------------------------|---------|
| - Average Large Shire Grouping | \$2,986 |
| - Median Large Shire Grouping  | \$2,753 |
| - State Average                | \$2,758 |
| - Colac Otway                  | \$2,597 |

**Colac Otway –Adjusted Total Revenue per Assessment \$**

|         |         |
|---------|---------|
| 2008/09 | \$2,194 |
| 2009/10 | \$2,518 |
| 2010/11 | \$2,366 |
| 2011/12 | \$2,646 |
| 2012/13 | \$2,597 |

(h) **Adjusted Total Expenses (ex depreciation) per Assessment (10)**

**For 2012/13**

|                                |         |
|--------------------------------|---------|
| - Average Large Shire Grouping | \$2,595 |
| - Median Large Shire Grouping  | \$2,502 |
| - State Average                | \$2,374 |
| - Colac Otway                  | \$2,150 |

**Colac Otway –Adjusted total Expenses (ex depreciation) per Assessment \$**

|         |         |
|---------|---------|
| 2008/09 | \$1,820 |
| 2009/10 | \$1,945 |
| 2010/11 | \$1,978 |
| 2011/12 | \$1,962 |
| 2012/13 | \$2,150 |

(i) **Adjusted Total Expenses per Capita (12)**

**For 2012/13**

|                                |         |
|--------------------------------|---------|
| - Average Large Shire Grouping | \$2,016 |
| - Median Large Shire Grouping  | \$2,011 |
| - State Average                | \$1,780 |
| - Colac Otway                  | \$2,011 |

**Colac Otway –Adjusted Total Expenses per Capita \$**

|         |                                              |
|---------|----------------------------------------------|
| 2008/09 | \$1,630                                      |
| 2009/10 | \$1,694                                      |
| 2010/11 | \$1,668                                      |
| 2011/12 | \$1,706                                      |
| 2012/13 | \$2,011 (based on the latest census figures) |

---

(j) **Employee Costs (13)**

Employee costs as % of Adjusted Total Expenses

**For 2012/13**

|                                |       |
|--------------------------------|-------|
| - Average Large Shire Grouping | 36.0% |
| - Median Large Shire Grouping  | 37.2% |
| - State Average                | 38.5% |
| - Colac Otway                  | 39.4% |

**Colac Otway – Employee Costs as % of Adjusted Total. Expenses**

|         |       |
|---------|-------|
| 2008/09 | 32.2% |
| 2009/10 | 34.0% |
| 2010/11 | 38.8% |
| 2011/12 | 40.8% |
| 2012/13 | 39.4% |

**Summary**

In summary the various indicators show:

- Colac Otway's bottom line is still worse than the average and median of the Large Shire Grouping.
- The level of Council's depreciation continues to impact on the Operating Expenditure per assessment.

## 6. RATING

### (a) Rates and Charges per Assessment (3)

Rates revenue divided by the number of assessments

#### **For 2012/13**

|                                |         |
|--------------------------------|---------|
| - Average Large Shire Grouping | \$1,602 |
| - Median Large Shire Grouping  | \$1,602 |
| - State Average                | \$1,579 |
| - Colac Otway                  | \$1,578 |

#### **Colac Otway – Rates and Charges per Assessment \$**

|         |         |
|---------|---------|
| 2008/09 | \$1,230 |
| 2009/10 | \$1,289 |
| 2010/11 | \$1,392 |
| 2011/12 | \$1,471 |
| 2012/13 | \$1,578 |

### (b) Rates and Charges per Capita (2)

Rate revenue divided by the total population

#### **For 2012/13**

|                                |         |
|--------------------------------|---------|
| - Average Large Shire Grouping | \$998   |
| - Median Large Shire Grouping  | \$985   |
| - State Average                | \$914   |
| - Colac Otway                  | \$1,139 |

#### **Colac Otway – Rates and Charges per Capita \$**

|         |         |
|---------|---------|
| 2008/09 | \$821   |
| 2009/10 | \$863   |
| 2010/11 | \$926   |
| 2011/12 | \$986   |
| 2012/13 | \$1,139 |

### (c) Rate and Charges Revenue (3)

#### **Total Rate Revenue as per Income Statement for 2012/13**

|                                |          |
|--------------------------------|----------|
| - Average Large Shire Grouping | \$27.19m |
| - Median Large Shire Grouping  | \$24.16m |
| - State Average                | \$52.81m |
| - Colac Otway                  | \$23.35m |

Range from \$14.61m to \$44.00m

#### **Colac Otway – Rates and Charges \$**

|         |          |
|---------|----------|
| 2008/09 | \$17.60m |
| 2009/10 | \$18.56m |
| 2010/11 | \$20.47m |
| 2011/12 | \$21.79m |
| 2012/13 | \$23.35m |

(d) **Rates Outstanding (4)**

**Total rates outstanding as per balance sheet as at 30 June 2013**

|                                |         |
|--------------------------------|---------|
| - Average Large Shire Grouping | \$1.52m |
| - Median Large Shire Grouping  | \$1.38m |
| - State Average                | \$2.73m |
| - Colac Otway                  | \$1.38m |

Range from \$333,000 to \$5.15m

**Colac Otway – Rates Outstanding \$**

|         |         |
|---------|---------|
| 2009/10 | \$1.09m |
| 2010/11 | \$1.05m |
| 2011/12 | \$1.18m |
| 2012/13 | \$1.38m |

(e) **Rates Outstanding as a % of Total Rates (4)**

**For 2012/13**

|                                |      |
|--------------------------------|------|
| - Average Large Shire Grouping | 5.5% |
| - Median Large Shire Grouping  | 4.7% |
| - State Average                | 5.3% |
| - Colac Otway                  | 5.9% |

Range from 1.7% to 11.7%

**Colac Otway – Rates Outstanding %**

|         |      |
|---------|------|
| 2009/10 | 5.9% |
| 2010/11 | 5.1% |
| 2011/12 | 5.4% |
| 2012/13 | 5.9% |

**Summary**

The various Rating Indicators indicate:

- Council's rates and charges per assessment \$ are slightly less than the average and median for the Large Shire Grouping and the same as the State Average.
- Council's rates and charges per capita \$ are higher than the average and median for the Large Shire Grouping. This is largely as a result of the large number of absentee landowners within the Shire. Due to the significant variances in absentee owners across local government the rates and charges per assessment provides a more accurate picture of average rates and charges.
- Council's rate collection efficiency needs to be closely monitored in light of the factors that impact on the ability of ratepayers to pay their rates.

## 7. CAPACITY TO PAY

The following tables include:

- (a) Median Household Income
- (b) Rates per Assessment
- (c) % Rates to Household Income

### (a) Median Household Income

|                                |         |
|--------------------------------|---------|
| - Average Large Shire Grouping | \$1,027 |
| - State Average                | \$1,152 |
| - Colac Otway                  | \$960   |

### (b) Rates per Assessment

|                                |         |
|--------------------------------|---------|
| - Average Large Shire Grouping | \$1,602 |
| - State Average                | \$1,579 |
| - Colac Otway                  | \$1,578 |

### (c) % Rates to Household Income

|                                |      |
|--------------------------------|------|
| - Average Large Shire Grouping | 3.1% |
| - Colac Otway                  | 3.2% |

### Large Rural Councils

| <i><b>Council<br/>– Rates Per Assessment</b></i> | <i><b>Median<br/>Household<br/>Income</b></i> | <i><b>Rates per<br/>Assessment</b></i> |
|--------------------------------------------------|-----------------------------------------------|----------------------------------------|
| Wellington                                       | \$803                                         | \$1,281                                |
| East Gippsland                                   | \$838                                         | \$1,400                                |
| Southern Grampians                               | \$953                                         | \$1,416                                |
| Moyne                                            | \$1,092                                       | \$1,441                                |
| Murrindindi                                      | \$963                                         | \$1,539                                |
| Mitchell                                         | \$1,229                                       | \$1,563                                |
| Colac Otway                                      | \$960                                         | \$1,578                                |
| Campaspe                                         | \$930                                         | \$1,578                                |
| Wangaratta                                       | \$959                                         | \$1,580                                |
| Moorabool                                        | \$1,242                                       | \$1,602                                |
| Glenelg                                          | \$944                                         | \$1,610                                |
| Moira                                            | \$869                                         | \$1,629                                |
| Horsham                                          | \$993                                         | \$1,635                                |
| South Gippsland                                  | \$966                                         | \$1,642                                |
| Macedon Ranges                                   | \$1,465                                       | \$1,669                                |
| Baw Baw                                          | \$1,076                                       | \$1,765                                |
| Corangamite                                      | \$954                                         | \$1,767                                |
| Swan Hill                                        | \$930                                         | \$1,866                                |
| Surf Coast                                       | \$1,341                                       | \$1,885                                |
| <b>Average</b>                                   | <b>\$1,027</b>                                | <b>\$1,602</b>                         |

| <i><b>Council</b></i> | <i><b>% Rates to<br/>Household<br/>Income</b></i> |
|-----------------------|---------------------------------------------------|
| Macedon Ranges        | 2.2%                                              |
| Mitchell              | 2.4%                                              |
| Moorabool             | 2.5%                                              |
| Moyne                 | 2.5%                                              |
| Surf Coast            | 2.7%                                              |
| Southern<br>Grampians | 2.9%                                              |
| Wellington            | 3.1%                                              |
| Murrindindi           | 3.1%                                              |
| Baw Baw               | 3.2%                                              |
| Colac Otway           | 3.2%                                              |
| Horsham               | 3.2%                                              |
| Wangaratta            | 3.2%                                              |
| East Gippsland        | 3.2%                                              |
| Campaspe              | 3.3%                                              |
| South Gippsland       | 3.3%                                              |
| Glenelg               | 3.3%                                              |
| Corangamite           | 3.6%                                              |
| Moira                 | 3.6%                                              |
| Swan Hill             | 3.9%                                              |
| <b>Average</b>        | <b>3.1%</b>                                       |

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## 8. FINANCIAL SUSTAINABILITY INDICATORS

The following details on Financial Sustainability are provided by Strategy Plus.

*Strategy Plus acknowledges the below source of work may be the subject of considerable debate. It does however consider the formation of a financial sustainability indicator to be an important step in assessing Councils state of financial health. Long Term Financial Plans that take into account local issues and information not available through Annual Reports, will give better indications of sustainability into the future.*

### Putting the Financial Sustainability Indicator in Context - The PRO's and CON's

The definition and measurement of financial sustainability is frequently a topic of much discussion within Local Government and is not without a degree of debate as to its relevance and accuracy. The following comments provide important context in understanding the approach that *Strategy Plus* has used in calculating the Financial Sustainability Indicator. Just as importantly, it provides some indications of the advantages and limitations of the approach adopted, given it has been restricted to information that is simply available from audited annual reports.

It must be remembered at the outset that this is simply a measure of FINANCIAL sustainability and not one of COMMUNITY sustainability and well being. A Council that devotes 100% of its capital funding to renewal may well score positively in the context of its financial sustainability but may not be in a position to deliver the much needed future services and facilities desired by its constituents. Conversely, Councils that may score poorly in a financial context may be delivering an excellent local government service from a community needs perspective.

It should further be noted that the indicator is derived solely from the information contained in Annual Reports and may therefore not accurately reflect other information that is known only to any particular Council. Future cash inflows from developers is, for example, one element that is unable to be captured in this process. The FSI's calculated are a measure of sustainability as at 30 June 2013.

From a purely financial analysis approach, the FINANCIAL sustainability indicator presented below has used an indexed scoring system for four key elements of financial performance. Each element is scored and then the sum of the scores is represented as the overall Financial Sustainability Indicator.

The four elements utilised are:

- > Underlying Operating Result as % of Total Assets
- > Accumulated Cash as % of Adjusted Total Revenue
- > Debt as % of Own Source Revenue
- > Asset Renewal as % of Depreciation

### Underlying Operating Result as a % of Total Assets

The underlying operating result has been assessed following the removal of gifted assets, developer contributions, asset revaluations and write offs and the impact of the sale of fixed assets. Capital income has further been deducted on the grounds that this represents an 'unmatched' income, with the expenditure not being included, and is a non-recurring income source. The aim has been to reach the underlying 'operational' position and then to assess whether this had added to the net asset base of Council or eroded this base. It is appreciated that various sustainability reviews have adopted differing positions in respect of capital income.

### Accumulated Cash as a % of Adjusted Revenue

The purpose of this indicator has been to acknowledge and recognise the strong cash position of many Councils despite perhaps not performing as well in other indicators. Obviously if a Council has \$50Million in discretionary Council Reserves or accumulated cash surplus (for example) it is in a strong position to meet the immediate financial challenges. The approach taken has been to measure the degree to which Revenue (adjusted for abnormals) funds the Current and Non-Current Liabilities (excluding loans). The residual current asset base (described as accumulated cash) is then expressed as a percentage of Adjusted Revenue.

### Debt as a % of Own Source Revenue



This ratio is simply about the degree of flexibility that Council has available to it in the future to utilise borrowings as a key source of funding for capital works. Obviously the higher amount of existing debt, the less flexibility Council will have in using this funding source.

**Asset Renewal/Upgrade as a % of Depreciation (for 5 years)**

Asset Renewal and Asset Upgrade figures have been obtained from the Standard Statement of Capital Expenditure and expressed as a percentage of Depreciation. This ratio provides a far more accurate view than utilising Total Capital spend compared to Depreciation. The limitations of this approach are however that the result is a three year window only - it doesn't necessarily provide an accurate indication of ongoing performance - nor does it indicate the existing level of infrastructure backlogs that individual Councils may have. It is intended that as each year passes from this point - the accumulated result (Renewal/Upgrade compared to depreciation) can be calculated. It must also be acknowledged that there remains a great deal of industry disparity in terms of approaches to depreciation rates and asset useful lives.

| Underlying Operating result / Total Assets |       |     |       |                     |
|--------------------------------------------|-------|-----|-------|---------------------|
|                                            |       |     |       | <b><u>SCORE</u></b> |
| Result worse than                          | -2.0% |     |       | -2.5                |
| Result between                             | -1.5% | and | -2.0% | -2.0                |
| Result between                             | -1.0% | and | -1.5% | -1.5                |
| Result between                             | -0.5% | and | -1.0% | -1.0                |
| Result between                             | 0.0%  | and | -0.5% | -0.5                |
| Result between                             | 0.0%  | and | 0.5%  | 0.5                 |
| Result between                             | 0.5%  | and | 1.0%  | 1.0                 |
| Result between                             | 1.0%  | and | 1.5%  | 1.5                 |
| Result between                             | 1.5%  | and | 2.0%  | 2.0                 |
| Result greater than                        | 2     |     |       | 2.5                 |

Underlying Operational Results measure the outcome from operations net of asset revaluations, granted assets, asset sales and capital income. It is expressed as a percentage of Total Assets, indicating the % impact on the net assets of Council. Negative outcomes have been graded with scores between -0.5 and -2.5. Positive scores attract scores of 0.5 to a maximum of 2.5

| Accumulated Cash Position / Adjusted Revenue |       |     |       |                     |
|----------------------------------------------|-------|-----|-------|---------------------|
|                                              |       |     |       | <b><u>SCORE</u></b> |
| Result worse than                            | 0.0%  |     |       | -3.0                |
| Result between                               | 0.0%  | and | 5.0%  | -2.0                |
| Result between                               | 5.0%  | and | 10.0% | -1.5                |
| Result between                               | 10.0% | and | 15.0% | -1.0                |
| Result between                               | 15.0% | and | 20.0% | 0.0                 |
| Result between                               | 20.0% | and | 25.0% | 1.0                 |
| Result between                               | 25.0% | and | 30.0% | 2.0                 |
| Result greater than                          | 30.0% |     |       | 3.0                 |

Accumulated Cash Surplus measures the residual amount of current assets remaining after deducting current and non-current liabilities. Interest Bearing Liabilities (backed by fixed assets) and Landfill Remediation Provision (backed by future capital works allocations) have been excluded from the liabilities. The result is then expressed as a percentage of Adjusted Revenue. Results in excess of 20% attract a positive score increasing as the result grows. Results below 15% attract a negative score.

| Total Indebtedness / Own Source Revenue |        |     |        |              |
|-----------------------------------------|--------|-----|--------|--------------|
|                                         |        |     |        | <u>SCORE</u> |
| Result greater than                     | 100.0% |     |        | -3.00        |
| Result between                          | 80.0%  | and | 100.0% | -2.50        |
| Result between                          | 70.0%  | and | 80.0%  | -2.00        |
| Result between                          | 60.0%  | and | 70.0%  | -1.50        |
| Result between                          | 50.0%  | and | 60.0%  | -1.00        |
| Result between                          | 40.0%  | and | 50.0%  | -0.50        |
| Result between                          | 30.0%  | and | 40.0%  | 0.00         |
| Result between                          | 20.0%  | and | 30.0%  | 1.00         |
| Result between                          | 10.0%  | and | 20.0%  | 2.00         |
| Result between                          | 0.0%   | and | 10.0%  | 3.00         |

Indebtedness to Own Source Revenue measures the degree of indebtedness and therefore the residual flexibility that a Council has to access this source of funds in the future. Results greater than 40% indicate limited flexibility to access loan funds and therefore attract a negative score. Results below this amount are graded with positive scores up to a maximum of 3.0.

| Asset Renewal & Upgrade expenditure / Depreciation |        |     |        |              |
|----------------------------------------------------|--------|-----|--------|--------------|
| (2005/06 to 2012/13)                               |        |     |        | <u>SCORE</u> |
| Result less than                                   | 50.0%  |     |        | -3.0         |
| Result between                                     | 50.0%  | and | 60.0%  | -2.5         |
| Result between                                     | 60.0%  | and | 70.0%  | -2.0         |
| Result between                                     | 70.0%  | and | 80.0%  | -1.5         |
| Result between                                     | 80.0%  | and | 90.0%  | -1.0         |
| Result between                                     | 90.0%  | and | 100.0% | -0.5         |
| Result between                                     | 100.0% | and | 110.0% | 0.5          |
| Result between                                     | 110.0% | and | 120.0% | 1.0          |
| Result between                                     | 120.0% | and | 130.0% | 1.5          |
| Result greater than                                | 130.0% |     |        | 2.0          |

Asset Renewal & Upgrade expenditure compared to Depreciation measures Councils ability to adequately renew its existing infrastructure. The results displayed are based on **eight** years data to better indicate renewal effort over time - results in excess of 100% attract positive scores whilst results below 100% are scored with graduating negative results.

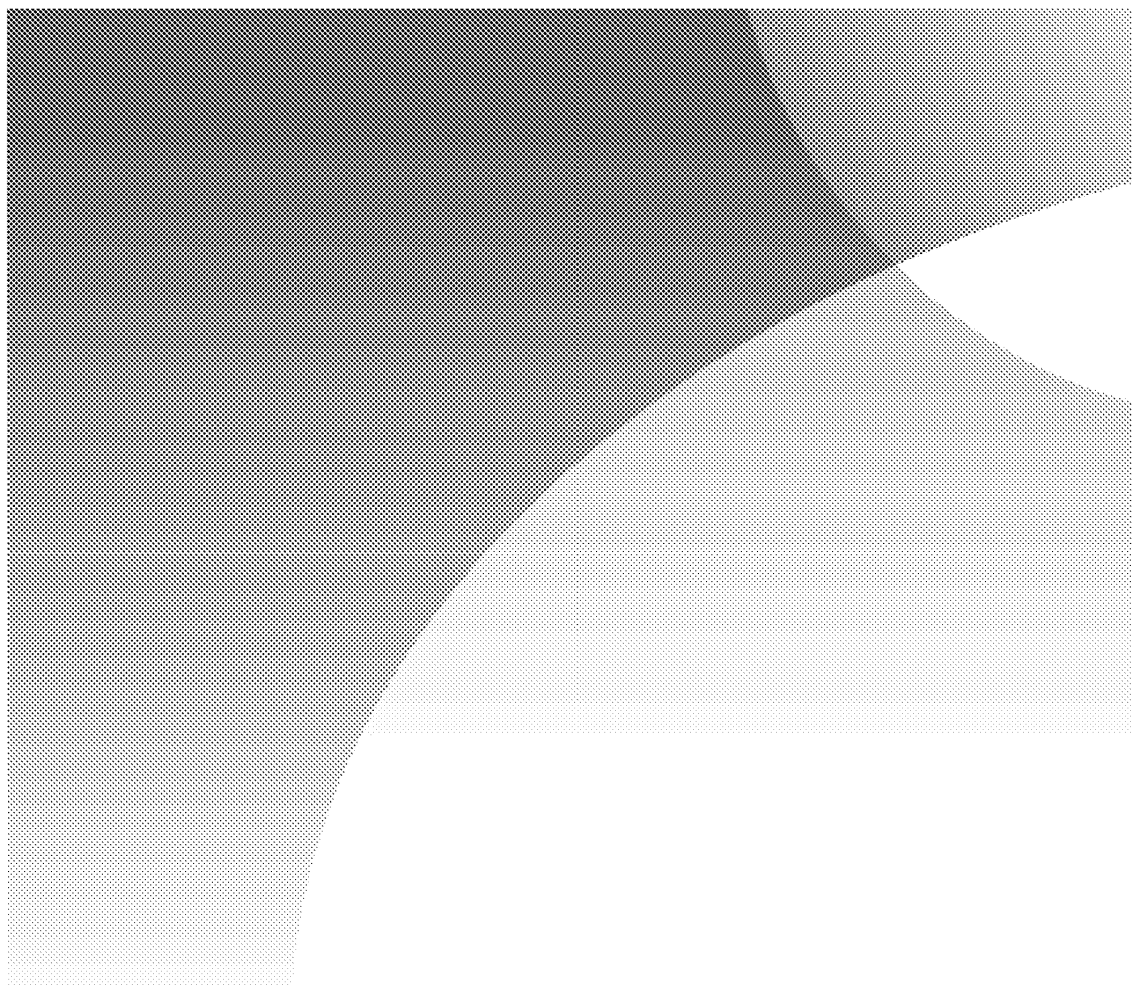
| Colac-Otway's Sustainability Indicator |  |               |              |
|----------------------------------------|--|---------------|--------------|
| <u>Component</u>                       |  | <u>Result</u> | <u>Score</u> |
| Underlying Operating Result            |  | (0.97%)       | (1.00)       |
| Accumulated Cash Position              |  | 27.32%        | 2.00         |
| Indebtedness                           |  | 17.60%        | 2.00         |
| Asset Renewal & Upgrade                |  | 106.99%       | 0.50         |
| <b>Total</b>                           |  |               | <b>3.50</b>  |

For 2011/12 Colac Otway's Total Score was 4.50

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**For 2012/13**

|   |                              |      |
|---|------------------------------|------|
| - | Average Large Shire Grouping | 1.58 |
| - | Median Large Shire Grouping  | 2.00 |
| - | Colac Otway                  | 3.50 |



## *Quarterly Operational Plan Progress Report*

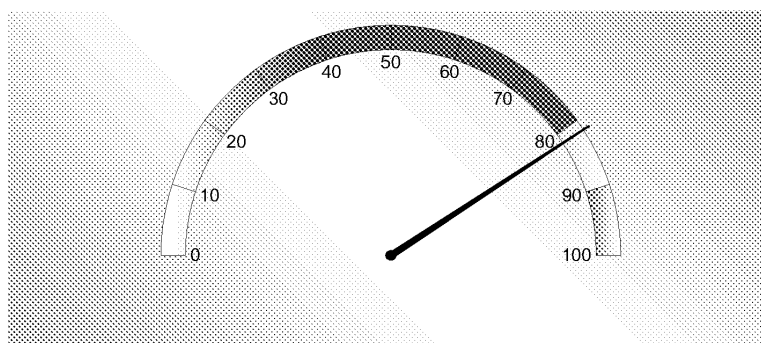
*Period:* 01/10/13 - 31/12/13



Colac Otway Shire Council

Quarterly Operational Plan Progress Report (Oct to Dec)

Quarterly Progress against Operational Plan Actions



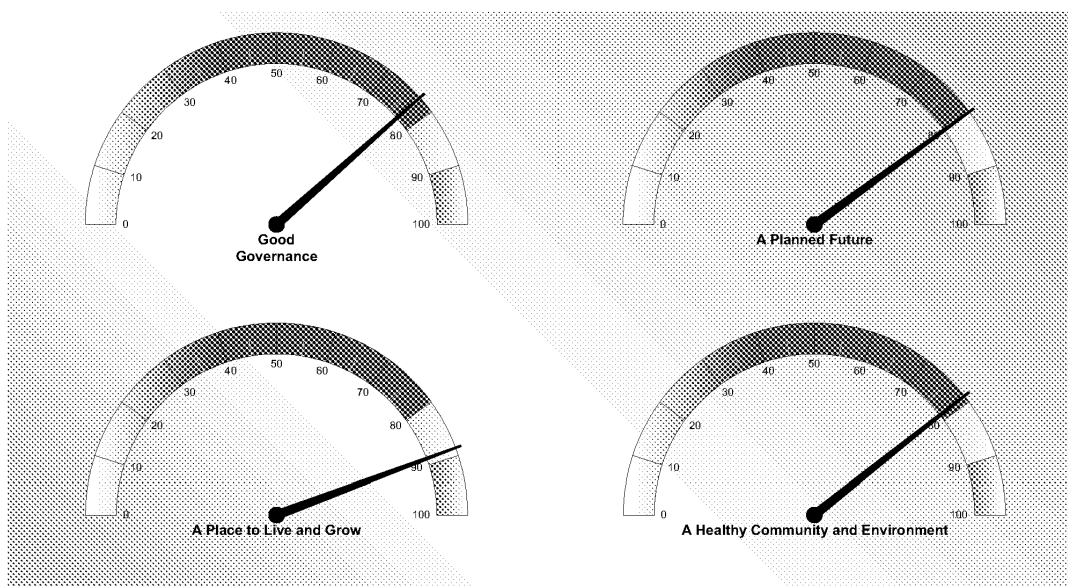
Description

Indicator

- 52 Operational Plan Actions reported on
- 30 Operational Plan Actions at least 90% of target
- 8 Operational Plan Actions between 70% and 90% of target
- 14 Operational Plan Actions less than 70% of target
- 0 Operational Plan Actions with no target set & ongoing



Overall Progress against Council Plan Pillars in Operational Plan



| COUNCIL PLAN PILLAR                    | NO. OF OPERATIONAL PLAN ACTIONS REPORTED ON | NO. OF ACTIONS AT LEAST 90% OF TARGET | NO. OF ACTIONS BETWEEN 70 & 90% OF TARGET | NO. OF ACTIONS LESS THAN 70% OF TARGET | NUMBER OF ONGOING ACTIONS | ACTIONS WITH NO TARGET |
|----------------------------------------|---------------------------------------------|---------------------------------------|-------------------------------------------|----------------------------------------|---------------------------|------------------------|
| 1. Good Governance                     | 12                                          | 6                                     | 2                                         | 4                                      | 0                         | 0                      |
| 2. A Planned Future                    | 17                                          | 9                                     | 4                                         | 4                                      | 0                         | 0                      |
| 3. A Place to Live and Grow            | 15                                          | 11                                    | 1                                         | 3                                      | 0                         | 0                      |
| 4. A Healthy Community and Environment | 8                                           | 4                                     | 1                                         | 3                                      | 0                         | 0                      |

## Operational Plan Actions



Less than 70% of Action target achieved



Between 70% and 90% of Action target achieved









At least 90% of Action target achieved

| ACTION                                                                                                               | EXECUTIVE COMMENTS                                                                                                                                                                                                                                         | BUSINESS UNIT                              | COMP DATE  | PROGRESS |
|----------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|------------|----------|
| <b>Council Plan Pillar :</b>                                                                                         | 1 Good Governance                                                                                                                                                                                                                                          |                                            |            |          |
| <b>Council Plan Goal:</b>                                                                                            | 1.1 Ensure transparency of governance practices, the capability of our organisation and effective resource management.                                                                                                                                     |                                            |            |          |
| <b>Council Plan Strategy:</b>                                                                                        | 1.1.1 Transparent and accountable decision making.                                                                                                                                                                                                         |                                            |            |          |
| 1.1.1.2 Review Local Law No. 4 - Council Meeting Procedures and Common Seal.                                         | The review of Local Law 4 has commenced.                                                                                                                                                                                                                   | Corporate & Community Services GM's Office | 30/06/2014 |          |
| 1.1.1.3 Review all Council policies.                                                                                 | All policies have been reviewed by Council.                                                                                                                                                                                                                | Corporate & Community Services GM's Office | 30/06/2014 |          |
| <b>Council Plan Strategy:</b>                                                                                        | 1.1.2 Prudent and accountable financial, asset, risk and resource management.                                                                                                                                                                              |                                            |            |          |
| 1.1.2.1 Replacement of Dredge and Workboat for Port of Apollo Bay.                                                   | Dredge under construction and progressing well. Workboat final design yet to be approved pending further design details from the contractor.                                                                                                               | Major Contracts                            | 30/06/2014 |          |
| 1.1.2.2 Asbestos Register Update.                                                                                    | Consultancy brief is being developed for a review of Council's existing Asbestos Register.                                                                                                                                                                 | Sustainable Assets                         | 30/06/2014 |          |
| 1.1.2.2 Develop an NDIS (National Disability Insurance Scheme) service delivery Business Model to mitigate the risk. | Attended ongoing workshops and meetings with NDIS to ensure that we are launching this program in collaboration with the Federal Government. Although there are concerns about costing arrangements for services we are keen to work through these issues. | Health and Community Services              | 30/06/2014 |          |







**Colac Otway Shire Council**

**Quarterly Operational Plan Progress Report (Oct to Dec)**

| LOCATION                                                                                  | EXECUTIVE COMMUNITIES                                                                                                                                                                                                                                                                                                                                                                       | BUSINESS LINE                                                                             | COMP DATE  | PROGRESS                                                                              |
|-------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|------------|---------------------------------------------------------------------------------------|
| 1.1.2.5 Staged implementation of the National Asset Management Framework.                 | A raft of workshops have been undertaken with the Council Asset custodians. These workshops were held to identify the assets that needed to be included as part of the project, to design the asset structure and to determine the asset attributes that are important elements of the asset. Work is now underway building the asset structure in Authority, preparing for the asset load. | Information Services                                                                      | 30/06/2014 |    |
| 1.1.2.7 Implement Council's internal audit program.                                       | Two audits have been conducted during the quarter concerning contract management and essential safety measures.                                                                                                                                                                                                                                                                             | Finance & Customer Service                                                                | 30/06/2014 |    |
| 1.1.2.8 Staged implementation of the National Financial Planning and Reporting Framework. | The actions planned such as internal financial reporting, budget development and long term financial plans continue to be developed.                                                                                                                                                                                                                                                        | Finance & Customer Service                                                                | 30/06/2014 |   |
| 1.1.2.9 Staged implementation of the National Financial Sustainability Framework.         | The action planned for the 2013-2014 period has not progressed further during the period. This delay was factored into the planning for the period.                                                                                                                                                                                                                                         | Finance & Customer Service                                                                | 30/06/2014 |  |
| 1.1.2.12 Implement Council's Risk Management System.                                      | Following the decision to not proceed with the system from the Pyrenees Shire, additional research has been undertaken on alternate software and a business case will be developed in the coming round of budget preparations. A temporary risk register has been developed in Excel and has been populated with the Corporate Risks.                                                       | Organisational Support and Development                                                    | 30/06/2014 |  |
| <b>Council Plan Strategy:</b>                                                             |                                                                                                                                                                                                                                                                                                                                                                                             | 1.1.4 Embed an organisation culture of a high performance, service excellence and safety. |            |                                                                                       |
| 1.1.4.13 Complete negotiations for the Enterprise Agreement.                              | Enterprise Agreement completed and lodged at Fair Work Australia.                                                                                                                                                                                                                                                                                                                           | Organisational Support and Development                                                    | 30/06/2014 |  |

**Colac Otway Shire Council**







**Quarterly Operational Plan Progress Report (Oct to Dec)**

| LOCATION                                                                                                                                                                                                                                                                                                                           | EXECUTIVE COMMENTS                                                                                                                                                                                                                                                                                                                               | BUSINESS UNIT                | COMP. DATE | PROGRESS                                                                              |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------|---------------------------------------------------------------------------------------|
| 1.1.4.24 Develop the Information Communications and Technology (ICT) Strategy                                                                                                                                                                                                                                                      | The ICT Strategy has been completed. Executive endorsed the strategy which went through a rigorous consultation process. The last element of the Strategy will be a presentation to a Council Workshop on 15 January 2014.                                                                                                                       | Information Services         | 30/11/2013 |    |
| <b>Council Plan Pillar :</b> 2 A Planned Future<br><b>Council Plan Goal:</b> 2.1 Facilitate the growth, liveability and development of the shire and encourage innovation and efficiency in the local economy.<br><b>Council Plan Strategy:</b> 2.1.1 Plan for future land use to respond to population growth and changing needs. |                                                                                                                                                                                                                                                                                                                                                  |                              |            |                                                                                       |
| 2.1.1.1 Apollo Bay Harbour Master Plan.                                                                                                                                                                                                                                                                                            | Public exhibition of Amendment C73 & Revised Master Plan completed on 30 October 2013. Meeting held with submitters on 25 November 2013, and changes being made to Master Plan and amendment documents in response to issues raised. An officer report is to be considered at the February 2014 Council meeting to refer submissions to a Panel. | Planning & Building Services | 30/06/2014 |    |
| 2.1.1.1 Redevelopment of the former Colac High School site.                                                                                                                                                                                                                                                                        | The project is on hold awaiting a meeting between Colac Otway Shire and the Minister for Education to determine what amount of land the State Government is willing to hand over to the Colac Otway Shire. A meeting has taken place between the CEO and Mayor and the Minister's advisor.                                                       | Economic Development         | 30/06/2014 |  |
| 2.1.1.5 Colac Structure Plan Review.                                                                                                                                                                                                                                                                                               | Project not able to commence until matching external funding is received. Officers have lodged a grant proposal with Regional Development Victoria, and taken part in a number of meetings to progress it.                                                                                                                                       | Planning & Building Services | 30/06/2014 |  |








**Colac Otway Shire Council**






**Quarterly Operational Plan Progress Report (Oct to Dec)**

| ITEM                                                                                                         | DEPUTY CHAIRMAN                                                                                                                                                                                                                           | BUSINESS UNIT                | COMP DATE  | PROGRESS                                                                              |
|--------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------|---------------------------------------------------------------------------------------|
| 2.1.1.6 Planning Scheme Amendment implementing Birregurra Structure Plan & Neighbourhood Character Study.    | Amendment C76 has been prepared to implement the Structure Plan and Neighbourhood Character Study. Public exhibition of the amendment finished on 13 December 2013. Submissions are to be considered at the January 2014 Council meeting. | Planning & Building Services | 30/06/2014 |    |
| 2.1.1.7 Local Bushfire Planning Policy Project.                                                              | A consultant report has been finalised following extensive consultation with external authorities including the Country Fire Authority, to be considered at the January 2014 Council meeting prior to public exhibition .                 | Planning & Building Services | 30/06/2014 |    |
| 2.1.1.8 Prepare Township Plans for Alvie, Cororooke and Beeac to establish new settlement boundaries.        | Preliminary work has been undertaken by officers, however the project has been deferred until mid 2014 to enable waste water treatment information to be derived from a Domestic Wastewater Management Plan prepared for the Shire.       | Planning & Building Services | 30/06/2014 |    |
| <b>Council Plan Strategy:</b>                                                                                |                                                                                                                                                                                                                                           |                              |            |                                                                                       |
| 2.1.2 Develop an integrated response to meet future infrastructure needs                                     |                                                                                                                                                                                                                                           |                              |            |                                                                                       |
| 2.1.2.1 Implementation Plan for G21 Regional Growth Plan, including strategic priorities for Infrastructure. | The final Implementation Plan report was adopted by Council at the November 2013 Council meeting.                                                                                                                                         | Planning & Building Services | 30/06/2014 |  |
| 2.1.2.1 Staged implementation of the Colac CBD & Entrances Project.                                          | Detailed design work has progressed on stage 1 of the Colac CBD & Entrances Project implementation. Colac Otway Shire has consulted with VicRoads to ensure that works are in line with the duplication of the highway.                   | Economic Development         | 30/06/2014 |  |
| 2.1.2.2 Develop Colac Airfield Business Plan.                                                                | Final draft submitted and accepted by Committee of Management.                                                                                                                                                                            | Major Contracts              | 30/06/2014 |  |

**Colac Otway Shire Council** **Quarterly Operational Plan Progress Report (Oct to Dec)**





| ITEM                                                                                                      | EXECUTIVE COMMENTS                                                                                                                                                                                                                                                                                                                                                                                               | BUSINESS LINE                | COMP. DATE | PROGRESS                                                                              |
|-----------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------|---------------------------------------------------------------------------------------|
| 2.1.2.2 Heritage Strategy implementation.                                                                 | A Heritage Overlay anomalies amendment is being prepared including a peer review of selected sites by Council's Heritage Adviser. The Heritage Strategy was adopted by Council at the November 2013 meeting.                                                                                                                                                                                                     | Planning & Building Services | 30/06/2014 |    |
| 2.1.2.4 Community infrastructure and asset renewal plan.                                                  | Draft Asset Management Plans for all of Council's infrastructure asset categories including: roads; bridges; parks & gardens; footpaths; buildings have been finalised. This suite of documents also includes a General Asset Management Plan which provides details around the processes and procedures used. It is anticipated that these documents will be presented to Council in the new year for adoption. | Sustainable Assets           | 30/06/2014 |    |
| 2.1.2.11 Develop a Colac Otway Shire Footpath Strategy.                                                   | Initial scoping of the strategy has commenced.                                                                                                                                                                                                                                                                                                                                                                   | Capital Works                | 30/06/2014 |  |
| 2.1.2.12 Develop a 10 Year Capital Works Strategy.                                                        | Draft Strategy currently being compiled.                                                                                                                                                                                                                                                                                                                                                                         | Capital Works                | 30/06/2014 |  |
| <b>Council Plan Strategy:</b> 2.1.4 Promote local business, services and foster employment opportunities. |                                                                                                                                                                                                                                                                                                                                                                                                                  |                              |            |                                                                                       |
| 2.1.4.3 Implement the Small Towns Improvement Program.                                                    | Work has progressed on the 2013/14 Small Town Improvement Program projects, with a number of projects aimed to be completed by early 2014.                                                                                                                                                                                                                                                                       | Economic Development         | 30/06/2014 |  |

**Colac Otway Shire Council** **Quarterly Operational Plan Progress Report (Oct to Dec)**

| LOCATION                                                                                                                         | EXECUTIVE COMMUNITIES                                                                                                                                                                                                                                                                                                                                    | BUSINESS UNIT                 | COMP. DATE | PROGRESS                                                                              |
|----------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|------------|---------------------------------------------------------------------------------------|
| 2.1.4.7 Implement the Colac Marketing Strategy.                                                                                  | Planning for the 2014 Regional Living Expo has commenced. Colac Otway Shire will once again attend the Expo in Melbourne to promote the Colac Marketing Strategy. Work has also commenced on a marketing campaign over the March 2014 long weekend. The campaign will involve cafes and restaurants handing out and displaying Colac marketing material. | Economic Development          | 30/06/2014 |    |
| <b>Council Plan Strategy:</b> 2.1.5 Grow tourism to support the local economy.                                                   |                                                                                                                                                                                                                                                                                                                                                          |                               |            |                                                                                       |
| 2.1.5.1 Review the Great Ocean Road Closure for Events Guidelines.                                                               | Final Guidelines to be considered by Council at the December 2013 meeting.                                                                                                                                                                                                                                                                               | Recreation, Arts and Culture  | 30/06/2014 |    |
| 2.1.5.6 Implement the Visiting Friends and Relatives local tourism campaign.                                                     | WIN TV marketing of the Otways Tourism advertisements were aired throughout September and October. Email newsletters and the Love Our Region Facebook page have continued to communicate with members of the campaign.                                                                                                                                   | Economic Development          | 30/06/2014 |   |
| <b>Council Plan Pillar:</b> 3 A Place to Live and Grow                                                                           |                                                                                                                                                                                                                                                                                                                                                          |                               |            |                                                                                       |
| <b>Council Plan Goal:</b> 3.1 Improve access to buildings, spaces, services and education to support and enable quality of life. |                                                                                                                                                                                                                                                                                                                                                          |                               |            |                                                                                       |
| <b>Council Plan Strategy:</b> 3.1.1 Address the health and wellbeing needs of people of all ages and abilities.                  |                                                                                                                                                                                                                                                                                                                                                          |                               |            |                                                                                       |
| 3.1.1.3 Develop the G21 Physical Activity Strategy.                                                                              | Both G21 and Colac Otway Physical Activity Strategies are in draft form. It is anticipated that the Draft Strategies will be presented to Council's January 2013 meeting seeking endorsement to be placed on public exhibition.                                                                                                                          | Recreation, Arts and Culture  | 30/06/2014 |  |
| 3.1.1.30 Develop and implement the Public Health and Wellbeing Plan.                                                             | Plan has been adopted by Council. Have had a strategic planning meeting with members of the proposed Alliance. A number of actions have commenced.                                                                                                                                                                                                       | Health and Community Services | 30/06/2014 |  |
| <b>Council Plan Strategy:</b> 3.1.2 Advocate for access to an increased range of education and training opportunities.           |                                                                                                                                                                                                                                                                                                                                                          |                               |            |                                                                                       |

**Colac Otway Shire Council**

**Quarterly Operational Plan Progress Report (Oct to Dec)**

| ITEM                                                                                           | DESCRIPTIVE COMMENTS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | BUSINESS LINE                | COMP. DATE | PROGRESS                                                                              |
|------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------|---------------------------------------------------------------------------------------|
| 3.1.2.2 Implement the Workforce and Industry Development Project (Advancing Country Towns).    | The Skills & Workforce Development audit is in the community consultation phase. A survey seeking business participation into the skills audit has been completed. This will assist in the Workforce Development Plan. A draft of the scoping document for the Green Feasibility Study has been completed and a meeting with the State Government will help shape the final version. A meeting has been held with both secondary college principals regarding the Trade Training Centre Business Plan. Further work will be completed on initiating this in 2014. | Economic Development         | 30/06/2014 |    |
| <b>Council Plan Strategy:</b> 3.1.3 Increase the diversity of arts, culture and social spaces. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                              |            |                                                                                       |
| 3.1.3.5 Staged implementation of the Beechy Precinct development program.                      | Bluewater Fitness Centre Redevelopment construction has commenced. Works on the Colac Secondary College well underway. \$2.5m election commitment received for Central Reserve. The development of a functional design brief has commenced. Discussions to be had with AFL Victoria and Sport & Recreation Victoria about leveraging state government funds.                                                                                                                                                                                                      | Recreation, Arts and Culture | 30/06/2014 |  |
| 3.1.3.6 Staged implementation of the Open Space Strategy.                                      | Work continues on existing projects including the Elliminyt Playground Stage 2 project, Wye River Open Space Development and the former Marengo Landfill Site development. Discussions are continuing with Fonterra about the possibility of acquiring land as open space in Cororooke.                                                                                                                                                                                                                                                                           | Recreation, Arts and Culture | 30/06/2014 |  |
| 3.1.3.7 Construct Colac Secondary College Community Sports Field.                              | Construction works well underway with drainage and irrigation completed. Grass will be planted by the end of December 2013.                                                                                                                                                                                                                                                                                                                                                                                                                                       | Recreation, Arts and Culture | 30/06/2014 |  |

**Colac Otway Shire Council**



**Quarterly Operational Plan Progress Report (Oct to Dec)**

| ITEM                                                                   | PROJECT/INITIATIVE                                                                                                                                                              | SUBTASK LINE                                  | COMP DATE  | PROGRESS                                                                              |
|------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|------------|---------------------------------------------------------------------------------------|
| <b>Council Plan Strategy:</b>                                          |                                                                                                                                                                                 | <b>3.1.4 Maintain existing infrastructure</b> |            |                                                                                       |
| 3.1.4.2 Implement the annual Capital Works and Major Projects Program. | Capital Works and Major Projects program has been determined and is being implemented.                                                                                          | Capital Works                                 | 30/06/2014 |    |
| 3.1.4.9 Sealed road reconstruction program.                            | Warowie Rd and Weering School Rd completed, with minor cleanup required, and Division Rd started. Well ahead of schedule.                                                       | Cosworks                                      | 30/06/2014 |    |
| 3.1.4.10 Implement the asset renewal and maintenance programs.         | 2013/14 Works Programs in progress at both planning and implementation stages.                                                                                                  | Sustainable Assets                            | 30/06/2014 |    |
| 3.1.4.10 Unsealed road resheeting program.                             | Approximately 55km completed. Expenditure \$700,000.                                                                                                                            | Cosworks                                      | 30/06/2014 |    |
| 3.1.4.11 Footpath Renewal Program.                                     | Footpath replacement works are progressing well. The majority of this year's programme is complete with remaining works scheduled for Apollo Bay to be completed early in 2014. | Sustainable Assets                            | 30/06/2014 |  |
| 3.1.4.11 Implement the annual maintenance program.                     | Overall Works programs on target. Some programs ahead and some behind.                                                                                                          | Cosworks                                      | 30/06/2014 |  |
| 3.1.4.12 Annual Road Resealing Program.                                | The 2013/14 Sealing Programme commenced on 2 December 2013. The majority of this year's works are based in the urban localities of Colac and Apollo Bay.                        | Sustainable Assets                            | 30/06/2014 |  |








**Colac Otway Shire Council**

**Quarterly Operational Plan Progress Report (Oct to Dec)**

| LOCATION                                | EXECUTIVE SUMMARY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | BUSINESS UNIT      | COMP. DATE | PROGRESS                                                                            |
|-----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|------------|-------------------------------------------------------------------------------------|
| 3.1.4.13 Bridge Reconstruction Program. | Tenders closed on 20 November 2013 for replacement of the Lyness Access bridge, Carlisle River. This is a design and construct contract and a report is being presented to Council at the December 2013 meeting for award. Quotations for consultancy services to prepare a remediation plan for the Sand Road Bridge, Glenaire closed on 27 November 2013 and are presently being evaluated. Both of these projects are being completed under Council's \$1M allocation from the Country Roads and Bridges Initiative.                                                                                                                                                                                                                               | Sustainable Assets | 30/06/2014 |  |
| 3.1.4.14 Building Renewal Program.      | The following is a status summary of projects being completed under the 2013/14 Building Renewal programme:<br>- Carlisle River Recreation Reserve Clubrooms roof replacement - Complete.<br>- Painting of Former Home Hardware building - Commenced 2 December 2013.<br>- New cabinetry to Beeac Tennis Clubrooms - Completed.<br>- Refurbishment of the Irrewillipe Recreation Reserve Clubrooms (Stage 1) to address risk and compliance issues - Project documentation being compiled prior to seeking quotes.<br>- Larpent Hall kitchen renovation - Project documentation being compiled prior to seeking quotes.<br>- Refurbishment of the Lake Colac Foreshore public toilets - Project documentation being compiled prior to seeking quotes. | Sustainable Assets | 30/06/2014 |  |
| <b>Council Plan Pillar:</b>             | 4 A Healthy Community and Environment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                    |            |                                                                                     |
| <b>Council Plan Goal:</b>               | 4.1 Respect cultural differences, support a diverse range of healthy and creative activities, foster community safety and promote environmental sustainability.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                    |            |                                                                                     |
| <b>Council Plan Strategy:</b>           | 4.1.1 Encourage active participation in recreation, arts and leisure pursuits.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                    |            |                                                                                     |

**Colac Otway Shire Council**




**Quarterly Operational Plan Progress Report (Oct to Dec)**

| LOCATION                                                                                                                  | DESCRIPTIVE COMMENTS                                                                                                                                                                                                                                        | BUDGETARY LINE                 | COMP. DATE | PROGRESS                                                                              |
|---------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|------------|---------------------------------------------------------------------------------------|
| 4.1.1.18 Staged implementation of the Active Transport Strategy.                                                          | A consultant has been engaged to develop the Way Finding Strategy for Colac and Apollo Bay including the provision of concept designs. Following the completion of the Strategy, a contractor will be engaged in mid 2014 to develop signage.               | Recreation, Arts and Culture   | 30/06/2014 |    |
| <b>Council Plan Strategy:</b> 4.1.3 Increase environmental sustainability through direct initiatives and advocacy.        |                                                                                                                                                                                                                                                             |                                |            |                                                                                       |
| 4.1.3.1 Develop Alvie Landfill Rehabilitation Plan.                                                                       | Contractor selected after undertaking a tender evaluation process. Work is currently in progress.                                                                                                                                                           | Major Contracts                | 30/06/2014 |    |
| 4.1.3.10 Solar Array Installations.                                                                                       | The Initiation phase has been completed and a set of specifications for installation have been developed. The two Solar Array are expected to be installed in 2014.                                                                                         | Environment & Community Safety | 30/06/2014 |    |
| 4.1.3.11 Energy Efficient Street Lighting Installation.                                                                   | The more efficient globes are expected to be installed in the first half of 2014 but a discussion is being had about whether to use LED lights instead of the proposed T5 globes. LED lights are more expensive but are much cheaper to maintain.           | Environment & Community Safety | 30/06/2014 |  |
| <b>Council Plan Strategy:</b> 4.1.4 Protect and care for the natural environment.                                         |                                                                                                                                                                                                                                                             |                                |            |                                                                                       |
| 4.1.4.11 Implement the relevant stages of the Environment Strategy 2010-18.                                               | Actions are being undertaken in accordance with Environment Action Plan. The Carbon Neutral Plan has been finalised, revegetation works continue along Barongarook Creek and the phase one of the Climate Resilient Communities Project has been completed. | Environment & Community Safety | 30/06/2014 |  |
| <b>Council Plan Strategy:</b> 4.1.5 Support community safety initiatives, local law enforcement and emergency management. |                                                                                                                                                                                                                                                             |                                |            |                                                                                       |



**Colac Otway Shire Council**

**Quarterly Operational Plan Progress Report (Oct to Dec)**

| ITEM                                                               | DESCRIPTIVE COMMENTS                                                                                                                                                                                                                                                                                                               | BUSINESS UNIT                  | COMP DATE  | PROGRESS                                                                            |
|--------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|------------|-------------------------------------------------------------------------------------|
| 4.1.5.15 Implement the Municipal Emergency Management Plan.        | Council continues to fulfil its obligations in accordance with the Municipal Emergency Management Plan. Fire Inspections are being carried out and investigation continue into possible sites for Neighbourhood Safer Places in Gellibrand, Beeac and Birregurra.                                                                  | Environment & Community Safety | 30/06/2014 |  |
| 4.1.5.16 Complete a review of Local Laws 1, 2 and 3.               | Review completed and actions implemented.                                                                                                                                                                                                                                                                                          | Environment & Community Safety | 30/06/2014 |  |
| 4.1.5.17 Review and implement the Domestic Animal Management Plan. | Council continues to undertake actions in accordance with the Domestic Animal Management Plan. A new Colac Otway Shire Emergency Animal Welfare Plan is being developed to ensure animals can be effectively managed in the aftermath of a major emergency (e.g. bushfire). The plan is expected to be finalised by February 2014. | Environment & Community Safety | 30/06/2014 |  |







# **Second Quarter Financial Performance Report 2013-2014 December 2013**



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### **About the report**

In accordance with the Local Government Act 1989, Council must establish and maintain a budgeting and reporting framework that is consistent with the principles of sound financial management.

In line with our commitment to sound financial management, Council is provided with an analysis of financial and non-financial information each quarter. This information will include at a minimum a comparison of budgeted income and expenditure and actual income and expenditure.

This report covers the period from 1 July 2013 to 31 December 2013 and reports on:

- Significant variations from the adopted budget;
- Council's cash balance and forecast;
- Council's investment performance;
- Council's financial statements;
- Council's Audit Committee; and
- Income and expenditure for the services provided by Council.

This quarterly report examines Council's financial performance as at the second quarter of 2013-2014.

### **Overview**

At the time the budget for 2013-2014 was prepared, it was expected that Council would see an operating surplus of \$2.577 million. Council continues to revise estimates for the 2013-2014 activities as more accurate information comes to hand, with the current operating surplus forecast to be \$7.304 million.

The achievement of an operating surplus for the 2013-2014 year continues to be a priority of Council. It is important for Council and the community to understand that we continue to refine our forecasts and adjust our activities to ensure that Council is in the position to report an operating surplus for the 2013-2014 financial year.

Council currently has a cash at bank balance of \$9.547 million, which is higher than for the same time in 2012-2013.

We are continuing to monitor the status of Council's financial position with the following aims in mind:

- An operating surplus achieved for the sixth consecutive year;
- Council continuing to meet the Infrastructure Renewal Gap;
- Delivery of responsible projects designed to enhance our community;
- Delivery of a responsible capital works programme; and
- An improved positive financial position.

In light of this, we are undertaking several important projects over the coming months in the areas of:

- Continued development of improved monthly reporting to management and Council;

- Review of Council's assets and the implementation of Council's Corporate Asset Management System;
- Review of Council's financial management policies, procedures and practices;
- Review of the Long Term Financial Plan with closer linkages to various Council strategies;
- Initiation of a Rates Strategy Review; and
- Review of Council's services and service levels.

The forecast indicates that the financial viability of Council will continue to improve, provided balanced decisions are made with financial sustainability considerations built into all decision making processes. Key information concerning the position of Council at the end of March is included in this report.

#### **Service Budget**

The service income budget is projected to be at \$38.452 million which is similar to the adopted budget, while the service expenditure budget is also projected at this stage to remain relatively consistent at \$39.601 million, resulting in no projected change in the service budget deficit of \$1.149 million.

#### **Major Projects Budget**

The major projects expenditure now reflects the inclusion of carried forward projects from 2012-2013 which has significantly altered the result. Forecast income has increased from \$0.365 million to \$1.165 million whilst expenditure has increased from \$1.153 million to \$2.807 million. This results in a net projected increased in the major projects budget deficit of \$0.857 million to \$1.641 million, which is not unexpected.

#### **Capital Budget**

The capital expenditure now includes the projects carried forward from the 2012-2013 financial year and significantly alters the result.

Forecast income for capital works has increased from \$4.325 million to \$10.181, primarily as a result of recognising the future income associated with the redevelopment of the Blue Water Fitness Centre. Forecast expenditure for capital works has also significantly been impacted by the inclusion of carried forward projects from 2012-2013, such as the Blue Water Fitness Centre redevelopment with expenditure increasing from \$13.092 million to \$24.584 million.

The net result of these changes is a projected increase in the capital works deficit of \$8.768 million to \$14.403 million.

#### **Operating Statement**

The information portrayed below provides an operating statement as per the data at 31 December 2013. The four (4) columns of data provide actual year to date results as compared to the budget year to date, the revised budget or forecast position as at 31 December 2013 and the original budget as it was adopted by Council. The forecast budget includes the value of all adjustments made since the adoption of the budget for 2013-2014.

## Operating Statement

December 2013

|                                       | Actual YTD   | Budget YTD   | Forecast Budget | Original Budget |
|---------------------------------------|--------------|--------------|-----------------|-----------------|
| Operating revenue                     |              |              |                 |                 |
| Rates and charges                     | (25,363,433) | (24,689,298) | (24,683,566)    | (24,651,950)    |
| Statutory fees and charges            | (265,577)    | (265,651)    | (469,300)       | (462,100)       |
| User fees and charges                 | (1,580,708)  | (1,680,671)  | (3,188,169)     | (3,187,169)     |
| Operating grants - state              | (2,671,505)  | (2,939,785)  | (4,194,097)     | (3,237,667)     |
| Operating grants - federal            | (1,675,027)  | (1,686,155)  | (6,553,871)     | (6,553,871)     |
| Contributions - cash operating        | (189,757)    | (60,952)     | (407,940)       | (128,560)       |
| Reimbursements                        | (47,534)     | (41,060)     | (92,564)        | (92,376)        |
| Finance revenue                       | (211,610)    | (92,093)     | (368,000)       | (368,000)       |
| Other revenue                         | (56,794)     | (50,358)     | (94,250)        | (94,250)        |
| Total operating revenue               | (32,071,945) | (31,506,029) | (40,051,757)    | (38,775,943)    |
| Operating expenses                    |              |              |                 |                 |
| Employee benefits                     | 8,027,406    | 7,868,758    | 15,688,533      | 15,840,790      |
| Materials and services                | 2,674,888    | 2,837,938    | 5,433,256       | 4,981,488       |
| Contracts                             | 3,096,728    | 3,272,273    | 9,593,559       | 8,207,651       |
| Depreciation and amortisation         | 2,433,382    | 4,547,705    | 9,634,866       | 9,634,866       |
| Finance expenses                      | 130,039      | 150,270      | 353,371         | 353,371         |
| Other expenses                        | 714,286      | 687,469      | 1,469,841       | 1,184,911       |
| Total operating expenses              | 17,076,729   | 19,364,413   | 42,173,426      | 40,203,077      |
| Underlying deficit/(surplus)          | (14,995,216) | (12,141,610) | 2,121,669       | 1,427,134       |
| Capital revenue                       |              |              |                 |                 |
| Capital grants - state                | (1,008,473)  | (623,406)    | (8,072,202)     | (2,650,084)     |
| Capital grants - federal              | (477,648)    |              | (1,200,000)     | (1,200,000)     |
| Contributions - cash capital          | 36,000       |              |                 |                 |
| Net gain / loss on disposal of assets | (119,806)    | (69,975)     | (153,810)       | (153,810)       |
| Total capital revenue                 | (1,569,927)  | (693,381)    | (9,426,012)     | (4,003,894)     |
| Operating deficit/(surplus)           | (16,565,143) | (12,834,991) | (7,304,343)     | (2,576,760)     |

## Financial Position Statement

The information below provides details on the financial position or balance sheet as at 31 December 2013.

### Balance Sheet December 2013

|                                             | Actual YTD           | Forecast Budget      | Original Budget      |
|---------------------------------------------|----------------------|----------------------|----------------------|
| <b>Current assets</b>                       |                      |                      |                      |
| Cash and cash equivalents                   | 9,547,019            | 7,488,417            | 7,488,417            |
| Trade and other receivables                 | 25,159,804           | 3,519,467            | 3,519,467            |
| Inventories                                 | 182,818              | 158,109              | 158,109              |
| <b>Total current assets</b>                 | <b>34,889,641</b>    | <b>11,165,993</b>    | <b>11,165,993</b>    |
| <b>Non-current assets</b>                   |                      |                      |                      |
| Other non-current assets                    | 351,317              | 382,712              | 382,712              |
| Property, infrastructure, plant & equipment | 276,086,168          | 287,040,132          | 287,040,132          |
| <b>Total non-current assets</b>             | <b>276,437,485</b>   | <b>287,422,844</b>   | <b>287,422,844</b>   |
| <b>Total assets</b>                         | <b>311,327,126</b>   | <b>298,588,837</b>   | <b>298,588,837</b>   |
| <b>Current liabilities</b>                  |                      |                      |                      |
| Trade and other payables                    | (5,776,471)          | (2,065,734)          | (2,065,734)          |
| Interest-bearing loans and borrowings       | (267,310)            | (636,061)            | (636,061)            |
| Trust                                       | (237,452)            | (215,710)            | (215,710)            |
| Provisions                                  | (3,873,299)          | (4,132,263)          | (4,132,263)          |
| <b>Total current liabilities</b>            | <b>(10,154,532)</b>  | <b>(7,049,771)</b>   | <b>(7,049,771)</b>   |
| <b>Non-current liabilities</b>              |                      |                      |                      |
| Trade and other payables                    |                      | (65,553)             | (65,553)             |
| Interest-bearing loans and borrowings       | (4,501,319)          | (4,283,153)          | (4,283,153)          |
| Provisions                                  | (4,261,308)          | (4,216,929)          | (4,216,929)          |
| <b>Total non-current liabilities</b>        | <b>(8,762,627)</b>   | <b>(8,565,635)</b>   | <b>(8,565,635)</b>   |
| <b>Total liabilities</b>                    | <b>(18,917,159)</b>  | <b>(15,635,406)</b>  | <b>(15,635,406)</b>  |
| <b>Net assets</b>                           | <b>292,409,967</b>   | <b>282,953,431</b>   | <b>282,953,431</b>   |
| <b>Equity</b>                               |                      |                      |                      |
| Accumulated surplus                         | (123,756,662)        | (123,931,751)        | (116,443,334)        |
| Asset revaluation reserve                   | (154,970,922)        | (151,533,263)        | (159,021,680)        |
| Other reserves                              | (13,682,383)         | (7,488,417)          | (7,488,417)          |
| <b>Total equity</b>                         | <b>(292,409,967)</b> | <b>(282,953,431)</b> | <b>(282,953,431)</b> |



### Capital Works Statement

The information below provides details on the capital works expenditure as at 31 December 2013.

### Capital Works

December 2013

| Category                 | Actual YTD | Budget YTD | Forecast Budget | Original Budget |
|--------------------------|------------|------------|-----------------|-----------------|
| Buildings                | 1,028,024  | 293,397    | 10,477,871      | 875,000         |
| Roads & traffic network  | 1,481,679  | 2,570,926  | 4,538,400       | 4,530,000       |
| Bridges & culverts       | 10,181     | 354,596    | 1,000,000       | 1,000,000       |
| Kerb & Channelling       | -          | -          | 196,932         | 75,000          |
| Outdoor furniture        | 510        | -          | -               | 100,000         |
| Footpaths                | 365,977    | 448,043    | 949,042         | 396,000         |
| Drainage                 | 99,834     | 188,497    | 850,489         | 540,000         |
| Other structures         | 157,038    | 319,536    | 1,275,416       | 371,000         |
| Plant, equipment & other | 1,457,445  | 2,749,706  | 5,209,278       | 5,401,813       |
| Capital Works Total      | 4,600,688  | 6,924,701  | 24,497,428      | 13,288,813      |

### Capital Works and Major Projects Programme Update

The capital works and major projects budget for the 2013-2014 financial year is \$ 14.245 million of which \$13.288 million relates to capital asset works.

Project commencement across the organisation is well underway, with projects tracking on schedule within the first quarter of the year. Project planning and tender/quotation documentation is generally commenced or nearing completion for all projects. Also with the creation of Work Orders very early in the financial year project managers have been able to commence projects in a timely manner.

Through this month's reporting, project managers have generally indicated that projects are on track to be completed by June 2014, and that there is no identified budget issues. No projects have been identified for deferral.

Overall, there are 63 Capital Works and Major programmes and projects to be undertaken within the 2013-2014 programme, not including carry over projects. Detailed information on those projects is included in the attached 2013/14 Project List.

To date, total expenditure with regard to all capital works and major projects, including carry over projects is at approximately \$5.368 million. While the level of expenditure is not high compared with the progress through the financial year, significant expenditure is forecast to occur during the traditional construction period of December 2013 through March 2014.



### Significant budget variations






A budget is an estimate or expectation of Council's performance over the course of the financial year. It is expected that as the year progresses the actual performance of Council will vary from the original budget. These changes are recognised as variations and are included as a forecast budget. As part of the quarterly review the value of the carried forward projects (as a significant variation to the adopted budget) has been recognised in the forecast budget. No other significant variations have been identified.



### Carry Forward Projects

Those projects and activities that were incomplete at the end of the 2012-2013 financial year and where a commitment exists for the expenditure and/or income to be incurred/raised have been listed below.

In summary, the value of carried forward items from 2012-2013 is:

|       | Expenditure | Income      | Net Result |
|-------|-------------|-------------|------------|
| Total | 12,695,345  | (6,122,950) | 6,572,395  |

| Project/Activity                                                                                             | Carry-over<br>Expense | Carry-over<br>Income | Net Result | Complete                                                                              |
|--------------------------------------------------------------------------------------------------------------|-----------------------|----------------------|------------|---------------------------------------------------------------------------------------|
| Birregurra Structure Plan Implementation                                                                     | 2,428                 | 0                    | 2,428      |  |
| Apollo Bay Harbour Master Plan Planning Scheme Amendment                                                     | 194,192               | 0                    | 194,192    |  |
| Refurbishment of the Enhanced Accommodation Rae Street Existing Offices                                      | 60,080                | 0                    | 60,080     |  |
| Pascoe Street car park                                                                                       | 300,489               | (247,380)            | 53,109     |                                                                                       |
| Tender design and acquisition of replacement Apollo Bay Harbour Dredge                                       | (136,016)             | 1,656,624            | 1,520,308  |                                                                                       |
| OBRT - Ditchley to Dinmont                                                                                   | 9,513                 | 0                    | 9,513      |                                                                                       |
| OBRT - Beech Forest - Ferguson                                                                               | 308,004               | (100,000)            | 208,004    |                                                                                       |
| Blue Water Stadium Upgrade - Year One                                                                        | 7,951,167             | (6,420,000)          | 1,531,167  |                                                                                       |
| Building condition audit and updated 10 year works program                                                   | 8,401                 | 0                    | 8,401      |                                                                                       |
| Colac High School Master Plan                                                                                | 10,674                | (3,000)              | 7,674      |  |
| Advancing Country Towns (ACT) - Strategic Project Manager - Reducing Regional and Rural Disadvantage loading | 258,533               | (298,000)            | (29,468)   |                                                                                       |
| STIP Programme - Wye River Pathway                                                                           | 50,000                | (30,000)             | 20,000     |                                                                                       |
| Improving Livability for Older People (ILOP)                                                                 | 66,240                | 0                    | 66,240     |                                                                                       |
| COPACC Fire Services                                                                                         | 89,335                | 0                    | 89,335     |                                                                                       |
| Climate Resilient Communities of the Barwon South West                                                       | 698,039               | (201,000)            | 497,039    |                                                                                       |
| Bushfire Local Planning Policy                                                                               | 69,672                | 0                    | 69,672     |                                                                                       |
| Colac Live Stock Selling Centre - Year One                                                                   | 1,402,789             | 0                    | 1,402,789  |                                                                                       |
| Active Transport Strategy                                                                                    | 29,975                | (3,000)              | 26,975     |  |

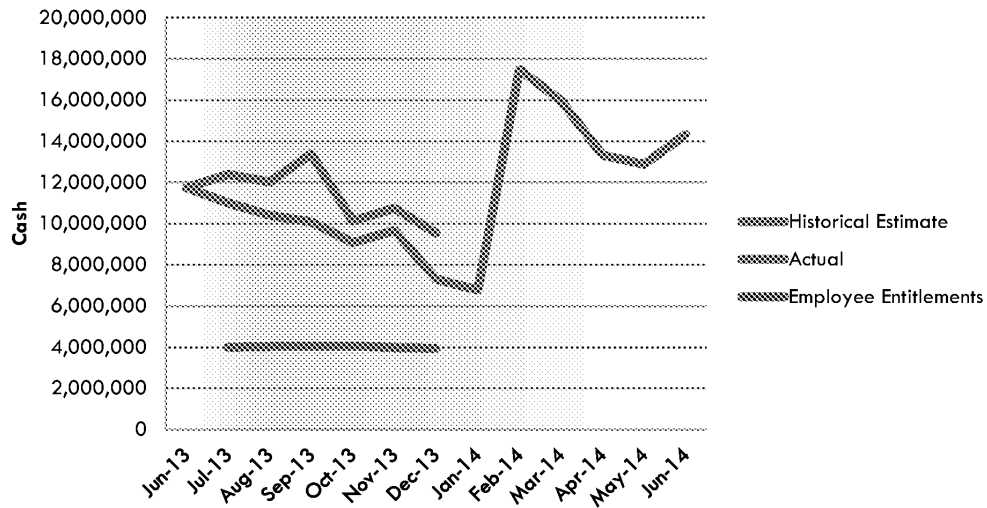
| Project/Activity                                                                                                 | Carry-over<br>Expense | Carry-over<br>Income | Net Result       | Complete                                                                              |
|------------------------------------------------------------------------------------------------------------------|-----------------------|----------------------|------------------|---------------------------------------------------------------------------------------|
| Tennis Court Reconstruction - Beeac                                                                              | 37,806                | -38,474              | -668             |    |
| Barwon Downs Combined Community Centre                                                                           | 224,390               | -200,000             | 24,390           |                                                                                       |
| CCTV System - Colac CBD                                                                                          | 159,581               | -90,000              | 69,581           |                                                                                       |
| Morley Avenue Retaining Wall (Landslip Rehab)                                                                    | 120,406               | 0                    | 120,406          |                                                                                       |
| Otway Districts Netball Court Redevelopment                                                                      | 45,634                | -48,720              | -3,086           |                                                                                       |
| Public Health & Well Being - Year One                                                                            | 11,844                | 0                    | 11,844           |                                                                                       |
| Relief and Recovery NDRGS Grant Project                                                                          | 44,267                | -15,000              | 29,267           |                                                                                       |
| Wye River Open Space Development - Harrington Memorial Park loading                                              | 90,000                | -80,000              | 10,000           |                                                                                       |
| Advancing Country Towns (ACT) - Enterprise Level Workforce Planning                                              | 77,713                | 0                    | 77,713           |                                                                                       |
| Advancing Country Towns (ACT) - Better Services Early Years and Families - Glastonbury Child and Family Services | 270,000               | 0                    | 270,000          |                                                                                       |
| Advancing Country Towns (ACT) - Green Industry Feasibility Planning                                              | 60,000                | 0                    | 60,000           |                                                                                       |
| Advancing Country Towns (ACT) - Education and Training Pathways                                                  | 20,000                | 0                    | 20,000           |                                                                                       |
| Advancing Country Towns (ACT) - Skills and Workforce Audit                                                       | 20,000                | 0                    | 20,000           |                                                                                       |
| Forrest Upgrade Project (64077) - Main Street Streetscape                                                        | 128,932               | (15,000)             | 113,932          |                                                                                       |
| Apollo Bay Mothers Beach Facilities (STIP)                                                                       | 11,555                | 0                    | 11,555           |  |
| <b>Grand Total</b>                                                                                               | <b>12,695,345</b>     | <b>(6,122,950)</b>   | <b>6,572,395</b> | <b>7</b>                                                                              |

## Cash Balance

The charts below gives an indication of how the cash balances of Council may perform over the course of the 2013-2014 financial year. The first chart, Cash at Bank Balance, portrays:

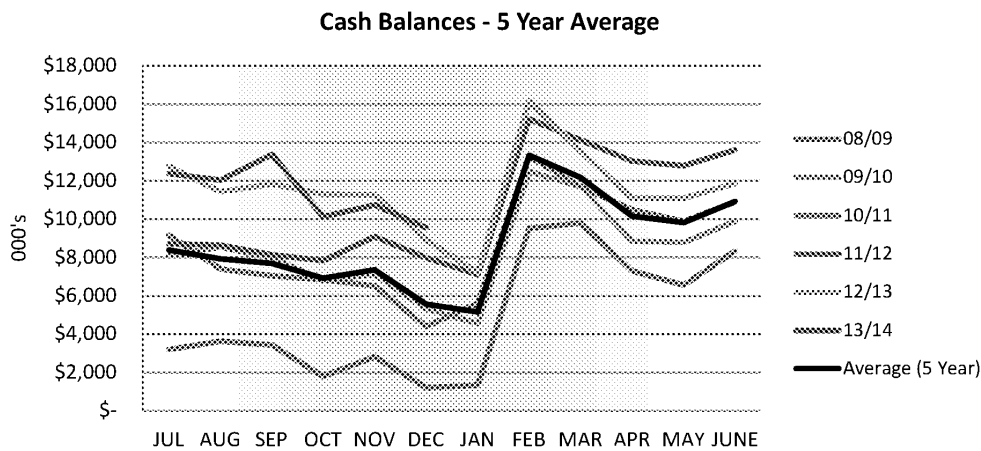
- The Estimate – which is an estimation of what the cash balance may be at the end of each month based entirely upon historical averages.
- The Actual – which is the actual balance at the end of each month of the year up to and including September 2013.
- Employee Entitlements – which is the value of employee entitlements owed to employees at that time. This is effectively for Council the cash balance at which point Council's operating funds are zero (0).

### Cash at Bank Balance



| Month  | Historical Estimate | Actual     | Employee Entitlements (Floor) |
|--------|---------------------|------------|-------------------------------|
| Jul-13 | 10,998,670          | 12,383,545 | 3,999,800                     |
| Aug-13 | 10,399,014          | 12,020,669 | 4,039,386                     |
| Sep-13 | 10,081,349          | 13,373,881 | 4,040,667                     |
| Oct-13 | 9,073,791           | 10,125,388 | 4,060,251                     |
| Nov-13 | 9,654,822           | 10,744,929 | 3,976,232                     |
| Dec-13 | 7,306,040           | 9,547,019  | 3,939,579                     |

The following chart provides details on the cash balances at month end for the five (5) years prior to the 2013-2014 financial year. The chart also includes the five (5) year average of those cash balances.



Council's overall position, although appearing relatively strong in the financial statements, remains susceptible to shocks and is limited in its ability to take advantage of opportunities as they arise. Council can be more sustainable in the longer term provided it:

- Ensures it is in a position to undertake the necessary changes to make business more efficient;
- Seeks other and opportunistic revenue generation opportunities, such as grants funding, structured borrowing strategies, charge schemes and other entrepreneurial activities.

Given the level of expected future demands on Council and the level of current reserves, Council must critically evaluate its resource capability before any commitment is made to additional works or projects, regardless of the opportunity it may offer. Council needs to vigilantly adhere to the principles of planning and "whole of life" considerations before committing to funding any new or expanded activities.

| Investment Report                   |              |              |         |
|-------------------------------------|--------------|--------------|---------|
| Deposit                             | Minimum Rate | Maximum Rate | Average |
| <b>TOTAL PORTFOLIO</b>              |              |              |         |
| Total                               | 2.50%        | 4.07 %       | 3.59%   |
| <b>GENERAL INVESTMENTS</b>          |              |              |         |
| At-Call deposits                    | 2.50%        | 2.50%        | 2.50%   |
| Fixed term deposits                 | 3.40%        | 4.07%        | 3.68%   |
| <b>PERFORMANCE BENCHMARK</b>        |              |              |         |
| Reserve Bank of Australia Cash Rate | 2.50%        | 2.75%        | 2.55%   |
| 90-Day Bank Bill Index              | 2.58%        | 2.76%        | 2.62%   |

The portfolio has performed above the Reserve Bank of Australia (RBA) average cash rate (2.55%) and above the average 90-day bank bill index (2.62%).

The balance of Council's Investment Portfolio at the end of the quarter was approximately \$9.15 million in fixed term deposits and \$0.4 million in at call deposits.

Below is a summary of the fixed term deposits held at 31 December 2013.

| Bank                    | Investment Amount | % Total Investments |
|-------------------------|-------------------|---------------------|
| AMP                     | \$1,500,000       | 16%                 |
| Bank of Melbourne       | \$2,200,000       | 24%                 |
| Commonwealth Bank       | \$4,050,000       | 44%                 |
| National Australia Bank | \$400,000         | 5%                  |
| Suncorp                 | \$1,000,000       | 11%                 |



## Underlying result

The underlying operating result is a measure of the capacity of a municipality to finance recurrent services, pay debt interest and meet the cost of asset use (depreciation). Continuing deficits indicate that the asset base is being eroded and that insufficient resources are being allocated to meeting current service demands.

The model utilised by Colac Otway Shire to calculate the underlying operating result is to deduct from the operating surplus/deficit shown in the Income Statement: capital grants, cash contributions (e.g. developer contributions) contributed non-cash assets; asset revaluations and other "once off" adjustments.

The underlying result for the Colac Otway Shire is displayed below.

|                                     | December<br>Actual YTD | December<br>Budget YTD | Forecast<br>Budget | Original Budget |
|-------------------------------------|------------------------|------------------------|--------------------|-----------------|
| Underlying result (surplus)/deficit | (14,995,216)           | (12,141,610)           | 2,121,669          | 1,427,134       |

## Service Summary

The information in the following pages provides an indication of the income and expense attributed to each department, business unit and section of Council as at 31 December 2013.

| Department                                | Business Unit                                     | Account<br>Type | December<br>Actual YTD | December<br>Budget YTD | Forecast     |
|-------------------------------------------|---------------------------------------------------|-----------------|------------------------|------------------------|--------------|
| Chief Executive Office                    |                                                   |                 | 478,525                | 462,041                | 975,007      |
| CEO                                       |                                                   |                 | 349,293                | 349,227                | 647,665      |
|                                           | Executive Office Section                          |                 | 267,851                | 269,939                | 464,497      |
|                                           |                                                   | Expense         | 267,851                | 269,939                | 464,497      |
|                                           | Public Relations & Marketing Section              |                 | 81,442                 | 79,288                 | 183,168      |
|                                           |                                                   | Expense         | 81,442                 | 79,288                 | 183,168      |
| Council                                   |                                                   |                 | 129,232                | 112,814                | 327,342      |
|                                           | Elected Members Section                           |                 | 129,232                | 112,814                | 327,342      |
|                                           |                                                   | Expense         | 136,453                | 120,014                | 334,542      |
|                                           |                                                   | Income          | (7,222)                | (7,200)                | (7,200)      |
| Corporate & Community Services            |                                                   |                 | (17,654,040)           | (17,290,495)           | (34,152,110) |
| Corporate & Community Services Management |                                                   |                 | 514,058                | 500,914                | 995,008      |
|                                           | Corporate & Community Services Management Section |                 | 156,424                | 158,986                | 321,232      |
|                                           |                                                   | Expense         | 179,544                | 171,596                | 346,632      |
|                                           |                                                   | Income          | (23,120)               | (12,610)               | (25,400)     |
|                                           | Library Section                                   |                 | 357,634                | 341,928                | 675,576      |
|                                           |                                                   | Expense         | 363,790                | 346,586                | 691,776      |
|                                           |                                                   | Income          | (6,156)                | (4,658)                | (16,200)     |
| Finance & Customer Service                |                                                   |                 | (20,961,259)           | (20,492,725)           | (36,559,290) |
|                                           | Customer Service Section                          |                 | 206,359                | 243,720                | 478,326      |
|                                           |                                                   | Expense         | 206,749                | 244,167                | 479,326      |
|                                           |                                                   | Income          | (389)                  | (447)                  | (1,000)      |
|                                           | Financial Services Section                        |                 | (751,066)              | (654,408)              | (4,427,993)  |
|                                           |                                                   | Expense         | 1,040,937              | 857,922                | 1,833,200    |

| Department                                    | Business Unit                                               | Account Type | December Actual YTD | December Budget YTD | Forecast Budget  |
|-----------------------------------------------|-------------------------------------------------------------|--------------|---------------------|---------------------|------------------|
|                                               |                                                             | Income       | (1,792,302)         | (1,512,330)         | (6,261,193)      |
|                                               | <i>Property &amp; Rates Section</i>                         |              | (22,595,295)        | (22,894,683)        | (21,981,594)     |
|                                               |                                                             | Expense      | 206,840             | 270,413             | 582,038          |
|                                               |                                                             | Income       | (22,803,135)        | (23,165,096)        | (22,563,632)     |
|                                               | <i>Vic Roads Section</i>                                    |              | (2,746)             | (2,278)             | (2,425)          |
|                                               |                                                             | Income       | (2,746)             | (2,278)             | (2,425)          |
|                                               | <i>Accounting Adjustments Section</i>                       |              | 2,161,889           | 2,857,924           | (725,544)        |
|                                               |                                                             | Expense      | 2,126,215           | 2,664,616           | (1,046,234)      |
|                                               |                                                             | Income       | 35,674              | 193,308             | 320,690          |
| <b>Health &amp; Community Services</b>        |                                                             |              | <b>399,102</b>      | <b>389,817</b>      | <b>684,045</b>   |
|                                               | <i>Children &amp; Family Services Section</i>               |              | 131,190             | 130,044             | 264,737          |
|                                               |                                                             | Expense      | 415,785             | 390,267             | 766,237          |
|                                               |                                                             | Income       | (284,594)           | (260,223)           | (501,500)        |
|                                               | <i>Health &amp; Community Service Management Section</i>    |              | 98,502              | 112,191             | 221,663          |
|                                               |                                                             | Expense      | 98,502              | 112,191             | 221,663          |
|                                               | <i>Public Health Section</i>                                |              | 49,870              | 85,828              | 166,187          |
|                                               |                                                             | Expense      | 139,865             | 164,504             | 310,187          |
|                                               |                                                             | Income       | (89,995)            | (78,676)            | (144,000)        |
|                                               | <i>Rural Access Section</i>                                 |              | (6,825)             | (3)                 |                  |
|                                               |                                                             | Expense      | 29,859              | 37,342              | 71,060           |
|                                               |                                                             | Income       | (36,684)            | (37,345)            | (71,060)         |
|                                               | <i>Transport Connections</i>                                |              | 37,182              |                     |                  |
|                                               |                                                             | Expense      | 37,182              |                     |                  |
|                                               | <i>Older Persons &amp; Ability Support Services Section</i> |              | 89,183              | 61,757              | 31,458           |
|                                               |                                                             | Expense      | 1,181,559           | 1,129,284           | 2,213,721        |
|                                               |                                                             | Income       | (1,092,376)         | (1,067,527)         | (2,182,263)      |
| <b>Information Services</b>                   |                                                             |              | <b>699,242</b>      | <b>742,170</b>      | <b>1,503,203</b> |
|                                               | <i>Information Management Section</i>                       |              | 148,261             | 162,168             | 320,364          |
|                                               |                                                             | Expense      | 148,261             | 163,170             | 322,364          |
|                                               |                                                             | Income       |                     | (1,002)             | (2,000)          |
|                                               | <i>Information Services Unit Section</i>                    |              | 550,981             | 580,002             | 1,182,839        |
|                                               |                                                             | Expense      | 553,681             | 582,792             | 1,185,839        |
|                                               |                                                             | Income       | (2,700)             | (2,790)             | (3,000)          |
| <b>Organisation Support &amp; Development</b> |                                                             |              | <b>805,898</b>      | <b>859,385</b>      | <b>1,287,756</b> |
|                                               | <i>Human Resources Section</i>                              |              | 178,983             | 156,447             | 373,947          |
|                                               |                                                             | Expense      | 179,437             | 157,364             | 375,947          |
|                                               |                                                             | Income       | (455)               | (917)               | (2,000)          |
|                                               | <i>Organisational Development Section</i>                   |              | 128,739             | 176,518             | 366,178          |
|                                               |                                                             | Expense      | 128,739             | 176,518             | 366,178          |
|                                               | <i>Risk Management Section</i>                              |              | 498,177             | 526,420             | 547,631          |
|                                               |                                                             | Expense      | 522,681             | 539,121             | 576,131          |
|                                               |                                                             | Income       | (24,504)            | (12,701)            | (28,500)         |
| <b>Recreation Arts &amp; Culture</b>          |                                                             |              | <b>899,519</b>      | <b>676,994</b>      | <b>1,865,308</b> |
|                                               | <i>Bluewater Fitness Centre Section</i>                     |              | 227,365             | 148,992             | 504,711          |
|                                               |                                                             | Expense      | 535,083             | 369,463             | 845,554          |
|                                               |                                                             | Income       | (307,718)           | (220,471)           | (340,843)        |
|                                               | <i>COPACC Section</i>                                       |              | 205,391             | (13,089)            | 367,026          |
|                                               |                                                             | Expense      | 421,631             | 402,271             | 956,767          |

| Department                                | Business Unit                                            | Account Type | December Actual YTD | December Budget YTD | Forecast Budget    |
|-------------------------------------------|----------------------------------------------------------|--------------|---------------------|---------------------|--------------------|
|                                           |                                                          | Income       | (216,240)           | (415,360)           | (583,741)          |
|                                           | <i>Other Leisure &amp; Fitness Centres Section</i>       |              | 1,959               | 17,308              | 57,648             |
|                                           |                                                          | Expense      | 5,211               | 19,333              | 70,148             |
|                                           |                                                          | Income       | (3,252)             | (2,025)             | (12,500)           |
|                                           | <i>Recreation &amp; Events Section</i>                   |              | 357,814             | 370,673             | 645,581            |
|                                           |                                                          | Expense      | 371,442             | 391,380             | 681,581            |
|                                           |                                                          | Income       | (13,627)            | (20,707)            | (36,000)           |
|                                           | <i>Recreation, Arts &amp; Culture Management Section</i> |              | 106,990             | 153,110             | 290,342            |
|                                           |                                                          | Expense      | 106,990             | 153,110             | 290,342            |
| <b>Infrastructure &amp; Services</b>      |                                                          |              | <b>1,036,812</b>    | <b>1,420,667</b>    | <b>6,182,760</b>   |
| <b>Capital Works Management</b>           |                                                          |              | <b>357,577</b>      | <b>379,046</b>      | <b>786,406</b>     |
|                                           | <i>Capital Works Management Section</i>                  |              | 357,577             | 379,046             | 786,406            |
|                                           |                                                          | Expense      | 388,830             | 416,574             | 853,406            |
|                                           |                                                          | Income       | (31,252)            | (37,528)            | (67,000)           |
| <b>Infrastructure Services Management</b> |                                                          |              | <b>111,888</b>      | <b>135,084</b>      | <b>289,376</b>     |
|                                           | <i>Infrastructure Services Management Section</i>        |              | 111,888             | 135,084             | 289,376            |
|                                           |                                                          | Expense      | 111,888             | 135,084             | 289,376            |
| <b>Major Contracts</b>                    |                                                          |              | <b>(1,356,525)</b>  | <b>(1,258,328)</b>  | <b>832,186</b>     |
|                                           | <i>Aerodrome Section</i>                                 |              | 12,856              | 17,708              | 22,178             |
|                                           |                                                          | Expense      | 13,624              | 19,379              | 25,928             |
|                                           |                                                          | Income       | (768)               | (1,671)             | (3,750)            |
|                                           | <i>Contract Management Section</i>                       |              | 141,239             | 112,740             | 258,348            |
|                                           |                                                          | Expense      | 141,239             | 141,667             | 278,348            |
|                                           |                                                          | Income       |                     | (28,927)            | (20,000)           |
|                                           | <i>Waste Management Section</i>                          |              | (1,510,619)         | (1,398,776)         | 551,660            |
|                                           |                                                          | Expense      | 1,264,930           | 1,434,644           | 3,531,594          |
|                                           |                                                          | Income       | (2,775,549)         | (2,833,420)         | (2,979,934)        |
| <b>Plant Operations</b>                   |                                                          |              | <b>(600,592)</b>    | <b>(636,150)</b>    | <b>(1,329,111)</b> |
|                                           | <i>Major Plant</i>                                       |              | (412,593)           | (512,413)           | (1,012,786)        |
|                                           |                                                          | Expense      | (400,909)           | (496,815)           | (956,786)          |
|                                           |                                                          | Income       | (11,684)            | (15,598)            | (56,000)           |
|                                           | <i>Light Fleet</i>                                       |              | (188,100)           | (185,737)           | (316,325)          |
|                                           |                                                          | Expense      | (188,100)           | (185,737)           | (316,325)          |
| <b>Sustainable Assets</b>                 |                                                          |              | <b>606,189</b>      | <b>545,332</b>      | <b>1,199,964</b>   |
|                                           | <i>Council Facilities Section</i>                        |              | 234,513             | 196,475             | 484,644            |
|                                           |                                                          | Expense      | 234,513             | 196,475             | 484,644            |
|                                           | <i>Sustainable Assets Management Section</i>             |              | 371,676             | 348,857             | 715,320            |
|                                           |                                                          | Expense      | 371,676             | 348,857             | 715,320            |
| <b>COSWORKS (Colac Otway Shire Works)</b> |                                                          |              | <b>1,918,375</b>    | <b>2,327,703</b>    | <b>4,403,939</b>   |
|                                           | <i>COSWORKS Management Section</i>                       |              | 259,446             | 196,674             | 349,602            |
|                                           |                                                          | Expense      | 283,538             | 211,314             | 374,602            |
|                                           |                                                          | Income       | (24,092)            | (14,640)            | (25,000)           |
|                                           | <i>Livestock Selling Centre Operations Section</i>       |              | (30,348)            | (116,556)           | (191,827)          |
|                                           |                                                          | Expense      | 188,443             | 219,673             | 470,293            |
|                                           |                                                          | Income       | (218,792)           | (336,231)           | (662,120)          |
|                                           | <i>Parks &amp; Reserves Maintenance Section</i>          |              | 654,723             | 931,981             | 1,672,630          |
|                                           |                                                          | Expense      | 654,723             | 931,981             | 1,672,630          |



| Department                                               | Business Unit                                                    | Account Type | December Actual YTD | December Budget YTD | Forecast Budget     |
|----------------------------------------------------------|------------------------------------------------------------------|--------------|---------------------|---------------------|---------------------|
|                                                          | <i>Road Maintenance Section</i>                                  |              | 1,034,554           | 1,315,606           | 2,573,534           |
|                                                          |                                                                  | Expense      | 1,034,554           | 1,315,606           | 2,573,534           |
| <b>Sustainable Planning &amp; Development Services</b>   |                                                                  |              | <b>1,755,477</b>    | <b>1,835,047</b>    | <b>3,824,337</b>    |
| <b>Economic Development</b>                              |                                                                  |              | <b>494,411</b>      | <b>482,435</b>      | <b>1,087,866</b>    |
|                                                          | <i>Business Section</i>                                          |              | 179,236             | 188,448             | 398,149             |
|                                                          |                                                                  | Expense      | 186,141             | 190,255             | 400,149             |
|                                                          |                                                                  | Income       | (6,905)             | (1,807)             | (2,000)             |
|                                                          | <i>Tourism Section</i>                                           |              | 305,175             | 293,987             | 689,717             |
|                                                          |                                                                  | Expense      | 465,110             | 407,608             | 967,217             |
|                                                          |                                                                  | Income       | (159,936)           | (113,621)           | (277,500)           |
| <b>Environment &amp; Community Safety</b>                |                                                                  |              | <b>518,037</b>      | <b>568,087</b>      | <b>1,108,827</b>    |
|                                                          | <i>Emergency Management Section</i>                              |              | 130,226             | 141,726             | 257,530             |
|                                                          |                                                                  | Expense      | 146,992             | 161,689             | 331,366             |
|                                                          |                                                                  | Income       | (16,766)            | (19,963)            | (73,836)            |
|                                                          | <i>Environment Section</i>                                       |              | 202,894             | 202,548             | 530,929             |
|                                                          |                                                                  | Expense      | 204,574             | 204,228             | 532,609             |
|                                                          |                                                                  | Income       | (1,680)             | (1,680)             | (1,680)             |
|                                                          | <i>Local Laws Section</i>                                        |              | 184,917             | 223,813             | 320,368             |
|                                                          |                                                                  | Expense      | 315,186             | 339,859             | 678,704             |
|                                                          |                                                                  | Income       | (130,269)           | (116,046)           | (358,336)           |
| <b>Planning &amp; Building</b>                           |                                                                  |              | <b>563,045</b>      | <b>625,512</b>      | <b>1,292,206</b>    |
|                                                          | <i>Building Control Section</i>                                  |              | 75,381              | 68,030              | 151,142             |
|                                                          |                                                                  | Expense      | 118,044             | 119,651             | 254,342             |
|                                                          |                                                                  | Income       | (42,663)            | (51,621)            | (103,200)           |
|                                                          | <i>Statutory Planning Section</i>                                |              | 374,976             | 442,370             | 854,544             |
|                                                          |                                                                  | Expense      | 463,242             | 513,323             | 1,008,744           |
|                                                          |                                                                  | Income       | (88,266)            | (70,953)            | (154,200)           |
|                                                          | <i>Strategic Planning Section</i>                                |              | 112,688             | 115,112             | 286,520             |
|                                                          |                                                                  | Expense      | 114,284             | 115,112             | 286,520             |
|                                                          |                                                                  | Income       | (1,596)             |                     |                     |
| <b>Sustainable Planning &amp; Development Management</b> |                                                                  |              | <b>189,984</b>      | <b>159,013</b>      | <b>335,438</b>      |
|                                                          | <i>Sustainable Planning &amp; Development Management Section</i> |              | 189,984             | 159,013             | 335,438             |
|                                                          |                                                                  | Expense      | 189,984             | 159,013             | 335,438             |
| <b>Port of Apollo Bay Operations</b>                     |                                                                  |              | <b>(31,426)</b>     | <b>(1,585,956)</b>  | <b>(3,171,913)</b>  |
| <b>Contra Transfers To Balance Sheet</b>                 |                                                                  |              |                     | <b>(1,585,956)</b>  | <b>(3,171,913)</b>  |
|                                                          | <i>Apollo Bay Harbour End of Year Transaction Section</i>        |              |                     | (1,585,956)         | (3,171,913)         |
|                                                          |                                                                  | Expense      |                     | (1,585,956)         | (3,171,913)         |
| <b>Port of Apollo Bay Operations</b>                     |                                                                  |              | <b>(60,218)</b>     | <b>(83,912)</b>     | <b>536,883</b>      |
|                                                          | <i>Operations Expenditure</i>                                    |              | 375,553             | 710,546             | 1,414,497           |
|                                                          |                                                                  | Expense      | 375,553             | 710,546             | 1,414,497           |
|                                                          | <i>Operations Income</i>                                         |              | (435,771)           | (774,458)           | (877,614)           |
|                                                          |                                                                  | Income       | (435,771)           | (774,458)           | (877,614)           |
| <b>Port of Apollo Bay Plant Operations</b>               |                                                                  |              | <b>(1,209)</b>      | <b>(109,586)</b>    | <b>(165,133)</b>    |
|                                                          | <i>Major Plant</i>                                               |              | (1,209)             | (109,586)           | (165,133)           |
|                                                          |                                                                  | Expense      | (1,209)             | (109,586)           | (165,133)           |
| <b>Total</b>                                             |                                                                  |              | <b>(14,454,652)</b> | <b>(15,322,124)</b> | <b>(12,140,160)</b> |

## Contracts Awarded and Tenders Advertised

### October

#### Contracts Awarded

| Contract No. | Description              | Contractor      | Value \$<br>(excluding GST) |
|--------------|--------------------------|-----------------|-----------------------------|
| 1323         | Bituminous Sealing Works | Inroads Pty Ltd | 1,040,981                   |

#### Tenders Advertised

| Tender No. | Description                                                   | Closing Date |
|------------|---------------------------------------------------------------|--------------|
| 1330       | Design & Construct – Lyness Road Bridge                       | 20/11/13     |
| 1331       | Engineering Design Services – Sand Road Bridge Rehabilitation | 27/11/13     |
| 1332       | Bruce Street Landfill – Monitoring & Feasibility Study        | 13/11/13     |

### November

#### Contracts Awarded

| Contract No. | Description                                | Contractor                | Value \$<br>(excluding GST)     |
|--------------|--------------------------------------------|---------------------------|---------------------------------|
| 1322         | Bluewater Fitness Centre Redevelopment     | BDH Constructions Pty Ltd | 10,955,860                      |
| 1325         | Supply & Deliver Street Sweeper            | MacDonald Johnston        | 316, 738<br>(Trade - 81,818.18) |
| 1326         | Supply & Deliver Tip Truck and Dog Trailer | Whitehorse Trucks         | 277,600                         |
| 1327         | Supply & Deliver Backhoe Loader            | Komatsu Australia         | 170,700<br>(Trade - 19,000)     |
| 1328         | Supply & Deliver Wood Chipper              | Rayco Equipment           | 67,701.82<br>(Trade - 9,090.91) |
| 1329         | Supply & Deliver Tow Behind Work Broom     | Sewell Sweepers           | 73,650                          |

#### Tenders Advertised

| Tender No. | Description                                      | Closing Date |
|------------|--------------------------------------------------|--------------|
| 1321       | Construction of Footpath – Grant Street, Forrest | 11/12/13     |

**December**

Contracts Awarded

| Contract No. | Description                                                    | Contractor                         | Value \$<br>(excluding GST) |
|--------------|----------------------------------------------------------------|------------------------------------|-----------------------------|
| 1310         | Old Beechy Rail Trail Construction – Beech Forrest to Ferguson | R&A Brimacombe Earthmoving Pty Ltd | Schedule of Rates           |
| 1321         | Construction of Footpath – Grant Street, Forrest               | Greencon Australia Pty Ltd         | 103,401.50                  |
| 1330         | Design & Construct – Lyness Road Bridge                        | VEC Civil Engineering Pty Ltd      | 359,500                     |
| 1331         | Engineering Design Services – Sand Road Bridge Rehabilitation  | GHD Pty Ltd                        | 26,520                      |
| 1332         | Bruce Street Landfill – Monitoring & Feasibility Study         | GHD Pty Ltd                        | 45,000                      |
| 1338         | Microwave Data Service – Colac to Apollo Bay                   | Vertical Telecommunications P/L    | 148,300                     |

Tenders Advertised

| Tender No. | Description                 | Closing Date |
|------------|-----------------------------|--------------|
| 1337       | Supply & Deliver 4WD Loader | 8/1/14       |

## 2013/14 Project List

| ID  | Work Order No | Project Name                                                                       | 12/13 Budget    | YTD Expenditure | Remaining Budget | % Work Complete | Status | \$ Exp Flag | Progress Flag | Comments                                                                                                         | June | July |
|-----|---------------|------------------------------------------------------------------------------------|-----------------|-----------------|------------------|-----------------|--------|-------------|---------------|------------------------------------------------------------------------------------------------------------------|------|------|
| 1   | 0             | 2013/14 Project List                                                               | \$10,787,500.00 | \$2,467,614.22  | \$8,319,885.78   | 43%             | 2      | 2           | 2             | Project list finalised. Quotations will be sought early in the new year.                                         |      |      |
| 2   | 0             | Cat 1 - Roads, Carports & Traffic Renewal                                          | \$6,822,000.00  | \$1,843,172.56  | \$4,978,827.44   | 47%             | 2      | 2           | 2             |                                                                                                                  |      |      |
| 3   | 9369          | Asphalt Programme                                                                  | \$70,000.00     | \$0.00          | \$70,000.00      | 5%              | 2      | 2           | 2             |                                                                                                                  |      |      |
| 4   | 9370          | Bridge Renewal Program                                                             | \$1,000,000.00  | \$10,995.98     | \$989,004.02     | 25%             | 2      | 2           | 2             | Quotations have been sought for bridge projects. Footpath renewal works have commenced and are progressing well. |      |      |
| 7   | 9371          | Footpath Renewal Program                                                           | \$396,000.00    | \$291,055.68    | \$104,944.32     | 58%             | 2      | 2           | 2             |                                                                                                                  |      |      |
| 35  | 9372          | Kerb & Channel Renewal                                                             | \$75,000.00     | \$0.00          | \$75,000.00      | 5%              | 2      | 2           | 2             | Programme finalised. Works to commence in the new year.                                                          |      |      |
| 45  | 9373          | Recessed Spray Seal Weaving Course                                                 | \$960,000.00    | \$305,080.08    | \$654,919.92     | 80%             | 2      | 2           | 2             |                                                                                                                  |      |      |
| 124 | 9374          | Drainage Programme                                                                 | \$440,000.00    | \$12,760.62     | \$427,239.38     | 15%             | 2      | 2           | 2             |                                                                                                                  |      |      |
| 184 | 9377          | Road Slip Rehabilitation Programme                                                 | \$181,000.00    | \$0.00          | \$181,000.00     | 0%              | 2      | 2           | 2             | Waiting on design for Old Beach Forest Road to be finalised.                                                     |      |      |
| 185 | 9375          | Sealed Road Reconstruction Programme                                               | \$2,100,000.00  | \$529,034.24    | \$1,570,965.76   | 50%             | 2      | 2           | 2             |                                                                                                                  |      |      |
| 193 | 9366          | Guardrail Installation Programme                                                   | \$100,000.00    | \$0.00          | \$100,000.00     | 0%              | 2      | 2           | 2             |                                                                                                                  |      |      |
| 195 | 9376          | Unsealed Weaving Course & Substructure - Reseal Programme                          | \$1,400,000.00  | \$681,957.87    | \$718,042.13     | 35%             | 2      | 2           | 2             |                                                                                                                  |      |      |
| 273 | 0             | Streeturniture Replacement Programme                                               | \$100,000.00    | \$12,937.09     | \$87,062.91      | 25%             | 2      | 2           | 2             |                                                                                                                  |      |      |
| 277 | 0             | Cat 2.00 - Roads, Carports & Traffic Upgrade                                       | \$110,000.00    | \$5,861.39      | \$104,138.61     | 40%             | 2      | 2           | 2             |                                                                                                                  |      |      |
| 278 | 9362          | School Bus Route Safety Improvements                                               | \$20,000.00     | \$0.00          | \$20,000.00      | 50%             | 2      | 2           | 2             | Works are completed as required or requested                                                                     |      |      |
| 279 | 10703         | Collec Taxi Rank Improvements                                                      | \$90,000.00     | \$5,861.39      | \$84,138.61      | 20%             | 2      | 2           | 2             |                                                                                                                  |      |      |
| 280 | 0             | Cat 3.01 - Drainage Renewal                                                        | \$100,000.00    | \$0.00          | \$100,000.00     | 0%              | 2      | 2           | 2             |                                                                                                                  |      |      |
| 281 | 9368          | Drainage Pipe and P1 Network                                                       | \$100,000.00    | \$0.00          | \$100,000.00     | 0%              | 2      | 2           | 2             |                                                                                                                  |      |      |
| 285 | 0             | Cat 4 - Building Renewal                                                           | \$550,000.00    | \$54,239.14     | \$495,760.86     | 30%             | 2      | 2           | 2             |                                                                                                                  |      |      |
| 286 | 9984          | Building Structures                                                                | \$550,000.00    | \$54,239.14     | \$495,760.86     | 30%             | 2      | 2           | 2             |                                                                                                                  |      |      |
| 287 | 11284         | Former Home Hardware Site - Painting and Clean Up                                  | \$35,000.00     | \$10,912.15     | \$24,087.85      | 80%             | 2      | 2           | 2             |                                                                                                                  |      |      |
| 288 | 11283         | COPAC Carpet Replacement                                                           | \$200,000.00    | \$0.00          | \$200,000.00     | 0%              | 2      | 2           | 2             |                                                                                                                  |      |      |
| 289 | 0             | BWFC - Beam Replacement                                                            | \$35,000.00     | \$15,678.56     | \$19,321.44      | 67%             | 2      | 2           | 2             |                                                                                                                  |      |      |
| 290 | 11280         | Lapport Hall repairs - Kitchen & new ceiling                                       | \$55,000.00     | \$2,070.00      | \$52,930.00      | 25%             | 2      | 2           | 2             |                                                                                                                  |      |      |
| 291 | 11289         | Carlisle River Football Changerooms - Refurb                                       | \$15,000.00     | \$9,049.14      | \$5,950.86       | 100%            | 2      | 2           | 2             |                                                                                                                  |      |      |
| 292 | 11287         | Beece Tennis Clubrooms - Refurb                                                    | \$5,000.00      | \$5,489.29      | -\$489.29        | 100%            | 2      | 2           | 2             |                                                                                                                  |      |      |
| 293 | 0             | Birgumna Public Hall Refurb                                                        | \$20,000.00     | \$0.00          | \$20,000.00      | 0%              | 2      | 2           | 2             |                                                                                                                  |      |      |
| 294 | 0             | Western Eagles Clubrooms - Inverville Road Reserve (Stage 1)                       | \$30,000.00     | \$0.00          | \$30,000.00      | 25%             | 2      | 2           | 2             |                                                                                                                  |      |      |
| 295 | 0             | Lake Collec Foreshore Toilets                                                      | \$30,000.00     | \$2,760.00      | \$27,240.00      | 32%             | 2      | 2           | 2             |                                                                                                                  |      |      |
| 296 | 0             | Gelbarrat Works Depot - Tea Rooms & shower                                         | \$20,000.00     | \$2,070.00      | \$17,930.00      | 27%             | 2      | 2           | 2             |                                                                                                                  |      |      |
| 297 | 0             | Portable Water Treatment System Design                                             | \$5,000.00      | \$690.00        | \$4,310.00       | 100%            | 2      | 2           | 2             |                                                                                                                  |      |      |
| 298 | 11282         | Rae Street Office - Switchboard replacement                                        | \$20,000.00     | \$0.00          | \$20,000.00      | 0%              | 2      | 2           | 2             |                                                                                                                  |      |      |
| 299 | 0             | Rae Street Office - Office work station renewal                                    | \$12,000.00     | \$0.00          | \$12,000.00      | 0%              | 2      | 2           | 2             |                                                                                                                  |      |      |
| 300 | 0             | Rae Street Office - Accessibility                                                  | \$40,000.00     | \$0.00          | \$40,000.00      | 0%              | 2      | 2           | 2             |                                                                                                                  |      |      |
| 301 | 11281         | Eastern Reserve - clubrooms refurb                                                 | \$3,000.00      | \$0.00          | \$3,000.00       | 0%              | 2      | 2           | 2             |                                                                                                                  |      |      |
| 302 | 11285         | Priorra Vaillock Recreation Reserve - Stage 1                                      | \$0.00          | \$0.00          | \$0.00           | 83%             | 2      | 2           | 2             |                                                                                                                  |      |      |
| 303 | 11285         | Memorial Square Shrine - Maintenance Assessment                                    | \$5,000.00      | \$0.00          | \$5,000.00       | 0%              | 2      | 2           | 2             |                                                                                                                  |      |      |
| 304 | 0             | Cat 5 - Buildings Improvements                                                     | \$275,000.00    | \$24,571.24     | \$250,428.76     | 67%             | 2      | 2           | 2             |                                                                                                                  |      |      |
| 305 | 11447         | Installation of roof access and fall protection system on roof - Pound Road Depot  | \$4,400.00      | \$4,400.00      | \$0.00           | 100%            | 2      | 2           | 2             |                                                                                                                  |      |      |
| 306 | 11448         | Installation of roof access and fall protection system on roof - Apple Bay Office  | \$1,500.00      | \$1,532.00      | -\$32.00         | 100%            | 2      | 2           | 2             |                                                                                                                  |      |      |
| 307 | 11449         | Installation of roof access and fall protection system on roof - Rae Street Office | \$7,000.00      | \$6,974.24      | \$25.76          | 100%            | 2      | 2           | 2             |                                                                                                                  |      |      |

# 2013/14 Project List

| ID  | Work Order No | Project Name                                                                       | 12/13 Budget   | YTD Expenditure | Remaining Budget | % Work Complete | Status      | \$ Exp Flag | Progress Flag | Comments |
|-----|---------------|------------------------------------------------------------------------------------|----------------|-----------------|------------------|-----------------|-------------|-------------|---------------|----------|
| 308 | 11450         | Installation of roof access and fall protection system on roof - Pound Road Depot  | \$1,500.00     | \$1,394.00      | \$106.00         | 100%            | Complete    |             |               |          |
| 309 | 10892         | Energy Efficient Project Proposal - Large PV Systems for Blue Water Fitness Centre | \$156,000.00   | \$5,135.50      | \$150,864.50     | 0%              | Not Started |             |               |          |
| 310 | 10831         | Energy Efficient Project Proposal - Large PV Systems for Haas Street               | \$104,000.00   | \$5,135.50      | \$98,864.50      | 0%              | Not Started |             |               |          |
| 311 | 0             | Cat 6 - Parks, Environment & Reserves                                              | \$230,000.00   | \$46,131.97     | \$183,868.03     | 17%             | In Progress |             |               |          |
| 312 | 0             | Cat 6.01 - Parks, Environment & Reserves Renewal                                   | \$100,000.00   | \$0.00          | \$100,000.00     | 10%             | In Progress |             |               |          |
| 313 | 9364          | Terms Infrastructure Renewal                                                       | \$50,000.00    | \$0.00          | \$50,000.00      | 0%              | Not Started |             |               |          |
| 314 | 9363          | Open Space Renewal Programme                                                       | \$30,000.00    | \$0.00          | \$30,000.00      | 20%             | In Progress |             |               |          |
| 315 | 0             | Cat 6.03 - Passive Reserves Improvement                                            | \$90,000.00    | \$46,131.97     | \$43,868.03      | 25%             | In Progress |             |               |          |
| 316 | 9945          | Wye River Open Space Development - Harrington Memorial Park                        | \$90,000.00    | \$0.00          | \$90,000.00      | 0%              | Not Started |             |               |          |
| 317 | 0             | Cat 6.06 - Playground Renewal                                                      | \$40,000.00    | \$0.00          | \$40,000.00      | 15%             | In Progress |             |               |          |
| 318 | 10891         | Playground Renewal Program                                                         | \$40,000.00    | \$0.00          | \$40,000.00      | 15%             | In Progress |             |               |          |
| 319 | 9380          | Cat 7 - Small Town Improvement Programme                                           | \$90,000.00    | \$0.00          | \$90,000.00      | 5%              | In Progress |             |               |          |
| 320 | 11248         | Cressy Heritage Walk - New heritage signs                                          | \$5,000.00     | \$0.00          | \$5,000.00       | 10%             | In Progress |             |               |          |
| 321 | 11249         | Carlsie River Street Tree & Vegetation Management Plan                             | \$3,000.00     | \$0.00          | \$3,000.00       | 0%              | Not Started |             |               |          |
| 322 | 11250         | Relinishment of Old Kavanagh Primary School                                        | \$25,000.00    | \$0.00          | \$25,000.00      | 0%              | Not Started |             |               |          |
| 323 | 11251         | Apollie Bay Foreshore Gazebos                                                      | \$20,000.00    | \$0.00          | \$20,000.00      | 0%              | Not Started |             |               |          |
| 324 | 11252         | Beech Forest Tree Sculptures                                                       | \$7,000.00     | \$0.00          | \$7,000.00       | 20%             | In Progress |             |               |          |
| 325 | 11253         | Roadnight Street, Birniegum Footpath - Stage 1                                     | \$20,000.00    | \$0.00          | \$20,000.00      | 0%              | Not Started |             |               |          |
| 326 | 0             | Cat 9.01 - Plant Renewal                                                           | \$1,742,000.00 | \$338,663.52    | \$1,403,336.48   | 50%             | In Progress |             |               |          |
| 327 | 3814          | Heavy Plant & Equipment                                                            | \$1,000,000.00 | \$73,650.00     | \$926,350.00     | 50%             | In Progress |             |               |          |
| 328 | 9361          | Light Vehicle Fleet                                                                | \$712,000.00   | \$264,396.25    | \$447,603.75     | 50%             | In Progress |             |               |          |
| 329 | 3816          | Minor Plant & Equipment                                                            | \$30,000.00    | \$637.27        | \$29,362.73      | 50%             | In Progress |             |               |          |
| 330 | 0             | Cat 13.01 - Office Furn & Equip Renewal                                            | \$247,800.00   | \$130,757.40    | \$117,042.60     | 40%             | In Progress |             |               |          |
| 331 | 0             | Active Recreation Equipment                                                        | \$27,800.00    | \$14,667.43     | \$13,132.57      | 50%             | In Progress |             |               |          |
| 332 | 9391          | Blue Water Equipment Renewal Programme                                             | \$27,800.00    | \$14,667.43     | \$13,132.57      | 50%             | In Progress |             |               |          |
| 333 | 0             | Computers and Telecommunications                                                   | \$155,000.00   | \$125,948.69    | \$29,051.31      | 39%             | In Progress |             |               |          |
| 334 | 2383          | Information Technology Equipment Renewal                                           | \$155,000.00   | \$125,948.69    | \$29,051.31      | 100%            | Complete    |             |               |          |
| 335 | 0             | 2 Way Radio                                                                        | \$0.00         | \$0.00          | \$0.00           | 35%             | In Progress |             |               |          |
| 336 | 0             | Office Furniture and Equipment                                                     | \$65,000.00    | \$3,341.29      | \$61,658.72      | 34%             | In Progress |             |               |          |
| 337 | 11228         | COOPACC Equipment Renewal                                                          | \$35,000.00    | \$0.00          | \$35,000.00      | 95%             | In Progress |             |               |          |
| 338 | 0             | Events Equipment Renewal                                                           | \$0.00         | \$0.00          | \$0.00           | 0%              | Not Started |             |               |          |
| 339 | 4852          | Office Furniture and Equipment Renewal                                             | \$30,000.00    | \$3,341.28      | \$26,658.72      | 20%             | In Progress |             |               |          |
| 340 | 0             | Cat 13.02 - Office Furn & Equip Upgrade                                            | \$24,200.00    | \$24,197.00     | \$3.00           | 100%            | Complete    |             |               |          |
| 341 | 0             | Computers and Telecommunications                                                   | \$24,200.00    | \$24,197.00     | \$3.00           | 100%            | Complete    |             |               |          |
| 342 | 2584          | Information Technology Equipment Upgrade                                           | \$0.00         | \$0.00          | \$0.00           | 100%            | Complete    |             |               |          |
| 343 | 11229         | ICT Core Networking Switch Upgrade                                                 | \$24,200.00    | \$24,197.00     | \$3.00           | 100%            | Complete    |             |               |          |
| 344 | 0             | Cat 14.00 - Discretionary Projects/Programs                                        | \$506,500.00   | \$153,250.00    | \$353,250.00     | 41%             | In Progress |             |               |          |
| 345 | 0             | Business & Economic Services                                                       | \$140,000.00   | \$29,250.00     | \$110,750.00     | 37%             | In Progress |             |               |          |
| 346 | 10892         | Cable Allied Business Plan                                                         | \$10,000.00    | \$29,250.00     | \$10,750.00      | 21%             | In Progress |             |               |          |
| 347 | 0             | Cable CBD & Entrances Project Detailed Designs                                     | \$0.00         | \$0.00          | \$0.00           | 49%             | In Progress |             |               |          |
| 348 | 0             | Cable Marketing Strategy Implementation                                            | \$0.00         | \$0.00          | \$0.00           | 49%             | In Progress |             |               |          |
| 349 | 10899         | Cable Structure Plan Review                                                        | \$100,000.00   | \$0.00          | \$100,000.00     | 49%             | In Progress |             |               |          |
| 350 | 0             | Environment & Community Services                                                   | \$156,000.00   | \$0.00          | \$156,000.00     | 49%             | In Progress |             |               |          |
| 351 | 10893         | Energy Efficient Lighting Installation - Contribution                              | \$156,000.00   | \$0.00          | \$156,000.00     | 49%             | In Progress |             |               |          |
| 352 | 0             | Governance                                                                         | \$70,500.00    | \$0.00          | \$70,500.00      | 55%             | In Progress |             |               |          |

## 2013/14 Project List

| ID  | Work Order | Project Name                                  | 12/13 Budget | YTD Expenditure | Remaining Budget | % Work Complete | Status | \$ Exp Flag | Progress Flag | Comments | June | July |
|-----|------------|-----------------------------------------------|--------------|-----------------|------------------|-----------------|--------|-------------|---------------|----------|------|------|
| 353 | 10894      | Asbestos Register Update                      | \$50,500.00  | \$0.00          | \$50,500.00      | 5%              | 🟡      | 🟡           | 🟡             |          |      | 🟡    |
| 354 | 10895      | Email Archive                                 | \$10,000.00  | \$0.00          | \$10,000.00      | 100%            | 🟢      | 🟢           | 🟢             |          |      | 🟢    |
| 355 | 0          | Recreation & Culture                          | \$160,000.00 | \$124,000.00    | \$36,000.00      | 64%             | 🟡      | 🟡           | 🟡             |          |      | 🟡    |
| 356 | 10778      | Cole Secondary College Community Sports Field | \$150,000.00 | \$124,000.00    | \$26,000.00      | 20%             | 🟡      | 🟡           | 🟡             |          |      | 🟡    |
| 357 | 10896      | G21 Physical Activity                         | \$10,000.00  | \$0.00          | \$10,000.00      | 80%             | 🟡      | 🟡           | 🟡             |          |      | 🟡    |
| 358 | 0          | Waste Management                              | \$90,000.00  | \$0.00          | \$90,000.00      | 20%             | 🟡      | 🟡           | 🟡             |          |      | 🟡    |
| 359 | 10898      | Marengo Landfill Monitoring                   | \$30,000.00  | \$0.00          | \$30,000.00      | 20%             | 🟡      | 🟡           | 🟡             |          |      | 🟡    |

|                                           |  |                  |  |             |
|-------------------------------------------|--|------------------|--|-------------|
| Project: 201314 Project List - hail_yeahy |  |                  |  |             |
| Date: Tue 14/01/14                        |  |                  |  |             |
| Task                                      |  | Roll Up Progress |  | Deadline    |
| Milestone                                 |  | Split            |  |             |
| Summary                                   |  | External Tasks   |  | Start only  |
| Roll Up Task                              |  | Project Summary  |  | Finish only |
|                                           |  | Group By Summary |  | Progress    |

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# RATING STRATEGY 2014-2017



## A review of the Colac Otway Shire rating strategy

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



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# Rating Strategy 2014-2017

## A REVIEW OF THE COLAC OTWAY SHIRE RATING STRATEGY

### EXECUTIVE SUMMARY

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

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

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

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

The Rating Strategy is based on the following assumptions:

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

The proposed rate movements over the next 10 years are as follows:

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

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

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

### 1.1 What are rates?

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

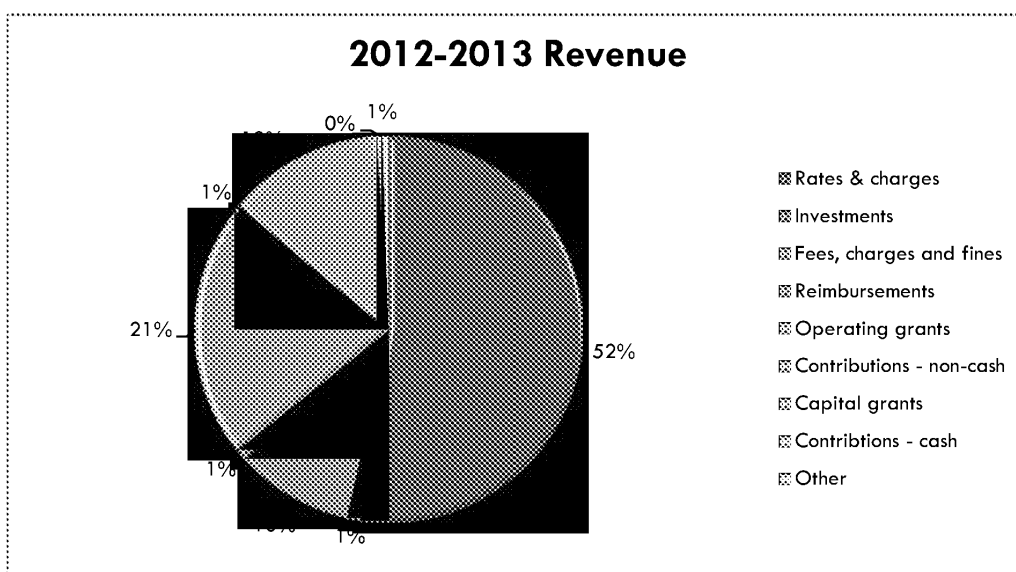
their communities.

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

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

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

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



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

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

Some of the services which Council provides include:

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

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

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

## 1.2 Sound Financial Management and its relationship to the Rating Strategy

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

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

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

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

## 1.3 Colac Otway Shire Council's Rating System

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

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

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

| Section                                                        | COLAC OTWAY SHIRE COUNCIL – RATING SYSTEM                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Section 9<br>Property Valuation                                | Council applies Capital Improved Valuation (CIV) as the valuation methodology to levy Council rates. Council reviews the impacts of revaluations as they occur.                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Section 10<br>Rating Differentials<br>/Rate Type               | Council applies differential rating as its rating system. Council considers that each differential rate contributes to the equitable and efficient carrying out of Council functions.                                                                                                                                                                                                                                                                                                                                                                                                        |
| Section 11<br>What differential<br>rates should be<br>applied? | That Council applies differential rates for: <ol style="list-style-type: none"> <li>1. Residential - Colac</li> <li>2. Residential – Balance of Shire</li> <li>3. Rural – Farm</li> <li>4. Holiday Rental</li> <li>5. Commercial/Industrial - Colac</li> <li>6. Commercial/Industrial – Balance of Shire</li> </ol>                                                                                                                                                                                                                                                                          |
| Section 11.7<br>Service Rates and<br>Charges                   | The service charges applied by Council are a Waste Collection Charge for the collection and disposal of household waste, including recyclables, litter bins collections and green waste for developed properties only.                                                                                                                                                                                                                                                                                                                                                                       |
| Section 11.9<br>Municipal Charge                               | Council applies a Municipal charge in accordance with legislation.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Section 13<br>Rate Payment Date<br>Options                     | <p>Council will not offer a lump sum payment option therefore all rates must be paid via instalments with the due dates for payment each financial year as follows:</p> <ul style="list-style-type: none"> <li>• 1st Instalment due – 30 September</li> <li>• 2nd instalment due – 30 November</li> <li>• 3rd Instalment due – 28 February</li> <li>• 4th Instalment due – 31 May</li> </ul> <p>Council also allows ratepayers to pay property rates via payment arrangements, by any number of instalments, provided the full amount of rates and charges are paid by 31 May each year.</p> |
| Section 15<br>Hardship Policy                                  | Council recognises there are cases of genuine financial hardship and has a Hardship Policy which establishes the guidelines for assessment based on fairness, compassion, confidentiality and compliance with statutory requirements.                                                                                                                                                                                                                                                                                                                                                        |

## 1.4 Rates & Charges

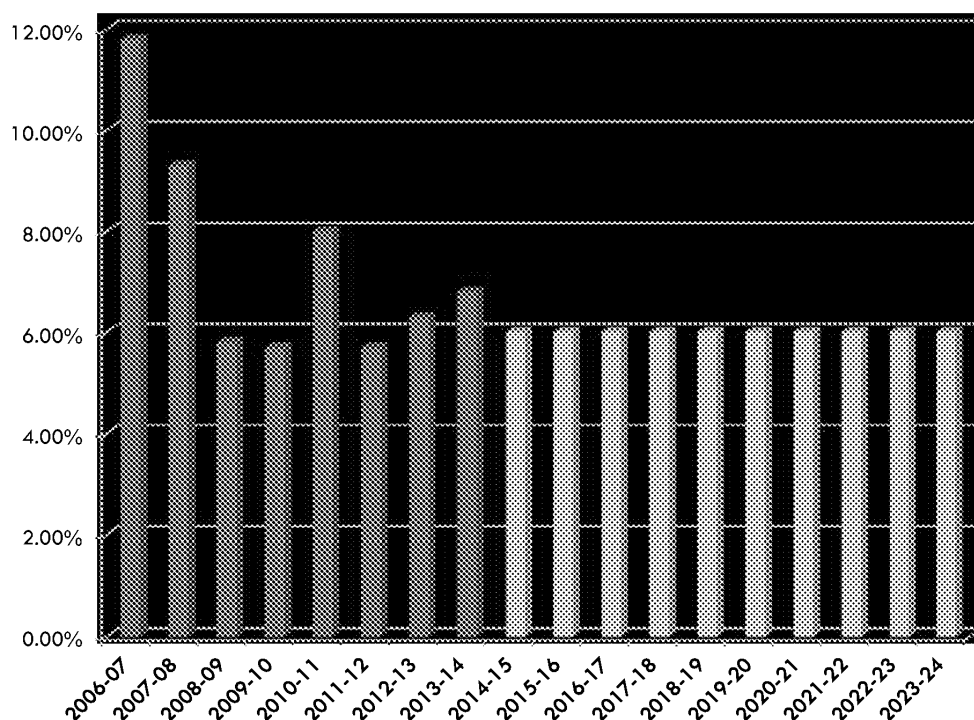
In order for Council to determine its revenue building capacity to meet current and future activities while “pursuing spending and rating policies that are consistent with a reasonable degree of stability in the level of the rate burden rates and charges” Council has developed a Long Term Financial Plan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

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

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

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

### RATES AND CHARGES



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

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Rating Strategy 2014-2017

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## THE RATING STRATEGY





## 2. What is a Rating Strategy?

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

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

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

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

The following recommendations are the basis for the Rating Strategy:

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

### 3. Council Revenue Sources

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

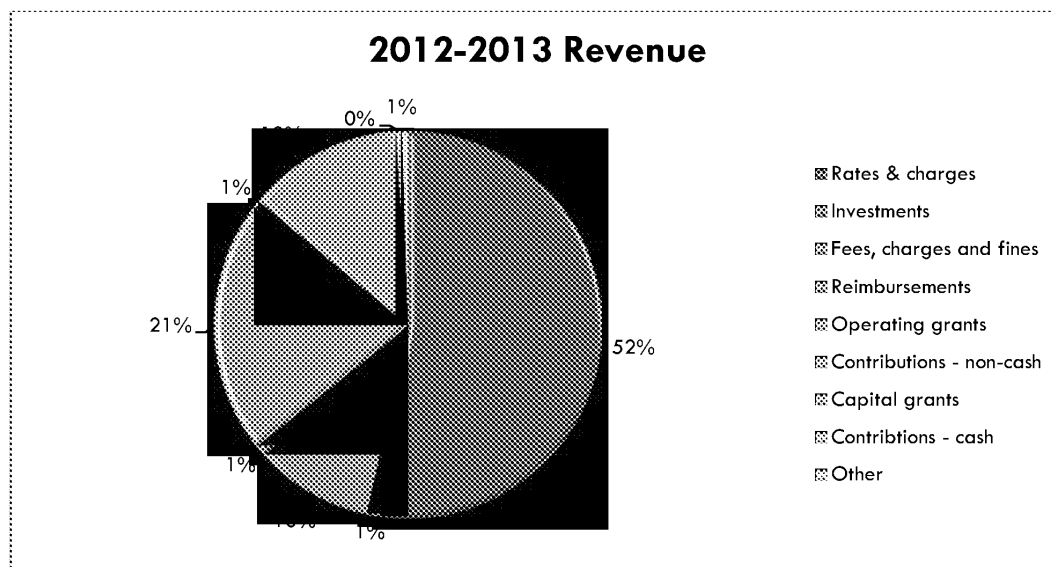
To fund the delivery of the Council Plan and associated services, Council draws upon four (4) broad streams of income: municipal rates; state and commonwealth grants; user fees and charges; and other sources such as investment income, reimbursements and developer contributions.

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

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

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

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



#### 4. Our Actions

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

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

Rating Strategy 2014-2017

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

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

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

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

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

The changes proposed are to:

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

## 5. Principles

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

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

Rates are a property based wealth tax

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

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

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

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

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

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

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

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

## 6. Rating Framework

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

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

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

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

### 6.1 Equity

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

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

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

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



responsibilities.

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

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

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

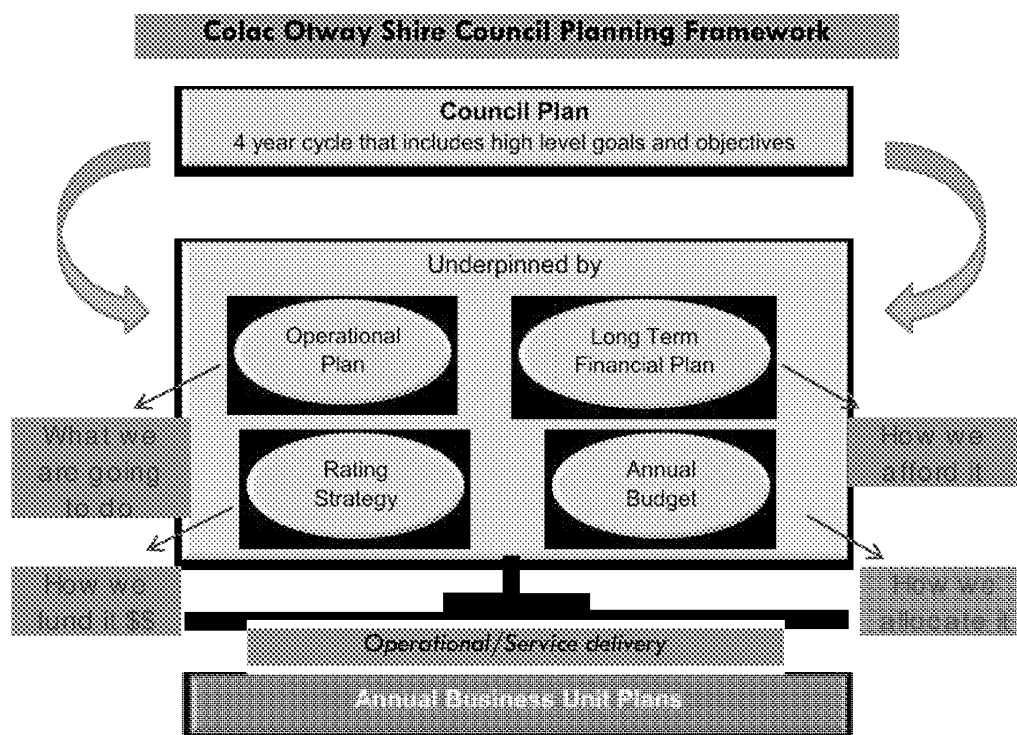
In adopting a differential rating structure for ad valorem taxes, Council considers that they will contribute to the equitable and efficient carrying out of its functions – *Local Government Act 1989* section 161(1)(b).

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



## 7. Planning Framework

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



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

## 8. Financial sustainability and the capacity to pay

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

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

### 8.1 Capacity of the Community to Pay (C2P)

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

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

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

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

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

Council accesses this community income by raising:

- rates & charges
- fees, fines & user charges

### 8.2 Impact of inherent geographic and demographic factors on costs

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

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

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

1. Aged population
2. Infant population
3. Bridges

## 7. Other road cost factors

## 8.3 Assistance received from recurrent government grants

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

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

## 8.4 Sustainable Capacity Ratio

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

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

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

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

The main influences on the ratio are:

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

## 9. Property Valuation

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

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

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

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

### 9.1 Council Property Valuation

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

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

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

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

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

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## VALUATIONS BY LOCALITY

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

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



Rating Strategy 2014-2017

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

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

#### VALUATIONS BY RATING CATEGORY

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

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

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

## 9.2 Objections to Property Valuation

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

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

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

## 9.3 No Windfall Gain

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

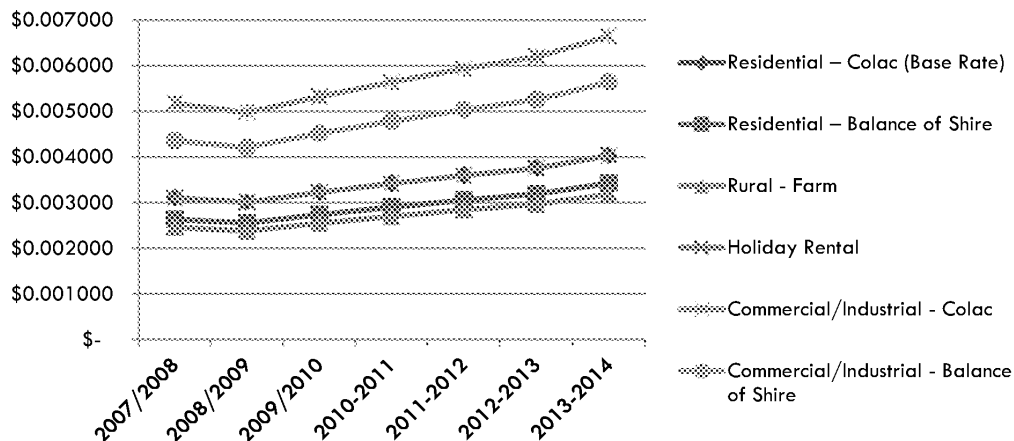
Rating Strategy 2014-2017

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

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

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

RATE IN THE DOLLAR TRENDS



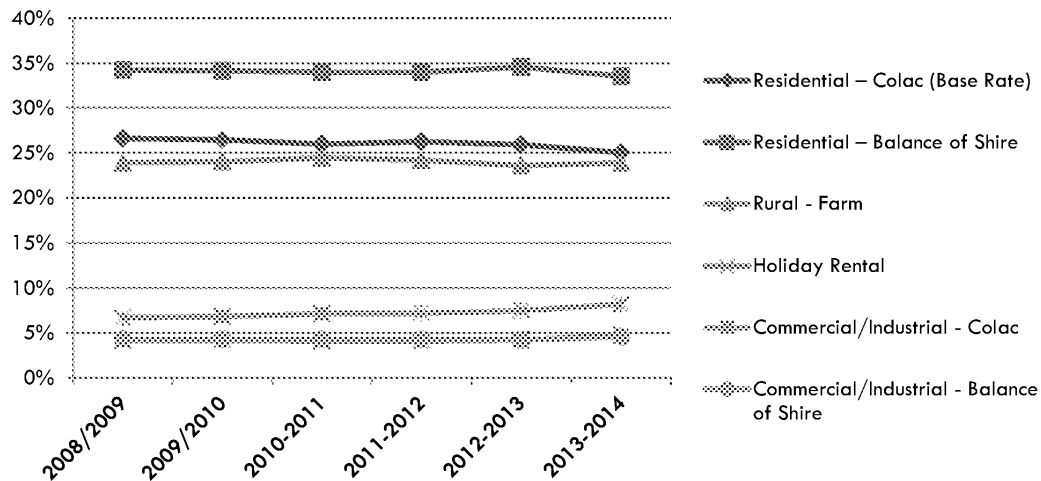
The use of differential rates enables Council to maintain a fair and equitable rate contribution by property type in accordance with section 3C (2f) of the *Local Government Act 1989*.



Rating Strategy 2014-2017

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

RATES AND CHARGES PERCENTAGE CONTRIBUTION



## 10. Rating Differentials and Rate Type

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

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

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

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

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

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

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

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

## 11. The Current Rating System

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

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

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

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

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

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

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

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

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

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

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

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

### 11.1 Residential - Colac

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

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

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

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

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

### 11.2 Residential – Balance of Shire

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

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

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

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

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

### 11.3 Rural - Farm

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

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

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

will also contain land with no buildings located upon it.

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

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

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

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

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

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

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

#### 11.4 Holiday Rental

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

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

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

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

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

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

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

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

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

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

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

### 11.5 Commercial/Industrial - Colac

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

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

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

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

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

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

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

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

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

### 11.6 Commercial/Industrial – Balance of Shire

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

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

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

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

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

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

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

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

### 11.7 Service Charges

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

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

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

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

Details of service charges are as follows:

### 11.8 Waste Collection Charge

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

### 11.9 Municipal Charge

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

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

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

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



## 12. Rates and Charges

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

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

Colac Otway, like most rural Councils, does not have substantial alternate income sources such as metered parking which provide metropolitan Councils with alternate and in some cases large income streams to assist in defraying the reliance on rates and charges.

This has been further exacerbated in recent years with funding through both State and Federal Government grants decreasing.

Planning for future rate increases is an important long term financial planning requirement, particularly as service levels and service demands continue to increase and despite the recent acceleration of capital works programmes major classes of assets still remain under-funded.

It is also important to understand the demographics and characteristics of the municipality, given the impact that biennial revaluations of all properties can have in the redistribution of the rate burden across the municipality.

In setting a rate system the key is to ensure that there is an equitable imposition of rates and charges which are set at a level to ensure that services and facilities provided by Council are accessible improve the overall quality of life for people in the community and are financially sustainable.

Council aspires to balance service levels in accordance with the needs and expectations of its community and sets taxation levels (rating) to adequately resource its roles and responsibilities.

In order to achieve the Council Plan strategic objectives while maintaining service levels and a responsible capital expenditure programme, rates and charges will increase by approximately 6.0% in average rates and charges per assessment in 2014-15 raising a total of \$26.61 million. The following table sets out future proposed rates and charges increase which will be subject to annual review.

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

### 13. Collection of Rates

In accordance with Section 167(1) of the *Local Government Act 1989*, Council must allow a person to pay a rate or charge in four instalments and the instalments are due and payable on the date fixed by the Minister by notice published in the Government Gazette.

Section 167(2A) provides that a Council may allow a person to pay a rate or charge in a lump sum.

Colac Otway Shire Council does not offer a lump sum payment option therefore all rates must be paid via instalments with the due dates for payment each financial year as follows:

- 1<sup>st</sup> Instalment due – 30 September
- 2<sup>nd</sup> instalment due – 30 November
- 3<sup>rd</sup> Instalment due – 28 February
- 4<sup>th</sup> Instalment due – 31 May

Council also provides that ratepayers who choose to pay property rates via Direct Debit (Savings or Cheque account only) may pay their rates in in any number of instalments provided is paid in full by 31 May each year.

#### 13.1 Payment Methods

Council has a number of different payment options for rates:

- Over the Counter
  - In person at Australia Post agencies.
  - At Councils three Customer Service Centres in Sunshine, Keilor and Watergardens.
- Internet
  - Payment via BPay.
  - Payment via Post billpay.
- Telephone
  - Payment via Post billpay.
  - Via BPay.
  - Payment via Securepay.
- Direct Debit
  - May make payment from cheque or savings account.
- Mail
  - Post cheque or Money Order to Council.

#### 13.2 Unpaid Rates or Charges

In accordance with Section 172 of the *Local Government Act 1989* Council may charge interest on unpaid rates and charges in accordance with the rate fixed under section 2 of the *Penalty Interest Rate Act 1983* which is altered from time to time by the Victorian State Government

The penalty interest rate applicable under the *Local Government Act 1989* is the rate ruling on 1 July each year.

The current rate is 10% and will apply each year unless it is amended on or before 30 June.

### 13.3 Debt Recovery

After the final day for payment of rates and charges, reminder notices are forwarded to ratepayers. A further final notice is sent requesting payment or inviting ratepayers to make arrangements to pay their outstanding debt.

Any ratepayer who has difficulty paying their rates is invited to contact Council to make alternate payment arrangements.

If no payment is forthcoming or no arrangements have been made to pay the amount outstanding Council pursues the recovery of outstanding rates and charges through Debt Collection agents. All costs incurred for recovery are added to the amount outstanding.

Council will also make every effort to contact ratepayers at their correct address but it is the ratepayer's responsibility to properly advise Council of their contact details.

Amendments to the LGA require both the vendor and buyer of the property, or their agents to notify Council by way of notices of disposition and acquisition respectively.

#### 14. Concessions

Section 171(4) of the *Local Government Act 1989* provides Council with the ability to waive rates to eligible recipients in accordance the *State Concessions Act 2004* provided that the rateable or part of rateable land by the applicant is that person's sole or principal place of residence.

Only one application (in the prescribed form) for each rating period can be made by that person.

A Rate Concession is available to Pensioners, War Widows and returned Serviceman on War Pension who is totally and permanently incapacitated. Proof of eligibility is provided by Pensioner Concession Cards .The rebate applies to those ratepayers who have a full pension concession card. The rebate does not apply to Health Care Card holders.

Eligible pensioners may gain a reduction of up to 50 per cent of all rates charged, with a maximum of \$202.90. This amount is adjusted annually by CPI.

Council also provides for waiver of interest charges to eligible applicants in accordance with its Hardship Policy.

## 15. Hardship Policy

Colac Otway Shire Council recognises there are cases of genuine financial hardship requiring respect and compassion in special circumstances.

In March 2007 Council adopted a Hardship Policy which established the guidelines for assessment of hardship application based on the principles of fairness, integrity, confidentiality and compliance with statutory requirements. It applies to all applications for waiving or suspending interest on debts raised through rates and charges, but not to waiving the whole or part of any rate or charge imposed annually.

The purpose of this policy is to:

- To provide assistance to ratepayers suffering financial hardship;
- To provide a policy for decisions to be made in accordance with sections 171A and 172 of the *Local Government Act 1989*; specifically the waiver on interest charged for late payment;
- To provide ratepayers and Council officers with clearly defined options when applying deferment or the waiver of interest charge for late payment.

The principals contained within the Hardship Policy are:

- Councils Annual Rate and Valuation notice and all subsequent instalment notices will advise that any ratepayer experiencing difficulties in paying their rates and charges should contact the Revenue/Rating department to discuss alternative payment option;
- A ratepayer may request a suspension or waiver of interest accruals for financial hardship in writing only to the Revenue/Rating Coordinator. This should be accompanied by sufficient written evidence to identify the hardship claim;
- Interest waiver and/or suspension are only applicable to owner/occupied residential properties;
- Council may refer the applicant to an accredited financial counsellor for further financial assistance; and
- Waiver of interest charges will only be granted for interest accrued up to the point of application and for all future interest for a negotiated period.

This policy does not offer the waiver or deferment of the whole or part of any rates and charges raised annually and is only applied to owner/occupied residential properties.

In developing this policy Colac Otway Shire Council considered the demographic makeup of the municipality and took into consideration that almost 25% of residential properties receive a government rebate on their rates and charges.

Further information can be obtained by contacting Council or Council's web site at [www.colacotway.vic.gov.au](http://www.colacotway.vic.gov.au)

## 16. Fire Service Property Levy (FSPL)

While the Fire Service Property Levy is not part of the rating strategy as from the 1st July 2013 Council will be responsible for the collection of the FSPL on behalf of the State Government.

Prior to the introduction of the Fire Services Property Levy, Victoria's fire services were funded by financial contributions from insurance companies, the State Government and metropolitan Councils. Insurance companies recovered the cost of their contributions by imposing a fire services levy on insurance premiums.

One of the key findings of Victorian Bushfire Royal Commission was that this model for fire services funding was inequitable, lacked transparency and discouraged some owners from insuring, or fully insuring, their property due to the additional cost the levy imposed on premiums. As a result, the Commission recommended that the insurance-based fire services levy be replaced with a property-based levy which would require all property owners contributing to fire services funding, not just those with adequate insurance.

On 28 August 2012, the Victorian Government announced that it would implement the Commission's recommendation. The *Fire Services Property Levy Act 2012* (FSPLA) was developed to establish the legal framework for the new Fire Services Property Levy.

The Act received Royal Assent on 16 October 2012, and will impose a levy on land in Victoria from 1 July 2013.

The Local Government sector or Councils were appointed as the collection agency for the State Government to collect the levy on leviable land within their municipal district including leviable land owned by Council.

### 16.1 Property Subject to FSPL

All land is leviable under the FSPLA unless that land is:

- Commonwealth owned land;
- State Government owned land; and
- Public bodies.

### 16.2 Fixed Charges

For the 2013-2014 financial year, the fixed charges are set as follows:

- Residential land (including vacant residential land): \$100;
- Commercial land: \$200;
- Industrial land: \$200;
- Primary production land: \$200;
- Public benefit land: \$200; and
- Vacant land (excluding vacant residential land): \$200.

The fixed charge is subject to adjustment in line with the Victorian Consumer Price Index (CPI). The State Revenue Office (SRO) will notify Councils of changes when they occur.

The Minister will publish the CPI adjusted fixed charge for a levy year before 31 May of the previous year on the SRO website at [www.sro.vic.gov.au](http://www.sro.vic.gov.au).

### 16.3 Levy of Rates

The Minister may determine different levy rates based on land use classification and whether the land is located in the metropolitan fire district or in the country fire district of Victoria. If the Minister does not determine and specify the levy rate by 31 May for the next levy year, the levy rate will remain the same as the most recently determined levy rate.

### 16.4 FSPL Collection

Section 25(2) of the *Fire Services Property Levy Act 2012* currently requires that for levy purposes the assessment notice must display a number of information items. The information that must be displayed is as follows:

- Date of the notice;
- Name and address of the owner of the land or a person that the owner has nominated the notice should be sent to;
- The levy amount including the fixed charge and variable component;
- How the levy amount was calculated, including the levy rate and any concession applied;
- Land use classification (residential, commercial, industrial etc);
- Address or legal description of the land;
- CIV of the land;
- Date by which the levy amount must be paid;
- Any outstanding levy or levy interest payable;
- That the owner of the land may apply for a waiver, deferral or concession in respect of the leviable land under Section 27 of the *Fire Services Property Levy Act 2012* for rateable land and Section 28 for non-rateable land; and
- Any prescribed matters.

## 17. Key Strategic Outcomes

### 17.1 Recommendations:

That Council continues to:

1. Apply Capital Improved Value as the valuation methodology to levy Council rates;
2. Apply differential; rates for the following:
  - Residential – Colac property;
  - Residential – Balance of Shire property;
  - Rural – Farm property;
  - Holiday Rental
  - Commercial/Industrial - Colac property; and
  - Commercial/Industrial – Balance of Shire property.
8. Review the rating structure following each biennial valuation;
9. Charge a Waste Collection charge based on user pay principles;
10. Charge a municipal charge to cover costs such as finance, asset management, information systems, corporate records, customer service human resources and governance and review on an annual basis;
11. Apply the mandatory rate instalment payment options which are as follows:
  - 1st Instalment due – 30 September
  - 2nd instalment due – 30 November
  - 3rd Instalment due – 28 February
  - 4th Instalment due – 31 May
12. Allow payments arrangement to be established by any number of instalments providing the full amount of rates and charges are paid by 31 May each year.
13. Continue to implement the hardship policy of the waiving or suspending interest on rate charge, but not waiving the whole or part of any rate any rate or charge imposed annually.







## COUNCIL POLICY

|                                 |                                                 |
|---------------------------------|-------------------------------------------------|
| <b>Council Policy Title:</b>    | <b>Naming of Roads, Localities and Features</b> |
| <b>Council Policy ref. no:</b>  | 20.2                                            |
| <b>Responsible Department:</b>  | Corporate and Community Services                |
| <b>Date of adoption/review:</b> |                                                 |

### 1. PURPOSE

The major emphasis of this policy is to preserve the Shire's identity and heritage and to recognise its cultural and physical diversity; and

- to provide guidelines for the naming of places within the Colac Otway Shire.
- to provide a consistent decision making approach to naming requests.

### 2. BACKGROUND

Council, as a Naming Authority under the *Geographic Place Names Act 1998* is required to resolve on all geographic place names in the municipal district, with the exception of geographic places of state significance.

In the consideration of naming requests, Council is required to be guided by the Victorian Guidelines for Geographic Names and register all endorsed names with the Registrar of Geographic Names.

The Act defines place as "any place or building that is, or is likely to be of public or historical interest and includes, but is not restricted to:

- a) Township, area, park, garden, reserve of land, suburb and locality;
- b) Topographical feature, including undersea feature; and
- c) Street, road, transport station, government school, hospital and government nursing home."

Generally this policy will only apply to the naming of roads, streets, reserves, gardens, suburbs and localities.

### 3. POLICY

In the consideration of naming requests, Council is required to abide by the Guidelines for Geographic Names Victoria and notify all new or altered names to the Registrar of Geographic Names for inclusion in the Register for official mapping data and other purposes.

### **3.1 Instigation of the Place Naming Process**

Involvement in investigating and/or determining geographic place names will begin after one of the following triggers:

- Councillor(s) and Council Officer(s) identifies a need to name an unnamed place, or alter a place name/boundary;
- Member(s) of the community request an unnamed place to be named, or that a place name/boundary be altered;
- A Plan of Subdivision is submitted for certification by Council. A plan of subdivision can include street names. Council's subdivision certification process includes audit of these names to ensure they comply with this policy. In this instance only 3.2C of this policy applies.

### **3.2 Procedure for Naming**

A. Council's decision should be made according to the following naming principles:

- Subject to appropriate public consultation process that ensured effective input from the public or interested parties.
- Appropriate decision making that is in the public interest.
- Following appropriate policies on naming standardisation.
- Preventing an unnecessary duplication of specific name.

B. Names are selected using the following criteria:

- Preserve the heritage and identity of Colac Otway Shire localities.
- Maintain the integrity of Council's existing name theme of historical, settlement, physical feature, flora and fauna.
- Cultural significance to the municipality's communities.
- Consideration of names connected with, used by or commemorating past indigenous communities that inhabited the area.
- Recognition of prior uses of land the people associated with it.
- Ensure linking the name to the relevant place.
- Recognition of existing unofficial names.
- Ensure names assigned to streets are simple and easily pronounced.
- Names to be written in Australian English and not exceed 25 characters.
- The person whose name is being proposed is deceased.
- The person whose name is being proposed has a record of significant achievement in their chosen field that would reasonably be recognised by the community.

C. Names should not be used if they include any of the following:

- Named after commercial businesses, trade names or non-profit organisations.
- Generally the name of a living person except person of national significance.
- Commence with the definite article – 'the'; or use the apostrophe 's' indicating possessive case.
- Long and difficult names.
- Abbreviations – names to be spelt in full.
- Names that could cause offence on the basis of race, ethnicity, religion and gender or to particular community groups.

- Names assigned to streets that could compromise public safety and operational safety to emergency services or cause confusion for transport, communication and mail services.
- Similarity with names of existing streets within nearby localities.

Changes to the boundaries of suburbs, localities or place names should be in the overall public interest and not for private interest(s). All such changes should only be made after appropriate consultation with effected communities and appropriate authorities.

### **3.3 Procedural Guidelines**

The following guidelines apply:

- A naming request may originate from the wider community or Colac Otway Shire officers.
- Naming request initiated by individuals or organisations must be in writing and if the proposal is for a commemorative naming, details of the life and achievements of that person must be provided to Colac Otway Shire.
- Appropriate public consultation regarding a naming proposal should be undertaken. This may take the form of advising all abutting property owners about the proposed name and seeking comments feedback or placing a public advertisement in the local newspaper inviting comments from effected residents and/or public.
- Consultation should be undertaken with local indigenous community representative groups as to possible names. They should be consulted at the start of a proposal to ascertain if they have any objection to the suggested name, and if so, what alternative name they wish to submit;
- A report recommending the name (or renaming) of a road, lane, reserve, building or other infrastructure is to be referred to Council meeting for formal consideration;
- Once a final decision has been made the applicant, all abutting property owners and residents will be notified of the Council's decision;
- Advice will be sent to all relevant Colac Otway Shire departments, advising of the new or amended name.
- Arrangements will be made to erect appropriate signage (if required).
- Colac Otway Shire will notify:
  - the registrar of Geographic Names of the new or amended name
  - the relevant public authorities of the new or amended name
- Record the details of name origins in a Record of Name Origins. Council should ask for and preserve a record of name origins from those who recommend new place names, to facilitate the processing of names in accordance with the statutory requirements and to create a record of this aspect of Victoria's heritage.

## **4 RELATED LEGISLATION AND DOCUMENTATION**

- *Local Government Act 1989*
- *Geographic Place Names Act 1998* and associate guidelines
- Colac Otway Planning Scheme
- *Road Management Act*

## **5. IMPLEMENTATION AND MONITORING**

### **5.1 Accountabilities**

The officer responsible for all queries or feedback regarding this policy document, please contact the Revenue Co-coordinator.

The responsible officer co-ordinates the implementation, maintenance and review of this policy ensuring stakeholders are aware of their accountabilities.

### **5.2 Financial Implications**

The financial implications of this policy include the cost of consultation, advertising and erection of signage (where applicable).

#### **ADOPTED/AMENDMENT OF POLICY**

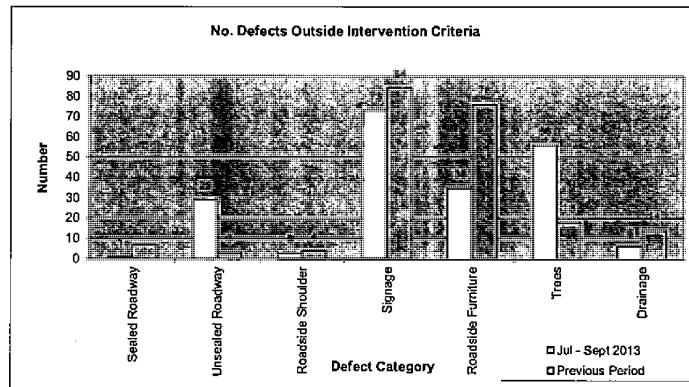
| <b>Policy Review Date</b> | <b>Reason for Amendment</b> |
|---------------------------|-----------------------------|
|                           |                             |
|                           |                             |
|                           |                             |

**INFRASTRUCTURE DEPARTMENT**  
Mission: To effectively manage infrastructure and  
provide Best Value community services.

### Road Management Plan Compliance Report

|                                  |                        |
|----------------------------------|------------------------|
| <b>Asset Category:</b>           | Roads                  |
| <b>Reporting for the Period:</b> | July to September 2013 |
| <b>Inspections Completed By:</b> | Kevin O'Gorman         |
| <b>Report Prepared By:</b>       | Adam Lehmann           |

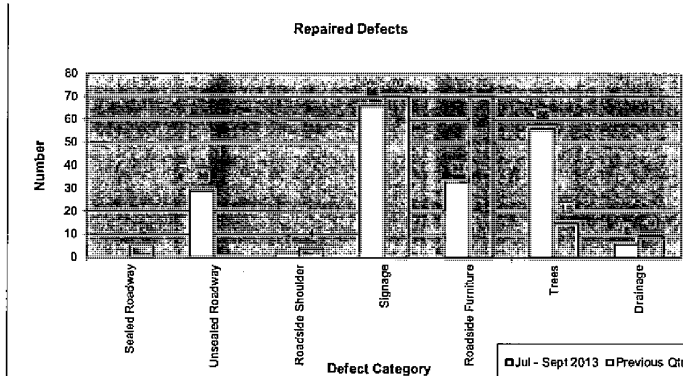
#### No. of Defects Identified - Outside Intervention



#### Comments

Approximately 170km of Council's local road system was inspected over the first quarter of 2013/14. Inspection zones included rural roads around Gellibrand, Barwon Downs, and Birregurra. Rural Link roads and Colac urban access roads were also inspected during this same period.

#### No. of Defects Repaired - Outside Intervention



#### Comments

Of the 210 routine maintenance defects identified, 174 or 84% have been actioned. As with previous reporting periods the vast majority of these works related to the replacement of damaged or missing signs and guideposts. Another emerging issue which was particularly highlighted this quarter is the management of roadside trees.

**INFRASTRUCTURE DEPARTMENT**  
Mission: To effectively manage infrastructure and  
provide Best Value community services.

**Inspection Performance Summary**

Proportion of routine inspections completed for Period to meet prescribed frequencies

| Hierarchy |            | Name            | Score |
|-----------|------------|-----------------|-------|
| Network   | Identifier |                 |       |
| Rural     | RL         | Rural Link      | 100%  |
|           | RC         | Rural Collector | N/A   |
|           | RA         | Rural Access    | 100%  |
| Urban     | UL         | Urban Link      | N/A   |
|           | UC         | Urban Collector | 100%  |
|           | UA         | Urban Access    | 100%  |

**Comments**

All scheduled road inspections for this reporting period have been completed on time.

**Maintenance Performance Summary**

Proportion of reported defects that have been actioned

| Defect Category    | Score |
|--------------------|-------|
| Sealed Roadway     |       |
| Unsealed Roadway   | 100%  |
| Roadside Shoulder  | 67%   |
| Signage            | 90%   |
| Roadside Furniture | 94%   |
| Trees              | 100%  |
| Drainage           | 100%  |

Proportion of defects actioned within prescribed response times

| Defect Category    | Score |
|--------------------|-------|
| Drainage           | 100%  |
| Roadside Furniture | 85%   |
| Sealed Roadway     |       |
| Signage            | 88%   |
| Trees              | 100%  |
| Unsealed Roadway   | 93%   |
| Roadside Shoulder  | 100%  |

**Comments**

Of the maintenance items that have been responded to, 92% were completed within the timeframes prescribed in Council's Road Management Plan. The key performance indicator for this criterion is 85%.

**Overall Comments**

All operational activities relating to the inspection and maintenance of Council's road assets meet the performance targets documented in our Road Management Plan.

**INFRASTRUCTURE DEPARTMENT**  
Mission: To effectively manage infrastructure and  
provide Best Value community services.

**Asset Inspection Regime - Roads (Current)**

| Asset Class                                                       | Hierarchy       | Inspection Type, Frequency & Responsibility |                     |           |                            |
|-------------------------------------------------------------------|-----------------|---------------------------------------------|---------------------|-----------|----------------------------|
|                                                                   |                 | Frequency                                   | Relevant Department | Frequency | 3rd Quarter (Jun-Sep 2013) |
| <b>Urban Road Network</b><br>* Includes sealed and unsealed roads | Urban Link      | Not Applicable                              | Cosworks            | 3 years   | Infrastructure & Services  |
|                                                                   | Urban Collector | 4 months                                    | Cosworks            | 3 years   | Infrastructure & Services  |
|                                                                   | Urban Access    | 6 months                                    | Cosworks            | 3 years   | Infrastructure & Services  |
|                                                                   | Urban Minor     | 2 years                                     | Cosworks            | 3 years   | Infrastructure & Services  |
| <b>Rural Road Network</b><br>* Includes sealed and unsealed roads | Rural Link      | 3 months                                    | Cosworks            | 3 years   | Infrastructure & Services  |
|                                                                   | Rural Collector | 4 months                                    | Cosworks            | 3 years   | Infrastructure & Services  |
|                                                                   | Rural Access    | 12 months                                   | Cosworks            | 3 years   | Infrastructure & Services  |
|                                                                   | Rural Minor     | 3 years                                     | Cosworks            | 3 years   | Infrastructure & Services  |

**Inspection Definitions**

**Routine Inspections**

Inspections undertaken in accordance with the formal inspection schedule to determine if road asset complies with the levels of service as specified by the Maintenance Performance Criteria.

Identified defects are rated against the standards adopted for routine maintenance works on the asset. These performance standards indicate the magnitude of the undesirable condition for each defect requiring remedial action.

A record of each street/road is completed detailing the name of the inspector, the inspection date, time, road name/asset description and report of any defects found that are at the 'tolerable' defects level as defined by Council's Maintenance Performance Criteria.

In addition, a notation is recorded of any road/asset inspected where no defect was apparent under the specific rigour of the inspection.

**Condition Inspections**

Condition inspections are undertaken specifically to identify deficiencies in the structural integrity of the various components of the road infrastructure that if untreated, are likely to adversely affect network values. The deficiencies may well impact on short-term serviceability as well as the ability of the component to continue to perform at the level of service for the duration of its intended useful life.

The condition inspection process must also meet the requirements for accounting regulations and asset management.

Regular or periodic assessment, measurement and interpretation of the resulting condition data is required so as to determine the need for any preventive or remedial action and is used in the development of relevant programs of rehabilitation or renewal works.



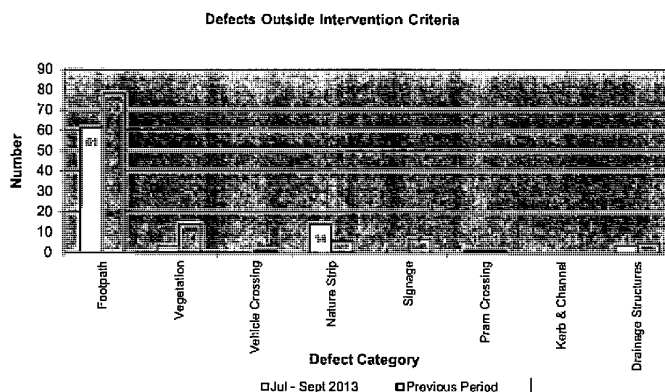
**INFRASTRUCTURE DEPARTMENT**

Mission: To effectively manage infrastructure and provide Best Value community services.

**Road Management Plan Compliance Report**

**Asset Category:** Footpaths  
**Reporting for the Period:** July - September 2013  
**Inspections Completed By:** Kevin O'Gorman  
**Report Prepared By:** Adam Lehmann

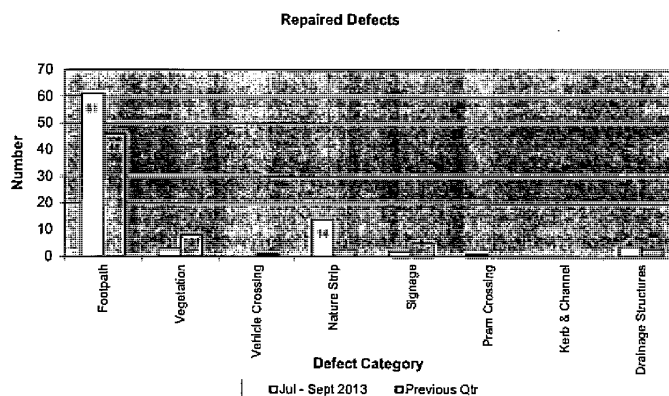
**No. of Defects Identified - Outside Intervention**



**Comments**

Approximately 19km of Council footpaths were inspected during this period. This included footpaths located in Colac classified as 'High Use'. That is footpaths in CBD areas, around schools and other community nodes of interest.

**No. of Defects Repaired - Outside Intervention**



**Comments**

A total of 85 defects were identified which required some level of rectification for this reporting. A large proportion of these related directly to footpath condition with cracking, spalling and raised edges being the predominant defect types.

Road Management Plan Compliance Report

\\COLAC\DCS\Infrastructure\Asset Development\Manager Sustainable Assets\C Drive\Adam\Assets\Road Management\Audit Report\Footpaths\2013-14\Jul-Sept\RMP Compliance (Footpaths)\_Jul to Sept 2013.xls

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**INFRASTRUCTURE DEPARTMENT**

Mission: To effectively manage infrastructure and provide Best Value community services.

**Inspection Performance Summary**

Proportion of routine inspections completed for Period to meet prescribed frequencies

| Hierarchy Identifier | Name               | Score |
|----------------------|--------------------|-------|
| HR                   | High Risk Area     | 100%  |
| SR                   | Standard Risk Area | N/A   |
| LR                   | Low Risk Area      | N/A   |

**Comments**

All routine inspections programmed for this reporting period were completed as scheduled.

**Maintenance Performance Summary**

Proportion of reported defects that have been actioned/repaired

| Defect Category     | Score |
|---------------------|-------|
| Footpath            | 100%  |
| Vegetation          | 100%  |
| Vehicle Crossing    |       |
| Nature Strip        | 100%  |
| Signage             | 100%  |
| Pram Crossing       | 100%  |
| Kerb & Channel      |       |
| Drainage Structures | 100%  |

Proportion of defects actioned within prescribed response times

| Defect Category     | Score |
|---------------------|-------|
| Footpath            | 74%   |
| Vegetation          | 100%  |
| Vehicle Crossing    |       |
| Nature Strip        | 100%  |
| Signage             | 100%  |
| Pram Crossing       | 100%  |
| Kerb & Channel      |       |
| Drainage Structures | 100%  |

**Comments**

All defects identified through routine inspections have been addressed. Of these, 81% were rectified within the timeframes prescribed in our Road Management Plan. The performance target for this activity is 85%.

**Overall Comments**

Footpath inspection activities for the first quarter of 2013/14 comply with the standards of Council's Road Management Plan however maintenance performance does not meet minimum performance criteria set.

Performance is continually monitored with any exception reporting provided to Cosworks as required.

**INFRASTRUCTURE DEPARTMENT**  
Mission: To effectively manage infrastructure and  
provide Best Value community services.

**Asset Inspection Regime - Footpaths**

| Asset Class | Hierarchy          | Inspection Type, Frequency & Responsibility |                     |               |                           |
|-------------|--------------------|---------------------------------------------|---------------------|---------------|---------------------------|
|             |                    | Routine                                     | Relevant Department | Condition     | Relevant Department       |
| Footpath    | High Risk Area     | 6 months                                    | Cosworks            | 2 years       | Infrastructure & Services |
|             | Standard Risk Area | 12 months                                   | Cosworks            | 2 years       | Infrastructure & Services |
|             | Low Risk Area      | Request Inspection                          | Cosworks            | No Inspection | Not Applicable            |

**Inspection Definitions**

**Routine Inspections**

Inspections undertaken in accordance with the formal inspection schedule to determine if road asset complies with the levels of service as specified by the Maintenance Performance Criteria.

Identified defects are rated against the standards adopted for routine maintenance works on the asset. These performance standards indicate the magnitude of the undesirable condition for each defect requiring remedial action.

A record of each street/road is completed detailing the name of the inspector, the inspection date, time, road name/asset description and report of any defects found that are at the 'tolerable' defects level as defined by Council's Maintenance Performance Criteria.

In addition, a notation is recorded of any road/asset inspected where no defect was apparent under the specific rigour of the inspection.

**Condition Inspections**

Condition inspections are undertaken specifically to identify deficiencies in the structural integrity of the various components of the road infrastructure that if untreated, are likely to adversely affect network values. The deficiencies may well impact on short-term serviceability as well as the ability of the component to continue to perform at the level of service for the duration of its intended useful life.

The condition inspection process must also meet the requirements for accounting regulations and asset management.

Regular or periodic assessment, measurement and interpretation of the resulting condition data is required so as to determine the need for any preventive or remedial action and is used in the development of relevant programs of rehabilitation or renewal works.

*Planning and Environment Act 1987*

## **COLAC OTWAY SHIRE PLANNING SCHEME**

### **AMENDMENT C76**

#### **EXPLANATORY REPORT**

##### **Who is the planning authority?**

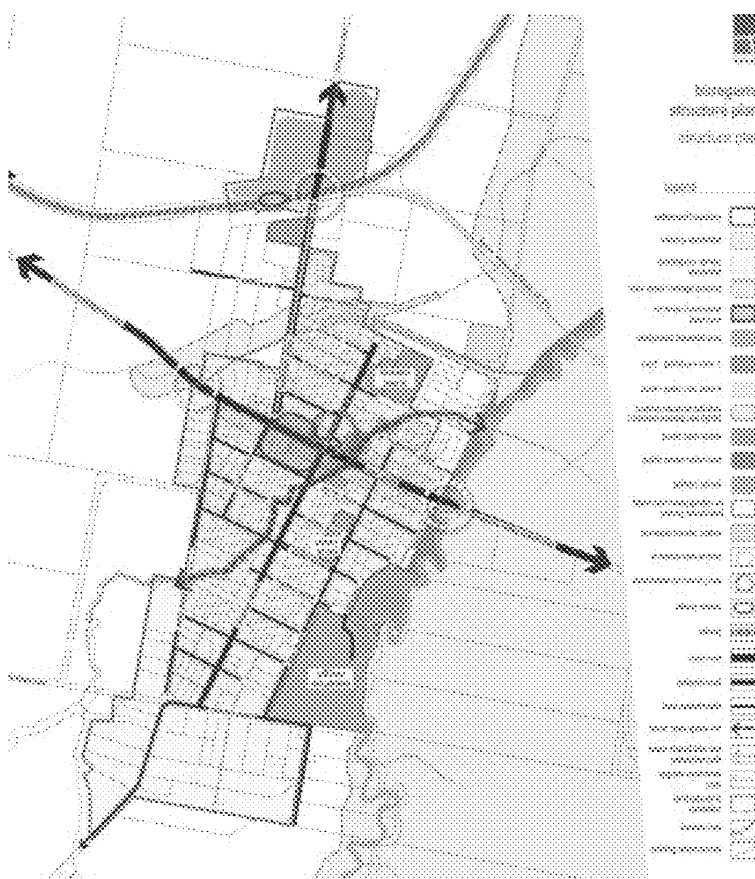
This amendment has been prepared by the Colac Otway Shire, which is the planning authority for this amendment.

The amendment has been made at the request of Colac Otway Shire.

##### **Land affected by the amendment**

The amendment applies to land within the township of Birregurra, as identified in the Birregurra Structure Plan (Plan 1).

**Plan 1: Amendment area**



### **What the amendment does**

The amendment implements the recommendations of the *Birregurra Structure Plan 2013* and the *Birregurra Neighbourhood Character Study 2012* by:

- Amending Clause 21.03-4 (Birregurra) of the Municipal Strategic Statement to include reference to the recommendations of the Birregurra Neighbourhood Character Study 2012 and the Birregurra Structure Plan 2013.
- Rezoning the commercial core of the town centre on Main Street from Township Zone to the Commercial 1 Zone, to clearly define the town centre and ensure longer term options for retail and commercial uses.
- Rezoning 28-36 Main Street, Birregurra from Township Zone to Public Park and Recreation Zone, to reflect the current use of the land as a skate park.
- Rezoning the non-railway land at 450 Birregurra Road from the Public Use Zone to the Farming Zone.
- Rezoning the non-railway land at 454 Birregurra Road from Public Use Zone to the Industrial 1 Zone, to reflect the existing use of the land and to facilitate a logical extension to the existing industrial zoning in the north of Birregurra.
- Rezoning 445 Birregurra Road, in the northern industrial node, from Farming Zone to Industrial 1 Zone, to align with property boundaries.
- Rezoning 462 Birregurra Road, from Public Use Zone 4 to Public Use Zone 1, to reflect the current use of the land.
- Rezoning 40 Birregurra-Yeodene Road from Farming Zone to Low Density Residential Zone, to reflect current land use and align with the existing property boundary.
- Inserting new Schedules 11, 12, 13 and 14 to Clause 43.02 (Design and Development Overlay) to implement the recommendations of the *Birregurra Neighbourhood Character Study 2012* for four distinct precincts in the Birregurra Township.
- Inserting a new Schedule 15 to Clause 43.02 (Design and Development Overlay), relating to the proposed Commercial 1 Zone, to ensure commercial development responds to the recommendations of the Birregurra Neighbourhood Character Study 2012 and has regard to sensitive residential interfaces.
- Inserting a new Schedule 16 to Clause 43.02 (Design and Development Overlay), relating to the land in the Industrial 1 Zone on the north side of the railway line, to manage the interface with the Birregurra Road/Roadknight Road and the Railway Station.
- Inserting a new Schedule 3 to Clause 42.02 (Vegetation Protection Overlay), relating to an area generally south of Main Street and land on the Roadknight Street entryway within the township boundary, to recognise the contribution of vegetation to the character of Birregurra.
- Amending the Schedule to Clause 21.07 (Reference Documents) to delete the out-dated Birregurra Township Masterplan (2003) and insert three new reference documents entitled 'Birregurra Neighbourhood Character Study 2012', 'Birregurra Structure Plan 2013' and the 'Birregurra and Forrest Community Infrastructure Plans 2012'.
- Amending the Schedule to Clause 61.03 (Maps comprising part of this scheme) to include new planning scheme maps in the Colac Otway Shire Planning Scheme.
- Amending Clause 21.06 (General Implementation) to set out further strategic work required to enable the implementation of the *Birregurra Structure Plan 2013*.

## **Strategic assessment of the amendment**

### **• Why is the amendment required?**

The proposed amendment is required to introduce changes to the Colac Otway Planning Scheme arising from the adoption of the *Birregurra Neighbourhood Character Study 2012* and the *Birregurra Structure Plan 2013*.

The *Birregurra Neighbourhood Character Study 2012* seeks to establish a planning framework to appropriately manage the impact of new development on the existing neighbourhood character following the introduction of reticulated sewage to the town, and to assist in determining the design, form and quality of housing to be developed. The introduction of the Design and Development Overlay (DDO) over various precincts will protect and encourage the preferred character and introduce a greater level of control in relation to fundamental neighbourhood character considerations such as building setbacks, site coverage and building height. The Vegetation Protection Overlay (VPO) will be introduced to areas specifically recognised as having vegetation which contributes to a strong landscape presence and the character of Birregurra.

The *Birregurra Structure Plan 2013* acknowledges that the current town boundary is to be maintained and seeks to encourage infill development within Birregurra whilst conserving the village lifestyle and attractive rural setting. Rezoning is required to ensure existing land use is acknowledged and to ensure the commercial core of the township is secured to provide longer term options for retail and commercial uses as recommended by the Structure Plan. Two additional schedules to the DDO are required to implement the recommendations of the Structure Plan within the proposed commercial and current industrial zones to address the residential interfaces and guide siting of future industrial development.

### **• How does the amendment implement the objectives of planning in Victoria?**

The proposed amendment implements the following objectives of planning in Victoria under Section 4 of the Planning and Environment Act 1987:

- Objective 4(1)(a), “to provide for the fair, orderly, economic and sustainable use, and development of land.”
- Objective 4(1)(b), “to provide the protection of natural and manmade resources and the maintenance of ecological processes and genetic diversity.”
- Objective 4(1)(c), “to secure a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria.”
- Objective 4(1)(g), “to balance the present and future interests of all Victorians.”

The amendment will facilitate development in accordance with the objectives set out above.

### **• How does the amendment address the environmental effects and any relevant social and economic effects?**

#### Environmental Effects

The proposed amendment is expected to have positive environment effects by protecting the existing character of the town and applying the DDO to ensure this character is retained as the town expands. The application of the VPO will enable protection of significant vegetation that contributes to the landscape character of the area.

#### Social & Economic Effects

The proposed amendment is expected to have positive social effects by ensuring development responds to the preferred character for specific precincts within the

township. Imposing development controls in order to achieve the preferred character for these precincts will meet community expectations and conserve the unique Birregurra identity which makes it an attractive place for both residents and visitors. Also encouraging appropriately designed infill development in the existing town boundary will take advantage of existing infrastructure and avoid expansion of the town. This will encourage diverse housing types and result in more affordable housing.

Commercial rezoning is expected to have positive economic effects by clearly defining a core town centre and retaining longer term options for retail and commercial uses fronting Main Street.

- **Does the amendment address relevant bushfire risk?**

The amendment is not anticipated to affect bushfire risk. The area to which this amendment applies is not within the Bushfire Management Overlay or the Bushfire Prone Area. In addition there is no greenfield land being rezoned.

- **Does the amendment comply with the requirements of any Minister's Direction applicable to the amendment?**

The Amendment is consistent with the Ministerial Direction on the Form and Content of Planning Schemes under section 7(5) of the Act and with Direction 11 (Strategic Assessment of Amendments) and is not affected by any other of the Minister's Directions under s12/(2)(a) of the Planning and Environment Act 1987.

- **How does the amendment support or implement the State Planning Policy Framework and any adopted State policy?**

The amendment is consistent with, and has been prepared in accordance with, the State Planning Policy Framework as detailed below:

11 Settlement

- This amendment anticipates and responds to the needs of existing and future communities by providing orderly planning in accordance with the Birregurra Structure Plan 2013.

12.04-2 Landscapes

- The amendment recognises the natural landscape for its aesthetic value and applies controls to ensure the landscape value is considered in future development proposals.

15 Built Environment and Heritage

- The amendment supports this clause by amending the MSS and introducing new schedules to the DDO which identify and respect Birregurra's sense of place, cultural identity and historic built form.

16 Housing

- The amendment supports this clause by providing different housing market segments in Birregurra through the delivery of a range of housing choice, lot sizes and densities.
- The amendment encourages infill housing development that is supported by existing infrastructure and will provide for the needs of the diverse community, including aged care.



- **How does the amendment support or implement the Local Planning Policy Framework, and specifically the Municipal Strategic Statement?**

The proposed amendment primarily supports Clauses 21.03-7 (Smaller Townships), 21.03-4 (Birregurra), 21.04-8 (Landscape Character) and 21.05-4 (Tourism) by:

- Encouraging infill development that directs growth into existing zoned and serviced areas to avoid an oversupply of residential zoned land and to make the most effective use of infrastructure services.
- Providing opportunities for the provision of a wide range of housing choices for residents, short-term holiday residents and tourists.
- Facilitating development in Birregurra whilst strengthening the quality of Birregurra as an attractive residential and commercial environment.
- Protecting the rural character of views and outlooks, particularly from main entrances to Birregurra.
- Encouraging growth in tourism and protecting key environmental and visual features that contribute to the visitor appeal of the area.

- **Does the amendment make proper use of the Victoria Planning Provisions?**

The proposed amendment makes proper use of the Victoria Planning Provisions by incorporating the *Birregurra Structure Plan 2013* and the *Birregurra Neighbourhood Character Study 2012* into the Planning Scheme.

The Township Zone is to remain in place as it provides flexibility to consider a limited range of other non-residential uses to serve local community needs in appropriate locations. A schedule to the Township Zone is not recommended because it cannot provide the density control, or buildings and works permit triggers, necessary to implement the intent of the *Birregurra Neighbourhood Character Study 2012*.

The Commercial Zone 1 is most appropriate to clearly define the town centre and provide additional control over residential uses, to ensure longer term options for retail and commercial uses fronting Main Street are retained within the town centre.

Due to the specific nature of the planning permit triggers it is considered that the DDO and the VPO are the most appropriate planning tools and they were specifically chosen in preference to the Neighbourhood Character Overlay (NCO). In particular the DDO can be written in such a way to provide certain exemptions, whilst a NCO requires all development to be subject to planning approval, extending to both single dwellings and multi-dwelling developments.

The VPO specifically targets planning permit requirements for vegetation removal and is appropriate for use in certain locations where trees contribute to the landscape character.

- **How does the amendment address the views of any relevant agency?**

It is considered that the amendment will not have an adverse impact on any other agency. The *Birregurra Structure Plan 2013* has the support of Barwon Water, as indicated in a submission received during exhibition of the draft document in early 2013.

- **Does the amendment address relevant requirements of the Transport Integration Act 2010?**

The amendment will not have any significant impact on the transport system.



### **Resource and administrative costs**

- **What impact will the new planning provisions have on the resource and administrative costs of the responsible authority?**

It is expected that the proposed amendment will have limited impacts on the resource and administrative costs of the Responsible Authority. Additional permit applications are expected for residential development triggered by the DDOs and VPO; however, it is not anticipated that these resource costs will be high.

### **Where you may inspect this Amendment**

The amendment is available for public inspection, free of charge, during office hours at the following places:

#### **Colac Otway Shire Council**

2-6 Rae Street,  
COLAC VIC 3250

#### **Colac Otway Shire Council**

Apollo Bay Customer Service Centre  
69-71 Nelson Street,  
APOLLO BAY VIC 3233

#### **Colac Otway Shire Council**

Sustainable Planning and Development  
Service Centre  
101-105 Gellibrand Street,  
COLAC VIC 3250

#### **Colac Community Library & Learning Centre**

173 Queen Street,  
COLAC 3250

Website: [www.colacotway.vic.gov.au](http://www.colacotway.vic.gov.au)

The amendment can also be inspected free of charge at the Department of Transport, Planning, and Local Infrastructure website at  
<http://www.dpcl.vic.gov.au/planning/publicinspection>.

### **Submissions**

Any person who may be affected by the amendment may make a submission to the planning authority. Submissions about the amendment must be received by 13 December 2013.

A submission should be titled "Amendment C76 Submission" and emailed to [inq@colacotway.vic.gov.au](mailto:inq@colacotway.vic.gov.au) or mailed to:

Strategic Planning  
Colac Otway Shire Council  
PO Box 283  
COLAC VIC 3250

### **Panel hearing dates**

In accordance with clause 4(2) of Ministerial Direction No.15 the following panel hearing dates have been set for this amendment:

- directions hearing: To be held in the week beginning Monday, 24 February 2014
- panel hearing: To commence in the week beginning Monday, 31 March 2014

COLAC OTWAY PLANNING SCHEME

**21.03 SETTLEMENT**

10/10/2013  
C76(Proposed)  
Proposed C76  
21.03-1  
18/07/2013  
C69

**General**

**Overview**

- Colac is the major regional centre in the Shire for residential, service and manufacturing industry, retail, office services, recreation and education facilities.
- Apollo Bay is the major coastal urban centre in the Shire. It is experiencing high rates of development for both permanent and short-term (tourist) accommodation. It also provides a range of entertainment and recreational related facilities, including swimming, fishing, golf, cafes and restaurants.
- Colac and the coastal townships are experiencing increased rates of development.
- The management of residential, tourism and infrastructure development pressures is required, particularly in coastal areas.
- The development of the major towns in the Shire should take place in accordance with the recently completed Structure Plans for Colac and Apollo Bay.
- Smaller coastal settlements occur at Kennett River, Marengo, Separation Creek, Skenes Creek and Wye River, where development is expected to occur within current settlement boundaries due to various environmental constraints to growth.
- Other townships are located at Alvie, Barwon Downs, Beeac, Beech Forest, Birregurra, Carlisle River, Coragulac, Cororooke, Cressy, Forrest, Gellibrand, Lavers Hill, Pirron Yallock, Swan Marsh and Warrion.
- The future development of other townships in the Shire should proceed in a manner that contributes to the economic development of these townships, acknowledges and responds to environmental constraints and protects the broader landscapes within which these townships are located.
- Effluent disposal is a major problem in the smaller settlements, particularly in the peak periods with high tourist numbers.
- Rural residential living provides a desirable lifestyle for a number of residents and if appropriately located can reduce land use conflict in farming areas and contribute toward the economic development of small townships.
- The Rural Living Strategy 2011 has identified and designated suitable locations for rural living areas which do not take up high quality agricultural land and where an adequate level of services can be provided.
- The Rural Living Strategy highlights the role of small townships in accessing rural living land.
- A number of settlements have been identified with potentially suitable locations for additional rural living and township development subject to further investigation including Beech Forest, Gellibrand, Forrest, Alvie, Cororooke and Beeac.
- A number of de facto rural living areas have developed over a number of years on old subdivisions within the localities of Barongarook – Bushby's Road, Barongarook – Robinson Road, Barongarook – Everett Crescent, Barramunga, Bungador, Cororooke – Langdons Lane, Grey River, Irrewarra – Pyles Road, Johanna, Kawarren, Marengo – Alice Court, Petticoat Creek, Warncoort and Weaprounah.
- A number of largely undeveloped, old and inappropriate subdivisions unsuitable for development are found within the Shire abutting the township boundaries of Cressy and

COLAC OTWAY PLANNING SCHEME

Pirron Yallock and in the localities of Gerangamete and Irrewillipe – Swan Marsh-Irrewillipe Road.

- There is a need to encourage excellence in the design of new development, including the layout of subdivisions and the recognition of cultural heritage.

**Objectives**

- To facilitate the development of the various settlements in the Shire in accordance with the needs of each local community.
- To facilitate a range of developments in an environmentally sensitive way to provide greater residential choice.
- To direct rural residential and small town development to preferred locations.
- To provide limited opportunities for rural living development where these do not detract from the key environmental qualities of the region and do not cause land use conflict in farming areas.
- To minimise ad hoc development of unserviced old and inappropriate subdivision in the Farming Zone.

**Strategies**

- Ensure that there is sufficient fully serviced residential land to meet the needs of the existing and future population.
- Encourage future residential development into existing zoned and serviced areas to avoid an oversupply of residential zoned land and to make the most effective use of infrastructure services.
- Provide opportunities for the provision of a wide range of housing choices for residents, short-term holiday residents and tourists.
- Development within rural living areas should be contained within the existing Rural Living Zone land and further subdivision, other than in Elliminyt, should be discouraged.
- Restructure existing lots in old and inappropriate subdivisions in Cressy, Gerangamete, Pirron Yallock and Irrewillipe in order to minimise development, retain the land in agriculture, prevent further servicing problems and avoid ad hoc development outside designated settlement boundaries.
- Ensure that development incorporates Environmentally Sustainable Development (ESD) practises.
- Promote a pattern of settlements in the coastal strip that balances between opportunity for growth and retention of environmental and cultural qualities.
- Restrict the expansion of other coastal settlements in accordance with environmental constraints.
- Ensure that development of the Colac and Apollo Bay airfields is not prejudiced by encroaching urban development.

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**21.03-2 Colac**

10/10/2013  
C72(Part 2)

**Overview**

A Structure Plan for Colac was adopted by Council (February 2007) and articulates the preferred development future for this key centre of the municipality and broader region. Key issues to emerge from the Structure Plan include the need for:

- A township boundary to clearly identify the extent of future development and enable the protection of valuable farming land that surrounds the township.
- Consolidation around the town centre and activity nodes taking into account heritage constraints.
- Provision of a secondary commercial node to cater for the growing area of Elliminyt.
- Retention and enhancement of Colac's heritage assets.
- Protection of Lake Colac from inappropriate industrial development.
- Provision of an adequate supply of industrial land consolidated in east Colac.
- An increase in the amount of public open space (both linear and non-linear) and development of policy direction supporting future open space provision for residential development.
- Better integration between Colac and Lake Colac through design features and foreshore development.
- Increased opportunity for recreational linkages between key activity areas including Lake Colac.
- Urban design improvements for the enhancement of the Colac Town Centre and main street.
- Improved traffic management in Colac.
- Strategies to create a precinct to focus community learning through a multi-purpose education, recreation and community precinct.
- There is a need to identify a heavy vehicle by-pass of the Murray Street retail centre.

**Objectives**

- To manage the growth of Colac consistent with its role as the major urban centre of the Shire.
- To enhance the built and natural environment of Colac.

**Strategies**

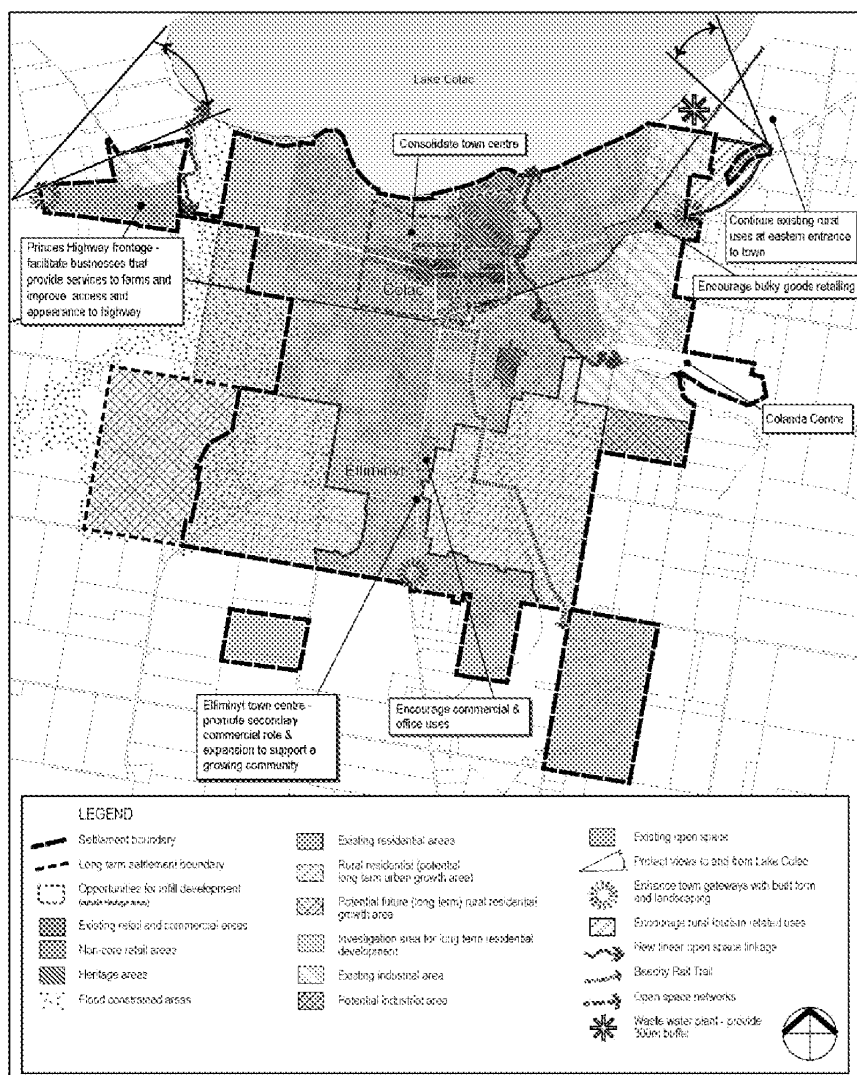
- Ensure that the development of Colac occurs generally in accordance with the strategic directions outlined in the Colac Framework Plan attached to this Clause.
- Encourage medium density development in the existing Colac town centre and ensure that infill housing proposals demonstrate that they are designed in a manner that is compatible and appropriate for the prevailing character and heritage values of the precinct.
- Create additional residential opportunities close to the Colac town centre.
- Provide adequate car parking to cater for commercial development consistent with the Colac Commercial Centre Parking Precinct Plan 2011, recognising that opportunity exists to take advantage of underutilised street parking and shared off street parking.

COLAC OTWAY PLANNING SCHEME

- Ensure new development in the hospital precinct of the CBD provides on site parking to meet projected demand and does not contribute further to on street parking pressures.
- Retain heritage places and areas as significant components of Colac's character and attractiveness.
- Designate areas of rural land between Elliminyt and Colac (east and west of Colac - Lavers Hill Road) as rural lifestyle opportunities.
- Support an increase in the amount of usable public open space (both linear and non-linear) to support recreational land uses and linkages between activities.
- Discourage any additional or new industrial development adjacent to Lake Colac.
- Encourage the relocation of existing 'inappropriate' industrial uses out of the town centre.
- Identify new industrial opportunities in Colac East which provide areas suited to a diverse range of light to general industrial activities.
- Improve the appearance of existing industrial development in Colac to provide more attractive and inviting entrances to the town.
- Designate land in Elliminyt for a community / commercial node.
- Provide for commercial type uses on Colac-Lavers Hill Road.
- Provide opportunities for expansion of the east Colac Highway Business area.
- Enhance the west Colac Highway Business area.
- Minimise the impact of the Colac Water Reclamation Plant on development on nearby land.
- Ensure that future use and development of the Colac Water Reclamation Plant is not detrimentally affected by allowing inconsistent and potentially conflicting development to occur within its buffer area.
- Create a multi-purpose education, recreation and community precinct to focus community learning.
- Investigate options for a heavy vehicle by-pass of the Murray Street retail centre.

COLAC OTWAY PLANNING SCHEME

**Colac Framework Plan**



COLAC OTWAY PLANNING SCHEME

**21.03-3 Apollo Bay and Marengo**

10/10/2013  
C72(Part 2)

**Overview**

A Structure Plan for Apollo Bay (including Marengo and Skenes Creek) was adopted by Council (April 2007) and articulates the preferred development future for this key coastal centre. Key issues to emerge from the Structure Plan were that:

- Apollo Bay, Marengo and Skenes Creek are to remain as distinct coastal settlements with development to be contained within coastal settlement boundaries.
- Each settlement has a separate identity and local character;
- A key role of Apollo Bay is to provide a diversity of housing opportunities consistent with its identity and local character;
- The natural beauty of the area, with its unspoilt beaches set against a dramatic backdrop of rolling hills, providing the overarching character which unites the settlements, to be reflected in new development;
- The seaside fishing village character of Apollo Bay, focused around a robust working harbour, is highly valued and this character should be preserved and strengthened by new development;
- Change in Apollo Bay, Marengo and Skenes Creek should take place with a demonstrated commitment to healthy lifestyles and ecological sustainability, and be responsive to the natural environment;
- The settlements should continue to provide for high quality living, offering improved community facilities and services, as well as economic development opportunities, for a self sustaining lifestyle.
- Water supply is a potential constraint to the future growth of Apollo Bay which can only proceed subject to the demonstrated availability of an adequate water supply.

**Objectives**

- To develop Apollo Bay as an attractive residential community which provides a high quality environment as a significant tourist centre.
- To retain Apollo Bay, Marengo and Skenes Creek as distinct coastal settlements with their own local character.
- To ensure that the natural beauty of the area is reflected in new development.
- To preserve the seaside village character of Apollo Bay.
- To ensure that change demonstrates a commitment to sustainability and is responsive to the natural environment.

**Strategies**

- Ensure that the development of Apollo Bay and Marengo occurs generally in accordance with the strategic directions outlined in the Apollo Bay Framework Plan attached to this Clause.

**Settlement Character and Form**

- Consolidate the town centre of Apollo Bay, limit building heights and provide a greater diversity of accommodation at higher densities within and in close proximity to the commercial area.



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- In the residential areas outside the town centre of Apollo Bay, limit building heights and ensure upper levels are well articulated to respect the character of the area and provide for a more traditional dwelling density to contribute to a diversity of housing choice.
- Require new development and streetscape works in the Apollo Bay town centre to build on and reinforce the fishing village coastal character of the township, and contribute to the creation of a vibrant public realm.
- Reinforce and improve the informal character, accessibility and amenity of streetscapes in the residential areas of Apollo Bay, Marengo and Skenes Creek, reflecting the distinct existing and preferred future character of each settlement in new improvements.
- Achieve excellent architectural quality in new development or improvements to existing buildings in the town centre, drawing on the existing valued qualities of the centre and setting a new direction in the use of innovative, high quality design.
- Promote Apollo Bay and Marengo as leaders in environmental sustainability within the Great Ocean Road Region and improve the ecological integrity of environmental features within and around settlements.
- Conserve and enhance heritage places as a significant factor in developing tourism.

**The Size of Settlements**

- Utilise natural boundaries, where appropriate, to define settlement edges and set limits to urban expansion.
- Define and maintain a hard edge to the urban area of each of these settlements, particularly when viewed from the Great Ocean Road.
- Ensure that urban development results in the efficient utilisation of existing infrastructure and minimises the requirements for new infrastructure.
- Encourage infill development of medium density housing and accommodation within walking distance of the commercial area of Apollo Bay, to reduce the pressure to expand the urban area, and provide alternative housing choice.
- Facilitate non-urban form tourism accommodation development on land between the coastal settlement boundary and Wild Dog Creek.

**Activities: Business, Tourism, Community and Recreation**

- Intensify commercial and business land uses within the commercial area of Apollo Bay and ensure a future supply of Business Zoned land to meet demand.
- Develop the Apollo Bay Harbour Precinct with a tourism, fishing, boating, commercial and recreational focus strengthening links to the town centre of Apollo Bay and providing net community benefits.
- Encourage future recreation facilities to be located together with other community facilities in a central and accessible location.
- Ensure that community, health, education and recreation facilities are provided to meet the needs of current and projected future residents and visitors to the area.
- Support the growth of tourism as a major employer for the region.
- Provide for future industrial development while minimising offsite impacts on surrounding residential uses, the environment (particularly local waterways) and views from residential areas and the Great Ocean Road.



COLAC OTWAY PLANNING SCHEME

**Landscape Setting and Environment**

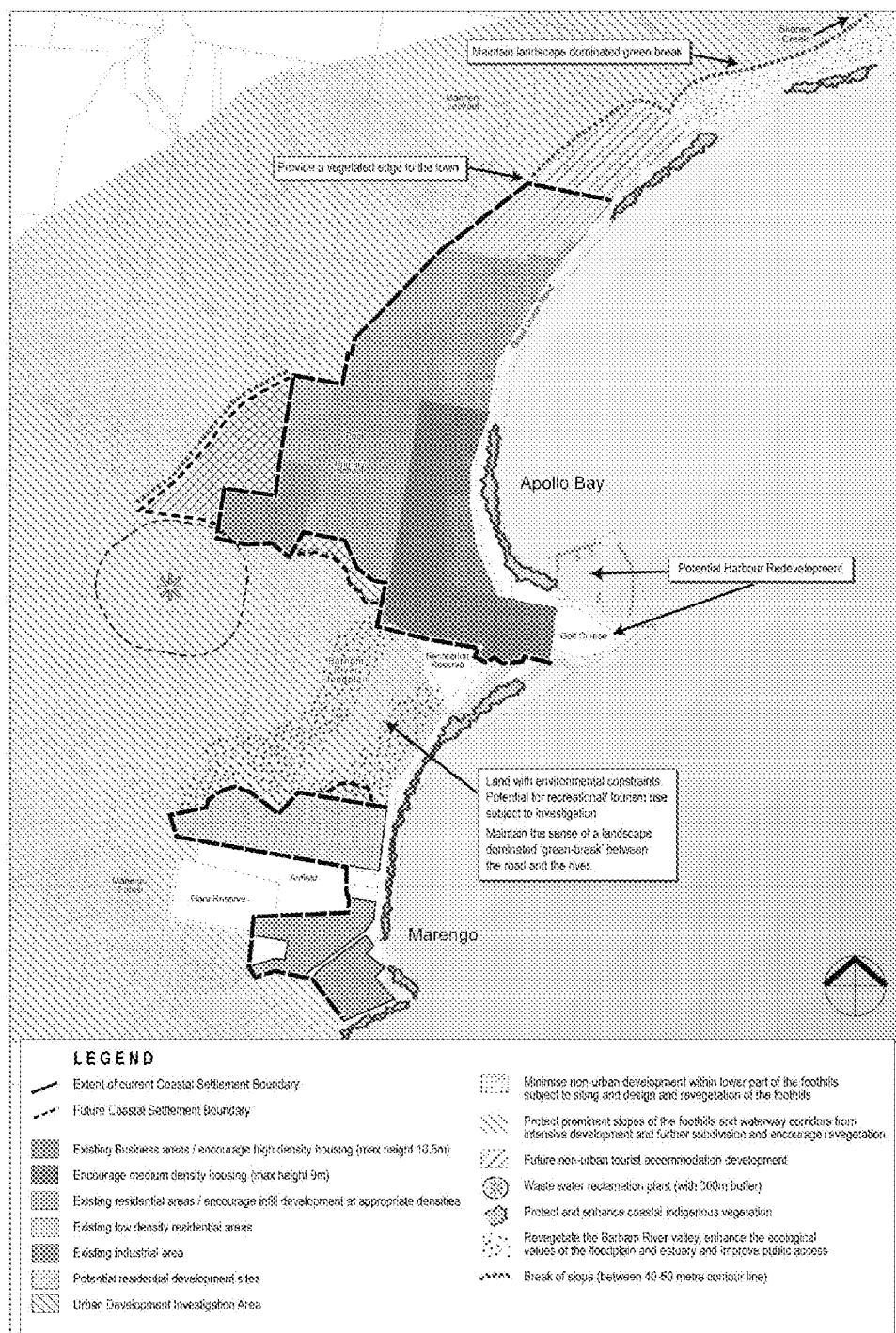
- Maintain the 'green-breaks' and landscape dominance between the settlements to ensure that each settlement remains distinct.
- Protect the Otway foothills as a scenic, undeveloped backdrop to Apollo Bay and Marengo.
- Recognise and protect ecological values and avoid development in areas at risk from the effects of flooding, wildfire, acid sulphate soil disturbance, erosion, landslip and salinity.
- Reinforce and enhance the identity and the sense of arrival and departure at the entrances to Apollo Bay and Marengo.
- Improve the appearance and amenity of the foreshore reserve in Apollo Bay and reduce the impact of the existing and future structures on the naturalness of the setting.
- Achieve improved visual and physical links between the Apollo Bay town centre and the beach.
- Protect and enhance the significant views and vistas available from the settlements, the beach and the harbour, as well as views available from key vantage points in the hills.

**Access and Parking**

- Strengthen the pedestrian and cyclist connections between Marengo, Apollo Bay and Skenes Creek.
- Create a highly walkable town centre in Apollo Bay with safe and convenient access to shops, community facilities and recreational activities.
- Manage the orderly flow of traffic at all times of the year and enhance pedestrian safety and movement.
- Ensure the future parking needs of Apollo Bay are met and parking congestion in the Great Ocean Road is minimised, with car parking for commercial development in the CBD to comply with the Apollo Bay Parking Precinct Plan (2011)
- Support, promote and improve public transport.
- Ensure continued and improved air access to the Apollo Bay region.

COLAC OTWAY PLANNING SCHEME

**Apollo Bay, Marengo and Skenes Creek Framework Plan**



COLAC OTWAY PLANNING SCHEME

**21.03-4 Birregurra**

18/07/2013  
C65  
Proposed  
C76

**Overview**

The township of Birregurra is located approximately 20 kilometres east of Colac and approximately 6 kilometres to the south of the Princes Highway. Birregurra ~~has been described as traditionally a workers town, being a home for workers in the timber and farming sectors,~~ is a small town offering a village lifestyle in an attractive rural setting to its diverse and active community. ~~The town is also home for a number of people who commute to Lorne, Colac and Geelong for work. Over the years the population of Birregurra has been affected by a range of events, including a reduction of services available within the township and fluctuating agricultural markets.~~ The town has a relatively compact urban form based on an attractive and connected network of grid streets and open space links, and sits discretely within its rural surrounds.

Development pressures, high costs of accommodation for tourists and workers and an increase in tourist numbers in Lorne and other coastal communities has seen more people exploring nearby towns such as Birregurra for permanent living, holiday accommodation and recreation. ~~This seasonal influx of visitors provides important business development and employment opportunities within Birregurra.~~

Birregurra is an attractive town for many reasons including for:

- ~~The built form of the town and the heritage many period style buildings throughout the town and in particular along the south side of Main Street with attractive shop fronts many with verandahs.~~
- The consolidated commercial town core and community node that provides retail, community and health services that cater for residents' local needs and provides support for surrounding farming areas.
- The Church precinct located on the elevated land to the south of the town.
- The extent and variety of exotic and native vegetation existing throughout the town. The extent of the vegetation is clearly seen due to the elevated nature of the land, particularly on the southern side of the town.
- The topography of the land surrounding the town including the Barwon River valley and associated tributaries and undulating farming land.

The Birregurra Structure Plan 2013 and Birregurra Neighbourhood Character Study 2012 ~~The Birregurra Township Master Plan Report was adopted by Council (January 2003) and identifies urban design and built form opportunities to preserve and improve the presentation of this important centre in the municipality. The Birregurra Structure Plan 2013 encourages infill development to accommodate growth within Birregurra without the need to expand the existing defined township boundary.~~

**Objectives**

- \* ~~To facilitate development of Birregurra as a community with a viable economic future.~~
- \* ~~To maintain and enhance the quality of Birregurra as an attractive residential environment.~~
- \* ~~To facilitate the provision of infrastructure to support the development of Birregurra in an environmentally sensitive way.~~

**Strategies**

- \* ~~Identify and protect historical and other key features of the community.~~

COLAC OTWAY PLANNING SCHEME

- ~~\* Require all new development to provide for the retention and absorption of wastewater within the boundary of any lot in accordance with the Septic Tanks Code of Practice, subject to provision of a new sewerage scheme.~~
- ~~\* Limit rural residential development to the south-west of the town.~~
- ~~\* Encourage commercial development in the existing centre to be sympathetic to existing streetscape.~~
- ~~\* Encourage the development of small scale economic activity which complements the resources and industries of the region and which encourages tourism.~~
- ~~\* Encourage the location of small scale tourist accommodation facilities in the community.~~
- ~~\* Facilitate new industries related to the existing sawmill.~~
- ~~\* Retain Birregurra's heritage assets as important components of its character and attractiveness.~~

**Settlement and Housing**

**Objectives**

- ~~\* To manage modest growth and development in Birregurra in a coordinated and sustainable manner that ensures Birregurra retains its rural township character.~~
- ~~\* To retain and protect the township's significant and contributory heritage places and articulate Birregurra's history in the public realm.~~
- ~~\* To encourage consolidation of commercial uses in the core town centre of Birregurra on Main Street and broaden the commercial, retail and tourism opportunities in the township.~~

**Strategies**

- ~~\* Contain urban development within the existing defined township boundary.~~
- ~~\* Encourage sensitive infill development on vacant lots and support further subdivision of larger developed lots within the existing township boundary.~~
- ~~\* Control the density of development and apply development standards as recommended by the Neighbourhood Character Study 2012 to preserve character.~~
- ~~\* To encourage a mix of housing types and styles that provide diversity, affordability and responds to the community's lifecycle needs.~~
- ~~\* Support new commercial uses and re-development of existing premises on both sides of Main Street between Roadknight Street / Austin Street to the west and the unnamed watercourse / Strachan Street to the east and encourage active street frontages.~~
- ~~\* Ensure any new commercial development to the rear of properties on Main Street has regard to sensitive residential interfaces.~~
- ~~\* Support an increase and diversification of tourist based activities and accommodation in Birregurra.~~
- ~~\* Encourage adaption and re-use of heritage buildings, especially in Main Street, and ensure new development provides a sympathetic design response to existing heritage buildings.~~
- ~~\* Retain low building heights throughout the township and the single storey built form of Main Street.~~

COLAC OTWAY PLANNING SCHEME

- Consolidate civic, community and health facilities in a community node on the north-east edge of the town centre.
- Support retirement/aged care living in proximity to the community and health node, and Main Street.
- Direct any potential petrol station to locate in or close to the town centre, away from the heritage core and identified township gateways.
- Protect the ongoing integrity of industrial activities in the Industrial 1 zoned land and encourage consolidation of industrial uses in this area.
- Ensure any new development in the Industrial 1 Zone reflects the rural township character of Birregurra and has regard to visual amenity.
- New subdivisions should include a grid-based road network that easily integrates with the existing surrounding road network. Avoid cul-de-sacs and battleaxe driveways as a means of providing access to new residential lots.
- Ensure roads provide safe access for all users and that road upgrades retain and enhance the character of Birregurra and the informal nature of road reserves.
- Ensure an efficient and cost effective provision of physical infrastructure that addresses the ongoing needs of the community, whilst protecting the landscape and township character values of Birregurra

**Landscape, Environment and Open Space**

**Objectives**

- Protect and extend areas of native vegetation, including endangered EVCs along waterways.
- Protect and enhance the landscape character and view lines of township entrances as defining elements of the north, east and west gateways.
- To preserve and enhance the Barwon River corridor and connected waterways.
- To establish a connected network of accessible public open space and recreation facilities that provide a range of passive and active recreation opportunities.
- To provide safe and improved opportunities for walking and cycling throughout the town and encourage walkable neighbourhood design in new developments.

**Strategies**

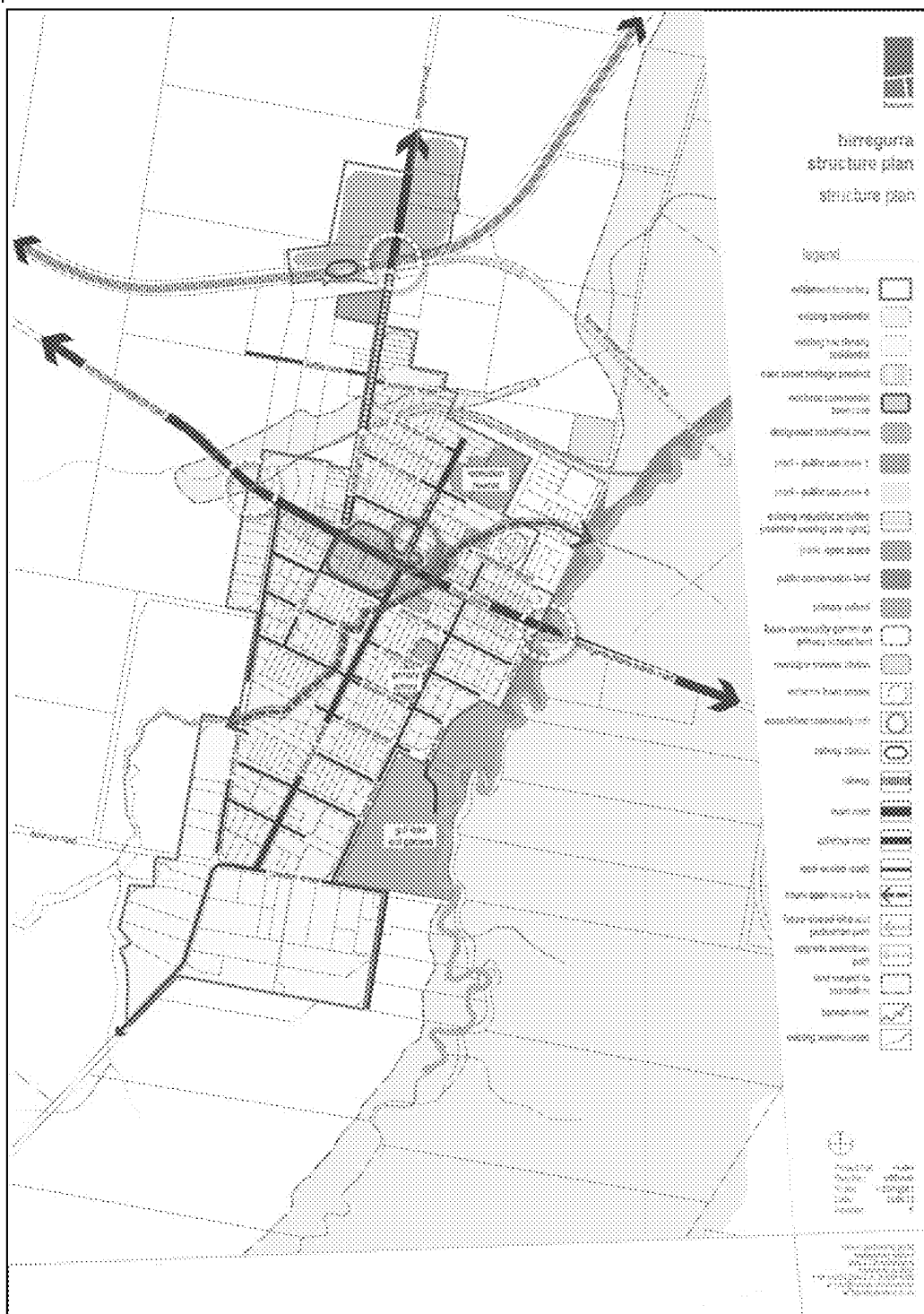
- As infill development/subdivision occurs require public open space to be provided along the unnamed waterway running south-west to north-east through the middle of the town and develop a linear shared pedestrian /cycle path connecting to parkland adjoining the Barwon River.
- Encourage built form along this open space corridor to:
  - Be appropriately set back from the waterway in accordance with Corangamite CMA requirements.
  - Provide an active interface through the avoidance of solid fencing to this boundary.
  - Provide pedestrian access to the corridor where possible.
- To encourage the retention of trees where possible and the planting of new canopy trees and understorey vegetation.

COLAC OTWAY PLANNING SCHEME

- Require the use of building envelopes or tree protection zones to protect vegetation on lots that contain significant trees.
- Encourage the dominance of landscape over built form in residential areas.



## Birregurra Framework Plan



COLAC OTWAY PLANNING SCHEME

**21.03-5 Skenes Creek**

18/07/2013  
C69

**Overview**

Skenes Creek is a coastal hamlet set on rolling topography at the base of the Otway Ranges. There is a sense of openness to the town created by the spacious siting of buildings and expansive views to the coast and hillsides. A green wedge corridor through the centre of the township links the town with a vegetated hillside backdrop and is enhanced by regeneration of indigenous and appropriate coastal shrubs around dwellings and public areas.

**Objective**

- To protect the nationally significant Great Ocean Road Region landscape and the distinctive landscape qualities and coastal setting of Skenes Creek township.

**Strategies**

- Ensure new development responds to the above key issues and achieves the following Preferred Character Statement for the Character Areas identified at Schedule 4 to Clause 43.02.

**Skenes Creek Precinct 1 – Preferred Character Statement**

This precinct provides a native ‘green wedge’ for the whole township, extending from the hill slopes behind the town to the Great Ocean Road. The character of the precinct will be strengthened by the planting and regeneration of indigenous and native vegetation. Dwellings will be set far enough apart to accommodate substantial native bush areas including canopy trees, and will be set substantially below the vegetation canopy. The semi-rural feel of the area will be retained by the lack of fencing and frequent unmade roads. Views to the dwellings will be softened by native vegetation in frontages to major roads and in the public domain along road verges.

**Skenes Creek Precinct 2 – Preferred Character Statement**

This precinct will continue to be characterised by diverse coastal dwellings set amongst established coastal gardens. The sense of openness will be maintained by setting the buildings apart, minimising intrusive front fencing, and encouraging building forms that respect views to the surrounding hills and coast. The precinct will be united by consistent mature plantings of native and exotic coastal species in the public and private domains.

21.03-6  
C69

**Kennett River, Wye River and Separation Creek**

**Overview**

The structure plan for Kennett River, Wye River and Separation Creek articulates the preferred development future for these coastal townships. Key issues to emerge from the structure plan were that:

- Kennett River, Wye River and Separation Creek will remain as distinct coastal townships nestled in the foothills of the Otway Ranges.
- The primary roles of the townships will be to provide housing for permanent and part time residents and to provide a diverse range of holiday accommodation.



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- The existing and preferred character of the townships is characterised by low scale buildings which respond to the constraints of the topography in their coastal location and generally sit below the predominant tree canopy height.
- The informal, open and spacious character of the townships is highly valued and should be preserved and strengthened by new development.
- The impact of the townships on the natural environment will be as minimal as possible with water and wastewater being sustainably managed and vegetation acknowledged and valued.
- Future development within the townships should respond appropriately to a range of acknowledged environmental constraints including land slip, wildfire threat, coastal inundation and erosion, storm water management, water supply and effluent disposal.
- The townships have a low growth capacity and all future growth will be contained within existing urban or appropriately zoned land.

**Objectives**

- To protect and maintain the nationally significant Great Ocean Road Region landscape and the distinctive landscape qualities and coastal setting of Kennett River, Wye River and Separation Creek.
- To support limited tourist, commercial and retail services to the townships.
- To limit the growth of the coastal townships and discourage development outside of existing settlement boundaries.
- To preserve and enhance the environmental qualities of the townships and ensure development responds to the preferred neighbourhood character.
- To ensure that waste water from existing and proposed development is managed in a way that minimises its impact on the environment.
- To ensure that stormwater drainage systems respond to the constraints posed by the townships unique climatic, geological and environmental setting.
- To improve pedestrian access between the hamlets and the foreshores.
- To plan for the impacts of future climate change.

**Strategies**

- Maintain the existing settlement boundaries as identified on the framework plans forming part of this clause.
- Ensure that future growth of the townships is limited to infill development and renewal contained within existing settlement boundaries.
- Encourage any infill development within the townships, particularly tourist accommodation, to locate in the flatter, less vegetated areas near the centre of the townships (as identified on the framework plans forming part of this clause) but taking into account the need to respond to climate change induced coastal hazards.
- Ensure that any development outside the settlement boundaries is low scale and sensitively sited with minimal impact on the landscape and meets the criteria of the Great Ocean Road Region Landscape Assessment Study.
- Restrict commercial and retail development to small, incremental changes to existing facilities.
- Maintain and preserve the natural setting of the foreshores by minimising new structures in these areas.

COLAC OTWAY PLANNING SCHEME

- Create or enhance safe pedestrian access from all parts of the townships to the foreshores.
- Encourage opportunities to improve the general store and cafe of Kennett River, including incorporating an outdoor dining area and improved car parking areas to be more landscaped and pedestrian friendly.
- Encourage more diverse accommodation in Separation Creek with small scale projects.
- Collaborate with State Government in developing and implementing new initiatives to manage the impacts of climate change in the future.
- Ensure all new development achieves the following Preferred Character Statement for the Character Precincts identified at Schedule 4 to Clause 43.02:

**Kennett River Precinct 1 – Preferred Character Statement**

This precinct will be dominated by continuous native bush, with dwellings set below and amongst remnant canopy trees. Frontages will be open and consist of diverse native understorey that screens views of buildings from roads. The low scale dwellings will avoid prominent locations and ridgelines, and will be sited to provide for the reasonable sharing of views to the coast where available. Vegetation will be retained or replaced with any new developments to screen buildings when viewed from the Great Ocean Road. Innovative house styles will be encouraged of a scale, materials and colours that blend with the bush character and follow the topography. The informal bush character of the precinct will be assisted by the streetscape planting and lack of formal kerbing.

**Kennett River Precinct 2 – Preferred Character Statement**

This precinct will consist of coastal style dwellings set amongst gardens of native species. A spacious garden character will be maintained by setting buildings apart and encouraging landscaping between dwellings. Dwellings will be carefully designed, sited and landscaped to be unobtrusive when viewed from roads and to provide for a sharing of views to the coast where available. Trees in both public and private domains will provide a sense of continuity through the precinct and visually link with the adjacent bushland areas.

**Wye River Precinct 1 – Preferred Character Statement**

This precinct will continue to be characterised by dominant native bush that forms a consistent canopy, linking to the adjacent bushland. Dwelling scale, bulk and siting will respond to the site and topography, allowing space and setbacks to maintain native bush, both as canopy and understorey. Buildings will be set beneath the canopy, and appropriately sited and designed so as to allow for the sharing of views to the coast where available, and to be hidden from view from the Great Ocean Road. The informality of the streetscapes will be retained by the lack of front fencing, frequent unmade roads and remnant vegetation.

**Wye River Precinct 2 – Preferred Character Statement**

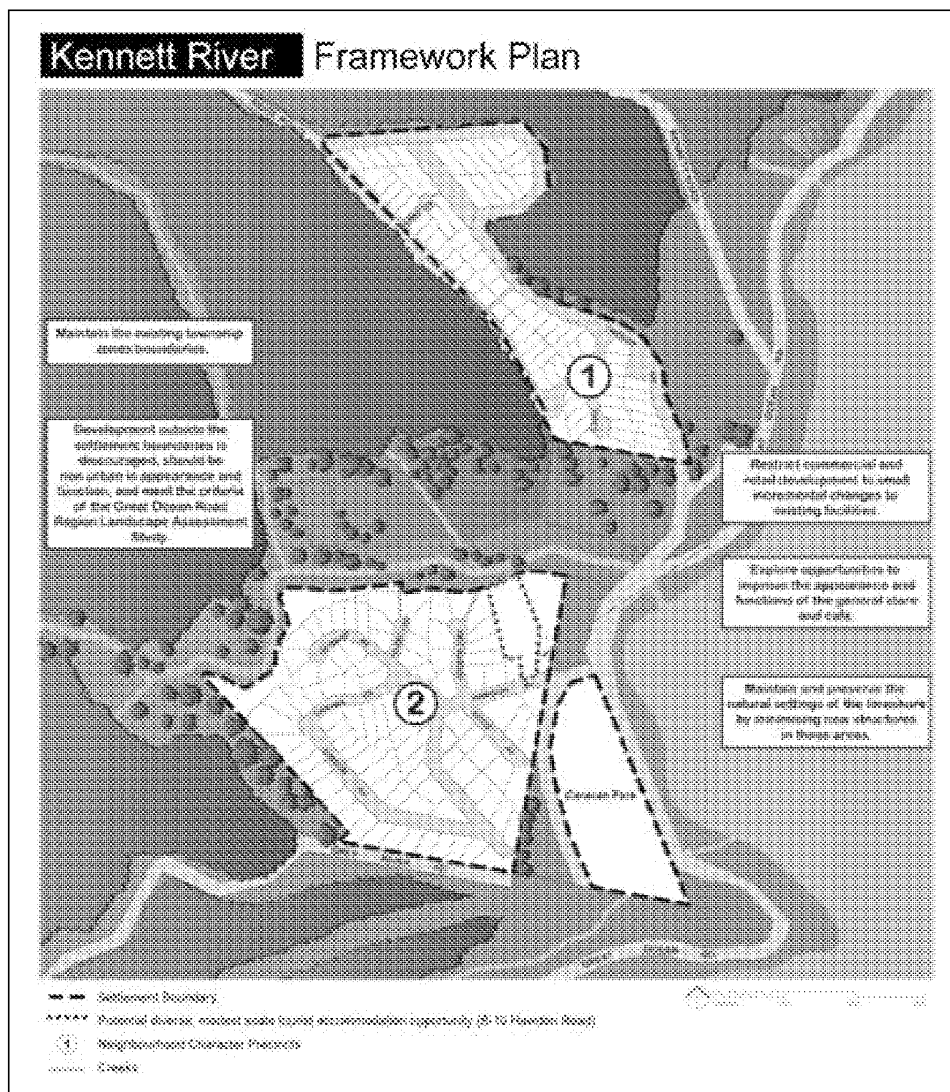
This precinct will achieve a more consistent native vegetation coverage to provide a unifying feature throughout. Space around dwellings will be sufficient to maintain trees and understorey, and minimises the appearance of building bulk and density. On hill slopes, buildings will relate to topography and be set amongst and beneath a dominant, native tree canopy. Buildings and structures in prominent locations when viewed from the Great Ocean Road will be designed to reduce their visual intrusion. Retention and planting of canopy trees in the public domain and around dwellings will be encouraged to establish a consistent tree canopy.

COLAC OTWAY PLANNING SCHEME

**Separation Creek Precinct 1 – Preferred Character Statement**

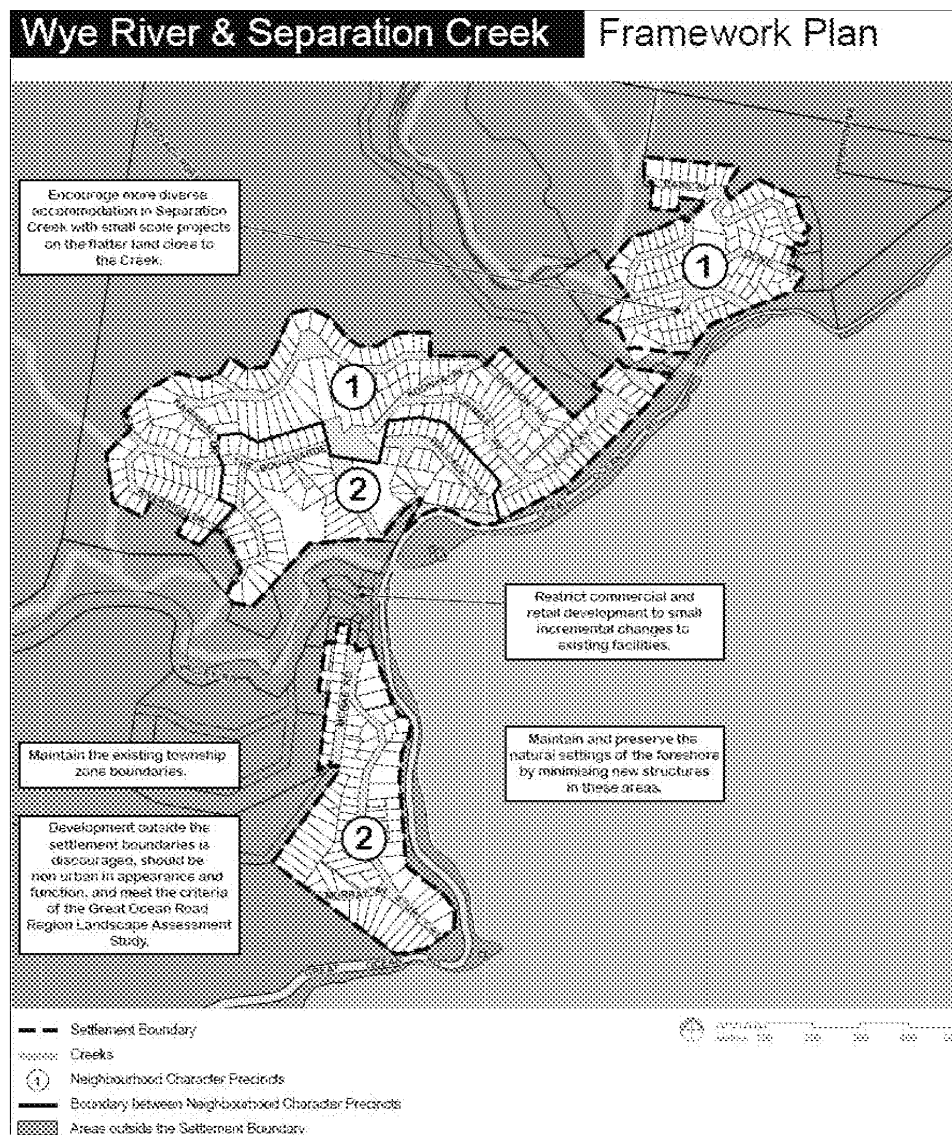
This precinct will consist of a mix of low, coastal style dwellings and newer coastal styles, in established gardens and amongst native canopy trees in the vegetated hillfaces. Dwellings will be of materials and colours that reflect the coastal setting, and be designed and sited so as to minimise intrusion into views from roads, public spaces and adjacent dwellings and impact on the topography. Establishment of native and coastal trees in public and private gardens will unite the precinct and provide visual links to the surrounding bushland and creek environs.

COLAC OTWAY PLANNING SCHEME





COLAC OTWAY PLANNING SCHEME



COLAC OTWAY PLANNING SCHEME

**21.03-7**

18/07/2013  
C69

**Forrest**

**Overview**

Forrest is located 32.6 kilometres from Colac and is placed at the foothills of the Otways approximately 161 kilometres from Melbourne and 76 kilometres from Geelong.

A Structure Plan for Forrest was adopted by Council (August 2011) and articulates the preferred development future for Forrest. Key issues to emerge from the Structure Plan were that:

- The role of Forrest as an outdoor recreation and tourism destination has been well established over recent years along with an emerging trend for rural lifestyle residential development.
- Forrest's tourism functions will continue to play a primary role in the town's growth and development into the future.
- There are significant environmental constraints within Forrest including bushfire, flooding and landslip risks that impact on future potential for expansion of the town.

**Objectives**

- To support Forrest's role within the Otways as a key destination for tourism and recreational pursuits and as a small town with limited potential for residential growth.

To limit residential development to the existing urban area contained within Forrest's settlement boundary, subject to the outcome of further investigation into the viability of development adjoining the north west edge of the town in accordance with the Forrest Framework Plan attached to this Clause.

- To encourage the development of accommodation facilities which contribute to the viability of tourism and recreation-based activities.
- To promote Grant Street as the primary location for future commercial activities within Forrest.
- To encourage development and activities which add commercial and recreational diversity to the Forrest Township.
- To ensure that the various cultural and environmental heritage assets of the township are protected, maintained and continue to be articulated within Forrest's private and public realm.
- To ensure new residential and commercial development is responsive to the environmental, biodiversity, conservation and landscape values of the local region.
- To ensure that development within Forrest responds to and mitigates any identified bushfire risks.
- To improve pedestrian access and movement along Grant Street.
- To facilitate the provision of community services and social infrastructure within Forrest which promote the town's liveability and increase social equity.

**Strategies**

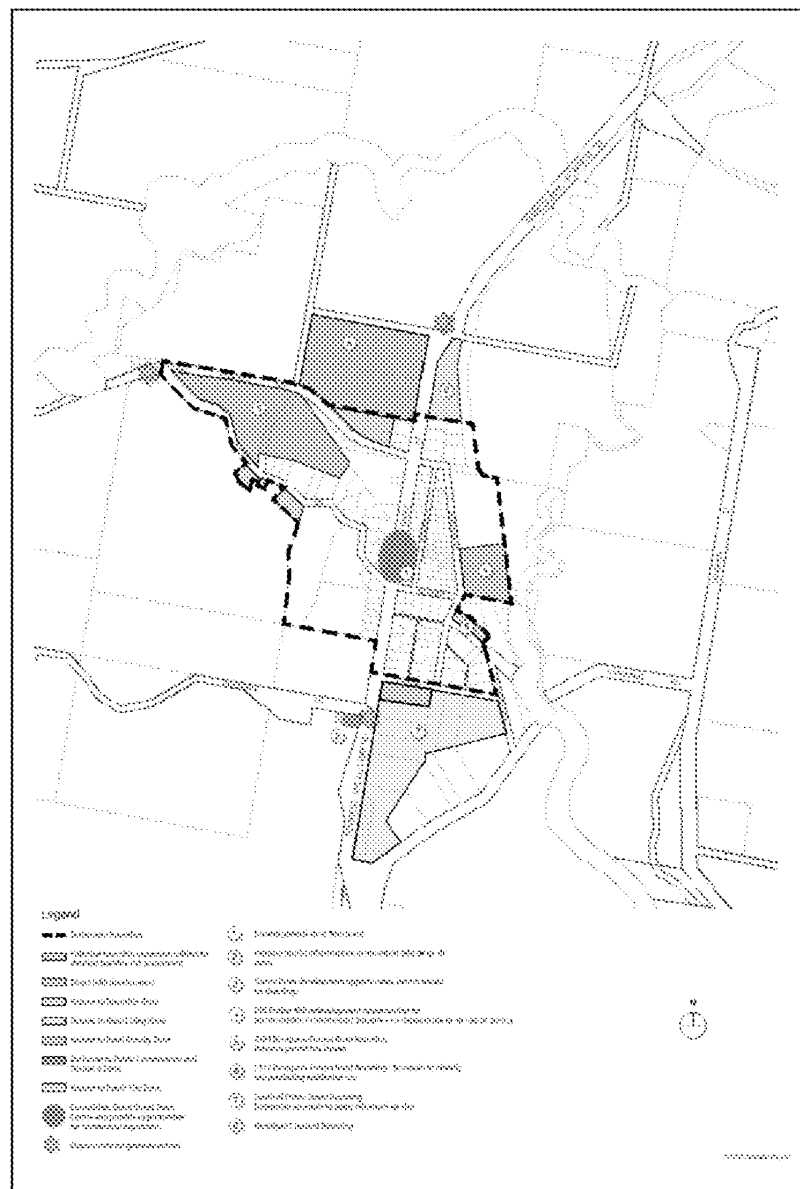
- Maintain settlement boundaries shown on the Framework Plan in this Clause pending detailed strategic assessment of bushfire risks and potential measures to manage bushfire risk for the town and broader area.
- Ensure that future growth of the township maximises infill development.

COLAC OTWAY PLANNING SCHEME

- Concentrate small scale businesses and commercial uses (such as retail premises, shop, restaurant, industry and accommodation) along Grant Street between the Community Hall and Turner Drive/Blundy Street.
- Encourage some commercial development, particularly accommodation, to locate on Rural Activity Zoned land taking into account the need to respond to bushfire risks and the environmental values of the surrounding landscape.
- Encourage the re-development of the existing general store to provide additional floor space, an active street front and expanded provision of commercial services.
- Encourage and consolidate street based retailing in the form of cafes and outdoor seating on the eastern side of Grant Street.
- Upgrade existing pedestrian infrastructure including new footpaths along the eastern side of Grant Street to accommodate pedestrian access, seating and bicycle parking and ensure any new development is designed to activate the streetscape.
- Ensure land use and development does not detrimentally impact upon identified significant flora and fauna habitats, including areas of roadside vegetation.
- Support tourism related use and development within the town boundary taking into account the need to respond to bushfire risks and environmental values and to protect the amenity of nearby residential uses.

COLAC OTWAY PLANNING SCHEME

**Forrest Framework Plan**





COLAC OTWAY PLANNING SCHEME

**21.03-8 Smaller Townships**

18/07/2013  
C69

**Overview**

It is important to protect the character of the smaller townships within the Shire, particularly those located along the spectacular Great Ocean Road and nestled within the majestic and beautiful Otway Ranges.

Township Master Plans (focussing on public infrastructure improvements) have been prepared for Carlisle River, Gellibrand, Forrest, Barwon Downs and Beech Forest. Urban Design Frameworks have been prepared for Beeac, Cressy, Lavers Hill and Swan Marsh. The Master Plans and Urban Design Frameworks identify urban design and built form opportunities to improve the presentation of these important centres in the municipality.

So as to improve the viability of small townships it is acknowledged that future planning needs to anticipate and respond to the needs of existing and future communities through provision of zoned and serviced land for housing, employment, recreation and open space, community facilities and related infrastructure.

The Rural Living Strategy 2011 highlights the role of small towns and settlements in supporting tourism and rural lifestyle demand.

The Rural Living Strategy 2011 also provides a strategic basis for future land use studies to investigate opportunities for small scale expansion within some of the Shire's small towns, including Alvie, Beeac, Cororooke, Gellibrand and Beech Forest. Gellibrand and Beech Forest's growth potential will be subject to an investigation into fire risk and effluent management issues.

**Objectives**

- To provide an attractive and safe residential environment within the smaller communities of the Shire.
- To encourage development of smaller townships in the Shire that contributes to their economic development, acknowledges and responds to environmental constraints and protects the broader landscapes within which these townships are located.
- To facilitate the ongoing economic future of small communities.
- To recognise the different roles of smaller townships and centres containing a range of community and other facilities.
- To maintain and enhance the environmental quality of small communities.

**Strategies**

- Ensure that development of the Shire's small communities occurs generally in accordance with relevant township masterplans, structure plans and other strategies.
- Encourage the development of small-scale economic activity which complements the resources and industries of the region.
- Encourage the location of tourist accommodation facilities within small communities in the region.
- Retain heritage places as significant components of the character and attractiveness of smaller townships.
- Encourage high quality design input to development in small communities.
- Maintain existing township zonings in Alvie, Cororooke and Beeac pending the preparation of town plans.

COLAC OTWAY PLANNING SCHEME

- Maintain existing township zonings in Gellibrand and Beech Forest pending further strategic assessment of the potential for expansion having regard to bushfire risk and effluent management.
- Otherwise generally restrict the expansion of communities in potable water supply areas and areas subject to or at risk of landslip, high fire risk and flooding.
- Encourage the implementation of landscape features that recognise indigenous flora and fauna.

**Specific Implementation**

**Policy guidance**

Assess proposals in townships (other than Colac, Apollo Bay and Marengo) against the following criteria:

- Development should not exceed 8 metres in height, unless special characteristics of the site justify a higher structure and no off-site detriment is caused.
- Building site coverage should not exceed 50 per cent, except on business zoned land.
- The slope of the roof should relate to the topography of the surrounding landform. Dominant or multiple angular roof slopes and designs should be avoided.
- External building material colours should be of muted toning and roofing material should be non-reflective.
- External materials should be in harmony with the surrounding landscape of the settlement.
- Landscaping should enable development to blend into the surrounding area. This may be achieved by:
  - Using a mixture of low, medium and high growing native trees and shrubs, including some species of trees with a growing height above the roof level of the proposed building.
  - Providing replacement planting for vegetation that is removed.

When deciding on the design, siting, mass and scale of new development in townships (other than Colac, Apollo Bay and Marengo) consider, as appropriate:

- Whether it is a major development node or a settlement with limited development potential and only serving the immediate community.
- The visual character of the particular settlement and the likely impact of the development on that visual character.
- The view of the site from the Great Ocean Road and major viewing points in the Otway Ranges and the likely impact of the development on these views.

**21.03-9**

18/07/2013  
C69

**Rural Living**

**Overview**

Council prepared and adopted a Rural Land Strategy (September 2007) which identified a range of issues affecting rural land use in the Shire, and has since adopted the Rural Living Strategy 2011. The Rural Living Strategy provides the basis for policy on the use and development of land for dwellings and subdivisions in rural areas. It identified the following in regards to rural living development within the Shire:

COLAC OTWAY PLANNING SCHEME

- Rural land traditionally used for farming is being used for lifestyle purposes in the absence of land which can accommodate rural lifestyle demand. This is causing problems associated with increasing property values inhibiting farm growth, servicing, provision of infrastructure and conflict with adjoining land uses which has the potential to undermine the objective of protecting the agricultural base of the Shire.
- The greatest opportunities to accommodate rural living development are around Colac where there is greatest supply and fewest constraints for development.
- There are sufficient levels of services and infrastructure to accommodate demand for rural lifestyle development in Coragulac.
- There is scope to conduct investigations into the potential development of some smaller towns in the Shire to accommodate some moderate township expansion, which may contribute to the overall supply of land desirable for rural living purposes.

**Objectives – Rural living**

- To provide opportunities for rural residential style development in appropriate locations that do not negatively impact on the ability to farm.
- To recognise the function of already-developed old and inappropriate rural subdivisions as 'de facto' rural living developments;
- To restrict the intensification of existing old and inappropriate subdivisions and prevent the further encroachment of rural living development on surrounding farming land.

**Strategies – Rural living**

- Direct future rural living development to nominated areas where there are fewer economic, environmental, social, land use and servicing constraints for settlement.
- Recognise the function of already-developed old and inappropriate rural subdivisions as 'de facto' rural living developments.
- Restrict the development of existing old and inappropriate subdivisions through the implementation of lot sizes which limit further subdivision and prevent the further encroachment of rural living development on surrounding farming land.

COLAC OTWAY PLANNING SCHEME

**21.06**

**GENERAL IMPLEMENTATION**

10/10/2013  
C22 (P14-2)  
Proposed  
C76

The objectives and strategies identified in Clause 21 will be implemented by:

**Using zones, overlays, local policy and the exercise of discretion**

- Applying the Low Density Residential Zone to land within Coragulac to facilitate rural residential development of land between the two areas zoned Township.
- Rezoning areas of Farming Zoned land in north-east Colac to Rural Activity Zone.
- Applying minimum setbacks to identified main roads in the schedule to the Farming Zone.
- Rezoning the Industrial 1 Zone land in West Colac to the Farming Zone.
- Rezoning the Industrial 1 Zone land north of Treatment Works and Flaxmill Roads Colac to the Farming Zone.
- Applying the Industrial 1 Zone to land east of Forest Street, Colac to provide for an adequate and diverse supply of industrial land.
- Applying the Business 3 Zone to land in Main Road Colac to recognise existing commercial uses.
- Applying the Rural Living Zone to an area south of Colac with a minimum lot size of 1.2ha to reflect the existing settlement and development pattern.
- Applying the Rural Living Zone to areas in Kwarren, Barongarook, Irrewarra, east of Birregurra, Cororooke, Warncoort and Forrest to reflect existing settlement and development patterns.
- Applying the Rural Activity Zone to an area of the Apollo Bay Hinterland with a 40ha minimum lot size.
- Applying the Rural Activity Zone to an area east of Colac with a minimum lot size to reflect the existing settlement pattern.
- Applying the Rural Activity Zone to land north of Forrest with a 40ha minimum lot size to support tourist development.
- Maintain the current minimum lot size provisions in the schedule to the Farming Zone for subdivision of 40ha (with 80ha in the north east).
- Maintain 40 hectares as the minimum area for which no permit is required for a dwelling in the Farming Zone (with 80ha in the north east).
- Applying the Development Plan Overlay (Schedule 2) to undeveloped land zoned Residential 1 in Colac.
- Applying the Development Plan Overlay (Schedule 3) to land proposed to be rezoned to Industrial 1 Zone east of Forest Street, Colac.
- Applying the Design and Development Overlay Schedule 5 to land within the Apollo Bay town centre.
- Applying Design and Development Overlay Schedule 6 to land adjoining the town centre of Apollo Bay.
- Applying Design and Development Overlay Schedule 7 to all other residentially zoned land within Apollo Bay and Marengo.
- Modifying the boundary of Airport Environs Overlay Schedule 2.

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- Applying the Significant Landscape Overlay (Schedules 1-5) as identified in the Great Ocean Road Region Landscape Assessment Study and the Apollo Bay Framework Plan.
- Applying the Environmental Significance Overlay (Schedule 6) to an area buffering the Colac Water Reclamation Plant.
- Considering applications for all areas affected by the Heritage Overlay in accordance with Clause 22.01 (Heritage Places and Areas Policy).
- Apply the Restructure Overlay to “old and inappropriate” subdivisions at areas in Cressy, Gerangamete, Irrewillipe and Pirron Yallock.
- Applying the Parking Overlay Schedule 1 to the Colac CBD.
- Applying the Parking Overlay Schedule 2 to the Apollo Bay CBD.
- Applying the Commercial 1 Zone to the commercial core of Main Street, Birregurra to encourage a consolidated town centre.
- Applying the Design and Development Overlay (Schedule 11, 12, 13, 14, 15 & 16) to land within Birregurra.
- Applying the Vegetation Protection Overlay (Schedule 3) to the Roadknight Street entryway and an area south of the Main Street in Birregurra.

**Undertaking further strategic work**

- Monitor the rate of infill development in Birregurra to make sure that the substantial infill development opportunities that exist are being realised.
- Undertake local bushfire assessments for the towns of Beech Forest, Forrest, Gellibrand and Lavers Hill to further clarify their development potential.
- Prepare a Master plan for Beeac. The work should include:
  - A Township Effluent Management Plan to determine capacity for infill development and future growth.
  - Evaluation of development options immediately to the east and north-west of the existing township zone.
- Prepare a Master plan for Gellibrand. The work should include:
  - A Township Effluent Management Plan to determine capacity for infill development and future growth.
  - Evaluation of development options in the vicinity of Gellibrand-Carlisle Road and along the northern approach to Gellibrand.
- Consider the appropriateness of rezoning the Low Density Residential Zoned land in Christies Road to Farming Zone through the review of the Colac Structure Plan.
- Prepare a precinct structure plan for Elliminyt.
- Prepare a precinct structure plan for the East Colac area north of the Princes Highway.
- Undertake a residential land supply analysis for all segments of the Colac market.
- Undertake an industrial land supply analysis for Colac.
- Develop an open space strategy to guide future open space provision for residential development in new and established residential areas in Colac and Apollo Bay.
- Further investigate and consider the former Bruce Street landfill site for the purpose of a recreation area or other appropriate use linked to Lake Colac.

COLAC OTWAY PLANNING SCHEME

- Prepare an Apollo Bay Harbour Precinct Master Plan for the redevelopment of the port vicinity with a tourism, fishing, boating, commercial and recreational focus strengthening links to the town centre and providing net community benefits.
- ~~Prepare a structure plan for Birregurra to manage future growth in a manner responsive to environmental constraints and respectful of the unique qualities of this township. This should be prepared and implemented before the advent of sewerage to ensure development is properly controlled to ensure the preservation and enhancement of the local character and natural and built form of the town.~~
- ~~Investigate the development of policy guidelines to guide development within the Birregurra township including materials, built form, height, setback and colours and the appropriateness of a Design and Development Overlay to protect its unique qualities.~~
- ~~In conjunction with Barwon Region Water Corporation, assess the needs and opportunities for reticulated sewerage in Birregurra and impacts on future development.~~
- Update Overlays on completion of the Corangamite River Health Strategy.
- Update the Vegetation Protection and Environmental Significance Overlays to incorporate revisions to the Ecological Vegetation Class mapping.
- Update the Land Subject to Inundation Overlay and schedule to align with revised data and mapping when available from the Corangamite Catchment Management Authority.
- Revise the Erosion Management Overlay following completion of the Department of Primary Industries and Corangamite Catchment Management Authority review.
- Consider applying the Salinity Management Overlay to areas recommended by the Corangamite Catchment Management Authority.
- Review retail and office floor space needs in Colac and review zones accordingly.
- Investigate potential to accommodate additional township development on 2324 and 2330 Birregurra-Forrest Road, Forrest as part of a local bushfire risk assessment.
- Prepare township plans for Alvie, Cororooke and Beeac to determine a revised settlement boundary that supports growth of the towns in accordance with the Rural Living Strategy.
- Investigate potential for expansion of Gellibrand and Beech Forrest subject to further strategic assessment having regard to bushfire risk and effluent management.

**Undertaking other actions**

- Develop guidelines for public realm and streetscape works to ensure the character of Birregurra is a key consideration in decision-making relating to physical infrastructure.
- Introduce heritage themed public art and interactive displays through key streets in Birregurra as part of a 'way finding' strategy.
- Prepare a detailed master plan for the Birregurra community node to manage and direct expansion as community and associated service requirements grow.
- Develop strategies to identify and, if possible, mitigate bushfire risk within the Forrest Township.
- Maintain close linkages with the Corangamite Catchment Management Authority, the Western Coastal Board, VicRoads, Water Corporations, the Victorian Coastal Council, the Department of Sustainability and Environment and the Department of Planning and Community Development to ensure regional consistency is developed.
- Undertake urban design improvements for the enhancement of the Colac Town Centre.

COLAC OTWAY PLANNING SCHEME

- Undertake enhanced recreation and pathway connections particularly around Lake Colac and in relation to the proposed Education, Recreation and Community Precinct.
- Maintain and enhance the local road network, particularly links with Colac, to support viability of Birregurra and encourage tourism.
- Undertake urban design and pedestrian infrastructure improvements for the enhancement of the Grant Street core in Forrest.
- Investigate the land use planning implications of sea level rise and storm surge associated with climate change and appropriate planning scheme responses.
- Identify and protect RAMSAR wetlands as important ecological and economic assets.
- Identify and promote activities which illustrate and are sensitive to local Koori history and culture.

COLAC OTWAY PLANNING SCHEME

**21.07**

**REFERENCE DOCUMENTS**

10/10/2013  
C76 (Part 2)  
Proposed  
C76

The following strategic studies have informed the preparation of this planning scheme. All relevant material has been included in the Scheme and decisions makers should use these documents for background research only. Material in these documents that potentially provides guidance on decision making but is not specifically referenced by the Scheme should not be given any weight.

**Settlement**

- Apollo Bay Structure Plan (2007)
- Colac Structure Plan (2007)
- Apollo Bay and Marengo Neighbourhood Character Review Background Report (2003)
- Barwon Downs Township Masterplan (2006)
- Beeac Township Masterplan (2001)
- Beech Forest Township Masterplan (2003)
- ~~Birregurra Township Masterplan (2003)~~
- Carlisle River Township Masterplan (2004)
- Colac Otway Rural Living Strategy (2011)
- Cressy Township Masterplan (2007)
- Forrest Structure Plan (2011)
- Forrest Township Masterplan (2007)
- Gellibrand Township Masterplan (2004)
- Kennett River, Wye River and Separation Creek Structure Plans (2008)
- Lavers Hill Township Masterplan (2006)
- Siting and Design Guidelines for Structures on the Victorian Coast, Victorian Coastal Council (1997)
- Skenes Creek, Kennett River, Wye River and Separation Creek Neighbourhood Character Study (2005)
- Swan Marsh Township Masterplan (2001)
- Colac Commercial Centre Parking Precinct Plan, AECOM (2011)
- ~~Apollo Bay Commercial Centre Parking Precinct Plan, AECOM (2011)~~
- Birregurra Neighbourhood Character Study (2012)
- Birregurra Structure Plan (2013)
- Birregurra and Forrest Community Infrastructure Plans (2012)

**Environment**

- Biodiversity Action Planning – Otway Plain Bioregion, 2003
- Biodiversity Action Planning – Otway Ranges Bioregion, 2003
- Biodiversity Action Planning – Victorian Volcanic Plains Bioregion, 2003
- Biodiversity Action Planning – Warrnambool Plains Bioregion, 2003



COLAC OTWAY PLANNING SCHEME

- Central West Victoria Regional Coastal Action Plan (2002)
- Central West Victoria Estuaries Coastal Action Plan (2005)
- Coastal Spaces Recommendations Report (2006), Department of Sustainability and Environment
- Colac Otway Heritage Study (2003)
- Colac Otway Shire Three Towns Stormwater Management Strategy (2004)
- Colac Otway Stormwater Management Plan (2002)
- Corangamite Floodplain Management Strategy (2002), Corangamite Catchment Management Authority
- Corangamite Native Vegetation Strategy (2006), Corangamite Catchment Management Authority
- Corangamite Regional Catchment Strategy 2003 – 2008 (2003), Corangamite Catchment Management Authority
- Corangamite River Health Strategy (2007), Corangamite Catchment Management Authority
- Corangamite Wetland Strategy 2006 – 2011, (2006), Corangamite Catchment Management Authority
- Draft Corangamite Salinity Action Plan (2003), Corangamite Catchment Management Authority
- Great Ocean Road Region Landscape Assessment Study (2003)
- Municipal Fire Prevention Planning Guidelines (1997), Country Fire Authority
- Victorian Coastal Strategy (2002), Victorian Coastal Council
- Wastewater Management Issues Paper: Beeac (2005)
- Wastewater Management Issues Paper: Birregurra (2002)
- Wastewater Management Issues Paper: Forrest (2005)
- Wastewater Management Issues Paper: Kennett River (2002)
- Wastewater Management Issues Paper: Wye River and Separation Creek (2002)
- Domestic Wastewater Management Plan (2007), Colac Otway Shire Council

**Economic Development**

- Colac Otway Economic Development and Tourism Strategy (2004)
- Colac Otway Rural Land Strategy (2007)
- Colac West Industrial Area - Outline Development Plan for the Colac West Industrial Area (1996)

**42.02 VEGETATION PROTECTION OVERLAY**

18/11/2011  
VC83

Shown on the planning scheme map as **VPO** with a number.

**Purpose**

To implement the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.

To protect areas of significant vegetation.

To ensure that development minimises loss of vegetation.

To preserve existing trees and other vegetation.

To recognise vegetation protection areas as locations of special significance, natural beauty, interest and importance.

To maintain and enhance habitat and habitat corridors for indigenous fauna.

To encourage the regeneration of native vegetation.

**42.02-1 Vegetation significance and objective**

19/01/2006  
VC37

A schedule to this overlay must contain:

- A statement of the nature and significance of the vegetation to be protected.
- The vegetation protection objective to be achieved.

**42.02-2 Permit requirement**

15/09/2008  
VC49

A permit is required to remove, destroy or lop any vegetation specified in a schedule to this overlay.

This does not apply:

- If the table to Clause 42.02-3 specifically states that a permit is not required.
- To the removal, destruction or lopping of native vegetation in accordance with a native vegetation precinct plan specified in the schedule to Clause 52.16.

**42.02-3 Table of exemptions**

18/11/2011  
VC83

**No permit is required to remove, destroy or lop vegetation to the minimum extent necessary if any of the following apply:**

**Regrowth**

- The vegetation is regrowth which has naturally established or regenerated on land lawfully cleared of naturally established vegetation and is within the boundary of a timber production plantation, as indicated on a Plantation Development Notice or other documented record, and has established after the plantation.

This exemption does not apply to land on which vegetation has been cleared or otherwise destroyed or damaged as a result of flood, fire or other natural disaster.

**Bracken**

- The vegetation is bracken (*Pteridium esculentum*) which has naturally established or regenerated on land lawfully cleared of naturally established vegetation.

**No permit is required to remove, destroy or lop vegetation to the minimum extent necessary if any of the following apply:**

This exemption does not apply to land on which vegetation has been cleared or otherwise destroyed or damaged as a result of flood, fire or other natural disaster.

|                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|--------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Noxious weeds</b>           | <ul style="list-style-type: none"> <li>The vegetation is a noxious weed the subject of a declaration under section 58 or section 58A of the Catchment and Land Protection Act 1994. This exemption does not apply to Australian Dodder (<i>Cuscuta australis</i>).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Pest animal burrows</b>     | <ul style="list-style-type: none"> <li>The vegetation is to be removed, destroyed or lopped to enable the removal of pest animal burrows.</li> </ul> <p>In the case of native vegetation the written agreement of an officer of the Department responsible for administering the Flora and Fauna Guarantee Act 1988 is required before the vegetation can be removed, destroyed or lopped.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Land use conditions</b>     | <ul style="list-style-type: none"> <li>The vegetation is to be removed, destroyed or lopped to comply with a land use condition served under the Catchment and Land Protection Act 1994.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Land management notices</b> | <ul style="list-style-type: none"> <li>The vegetation is to be removed, destroyed or lopped to comply with land management notice issued under the Catchment and Land Protection Act 1994.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Planted vegetation</b>      | <ul style="list-style-type: none"> <li>The vegetation has been planted or grown as a result of direct seeding for Crop raising or Extensive animal husbandry.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Emergency works</b>         | <ul style="list-style-type: none"> <li>The vegetation presents an immediate risk of personal injury or damage to property and only that part of vegetation which presents the immediate risk is removed, destroyed or lopped.</li> <li>The vegetation is to be removed, destroyed or lopped by a public authority or municipal council to create an emergency access or to enable emergency works.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Fire protection</b>         | <ul style="list-style-type: none"> <li>The vegetation is to be removed, destroyed or lopped for the making of a fuelbreak by or on behalf of a public authority in accordance with a strategic fuelbreak plan approved by the Secretary to the Department of Sustainability and Environment (as constituted under Part 2 of the Conservation, Forest and Lands Act 1987). The maximum width of a fuelbreak must not exceed 40 metres.</li> <li>The vegetation is to be removed, destroyed or lopped for fire fighting measures, fuel reduction burning, or the making of a fuel break up to 6 metres wide.</li> <li>The vegetation is ground fuel within 30 metres of a building.</li> <li>The vegetation is to be removed, destroyed or lopped in accordance with a fire prevention notice under: <ul style="list-style-type: none"> <li>Section 65 of the Forests Act 1958.</li> <li>Section 41 of the Country Fire Authority Act 1958.</li> <li>Section 8 of the Local Government Act 1989.</li> </ul> </li> <li>The vegetation is to be removed, destroyed or lopped to keep the whole or any part of any vegetation clear of an electric line</li> </ul> |

**No permit is required to remove, destroy or lop vegetation to the minimum extent necessary if any of the following apply:**

|                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                          | <p>in accordance with a code of practice prepared under Part 8 of the Electricity Safety Act 1998.</p> <ul style="list-style-type: none"> <li>▪ The vegetation is to be removed, destroyed or lopped in accordance with any code of practice prepared in accordance with Part 8 of the Electricity Safety Act 1998 in order to minimise the risk of bushfire ignition in the proximity of electricity lines.</li> <li>▪ The vegetation is to be removed, destroyed or lopped to reduce fuel loads on roadsides to minimise the risk to life and property from bushfire of an existing public road managed by the relevant responsible road authority (as defined by the Road Management Act 2004) in accordance with the written agreement of the Secretary to the Department of Sustainability and Environment (as constituted under Part 2 of the Conservation, Forest and Lands Act 1987).</li> </ul> |
| <b>Surveying</b>         | <ul style="list-style-type: none"> <li>▪ The vegetation is to be removed, destroyed or lopped for establishing sight-lines for the measurement of land by surveyors in the exercise of their profession, and if using hand-held tools.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Road safety</b>       | <ul style="list-style-type: none"> <li>▪ The vegetation is to be removed, destroyed or lopped to maintain the safe and efficient function of an existing public road managed by the relevant responsible road authority (as defined by the Road Management Act 2004) in accordance with the written agreement of the Secretary of the Department of Sustainability and Environment (as constituted under Part 2 of the Conservation, Forest and Lands Act 1987).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Railways</b>          | <ul style="list-style-type: none"> <li>▪ The vegetation is to be removed, destroyed or lopped to maintain the safe and efficient function of an existing railway or railway access road, in accordance with the written agreement of the Secretary to the Department of Sustainability and Environment (as constituted under Part 2 of the Conservation, Forest and Lands Act 1987).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Stone extraction</b>  | <ul style="list-style-type: none"> <li>▪ The vegetation is to be removed, destroyed or lopped to enable the carrying out of Stone extraction in accordance with a work plan approved under the Mineral Resources (Sustainable Development) Act 1990 and authorised by a work authority granted under that Act.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Stone exploration</b> | <ul style="list-style-type: none"> <li>▪ The vegetation is to be removed, destroyed or lopped to enable the carrying out of Stone exploration.</li> </ul> <p>The maximum extent of vegetation removed, destroyed or lopped under this exemption on contiguous land in the same ownership in a five year period must not exceed any of the following:</p> <ul style="list-style-type: none"> <li>• 1 hectare of vegetation which does not include a tree.</li> <li>• 15 trees if each tree has a trunk diameter of less than 40 centimetres at a height of 1.3 metres above ground level.</li> <li>• 5 trees if each tree has a trunk diameter of 40 centimetres or more at a height of 1.3 metres above ground level.</li> </ul>                                                                                                                                                                         |

**No permit is required to remove, destroy or lop vegetation to the minimum extent necessary if any of the following apply:**

This exemption does not apply to vegetation to be removed, destroyed or lopped to enable costeaning and bulk sampling activities.

|                                                     |                                                                                                                                                                                                                                                                                                                           |
|-----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Mineral extraction</b>                           | <ul style="list-style-type: none"> <li>The vegetation is to be removed, destroyed or lopped to enable the carrying out of Mineral extraction in accordance with a work plan approved under the Mineral Resources (Sustainable Development) Act 1990 and authorised by a work authority granted under that Act.</li> </ul> |
| <b>Mineral Exploration</b>                          | <ul style="list-style-type: none"> <li>The vegetation is to be removed, destroyed or lopped to enable the carrying out of Mineral exploration.</li> </ul>                                                                                                                                                                 |
| <b>Geothermal energy exploration and extraction</b> | <ul style="list-style-type: none"> <li>The vegetation is to be removed, destroyed or lopped to enable the carrying out of geothermal energy exploration or extraction in accordance with the Geothermal Energy Resources Act 2005.</li> </ul>                                                                             |
| <b>Greenhouse gas sequestration exploration</b>     | <ul style="list-style-type: none"> <li>The vegetation is to be removed, destroyed or lopped to enable the carrying out of geothermal energy exploration or extraction in accordance with the Greenhouse Gas Geological Sequestration Act 2008.</li> </ul>                                                                 |
| <b>Greenhouse gas sequestration</b>                 | <ul style="list-style-type: none"> <li>The vegetation is to be removed, destroyed or lopped to enable the carrying out of geothermal energy exploration or extraction in accordance with the Greenhouse Gas Geological Sequestration Act 2008.</li> </ul>                                                                 |

#### **42.02-4**

18/11/2011  
VC83

#### **Decision guidelines**

Before deciding on an application, in addition to the decision guidelines in Clause 65, the responsible authority must consider, as appropriate:

- The State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.
- The statement of the nature and significance of the vegetation to be protected and the vegetation protection objective contained in a schedule to this overlay.
- The effect of the proposed use, building, works or subdivision on the nature and type of vegetation to be protected.
- The role of native vegetation in conserving flora and fauna.
- The need to retain native or other vegetation if it is rare, supports rare species of flora or fauna or forms part of a wildlife corridor.
- The need to retain vegetation which prevents or limits adverse effects on ground water recharge.
- The need to retain vegetation:
  - Where ground slopes exceed 20 percent.
  - Within 30 metres of a waterway or wetland.
  - On land where the soil or subsoil may become unstable if cleared.
  - On land subject to or which may contribute to soil erosion, slippage or salinisation.

- In areas where the removal, destruction or lopping of vegetation could adversely affect the integrity or long term preservation of an identified site of scientific, nature conservation or cultural significance.
- Which is of heritage or cultural significance.
- The need to remove, destroy or lop vegetation to create a defensible space to reduce the risk of bushfire to life and property.
- Any relevant permit to remove, destroy or lop vegetation in accordance with a land management plan or works program.
- Whether the application includes a land management plan or works program.
- Whether provision is made or is to be made to establish and maintain vegetation elsewhere on the land.
- Any other matters specified in a schedule to this overlay.

**Note:** *Refer to the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement, for strategies and policies which may affect the use and development of the land.*

*Check the requirements of the zone which applies to the land.*

*Other requirements may also apply. These can be found at Particular Provisions.*

COLAC OTWAY PLANNING SCHEME

--/--/20--  
Proposed  
C76

**SCHEDULE 3 TO THE VEGETATION PROTECTION OVERLAY**

Shown on the planning scheme map as **VPO3**

**BIRREGURRA TREE PROTECTION AREA**

**1.0**

**Statement of nature and significance of vegetation to be protected**

--/--/20--  
Proposed  
C76

The native vegetation is significant as it contributes to a strong landscape presence that is integral to the rural character of the area.

The scattered native vegetation contributes to significant canopy cover and provides a visual impact upon entry to Birregurra and within the township.

**2.0**

**Vegetation protection objectives to be achieved**

--/--/20--  
Proposed  
C76

- To protect vegetation for its aesthetic value and its contribution to the character of Birregurra.
- To encourage the retention of trees where possible and the planting of new canopy trees and understorey vegetation.

**3.0**

**Permit requirement**

--/--/20--  
Proposed  
C76

A permit is required to remove, destroy or lop any native vegetation. This does not apply to the:

- Removal, destruction or lopping of native vegetation which is less than 5m high and has a single trunk circumference of less than 0.5m at a height of 1m above ground level.
- Pruning of vegetation to maintain or improve its health or appearance.
- Pruning, or removal of vegetation to prevent damage to works when damage to a pipeline, electricity or telephone transmission line, cable or other service has occurred or is likely to occur.

**4.0**

**Application requirements**

--/--/20--  
Proposed  
C76

An application to remove native vegetation must include the following information:

- The total extent of native vegetation on the property and the extent of native vegetation proposed to be removed.
- The purpose of the proposed vegetation removal.
- Demonstration that the removal, destruction or lopping has been reduced to the minimum extent that is reasonable and practicable.
- Details of any proposed revegetation, including the proposed species to be planted and any proposals for ground stabilisation.
- The anticipated impact the vegetation removal will have on the character of Birregurra and the vistas from the entryways to Birregurra.

COLAC OTWAY PLANNING SCHEME

**5.0 Decision guidelines**

--/20--  
Proposed  
C76

Before deciding on an application the responsible authority must consider:

- The effect of the proposed removal of native vegetation on the landscape and the overall character of the area.
- The reason for removing the vegetation and the practicality of alternative options which do not require removal of native vegetation.
- Whether a Section 173 Agreement, building envelopes or tree protection zones are appropriate in providing for vegetation protection and/or management of the land.



**43.02 DESIGN AND DEVELOPMENT OVERLAY**

19/01/2006  
VC37

Shown on the planning scheme map as **DDO** with a number.

**Purpose**

To implement the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.

To identify areas which are affected by specific requirements relating to the design and built form of new development.

**43.02-1 Design objectives**

19/01/2006  
VC37

A schedule to this overlay must contain a statement of the design objectives to be achieved for the area affected by the schedule.

**43.02-2 Buildings and works**

19/01/2006  
VC37

**Permit requirement**

A permit is required to:

- Construct a building or construct or carry out works. This does not apply:
  - If a schedule to this overlay specifically states that a permit is not required.
  - To the construction of an outdoor swimming pool associated with a dwelling unless a specific requirement for this matter is specified in a schedule to this overlay.
- Construct a fence if specified in a schedule to this overlay.

Buildings and works must be constructed in accordance with any requirements in a schedule to this overlay. A schedule may include requirements relating to:

- Building setbacks.
- Building height.
- Plot ratio.
- Landscaping.
- Any other requirements relating to the design or built form of new development.

A permit may be granted to construct a building or construct or carry out works which are not in accordance with any requirement in a schedule to this overlay, unless the schedule specifies otherwise.

**Exemption from notice and review**

A schedule to this overlay may specify that an application is exempt from the notice requirements of Section 52(1)(a), (b) and (d), the decision requirements of Section 64(1), (2) and (3) and the review rights of Section 82(1) of the Act.

**43.02-3 Subdivision**

19/01/2006  
VC37

**Permit requirement**

A permit is required to subdivide land.

This does not apply if a schedule to this overlay specifically states that a permit is not required.

Subdivision must occur in accordance with any lot size or other requirement specified in a schedule to this overlay.

A permit may be granted to subdivide land which is not in accordance with any lot size or other requirement in a schedule to this overlay, unless the schedule specifies otherwise.

**Exemption from notice and review**

A schedule to this overlay may specify that an application is exempt from the notice requirements of Section 52(1)(a), (b) and (d), the decision requirements of Section 64(1), (2) and (3) and the review rights of Section 82(1) of the Act.

**43.02-4 Advertising signs**

19/01/2006  
VC37

Advertising sign controls are at Clause 52.05 unless otherwise specified in a schedule to this overlay.

**43.02-5 Decision guidelines**

19/01/2006  
VC37

Before deciding on an application, in addition to the decision guidelines in Clause 65, the responsible authority must consider, as appropriate:

- The State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.
- The design objectives of the relevant schedule to this overlay.
- The provisions of any relevant policies and urban design guidelines.
- Whether the bulk, location and appearance of any proposed buildings and works will be in keeping with the character and appearance of adjacent buildings, the streetscape or the area.
- Whether the design, form, layout, proportion and scale of any proposed buildings and works is compatible with the period, style, form, proportion, and scale of any identified heritage places surrounding the site.
- Whether any proposed landscaping or removal of vegetation will be in keeping with the character and appearance of adjacent buildings, the streetscape or the area.
- The layout and appearance of areas set aside for car parking, access and egress, loading and unloading and the location of any proposed off street car parking
- Whether subdivision will result in development which is not in keeping with the character and appearance of adjacent buildings, the streetscape or the area.
- Any other matters specified in a schedule to this overlay.

**Notes:** *Refer to the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement, for strategies and policies which may affect the use and development of land.*

*Check the requirements of the zone which applies to the land.*

*Other requirements may also apply. These can be found at Particular Provisions.*

COLAC OTWAY SHIRE PLANNING SCHEME

--/--/20--  
Proposed  
C76

**SCHEDULE 11 TO THE DESIGN AND DEVELOPMENT OVERLAY**

Shown on the planning scheme map as **DDO11**.

**BIRREGURRA PREFERRED CHARACTER AREA A (MAIN STREET)**

**1.0**

--/--/20--  
Proposed  
C76

**Design objectives**

- To encourage new development, in particular use of materials, that responds to the historic character of building stock.
- To encourage residential development that is respectful of the scale, form, siting and setbacks of nearby buildings.
- To ensure new non-residential development outside the commercial core demonstrates sympathetic design response to the heritage quality of the streetscape.
- To restrict multi-dwelling development to circumstances where the existing dwelling fronting Main Street is retained and a new dwelling is concealed to the rear (except vacant lots).
- To encourage low-rise single storey buildings.
- To encourage the retention of trees where possible and the planting of new canopy trees and understorey vegetation to the front, side and rear of dwellings.

**2.0**

--/--/20--  
Proposed  
C76

**Buildings and works**

A permit is required for buildings and works, including to construct a fence, if any of the design standards specified in Table 1 to this Schedule are not met.

Applications for more than one dwelling on a lot should be at a density that would enable future subdivision in accordance with the subdivision requirements of this clause.

A permit is not required to construct or extend an outbuilding (other than a garage or carport) on a lot provided the gross floor area of the outbuilding does not exceed 10 square metres and the maximum building height is not more than 3 metres above ground level.

**3.0**

--/--/20--  
Proposed  
C76

**Subdivision**

The minimum lot size for residential lots is 1,000 square metres. This may be reduced to 500 square metres where a multi-dwelling development on the land is approved under the planning scheme and the development has commenced. Lots created by subdivision that include a battle-axe driveway or common property must not include the area of the driveway in the lot area calculation.

**4.0**

--/--/20--  
Proposed  
C76

**Application Requirements**

An application must include a report that demonstrates how the proposal meets the objectives and provisions of this schedule.

**5.0**

--/--/20--  
Proposed  
C76

**Decision Guidelines**

Before deciding on an application the responsible authority must consider, as appropriate:

- Whether the development achieves the design objectives listed in this schedule.

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- The interface with adjoining zones.
- The impact of the development and/or works on identified heritage buildings.
- Whether the development achieves the recommendations in the *Birregurra Neighbourhood Character Study 2012*.

Table 1 to Schedule 11 Design Standards

| Design Element                           |                                                                      |                                                                      | Design Standards |  |
|------------------------------------------|----------------------------------------------------------------------|----------------------------------------------------------------------|------------------|--|
|                                          | Single dwellings,<br>outbuildings etc.                               | Multi-dwelling development                                           |                  |  |
| <b>STREET<br/>SETBACK<br/>(MINIMUM)</b>  | Standard A3 or 3m,<br>whichever is the greater                       | Standard B6 or 3m,<br>whichever is the greater                       |                  |  |
| <b>SIDE SETBACK<br/>(MINIMUM)</b>        | 1.5m (garages to boundary<br>permitted on one side)                  | 1.5m (garages to boundary<br>permitted on one side only)             |                  |  |
| <b>REAR SETBACK<br/>(MINIMUM)</b>        | 15m                                                                  | 5m                                                                   |                  |  |
| <b>SITE COVERAGE<br/>(MAXIMUM)</b>       | 30%                                                                  | 40%                                                                  |                  |  |
| <b>PERMEABILITY<br/>(MINIMUM)</b>        | 50%                                                                  | 40%                                                                  |                  |  |
| <b>BUILDING<br/>HEIGHT<br/>(MAXIMUM)</b> | 5.5m and single storey                                               | 5.5m and single storey                                               |                  |  |
| <b>FRONT FENCE</b>                       | Maximum 1.2m high and<br>minimum 50% permeability                    | Maximum 1.2m high and<br>minimum 50% permeability                    |                  |  |
| <b>SIDE/REAR<br/>FENCING</b>             | Maximum 1.8m high with a<br>tapered side fence towards<br>the street | Maximum 1.8m high with a<br>tapered side fence towards<br>the street |                  |  |

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--/--/20--  
Proposed  
C76

**SCHEDULE 12 TO THE DESIGN AND DEVELOPMENT OVERLAY**

Shown on the planning scheme map as **DDO12**.

**BIRREGURRA PREFERRED CHARACTER AREA B (NORTH EAST)**

**1.0**

--/--/20--  
Proposed  
C76

**Design objectives**

- To encourage sensitively designed and sited responsive medium density residential development within walking distance of Main Street (i.e. 400 metres).
- To require the first floor of double storey dwellings to be recessed from the ground floor on all sides, or incorporated into the roof space where possible, to reduce building bulk and the visual impact on the streetscape.
- To promote flexibility in material use, whilst also encouraging the use of lightweight material such as timber cladding.
- To discourage multi-dwelling development on corner allotments, which are not of suitable dimension to accommodate multiple dwellings whilst also providing appropriate setbacks and driveway access.
- To discourage straight driveways and reduce driveway length to increase the permeable areas available for landscaping.
- To encourage the retention of trees where possible and the planting of new canopy trees and understorey vegetation to the front, side and rear of dwellings.
- To encourage a more open streetscape presentation with mid-rise canopy trees interspersed with low-rise shrubs and ground cover.

**2.0**

--/--/20--  
Proposed  
C76

**Buildings and works**

A permit is required for buildings and works, including to construct a fence, if any of the design standards specified in Table 1 to this Schedule are not met.

Applications for more than one dwelling on a lot should be at a density that would enable future subdivision in accordance with the subdivision requirements of this clause.

A permit is not required to construct or extend an outbuilding (other than a garage or carport) on a lot provided the gross floor area of the outbuilding does not exceed 10 square metres and the maximum building height is not more than 3 metres above ground level.

**3.0**

--/--/20--  
Proposed  
C76

**Subdivision**

The minimum lot size for residential lots is 700 square metres. This may be reduced to 500 square metres where a multi-dwelling development on the land is approved under the planning scheme and the development has commenced. Lots created by subdivision that include a battle-axe driveway or common property must not include the area of the driveway in the lot area calculation.

**4.0**

--/--/20--  
Proposed  
C76

**Application Requirements**

An application must include a report that demonstrates how the proposal meets the objectives and provisions of this schedule.

COLAC OTWAY SHIRE PLANNING SCHEME

**5.0 Decision guidelines**

--/--/20--  
Proposed  
C76

Before deciding on an application the responsible authority must consider, as appropriate:

- Whether the development achieves the design objectives listed in this schedule.
- The impact of the development and/or works on identified heritage buildings.
- Whether the development achieves the recommendations in the *Birregurra Neighbourhood Character Study 2012*.

Table 1 to Schedule 12 Design Standards

| Design Element                   | Design Standards                                               |                                                       |
|----------------------------------|----------------------------------------------------------------|-------------------------------------------------------|
|                                  | Single dwellings, outbuildings etc.                            | Multi-dwelling development                            |
| <b>STREET SETBACK (MINIMUM)</b>  | Standard A3 or 6m, whichever is the greater                    | Standard B6 or 6m, whichever is the greater           |
| <b>SIDE SETBACK (MINIMUM)</b>    | 1.5m (garages to boundary permitted on one side)               | 1.5m (garages to boundary permitted on one side only) |
| <b>REAR SETBACK (MINIMUM)</b>    | 10m                                                            | 5m (also to internal boundaries)                      |
| <b>SITE COVERAGE (MAXIMUM)</b>   | 40%                                                            | 50%                                                   |
| <b>PERMEABILITY (MINIMUM)</b>    | 40%                                                            | 30%                                                   |
| <b>BUILDING HEIGHT (MAXIMUM)</b> | 5.5m and single storey                                         | 5.5m and single storey                                |
| <b>FRONT FENCE</b>               | Maximum 1.2m high and minimum 50% permeability                 | Maximum 1.2m high and minimum 50% permeability        |
| <b>SIDE/REAR FENCING</b>         | Maximum 1.8m high with a tapered side fence towards the street | Maximum 1.8m high                                     |

COLAC OTWAY SHIRE PLANNING SCHEME

--/--/20--  
Proposed  
C76

**SCHEDULE 13 TO THE DESIGN AND DEVELOPMENT OVERLAY**

Shown on the planning scheme map as **DDO13**.

**BIRREGURRA PREFERRED CHARACTER AREA C (ROADKNIGHT STREET  
ENTRY & SOUTH OF MAIN STREET)**

**1.0 Design objectives**

--/--/20--  
Proposed  
C76

- To encourage sensitively designed and sited responsive medium density residential development within walking distance of Main Street (i.e. 400 metres).
- To ensure new development surrounding the church buildings responds to its context and incorporates design features that complement the heritage place.
- To encourage the use of robust but lightweight material such as timber that will endure over time, whilst discouraging more urban materials.
- To require the first floor of double storey dwellings to be recessed from the ground floor on all sides, or incorporated into the roof space where possible, to reduce building bulk and the visual impact on the streetscape.
- To encourage single garages fronting the street, with a tandem car space if required, for multi-dwelling proposals to reduce hard surfacing and maximise landscaping opportunities.
- To encourage dwellings to be set back sufficient distance from all boundaries to provide the opportunity for native canopy trees.
- To encourage the retention of trees where possible and the planting of new canopy trees and understorey vegetation to the front, side and rear of dwellings.

**2.0 Buildings and works**

--/--/20--  
Proposed  
C76

A permit is required for buildings and works, including to construct a fence, if any of the design standards specified in Table 1 to this Schedule are not met.

Applications for more than one dwelling on a lot should be at a density that would enable future subdivision in accordance with the subdivision requirements of this clause.

A permit is not required to construct or extend an outbuilding (other than a garage or carport) on a lot provided the gross floor area of the outbuilding does not exceed 10 square metres and the maximum building height is not more than 3 metres above ground level.

**3.0 Subdivision**

--/--/20--  
Proposed  
C76

The minimum lot size for residential lots is 1000 square metres. This may be reduced to 600 square metres where a multi-dwelling development on the land is approved under the planning scheme and the development has commenced. Lots created by subdivision that include a battle-axe driveway or common property must not include the area of the driveway in the lot area calculation.

**4.0 Application Requirements**

--/--/20--  
Proposed  
C76

An application must include a report that demonstrates how the proposal meets the objectives and provisions of this schedule.



COLAC OTWAY SHIRE PLANNING SCHEME

**5.0**

--/--/20--  
Proposed  
C76

**Decision guidelines**

Before deciding on an application the responsible authority must consider, as appropriate:

- Whether the development achieves the design objectives listed in this schedule.
- The impact of the development and/or works on identified heritage buildings.
- The visual impact of the development and/or works on the entries into Birregurra.
- Whether the development achieves the recommendations in the *Birregurra Neighbourhood Character Study 2012*.

Table 1 to Schedule 13 Design Standards

| Design Element                           | Design Standards                                                     |                                                   |
|------------------------------------------|----------------------------------------------------------------------|---------------------------------------------------|
|                                          | Single dwellings,<br>outbuildings etc.                               | Multi-dwelling development                        |
| <b>STREET<br/>SETBACK<br/>(MINIMUM)</b>  | Standard A3 or 9m,<br>whichever is the greater                       | Standard B6 or 9m,<br>whichever is the greater    |
| <b>SIDE SETBACK<br/>(MINIMUM)</b>        | 3m (can be reduced to 1.5m<br>to one side only)                      | 2m (can be reduced to 1.5m<br>to one side only)   |
| <b>REAR SETBACK<br/>(MINIMUM)</b>        | 15m                                                                  | 5m (also to internal<br>boundaries)               |
| <b>SITE COVERAGE<br/>(MAXIMUM)</b>       | 30%                                                                  | 40%                                               |
| <b>PERMEABILITY<br/>(MINIMUM)</b>        | 50%                                                                  | 40%                                               |
| <b>BUILDING<br/>HEIGHT<br/>(MAXIMUM)</b> | 5.5m and single storey                                               | 5.5m and single storey                            |
| <b>FRONT FENCE</b>                       | Maximum 1.2m high and<br>minimum 50% permeability                    | Maximum 1.2m high and<br>minimum 50% permeability |
| <b>SIDE/REAR<br/>FENCING</b>             | Maximum 1.8m high with a<br>tapered side fence towards<br>the street | Maximum 1.8m high                                 |

COLAC OTWAY SHIRE PLANNING SCHEME

--/--/20--  
Proposed  
C76

**SCHEDULE 14 TO THE DESIGN AND DEVELOPMENT OVERLAY**

Shown on the planning scheme map as **DDO14**.

**BIRREGURRA PREFERRED CHARACTER AREA D (SOUTH)**

**1.0**

--/--/20--  
Proposed  
C76

**Design objectives**

- To encourage sensitively designed subdivisions that provide larger allotments and retain a low density character.
- To discourage multi-dwelling development proposals.
- To encourage subdivision of land that allows for individually sited dwellings (i.e. detached dwellings) on an allotment with street frontage.
- To require dwellings to address site slope with stepped building forms.
- To require the first floor of double storey dwellings to be recessed from the ground floor on all sides, or incorporated into the roof space where possible, to reduce building bulk and the visual impact on the streetscape.
- To encourage the use of robust but lightweight materials such as timber that will endure over time, whilst discouraging more urban materials.
- To encourage dwellings to be setback sufficient distance from all boundaries to provide the opportunity for native canopy trees.
- To encourage the retention of trees where possible and the planting of new canopy trees and understorey vegetation to the front, side and rear of dwellings.
- To discourage front fencing, particularly high, solid front fences which 'harden' the streetscape and lead to a reduction in residential and visual amenity.

**2.0**

--/--/20--  
Proposed  
C76

**Buildings and works**

A permit is required for buildings and works if any of the design standards specified in Table 1 to this Schedule are not met.

Applications for more than one dwelling on a lot should be at a density that would enable future subdivision in accordance with the subdivision requirements of this clause.

A permit is required to construct a fence if the fence is forward of the building setback line and constructed of materials other than post and wire.

A permit is not required to construct or extend an outbuilding (other than a garage or carport) on a lot provided the gross floor area of the outbuilding does not exceed 10 square metres and the maximum building height is not more than 3 metres above ground level.

**3.0**

--/--/20--  
Proposed  
C76

**Subdivision**

The minimum lot size for residential lots is 1,000 square metres. Lots created by subdivision that include a battle-axe driveway or common property must not include the area of the driveway in the lot area calculation.

**4.0**

--/--/20--  
Proposed  
C76

**Application Requirements**

An application must include a report that demonstrates how the proposal meets the objectives and provisions of this schedule.

COLAC OTWAY SHIRE PLANNING SCHEME

**5.0 Decision guidelines**

--/--/20--  
Proposed  
C76

Before deciding on an application the responsible authority must consider, as appropriate:

- Whether the development achieves the design objectives listed in this schedule.
- The interface with adjoining zones.
- Whether the development achieves the recommendations in the *Birregurra Neighbourhood Character Study 2012*.

Table 1 to Schedule 14 Design Standards

| Design Element                           | Design Standards                               |
|------------------------------------------|------------------------------------------------|
| <b>STREET<br/>SETBACK<br/>(MINIMUM)</b>  | Standard A3/B6 or 9m, whichever is the greater |
| <b>SIDE SETBACK<br/>(MINIMUM)</b>        | 3m                                             |
| <b>REAR SETBACK<br/>(MINIMUM)</b>        | 15m                                            |
| <b>SITE COVERAGE<br/>(MAXIMUM)</b>       | 30%                                            |
| <b>PERMEABILITY<br/>(MINIMUM)</b>        | 50%                                            |
| <b>BUILDING<br/>HEIGHT<br/>(MAXIMUM)</b> | 5.5m and single storey                         |

COLAC OTWAY SHIRE PLANNING SCHEME

--/--/20--  
Proposed  
C76

**SCHEDULE 15 TO THE DESIGN AND DEVELOPMENT OVERLAY**

Shown on the planning scheme map as **DDO15**.

**BIRREGURRA COMMERCIAL AREA**

**1.0**

**Design objectives**

--/--/20--  
Proposed  
C76

- To encourage new development, in particular use of materials, that responds to the historic character of building stock.
- To ensure new buildings and/or extensions and alterations between Austin and Strachan Streets employ a contextual design approach that integrates with surrounding buildings.
- To ensure any new commercial development to the rear of properties on Main Street has regard to sensitive residential interfaces.
- To encourage low-rise single storey buildings.
- To encourage active street frontages to develop within the commercial core (between Roadknight Street/Austin Street to the west and Strachan Street to the east) over time.
- To restrict multi-dwelling development to circumstances where the purpose of the Commercial 1 Zone is not hindered, the existing dwelling fronting Main Street is retained and a new dwelling is concealed to the rear (except vacant lots).
- To encourage the retention of trees where possible and the planting of new canopy trees and understorey vegetation.
- To minimise the visual impact of signage, particularly free standing or above verandah signs.

**2.0**

**Buildings and works**

--/--/20--  
Proposed  
C76

Applications should incorporate the design standards specified in Table 1 to this Schedule.

**3.0**

**Application Requirements**

--/--/20--  
Proposed  
C76

An application must include a report that demonstrates how the proposal meets the objectives and provisions of this schedule.

**4.0**

**Decision guidelines**

--/--/20--  
Proposed  
C76

Before deciding on an application, the responsible authority must consider, as appropriate:

- Whether the development achieves the design objectives listed in this schedule.
- The interface with adjoining zones.
- The impact of the development and/or works on identified heritage buildings.
- Whether the development achieves the recommendations in the *Birregurra Neighbourhood Character Study 2012* and the *Birregurra Structure Plan 2013*.

COLAC OTWAY SHIRE PLANNING SCHEME

Table 1 to Schedule 15 Design Standards

| Design Element                   | Design Requirements                                            |
|----------------------------------|----------------------------------------------------------------|
| <b>STREET SETBACK</b>            | Zero setback                                                   |
| <b>SIDE SETBACK</b>              | Zero setback                                                   |
| <b>REAR SETBACK (MINIMUM)</b>    | 2m*                                                            |
| <b>SITE COVERAGE (MAXIMUM)</b>   | 80%                                                            |
| <b>PERMEABILITY (MINIMUM)</b>    | 10%                                                            |
| <b>BUILDING HEIGHT (MAXIMUM)</b> | 5.5m and single storey                                         |
| <b>FRONT FENCE HEIGHT</b>        | Maximum 1.2m high and minimum 50% permeability                 |
| <b>SIDE/REAR FENCING</b>         | Maximum 1.8m high with a tapered side fence towards the street |

\*commercial buildings fronting Main Street may provide a residential component fronting the street to the rear, with design guidelines corresponding from the adjoining precinct for that portion of the site.

COLAC OTWAY SHIRE PLANNING SCHEME

--/--/20--  
Proposed  
C76

**SCHEDULE 16 TO THE DESIGN AND DEVELOPMENT OVERLAY**

Shown on the planning scheme map as **DDO16**.

**BIRREGURRA INDUSTRIAL AREA**

**1.0**

**Design objectives**

--/--/20--  
Proposed  
C76

To ensure that the industrial area at the northern end of Birregurra is sensitively developed to reflect the adjoining rural township character and to protect the landscape amenity of this main entry to Birregurra.

**2.0**

**Buildings and works**

--/--/20--  
Proposed  
C76

**Permit Requirement**

A permit is only required for a fence located along a boundary that has a frontage to a street, where the fence is impermeable and/or greater than 1.5 metres in height.

**Performance Standards**

Applications should incorporate the following matters in respect to design:

- All buildings are to demonstrate low scale building heights and utilise articulation, window and door treatments, materials and colours to create attractive public façades which avoid unrelieved and/or blank façades facing street frontages and reflect the rural township character of Birregurra, especially along those walls of a building that are visible from Roadknight Street, Birregurra Road or the railway line.
- All buildings and works are to provide generous building setbacks from front and side boundaries to provide the opportunity for substantial landscaping within the front boundary and along any side boundaries visible from Roadknight Street, Birregurra Road or the railway line. The minimum width for a landscape strip should generally be 3 metres at the front of a building and 2 metres at the side of a building.
- All buildings and works are to provide landscaping and visual screening of any open storage yards associated with development that is visible from Roadknight Street, Birregurra Road or the railway line.
- The use of landscaping to screen and soften open air car parks, soften buildings (particularly their interface with parking areas), shade buildings, define entrances and buffer adjoining sites.
- The use of hardy indigenous plantings with sufficient allowance for water delivery and quality ground conditions for healthy growth.
- Car parking is to be located to the side or rear of buildings where possible.
- The location of office or showroom components on the side(s) of the building facing a street or open space area, or the incorporation of windows or articulation of the façade to avoid blank façades facing the public realm.
- The avoidance of highly reflective roof and wall materials and exposed plain concrete block walls.
- The integration of service equipment within the design of the building or its screening from view.
- All future subdivisions are to be grid based and ensure connectivity with Birregurra Road and continuation of the grid-based urban structure of the township.

COLAC OTWAY SHIRE PLANNING SCHEME

- All buildings and works are to demonstrate appropriate interfaces with the railway line and the historic Birregurra Railway Station.
- All buildings and works are to demonstrate the use of sustainability measures such as water reuse and water sensitive urban design treatments.

**Fences fronting a street**

- Fencing should be constructed of materials that integrate with and complement the building and surrounding area and be of a muted colour.
- Wherever possible, fencing should be softened and screened by vegetation planting.
- Fencing should provide a reasonable degree of visual transparency and plastic coated chain mesh is encouraged.

**3.0**

--/--/20--  
Proposed  
C76

**Advertising signs**

- On sites which have more than one tenant, signage should be co-located so as to avoid sign clutter.
- Signage should be discrete, limit visual impact and be co-ordinated and compatible with the building design.

**4.0**

--/--/20--  
Proposed  
C76

**Application Requirements**

An application must include a report that demonstrates how the proposal meets the objectives and provisions of this schedule.

**5.0**

--/--/20--  
Proposed  
C76

**Decision guidelines**

Before deciding on an application, the responsible authority must consider, as appropriate:

- Whether the development meets the design requirements listed in this schedule.
- The interface with adjoining zones to avoid detrimental impacts on sensitive uses.
- The impact of the development and/or works on identified heritage buildings.
- Whether the development achieves the recommendations as identified in the *Birregurra Structure Plan 2013*.

COLAC OTWAY PLANNING SCHEME

10/10/2013  
10/10/2013  
Proposed C76

**SCHEDULE TO CLAUSE 61.03**

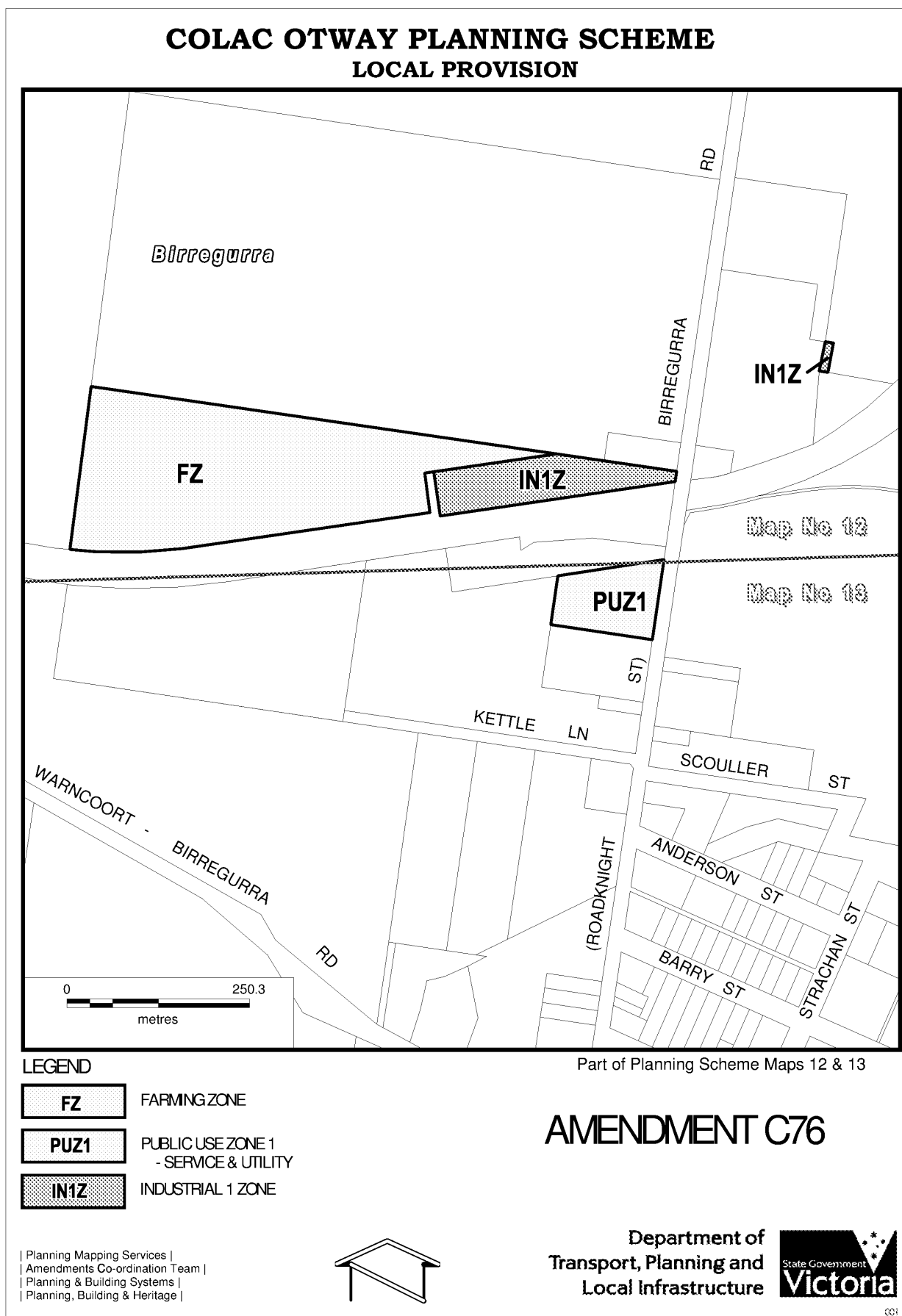
**Maps comprising part of this scheme:**

- 1, 1ESO1, 1ESO2, 1ESO4, 1HO, 1LSIO-FO, 1SLO, 1VPO2
- 2, 2ESO1, 2ESO2, 2ESO3, 2ESO4, 2HO, 2LSIO-FO, 2SLO, 2VPO2
- 3, 3ESO2, 3ESO4, 3HO, 3LSIO-FO, 3RO
- 4, 4ESO4, 4HO, 4LSIO-FO, 4VPO2
- 5, 5DDO, 5DPO, 5EAO, 5EMO, 5ESO1, 5ESO2, 5ESO4, 5HO, 5LSIO-FO, 5PAO, 5VPO1,
- 6, 6ESO1, 6HO, 6LSIO-FO, 6PAO, 6VPO1, 6RO
- 7, 7ESO1, 7HO
- 8, 8ESO1, 8HO, 8SLO
- 9, 9AEO, 9DDO, 9DPO, 9EMO, 9ESO1, 9ESO2, 9ESO4, 9ESO6, 9HO, 9LSIO-FO, 9PAO, 9SLO1, 9VPO2, 9WMO
- 10, 10ESO1, 10ESO2, 10ESO4, 10HO, 10LSIO-FO
- 11, 11DDO, 11DPO, 11EMO, 11ESO1, 11ESO2, 11HO, 11LSIO-FO, 11PAO, 11SLO1, 11VPO1, 11WMO, 11PO
- 12, ~~12DDO~~, 12EMO, 12ESO4, 12HO, 12LSIO-FO, 12PAO, 12VPO2, 12WMO
- 13, ~~13DDO~~, 13HO, 13EMO, 13ESO3, 13LSIO-FO, ~~13VPO~~
- 14, 14ESO4, 14EMO, 14HO, 14LSIO-FO, 14VPO1, 14VPO2, 14WMO
- 15, 15EMO, 15ESO2, 15ESO3, 15HO, 15LSIO-FO, 15SLO, 15VPO1, 15VPO2, 15WMO, 15RO
- 16, 16DPO, 16EMO, 16ESO2, 16ESO3, 16ESO4, 16HO, 16LSIO-FO, 16PAO, 16VPO1, 16VPO2, 16SLO, 16WMO, 16RO
- 17, 17EMO, 17HO, 17LSIO-FO, 17WMO
- 18, 18EMO, 18HO, 18LSIO-FO, 18SLO, 18WMO
- 19, 19EMO, 19ESO2, 19ESO3, 19HO, 19LSIO-FO, 19SLO, 19VPO1, 19VPO2, 19WMO
- 20, 20EMO, 20ESO2, 20ESO3, 20HO, 20LSIO-FO, 20VPO1, 20WMO
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- 23, 23DDO, 23EMO, 23ESO2, 23ESO4, 23HO, 23LSIO-FO, 23SLO, 23NC0, 23WMO
- 24, 24DDO, 24EMO, 24ESO2, 24HO, 24LSIO-FO, 24SLO, 24NC0, 24WMO
- 25, 25EMO, 25ESO2, 25ESO3, 25ESO4, 25HO, 25LSIO-FO, 25SLO4, 25VPO1, 25VPO2, 25WMO
- 26, 26EMO, 26ESO2, 26ESO3, 26HO, 26LSIO-FO, 26SLO3, 26SLO4, 26VPO1, 26VPO2, 26WMO
- 27, 27AEO, 27DDO5, 27DDO6, 27DDO7, 27DPO, 27EMO, 27ESO2, 27ESO3, , 27HO, 27LSIO-FO, 27PAO, 27SLO3, 27VPO1, 27VPO2, 27WMO

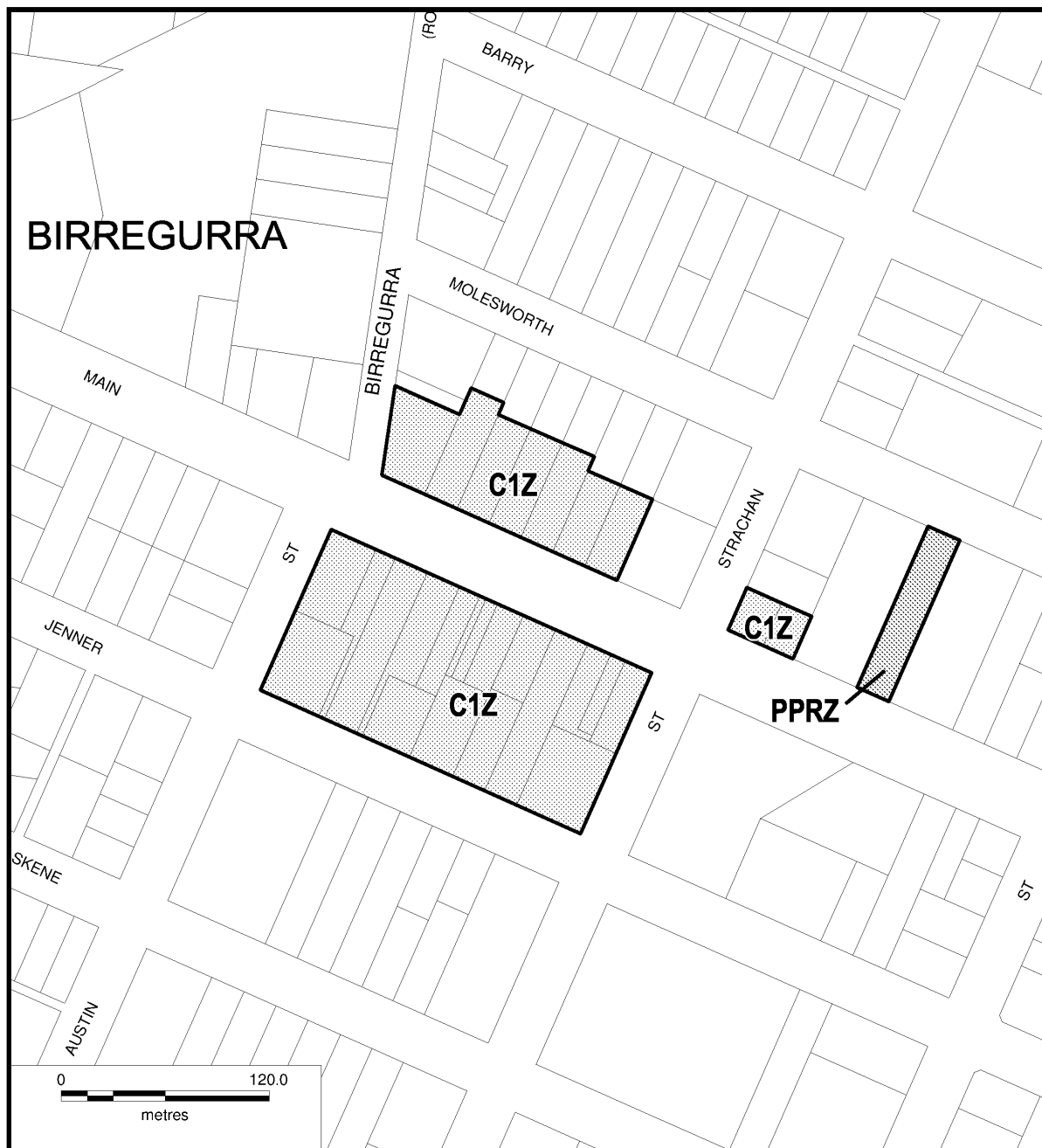


COLAC OTWAY PLANNING SCHEME

- 28, 28DDO, 28EMO, 28ESO2, 28LSIO-FO, 28NC0, 28SLO, 28SLO3, 28SLO5, 28VPO2, 28WMO
- 29, 29DDO7, 29DPO, 29EMO, 29ESO2, 29HO, 29LSIO-FO, 29PAO, 29SLO3, 29WMO, 29PO
- 30, 30AEO, 30DDO7, 30EMO, 30ESO2, 30LSIO-FO, 30SLO3, 30VPO1, 30WMO



## COLAC OTWAY PLANNING SCHEME LOCAL PROVISION



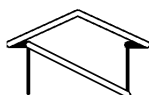
### LEGEND

|             |                                 |
|-------------|---------------------------------|
| <b>C1Z</b>  | COMMERCIAL 1 ZONE               |
| <b>PPRZ</b> | PUBLIC PARK AND RECREATION ZONE |

Part of Planning Scheme Map 13

## AMENDMENT C76

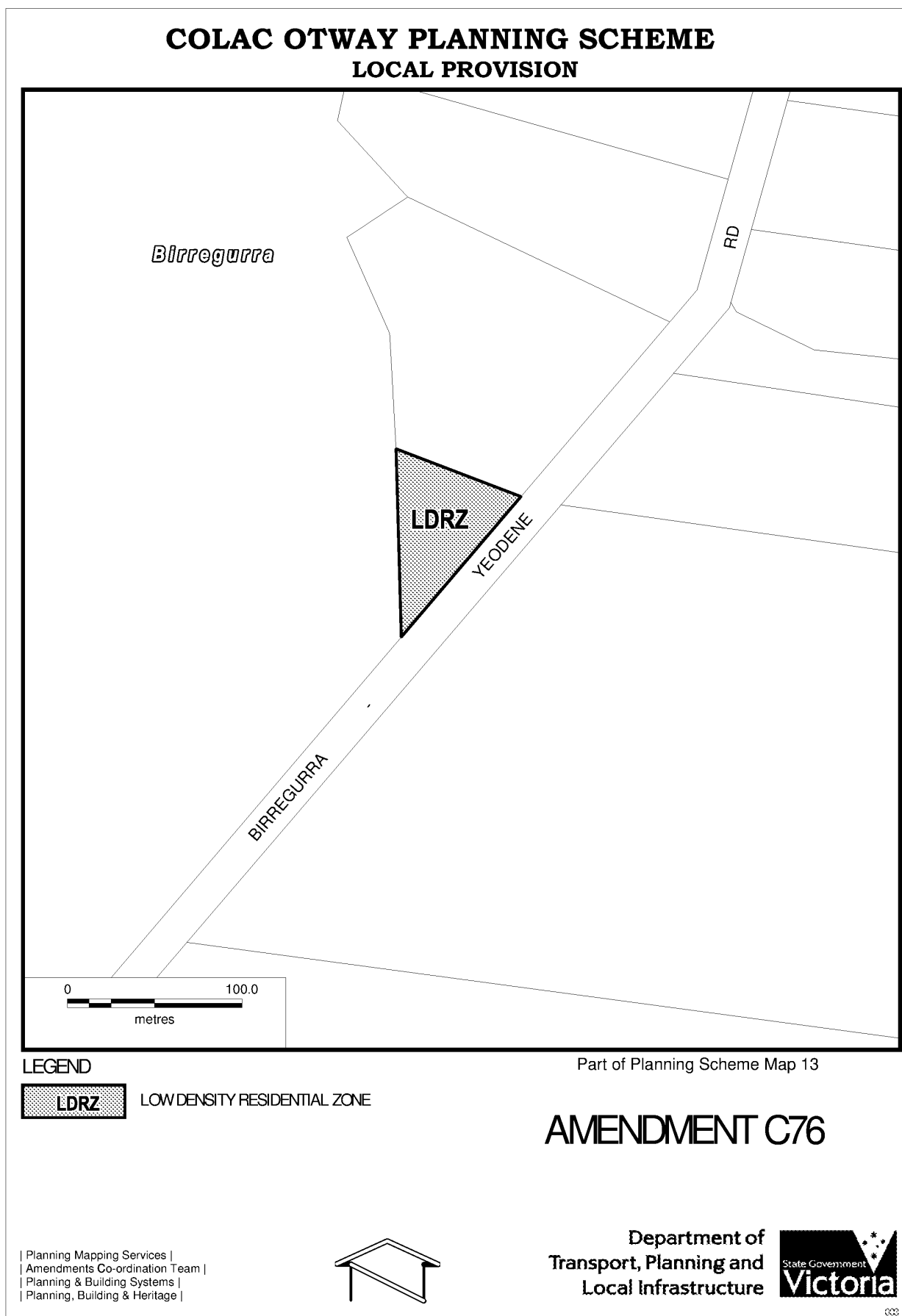
| Planning Mapping Services |  
| Amendments Co-ordination Team |  
| Planning & Building Systems |  
| Planning, Building & Heritage |



Department of  
Transport, Planning and  
Local Infrastructure



022



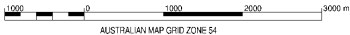
COLAC OTWAY PLANNING SCHEME - LOCAL PROVISION



Overlays  
Design and Development Overlay -  
Schedule 15

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INDEX TO ADJOINING  
METRIC SERIES MAP

|    |    |    |
|----|----|----|
| 1  | 5  | 4  |
| 14 | 53 | 15 |
| 13 | 15 | 18 |
| 25 | 25 | 22 |
| 26 | 26 | 27 |

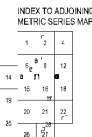
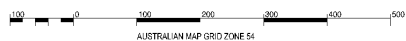
AMENDMENT C76

MAP No 12DDO

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| Overlays                                                                            |                                              |
|-------------------------------------------------------------------------------------|----------------------------------------------|
|  | Design And Development Overlay - Schedule 11 |
|  | Design And Development Overlay - Schedule 12 |
|  | Design And Development Overlay - Schedule 13 |
|  | Design And Development Overlay - Schedule 14 |
|  | Design And Development Overlay - Schedule 15 |



Printed: 26/9/2013

**AMENDMENT C76**

DESIGN AND DEVELOPMENT OVERLAY

MAP No 13DDO



**COLAC OTWAY PLANNING SCHEME - LOCAL PROVISION**



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**Overlays**  
Vegetation Protection Overlay - Schedule 3

100 0 100 200 300 400 500 m

AUSTRALIAN MAP GRID ZONE 54

Printed: 25/9/2013

**INDEX TO ADJOINING METRIC SERIES MAP**

|    |    |    |
|----|----|----|
| 1  | 5  | 4  |
| 14 | 8  | 11 |
| 15 | 11 | 18 |
| 19 | 20 | 21 |
| 25 | 26 | 27 |

**VEGETATION PROTECTION OVERLAY**

**AMENDMENT C76**

**MAP No 13VPO**



# Agenda

## Councillor Workshop

Wednesday, 11 December 2013  
COPACC Meeting Room  
9.00 am to 2.15 pm

### ATTENDEES:

Cr Lyn Russell (Mayor), Cr Stephen Hart, Cr Chris Smith (from 10.30am – 11.28am), Cr Frank Buchanan (until 12.30pm), Cr Terry Woodcroft (from 10.23am – 2.00pm), Cr Michael Delahunty, Cr Brian Crook

Rob Small (CEO)  
Colin Hayman (GM, Corporate & Community Services)  
Jack Green (GM, Sustainable Planning & Development)  
Adam Lehmann (A/GM, Infrastructure & Services) from 10.30am

### Apology:

## Agenda Topics

|                     |                                                                                                                                                                                                    |                                                                     |
|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| 9.00 am             | <b>Declaration of Interest</b><br>Cr Delahunty:<br>Item 1 & 3 of the Planning Committee Statutory Planning File Review<br>Cr Russell:<br>Development Plan - Colac                                  |                                                                     |
| 9.00 am – 10.00 am  | <b>Planning Committee Briefing Session</b><br>Cr Delahunty – Conflict of Interest:<br>Item 1 & 3 of the Planning Committee Meeting Agenda (left meeting between 9.08am – 9.15am, 9.18am – 9.38am). | Doug McNeill, Blaithin Butler, Bron Keenan                          |
| 10.00 am – 10.30 am | <b>Statutory Planning File Review</b><br>Cr Delahunty – Conflict of Interest:<br>(left meeting between 9.40am – 9.53am, 9.56am – 9.59am)                                                           | Doug McNeill, Blaithin Butler                                       |
| 10.30 am – 11.28 am | <b>Planning Committee Meeting</b><br>Cr Delahunty – Conflict of Interest:<br>Item 1 & 3 of the Planning Committee Meeting (left meeting between 10.36am – 11.28am)                                 |                                                                     |
| 11.28am – 12.15pm   | <b>Council discussion on issues</b>                                                                                                                                                                |                                                                     |
| 12.15 pm – 12.30 pm | <b>Lunch</b>                                                                                                                                                                                       |                                                                     |
| 12.30 pm – 1.00 pm  | <b>Development Plan – Colac</b><br>Cr Russell – Conflict of Interest:<br>(left meeting between 12.37pm – 12.46pm)                                                                                  | Gemma Browning, Doug McNeill, Don Lewis, Mesh Planning Consultants. |
| 1.00pm – 1.25 pm    | <b>Code Red Days</b>                                                                                                                                                                               | Stewart Anderson, Wendie Fox                                        |
| 1.25pm – 2.10 pm    | <b>Metered Car Parking</b>                                                                                                                                                                         | Stewart Anderson                                                    |
| 2.10pm – 2.35pm     | <b>Budget Update</b>                                                                                                                                                                               | Brett Exelby                                                        |
| 2.35pm – 2.55pm     | <b>Committee for Colac Discussion</b>                                                                                                                                                              | Rob Small                                                           |





## Assembly of Councillors Record

This Form **MUST** be completed by the attending Council Officer and returned **IMMEDIATELY** to Document Management Co-ordinator for filing. A copy of the completed form must be provided to the Executive Officer to the CEO, Mayor & Councillors for reporting at the next Ordinary Council Meeting.

### Assembly Details:

**Date:** 4 December 2013

**Time:** 5:15pm – 6:15pm

**Assembly Location:** Central Reserve – Hockey Rooms

### In Attendance:

**Councillors:** Cr Brian Crook

...../...../...../.....

**Officer/s:** Ian Seuren – Manager Recreation, Arts and Culture

...../...../...../.....

**Matter/s Discussed:** See attached meeting agenda.

.....  
(some e.g's. Discussion s with property owners and/or residents, Planning Permit Application No. xxxx re proposed development at No. xx Pascoe Street, Apollo Bay, Council Plan steering committee with Councillors and officers.)

### Conflict of Interest Disclosures: (refer page 5)

**Councillors:** Not applicable


...../...../...../.....

**Officer/s:** Not applicable

...../...../...../.....

**Left meeting at:** At conclusion of the meeting at 6:15pm

**Completed by:** Ian Seuren – Manager, Recreation, Arts and Culture

|                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                               |
|----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| <br><b>Agenda</b> | <h1 style="text-align: right;">Central Reserve Advisory Committee</h1> <p style="text-align: right;"><b>Wednesday 4 December 2013</b><br/><b>5:15pm-7:00pm</b><br/><b>Hockey Clubrooms</b></p>                                                                                                                                                                                                                                                                                                                                                                              |                               |
|                                                                                                    | <b>INVITEES:</b><br>Ian Seuren (Colac Otway Shire)<br>Cr. Brian Crook (Colac Otway Shire)<br>Nick Lang (Colac Football & Netball Club Inc.)<br>Andrea Graham (Colac Netball Club Inc.)<br>Graham Tevelein (Colac Youth & Recreation Club)<br>Rob Osborne (Colac & District Cricket Association Inc.)<br>Val Russell (Colac & District F/L Netball Association Inc.)<br>Sam McDonald (Colac Auskick)<br>TBC – (Little Athletics Colac)<br>Terry Stephens (Colac & District Dog Obedience Club)<br>Simon Dewar (Colac Secondary College)<br>David Latham (Colac Otway Rovers) |                               |
|                                                                                                    | <h2 style="text-align: center;">Agenda topics</h2>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                               |
| 1.                                                                                                 | APOLOGIES:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                               |
| 2.                                                                                                 | WELCOME & INTRODUCTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Cr Brian Crook                |
| 3.                                                                                                 | Confirmation of Minutes from Previous Meeting and Business Arising                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | All                           |
| 4.                                                                                                 | Facilities Maintenance Report (Infrastructure)<br>Grounds Maintenance Report (CosWorks)<br>- As circulated                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Ian Seuren                    |
| 6.                                                                                                 | Federal election update:<br>- Confirm priorities<br>- Other funding opportunities<br>- Process from here                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Cr Brian Crook/<br>Ian Seuren |
| 7.                                                                                                 | Bluewater Fitness Centre Redevelopment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Ian Seuren                    |
| 8.                                                                                                 | Central Reserve signage – consideration of the need to improve and rationalise signage                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Ian Seuren                    |
| 9.                                                                                                 | Terms of Reference review                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Ian Seuren                    |
| 10.                                                                                                | Update from all User Group Representatives                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | All                           |
| 11.                                                                                                | General Business                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | All                           |
| 12.                                                                                                | Items for future meetings                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | All                           |

|            |                                                                                           |  |
|------------|-------------------------------------------------------------------------------------------|--|
| <b>13.</b> | Next meeting: <ul style="list-style-type: none"><li>• Wednesday 5 February 2014</li></ul> |  |
|------------|-------------------------------------------------------------------------------------------|--|



## Assembly of Councillors Record

This Form MUST be completed by the attending Council Officer and returned IMMEDIATELY to Document Management Co-ordinator for filing. A copy of the completed form must be provided to the Executive Officer to the CEO, Mayor & Councillors for reporting at the next Ordinary Council Meeting. {See over for Explanation/Guide Notes}

### Assembly Details:

Date: 20 / 12 / 13

Time: 9:00 am/pm

Assembly Location: COLAC SALEYARDS

(some e.g's. COPACC, Colac Otway Shire Offices, 2 - 6 Rae Street, Colac, Shire Offices - Nelson Street, Apollo Bay)

### In Attendance:

Councillors: CR BUCHANAN

Officer/s: GREG ANDERTON, GRAEME RICHES,

LAURIE SHARP + ADAM LEHMANN

Matter/s Discussed: COLAC LIVESTOCK SELLING CENTRE

ADVISORY COMMITTEE MEETING  
(some e.g's. Discussion s with property owners and/or residents, Planning Permit Application No. xxxx re proposed development at No. xx Pascoe Street, Apollo Bay, Council Plan steering committee with Councillors and officers.)

### Conflict of Interest Disclosures: (refer page 5)

Councillors:

Officer/s:

Left meeting at: 10:10 am

Completed by: MAREE REDMOND



**Colac Livestock Selling Centre Advisory Committee Meeting**

**Colac Livestock Selling Centre**

Friday 20 December 2013

Time: 9.00am

Trim Ref: F12/915 (D13/84941)

# AGENDA

|    |                                                                                                                                                                                                                             |  |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| 1. | <b>ATTENDEES</b><br>Adam Lehmann (Chair), Cr Frank Buchanan, Graeme Riches, Greg Anderton, Carl Fish, Jamie Dennis, Jamie McConachy, Phil Douglas, Terry Dove, Sergio Beani, Rodney Boyle, Jeffrey Johnson, Peter Delahunty |  |
| 2. | <b>APOLOGIES</b>                                                                                                                                                                                                            |  |
| 3. | <b>CONFIRMATION OF MINUTES FROM PREVIOUS MEETING HELD 8 NOVEMBER 2013</b>                                                                                                                                                   |  |
| 4. | <b>UPDATE ROOFING CONTRACT</b>                                                                                                                                                                                              |  |
| 5. | <b>UPDATE REGIONAL SELLING CENTRE DISCUSSIONS</b>                                                                                                                                                                           |  |
| 6. | <b>CONFIRMATION OF TERMS OF REFERENCE</b>                                                                                                                                                                                   |  |
| 7. | <b>OPERATING REPORT</b>                                                                                                                                                                                                     |  |
| 8. | <b>OTHER BUSINESS</b>                                                                                                                                                                                                       |  |
| 9. | <b>CLOSE OF MEETING<br/>NEXT MEETING</b>                                                                                                                                                                                    |  |

Colac Livestock Selling Centre Advisory Committee Meeting – 20/12/2013



## Old Beechy Rail Trail Committee Meeting

MINUTES of the Old Beechy Rail Trail Committee  
held on Monday 7 October 2013  
at 10.00 am – 12.30 pm

| ITEMS & ACTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | RESPONSIBLE OFFICER | ACTION DUE DATE |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-----------------|
| <p><b>1. ATTENDEES:</b><br/>Chris Smith (Chair), Tricia Jukes, Christine Humphris, Anthony Zappelli, Noel Barry, Tony Grogan, Cyril Marriner, Nigel Jenkins, Kim Vince, John Wilson (COS), Jodie Fincham (COS)<br/>Minutes: Melanie Duvè</p> <p><b>2. APOLOGIES:</b><br/>Glen Anderson, Terry Woodcroft, Phil Dandy, Bernard Jordan</p> <p><b>3. CONFIRMATION OF MINUTES FROM PREVIOUS MEETING:</b><br/><br/>Corrections from last minutes:<br/><ul style="list-style-type: none"><li>Friends Report regarding the OBRT sign at McDevitt Shed, should read Lovatt Shed.</li></ul><br/>Minutes taken as read.<br/><br/>Moved – Tony Grogan<br/>Sec – Anthony Zapelli<br/>Carried</p> <p><b>4. BUSINESS ARISING:</b><br/><br/><ul style="list-style-type: none"><li>McDevitt gates have been installed</li><li>The wording on the disclaimer for the Friends newsletter needs to be adjusted.<ul style="list-style-type: none"><li><i>‘Information in this newsletter is not necessarily the views of the Friends of the Old Beechy Rail Trail or the Old Beechy Rail Trail Committee’</i></li></ul></li><li>Nothing recorded in previous Minutes indicating that the Chair of the OBRT Committee is responsible for approving Committee payments. Therefore, Committee member Tony Grogan happy to continue with this role and approve payments in consultation with Treasurer Tricia Jukes.</li></ul></p> <p><b>5. CORRESPONDENCE IN:</b><br/><br/><ul style="list-style-type: none"><li>Rail Trails Newsletter – nothing regarding the Old Beechy Rail Trail</li></ul></p> |                     |                 |

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| ITEMS & ACTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | RESPONSIBLE OFFICER                   | ACTION DUE DATE |
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| <p><b>7. GENERAL BUSINESS</b></p> <ul style="list-style-type: none"> <li>Gellibrand/Kawarren Progress Association no longer exists. Paperwork has been lodged to dissolve the Association.</li> <li>As nominations have been confirmed for this term, so there should be no issue with Tony and Tricia's current position on the OBRT Committee.</li> <li>A \$2000 payment was handed to Noel Barry for the Friends of Old Beechy Rail Trail from the Gellibrand/Kawarren Progress Association as a donation towards works completed on the Trail.</li> <li>Noel thanked Tony and Tricia on behalf of the Friends and said the donation will be well utilised on projects.</li> <li>A suggestion to send a Letter to the Editor of the Colac Herald, thanking the Gellibrand/Kawarren Progress Association for support of the OBRT. Chris Smith to prepare letter. All agreed.</li> <li>Proposal from Friends of OBRT to construct station shed has been received</li> <li>New Building Co-ordinator is investigating the need for a Building Permit for Lovat permit.</li> <li>Noel Barry is concerned that if Building Permit is required project will most likely not go ahead as it is all volunteer works and the Friends do not have funds available for permits.</li> </ul> <p><b>ACTION: John Wilson to follow up if a permit is required, contact Noel Barry with outcome.</b></p> <p><b>All supportive of Noel constructing the shed asap.</b></p> <ul style="list-style-type: none"> <li>There has been a land slip on the Old Beech Forrest road South of Banool. This slip has exposed the original stone wall. Further slippage appears to be occurring with half the road currently closed.</li> </ul> <p><b>ACTION: John Wilson to investigate further</b></p> <ul style="list-style-type: none"> <li>Query whether there have been many additional reports of trees over the Trail with the current high winds.</li> <li>John has not received any, Committee members have seen lots of debris along sections of the Trail.</li> <li>Andrew Daffy and his crew have done a great job clearing trees but there is a lot of work to be done with continuing wind forecasts.</li> <li>Coming into Gellibrand, there is a leaning tree posing potential danger on the bridge on the left hand side.</li> </ul> <p><b>OLD BEECHY RAIL TRAIL BROCHURE</b></p> <ul style="list-style-type: none"> <li>Chris Smith, Bernard Jordan and Jodie Fincham met and discussed new design of the brochure and inclusions of changes to the map.</li> </ul> | <p>John Wilson</p> <p>John Wilson</p> |                 |



| ITEMS & ACTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | RESPONSIBLE OFFICER | ACTION DUE DATE |
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| <ul style="list-style-type: none"> <li>Jodie handed out notes of changes and copies of the map changes to all present Committee members</li> <li>Businesses need to be reviewed, Otways Tourism is going through some changes advertising rules and this will be confirmed shortly.</li> <li>Feedback from Committee members to Jodie due back by Friday 18 October, draft of brochure expected at December meeting.</li> </ul> <p><b>FRIENDS REPORT</b></p> <ul style="list-style-type: none"> <li>Noel thanked the Gellibrand/Kawarren Progress Association for the donation.</li> <li>Noel received a call from a walking guide regarding directions along Barongarook section. This inspired Noel to develop a 'section map' pocket book for purchase. The booklet breaks down each section of the trail with more directional information</li> <li>A copy of draft maps was handed to Committee to view</li> <li>Committee very supportive of idea, Noel suggested he could submit an application to the 201/15 Community Funding Program on behalf of the Committee to cover expenses of additional setup costs.</li> <li>Noel sees this as a self-funding project, keep it simple and low cost and sell for around \$2 or \$3 each.</li> <li>Trees had to be removed whilst putting Golden Gumboots out. Noel has suggested a laminated A4 sign on gateways/sheds with Council's phone number to report fallen tress etc.</li> <li>Phil Dandy has submitted a proposal to construct timber bike racks on trail where seating is.</li> <li>Committee suggested trialling 2 racks, one at Laughing Waters and one at Amaroo (permission granted from Chris Smith and Tricia Jukes).</li> </ul> <p><b>MOVED: Tricia Jukes</b><br/><b>SECOND: Nigel Jenkins</b><br/><b>Carried: All</b></p> <ul style="list-style-type: none"> <li>Chris Smith to send a card to former Committee member Geoff Hunter after the passing of his wife</li> <li>New trail users/visitors comment book required, organise before Great Vic Bike Ride.</li> </ul> <p><b>8. EXECUTIVE OFFICER REPORT</b></p> <p><b>See attached</b></p> <p><b>GREAT VIC BIKE RIDE DISPLAY</b></p> <ul style="list-style-type: none"> <li>Bike still available for display</li> <li>Display would be appropriate next to Railway info centre</li> </ul> | Jodie Fincham       |                 |

| ITEMS & ACTIONS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | RESPONSIBLE OFFICER | ACTION DUE DATE |
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| <ul style="list-style-type: none"> <li>Tidy up needed before hand, mesh required on windows and door kept shut during nesting season</li> </ul> <p><b>ACTION: Jodie Fincham to organise a clean/window repair before GVBR event.</b></p> <ul style="list-style-type: none"> <li>Picnic bench from Gellibrand Street was to be moved to Rex Norman Park, is there time to do this before the GVBR comes to Gellibrand?                             <ul style="list-style-type: none"> <li>Would need to check with Parks and gardens Unit to make sure this is ok, this would need to happen asap.</li> <li>A plaque attached to table explaining the table and chairs is made from old railway sleepers will be added.</li> </ul> </li> <li>Volunteers for the OBRT display:                             <ul style="list-style-type: none"> <li>Chris Smith</li> <li>Tony Grogan</li> <li>Tricia Jukes can help but will be there already with other commitments</li> </ul> </li> </ul> <p><b>Treasurer's Report</b></p> <ul style="list-style-type: none"> <li>Tricia passed around the financial report for end of 2012/13 and beginning of 2013/14.</li> </ul> <p><b>9. ITEMS FOR FUTURE MEETING</b></p> | Jodie Fincham       |                 |

Time Meeting Concluded: 12.25pm

**NEXT MEETING** – Monday, 2 December 2013 10.00am COPACC



## Old Beechy Rail Trail Executive Officer Report 7 October 2013



### **RIDF Funding (Regional Infrastructure Development Funding)**

- Ongoing monitoring of works progress.
- Regular team meetings continue to be held with Capital Works Co-ordinator and Manager Capital Works.

### **OBRT Brochure**

- Update on last meeting regarding Committee member involvement in production of new brochure.
  - Meeting held with Chris Smith and Bernard Jordan
  - Draft suggested changes prepared and distributed at OBRT (7 October 2013) meeting for consideration. Committee members have 2 weeks to provide any alterations.
  - Aim to provide the printing company with changes and bring draft back to Committee meeting in December (or earlier)

### **Licence agreements**

- Waiting of final Licence Agreements to be received (DEPI – Ferguson section) and then present Agreements to Council for signing and sealing.

### **Golden Gumboot**

- Event running successfully. At 2 October 2013, 121 registered participants (with 1 ½ weeks to go).
- Positive feedback received.
- Thank you to Committee members for support of event.

### **Pedestrian Counters**

- Data report presented with figures recorded from Thursday 3 October 2013.
- Report with figures to be distributed to Committee.

### **Great Vic Bike Ride 2013**

- Opportunity for involvement and fundraising for OBRT Committee. Any further ideas?