



**ORDINARY COUNCIL MEETING**

# **AGENDA**

**WEDNESDAY 26 APRIL 2017**

**AT 6PM**

**COPACC, COLAC**

**Next Council Meeting: 24 May 2017  
COPACC, Colac**

## COLAC OTWAY SHIRE ORDINARY COUNCIL MEETING

26 APRIL 2017

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## COLAC OTWAY SHIRE COUNCIL ORDINARY MEETING OF COUNCIL

NOTICE is hereby given that the next **ORDINARY COUNCIL MEETING OF THE COLAC OTWAY SHIRE COUNCIL** will be held in COPACC, COLAC on 26 April 2017 at 6pm.

### 1. THE MEETING IS DECLARED OPEN

#### OPENING PRAYER

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

AMEN

### 2. PRESENT

### 3. APOLOGIES

### 4. WELCOME & ACKNOWLEDGEMENT OF COUNTRY

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

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

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

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

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

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

## **5. QUESTION TIME**

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

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

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

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

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

## **7. PETITIONS/JOINT LETTERS**

A joint letter, containing 126 names, has been received from a community member, indicating community support for a shared pathway from Colac to Cororooke.

A report responding to the joint letter will be tabled at the Ordinary Meeting of Council to be held on 24 May 2017.

## **8. DECLARATION OF INTEREST**

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

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

## **9. CONFIRMATION OF MINUTES**

- **Ordinary Council Meeting held on 22 March 2017.**

### **Recommendation**

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

ORDINARY COUNCIL MEETING  
**PUBLIC EXHIBITION –  
DRAFT COUNCIL PLAN 2017-2021**  
OM172604-1

<b>LOCATION / ADDRESS</b>	Whole of Municipality	<b>GENERAL MANAGER</b>	Mark Lyons
<b>OFFICER</b>	Heather Johnson	<b>DEPARTMENT</b>	Corporate Services
<b>TRIM FILE</b>	F16/6696	<b>CONFIDENTIAL</b>	No
<b>ATTACHMENTS</b>	1. Draft Council Plan 2017-2021 incl SRP 20170413		
<b>PURPOSE</b>	To consider endorsement of the Draft Council Plan and release for public exhibition to seek community feedback		

## 1. LOCATION PLAN / AERIAL PHOTO

Not Applicable

## 2. EXECUTIVE SUMMARY

The draft Council Plan 2017-2021 (the plan) presents Councils four year vision for the Shire. The plan is a four year strategic statement developed following extensive community consultation. The plan has been developed with a strong commitment to involving the community in its planning and implementation. It seeks to respond to the opportunities for the Shire with a goal to grow and develop the Shire as a welcoming and prosperous place for everyone.

The draft plan is centred on four strategic community outcomes which are;

- Our Prosperity
- Our Places
- Our Community and
- Our Leadership and Management

These themes outline Councils commitment to working to promote the shire as an attractive place to invest, live and work, planning to promote community life and enhance well-being, ensuring assets and services meet community needs and delivering value for money for ratepayers.

The purpose of this report is to outline the process used to develop the draft plan and to recommend a five week exhibition period to allow further community engagement.

### 3. RECOMMENDATION

*That Council:*

- 1. Endorses the Draft Council Plan 2017-2021 including the Draft Strategic Resource Plan 2017-2018 to 2020-2021 (Attachment 1) for the purposes of sections 125 and 126 of the Local Government Act 1989.*
- 2. Authorises the Chief Executive Officer to give public notice, in accordance with section 223 of the Local Government Act 1989, that Council has prepared a Draft Council Plan 2017-2021 and Draft Strategic Resource Plan 2017-2018 to 2020-2021.*
- 3. Appoints a Committee comprising of all Councillors and chaired by the Mayor in accordance with section 223(1)(b)(i) of the Act, to meet on Wednesday 14 June, 2017 at 5pm, and hear any persons who in their written submissions under section 223 of the Act have requested that they be heard in support of their submission.*
- 4. Authorises the Chief Executive Officer to undertake any and all administrative procedures necessary to enable Council to carry out its functions under section 223 of the Act.*
- 5. Notes that written submissions will be accepted for a 5 week period closing 5:00pm Friday 2 June 2017.*
- 6. Considers for adoption the Council Plan 2017-2021 and Strategic Resource Plan 2017-2018 to 2020-2021 at the Ordinary Council meeting on Wednesday 28 June 2016 at 6.00 pm at Apollo Bay Senior Citizens Centre, after consideration of any submissions received by the Council at its Special Committee Meeting on Wednesday 14 June 2017.*

### 4. BACKGROUND / KEY INFORMATION

The requirement to prepare a Council Plan every four (4) years is legislatively prescribed by the *Local Government Act*. The Council Plan is the leading strategic document guiding the four year term of the Council.

## ***FURTHER SUPPORTING INFORMATION***

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

The development of the draft plan was directly informed by a significant community engagement program, using internal organisational resources, which sought input from the community about their aspirations for the Shire. This was the most comprehensive consultation program ever conducted in Colac-Otway, and received a very positive response:

- Over 380 surveys have been completed by members of the community;
- Meetings with key stakeholders, including major employers and service providers;
- Key organisations in the Shire were contacted and invited to complete the survey and/or to make a written submissions. Eight written submissions and a letter were received;
- Pop-up listening posts and community conversation events were conducted across the Shire to meet members of the community going about their daily activities, providing an opportunity to contribute their ideas;

The next stage of the process is to release the Council Plan for public comment. Section 223 of the Act requires that the Council Plan be available for comment for a period of at least four (4) weeks. A consultation period of five (5) weeks is proposed in line with the process adopted for the 2016/17 Council Plan review.

Community consultation is an important step in the Council Plan process.

The community is strongly encouraged to provide comments and submissions on the draft Council Plan.

As part of Council's commitment to improve engagement, drop-in information sessions will be held in Colac and Apollo Bay during the exhibition period to give community members the opportunity to ask questions of Councillors and staff about the proposed Council Plan.

### **6. ANALYSIS**

The proposed Council Plan 2017-2021 balances themes of growth for the shire's economy and population with responsible management of resources.

The primary goal of "Towards a Prosperous Future" captures the intent to make the most of opportunities in the Shire.

The plan has four community outcomes, which respond to the strategic context and aspirations of the Councillors and feedback from the community;

#### **Our Prosperity**

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

## **Our Places**

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

## **Our Community**

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

## **Our Leadership & Management**

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

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

This draft Council Plan will guide policy development and Councils priorities for the next four years.

## **ENVIRONMENTAL IMPLICATIONS**

The draft Council Plan includes objectives and measures relating to the enhancement of our environment and community health.

## **SOCIAL & CULTURAL IMPLICATIONS**

The draft Council Plan includes objectives and measures to address social and cultural matters within our community.

## **ECONOMIC IMPLICATIONS**

The Council Plan includes objectives, actions and measures to support the enhancement of a vibrant and sustainable economy.

## **LEGAL & RISK IMPLICATIONS**

Each council is required by the Local Government Act 1989 (s125 3A) to prepare and adopt a Council Plan **by 30 June** in the year following a general election. Before adopting its Council Plan, a council must give **public notice** of its intention to adopt the plan and invite public submissions. Members of the public may make written submissions and, if they so desire, request to be heard in support of their submission.

Risks have been considered in terms of the capacity of the organisation to meet the objectives of the plan.

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

The Council Plan is the key strategic document guiding the priorities of the Council for four years and will guide the allocation of both financial and non-financial resources. The Council Plan has as a key priority the long term financial sustainability of the Shire along with focus on ensuring Council operates as efficiently as possible to provided value for money services for the community.

## 7. IMPLEMENTATION STRATEGY

### DETAILS

The exhibition of the draft plan will be publicised and feedback sought through the following mechanisms:

- Published on the website and ability to provide written feedback via the website;
- Persons who registered their names and contact details via the community survey will be contacted directly and invited to provide feedback on the draft Council Plan, Budget and Municipal Health & Well Being Plan;
- Organisations in the Shire will be contacted directly and invited to provide feedback on all three documents;
- Persons previously having made submissions will be contacted directly and invited to provide feedback on all three documents;
- Two community information sessions will be held during the exhibition period, one in Colac and one in Apollo Bay, for people to attend and provide direct feedback to Councillors and officers as follows;
  - Thursday, 4 May outside Target Colac, from 10am - 1pm
  - Thursday, 11 May outside Apollo Bay Bakery, from 10am - 1pm

### COMMUNICATION

The release of the draft plan and processes for providing feedback will be widely publicised in the local media and on the website.

### TIMELINE

The exhibition period runs from 1 May 2017 to 2 June 2017.

2 June – Exhibition ends

14 June – Council consider submissions

28 June – Council consider endorsement of the final Council Plan 2017-2021 at its Ordinary Meeting

Submissions must be made in writing by Friday 2 June 2017 and Council will consider any submissions received at a Special Committee Meeting on Wednesday 14 June 2017 at 5pm prior to the final Council Plan being considered for adoption on Wednesday 28 June 2017.

Anyone wishing to be heard in support of their submission must advise Council of their intention to do so in the written submission provided by Friday 2 June 2017.

## 8. OFFICER DIRECT OR INDIRECT INTEREST

No conflicts of interest, direct or indirect, have been made in relation to this item.

# Draft Council Plan 2017-2021





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## Strategic Vision

### *Towards A Prosperous Future*

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

## Strategic Context for Colac Otway Shire

Colac Otway Shire is located 160km west of Melbourne in a natural environment which includes State Forests, National Park and parts of the Great Ocean Road. It is within commuting distance of Geelong, which has been experiencing significant population and employment growth in recent years. The Shire has both a permanent population and is a tourism destination for holiday makers and international tourists. Responsibility for managing the natural environment is shared with a number of different government authorities, with community groups adding to its care. Council has a key role in partnering with all of these parties to care for the environment and help the community and visitors enjoy a safe and respectful experience.

Recent years have seen very low levels of population growth in the Shire. The Shire was initially built on the industries of Agriculture and Manufacturing, with Tourism strengthening and growing employment in the Health sector. Overall, low jobs growth has contributed to some seeking employment outside of the Shire and an increasingly aging population. These trends are similar to other regional Victorian areas.

Colac Otway has many advantages which could turn these challenges to opportunities. These include the duplication of the Princes Highway, which will create a dual carriageway between Geelong and Colac, and the attractiveness of the natural environment as a place to live and visit, generating economic opportunities. Additionally, the Shire is well serviced with social infrastructure such as health services, schools and recreational facilities; and it has affordable housing and land available for further development. These advantages can be built on with strategic action by Council in partnership with others, providing a context in which the Shire has the potential to grow and prosper.



*Colac Otway Shire has been an unsubdivided municipality (no Wards) since March*

## About the Shire

- ❑ There was an estimated 20,255 people living in the Colac Otway Shire in 2015, with an average age of 44.9 years.
- ❑ Colac Otway Shire had a higher proportion of youth and persons at post retirement age than Victoria in 2011.
- ❑ The predominant household type in Colac Otway Shire is lone person households, reflecting the older demographics in the area.
- ❑ Like many regional areas, Colac Otway Shire experiences a large out migration of residents aged 18 to 24 years. Many young people are moving to larger regional centres (Geelong, Ballarat) or metropolitan Melbourne to seek education and employment opportunities.
- ❑ Greater Geelong is both the largest source of inward migration and the largest destination for residents leaving.
- ❑ The large majority of Colac Otway residents have Australian or British ancestry. Only 7.5% of the Shire's residents were born overseas at 2011, this is lower than the rest of regional Victoria (10.6%).
- ❑ The Colac Otway resident population is generally less educated than the regional Victorian average.
- ❑ Colac Otway Shire has access to a skilled workforce of farmers compared to regional Victoria. This can help growth in the agricultural sector by driving productivity growth.
- ❑ Colac Otway has a low share of Specialist Managers (e.g. advertising, sales managers, business admin managers, education/health managers), potentially indicating a skills gap in the region.
- ❑ A larger share of residents than regional Victoria were also classified as Labourers, with more than a third of these (36%) being factory process workers.
- ❑ The Shire has fewer individuals in low income categories but also a lot less in the highest income quartile group. Household incomes are lower than average due to higher proportions of single person households.



## Community Engagement

The Council, elected in November 2016, is strongly committed to engaging with and listening to the community. This Council Plan incorporates community feedback following a significant and broad-ranging engagement program. This program resulted in the largest level of feedback ever received, including close to 400 responses to the 'Make your voice heard' survey, 15 pop-up listening posts and Community Conversations held across the Shire and written submissions from community organisations.

## Council's Role

The Council has many roles. To deliver value for money for its community, Council will consider which role is the most appropriate in the work it does. These roles include the following broad categories:

Council's role	Council will:	Example
Leader	Lead by example	Demonstrate leadership in use of lighting to reduce energy costs
Service Provider	Deliver services to meet community needs	Maternal Child Health service delivery
Partner	Contribute staff time or funds	G21 alliance
Facilitator/Broker	Promote the Shire, a service gap, or bring together people who have a stake in an issue	Work with State government, health and service organisations to plan a transition from Colanda disability services
Advocate	Proactively make representation to state and federal governments on key issues for the Shire	Advocate for a Great Ocean Road authority
Regulator	Take direct legal responsibility	Conduct inspections of local food premises and issue licenses



From Left: Cr Kate Hanson, Cr Chris Smith, Cr Joe McCracken, Cr Jason Schram, Cr Stephen Hart, Cr Chris Potter and Cr Terry Woodcroft



## Our Councillors



**Cr Chris Potter**  
Mayor

First elected: 2016  
Telephone: (03) 5232 9408  
Mobile: 0427 821 435  
Email: [councillor.potter@colacotway.vic.gov.au](mailto:councillor.potter@colacotway.vic.gov.au)



**Cr Stephen Hart**  
Deputy Mayor

First elected: 2002  
Re-elected: 2008, 2012, 2016  
Phone: (03) 5232 9406  
Mobile: 0407 962 412  
Email: [councillor.hart@colacotway.vic.gov.au](mailto:councillor.hart@colacotway.vic.gov.au)



**Cr Kate Hanson**

First elected: 2016  
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Mobile: 0409 038 843  
Email: [councillor.hanson@colacotway.vic.gov.au](mailto:councillor.hanson@colacotway.vic.gov.au)



**Cr Joe McCracken**

First elected: 2016  
PH: (03) 5232 9409  
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**Cr Jason Schram**

First elected: 2016  
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**Cr Chris Smith**

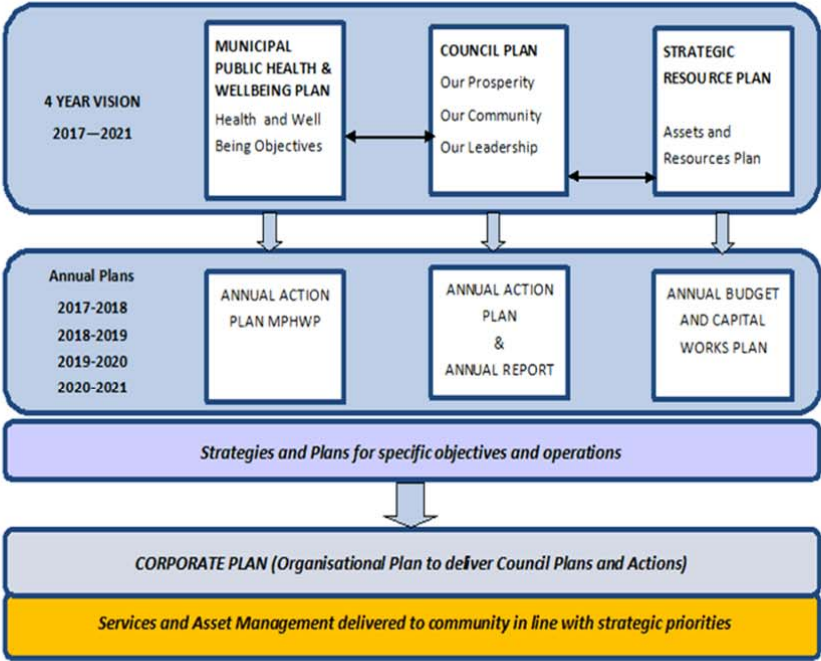
First elected: 2004  
Re-elected: 2008, 2012, 2016  
PH: (03) 5232 9411  
Mobile: 0400 964 791  
Email: [councillor.smith@colacotway.vic.gov.au](mailto:councillor.smith@colacotway.vic.gov.au)



**Cr Terry Woodcroft**

First elected: 2012  
Re-elected: 2016  
PH: (03) 5232 9407  
Mobile: 0417 559 258  
Email: [councillor.woodcroft@colacotway.vic.gov.au](mailto:councillor.woodcroft@colacotway.vic.gov.au)

Strategic Planning Framework



Council Plan Strategic Themes

<b>Our Prosperity</b> Vision Economic Growth Thriving Industries Partnerships Great Ocean Road	<b>Our Places</b> Assets & Infrastructure Sustainable Welcoming & Attractive Natural Environment Capital Works Delivery Emergency Management	<b>Our Community</b> Socially Connected Events, Arts & Culture Lifelong Learning Physical Activity Inclusive Community Plan for Community	<b>Our Leadership &amp; Management</b> Financial Management Openness and Accountability Organisational Development Value for Money Communication
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## ***THEME 1: OUR PROSPERITY***

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

### **Why this is Important**

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

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

### **Community Feedback**

The community told us that they would like to see investment to increase business and employment opportunities in the Shire; that they value a balance between development and care of the environment; that they enjoy the country feel and sense of safety and community in the Shire; and that they value the small towns for their healthy, rural living, and their attraction to tourism. They also said they want to see more opportunities for tourism and the arts; for Apollo Bay to be sensitively developed and promoted; and for Lake Colac to be improved and promoted. Consultation with the Shire's major employers and the larger employers stated a commitment to working with the Shire to plan for improved employment opportunities, continued growth of businesses and the people employed in them.

### **Opportunities for our Future**

- Attracting investment for significant infrastructure improvements, to bolster the capital budget of the Shire going forward and fill the gap in funds due to the State Government's rate capping policy.
- Our location between the two major centres of Geelong and Warrnambool, positioning Colac Otway as a place from where people can travel to these centres for work and from which visitors can be attracted.
- Balancing care and protection of the environment with growth and development.
- Leading advocacy to care for the Great Ocean Road and the coastline, to bring together the many authorities and organisations into one authority for consistent and integrated planning a challenge.
- Through land use planning and economic growth encourage population growth.
- Continuing to support the popular events in the Shire which add to the enjoyment of living in the Shire, while preserving the amenity and quiet enjoyment of residents.
- Recognising and protecting the heritage of the area's history.



- Learning from our experiences of managing significant challenges of the natural environment, including the high risk of bushfire and floods, and the impacts of climate change.
- Addressing the seasonality of Lake Colac, an attractive asset for recreation and development.

#### Prosperity - What we want to see by 2021

What is our Goal?	Actions – how will we get there?	Role Council	Measures – how will you measure our progress?
1. Plan Infrastructure, assets and land use with a long-term vision for economic growth.	<ol style="list-style-type: none"> <li>1. Provide direction on how growth across the Shire should proceed and ensure adequate land is provided for industrial and residential use.</li> <li>2. Develop and implement a Colac Otway Economic Development Strategy.</li> <li>3. Conduct a review of the housing stock in Colac and establish a Residential Housing Strategy to ensure current and future stock is suitable to attract new residents.</li> <li>4. Identify and improve tourism assets across the Shire.</li> <li>5. Attract investment to implement key master plans that will drive economic growth such as the Lake Colac Foreshore Master Plan.</li> <li>6. Remove unnecessary planning triggers to streamline planning processes.</li> <li>7. Strengthen partnerships with employers in the Shire.</li> </ol>	Advocate  Service provider  Facilitator	<ul style="list-style-type: none"> <li>• Finalise and implement the Colac Township Economic Development, Commercial and Industrial Land Use Strategy.</li> <li>• Colac 2050 Growth Plan completed.</li> <li>• Council endorsement of the Economic Development Strategy and achievement of the implementation plan milestones and targets.</li> <li>• Increased percentage of Council expenditure with local businesses.</li> <li>• Implementation of Residential Housing Strategy to achieve milestones and targets.</li> <li>• Advocacy plan to attract funding for investment in assets which support tourism is implemented.</li> <li>• Review completed of Colac Otway Planning Scheme including review of and reduction in “red tape”.</li> <li>• Improved satisfaction with Council planning processes.</li> </ul>

What is our Goal?	Actions – how will we get there?	Role Council	Measures – how will you measure our progress?
2. Support a thriving economy and industries.	8. Identify and promote Tourism pathways between attractions across the whole Shire.	Service Provider	<ul style="list-style-type: none"> <li>Increased employment in tourism in the Shire.</li> <li>An increase in accommodation options including conference facilities and 4 to 5-star accommodation.</li> <li>Visitation to small towns in the Shire increases, including overnight stays.</li> <li>Implementation of local Destination Action Plans.</li> <li>Visitor satisfaction increased.</li> <li>Renewed Great Ocean Road Closure Policy endorsed by all four relevant entities.</li> <li>Event attendances and satisfaction measures to be developed incorporating economic and social outcomes.</li> </ul>
	9. Identify and support employment in tourism.	Facilitator	
	10. Explore options to facilitate new tourism accommodation.	Regulator	
	11. Review Planning controls for the coastal hinterland and support establishment of tourist accommodation.		
	12. Review the Shire Events Strategy and partner with event organisers to assist them preserve the amenity of residents while running successful events.		
3. Strengthen partnerships with key stakeholders to benefit the whole community.	13. Facilitate the attraction of investment in the development of high standard accommodation in Colac and Apollo Bay, complemented by high yielding nature based experiences.		<ul style="list-style-type: none"> <li>Develop and implement Advocacy Strategy.</li> <li>Ongoing participation in G21, GORRT and South-West asset management forum.</li> <li>Increase in type and number of training and development opportunities for employees in the Shire.</li> <li>Reduction in youth unemployment.</li> <li>Advocacy through GROW and Beyond the Bell for increased participation of young people in education and training.</li> </ul>
	14. Encourage and support existing owners of accommodation to upgrade, refurbish and develop new infrastructure to meet visitor demand.		
	15. Review the Great Ocean Road Closure Policy.		
	16. Seek regional funds from state and Federal Governments.	Advocate	
	17. Develop and maintain regional partnerships and joint advocacy.	Partner	
	18. Seek to influence education providers to match local job opportunities with available skills training.		
	19. Support programs to reduce youth unemployment and promote employment for disadvantaged groups in partnership with employers, G21 and the GROW initiative.		

What is our Goal?	Actions – how will we get there?	Role Council	Measures – how will you measure our progress?
4. Improve strategic planning and coordination of the Great Ocean Road.	20. Advocate for the establishment of a Great Ocean Road Authority.	Advocate	<ul style="list-style-type: none"> <li>• Develop and implement a Great Ocean Road Authority advocacy strategy.</li> <li>• Level of support by key political leaders and key organisations for the Great Ocean Road Authority.</li> <li>• Great Ocean Road and supporting assets improve (e.g., roadside edges quality of the road, toilet blocks, drainage).</li> </ul>

#### Key Strategies Supporting Our Prosperity

- Colac 2050 Growth Plan.
- Colac Township Economic Development, Commercial and Industrial Land Use Strategy
- Economic Development Strategy
- Environmental Strategy
- Public Open Space Strategy
- Redevelopment of Apollo Bay Harbour Precinct
- Tourism Employment Opportunity Study
- Tourism/Events strategy

#### Key Programs Supporting Our Prosperity

- Beyond the Bell and GROW
- Climate adaptation planning
- Community safety - emergency management and recovery coordination
- Economic development
- Environmental planning
- Forrest Structure Plan
- Forrest Mountain Bike Strategy Gellibrand Structure Plan
- Heritage Review
- Implementation of Lake Colac Foreshore Master Plan Tourism and events
- Implement Revegetation and Weed Management Plan Post Bushfire at Wye River and Separation Creek.
- Intermodal Freight/Transport Hub Investigation
- Strategic planning
- Strategic weed control and revegetation programs
- Statutory planning
- Small Town Improvement Program
- Structure/township plans for small towns including Gellibrand, Beeac, Alvie, Cororooke

## **THEME 2: OUR PLACES**

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

### **Why this is Important**

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

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

### **Community Feedback**

The community provided substantial feedback about places and assets. They are both valued and praised as a fundamental reason people like living in the Shire; and there were also many suggestions for improvements and additions. Areas that were mentioned included renewing and upgrading towns in the shire of all sizes, with lights, footpaths and additional refreshed streetscapes; the main street and entrances to Colac and Memorial Square; the Botanic Gardens and Lake Colac as valued attractions and their potential for further development; more open space, street trees, and shared pathways; and upgrading community buildings.

### **Opportunities for our Future**

- Improving our understanding of our asset portfolio, its useful life and seeking greater State and Federal Government partnerships to fund improvements.
- Taking advantage of new opportunities such as improved asset management systems and new technology in construction and maintenance to assist in managing our assets.
- Explore service partnerships with other communities and the possibility of wider footprint contracts to improve value for money and service levels.

#### Our Places - What we want to see by 2021

What is our goal?	Actions – how will we get there?	Role Council	Measures – how will you measure our progress?
1. Assets and infrastructure meet community needs.	<ol style="list-style-type: none"> <li>1. Develop and implement a Property Strategy.</li> <li>2. Develop and maintain constructive partnerships to access appropriate levels of funding, coordination, infrastructure and services.</li> <li>3. Conduct an ongoing program of service reviews to guide planning for infrastructure.</li> </ol>	Service provider	<ul style="list-style-type: none"> <li>• Asset Management Strategy and Plans developed, including for roads, bridges, drains, footpaths, buildings and reserves.</li> <li>• Business cases for development of infrastructure include evidence of community need and service level requirements.</li> <li>• Adoption and implementation of the Property Strategy.</li> <li>• Community satisfaction scores for roads and footpaths increase each year.</li> </ul>
2. Our places are managed for long term sustainability.	<ol style="list-style-type: none"> <li>4. Update the Planning Scheme to reflect changing community needs and priorities.</li> <li>5. Ensure best practice guides planning and management of the natural environment and associated assets.</li> </ol>	Service provider	<ul style="list-style-type: none"> <li>• Review of Planning Scheme (to commence in 2017).</li> <li>• Planning Scheme Amendments implemented in ongoing manner to respond to community needs.</li> <li>• Asset Management Plans include assessment of climate related risks and approaches to mitigate these.</li> <li>• Outcomes of Colac and Apollo Bay drainage studies guide planning for new treatments to enhance land use and protect property.</li> </ul>

What is our goal?	Actions – how will we get there?	Role Council	Measures – how will you measure our progress?
3. Towns and places are welcoming and attractive.	6. Enhance the attractiveness of towns in the Shire for both residents and tourists/visitors. 7. Advocate for improvements to public open space where the State Government is the land owner/manager. 8. Review the master plans and community infrastructure plans for each small town in the Shire over the next four years. 9. Incorporate treatments into infrastructure standards that enhance community perceptions of safety. 10. Maintain Parks and gardens, sports reserves and streetscapes. 11. Support enjoyment of outdoor experiences through the provision of a network of quality open spaces. 12. Evaluate the feasibility of a regional wet waste facility to manage waste from road and drainage maintenance.	Service Provider  Partner  Facilitator  Advocate	<ul style="list-style-type: none"> <li>• Council endorsement of master plans and small town improvement plans.</li> <li>• An annual program of works to improve attractiveness of places across the Shire. These will include (plans to be finalised on annual basis):             <ul style="list-style-type: none"> <li>Lake Colac                 <ul style="list-style-type: none"> <li>○ Master Plan implemented.</li> <li>○ Foreshore assets reviewed and improved.</li> <li>○ Water availability improved.</li> </ul> </li> <li>Apollo Bay                 <ul style="list-style-type: none"> <li>○ Harbour Precinct plans for redevelopment in collaboration with the community Project Control Group.</li> </ul> </li> </ul> </li> <li>• Tourism assets improved.</li> <li>• Colac CBD entrances and streetscapes improved.</li> <li>• Small town streetscapes improved.</li> <li>• Standard and presentation of open spaces, including town entrances, state managed roads and pathways.</li> <li>• Asset plans and capital works business cases incorporate treatments that enhance community perceptions of safety.</li> <li>• Water sensitive design manual produced and adopted.</li> <li>• Community feedback on open space usage.</li> <li>• Standard and presentation of open spaces.</li> <li>• Use of potable water for parks and gardens is reduced.</li> <li>• Regional wet waste facility feasibility study is completed.</li> <li>• Support and assist local community members wishing to take a role in caring for public space assets.</li> </ul>



What is our goal?	Actions – how will we get there?	Role Council	Measures – how will you measure our progress?
4. Leadership in natural environment through good management practices.	13. Ensure best practice guides planning and management of the natural environment and associated assets, and Council's response to climate change. 14. Minimise coastal erosion in partnership with other stakeholders and implement measures to assist climate adaptation. 15. Improve the health and sustainability of the natural environment through structured planning with our partners. 16. Deliver localised planning to communities to reduce fire risk. 17. Implement emission reduction programs for Council operations. 18. Enhance the level of resource recycling and reuse across the Shire. 19. Enhance and protect biodiversity through weed control and revegetation.	Service provider  Facilitator  Partner	<ul style="list-style-type: none"> <li>Asset Management Plans include assessment of climate related risks and approaches to mitigate these.</li> <li>Community fire plans completed with latest scientific evidence and understanding of local conditions.</li> <li>Waste management review completed and implemented.</li> <li>Recycling rates from kerbside collection are increased from 2016 levels.</li> <li>Reduction in proportion of waste to landfill from 2016 levels.</li> <li>Council emissions reduced from 2016 levels.</li> <li>Planning for Lake Colac to improve health of the lake, with Parks Victoria, Department of Environment, Land, Water and Planning, Corangamite Catchment Management Authority and Barwon Water.</li> <li>Improved water quality treatments and weed management.</li> <li>Reduced risk of fire through fuel load management on public and private property.</li> <li>Adherence to fire preparedness activities.</li> </ul>
5. Delivery of our capital works program.	20. Develop a system of capital allocations based on Asset Management Plans. 21. Develop a project management framework, covering proposals, planning and delivery. 22. Develop a capital works reporting framework. 23. Deliver the annual capital works program.	Service provider	<ul style="list-style-type: none"> <li>Project management framework developed.</li> <li>Quarterly reports to Council.</li> <li>80% of the capital works program is completed, measured by number of projects or expenditure.</li> </ul>
6. Emergency management is coordinated locally and on a regional basis.	24. Community based planning to build local understanding and preparedness for emergency events. 25. Education, joint planning and preparations undertaken to prepare for climate related threats and emergencies.	Service provider  Partner  Facilitator	<ul style="list-style-type: none"> <li>Emergency resource plans are established and agreed with neighbouring councils.</li> <li>Participate in the state and regional resilience planning projects.</li> <li>Key influencers on climate related threats and emergencies are educated and prepared in accordance with their needs;               <ul style="list-style-type: none"> <li>Community members</li> <li>Visiting holiday rental owners</li> <li>Visitors and tourists</li> <li>Tourism operators</li> </ul> </li> </ul>

#### Key Strategies Supporting Our Places

- Asset Management Strategy and Plans.
  - Develop Operations Strategy to Inform Road and Park Maintenance Program
  - Information Services Strategy
  - Operations Strategy
  - Property Strategy
- 

#### Key Programs Supporting Our Places

- Asset Management Planning – Service Planning Connecting to Community Infrastructure.
  - Asset Program for Renewal/Implementation of Parks and Open Space Infrastructure
  - Construction to suit design life
  - Deliver on agreed levels of service in Service and Operations
  - Deliver Works Program in Accordance with Operations Strategy
  - Design and Contract Manage Construction of Assets and Infrastructure
  - Develop and Deliver Capital Works Plan
  - Develop Comprehensive OHS and Risk Plans to enhance/ensure the safety of our staff at work
  - Implement Colac stormwater study
  - Implement Domestic Wastewater Management Plan
  - Long-Term Works Program Parks and Open Space Maintenance
  - Policy Development for Asset Programs
  - Reticulated Drainage Scheme at Wye River and Separation Creek
  - Review Plant and Equipment Utilisation and Renewal in Service Operations
  - Whole of Life Analysis
-



### ***THEME 3: OUR COMMUNITY***

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

#### **Why this is Important**

Colac Otway Shire sustains a mixed population of tourists, businesses, farmers, retirees and families, some of whom settled in the Shire recently and some who can trace their families' history back to the original settlers. We also have a small population of aboriginal people. The land of the Shire sustains different ways of living, from affordable housing options in the towns, to spectacular properties with views of the forest and the sea. Potential for population growth in the Shire will increase due to highway improvements and proximity to the larger centres of Geelong and Warrnambool. The Shire enjoys good services and infrastructure, supporting families to connect and live well at all life stages. While the Shire is well resourced compared with many other semi-rural shires, with the potential of continued growth there needs to be good planning to have the right infrastructure and services in place.

#### **Community Feedback**

The community has also told us that they want to see value for money so we need to plan infrastructure and services well and continuously review them. Community input into this decision-making process will help make better decisions and involve them in planning for their own community.

#### **Opportunities for our Future**

- The Shire has a diverse population with a socio-economic status ranging from low to high levels of advantage. There are good relationships with other providers and funding for projects such as GROW and Beyond the Bell provide a good basis for working together to improve community life for everyone. Partnerships with other health and community service providers through the Municipal Public Health and Wellbeing Plan 2017-2021 provide a good way to work together.
- The environment is a major attraction of the Shire and strong partnerships have been forged with government authorities, which provide a good basis for planning together for the community.

### Community - What we want to see by 2021

What is our Goal?	Actions – how will we get there?	Role Council	Measures – how will you measure our progress?
1. Increase social connection opportunities and community safety.	1. Support community organisations through the community grants program. 2. Support community clubs, groups and associations to provide welcoming and inclusive environments for all members of our community within council facilities.	Partner  Service provider  Facilitator	<ul style="list-style-type: none"> <li>Number of groups supported to provide inclusive initiatives.</li> </ul>
2. Connect people through events and activities.	3. Provide grant programs to involve local people in activities that facilitate their health, wellbeing and enjoyment. 4. Supports community activities through information dissemination and planning information.	Facilitator	<ul style="list-style-type: none"> <li>Number of community activities and numbers of people who attend.</li> </ul>
3. Opportunities for the community to participate in lifelong learning.	5. Provide opportunities for lifelong learning and community connections through library programs. 6. Support for community groups.	Service provider	<ul style="list-style-type: none"> <li>Library program attendances.</li> <li>Grants and in-kind support awarded to groups involved in lifelong learning.</li> <li>Completion of the review of the structure for provision of library services for the Shire.</li> </ul>
4. Provision of resources to support physical activity by the community.	7. Deliver programs through the Bluewater Centre that promote physical activity in the Shire. 8. Build capacity of local sports groups in promoting healthy eating and physical activity. 9. Encourage more people to participate and be inclusive of others. 10. Participate in the G21 Healthy Eating and Active Living regional priority project. 11. Consider health of the community when formulating policy for Council's Property Strategy.	Partner  Service provider  Facilitator	<ul style="list-style-type: none"> <li>Ongoing and effective implementation of the Municipal Public Health and Wellbeing Plan.</li> <li>Review the Colac-Otway Shire Physical Activity Strategy.</li> <li>Participation rate at Bluewater Centre.</li> <li>Increased membership in local sporting groups with increased diversity of membership.</li> <li>Increase in healthy food options in Council facilities.</li> <li>Increase in healthy food options in local sporting groups.</li> <li>Review social issues such as availability of alcohol and gambling machines when considering policy for Council property.</li> </ul>
5. Foster an inclusive community.	12. Increase advocacy in partnership with our community to enhance cultural awareness, inclusiveness, safety and health, community, family and education.	Partner  Facilitator	<ul style="list-style-type: none"> <li>Access, Equity and Inclusion Action Plan prepared and implemented.</li> <li>Council services are inclusive and accessibility barriers are addressed.</li> </ul>

What is our Goal?	Actions – how will we get there?	Role Council	Measures – how will you measure our progress?
6. Community planning informs provision of Council services and social infrastructure.	13. Update social infrastructure planning on a continuing basis to guide asset planning.	Partner  Service provider  Facilitator	<ul style="list-style-type: none"> <li>Service planning results in service level information to guide asset planning.</li> <li>Advocacy strategies are developed and implemented to support services for our community.</li> <li>Analysis of data and social information guides social infrastructure investments and upgrades.</li> </ul>

#### Key Strategies Supporting Our Communities

- Access, Equity and Inclusion Action Plan
- Arts and Culture Strategy
- Climate Adaptation Plan
- Municipal Public Health and Wellbeing Plan
- Physical Activity Strategy
- Property Strategy

#### Key Programs Supporting Our Communities

- Access Equity and Inclusion Plan
- Arts and Leisure
- Cinema Lease
- Community Recovery Support to Wye River and Separation Creek
- Community Recovery Planning; Climate Resilient Communities GROW and Beyond the Bell 2030
- Community safety - emergency management and recovery coordination
- Community services
- Community services plans for 50 years+
- Climate planning
- Early Years Plan
- Early Years Facilities planned and funded (Apollo Bay/Colac/W/N)
- Environmental planning
- G21 Health and Well-Being Pillars Annual Project
- Library services
- Municipal Public Health and Wellbeing Plan (MPHWP)
- New Library Plan
- Plan and maintain active open space and recreation areas
- Population and demographic forecasting
- Reserve Master Plans
- Social Infrastructure Plan
- Social Capacity Building Plan
- Tourism and events

## ***THEME 4: OUR LEADERSHIP & MANAGEMENT***

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

### **Why this is Important**

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

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

### **Community Feedback**

The community has told us that they want Council to be transparent in allocating its limited resources; that they want investment in services and infrastructure to support the community, local businesses, tourism, and population growth; and that they want Councillors and the organisation to work together to achieve great outcomes for the community and to build a positive reputation for the Shire.

Businesses and organisations operating in the Shire said that they look to the Shire to provide coordination around issues and advocacy to state and federal government about local needs.

### **Opportunities for our Future**

- The opportunity to maintain and enhance external funding for well-planned community infrastructure.
- The opportunity to increase engagement with the community in decision-making.
- Supporting opportunities for growth in a complex legislative framework.
- Delivery of services that are valued by the community and managing the challenges brought about through cost shifting and devolution of responsibility from other levels of government.

### Leadership - What we want to see by 2021

What is our goal?	Actions – how will we get there?	Role Council	Measures – how will you measure our progress?
1. Effectively manage financial resources.	<ol style="list-style-type: none"> <li>1. Manage the short and long-term financial sustainability of the shire through prudent financial management.</li> <li>2. Maintain the 10 year long term financial plan.</li> <li>3. Identify new income opportunities.</li> <li>4. Maintain low risk audit rating for financial sustainability.</li> </ol>	Service provider	<ul style="list-style-type: none"> <li>• Long term financial measures are identified and reported to Council on at least ½ yearly basis.</li> <li>• New income source opportunities are identified to reduce the reliance on rates.</li> <li>• Overall low risk financial sustainability rating maintained.</li> <li>• Reduce the asset renewal gap.</li> </ul>
2. Openness and accountability in decision making.	<ol style="list-style-type: none"> <li>5. Ensure where ever possible decisions are debated and made in open Council meetings.</li> <li>6. Develop and implement a program of regular reporting on key activities to ensure they are focused on implementing priorities.</li> </ol>	Service provider	<ul style="list-style-type: none"> <li>• Improve awareness and accessibility of Council documentation by the community.</li> <li>• Implement regular reporting on agreed topics such as finances, projects and key outcomes.</li> <li>• Community satisfaction with governance and councillor conduct improves through the annual community satisfaction survey.</li> <li>• The percentage of decisions made in closed council meetings is reduced from 2016 levels.</li> </ul>
3. Organisational development and legislative compliance.	<ol style="list-style-type: none"> <li>7. Support organisational development to ensure key organisational capability areas support the organisation to deliver on Council priorities.</li> <li>8. Manage our risk exposure, including providing a safe working environment where “Work Health and Safety is everyone’s business”.</li> </ol>	Service provider	<ul style="list-style-type: none"> <li>• Development plans completed and implemented in organisational capability areas.</li> <li>• Maintain Safety Map (or equivalent) certification for Council’s occupational health and safety management system.</li> </ul>
4. Provide value for money services for our community.	<ol style="list-style-type: none"> <li>9. Implement a program of ongoing service reviews to ensure our services are efficient and effective and are valued by the community.</li> <li>10. Enhance opportunities for increased local spending of Council expenditure.</li> <li>11. Develop partnerships to procure services and materials on a regional basis.</li> </ol>	Service provider	<ul style="list-style-type: none"> <li>• Implement a rolling program of service reviews each financial year.</li> <li>• Identify ongoing savings opportunities of at least \$200,000 per annum.</li> <li>• Council endorsement of the revised Procurement Policy by 2018 and achievement of the implementation plan milestones and targets.</li> <li>• The percentage of local spending is increased by at least 5% over 4 years.</li> <li>• 5 year across boundary procurement plan developed.</li> </ul>
5. Communicate regularly with our community and involve them in decision-making.	<ol style="list-style-type: none"> <li>12. Review the Community Engagement Policy to guide council decision making.</li> </ol>	Service Provider	<ul style="list-style-type: none"> <li>• Community engagement framework review completed.</li> <li>• Opportunities for community engagement are increased from 2016 levels.</li> </ul>



#### Key Strategies Supporting Our Leadership & Management

- Asset Management Strategy
  - Carbon Neutral Plan
  - Climate Adaptation Plan
  - COS Environment Strategy
  - Information Services Strategy
  - Operations Strategy
  - Organisational Development Strategy
  - Streamline Planning Scheme
  - Sustainability Policy
  - Waste Management Review
- 

#### Key Programs Supporting Our Leadership & Management

- Capital works Delivery Program
  - Corporate Plan
  - Delivering on agreed levels of service in Service and Operations
  - Deliver Works Program in Accordance with Operations Strategy
  - Design and Manage Construction of Assets and Infrastructure
  - Develop Operation Strategy to inform Road and Park Maintenance Program Delivery
  - Financial Planning
  - Governance
  - Half Yearly Reporting on Implementation of Council Plan Strategies
  - Implement Apollo Bay Drainage Study
  - Implement Colac stormwater study
  - Increase Recycling and Reuse of Resources (Waste Minimisation)
  - Long-Term Financial Plan
  - Participate in Barwon Southwest Waste Management Group
  - People Performance and Culture
  - Plant and Equipment Utilisation and Renewal Program
  - Project Management Framework
  - Reticulated Drainage Scheme at Wye River and Separation Creek
  - Review Plant and Equipment Utilisation and Renewal in Service Operations
  - Service Review Program
  - Service Level Review Program
  - Undertake Birregurra Flood/Drainage Study
  - Waste Management
-

## Strategic Resource Plan

The Strategic Resource Plan (SRP) is a requirement under the *Local Government Act 1989*. The SRP details the financial and non-financial (includes people and assets) resources required to achieve Council's goals, as outlined in the Council Plan. The Strategic Resource Plan is updated annually and is reflected in Council's annual budget.

### Objectives of the Strategic Resource Plan

- Establish a financial framework and an assessment of the resources (financial and non-financial) to ensure Council achieves the goals of the Council Plan 2017-2021.
- Establish a basis to measure Council's adherence to financial policies and strategies.
- Support Council's compliance with sound financial management principles.
- Support the medium to long-term financial sustainability of the municipality.

### Key Strategies

The SRP builds a sustainable framework containing strategies, including financial and non-financial resources, to support the achievement of Council Plan goals. These are:

<b>Colac Otway financial indicators</b>	<ul style="list-style-type: none"><li>• That Colac Otway Shire Council continues to benchmark with other Victorian councils and those within the large council category.</li><li>• That Colac Otway Shire Council applies the outcomes of this SRP to the 2017-2018 Budget.</li></ul>
<b>Long-term borrowing strategies</b>	<ul style="list-style-type: none"><li>• That Colac Otway Shire Council, based on previous Prudential Guidelines, borrows funds for capital investment projects that provide intergenerational equity.</li><li>• That Colac Otway Shire Council has no forecast borrowings during the period applying to the Strategic resource Plan</li><li>• That Colac Otway Shire Council commits to a maximum ten (10) year term for all new borrowings.</li></ul>
<b>Notional reserves</b>	<ul style="list-style-type: none"><li>• That Colac Otway Shire Council builds and maintains cash reserves to both support working capital and ensure funds are available for Council activities as scheduled.</li><li>• Reserves are fully backed with cash at the end of each financial year.</li></ul>
<b>Rating and other revenue strategies</b>	<ul style="list-style-type: none"><li>• That Colac Otway Shire Council pursues operational grant funding and strategic capital funding aligned with Council Plan objectives.</li><li>• That Colac Otway Shire Council pursues a consistent and rigorous methodology for the creation and setting of fees and charges.</li><li>• That Colac Otway Shire Council undertakes detailed analysis on the level of existing fees and charges, investigates new revenue sources and report recommendations to Council.</li></ul>

<b>Asset management</b>	<ul style="list-style-type: none"> <li>• That Colac Otway Shire Council, having established its critical renewal investment levels, completes detailed Asset Management Plans for all major classes of Council assets.</li> <li>• That Colac Otway Shire Council, as part of the development of its Asset Management Plans, consults with the community to determine how service levels will be reached including a combination of improved revenue raising, review of existing service levels, asset disposal and composition of the asset portfolio.</li> <li>• That Colac Otway Shire Council continues to prioritise the allocation of funds to the renewal of existing assets rather than constructing new assets where possible, noting that as the Shire's population expands and other demands increase, it will be necessary to provide appropriate infrastructure to promote further development.</li> </ul>
<b>Capital works</b>	<ul style="list-style-type: none"> <li>• That Colac Otway Shire Council maintains its capital works commitment to levels that align with the funding spread established in this SRP, and incorporate into the developing 10-year capital works programme.</li> <li>• That Colac Otway Shire Council initially focuses capital works expenditure on maintaining a critical renewal level based on acceptable levels of service, with the next priority on upgrade and expansion, followed by provision of new.</li> </ul>
<b>Service provision and planning</b>	<ul style="list-style-type: none"> <li>• That Colac Otway Shire Council annually determines the range and level of service provision through the budget process incorporating an analysis of organisational and financial capability and service reviews where applicable.</li> </ul>
<b>Strategic Financial Plan</b>	<ul style="list-style-type: none"> <li>• That Colac Otway Shire Council finalises its preferred rating option for its strategic financial model to fund the Council Plan, capital expenditure and service delivery through the annual budget process.</li> </ul>

## Resourcing the Council Plan

Financial statements depict how the Plan is resourced.

- **Comprehensive Income Statement** shows the operating costs and income during the period.
- **Balance Sheet** provides the value of Council's assets and obligations or liabilities for the period.
- **Statement of Cash Flows** indicates the cash expenses paid and cash income received for the period.
- **Statement of Capital Works** outlines the value of the capital works and capital purchases during the period.
- **Statement of Changes in Equity** indicates movement in investments in net assets.
- **Statement of Human Resources** indicates the anticipated human resource requirements for the period.
- **Financial Performance Indicators** show current and projected performance across a range of key financial performance indicators.

The following table summarises the key financial results for the next four years, as set out in the SRP.



## Comprehensive Income Statement

For the four years ending 30 June 2021

Items	2018 Budget \$	2019 SRP \$	2020 SRP \$	2021 SRP \$
Rates and charges	\$29,238,198	\$29,822,962	\$30,419,421	\$31,027,810
Statutory fees and fines	\$729,883	\$744,481	\$759,370	\$774,558
User fees	\$4,540,249	\$4,631,054	\$4,723,675	\$4,818,149
Grants - Operating	\$12,592,333	\$9,623,690	\$11,124,986	\$8,624,088
Grants - Capital	\$10,184,945	\$7,448,776	\$7,522,793	\$8,672,461
Contributions - monetary	\$485,407	\$485,407	\$485,407	\$485,407
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	\$147,000	\$147,000	\$147,000	\$147,000
Share of net profits/(losses) of associates and joint ventures	\$7,022	\$7,022	\$7,022	\$7,022
Other income	\$616,356	\$625,601	\$634,985	\$644,510
<b>Total Income</b>	<b>\$58,541,393</b>	<b>\$53,535,994</b>	<b>\$55,824,660</b>	<b>\$55,201,003</b>
Employee costs	\$18,981,715	\$19,361,349	\$19,942,190	\$20,540,455
Materials and services	\$16,449,893	\$16,762,441	\$17,097,690	\$17,439,644
Bad and doubtful debts	\$2,000	\$2,000	\$2,000	\$2,000
Depreciation and amortisation	\$10,026,854	\$10,343,332	\$10,662,955	\$10,985,754
Borrowing costs	\$226,017	\$181,211	\$122,424	\$74,101
Other expenses	\$2,199,090	\$1,969,758	\$1,788,583	\$1,857,701
Revaluation Expense	\$0	\$0	\$0	\$0
<b>Total Expenses</b>	<b>\$47,885,569</b>	<b>\$48,620,092</b>	<b>\$49,615,842</b>	<b>\$50,899,656</b>
<b>Surplus/(deficit) for the year</b>	<b>\$10,655,824</b>	<b>\$4,915,902</b>	<b>\$6,208,819</b>	<b>\$4,301,347</b>
<b>Other Comprehensive income</b>				
<i>Items that will not be reclassified to surplus or deficit in future periods:</i>				
Net asset revaluation increment	\$0	\$0	\$0	\$0
<b>Total comprehensive result</b>	<b>\$10,655,824</b>	<b>\$4,915,902</b>	<b>\$6,208,819</b>	<b>\$4,301,347</b>

## Balance Sheet

For the four years ending 30 June 2021

Balance Sheet Items	2018 Budget \$	2019 SRP \$	2020 SRP \$	2021 SRP \$
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$10,645,830	\$9,785,180	\$9,403,523	\$8,353,191
Trade and other receivables	\$2,085,036	\$1,906,291	\$1,988,020	\$1,965,749
Inventories	\$50,000	\$50,000	\$50,000	\$50,000
<b>Total current assets</b>	<b>\$12,780,866</b>	<b>\$11,741,472</b>	<b>\$11,441,544</b>	<b>\$10,368,940</b>
<b>Non-current assets</b>				
Investments in associates and joint ventures	\$311,029	\$312,584	\$314,147	\$315,718
Property, infrastructure, plant & equipment	\$296,734,950	\$301,872,528	\$306,847,722	\$311,658,928
Intangible assets	\$46,000	\$46,000	\$46,000	\$46,000
<b>Total non-current assets</b>	<b>\$297,091,979</b>	<b>\$302,231,112</b>	<b>\$307,207,869</b>	<b>\$312,020,646</b>
<b>Total assets</b>	<b>\$309,872,845</b>	<b>\$313,972,584</b>	<b>\$318,649,413</b>	<b>\$322,389,587</b>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Trade and other payables	\$2,377,017	\$2,387,623	\$2,407,262	\$2,459,657
Trust funds and deposits	\$670,978	\$670,978	\$670,978	\$670,978
Provisions	\$4,487,358	\$4,814,475	\$4,937,184	\$5,062,842
Interest-bearing loans and borrowings	\$648,624	\$1,196,766	\$286,378	\$142,389
<b>Total current liabilities</b>	<b>\$8,183,977</b>	<b>\$9,069,842</b>	<b>\$8,301,802</b>	<b>\$8,335,867</b>
<b>Non-current liabilities</b>				
NC Provisions	\$3,575,655	\$3,070,394	\$2,592,823	\$2,139,974
NC Interest-bearing loans and borrowings	\$2,721,150	\$1,524,383	\$1,238,005	\$1,095,616
<b>Total non-current liabilities</b>	<b>\$6,296,805</b>	<b>\$4,594,777</b>	<b>\$3,830,828</b>	<b>\$3,235,590</b>
<b>Total liabilities</b>	<b>\$14,480,782</b>	<b>\$13,664,619</b>	<b>\$12,132,630</b>	<b>\$11,571,456</b>
<b>Net assets</b>	<b>\$295,392,063</b>	<b>\$300,307,964</b>	<b>\$306,516,783</b>	<b>\$310,818,130</b>
<b>Equity</b>				
Accumulated surplus	\$135,665,770	\$143,091,062	\$151,444,485	\$158,032,281
Reserves	\$159,726,293	\$157,216,902	\$155,072,298	\$152,785,849
<b>Total equity</b>	<b>\$295,392,063</b>	<b>\$300,307,964</b>	<b>\$306,516,783</b>	<b>\$310,818,130</b>

## Statement of Cash Flows

For the four years ending 30 June 2021

CASH FLOW STATEMENT	2018	2019	2020	2021
	Budget \$	SRP \$	SRP \$	SRP \$
<b>Cash flows from operating activities</b>				
Rates and charges	29,226,071	30,005,173	30,341,151	31,053,532
Statutory fees and fines	729,883	744,481	759,370	774,558
User fees	4,540,249	4,631,054	4,723,675	4,818,149
Grants - operating	12,592,333	7,448,776	7,522,793	8,672,461
Grants - capital	10,184,945	9,623,690	11,124,986	8,624,088
Contributions - monetary	485,407	485,407	485,407	485,407
Other receipts	616,356	625,601	634,985	644,510
Employee costs	(19,726,672)	(19,539,493)	(20,297,052)	(20,867,646)
Materials and services	(16,700,876)	(16,751,835)	(17,078,051)	(17,387,248)
Trust funds and deposits repaid	(10,022)	0	0	0
Other payments	(2,199,090)	(1,969,758)	(1,788,583)	(1,857,701)
<b>Net cash provided by/(used in) operating activities</b>	<b>19,738,584</b>	<b>15,303,096</b>	<b>16,428,682</b>	<b>14,960,108</b>
<b>Cash flows from investing activities</b>				
Payments for property, infrastructure, plant and equipment	(21,636,528)	(15,823,910)	(15,981,149)	(16,139,961)
Proceeds from sale of property, infrastructure, plant and equipment	490,000	490,000	490,000	490,000
<b>Net cash provided by/ (used in) investing activities</b>	<b>(21,146,528)</b>	<b>(15,333,910)</b>	<b>(15,491,149)</b>	<b>(15,649,961)</b>
<b>Cash flows from financing activities</b>				
Finance costs	(226,017)	(181,211)	(122,424)	(74,101)
Repayment of borrowings	(604,226)	(648,625)	(1,196,766)	(286,378)
<b>Net cash provided by/(used in) financing activities</b>	<b>(830,243)</b>	<b>(829,836)</b>	<b>(1,319,190)</b>	<b>(360,479)</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>(2,238,187)</b>	<b>(860,650)</b>	<b>(381,657)</b>	<b>(1,050,332)</b>
Cash and cash equivalents at the beginning of the financial year	12,884,017	10,645,830	9,785,180	9,403,523
<b>Cash and cash equivalents at the end of the financial year</b>	<b>10,645,830</b>	<b>9,785,180</b>	<b>9,403,523</b>	<b>8,353,191</b>

## Statement of Capital Works

For the four years ending 30 June 2021

Statement of Capital Works	2018	2019	2020	2021
<b>Property</b>				
Land	\$500,000	\$0	\$0	\$0
Buildings	\$4,419,057	\$4,654,410	\$6,976,149	\$7,134,961
<b>Total buildings</b>	<b>\$4,919,057</b>	<b>\$4,654,410</b>	<b>\$6,976,149</b>	<b>\$7,134,961</b>
<b>Total property</b>	<b>\$4,919,057</b>	<b>\$4,654,410</b>	<b>\$6,976,149</b>	<b>\$7,134,961</b>
<b>Plant and equipment</b>				
Plant, machinery and equipment	\$1,683,000	\$350,000	\$350,000	\$350,000
Fixtures, fittings and furniture	\$237,000	\$715,000	\$230,000	\$230,000
Computers and telecommunications	\$526,600	\$560,000	\$350,000	\$350,000
<b>Total plant and equipment</b>	<b>\$2,446,600</b>	<b>\$1,625,000</b>	<b>\$930,000</b>	<b>\$930,000</b>
<b>Infrastructure</b>				
Roads	\$7,310,601	\$6,907,500	\$6,100,000	\$6,100,000
Bridges	\$650,000	\$550,000	\$500,000	\$500,000
Footpaths and cycleways	\$525,000	\$987,000	\$425,000	\$425,000
Drainage	\$3,445,270	\$600,000	\$600,000	\$600,000
Other infrastructure	\$2,340,000	\$500,000	\$450,000	\$450,000
<b>Total infrastructure</b>	<b>\$14,270,871</b>	<b>\$9,544,500</b>	<b>\$8,075,000</b>	<b>\$8,075,000</b>
<b>Total capital works expenditure</b>	<b>\$21,636,528</b>	<b>\$15,823,910</b>	<b>\$15,981,149</b>	<b>\$16,139,961</b>
<b>Represented by:</b>				
New asset expenditure	\$7,755,000	\$0	\$0	\$0
Asset renewal expenditure	\$12,309,471	\$15,373,910	\$15,531,149	\$15,689,961
Asset upgrade expenditure	\$1,572,057	\$450,000	\$450,000	\$450,000
<b>Total capital works expenditure</b>	<b>\$21,636,528</b>	<b>\$15,823,910</b>	<b>\$15,981,149</b>	<b>\$16,139,961</b>

## Statement of Changes in Equity

For the four years ending 30 June 2021

Statement of changes in Equity	Total	Accumulated Surplus	Asset Reval Reserve	Other Reserves
<b>2018</b>				
Balance at beginning of the financial year	\$284,736,239	\$123,040,751	\$148,936,000	\$12,759,488
Surplus/(deficit) for the year	\$10,655,824	\$10,655,824	\$0	\$0
Net asset revaluation increment/(decrement)	\$0	\$0	\$0	\$0
Transfer to other reserves	\$0	(\$8,847,394)	\$0	\$8,847,394
Transfer from other reserves	\$0	\$10,816,590	\$0	(\$10,816,590)
<b>Balance at end of the financial year</b>	<b>\$295,392,063</b>	<b>\$135,665,770</b>	<b>\$148,936,000</b>	<b>\$10,790,293</b>
<b>2019</b>				
Balance at beginning of the financial year	\$295,392,063	\$135,665,770	\$148,936,000	\$10,790,293
Surplus/(deficit) for the year	\$4,915,902	\$4,915,902	\$0	\$0
Net asset revaluation increment/(decrement)	\$0	\$0	\$0	\$0
Transfer to other reserves	\$0	(\$1,618,238)	\$0	\$1,618,238
Transfer from other reserves	\$0	\$4,127,628	\$0	(\$4,127,628)
<b>Balance at end of the financial year</b>	<b>\$300,307,965</b>	<b>\$143,091,063</b>	<b>\$148,936,000</b>	<b>\$8,280,902</b>
<b>2020</b>				
Balance at beginning of the financial year	\$300,307,965	\$143,091,063	\$148,936,000	\$8,280,902
Surplus/(deficit) for the year	\$6,208,819	\$6,208,819	\$0	\$0
Net asset revaluation increment/(decrement)	\$0	\$0	\$0	\$0
Transfer to other reserves	\$0	(\$1,639,320)	\$0	\$1,639,320
Transfer from other reserves	\$0	\$3,783,924	\$0	(\$3,783,924)
<b>Balance at end of the financial year</b>	<b>\$306,516,784</b>	<b>\$151,444,485</b>	<b>\$148,936,000</b>	<b>\$6,136,298</b>
<b>2021</b>				
Balance at beginning of the financial year	\$306,516,784	\$151,444,485	\$148,936,000	\$6,136,298
Surplus/(deficit) for the year	\$4,301,347	\$4,301,347	\$0	\$0
Net asset revaluation increment/(decrement)	\$0	\$0	\$0	\$0
Transfer to other reserves	\$0	(\$1,660,796)	\$0	\$1,660,796
Transfer from other reserves	\$0	\$3,947,245	\$0	(\$3,947,245)
<b>Balance at end of the financial year</b>	<b>\$310,818,131</b>	<b>\$158,032,281</b>	<b>\$148,936,000</b>	<b>\$3,849,849</b>

## Non-financial Resources

In addition to the financial resources to be consumed over the planning period, Council will also consume non-financial resources, in particular human resources. A summary of Council's anticipated human resources requirements is shown below:

### Statement of Human Resources

For the four years ending 30 June 2020

Statement of Human resources	2018 Budget \$	2019 SRP \$	2020 SRP \$	2021 SRP \$
<b>Staff Expenditure</b>				
Employee Costs - operating	\$18,981,715	\$19,361,349	\$19,942,190	\$20,540,455
Employee Costs - capital	\$700,000	\$1,687,000	\$1,570,000	\$1,570,000
<b>Total Staff Expenditure</b>	<b>\$19,681,715</b>	<b>\$21,048,349</b>	<b>\$21,512,190</b>	<b>\$22,110,455</b>
	EFT	EFT	EFT	EFT
<b>Staff Numbers</b>				
Employees - Disaster Recovery	4.7	0.0	0.0	0.0
Employees - Standard Operations	219.1	219.1	219.1	219.1
<b>Total Staff Numbers</b>	<b>223.8</b>	<b>219.1</b>	<b>219.1</b>	<b>219.1</b>



## Other Information

For the four years ending 30 June 2021

### 1. Summary of planned capital works expenditure

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib. \$'000	Council cash \$'000	Borrowing \$'000
<b>2018</b>									
<b>Property</b>									
Land	\$500	\$0	\$0	\$500	\$0	\$250	\$0	\$250	\$0
Buildings	\$4,419	\$3,170	\$1,068	\$181	\$0	\$3,240	\$259	\$920	\$0
<b>Total property</b>	<b>\$4,919</b>	<b>\$3,170</b>	<b>\$1,068</b>	<b>\$681</b>	<b>\$0</b>	<b>\$3,490</b>	<b>\$259</b>	<b>\$1,170</b>	<b>\$0</b>
<b>Plant and equipment</b>									
Plant, machinery and equipment	\$1,683	\$100	\$1,583	\$0	\$0	\$0	\$0	\$1,683	\$0
Fixtures, fittings and furniture	\$237	\$0	\$237	\$0	\$0	\$0	\$0	\$237	\$0
Computers and telecommunications	\$527	\$30	\$436	\$61	\$0	\$0	\$0	\$527	\$0
<b>Total plant and equipment</b>	<b>\$2,447</b>	<b>\$130</b>	<b>\$2,256</b>	<b>\$61</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,447</b>	<b>\$0</b>
<b>Infrastructure</b>									
Roads	\$7,311	\$50	\$6,511	\$750	\$0	\$2,551	\$0	\$4,759	\$0
Bridges	\$650	\$0	\$650	\$0	\$0	\$0	\$0	\$650	\$0
Footpaths and cycleways	\$525	\$275	\$250	\$0	\$0	\$0	\$0	\$525	\$0
Drainage	\$3,445	\$2,150	\$1,215	\$80	\$0	\$2,293	\$0	\$1,152	\$0
Other infrastructure	\$2,340	\$1,980	\$360	\$0	\$0	\$1,575	\$0	\$765	\$0
<b>Total infrastructure</b>	<b>\$14,271</b>	<b>\$4,455</b>	<b>\$8,986</b>	<b>\$830</b>	<b>\$0</b>	<b>\$6,419</b>	<b>\$0</b>	<b>\$7,852</b>	<b>\$0</b>
<b>Total capital works expenditure</b>	<b>\$21,637</b>	<b>\$7,755</b>	<b>\$12,309</b>	<b>\$1,572</b>	<b>\$0</b>	<b>\$9,909</b>	<b>\$259</b>	<b>\$11,468</b>	<b>\$0</b>
<b>2019</b>									
<b>Property</b>									
Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Buildings	\$4,654,410	\$0	\$4,654,410	\$0	\$0	\$3,200,910	\$185,000	\$1,268,500	\$0
<b>Total property</b>	<b>\$4,654,410</b>	<b>\$0</b>	<b>\$4,654,410</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,200,910</b>	<b>\$185,000</b>	<b>\$1,268,500</b>	<b>\$0</b>
<b>Plant and equipment</b>									
Plant, machinery and equipment	\$350,000	\$0	\$350,000	\$0	\$0	\$0	\$0	\$350,000	\$0
Fixtures, fittings and furniture	\$715,000	\$0	\$715,000	\$0	\$0	\$477,500	\$0	\$237,500	\$0
Computers and telecommunications	\$560,000	\$0	\$560,000	\$0	\$0	\$0	\$0	\$560,000	\$0
<b>Total plant and equipment</b>	<b>\$1,625,000</b>	<b>\$0</b>	<b>\$1,625,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$477,500</b>	<b>\$0</b>	<b>\$1,147,500</b>	<b>\$0</b>
<b>Infrastructure</b>									
Roads	\$6,907,500	\$0	\$6,907,500	\$0	\$0	\$2,566,371	\$0	\$4,341,129	\$0
Bridges	\$550,000	\$0	\$550,000	\$0	\$0	\$50,000	\$0	\$500,000	\$0
Footpaths and cycleways	\$987,000	\$0	\$987,000	\$0	\$0	\$557,000	\$0	\$430,000	\$0
Drainage	\$600,000	\$0	\$150,000	\$450,000	\$0	\$0	\$0	\$600,000	\$0
Other infrastructure	\$500,000	\$0	\$500,000	\$0	\$0	\$0	\$0	\$500,000	\$0
<b>Total infrastructure</b>	<b>\$9,544,500</b>	<b>\$0</b>	<b>\$9,094,500</b>	<b>\$450,000</b>	<b>\$0</b>	<b>\$3,173,371</b>	<b>\$0</b>	<b>\$6,371,129</b>	<b>\$0</b>
<b>Total capital works expenditure</b>	<b>\$15,823,910</b>	<b>\$0</b>	<b>\$15,373,910</b>	<b>\$450,000</b>	<b>\$0</b>	<b>\$6,851,781</b>	<b>\$185,000</b>	<b>\$8,787,129</b>	<b>\$0</b>



1. Summary of planned capital works expenditure (continued)

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib. \$'000	Council cash \$'000	Borrowing \$'000
<b>2020</b>									
<b>Property</b>									
Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Buildings	\$6,976,149	\$0	\$6,976,149	\$0	\$0	\$5,777,649	\$200,000	\$998,500	\$0
<b>Total property</b>	<b>\$6,976,149</b>	<b>\$0</b>	<b>\$6,976,149</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,777,649</b>	<b>\$200,000</b>	<b>\$998,500</b>	<b>\$0</b>
<b>Plant and equipment</b>									
Plant, machinery and equipment	\$350,000	\$0	\$350,000	\$0	\$0	\$0	\$0	\$350,000	\$0
Fixtures, fittings and furniture	\$230,000	\$0	\$230,000	\$0	\$0	\$0	\$0	\$230,000	\$0
Computers and telecommunications	\$350,000	\$0	\$350,000	\$0	\$0	\$0	\$0	\$350,000	\$0
<b>Total plant and equipment</b>	<b>\$930,000</b>	<b>\$0</b>	<b>\$930,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$930,000</b>	<b>\$0</b>
<b>Infrastructure</b>									
Roads	\$6,100,000	\$0	\$6,100,000	\$0	\$0	\$1,245,686	\$0	\$4,854,314	\$0
Bridges	\$500,000	\$0	\$500,000	\$0	\$0	\$0	\$0	\$500,000	\$0
Footpaths and cycleways	\$425,000	\$0	\$425,000	\$0	\$0	\$0	\$0	\$425,000	\$0
Drainage	\$600,000	\$0	\$150,000	\$450,000	\$0	\$0	\$0	\$600,000	\$0
Other infrastructure	\$450,000	\$0	\$450,000	\$0	\$0	\$0	\$0	\$450,000	\$0
<b>Total infrastructure</b>	<b>\$8,075,000</b>	<b>\$0</b>	<b>\$7,625,000</b>	<b>\$450,000</b>	<b>\$0</b>	<b>\$1,245,686</b>	<b>\$0</b>	<b>\$6,829,314</b>	<b>\$0</b>
<b>Total capital works expenditure</b>	<b>\$15,981,149</b>	<b>\$0</b>	<b>\$15,531,149</b>	<b>\$450,000</b>	<b>\$0</b>	<b>\$7,023,335</b>	<b>\$200,000</b>	<b>\$8,757,814</b>	<b>\$0</b>
<b>2021</b>									
<b>Property</b>									
Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Buildings	\$7,134,961	\$0	\$7,134,961	\$0	\$0	\$5,822,461	\$250,000	\$1,062,500	\$0
<b>Total property</b>	<b>\$7,134,961</b>	<b>\$0</b>	<b>\$7,134,961</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,822,461</b>	<b>\$250,000</b>	<b>\$1,062,500</b>	<b>\$0</b>
<b>Plant and equipment</b>									
Plant, machinery and equipment	\$350,000	\$0	\$350,000	\$0	\$0	\$0	\$0	\$350,000	\$0
Fixtures, fittings and furniture	\$230,000	\$0	\$230,000	\$0	\$0	\$0	\$0	\$230,000	\$0
Computers and telecommunications	\$350,000	\$0	\$350,000	\$0	\$0	\$0	\$0	\$350,000	\$0
<b>Total plant and equipment</b>	<b>\$930,000</b>	<b>\$0</b>	<b>\$930,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$930,000</b>	<b>\$0</b>
<b>Infrastructure</b>									
Roads	\$6,100,000	\$0	\$6,100,000	\$0	\$0	\$2,850,000	\$0	\$3,250,000	\$0
Bridges	\$500,000	\$0	\$500,000	\$0	\$0	\$0	\$0	\$500,000	\$0
Footpaths and cycleways	\$425,000	\$0	\$425,000	\$0	\$0	\$0	\$0	\$425,000	\$0
Drainage	\$600,000	\$0	\$150,000	\$450,000	\$0	\$0	\$0	\$600,000	\$0
Other infrastructure	\$450,000	\$0	\$450,000	\$0	\$0	\$0	\$0	\$450,000	\$0
<b>Total infrastructure</b>	<b>\$8,075,000</b>	<b>\$0</b>	<b>\$7,625,000</b>	<b>\$450,000</b>	<b>\$0</b>	<b>\$2,850,000</b>	<b>\$0</b>	<b>\$5,225,000</b>	<b>\$0</b>
<b>Total capital works expenditure</b>	<b>\$16,139,961</b>	<b>\$0</b>	<b>\$15,689,961</b>	<b>\$450,000</b>	<b>\$0</b>	<b>\$8,672,461</b>	<b>\$250,000</b>	<b>\$7,217,500</b>	<b>\$0</b>

## 2. Summary of planned human resources expenditure

Summary of Planned Human resources	2018 Budget \$	2019 SRP \$	2020 SRP \$	2021 SRP \$
<b>Staff Expenditure</b>				
Chief Executive office	\$795,868	\$811,785	\$836,139	\$861,223
Corporate Services	\$3,667,989	\$3,741,349	\$3,853,589	\$3,969,197
Development and Community Services	\$7,026,301	\$7,166,827	\$7,381,832	\$7,603,287
Infrastructure and Leisure Services	\$7,299,320	\$7,445,306	\$7,668,666	\$7,898,726
Disaster Recovery	\$192,237	\$196,082	\$201,964	\$208,023
<b>Total Staff Expenditure</b>	<b>\$18,981,715</b>	<b>\$19,361,349</b>	<b>\$19,942,190</b>	<b>\$20,540,455</b>
	<b>EFT</b>	<b>EFT</b>	<b>EFT</b>	<b>EFT</b>
<b>Staff Numbers</b>				
Chief Executive office	5.8	5.8	5.8	5.8
Corporate Services	39.1	39.1	39.1	39.1
Development and Community Services	77.1	77.1	77.1	77.1
Infrastructure and Leisure Services	97.2	97.2	97.2	97.2
Disaster Recovery	4.7	0.0	0.0	0.0
<b>Total Staff Numbers</b>	<b>223.8</b>	<b>219.1</b>	<b>219.1</b>	<b>219.1</b>

ORDINARY COUNCIL MEETING

# PUBLIC EXHIBITION – DRAFT MUNICIPAL PUBLIC HEALTH AND WELLBEING PLAN 2017-2021

OM172604-2

<b>LOCATION / ADDRESS</b>	Whole of Municipality	<b>GENERAL MANAGER</b>	Gareth Smith
<b>OFFICER</b>	Greg Fletcher	<b>DEPARTMENT</b>	Development & Community Services
<b>TRIM FILE</b>	F16/2131	<b>CONFIDENTIAL</b>	No
<b>ATTACHMENTS</b>	1. Municipal Public Health and Wellbeing Plan 2017 - 2021		
<b>PURPOSE</b>	To consider the endorsement of the draft Municipal Public Health and Wellbeing Plan 2017-2021 and release for public exhibition to seek community feedback.		

## 1. LOCATION PLAN / AERIAL PHOTO

Not applicable

## 2. EXECUTIVE SUMMARY

The draft Municipal Public Health and Wellbeing Plan 2017-2021 (the Plan) presents the aspirations of the newly elected Council for its four year term. The plan is a four year strategic statement developed with an extensive community and health sector consultation process to hear and respond to the community health and wellbeing needs.

The draft Plan includes eight priorities to maximise health and wellbeing in Colac Otway:

- Embed key health and wellbeing enablers
- Young people and their families
- An ageing population
- Family violence
- Healthy eating and active living
- Mental health and connectedness
- Culture, heritage and diversity
- Alcohol, tobacco and other drugs.

The purpose of this report is to describe the process for developing the draft Plan and to recommend a five week exhibition period to allow community to review and provide feedback on the draft Plan.

### 3. RECOMMENDATION

*That Council:*

- 1. Endorses the draft Colac Otway Shire Municipal Public Health and Wellbeing Plan for the purpose of Section 26 of the Public Health and Wellbeing Act 2008.*
- 2. Authorises the Chief Executive Officer to give public notice that Council has prepared a draft Colac Otway Shire Municipal Public Health and Wellbeing Plan.*
- 3. Appoints a Committee comprising of all Councillors and chaired by the Mayor to meet on Wednesday 14 June, 2017 at 5pm, and hear any persons who in their written submissions have requested that they be heard in support of their submission.*
- 4. Authorises the Chief Executive Officer to undertake any and all administrative procedures necessary to enable Council to carry out its functions.*
- 5. Notes that written submissions will be accepted for a 5 week period closing 5:00pm Friday 2 June 2017.*
- 6. Considers for adoption the Colac Otway Shire Municipal Public Health and Wellbeing Plan at the Ordinary Council meeting on Wednesday 28 June 2017 at 6.00 pm at Apollo Bay Senior Citizens Centre, after consideration of any submissions received by the Council at its Special Committee Meeting on Wednesday 14 June 2017.*

### 4. BACKGROUND / KEY INFORMATION

The Municipal Public Health and Wellbeing Plan is legislatively prescribed and is a leading strategic document guiding the four year term of the Council.

## **FURTHER SUPPORTING INFORMATION**

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

The development of the draft Plan was directly informed by a significant community engagement program, using internal organisational resources, which sought input from the community about their aspirations for the Shire. This was the most comprehensive community engagement program conducted in Colac-Otway, and received a very positive response:

- Over 380 surveys have been completed by members of the community
- Meetings with key stakeholders, including major employers and service providers
- Pop-up listening posts and community conversation events were conducted across the Shire to meet members of the community going about their daily activities, providing an opportunity to contribute their ideas
- A stakeholder workshop was held with 30 representatives from health services to commence planning of the Municipal Public Health and Wellbeing Plan and to discuss the broad themes of the Council Plan
- 254 young people completed a survey on their health and wellbeing issues
- Over 420 people, including 135 people under 18 years, participated in research on our community's attitude towards Year 12 attainment
- 83 older people from across the Shire told us about the infrastructure required to support their needs.

The next stage of the process is to release the draft Municipal Public Health and Well Being Plan for public comment. A consultation period of five (5) weeks is proposed in line with the process suggested for the Council Plan and 2017-18 Budget.

Community consultation is an important step in the Municipal Public Health and Well Being Plan preparation process.

The community is strongly encouraged to provide comments and submissions on the strategies contained within the draft Municipal Public Health and Well Being Plan.

As part of Council's commitment to improve community engagement, drop-in information sessions will be held in Colac and Apollo Bay during the exhibition period to give community members the opportunity to ask questions of Council about the proposed Municipal Public Health and Wellbeing Plan.

### **6. ANALYSIS**

Each Council in Victoria is required by the Victorian Public Health & Wellbeing Act 2008 to develop a Municipal Public Health and Wellbeing Plan that is consistent with its Council Plan and its Municipal Strategic Statement. This draft Plan has applied a health and wellbeing lens over the draft Council Plan and clearly aligns its priorities within the themes of the draft Council Plan. The priorities have been developed by using data-based evidence of the health status and health determinants within our communities. This evidence together with community engagement has identified the following priorities to maximise health and wellbeing in Colac Otway:

- Embed key health and wellbeing enablers
- Young people and their families
- An ageing population
- Family violence
- Healthy eating and active living
- Mental health and connectedness
- Culture, heritage and diversity
- Alcohol, tobacco and other drugs

The draft Plan has carefully considered the priorities within the current Victorian Public Health and Wellbeing Plan of 2015-2019 and the outcomes that the State Government will use to measure success. Many of the priorities within this Plan reflect priorities within the State plan.

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

The draft Municipal Public Health and Wellbeing Plan has been developed to reflect the themes of the draft Council Plan: Our Prosperity, Our Places, Our Community and Our Leadership and Management.

## **ENVIRONMENTAL IMPLICATIONS**

The draft Municipal Public Health and Wellbeing Plan includes objectives and measures relating to the environment, in particular impacts to the community health from climate change, as required by State Government.

## **SOCIAL & CULTURAL IMPLICATIONS**

The draft Municipal Public Health and Wellbeing Plan includes objectives and measures to address existing social and cultural matters within our community. The draft Plan includes 8 priorities that guide its direction with two of these particularly addressing social and cultural issues; *Mental health and connectedness* and *Culture, heritage and diversity*. These priorities' goals are to *Take action to build resilient and socially connected individuals and communities* and *Acknowledge and celebrate our community's culture, heritage and diversity*.

## **ECONOMIC IMPLICATIONS**

The Municipal Public Health and Wellbeing Plan includes objectives, actions and measures that aim to address key community health and wellbeing issues. Addressing these issues can also assist with enhancing the economy.

## **LEGAL & RISK IMPLICATIONS**

Council must comply with the requirements of the Public Health & Wellbeing Act 2008, as mentioned above; otherwise it is in breach of the Act. The draft Plan has been developed consistent with meeting these requirements.

The Municipal Public Health and Wellbeing Plan needs to be developed to meet the legislative requirements of Council as defined under the Public Health & Wellbeing Act 2008, which is to produce a Municipal Public Health and Wellbeing Plan that:

- Examines data about health status and health determinants in the municipal district
- Identifies goals and strategies based on available evidence for creating a local community in which people can achieve maximum health and wellbeing
- Provides for the involvement of people in the local community in the development, implementation and evaluation of the Plan
- Specifies how the Council will work in partnership with the Department of Health and Human Services and other agencies undertaking public health initiatives, projects and programs to accomplish the goals and strategies identified in the Plan.

The Act further requires the Plan to meet the following conditions:

- It is consistent with the Council Plan and the Municipal Strategic Statement
- In preparing the Plan, Council must have regard to the Victorian Public Health and Wellbeing Plan (currently the 2015-2019 version)
- It be reviewed annually and, if appropriate, amend the plan.

There are other legislated and proposed legislated requirements of the Plan. These include:

- The Climate Change Act 2010 requires Council to consider climate change impacts on health
- To report on the measures that a Council proposes to take to reduce family violence and respond to the needs of the victims.



Council must give a copy of the current Municipal Public Health and Wellbeing Plan to the Secretary of the Department of Health and Human Services.

## RESOURCE IMPLICATIONS (FINANCIAL ETC)

The Municipal Public Health and Wellbeing Plan is the strategic document guiding the work of the Council for four years, and is based on its legal requirements. Risks have been considered in terms of the capacity of the organisation to meet the objectives of the plan and resource implications are noted against each action. The draft Plan includes many actions that has no or minimal resource implications to Council. Those actions to be lead or implemented by Council are within existing resource allocations which are primarily funded by State or Federal Governments.

The draft Plan also includes many actions that are to be lead and/or implemented by other organisations whom are also referred to in the draft Plan. The key health service provider organisations were provided a confidential draft to allow them to determine if there were any key issues from their perspective, including resourcing concerns. No issues were raised by these organisations.

## 7. IMPLEMENTATION STRATEGY

### DETAILS

The exhibition of the draft Plan will be publicised and feedback sought through the following mechanisms:

- Published on the website and ability to provide written feedback via the website
- Persons who registered their names and contact details via the community survey will be contacted directly and invited to provide feedback on the draft Council Plan, Budget and Municipal Public Health & Wellbeing Plan
- Organisations in the Shire will be contacted directly and invited to provide feedback on all three documents
- Persons having previously made submissions will be contacted directly and invited to provide feedback on all three documents
- Two community information sessions will be held during the exhibition period, one in Colac and one in Apollo Bay, for people to attend and provide direct feedback to Councillors and officers as follows;
  - Thursday, 4 May outside Target Colac, from 10am - 1pm
  - Thursday, 11 May outside Apollo Bay Bakery, from 10am - 1pm
- A meeting with health and wellbeing providers in the Shire has also been arranged to discuss the draft Plan.

### TIMELINE

The exhibition period runs from 1 May 2017 to 2 June 2017.

2 June – Exhibition ends

14 June – Council consider submissions

28 June – Council consider endorsement of the final Municipal Public Health & Wellbeing Plan 2017-2021.

Submissions must be made in writing by Friday 2 June 2017 and Council will consider any submissions received at a Special Committee Meeting on Wednesday 14 June 2017 at 5pm prior to the final Plan being considered for adoption on Wednesday 28 June 2017.

Anyone wishing to be heard in support of their submission must advise Council of their intention to do so in the written submission provided by Friday 2 June 2017.

### COMMUNICATION

The release of the draft Plan and processes for providing feedback will be widely publicised in the local media and on Council's website.

## 8. OFFICER DIRECT OR INDIRECT INTEREST

No conflicts of interest, direct or indirect, have been made in relation to this item.

Colac Otway Shire  
Municipal Public Health and Wellbeing Plan 2017-2021

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## Foreword by the Mayor

This plan has been developed to meet the legislative requirements of the Victorian Government. To achieve this, Council needs to prepare and adopt a Municipal Public Health and Wellbeing Plan within 12 months of a new Council being elected. This plan is closely aligned to the Colac Otway Shire Council Plan 2017–2020 and actions are linked to the Council Plan themes.

Our Council understands that there are many ways that people in Colac Otway can stay healthy, active and connected to their friends, family and community. We have a beautiful, natural environment including forests, beaches, plains and a network of open spaces in which we enjoy a healthy and active lifestyle. It's wonderful that we have an increasingly diverse community from which come new ideas, aspirations and prosperity. How we understand, recognise and celebrate our cultures, heritage and diversity is important, especially for our Aboriginal community.

The process of community engagement used to develop this plan was extensive. There were 380 people who responded to our 'Make your voice heard' survey. More than 250 young people between 12 and 25 years responded to a survey on their health and wellbeing needs. As our school retention and year 12 attainment levels are relatively low we wanted to know more about the community's attitude towards education. More than 420 people, including 137 young people, were involved in this research. We also met with 83 older people from across the municipality to discuss their health and wellbeing needs.

This health and wellbeing plan is inclusive in its approach and recognises the strengths and resilience of our Colac Otway communities. Council plans and works with partners to support each life stage from birth to workforce, and from parenthood into retirement. How people stay connected and valued is fundamental to their mental and physical health, as to, is reducing harmful substance abuse and gambling addictions. How as a community we respond to family violence and gender inequity is something we all need to consider.

We know that some of our communities have gone through tough times in the recent past due to fire, flood and other natural and man-made emergencies. Council is committed to improving the resilience of the community to respond to, withstand and recover from adverse situations.

I am confident that by implementing the commitments in this plan over the next four years Council will, together with you and our partners, help make a significant contribution to the health and wellbeing of our community, and make Colac Otway a healthier and more connected community.

*Colac Otway Shire acknowledges the Traditional Owners and custodians of the lands in our region and pays respect to their Elders both past and present*

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## Executive Summary

Council has developed this Municipal Public Health and Wellbeing Plan (this Plan) as an integral process during the preparation of the Council Plan. Each priority within this Plan considers one or more of the four themes of the Council Plan, these being Our Prosperity, Our Places, Our Community, Our Leadership and Management. These four themes will align Council's planning, services and advocacy roles across the entire organisation.

This Plan is a key document that shows how Council can influence better health and wellbeing outcomes for all of our community. It is particularly important that Council understands and provides advocacy and support for those groups/individuals that experience some form of vulnerability through disadvantage, racism or isolation. These groups/individuals include: Aboriginal and Torres Strait Islander residents, people from culturally and linguistically diverse (CALD) backgrounds, refugees and asylum seekers, people on low income, people with disabilities and/or mental illness, older adults, people from the Lesbian, Gay, Bisexual, Transgender, Intersex (GLTBI) community and people living in isolated and/or vulnerable circumstances.

Although these groups/individuals are not specifically mentioned in each health and wellbeing priority Council will provide a lens over each priority to ensure that the needs and aspirations of these vulnerable people are considered and reflected within the objectives within this Plan.

Extensive consultation has been held within the community, health and wellbeing service planners, funders and providers to ensure that Council has a good understanding of how our community can be supported now and into the future.

Council recognises that it needs to work in partnership with many other health and wellbeing providers to ensure better outcomes for our community, especially supporting families to assist their children to reach their full potential. Council recognises that the State Government has legislated that the 'Royal Commission into Family Violence' recommendations for local government be included and implemented through this Plan.

The following priorities have been identified and will guide Council's health and wellbeing direction over the next four years.

- Embed key health and wellbeing enablers
- Plan together for an ageing population
- Healthy eating and active living
- Culture, heritage and diversity
- Young people and their families
- Family violence
- Mental health and connectedness
- Alcohol, tobacco and other drugs



## Introduction

This Council's approach to promoting good health and wellbeing begins within its Council Plan. The strategic themes of this current Council Plan are **Our Prosperity, Our Places, Our Community, Our Leadership and Management**. These set a clear direction of influences within our social, built, economic and natural environments which can provide positive health and wellbeing outcomes for each person within our shire.

Each Council in Victoria is required by the Victorian Public Health & Wellbeing Act 2008 to develop a municipal public health and wellbeing plan that is consistent with its Council Plan and its Municipal Strategic Statement. This Municipal Public Health & Wellbeing Plan 2017-2021 (this Plan) has applied a health and wellbeing lens over the Council Plan and clearly aligns its priorities within the themes of the Council Plan. With data-based evidence of the health status and health determinants within our communities we have prioritised goals and strategies to maximise health and wellbeing.

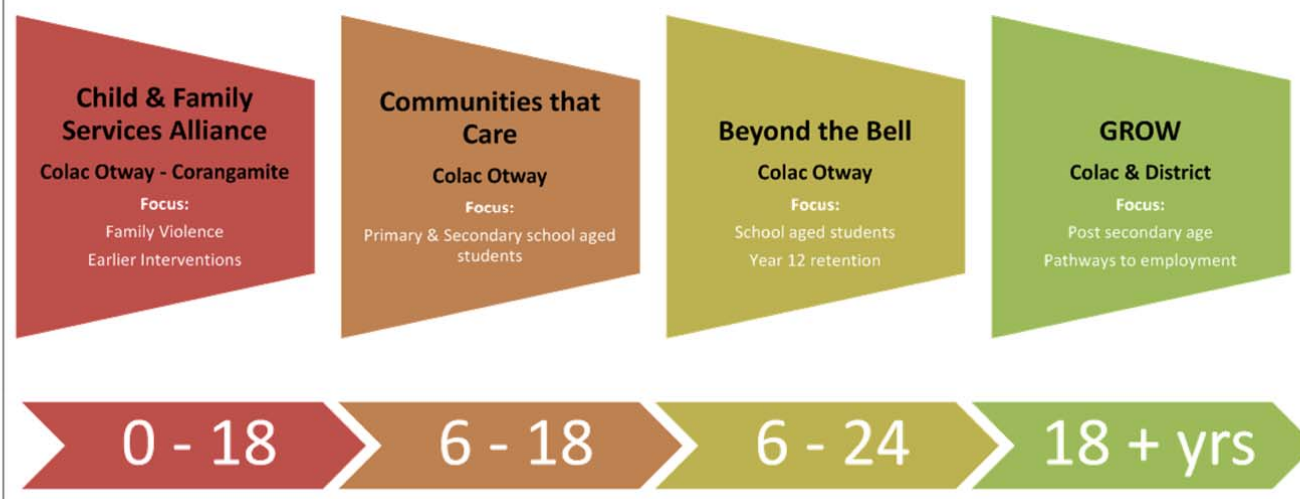
This Plan has carefully considered the priorities within the current Victorian public health and wellbeing plan of 2015-2019 and the outcomes framework that the State Government will use to measure success. Many of the priorities within this Plan reflect those priorities within the State plan.

In developing this Plan Council has provided numerous opportunities through multiple surveys, planning sessions and workshops for community and agency input. A key theme within this Plan is to provide regular feedback to our partners and the community on what we are doing and how we are progressing. An annual report card will be provided on our successes and achievements, and what we need to improve or change to make more of an impact.

Council has over many years worked in close partnership with the Department of Health and Human Services and other agencies which undertake public health initiatives, projects and programs to accomplish better outcomes for our community. This also happens at a municipal and a regional level, especially within the G21 Geelong Regional Alliance. It is extremely important that these partnerships continue and increase their collective understanding and capacity to continue supporting our increasingly diverse community within their most vulnerable of life stages and circumstances, as well as providing healthier options and opportunities.

Figure 1 shows the continuum of Collective Impact life-stage developmental phases provided within local partnerships to support families to provide the best start for their children. It is critical that these phases have transitional arrangements for all children and young people between these support programs and that there is a feedback advisory loop from the later stages to the earlier stages. The Department of Health and Human Services is a key funder in most of these phases.

**Figure 1**



## Council Plan Themes

The strategic themes and the outcomes of the Council Plan 2017-2021 are reflected within priorities of this Plan.

<b><i>Our Prosperity</i></b>	<b><i>Our Places</i></b>	<b><i>Our Community</i></b>	<b><i>Our Leadership &amp; Management</i></b>
<i>We work together to improve the prosperity of our people, businesses and community partners by working to promote to our beautiful shire as an attractive place to invest, live and work.</i>	<i>Our places are well-planned. We work with local and government partners to plan healthy, safe environments which promote community life and enhance well-being. Our infrastructure assets are managed so that they are sustainable for the long term.</i>	<i>We work to know our community and to understand their needs and aspirations. We plan our assets and services to meet community need and foster a culture of good service and partnership with others.</i>	<i>We will work together with our community to create a sustainable future. We will deliver value for money for ratepayers in everything we do and we will achieve long term sustainability and transparent community leadership.</i>

## Municipal Strategic Statement

It is important that this Plan is consistent with Council's Municipal Strategic Statement (MSS) in regards to the MSS's health and wellbeing direction. The MSS does not currently have general health and wellbeing considerations across the whole municipality. It is recommended that subsequent reviews of the Colac Otway Planning Scheme could include the following:

- Facilitate healthier places through land use planning considerations of design, layout, liner and safer access to public recreational places that encourage active lifestyle
- Use contributions to upgrade the existing and or to create new public open spaces that encourage active and healthier lifestyle
- Create high quality accessible and safer public places and social and community infrastructure (including transport infrastructure) through land use planning
- MSS and local policies in the Planning Scheme provide strategic directions to create safer and accessible places that encourage active, healthier lifestyles and discourage car dependency
- Effective management of wastewater in unsewered areas.

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## Preparing this plan

### Learnings from the previous plan 2013-2017

It is important that consideration is given to the previous plan on what worked, what didn't work, what can be improved and what should be included in this Plan. Following are general reflections from discussions with partner agencies on the key priorities for the time.

Firstly, it is important that the Councillors and staff have an understanding of the health and wellbeing needs and aspirations of our community and is considered and integrated into all planning, advocacy and service delivery. However, before this occurs there needs to be clarity of why this is important and how it involves all functions of Council.

Secondly, during the time of the previous plan Council was within the G21 Geelong Region Alliance and the Great South Coast Alliance. This created demands on health and wellbeing initiatives that were beyond the capacity of Council. With Council now solely aligned to the G21 Geelong Region Alliance there is a greater capacity to achieve agreed outcomes. Two specific G21 Geelong Region Alliance outcomes discussed further in this Plan involve Healthy Eating and Active Living (HEAL) and the Preventing and Addressing Violence Against Women and Children in the G21 Region 2016-2020.

Thirdly, working with local partners requires capacity and commitment around processes to ensure, as partners, we fully understand the issues, and can make a difference. To achieve this we could better share knowledge and evidence, increase capacity through workforce training together, and most importantly have governance and leadership within each partner organisation committed to achieving agreed outcomes.

Other reflections of the previous Plan include it:

- had too many internally focussed actions. To overcome this issue there needs to be processes that can focus on actions from partners;
- was too aspirational and required additional resources and increased capacity to be fully achieved. This Plan will look at developing capacity across Council and with partners to achieve outcomes;
- had limited reference to the need of developing capacity. Workshopping with partners has identified the importance of getting our joint processes and capacity right and aligned to become more effective;
- was developed 6 months after the Council Plan. This time, both the Council Plan and this Plan are being prepared in the same timeframe. Although these are two separate plans they need to complement each other around Our Community, Our Prosperity, Our Leadership and Our Places and the need to consider health and wellbeing issues in all decision making; and
- had a structure and format that was easy to read and understand.

### **This Plan**

This Plan has been informed by the following processes.

- A review of demographic and health profile data for the Colac Otway Shire
- A review of the surveys and planning sessions with our community
- The development of the Colac Otway Shire Council Plan 2017-2021
- The development of a G21 Geelong Region Alliance health and wellbeing key priorities for 2017 and beyond
- A review of Council plans and strategies from a health and wellbeing perspective
- Planning sessions with representatives from key partner organisations.

This Plan needs to outline enabling strategies and actions to increase Council's capacity across all of its functions to improve the public health and wellbeing of people within the municipality. A health and wellbeing impact lens needs to be applied to all of Council's plans, strategies and activities to consider and provide good health and wellbeing for our community.

The priorities identified in this Plan are divided into the following themes:

- Embed key health and wellbeing enablers
- Young people and their families
- An ageing population
- Family violence
- Healthy eating and active living
- Mental health and connectedness
- Culture, heritage and diversity
- Alcohol, tobacco and other drugs.

## Policy context

### Victoria

The State *Public Health and Wellbeing Act 2008* is legislation to promote and protect the health and wellbeing of Victorians. As a requirement of this Act, the second Victorian Public Health and Wellbeing Plan 2015-2019 was developed. The plan articulates the government's vision for a Victoria free of the avoidable burden of disease and injury, so that all Victorians can enjoy the highest attainable standards of health, wellbeing, and participation at every age. Its overarching aim is to reduce inequalities in health and wellbeing. The plan identifies areas that government and partners work on together to improve the health and wellbeing of all Victorians.

Priorities for Victorian Public Health and Wellbeing Plan 2015-2019 are:

- Healthier eating and active living
- Tobacco free living
- Reducing harmful alcohol and drug use
- Improving mental health
- Preventing violence and injury
- Improving sexual and reproductive health.

Actions to respond to priorities identified in the State plan will take account of the needs of different population groups at different stages of life. Preventive and supportive action taken early at each stage and transition points in the life course can provide multiple benefits. The State plan includes a focus on health and wellbeing from the pre-natal period, the early years, through adolescence and youth, the adult years and into older age.

Other legislation to be considered in this Plan includes:

- The *Climate Change Act 2010* which requires the Department of Health and Human Services and local councils to consider climate change in state and municipal public health and wellbeing plans and sets out how this consideration should occur.
- The *Transport Integration Act 2010* includes objectives to support social and economic inclusion through promoting forms of transport with greatest benefit for health and wellbeing.



- The *Tobacco Act 1987* led to banning of smoking in cars carrying children (2010); prohibited the display of tobacco products at retail point of sale (2011); introduced outdoor smoking bans on patrolled beaches (2013); and smoking bans around children's recreational areas such as playgrounds and sporting venues (2014); and prohibiting smoking at entrances to schools, childcare centres, public hospitals and community health centres, and some Victorian Government buildings (2015) and to ban smoking in outdoor dining areas and regulate e-cigarettes and shisha tobacco in the same way as tobacco products from 1 August 2017. Council officers play an important role in the roll-out of these legislative requirements.
- The *Sport and Recreation Act 1972* (amended in 2008) aims to promote the fitness and general health of the people of Victoria through encouraging active participation, encouraging higher standards of safety, improving the facilities available to the people of Victoria for leisure-time pursuits, and encouraging and assisting with the provision of additional opportunities for recreation.
- The *Charter of Human Rights and Responsibilities*, introduced in 2006 commits parliament to promoting awareness and understanding of human rights in Victoria. A human rights culture ensures that the rights of all people are protected and promoted through policy, legislation and service delivery. The charter guides the work of the Victorian Government and informs its approach to public health and wellbeing.

The 2016 Royal Commission report into Family Violence recommended that local government report on the measures that they propose to take to reduce family violence and respond to the need of victims. The Victorian Government has legislated that councils include these measures and responses into their health and wellbeing plans. Information sessions will be provided by the Municipal Association of Victoria to ensure a consistent local government approach to the royal commission recommendation.

## **Regional**

### **Barwon Regional Partnership**

In 2016 Regional Partnerships were formed by the State Government in nine regions in rural and regional Victoria. The Barwon Region Partnership consists of the four municipalities of Colac Otway Shire, Surf Coast Shire, the City of Greater Geelong and the Borough of Queenscliffe.

The Regional Partnerships will bring together representatives from local business, education, social services and community groups with the three tiers of government.

Each Regional Partnership will communicate directly with a Rural and Regional Ministerial Committee. This means that priorities identified by regional areas will have a direct and clear pathway into the resourcing decisions made by departments and Ministers. The Government will work with communities to design new policies and services.

Below are key recommendations that will have impacts on the health and wellbeing throughout Victoria. A tick (✓) is marked against each recommendation that is included in this Plan, Council's health and wellbeing sub-plans and/or other Council initiatives such as *Beyond the Bell* and *GROW*.

- Ensuring climate ready rural and regional businesses and communities (✓)
- Addressing socio-economic disadvantage (✓)
- Early childhood education (✓)
- Educational attendance and attainment rates (✓)
- Better pathways from school to work (✓)

The Barwon Region Partnership has defined the local initiatives as:

- Ensuring an inclusive, safe, healthy and resilient community for us all
  - Reducing homelessness and increasing employment and training of disadvantaged young people
  - Improving the resilience of the Aboriginal community (✓)
  - Fund a youth accommodation support model that also supports young people to access education, training and employment in Colac (✓) and in Geelong
  - Fund projects to support the Aboriginal community such as a 'gathering place' in Colac (✓)
  - Commit to local procurement and employment of local workers wherever possible in all government project expenditure in Barwon and support the GROW partnership to increase coverage of private businesses (✓)
- Enabling our children and young people through education and training
  - Progress Geelong Digital learning hub
  - Alternative programs outside of school to lift engagement (✓)
  - The short, medium and long term priorities need to interlink and work simultaneously to achieve education, training and employment outcomes in the Barwon region (✓)
  - Facilitate a broad range of educational opportunities skills gap to support transition from low skilled high volume manufacturing to high skilled low volume high tech niche manufacturing (✓)

- Climate change
  - Planning for the long term (50-100 years) (✓)
  - Address long term effects of climate change, fire, water security, land use (✓)
  - Build resilience (✓)
  - Increase adaptability programs for farmers and water bodies.

### **G21 Geelong Region Alliance**

The G21 Geelong Region Alliance includes Colac Otway Shire, Surf Coast Shire, the City of Greater Geelong, the Borough of Queenscliffe, and the Golden Plains Shire. 'The Geelong Regional Growth Plan - a sustainable growth strategy' is a comprehensive and widely supported sustainability plan. The plan looks towards 2050 and addresses the challenges and opportunities the G21 region will face in the areas of environment, settlement, land use, community strength and the economy. This plan is the foundation of all G21 activities and projects.

There are two priority projects identified by the G21 Health and Wellbeing Pillar to be addressed from 2017. These are:

- ***Preventing and addressing violence against women and children***  
The G21 Strategic Plan for 'Preventing and addressing violence against women and children 2016-2020' which was launched in December 2016. Representatives across the G21 region attended an Action Planning Workshop in January 2017 to provide advice and discussion around the implementation of the Strategic Plan and to inform local planning initiatives within each municipality.
- ***Healthy Eating and Active Living***  
Member organisations of the G21 Health and Wellbeing Pillar, in partnership with regional Department of Health and Human Services, have identified Healthy Eating and Active Living as a health and wellbeing priority for the future. It is envisaged that the G21 Sport and Recreation Pillar, which supported the development of Council's Physical Activity Strategy, will be an active participant within this priority project.

## Local

The Colac Otway Shire's Council Plan 2017-2021 is the key document that will guide direction and activities during the four year term of our current Council. It sets out our Shire's vision and identifies the themes, priorities and strategies we will pursue. Below are key documents that provide guidance for this Plan.

- Colac Otway Shire Public Health Plan & Wellbeing Plan 2013 - 2017
- Colac Otway Shire Public Open Space Strategy 2011
- Colac Otway Shire Early Years Plan 2015 - 2017
- Colac Area Health – Integrated Health Promotion Plan 2013 - 2017
- Colac Otway Shire Access, Equity and Inclusion Plan 2015 - 2025
- Colac Otway Shire Environment Strategy 2010 - 2018
- Colac Otway Shire 50+ Plan 2015 - 2025
- Colac Otway Shire Climate Change Adaptation Plan 2017
- Colac Otway Shire Municipal Emergency Management Plan
- Colac Otway Shire Physical Activity Strategy 2014 - 2017
- Colac Otway Shire Active Transport Strategy 2013 - 2023

## Consultation

The consultation process to develop this Plan has involved a number of approaches to gain a clear understanding of health and wellbeing issues within our communities and stakeholders. We needed input and direction from Council staff, government departments, local health and wellbeing agencies, organisations, networks and alliances. These are people who on a daily basis meet with, support, provide interventions, counsel and serve our local communities. Health and wellbeing issues and needs are regularly discussed amongst these people at established local network meetings. It is because of these ongoing discussions that the local health and wellbeing context is well understood.

Importantly, the State Government department representatives that attend these meetings and networks gain clarity on local health and wellbeing issues within Colac Otway. In many cases these State Government departments provide funding to local health and wellbeing initiatives and services. Working in this relationship contributes to developing focussed place based, funded strategies.

Workshops have been held with Councillors and the Executive Management Team to develop a level of understanding and an opportunity for discussion prior to this Plan being released in draft form to our communities. Consultation and conversations undertaken to develop the Council Plan has provided a significant level of context to this Plan. Validation sessions were conducted with local stakeholders to ensure that this Plan was understood and accurately reflected the actions to take.

## Colac Otway Workshop

On 24 January 2017 a workshop was conducted with 30 participants from local health and community agencies that provide health and wellbeing services and support. Through the process of considering a number of local health and wellbeing issues the following were identified as priorities to consider.

- An ageing population
- Reduce and prevent violence against women and children
- Gender equity
- Alcohol and drug issues
- Healthy eating and active living
- Physical activity
- Obesity
- Mental health

- Social connectedness
- Youth engagement
- Early years supports
- Culturally safe Aboriginal spaces.

Following further discussions with members for the original workshop and a review of state, regional and local plans this group of priorities was refined to those included in this Plan.

### **‘Make your voice heard’ – Colac Otway Shire Survey**

A community survey to tell Council what was important to them in the municipality and what Council should do over the next 4 years was open between 16 December 2016 and 28 February 2017. Three hundred and eighty-nine responses were received and collated. Women 60%, men 38.6% and other 1.4% responded to the survey. The most supported responses focussing on health and wellbeing are provided below.

- **Community Services:** Providing opportunities locally for young people was ranked the highest, followed by improving conditions for the elderly; improving conditions for people with disabilities; and Council as a provider and funder of community services.
- **Social Responsibility:** Having pride in where I live was rated as the highest, followed by a sense of community; affordable housing; and knowing my neighbour.
- **Health and Wellbeing:** Preventing violence against women and children was rated as the highest, followed by supporting young people to remain engaged in their education; and supporting mental health and connectedness.
- **Celebrating Arts and Culture:** Funding buildings and other facilities for active recreation activities was rated as the highest, followed by supporting local community groups providing arts, culture and recreation; and promoting local artists and cultural activities.
- **Community Safety:** Feeling safe where I live was rated as the highest, followed by improving public safety on our streets; and reducing wildfire risk.
- **Respect for Tradition:** Protecting historic buildings and places was rated as the highest, followed by protecting indigenous heritage; and protecting old trees.
- **Infrastructure:** Safe roads were rated as the highest, followed by accessible footpaths, facilities and transport for people of all abilities; and safe footpaths.

### **Youth Engagement Project Survey**

A health and wellbeing survey of young people in Colac Otway was conducted in late 2016<sup>1</sup>. There were 254 respondents from across the shire aged between 12 and 25. 60% of respondents were female, 40% male. Most concerns were linked to coping with stress, body image, bullying and emotional abuse, school and study problems and environmental health. The majority of young people didn't see alcohol, drugs, gambling, suicide, youth gangs or youth crime as important issues. It is encouraging to see that 83% of young people would go to their parents for help on important issues in their lives. 23% would like more volunteering opportunities and more say on local issues. 51% would like more places in their communities to hang out with friends. 16% of young people do not feel safe in their community. 38% have witnessed or experienced unfair treatment or discrimination due to gender, race, sexuality, religion or other reasons.

### **Attitudes to Education Survey**

As part of the Beyond the Bell work plan a research project, including a survey, was conducted by the Brotherhood of St. Laurence to understand community attitudes to education in the Colac Otway Shire<sup>2</sup>. This was in response to the low level of Year 12 attainment and retention within the shire compared to the state average, and if community attitudes to education impact on low school attainment and retention levels. Between September and November 2016 more than 420 people, including 135 under 18 years, shared their views on education through surveys, interviews and focus groups.

In summary education is valued, but it's sometimes not the most important consideration when competing against other family priorities. Parents are seen as the most important source of advice and information on career directions for young people, but, bridge-building between schools, parents and the community is needed. Poor attendance and completion rates are linked mostly to home life and personal issues. Key recommendations to improving education attainment include better access to a wider range of options; parental engagement in education; promoting interschool and community-wide collaboration; improving schools capacity to respond; and providing better career guidance through schools and employers on employment and training pathways both within and beyond the municipality.

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<sup>1</sup> This 2016 survey was funded by the Department of Health and Human Services through its Rural and Regional Local Government Youth Engagement Program; auspiced by Colac Otway Shire and undertaken by Colac Area Health.

<sup>2</sup> Research commissioned by Beyond the Bell Colac Otway Local Action Group, supported by Regional Development Victoria and the Colac Otway Shire.



### **Age Friendly and Dementia Inclusive Urban Design**

The aim of the Age Friendly and Dementia Inclusive Communities Project was to investigate how the Alzheimer's Australia Victoria's Creating Dementia-Friendly Communities Checklists can be applied in the Colac Otway local government area to improve the physical and social built and natural environments for older people and people with dementia. This would also provide universal accessibility for other community members including people a disability, those with short and long term physical impairments, and people pushing prams and strollers. The project also considered the World Health Organisation Age Friendly Cities guide to inform the project actions and recommendations.

Focus groups were held across the Shire with 83 people participating. Topics were: Open Spaces and Buildings, Transportation, Housing, Social Participation, Respect and Social Inclusion, Civic Participation and Employment, Community and Health Services.

Key issues raised by all groups included the lack of affordable housing options for older people – particularly rental properties; access to and knowledge of technology to get information is an issue particularly with a move by government to more web based systems (NDIS, MyAgedCare, MyGov); concern for smaller communities that they will become 'defacto' retirement villages (with no housing availability, no services, no transport and no work), that will lose younger community members with little opportunity to attract other younger people; information for and communication with older people; and footpaths and seating.

## Health and Climate Change

The *Climate Change Act 2017* outlines local government's duty, as a decision maker and action implementer, to have regard to climate change in the Municipal Public Health and Wellbeing Plan.

Since the last decade Council has been developing its understanding of the impacts of climate change within the region and the actions that need to be taken to reduce the effects of these impacts. It is acknowledged that the Barwon South West region of Victoria has been getting warmer and drier and that in the future the region can expect:

- Temperatures to continue to increase year round
- Less rainfall in the winter and spring
- Harsher fire weather and longer fire seasons
- Increased frequency and height of coastal inundation due to sea level rise and storm surge
- More hot days and warm spells, and fewer frosts
- More frequent and more intense rainfall events, increasing erosion and landslides
- Rising sea level.<sup>3</sup>

The Colac Otway Shire Climate Change Adaptation Plan 2017-2027 (CCAP) was developed by Council to plan for and respond to the impact of a changing climate on community, business, the built and natural environments across Council's planning, operations and services. These sorts of challenges will have considerable impacts on Council operations and therefore Council will need to start embedding climate change considerations into operational decision making.

It is important to understand that the CCAP focuses on Council operations, opposed to being a broader, community based adaptation plan. However, Council recognises that it should play a leadership role to the broader community and where possible facilitate local community action for managing climate change impacts.

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<sup>3</sup> Climate-Ready Victoria, Barwon South West, State of Victoria Department of Environment, Land, Water and Planning, November 2015

A number of plans, mentioned under supporting documents, have been developed to describe the impacts of climate change and the actions to be taken to protect the health and increase the resilience of our community, built and natural environments and Council services, operations and infrastructure.

The new normal for Council will be to consider and plan for the predicted impacts of climate change across all Council operations and where possible for the municipality as a whole. Below are some key climate change public health and wellbeing considerations and actions that Council can take.

#### ***Prosperity***

- Resilience and adaptation within the agricultural, industrial and tourism sectors to withstand the impact of climate change and the financial and mental wellbeing of our community who work within these industries.

#### ***Our Community***

- Heatwaves have multiple impacts on our community and public utilities. Council provides, through its services, information and support to young families and older people on how to remain safe during heatwave events
- Identifying triggers that will restrict Council services during heatwaves and develop contingency plans to ensure the community health and wellbeing is not compromised
- Building community awareness of bushfire management
- Ensuring that VicPol has access to information on the location of vulnerable people, especially those in bushfire prone areas. Council maintains such a list of vulnerable people and provides information and encouragement for them and their families on leaving-early strategies
- The 2015 Christmas bushfire impact on Wye River and Separation Creek has had a profound and long term impact on the community, and their physical and mental wellbeing; and the environment and infrastructure within and around their hamlets. Council has a significant role in supporting our communities affected by climate impact emergencies and to plan for future emergency events
- The 2016 floods and severe rain events in the Colac district, Birregurra and along the Great Ocean Road have highlighted future need to plan for and respond to the impact of more intensive rainfall events
- Anticipated impacts on fauna and flora will require planning for changes to our ecosystems. Bird, mosquito and bat migration and habitat patterns, plagues, and more exotic pests, plants and diseases could all have incremental and extreme impacts on our health and wellbeing.

#### ***Our Places***

- Improving and maximising shade and water availability in both the public and private sphere will become more important for outdoor activities
- Developing technical and scientific solutions, such as increasing thermal performance standards for buildings or modifying sports fields and open spaces to better cope with drought conditions
- Revising planning standards for vulnerable areas and sustainable water usage
- Integrated water cycle management planning
- Resilient infrastructure design, construction and location to withstand the impacts of climate change.

#### ***Leadership & Management***

- The predicted impacts of climate change in the Colac Otway region will require Council, together with other levels of government and service providers to plan and develop over time the capacity to anticipate and respond to the impacts of climate change in the future.

#### **Supporting Documents**

- *Victoria's Climate Change Adaptation Plan 2017-2020, Victoria State Government Department of Environment, Land, Water and Planning*
- *Municipal public health and wellbeing planning, Having regard to climate change, State of Victoria, Department of Health, 2012.*
- *Regional Report - Climate Resilient Communities of the Barwon South West – Phase 1 , Victorian Adaptation & Sustainability Partnership, State Government Victoria, 2014*
- *Colac Otway Shire Climate Change Adaptation Plan 2017*
- *Colac Otway Shire Heatwave Plan 2010*

<b>Goal:</b>	<b>Adapting to Climate Change</b>
<b>Council Plan Theme:</b>	<b>Our Places</b> Emergency management is coordinated locally and on a regional basis.

CCAP Objectives	Actions	Council's Role	Partners	Indicators	Resource Implications
<b>OUR COMMUNITY</b> Raise awareness of the needs, challenges and opportunities that climate change presents for Council and community, and of the local actions being undertaken to adapt	Build community awareness through community based fire planning on bushfire management by: <ul style="list-style-type: none"> <li>Integrating bushfire risk management approaches into fire resilient landscaping booklet</li> <li>Creating information pack to provide community and Council staff with clear steps to mitigate bushfire risk to the home and Council assets. Include information about retrofitting homes to meet relevant standards</li> <li>Working with tourism operators and holiday rental owners to raise awareness and build capacity of the sector to understand bushfire risk</li> </ul>	Leader	CFA DELWP	Landscape booklets launched with integrated bushfire risk management approaches. Landscaping plans assessed against the booklet Completed information pack distributed to community and Council staff 20 holiday rentals with emergency procedures in place	Staff time Existing Budget External Funding - (Sought)
	Consider the health and wellbeing implications of a changing climate and how these can be reduced			A health and wellbeing lens is used on all climate change considerations	Staff time Existing Budget External Funding - (Secured)
<b>OUR PLACES</b> Provide clear, prioritised actions for Council to increase the resilience of services and assets against climate change. Introduce a risk based approach for managing climate change in Council operations	Incorporate climate change projections into risk assessments for various situations including flood, fire and coastal erosion Implement the Colac Urban Forest Strategy, Integrated Water Catchment Management Plan, Lake Colac Foreshore Master Plan and CBD and Entrance Strategy	Leader	DELWP VicRoads	Tangible actions from each of the plans either commenced or completed Promotion of these outcomes to the community	Staff time Existing Budget External Funding - (Secured)

Objectives	Actions	Council's Role	Partners	Indicators	Resource Implications
<b>OUR LEADERSHIP &amp; OUR PROSPERITY</b> Partner with key agencies, land managers and stakeholders to inform decision making and enable integrated action for high risks which are outside of council control alone	Incorporate climate change projections into future flood studies and integrate into our flood management and inundation management, responses and policies.	Leader	CCMA	Drainage studies incorporate projected climate change Climate projections are integrated into flood and inundation management, responses and policies Updated flood mapping included within Planning Scheme	Staff time Business Case
	Participate in the state and regional resilience planning projects.	Advocacy	DHHS	Engagement and participation in DHHS resilience planning program. Implementation of resilience planning	Staff time

## Priorities

### Embed key health and wellbeing enablers

#### Governance & leadership

*Governance and leadership involves ensuring strategic policy frameworks exist and are combined with effective oversight and understanding, coalition building, the provision of appropriate regulations and incentives, attention to system-design, and accountability. Leadership involves highest levels of representation in an organisation and across any governance structures.*

To improve outcomes for our community's health and wellbeing it is important that key enablers are embedded within and across Council's leadership, governance, planning, operational and service delivery activities.

#### Partnerships

*This is where health and wellbeing interventions are primarily delivered through collaborative relationships and formal arrangements that demonstrate a cross sectoral and integrated approach.*

To achieve great outcomes from a partnership perspective there must be agreed and shared health and wellbeing outcomes and an understanding on how these are implemented. Through leadership and the implementation the Council Plan 2017-2021, this Plan and other strategic documents Council can ensure the health and wellbeing of our community are considered at all times.

#### Community capacity

*An engaged, inclusive approach to building community understanding of the inter-related issues, needs and experiences and the current or desired assets needed in the community to improve health and wellbeing outcomes for everyone. This includes deliberative community engagement, development, planning and empowerment; and integrated, strategic planning and reporting.*

This has been achieved through the strengthening of Alliances (for example, Colac Otway and Corangamite Child and Families Services Alliance (COCCFSA) and the Collective Impact partnership initiatives for COCCFSA, Beyond the Bell, GROW<sup>4</sup>). Further development of partnerships requires ongoing support from the leadership within each partner. Deliberative community engagement has been used for the development of this Plan with input from the Council community survey, the youth survey and conversations with older people across the municipality.

<sup>4</sup> Geelong Region Opportunities for Work



It is also important that the entire spectrum for IAP2<sup>5</sup> is used, from providing information through to empowerment. A good example of empowerment is the ILOP<sup>6</sup> Positive Ageing Ambassadors who, as older people living across the municipality, volunteered to survey their peers; identified local issues; use seeding funds to undertake local initiatives; and advise Council of further needs.

#### **Workforce development**

*Establishing capacity to develop and sustain a more integrated practice to health and wellbeing planning as described, requiring an inter-professional approach with planners to contribute to the regional preventive health workforce.*

Many of the current partnerships have undertaken specific training for decision makers (e.g. Collective Impact workshops) and operational sector workforce training (e.g. Assessment for Learning, which was to support early years providers across the municipality). Pooling limited resources within partnerships allows for investing in key initiatives (e.g. a part time community support worker to provide further support for vulnerable families attending Council's maternal and child health services).

#### **Information systems (evidence focus)**

*A well-functioning health information system is one that ensures the production, analysis, dissemination and use of reliable and timely information on health determinants, health system performance and health status. There is demonstrated uptake of evidence in decision making at policy, strategy, program, intervention and activity levels.*

Evidence is continually collected and analysed amongst partners to monitor and direct partnership initiatives (i.e. evidence gave COCCFSA confidence to choose Earlier Interventions and Family Violence as the two key initiatives to focus service support for young families)

#### **Financing & resource allocation**

*A system that, based on data, priorities and evidence-based interventions, allocates funds for health and wellbeing related services and programs, as well as analyses how other resource allocations impact either positively or negatively on desired health and wellbeing outcomes.*

Pooling limited resources within partnerships allows for investing in key initiatives. For example: a part-time early years support worker has been funded to focus on identifying, engaging and working with vulnerable families, at the earliest possible stage, who attend Council's maternal and child health services).

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<sup>5</sup> International Association for Public Participation

<sup>6</sup> Improving Livability for Older People

Goal:	Embed key health and wellbeing enablers			
Council Plan Themes	Our Prosperity	Our Places	Our Community	Our Leadership & Management
	We work together to improve the prosperity of our people, businesses and community partners by working to promote to our beautiful shire as an attractive place to invest, live and work.	Our places are well-planned. We work with local and government partners to plan healthy, safe environments which promote community life and enhance well-being. Our infrastructure assets are managed so that they are sustainable for the long term.	We work to know our community and to understand their needs and aspirations. We plan our assets and services to meet community need and foster a culture of good service and partnership with others.	We will work together with our community to create a sustainable future. We will deliver value for money for ratepayers in everything we do and we will achieve long term sustainability and transparent community leadership.

Objectives	Actions	Council's Role	Partners	Indicators	Resource Implications
Council has key strategic documents that align with and support each other	Align this Plan to the Council Plan Align the Municipal Strategic Statement to this Plan	Leader	Internal	This Plan is aligned to and supports the Council Plan  A review of the Municipal Strategic Statement includes strategic health and wellbeing objectives	Staff time Existing Budget
Council has procedures and practices that consider and create health and wellbeing outcomes for our community	An Action Plan is developed and implemented to include health and wellbeing in all considerations and decision making	Leader Org. Dev.	Internal	Health and wellbeing of our community is considered in all reports, planning and decision making processes	Staff time Existing Budget
Holistic, collective and connected systems to support our community in their stages of life	Continue to work in partnership with local and regional health and wellbeing service funders, planners and providers	Facilitator Advocate	Health services Community services G21 State Govt.	Commitment to partnerships and a regular review of the direction, approach and impact through a Health and Wellbeing Compact	Staff time Existing Budget External Funding
	Develop an agreed connection between stages of life based partnerships	Facilitator Advocate	Health services Community services	A clear and agreed life stage overview of partnership initiatives is documented through a Health and Wellbeing Compact	Staff time Existing Budget

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Engaged governance and leadership	Commitment by each partner to understand, support and report on collective initiatives to their boards, executives and staff	Partner	Health services Community services G21 State Govt.	Council and each partner, agree through a Health and Wellbeing Compact, to support, embed health and wellbeing enablers and report to their leaders on a regular basis	Staff time Existing Budget
	Implement this Plan	Leader	Health services Community services State Govt.	Annual review is conducted and reported to Council and partners	Staff time Existing Budget

## Young people and their families

The support that children and young people receive early in life is critical for their long-term health and wellbeing, educational, social and economic outcomes as adults (Schweinhart et al. 2005; Shonkoff, Boyce & McEwen 2009)<sup>7</sup>. Child abuse and neglect are major contributors to poorer outcomes later in life, and therefore an important focus of government intervention.

Getting it right in the early years reduces the need for remedial education and the likelihood of school failure, poor health, mental illness, welfare dependency, substance misuse and crime. It is most cost effective to invest in early intervention that resolves issues as they emerge and are malleable, rather than responding to crisis, toxic stress and trauma, which is both more challenging and more expensive to resolve<sup>8</sup>.

Key transitions during a child's life include beginning at childcare, the start of kindergarten and primary school, and the beginning of puberty and secondary school.

Adolescence and young adulthood is a significant period of transition. Many of the physical, emotional and neural changes and development that occur can impact on health and wellbeing (Australian Institute of Health and Welfare 2014a). Youth is a critical time for developing modifiable risk factors (such as smoking) and protective factors (such as sports participation and healthy eating) because the patterns that develop when people are young often continue into adulthood. These factors can determine whether a person becomes a healthy adult, develops chronic illnesses or experiences the consequences of injury<sup>9</sup>.

A review of the implementation of priorities and actions in the Municipal Early Years Plan 2015-2017 is planned for later in 2017. An action plan for the 2017-2021 period will be prepared following this review.

<sup>7</sup> Victorian public health and wellbeing plan 2015–2019 - Schweinhart LJ, Montie J, Xiang Z, Barnett WS, et al. 2005, *Lifetime effects: The High/Scope Perry Preschool study through age 40* (Monographs of the High/Scope Education Research Foundation, 14), MI: High/Scope Press, Ypsilanti.  
Shonkoff JP, Boyce WT, McEwen BS 2009, 'Neuroscience, molecular biology, and the childhood roots of health disparities: building a new framework for health promotion and disease prevention', *The Journal of the American Medical Association*, vol. 301, no. 21, pp. 2252–2259.

<sup>8</sup> Fox, S., Southwell, A., Stafford, N., Goodhue, R., Jackson, D. and Smith, C. (2015). *Better Systems, Better Chances: A Review of Research and Practice for Prevention and Early Intervention*. Canberra: Australian Research Alliance for Children and Youth (ARACY)

<sup>9</sup> Victorian public health and wellbeing plan 2015-2019 - Australian Institute of Health and Welfare 2014a, *Australia's Health 2014*, cat. no. AUS 178, Australian Institute of Health and Welfare, Canberra.

## Evidence

### Whole of Community Disadvantage Indicators

Colac Otway Shire's Socio-Economic Indexes for Areas (SEIFA) measures the relative level of socio-economic disadvantage based on a range of Census characteristics. It is a good place to start to get a general view of the relative level of disadvantage in one area compared to others and is used to advocate for an area based on its level of disadvantage.

The Colac Otway SEIFA score is 965. It breaks down the small areas within Colac Otway and shows the four areas that make up Colac as having the lowest scores with Elliminyt as the highest. The Victorian average SEIFA is 1010.<sup>10</sup>

### Early Years at Risk Indicators

The Australian Early Development Census (AEDC) compares the level of development of prep year students across Australian communities. The Index measures five developmental areas (called domains). These include physical health and wellbeing, language and cognitive skills, social competence, emotional maturity, and communication skills and general knowledge.

The most recent AEDC for 2015 makes comparisons with results from similar data in 2009 and 2012. It is pleasing to note that there has been a reduction in the children developmentally at risk in physical health and wellbeing, and language and cognitive skills. However, there has been a significant increase in the developmental risk of children around social competence and emotional maturity.

### Youth Survey 2016

A Colac Otway Youth Survey was conducted between October and December 2016. There were 254 survey responses. Results of these can be found on page 18.

### Supporting Documents

- *Australian Early Development Census 2015* – provides emerging trends on the developmental risk of 5 year old children in Colac Otway and compares with region, state and national results.

<sup>10</sup> Sources: Australian Bureau of Statistics, Census of Population and Housing 2011. Compiled and presented in profile.id by .id, the population experts, accessed 8 July 2013.

- ***Colac Otway Shire Municipal Early Years Plan 2015 – 2017*** – focusses on earlier, integrated, quality services to meet local needs in suitable facilities.
- ***Community Attitudes to Education in the Colac Otway Shire, December 2016*** – a survey of over 400 people within Colac Otway on attitudes towards education and year twelve attainments.
- ***Colac Otway and Corangamite Child and Family Services Alliance- Catchment Plan 2017*** - - this plan is to improve safety, stability and wellbeing of vulnerable children, young people and their families through strong partnerships and collaborative effort that identifies and responds to community need.

<b>Goal:</b>	<b>Support families to provide the best start for their children</b>		
<b>Council Plan Themes:</b>	<b>Our Prosperity</b> Strengthen partnerships with key stakeholders to benefit the whole community.	<b>Our Places</b> Assets and infrastructure meet community needs.	<b>Our Community</b> Increase social connection opportunities and community safety. Opportunity for the community to participate in lifelong learning. Community planning informs provision of Council services and social infrastructure.
<b>State Strategy:</b>	<i>Improvements at every stage of life - Starting well &amp; Resilient adolescence and youth (Victorian public health and wellbeing plan)</i>		

Objectives	Actions	Council's Role	Partners	Indicators	Resource Implications
<b>Work from a detailed Municipal Early Years Action Plan for the term of this Council</b>	Review progress of the Municipal Early Years Plan 2015-2017	Leader	Health services Community services DET DHHS	Report prepared of the review of the Municipal Early Years Plan 2015-2017	Staff time Existing Budget
	Prepare a Municipal Early Years Action Plan for 2017-2021	Leader	Health services Community services DET DHHS	Action Plan prepared and adopted by Council in 2017	Staff time Existing Budget
<b>Improved safety, stability and wellbeing of vulnerable infants, children, young people and their families</b>	Maintain strong partnerships and a collaborative effort that identifies and responds to the needs of young families	Partner	CAH Corangamite Shire BCYF State Govt.	Colac Otway and Corangamite Child and Families Services Alliance Catchment Plan to be developed in 2017	Staff time Existing Budget External Funds - (Secured)
<b>Services are designed and delivered to meet the needs of residents and communities</b>	Undertake a Business Review of Council's Family and Children's Services to ensure quality early years planning and services, including Family Day Care, are delivered	Leader	CAH Corangamite Shire BCYF State Govt.	Agreement is reached for a seamless systems approach to support infants, children, young people and their families	Staff time Existing Budget External Funds - (Secured)



Objectives	Actions	Council's Role	Partners	Indicators	Resource Implications
<b>Increased Year 12 attainment rates</b>	Reinvigorate the Colac Otway Beyond the Bell Local Action Group to develop its next short-term strategy	Partner	Schools DET RDV DHHS SWLLEN Beyond the Bell Ltd.	An agreed Action Plan is developed for the next two years	Staff time Existing Budget External Funds - (Secured)
<b>Focus on the importance of reading to young children</b>	Maintain an emphasis on early childhood reading within the maternal and child health and family day care <i>Let's Read</i> programs and our library services	Partner Provider	BCYF CAH Libraries	Report on initiatives to improve reading to and by young children through the <i>Let's Read</i> program and library service activities such as <i>Storytime</i>	Staff time Existing Budget
<b>Better understand the needs and aspirations of young people</b>	Document the results of the 2016 Youth Survey to provide a better understanding of the needs and aspirations of our youth	Partner	CAH DHHS	Report document completed, issues identified and agreed actions implemented	Staff time Existing Budget

## Plan together for an ageing population

Healthy ageing is about enabling older people to enjoy a good quality of life. Healthy ageing strategies should create the conditions and opportunities for older people to have regular physical activity, healthy diets, social relations, participation in meaningful activities and financial security. This involves holistic approaches that address both mental and physical health, as well as a cross-sectoral approach to improve the social determinants of health, such as safe living environments, a flexible pension system and related retirement policies. Healthy ageing can therefore not be achieved through a single initiative, but requires a range of actions and approaches at individual and societal level that work together to achieve this outcome. Healthy ageing also requires a structural paradigm change, as older people must desire and maintain the ability to play an active role in society, while society must in turn encourage and accommodate this.<sup>11</sup> Not all of these enabling factors are within Council's control, however, Council can support a number of positive ageing approaches in its 50+ Plan 2012-2025 (phase 1).

*The vision of the 50+ Plan is to..... 'Create an age-friendly Colac Otway where the health and wellbeing of older people is enhanced through empowerment, respect, social connectedness, active participation, independence and a good quality of life'.*

A summary of the implementation of phase 1 priorities and actions of the 50+ Plan 2015-2025 is planned for later in 2017, followed by the preparation of phase 2 for the 50+ Plan 2012-2025 being developed for the 2017-2021 period.

## Evidence

Planning sessions have been held with eighty-three older people in Colac across seven townships within the municipality to consider their local needs for age friendly and dementia inclusive urban design. Issues include the need for more accessible footpaths, limited rental housing for older people, transport issues in rural communities, more seating (with arm rests) and designated road crossings that allow time for older people to use confidently and safely.

### Snapshot – Ageing Australia in 2055<sup>12</sup>

- Male life expectancy 95.1 years and female life expectancy of 96.6 years
- Around 40,000 people over 100 years
- In 2015 the ratio of Australians between 15 and 64 to those over 65 was 4.5:1, by 2055 this will be 2.7:1

<sup>11</sup> healthy and active ageing - A report commissioned by The Federal Centre for Health Education Bundeszentrale für gesundheitliche Aufklärung (BZgA), Brussels, January 2012

<sup>12</sup> 2015 Intergenerational Report, Australian in 2055, Australian Government 2015

- Population projected to be 39.7 million
- People over 65 participating in the workforce in 2014-2015 were 12.9%, by 2054-2055 this will be 17.3%

Dementia is the second-highest leading cause of death, behind heart disease but there is no national strategy to address it. The direct costs for people with dementia living in the community are about \$45,400 in the first year after diagnosis. This includes hospitalisations, paid care and doctor visits<sup>13</sup>. The number of people with dementia in Colac Otway in 2016 was 466. It is expected at current growth rates this will increase to 1,503 by 2050. This is an annual growth rate of 3.5% per year<sup>14</sup>.

Current data shows that Colac Otway Shire's population over 70 years of age is 12.6% of the total population. This is over 28% greater than the Victorian average of 9.8%. Our ageing profile as predicted by *.id, the population experts* shows the age group which is forecast to have the largest proportional increase (relative to its population size) by 2021 is 70-74 year olds, who are forecast to increase by 53.3% to 1,242 persons. The predominant household type in the shire is a lone person household, reflecting our older demographics. The percentage of persons aged 75+ who live alone is 41.6% compared to the Victorian measure of 35.9%. Of these people 76.4% are female.<sup>15</sup> The percentage of persons aged 70+ who receive Home and Community Care (HACC) services is 34% of the target population of persons over 70. This is significantly higher than the Victorian measure of 20%.<sup>16</sup> Aged care places for low care within the eligible population, is 6.2% compared to the Victorian average of 4.6%. High care aged care places are similar to the Victorian average.<sup>17</sup>

### Supporting Documents

- **Colac Otway Shire 50+ Plan 2015-2025 (Phase1)**
- **Colac Otway Shire Positive Ageing Ambassadors Toolkit (an age-friendly resource)**
- **2015 Intergenerational Report – Australia in 2055** – was commissioned by the Commonwealth Government and contains analysis of the key drivers of economic growth - population, participation and productivity
- **Healthy and active ageing** - A report commissioned by The Federal Centre for Health Education Bundeszentrale für gesundheitliche Aufklärung (BZgA), Brussels, January 2012

<sup>13</sup> The Age, 'A person diagnosed with dementia has no chance' disease a growing cost for families and society, Miki Perkins, 15 Feb. 2017

<sup>14</sup> NATSEM, University of Canberra, January 2016. *Commissioned by Alzheimer's Australia Vic.*

<sup>15</sup> Government of Victoria, Department of Health, 2012, Modelling, GIS and Planning Products Unit: *Colac Otway Shire Profile.*

<sup>16</sup> Government of Victoria, Department of Health, 2012, Modelling, GIS and Planning Products Unit: *Colac Otway Shire Profile.*

<sup>17</sup> Government of Victoria, Department of Health, 2012, Modelling, GIS and Planning Products Unit: *Colac Otway Shire Profile.*

- **Department of Health** – the latest national roll-out of Ageing and Aged Care called *Increasing Choice in Home Care* commenced on 27 February 2017. This is based on consumer centred care which allows for more choice, control and centralised access.

<b>Goal:</b>	<b>Healthy Ageing</b>	
<b>Council Plan Themes:</b>	<b>Our Places</b> <i>Assets and infrastructure meet community needs.</i>	<b>Our Community</b> Increase social connection opportunities and community safety. Opportunities for the community to participate in lifelong learning. Foster an inclusive community. Community planning informs provision of Council services and social infrastructure.
<b>State Strategy :</b>	<b>Improvements at every stage of life - Active and healthy ageing (Victorian public health and wellbeing plan)</b>	

Objectives	Actions	Council's Role	Partners	Indicators	Resource Implications
Work from a detailed 50+ Action Plan for the term of this Council	Review progress of the 50+ Plan 2015 – 2025 (phase1)	Leader	Health services DHHS	Report prepared of the review of the 50+ Plan (phase1) in 2017	Staff time Existing Budget
	Prepare a 50+ Plan 2015 – 2025 (phase2) for 2017-2021	Leader	Health services DHHS	Action Plan prepared and adopted Council in 2017	Staff time Existing Budget
Understand the needs and aspiration of older people	Identify the needs and aspirations of older people through conversations, surveys and forums to inform future strategies around our ageing population	Facilitator	Older People	Findings from these are included in decision making	Staff time Existing Budget
Older people are empowered to participate in decision making that enhances their quality of life	Recruit volunteer Positive Ageing Ambassadors to represent the communities in which they live on issues around healthy ageing	Facilitator	Older People	Positive Ageing Ambassadors are recruited through processes developed in Council's Positive Ageing Ambassador Toolkit	Staff time Existing Budget External Funding - (Sought)
Our urban design meets the needs of older people and those with dementia	Complete the Age Friendly and Dementia Inclusive Communities project	Leader	Older People Health services DHHS	Findings from this report are included in the 50+ Plan 2015 – 2025 (phase2)	Staff time Existing Budget External Funding - (Secured)
Services are designed and delivered to meet the needs of residents and communities	Undertake a Business Review of Council's Older Person's and Ability Support Service (OPASS)	Leader	Older People Health services DHHS Consultant	A report is prepared on the review findings and recommendations are made on the most appropriate business model	Staff time Existing Budget

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## Family Violence

Family violence occurs when a perpetrator exercises power and control over another person. It involves coercive and abusive behaviours by the perpetrator that are designed to intimidate, humiliate, undermine and isolate; resulting in fear and insecurity. It covers a wide spectrum of conduct that involves an escalating spiral of violence. These behaviours can include physical and sexual abuse, as well as psychological, emotional, cultural, spiritual and financial abuse.

Although every experience is unique, family violence is not a one-off incident for most victim survivors. It is a pattern of behaviour that can occur over a long period of time. It does not always end when the victim ends the relationship—this period can be a very dangerous time as there is a heightened risk that the violence will escalate.

While both men and women can be perpetrators or victims of family violence, overwhelmingly the majority of victims are women and children, and the majority of perpetrators are men. The most common and pervasive instances of family violence occur in intimate (current or former) partner relationships, perpetrated by men against women.<sup>18</sup>

While there is no single cause that leads to domestic violence, there are a number of risk factors associated with perpetrators and victims of domestic violence. For example, perpetrators' alcohol and drug use, and victims' experience of child abuse, pregnancy and separation may all increase the risk of domestic violence. Financial stress, personal stress and lack of social support are also strong correlates of violence against women.<sup>19</sup>

A key contributory factor for violence against women is gender inequity. There is a need to promote and normalise gender equity in public and private life. Mutually reinforcing actions are needed through legislation, policy and program responses. Local government has an important role in providing for gender equity and prevention and addressing of violence against women and children.

This environment fosters discriminatory attitudes and behaviours that condone violence and allow it to occur. For this reason, addressing gender inequality and discrimination is at the heart of preventing family violence, and other forms of violence against women such as non-intimate partner sexual assault.

In 2016 the Royal Commission into Family Violence proposed 227 recommendations which the Victorian State Government accepted. Recommendation 94 requires local governments to report on the measures it proposes to take to reduce family violence and respond to the needs of victims. The Victorian

<sup>18</sup> "Ending family Violence Victoria's Plan for Change" – Victorian Government's Plan recommended by the Royal Commission into Family Violence 2016

<sup>19</sup> Domestic violence in Australia—an overview of the issues – Department of Parliamentary Services

Government requires local governments to prepare this by 22 October 2017. Assistance will be provided by the Department of Health and Human Services and the Municipal Association of Victoria on developing guidelines to assist councils implementing this recommendation.

G21 Geelong Regional Alliance has prepared the '*Strategic Plan – Preventing violence against women and children in the G21 Region 2016-2020*'. Implementation commences in 2017.

### **Evidence**

- More than 80% of single-parent households are headed by women<sup>20</sup>
- 52% of females and 35% of males live on an income below the minimum wage<sup>21</sup>
- Only 31% of managers and professionals within the Colac Otway Shire municipality are female<sup>21</sup>
- 327 family violence offences in Colac Otway 2015-2016 (120% increase over 5 years)<sup>22</sup>

### **Supporting Documents**

- ***Strategic Plan – Preventing violence against women and children in the G21 Region (2016-2020), G21 Geelong Regional Alliance*** - this will provide guidance around the themes of strengthening leadership, increasing capacity, community key messages, and building the evidence base
- ***Royal Commission into Family Violence 2016*** – has made 227 recommendations to prevent family violence in the future
- ***Gendered Data & Health Planning, A resource for local government, Colac Otway Shire, Women's Health and Wellbeing, Barwon South West Inc.*** – this provides local evidence and advice on promoting gender equity and prevalence of family violence with Colac Otway.

<sup>20</sup> Gendered Data & Health Planning, A resource for local government, Colac Otway Shire, Women's Health and Wellbeing, Barwon South West Inc.

<sup>21</sup> Colac Otway Shire Community Profile - <http://profile.id.com.au/colac-otway/home>

<sup>22</sup> Crime Statistics Agency Victoria



<b>Goal:</b>	<b>Reduce Family Violence and Increase Gender Equity</b>
<b>Council Plan Theme:</b>	<b>Our Community</b> Increase social connection opportunities and community safety. Foster an inclusive community. Community planning informs provision of Council services and social infrastructure.
<b>State Strategic Priority and legislation:</b>	<i>Preventing violence and injury (Victorian public health and wellbeing plan 2015-2019)</i> <i>Legislated requirement to implement Recommendation 94 - Royal Commission into Family Violence 2016</i>
<b>Regional Priority:</b>	<i>Strategic Plan – Preventing violence against women and children in the G21 Region 2016-2020 (G21 Region Alliance)</i>

Objectives	Actions	Council's Role	Partners	Indicators	Resource Implications
<b>Implement Recommendation 94 of the Victorian Royal Commission into Family Violence</b>	Council will report on the measures it proposes to take to reduce family violence and respond to the needs of victims	Regulator Leader Advocate Provider Org. Dev.	G21 DHHS MAV	To be determined by DHHS, MAV and the Strategic Plan – Preventing violence against women and children in the G21 Region (2016-2020)	Staff time Existing Budget External Funding - (Sought)
<b>Develop a regional approach to Preventing violence against women and children in the G21 Region</b>	To be developed in partnership with the G21 Health and Wellbeing Pillar	Leader Provider Org. Dev.	G21 DHHS Other Services	To be determined within the Strategic Plan – Preventing violence against women and children in the G21 Region (2016-2020)	Staff time Existing Budget External Funding - (Sought)
<b>Develop strategies to promote gender equity</b>	Develop a Gender Equity Plan	Leader Advocate Provider Org. Dev.	G21 DHHS Women's H&W (Barwon SW Inc)	Gender Equity Plan adopted by Council	Staff time Existing Budget External Funding - (Secured)
	Promote gender equity as a priority consideration when determining community grants	Regulator Leader		Number of community grant applications received with a gender equity lens	Staff time Existing Budget

## Healthy Eating and Active Living

*“A nutritious diet and adequate food supply are central for promoting health and wellbeing. Excess intake contributes to the risk of obesity, cardiovascular diseases, diabetes, some cancers and dental caries. Increased consumption of fruit and vegetables helps reduce the risk of overweight and obesity, heart disease and certain cancers.*

*Low levels of physical activity and high levels of sedentariness are major risk factors for ill health and mortality from all causes. People who do not do sufficient physical activity have a greater risk of cardiovascular disease, colon and breast cancers, type 2 diabetes and osteoporosis. Being physically active improves mental and musculoskeletal health and reduces other risk factors such as overweight, high blood pressure and high blood cholesterol (Australian Institute of Health and Welfare 2015)<sup>23</sup>.*

*Over the past two decades adult obesity has increased by about 40 per cent in Victoria with over two million Victorians now overweight or obese (Australian Bureau of Statistics 2013f)<sup>24</sup>. Unless effective population-level interventions to reduce obesity are developed and implemented, the steady rise in life expectancy that has been observed may soon come to an end, followed by a reversal that may see the youth of today having shorter lives than their parents (Olshansky et al. 2005)<sup>25</sup>.*

Local Governments can make it easier for people to be physically active by addressing the way that the built environment and public realm is designed. Planning for a healthy built environment puts the needs of people and communities at the heart of Council decisions regarding spaces in which people live, work and play.<sup>26</sup>

The seven best investments to increase physical activity<sup>27</sup> are:

1. Whole of **school programs**.
2. **Transport policies and systems** that prioritise walking, cycling and public transport.
3. **Urban design** for equitable and safe access for recreational physical activity and recreational and transport-related walking and cycling across the life course.

<sup>23</sup> Victorian public health and wellbeing plan 2015-2019 - Australian Institute of Health and Welfare 2015, Physical inactivity, viewed 27 May 2015, <http://www.aihw.gov.au/risk-factors-physical-inactivity/>.

<sup>24</sup> Victorian public health and wellbeing plan 2015-2019 - Australian Bureau of Statistics 2013f, Profiles of Health, Australia, 2011–13, cat. no. 4338.0, Australian Bureau of Statistics, Canberra

<sup>25</sup> Victorian public health and wellbeing plan 2015-2019 - Olshansky S, Passaro D, Hershow R, Layden J, Carnes B, Brody J, Hayflick L, Butler R, Allison D, Ludwig D 2005, 'A Potential Decline in Life Expectancy in the United States in the 21st Century', The New England Journal of Medicine, vol. 352, no. 11, pp. 1138–1145

<sup>26</sup> Heart Foundation. *Creating heart healthy communities: Working with local government*. Accessed 24 June 2013 [www.heartfoundation.org.au/SiteCollectionDocuments/HF-Creating-Communities.pdf](http://www.heartfoundation.org.au/SiteCollectionDocuments/HF-Creating-Communities.pdf)

<sup>27</sup> The British Journal of Sports Medicine. (2012) Investments that Work for Physical Activity. British Journal of Sports Medicine, Volume 46, Issue 10, pages 709-712

4. Physical activity integrated into **primary health care systems**.
5. **Public education** to raise awareness and change social norms of physical activity.
6. **Community-wide programs** involving multiple settings and sectors.
7. **Sports systems and programs** that promote 'sport for all' across the lifespan.

The G21 Health and Wellbeing Pillar has identified Healthy Eating and Active Living as the regional priority project for all members over the next four years. Development of this project will commence in 2017. Furthermore, the G21 Sport and Recreation Pillar has identified physical activity as a pillar priority having completed the regional Physical Activity Strategy. Council has also adopted its municipal Physical Activity Strategy 2014-2017.

## Evidence

Households, receiving Centrelink support, that spend 30% or more of their income on food each week are consider at high risk of experiencing food insecurity. A food basket survey of 44 selected food items<sup>28</sup>, conducted in Colac Otway in 2016, showed that a typical family of 4 would be spending 31.87% of their income on food each week. A single parent family and a single male would be spending just under 30%. The food insecurity rate for Colac Otway is 4.6%<sup>29</sup>.

Physical inactivity is estimated to cost Australia \$13.8 billion annually and the health sector alone \$719 million<sup>30</sup>. 16,178 premature deaths can be attributed to physical inactivity each year<sup>31</sup>. From a workplace perspective, approximately 1.8 working days per employee per year are lost to physical inactivity, or the equivalent of \$458 per employee<sup>32</sup>.

### Colac Otway Healthy Eating – Adults<sup>33</sup>

8.3% met Australian vegetable consumption guidelines (5-6 serves daily)  
 45.7% met Australian fruit consumption guidelines (2 serves or more daily)  
 22.5% consumed sugar sweetened soft drink each day (Vic. average 11.2%)  
 4.6 average number of cups of water per day (Vic. average 5.4)  
 19.9% of adults are obese (Vic. average 18.8%)

### Colac Otway Active Living - Adults<sup>34</sup>

On average the rates for physical activity are better than those of other Victorians, however they are not ideal.  
 28.8% participated in any organised physical activity  
 71.1% participated in non-organised physical activity  
 53.7% did not meet physical activity guidelines

<sup>28</sup> Monash University *Victorian Healthy Food Basket Tool*

<sup>29</sup> Dept. of Health – Victorian LGA Statistical Profiles (Victorian Population Health Survey), 2014

<sup>30</sup> VicHealth (2010) *Participation in Physical Activity: A Determination of Mental and Physical Health*

<sup>31</sup> VicHealth (2010) *Participation in Physical Activity: A Determination of Mental and Physical Health*

<sup>32</sup> VicHealth (2010) *Participation in Physical Activity: A Determination of Mental and Physical Health*

<sup>33</sup> VicHealth Indicators Survey 2015, Colac Otway

<sup>34</sup> VicHealth Indicators Survey 2015, Colac Otway

### **Healthy Eating – Children<sup>35</sup>**

Research is currently being developed in Colac Otway on the eating habits of children. Indicative results show that children have low vegetable consumption, a high daily intake of sweet drinks and high rate of takeaway meals. Similarly to adults there is a high level of overweight or obesity.

### **Active Living - Children<sup>36</sup>**

Research is currently being developed in Colac Otway on the physical activity habits of children. Indicative results show that children have very low rates of physical activity and a moderate to high level of screen time.

### **Oral Health – Colac Otway Children<sup>37</sup>**

51% of 0-5 years have at least one decayed, missing or filled tooth (31% Vic. average) 2014-2016

71% of 6-8 years have at least one decayed, missing or filled tooth (57% Vic. average) 2014-2016

71% of 9-12 years have at least one decayed, missing or filled tooth (64% Vic. average) 2014-2016

78% of 13-17 years have at least one decayed, missing or filled tooth (70% Vic. average) 2014-2016.

### **Supporting Documents**

- *Victorian public health and wellbeing plan 2015-2019*
- *VicHealth - Increasing participation in physical activity and reducing sedentary behaviour*, Local government action guide, 2016
- *VicHealth - Supporting healthy eating*, Local government action guide, 2016
- *G21 Regional Health and Wellbeing Plan 2013-2017* – has identified Physical Activity as a regional health and wellbeing priority
- *G21 Physical Activity Strategy 2014-2017*
- *Colac Otway Shire Physical Activity Strategy 2014 – 2017*
- *Colac Otway Shire Active Transport Strategy 2013 – 2023.*

<sup>35</sup> Deakin University, Childhood Obesity in Colac Otway, 2017

<sup>36</sup> Deakin University, Childhood Obesity in Colac Otway, 2017

<sup>37</sup> Dental Health Services Victoria, Oral health profile, Colac Otway Shire, 2016

<b>Goal:</b>	<b>Healthy Eating and Active Living</b>	
<b>Council Plan Themes:</b>	<b>Our Places</b> <i>Assets and infrastructure meet community needs.  Towns and places are welcoming and attractive.</i>	<b>Our Community</b> Provision of resources to support physical activity by the community. Community planning informs provision of Council services and social infrastructure.
<b>State Strategic Priority:</b>	<i>Healthier Eating and Active Living (Victorian public health and wellbeing plan)</i>	
<b>Regional Priority:</b>	<i>Healthy Eating and Active Living (G21 Region Alliance)</i>	

Objectives	Actions	Council's Role	Partners	Indicators	Resource Implications
<b>Increase active living through accessible walking and riding for the whole of community</b>	Implement the G21 and COS Physical Activity Strategy 2014-2017	Leader	CAH	Document the results of these actions	Staff time
	Implement actions within the COS Active Transport Strategy 2013-2023	Partner	OH HRH VicRoads Community	Review the COS Physical Activity Strategy achievements and develop new appropriate actions for the future	Existing Budget External Funding - (Sought) Business Case
	Plan, design and establish urban environments that encourage accessible walking and cycling routes in built and natural environments	Leader	Community State Govt. Federal Govt.	Use best practice principles when planning urban designs	Staff time Existing Budget
<b>Increased participation in sporting activities</b>	Promote and improve the quality, quantity and accessibility to the open space networks including Lake Colac, beaches, forests, open spaces, playgrounds and recreation facilities.	Leader Provider	Community	Document implementation of the Colac Otway Open Space Strategy 2011 that increase active living	Staff time Existing Budget
	New and refurbished sport and recreation facilities adhere to sports facility guidelines and design principles suitable for all people	Facilitator Planner	Community State Govt. Federal Govt.	Access for all ages and abilities is considered when planning and undertaking works on all sporting facilities	Staff time Existing Budget

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	Encourage more people to participate by providing welcoming, inclusive and flexible sports options	Advocate	Community Sporting Clubs G21 State Govt. Federal Govt.	Document implementation of the G21 sports specific plans for AFL, tennis, soccer and cricket	Staff time Existing Budget
<b>Participate in the G21 Healthy Eating and Active Living regional priority project</b>	To be determined during the development of this project	Partner	Partner	Project guidelines to be developed in 2017	Staff time Existing Budget
<b>Increased levels of healthier eating and the active living amongst boys and girls</b>	Work with partners to support healthier eating and active living amongst boys and girls	Partner Advocate	Families Health Services Schools Businesses Deakin University	Committee established and operational Action Plan developed	Staff time Existing Budget External Funding - (Sought) Business Case
<b>Increased healthy food options</b>	Implement in Council run facilities including COPACC and Blue Water Leisure Encourage committees of management of sporting clubs and/or other Council facilities to provide healthy food options and a decrease in sugar sweetened drinks Provide healthy food options for staff Develop a traffic light system, based on healthy food options, for operators within Council facilities.	Regulator Partner	CAH	Decrease in the level of sugar sweetened drinks consumption Traffic light system implemented for the increase of healthier food options in Council owned facilities	Staff time Existing Budget External Funding - (Sought)

## Mental health & connectedness

Mental health is a state of complete physical, mental, spiritual and social wellbeing in which each person is able to realise one's abilities, can cope with the normal stresses of life and make a unique contribution to one's community<sup>38</sup>.

Feeling connected to and valued by others, being able to cope with the usual stresses of life, having the opportunity and capacity to contribute to community and being productive are all critical to mental health. Mental health is an essential ingredient of individual and community wellbeing and significantly contributes to the social, cultural and economic life of our community<sup>39</sup>. Social exclusion is the process of being shut out from the social, economic, political and cultural systems which contribute to the integration of a person into the community<sup>40</sup>.

By providing opportunities for people to connect with others, join a group and be engaged in local activities, Council can improve the mental health and wellbeing of their residents. Communities with high levels of social cohesion, including participation by individuals in community organisations and activities, typically have better health than those with low levels<sup>41</sup>.

The opportunities to gamble have increased considerably over the last 10 years from site-specific venues such as poker machines and TAB's to, wherever and whenever, through online betting. Once gambling becomes a problem it can impact on the individual, families and communities. A number of external and deliberate factors play a significant role in this public health issue; with outcomes that can include addiction; significant financial loss; health, social and economic impacts; and even suicide<sup>42</sup>.

A summary of the implementation of phase 1 priorities and actions of the Council's Access, Equity and Inclusion Plan 2015-2025 is planned for later in 2017 followed by the preparation of phase 2 of the Access, Equity and Inclusion Plan for the 2017-2021 period.

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<sup>38</sup> THE MELBOURNE CHARTER for Promoting Mental Health and Preventing Mental and Behavioural Disorders, 2008

<sup>39</sup> Victorian public health and wellbeing plan 2015-2017

<sup>40</sup> Cappa D 2002, Social inclusion initiative. Social inclusion, participation and empowerment. Address to Australian Council of Social Services National Congress 28-29 November, 2002, Hobart.

<sup>41</sup> Stansfeld, S, 2006, 'Social support and social cohesion', in R Wilkinson & M Marmot (eds), *Social determinants of health* (2nd edn), Oxford University Press, Oxford, pp. 148-171.

<sup>42</sup> City of Monash Public Health Approach to Gambling, Policy Statement 2016-2020



## Evidence

People who are socially isolated and excluded are more likely to experience low self-esteem, depressive symptoms and have a higher risk of coronary heart disease<sup>43</sup>.

Evidence shows that the natural environment has three main effects on humans<sup>44</sup>. It:

- Increases physical activity
- Reduces chronic stress
- Strengthens communities.

As more Australians are living alone compared to previous generations<sup>45</sup> the level of isolation could be expected to increase. There are 28.8% of lone person households compared to all households in Colac Otway Shire with Colac - Central having the highest proportion of lone person households at 37.7%. This is higher compared to the Victorian rate of 26.8%<sup>46</sup>.

Compared with others, lesbian, gay, bisexual and transgender people have higher rates of mental health disorders. The most common disorders experienced by refugees and asylum seekers include depression, anxiety and post-traumatic stress disorder (Department of Health and Human Services 2015d). Adults who do not feel valued by society or do not trust other people are more likely to report psychological distress, low income and poor or fair self-reported health.

Aboriginal and Torres Strait Islander peoples living in Colac Otway do not currently have an Aboriginal community controlled organisation or a culturally safe Gathering Place. There is a lack of advocacy and cultural safety in health, community, family, education, and a range of other services which lead to a series of mental health and wellbeing issues.

The local Colac Local Aboriginal Action Group, along with the Wathaurong Aboriginal Co-operative, believe the answers to these community issues will be addressed with advocacy, service delivery, increased opportunities and engagement by creating a 'Gathering Place' on Gulidjan Country in the heart of Colac's central business district. This will allow for access to all residents.

<sup>43</sup> Cornwell, E & Waite, L, 2009, 'Social disconnectedness, perceived isolation, and health among older adults', *Journal of Health & Social Behaviour*, vol. 50, no. 1, pp. 31–48.

<sup>44</sup> Health Parks Healthy People, International Congress 2010, see [www.hphpcentral.com](http://www.hphpcentral.com) for further information.

<sup>45</sup> Australian Bureau of Statistics, 2004, *Household and family projections: Australia 2001–2006*, cat. no. 3236.0, ABS, Canberra.

<sup>46</sup> Compiled and presented in profile.id for Colac Otway Shire by .id, the population experts.

The amount lost by players on the 110 poker machines in Colac in 2015/16 was close to \$7.7 million<sup>47</sup>. Poker machines are the greatest cause of gambling harm in Australia. 80% or more of those with a gambling problem have it because of their use of poker machines<sup>48</sup>.

### Supporting Documents

- ***VicHealth, Increasing social connections, Local government action guide no. 4*** - provides local governments with guidelines for actions addressing Social Connection
- ***Australian Government Social Inclusion Framework (2011)*** - Is a measurement and reporting framework incorporating social inclusion principles to identify areas where effort is required and identify success that can be built upon
- ***Beyondblue, Problem gambling and depression, Fact Sheet 45*** –looks at the links between depression and gambling problems
- ***Fifth National Mental Health Plan (draft)*** - More people will have good mental health and wellbeing; those with mental health issues will have positive experiences with care and support, have good physical health and/or recover and have a meaningful and contributing life. Fewer people will experience stigma and discrimination
- ***City of Monash Public Health Approach to Gambling, Policy Statement 2016-2020*** – the City of Monash is recognised as a statewide leader in pushing for gambling reform and in protecting their community from gambling harm
- ***Racism in Victoria and what it means for the health of Victorians, 2017*** – this report shows that racism is harmful to the health of those who are its victims.

<sup>47</sup> Victorian Commission for Gambling and Liquor Regulation, accessed 9 March 2017 - Department of Health and Human Services 2015d, Refugee and asylum seeker health, viewed 15 August 2015, <http://www.health.vic.gov.au/diversity/refugee.htm>

<sup>48</sup> Alliance for Gambling Reform 2015, Ka-Ching! Pokie Nation (pre-screening promotion pack), Alliance for Gambling Reform 2015

<b>Goal:</b>	<b>Take action to build resilient and socially connected individuals and communities</b>
<b>Council Plan Theme:</b>	<b>Our Community</b> Increase social connection opportunities and community safety. Connect people through events and activities. Opportunities for community to participate in lifelong learning. Foster an inclusive community.
<b>State Strategic Priority:</b>	<b>Improving mental health (Victorian public health and wellbeing plan)</b>

Objectives	Actions	Council's Role	Partners	Indicators	Resource Implications
<b>Work from a detailed Access, Equity and Inclusion Action Plan for the term of this Council</b>	Review the initial progress of the actions of the 50+ Plan 2015 – 2025	Leader	Health services DHHS	Report prepared of the review of the 50+ Plan in 2017	Staff time Existing Budget
	Develop a new four year action plan for (2017 –to2021) for the 50+ Plan 2015 – 2025	Leader	Health services DHHS	Action Plan prepared and adopted Council in 2017	Staff time Existing Budget
<b>Increased social connection opportunities</b>	Support community clubs, groups and associations to provide welcoming and inclusive environments for all members of our community within Council facilities	Advocate Leader Regulator	Diversitat Clubs and Groups Community	Set explicit goals and objectives to reduce inequities and promote social connections	Staff time Existing Budget
<b>Care and support is available for people with mental health issues</b>	Together with partners, provide support services to our community that aim to provide good mental health and wellbeing	Advocate Provider	Health services Community services DHHS	Post-natal depression support from maternal and child health  Increase in physical activity  Support our farming community during difficult times	Staff time Existing Budget
	Conduct events and activities that link partners and community to discuss mental health and wellbeing issues and actions	Advocate Partner	Health services Community services	Undertake activities during Mental Health Week, Seniors Week and other times to promote mental health and wellbeing	Staff time Existing Budget External Funding - (Sought)
<b>Culturally safe places for Aboriginals and Torres Strait Islanders</b>	In partnership with our Aboriginal community help to increase advocacy and cultural safety in health, community, family, education, and a range of other services	Advocate Provider	Aboriginal comm. Wathaurong Aboriginal Co-op CAH	Initiatives are developed and implemented	Staff time Existing Budget External Funding - (Sought)

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			DHHS		
<b>Strengthening the community resilience to gambling related harm</b>	Develop a clear, consistent and decisive policy that reflects Council's public health position on gambling	Advocate Leader	State Govt.	Policy developed and implemented	Staff time Existing Budget

## Culture, Heritage and Diversity

The Victorian public health and wellbeing plan 2015-2019 sets out a new long-term agenda for improving all Victorians' health and wellbeing. This plan gives special attention to ensuring that the greatest improvements are realised among those whose health is poorest, including those who often have fewer financial and social resources than the rest of the population. These groups include but are not limited to some Aboriginal people, some groups of Victorians from culturally and linguistically diverse backgrounds, residents of rural Victoria, people with disabilities, refugees, asylum seekers, people who identify as lesbian, gay, bisexual, transgender or intersex, people who are homeless, and children in out-of-home care.

Protective factors can support transitions across the life course, such as social support networks for young people upon leaving home, and supportive family networks and workplaces in the event of birth, illness or bereavement. Protective factors also have a direct impact on health outcomes. The strength of social and community networks (or 'social capital') provides a protective safety net and is associated with better health, where the higher the degree of social connectedness generally means a lower death rate (Stephens et al. 2013)<sup>49</sup>.

There are significant protective factors that are linked to strong cultural identity; social inclusion and respect for diversity across society. For Aboriginal people, connection to land, family, ancestry, culture and spirituality are protective factors that can provide a source of strength, resilience and empowerment (Kelly et al. 2009)<sup>50</sup>.

Colac Otway has been a destination place for migrants and refugees over many decades. These included immigrants from the United Kingdom and European/Scandinavian Countries include Germans, Italians, and the Dutch whose descendants still remain in the shire today. In the nineties there was an increase in farmers from Southern Africa. More recently there have been immigrants from China, the Philippines and New Zealand and refugees/asylum seekers, predominantly Sudanese and Afghani who need support to understand and become part of our community. Many of these people have seen opportunities for themselves and their descendants to contribute to the culture, heritage and diversity of the shire.

<sup>49</sup> Stephens A, Shankar A, Demakakos P, Wardle J 2013, 'Social isolation, loneliness, and all-cause mortality in older men and women', *Proceedings of the National Academy of Sciences*, vol. 110, no. 15, pp. 5798–5801.

<sup>50</sup> Kelly K, Dudgeon P, Gee G, Glaskin B 2009, *Living on the edge: social and emotional wellbeing and risk and protective factors for serious psychological distress among Aboriginal and Torres Strait Islander people*, Cooperative Research Centre for Aboriginal Health, Darwin

## Evidence

- Median weekly rent: Aboriginal and Torres Strait Islander \$190, non-indigenous \$175<sup>51</sup>
- Median total income: Aboriginal and Torres Strait Islander \$363, non-indigenous \$498<sup>51</sup>
- Children aged 5-14 not enrolled in school: Aboriginal and Torres Strait Islander 14%, non-indigenous 10%<sup>51</sup>
- Median age of persons: Aboriginal and Torres Strait Islander 26, non-indigenous 42<sup>51</sup>
- 2011 Census Data shows that 182 people identified as Aboriginal and Torres Strait Islander and 780 did not state their status<sup>51</sup>.
- National Aboriginal and Torres Strait Islander Health Survey: 30 per cent of Aboriginal respondents reported high or very high psychological distress levels in the four weeks before the survey interview, which was nearly three times that of the non-Aboriginal rate<sup>52</sup>.
- Aboriginal people have a life expectancy 10 years lower than non-Aboriginal people and life expectancy varies by up to seven years between local government areas in Victoria<sup>53</sup>.
- Racism reduces access to employment, housing and education, resulting in low socioeconomic status. As socioeconomic status declines so does mental and physical health<sup>54</sup>.

There is limited data on the arrival and integration of new communities into this municipality. Many stay here for a short time then move on to find employment, education and like communities with people from their previous country. Council works closely with Diversitat, Colac Area Health, VicPol, community support agencies, schools and churches to understand the specific needs of each new culture and cater for their needs to shorten the time it takes to feel connected with our community.

## Supporting Documents

- **Victorian public health and wellbeing plan 2015-2019** – provides comprehensive information on the evidence and protective factors of acknowledging and celebrating culture, heritage and diversity
- **Victorian Aboriginal and Local Government Action Plan 2016** – presents an overarching framework to connect and support councils and Aboriginal communities across Victoria by recognising, celebrating and growing good practices.
- **Racism in Victoria and what it means for the health of Victorians, 2017** – this report shows that racism is harmful to the health of those who are its victims.

<sup>51</sup> Australian Bureau of Statistics 2011: T06 Indigenous status by age and sex

<sup>52</sup> Australian Bureau of Statistics 2013d

<sup>53</sup> Victorian public health and wellbeing plan 2015-2019

<sup>54</sup> Harrell, C.J et al (2011), 'Multiple pathways linking racism to health outcomes' Du Bois Review 8(1): 143.157. .

- ***Memorandum of Understanding, Between Diversitat and Council*** - working arrangements as partners in the delivery of the Capacity Building and Participation Program: Strategic Partnerships until September 2020.



<b>Goal:</b>	<b>Acknowledge and celebrate our community's culture, heritage and diversity</b>
<b>Council Plan Theme:</b>	<b>Our Community</b> Foster an inclusive community. Community planning informs provision of Council services and social infrastructure.

Objectives	Actions	Council's Role	Partners	Indicators	Resource Implications
<b>Acknowledge and celebrate our Aboriginal community's culture, history and aspirations</b>	Acknowledge, recognise and respect our Aboriginal community	Leader	Local Government Victoria	Adopted Statement of Commitment to our Aboriginal community Identify and implement initiatives from the Local Government Victoria – Aboriginal Implementation Plan for councils	Staff time Existing Budget
	Support and implement Koolin Balit (means Healthy People in Boonwuruung language), so that the length and quality of life for Aboriginal people will have improved significantly and measurably by 2022	Leader Provider	Aboriginal community Wathaurong Aboriginal Co-op CAH DHHS	Increase the proportion of Aboriginal children attending maternal and child health services Aboriginal people are considered in all actions of this Plan	Staff time Existing Budget
<b>Define our community direction for Arts and Culture</b>	Develop an Arts and Culture Strategy that reflects our community's culture, heritage and diversity	Leader Provider Advocate	Community	Arts and Culture Strategy adopted by Council	Staff time Existing Budget
<b>Support diverse communities</b>	Acknowledge and support our culturally and linguistically diverse (CALD) communities including migrants, refugees and asylum seekers.	Advocate Provider Facilitator	Diversitat CAH Community services State Govt.	More events and programs that embrace, support, promote cultural diversity	Staff time Existing Budget

<b>Understand and respond to the diversity of our community</b>	Support locally based community awareness campaigns to highlight the benefits of cultural and community diversity	Advocate	Diversitat CAH Community services State Govt.	Collect data and develop an understanding of the needs and aspirations of our new communities  Monitor and document services and planning, and events and activities that include and promote cultural and community diversity	Staff time Existing Budget
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## Reduce harm from alcohol, tobacco and other drugs

Risky use of drugs and alcohol can have detrimental health impacts on health and wellbeing (chronic health conditions such as liver disease and cancer, heart attack, stroke, overdoses, poisonings, suicides, road trauma, falls and injuries and assaults). They can also often cause harm to others (i.e. transport accidents, child abuse and neglect, assaults, family violence, and disruption to family, friends, neighbourhoods and workplaces)<sup>55,56</sup>.

Research shows that long-term and regular alcohol consumption, not only binge drinking, is linked to disease, including some cancers and even cardiac illness. Long-term and frequent alcohol use is also a risk factor for alcohol-related dementia and other acquired brain injuries (Gao, Ogeil & Lloyd 2014)<sup>57</sup>.

Some drugs can trigger the onset of a pre-existing mental illness. Using frequent or large quantities of some drugs such as crystal methamphetamine ('ice') can cause drug induced psychosis. Alcohol and drug use is also closely associated with a range of mental health issues, and particularly anxiety and depression (Friel & Clarke 2011)<sup>58</sup>.

### Evidence

Just over one-third (35.9%) of Colac Otway residents were identified as being at risk of short-term harm from alcohol in a given month, greater than the Victorian estimate (29.4%)<sup>59</sup>. Compared to all Victorians, a similar proportion of Colac Otway residents was identified as being at very high risk of short-term harm each month (10.4%, Victoria = 9.2%)<sup>60</sup>. Just over one-quarter (25.9%) of residents living in Colac Otway agreed that getting drunk every now and then is okay. This is similar to the proportion of Victorians who agreed (27.9%)<sup>61</sup>. In the Barwon South West region 61% of adolescents aged 12-17 years reported that it is 'easy/very easy' to get alcohol<sup>62</sup>.

<sup>55</sup> City of Greater Geelong draft Public Health and Wellbeing Plan 2013-2017

<sup>56</sup> VicHealth, *Reducing harm from alcohol: local government action guide no.9*, accessed 24 June 2013, [www.vichealth.vic.gov.au/localgovernmentguides](http://www.vichealth.vic.gov.au/localgovernmentguides)

<sup>57</sup> Victorian public health and wellbeing plan 2015-2019 - Gao C, Ogeil RP, Lloyd B 2014, *Alcohol's burden of disease in Australia*, Foundation for Alcohol Research and Education, VicHealth, Turning Point, Canberra.

<sup>58</sup> Victorian public health and wellbeing plan 2015-2019 - Friel M, Clarke D 2011, 'Meeting the challenging care of co-occurring disorders', *Medical Journal of Australia. Supplement: depression, anxiety and substance use*, vol. 195, no. 3, pp. S5-S6.

<sup>59</sup> Colac Otway LGA Profile - VicHealth Indicators Survey 2015 Results

<sup>60</sup> Colac Otway LGA Profile - VicHealth Indicators Survey 2015 Results

<sup>61</sup> Colac Otway LGA Profile - VicHealth Indicators Survey 2015 Results

<sup>62</sup> The Victorian Adolescent Health and Wellbeing Survey (HowRU 2009)

In the Barwon South West region 30.3% children aged under 2 years are exposed to tobacco while in utero.<sup>63</sup> In the Barwon South West region 24.3% of young persons have smoked cigarettes in the past 30 days<sup>64</sup>.

Compared to Victorian averages, the Colac Otway population had<sup>65</sup>:

- Higher rates of population with mental and behavioural problems (Males: 11.0 v's 9.9 per 100; and Females: 12.1 v's 11.6 per 100)
- Higher rates of alcohol consumption at risky/high-risk levels to health in short term (56% v's 45.3%)
- Higher rates of alcohol-related serious road accidents (7.33 v's 4.09 per 10,000)
- Much higher rates of alcohol/drug clients (9.2 v's 5.1 per 1,000)
- A much lower rate of Mental Health Care Plans prepared (5,100 v's 9,128 p/100,000)

In 2013 there were 8.8/1,000 people in Colac Otway receiving drug and alcohol treatment compared to 5.8/1,000 in Victoria<sup>66</sup>. Drug offences (includes use, possession, manufacturing and trafficking) within Colac Otway increased from 64 in 2015 to 141 in 2016 (120% increase) and within Colac from 51 in 2015 to 126 in 2016 (147% increase)<sup>67</sup>.

### Supporting Documents

- **Victorian public health and wellbeing plan 2015-2019** – provides a statewide approach into alcohol and other drug initiatives. These should be considered when developing the local action plan.
- **Reducing the alcohol and drug toll: Victoria's plan 2013 – 2017** - sets out how the Victorian Government will work with the community to bring down the alcohol and drug toll and deliver better health outcomes to thousands of Victorians who want to recover from the harm associated with alcohol misuse and drug use.
- **Quit Victoria Strategic Plan** - aims to reduce smoking rates, reduce smoking behaviours and reduce exposure to tobacco smoking and smoking behaviours.

<sup>63</sup> The Victorian Adolescent Health and Wellbeing Survey (HowRU 2009)

<sup>64</sup> The Victorian Adolescent Health and Wellbeing Survey (HowRU 2009)

<sup>65</sup> Government of Victoria, Department of Health, 2013, Modelling, GIS and Planning Products Unit: *Colac Otway Shire Profile*.

<sup>66</sup> Government of Victoria, Department of Health, 2013, Modelling, GIS and Planning Products Unit: *Colac Otway Shire Profile*.

<sup>67</sup> Crime Statistics Agency, Victoria

- ***VicHealth, Reducing harm from alcohol, Local government action guide, 2016*** – builds on a ‘systems thinking’ perspective that recognises the complexity of health issues and the underlying causes of poor health and wellbeing.
- ***VicHealth, Preventing tobacco use, Local government action guide, 2016*** - builds on a ‘systems thinking’ perspective that recognises the complexity of health issues and the underlying causes of poor health and wellbeing.

<b>Goal:</b>	<b>Reduced harm from alcohol, tobacco and other drugs</b>
<b>Council Plan Theme:</b>	<b>Our Community</b> Community planning informs provision of Council services and social infrastructure. Increase social connection opportunities and community safety.
<b>State Strategic Priority:</b>	<i>Tobacco free living &amp; Reducing harmful alcohol and drug use (Victorian public health and wellbeing plan 2015-2019)</i>

Objectives	Actions	Council's Role	Partners	Indicators	Resource Implications
<b>Strategies and plans that reduce alcohol-related harm</b>	Develop an alcohol management plan to address alcohol-related harm in our community	Leader Facilitator Advocate Org. Dev.	Health services Comm. Services VicPol	Alcohol management plan adopted and implemented	Staff time Existing Budget
<b>Design environments that reduce alcohol-related harm</b>	Review and improve the amenity of public areas around licensed venues to reduce the risk of alcohol-related harm	Leader	Licensed venues	Review public areas around licensed venues including lighting, urban design, landscaping bins, safe road crossing	Staff time Existing Budget
<b>Changed alcohol cultures</b>	Use the <i>VicHealth Alcohol Culture Framework</i> to develop strategies to change alcohol cultural norms, beliefs and attitudes that influence alcohol consumption	Leader Facilitator Advocate Org. Dev.	Health services Comm. Services Sporting Clubs Event organisers	Strategies are developed and implemented  Reduction in harmful alcohol consumption	Staff time Existing Budget
<b>Build local partnerships that reduce alcohol-related harm</b>	Collaborate with others including councils, sporting clubs, police, licensees, community and health services to coordinate efforts and share resources and lessons for an integrated approach to the management of alcohol-related harm	Leader Facilitator Advocate	Health services Comm. Services Sporting Clubs Event organisers	Document joined-up initiatives	Staff time Existing Budget External Funding - (Sought)
<b>Commitment to supporting people to quit smoking and live tobacco-free</b>	Work with licensed venues and event organisers on the introduction of non-smoking in outdoor dining areas	Regulator Advocate	Health services	Inspection of premises and events and compliance rates	Staff time Existing Budget
	Inspection of premises to enforce regulations in accordance with the Tobacco Act 1987	Regulator	State Government	Monitoring, compliance and enforcement data is collected and	Staff time Existing Budget

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				reported to DHHS and Council	External Funding - (Secured)
	Council develops a policy on smoking within the civic precinct	Regulator		Policy adopted and implemented	Staff time Existing Budget
Reduced harmful effects of drugs in our community	Better understand and advocate for initiatives to reduce the harmful effects of drugs in our community	Advocate	VicPol Community Drug Support services State Govt.	Advocacy strategies are developed and implemented to support services for our community	Staff time Existing Budget
	Council develops a drug action plan	Leader Advocate	VicPol Community Drug Support services State Govt.	Drug action plan adopted and implemented	Staff time Existing Budget

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## APPENDIX A – Abbreviations & Council Roles

BCYF	Barwon Child Youth & Family
CAH	Colac Area Health
CCMA	Corangamite Catchment Management Authority
CFA	Country Fire Authority
DELWP	Department of Environment, Land, Water & Planning
DET	Department of Education & Training
DHHS	Department of Health & Human Services
G21	G21 Region Alliance
HRH	Hesse Rural Health
MAV	Municipal Association of Victoria
OH	Otway Health
RDV	Regional Development Victoria
Women's H&W	Women's Health & Wellbeing – Barwon South West Inc.

### Council's Role

The Council has many roles. To deliver value for money for its community, Council will consider which role is the most appropriate in the work it does. These roles include the following broad categories:

Council's role	Council will:	Example
Leader	Lead by example	Increase active living through urban design
Provider	Deliver services to meet community needs	Maternal Child Health service delivery
Partner	Contribute staff time or funds	G21 alliance
Facilitator	Promote the Shire, a service gap, or bring together people who have a stake in an issue	Older people are empowered to participate in decision making
Advocate	Proactively make representation to state and federal governments on key issues for the Shire	Advocate for a culturally safe place for Aboriginals
Regulator	Take direct legal responsibility	Conduct inspections of local food premises and issue licenses
Organisational Development	Implement internal policies and procedures for staff	Health & Wellbeing issues are considered in all reports, planning and decision making

ORDINARY COUNCIL MEETING  
**PUBLIC EXHIBITION –  
DRAFT BUDGET 2017-2018**  
OM172604-3

<b>LOCATION / ADDRESS</b>	Whole of Municipality	<b>GENERAL MANAGER</b>	Mark Lyons
<b>OFFICER</b>	Daniel Fogarty	<b>DEPARTMENT</b>	Corporate Services
<b>TRIM FILE</b>	F16/6696	<b>CONFIDENTIAL</b>	No
<b>ATTACHMENTS</b>	1. Draft Model Budget Document 2017/18		
<b>PURPOSE</b>	To consider endorsement of the Draft Budget 2017/18 and release for public exhibition to seek community feedback		

## 1. LOCATION PLAN / AERIAL PHOTO

Not Applicable

## 2. EXECUTIVE SUMMARY

This report outlines the draft budget for release for community comment and public submissions.

The draft budget has been prepared in accordance with the requirements of the Act and the Regulations and has been prepared using the Victorian Councils model budget template.

The outcomes from the draft 2017/18 budget are:

- Lowest rate rise in the history of the Shire - with an overall average rate increase of 0.63% which is well below the maximum allowable rate rise of 2.0%.
- A reduction in rates for most of our rural ratepayers through a reduction in the rural farm rate differential from 79% to 77%.
- Delivery of the one of Councils largest ever capital programs.
- Reduced operating costs.
- No reduction in service levels to the community.
- Maintenance of our long term financial sustainability.
- No additional borrowings.

### 3. RECOMMENDATION

***That Council:***

- 1. Endorses the draft budget 2017/18 for the financial year (Attachment 1) for the purposes of Section 127 of the Local Government Act 1989.***
- 2. Authorises the Chief Executive Officer to give public notice, in accordance with section 223 of the Local Government Act 1989, that Council has prepared a Draft Budget for the 2017/18 year.***
- 3. Appoints a Committee comprising of all Councillors and chaired by the Mayor in accordance with section 223(1)(b)(i) of the Act, to meet on Wednesday 14 June, 2017 at 5pm, and hear any persons who in their written submissions under section 223 of the Act have requested that they be heard in support of their submission.***
- 4. Authorises the Chief Executive Officer to undertake any and all administrative procedures necessary to enable Council to carry out its functions under section 223 of the Act.***
- 5. Notes that written submissions will be accepted for a 5 week period closing 5:00pm Friday 2 June 2017.***
- 6. Considers for adoption the draft budget 2017/18 at the Council Meeting on Wednesday, 28 June 2017 at 6.00 pm at Apollo Bay Senior Citizens Centre, after consideration of any submissions received by Council at its Special Committee Meeting on Wednesday, 14 June 2017.***

### 4. BACKGROUND / KEY INFORMATION

#### DETAILS

The Annual Budget is an essential planning and resource tool produced each year. The development of a considered budget is vital to the ongoing operational and financial viability of Council. The budget sets out the expected income and expenditure of both operational and capital activities for the coming year and also incorporates Council's rating strategies.

The budget is a transparent account of Council's operations in line with good governance. The budget documentation forms part of a comprehensive public accountability process and reporting that includes:

- The Council Plan
- The Strategic Resource Plan
- The Annual Budget
- Internal and External Audit
- Annual Report

## **Process of preparation of the draft budget 2017/18**

The draft budget for 2017/18 has been developed in collaboration with Councillors over many months. The preparation has been thorough and comprehensive and has been focussed on delivering the services our community needs whilst also being mindful of costs. The process has identified savings and opportunities that have ensured that Council is able to retain a strong focus on maintaining and upgrading our roads and footpaths and other essential assets.

This year, the process for the preparation of the draft annual budget has included:

- Analysis of funding options including external grant funds
- A comprehensive review of the fees and charges
- A comprehensive review of income and expenditure
- A comprehensive review of all proposed capital and project works
- Development of an inclusive consultation program in conjunction with the Council Plan and Municipal Health & Wellbeing Plan.

The 2017/18 draft budget has been prepared in line with the priorities outlined in key strategic documents including the draft 2017-2021 Council Plan and the Strategic Resource Plan.

The draft 2017/18 budget has been prepared in accordance with the requirements of the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

## **Strategic Resource Plan/ Financial Strategy**

The draft budget 2017/18 incorporates the updated 2017/21 Strategic Resource Plan. The Strategic Resource Plan (SRP) is a four year plan of the financial and human resources Council requires to implement the actions and deliver the objectives set out in the Council Plan 2017 – 2021.

In pursuit of its objectives, the Strategic Resource Plan embodies the following objectives for Council over the next four years including:

- Ensuring that Council's financial resources are directed to achieving the desired outcomes, strategies and initiatives articulated in the Council Plan
- Ensuring that Council's expenditure on services and capital works is balanced with the revenue it receives
- Maintaining a viable and sustainable cash position, ensuring Council remains financially sustainable in the long-term
- Maintain debt levels below prudential guidelines
- Continuing to pursue ongoing grant funding for strategic capital funds from the state and federal government
- Ensuring critical renewal is funded annually over the timeframe of the SRP
- Ensuring a careful use of cash backed reserves to fund projects and programs that are consistent with the purpose envisaged when the reserve appropriation was originally made

## **Draft Budget 2017/18 – Summary**

The draft budget 2017/18 is appended to this report. The draft budget is considered to be prudent and responsible and will ensure that Colac Otway remains in a sustainable, low-risk financial position.

Changes have been made to the model budget template from 2017/18 with the major changes being:

- Changes to reflect the 2% rate cap
- Reduced repetition in the initial summary sections
- A section was added to summarise compliance with the rate cap

The draft budget proposes an overall average rate increase of 0.63% which is well below the maximum allowable rate rise of 2.0% and unlike a number of other Councils across Victoria, Colac Otway Shire has not sought an exemption from the State Government to raise rates any higher than the cap. This decision reflects our communities' expectations given current economic difficulties being experienced (especially within the farming sector).

Although very challenging, Council has worked hard during the preparation of this budget to identify smarter and cheaper ways to do things. As a result we have been able to deliver a budget that meets the above approach through further cuts to Councils operating costs. This work is proposed to continue and Council will look to identify further sustainable cost savings in the future.

Key highlights of the draft budget include:

- Increase in the average rate of 0.63% (excluding waste collection charges) equating to 21 cents per week – the lowest rate rise in the history of the Shire.
- Reducing the Rural Farm Rate differential from 79% to 77% results in a reduction in rates from 2016/17 levels.
- No changes to current service levels.
- Reduced operating costs.
- The delivery of a significant capital works program totalling \$21.64 million. Of this \$12.31 million will be spent on renewing our community's existing assets, with a further \$1.57 million spent on upgrading our assets to improve community services
  - \$5.1 million for road reconstruction, re-sheeting, re-sealing and safety upgrades
  - \$3.28 million Major Bushfire and flood recovery capital works totalling \$3.28m
  - \$1.06 million landslip restoration work
  - \$3.09 million for the Apollo Bay kindergarten relocation to the P12 College
  - \$1.08 million for Winifred Nance Kindergarten building upgrade.
  - \$700,000 Queen Street Upgrade
  - \$500,000 to implement the Lake Colac masterplan in line with council's commitment and the community priorities identified at the recent local council elections.
  - \$181,057 for recreational facility improvements, including the redevelopment of netball facilities at the Irrewarra Beeac Recreation Reserve
- The continuation of the additional Green waste collections across the entire Shire for all residents receiving a kerbside collection service to coincide with the start of the fire season
- The delivery of an underlying surplus
- No new borrowings

## Issues

### Infrastructure Renewal

The budget maintains the focus on maintaining Councils community infrastructure. The 2017/18 Budget includes \$12.31 million for Asset Renewal. This amount meets the requirements of the Council resolution of 26 February 2014.

*"The sum of the renewal expenditure to be not less than 100% of depreciation, where renewal expenditure areas comprise components as listed in the 2012-2013 Colac Otway Shire annual report and additional areas as may be added from time to time."*

Through Council's financial discipline and responsible decision making, Council will continue allocating funds needed to meet our infrastructure renewal target, providing a more sustainable base for Council's long-term operations.

### Services and facilities

The growth in services and facilities over the past decade is seen as a positive for Colac Otway Shire. Council has prepared a draft budget for the 2017/18 financial year which seeks to balance the demand for services and infrastructure with affordability. Any increases have been carefully considered against Council's obligations to deliver existing services and to meet Council's statutory and regulatory obligations.

Some key service area highlights of the draft budget include:

- The ongoing provision of an outstanding performing arts and cultural programme at COPACC
- Completion and implementation of the Colac 2050 growth and drainage plans to promote sustainable development and growth
- The implementation of the new Council plan reflecting our communities priorities for the Council over the next 4 years
- Ongoing investment to enhance the asset management, project management and continuous improvement capability of the organisation
- Continued investment in energy efficient initiatives (Colac Library and Bluewater)
- Additional Green Waste collection across the Shire for all residents receiving the kerbside collection service to coincide with the start of the fire season
- A program of ongoing service reviews

The budget document provides information about rates, cash and investments, the operating result, borrowing levels, financial position, capital works and the financial sustainability of Council.

### **Capital Works and other Projects**

The 2016/17 draft budget includes a number of projects. They include (but not limited to):

• Disaster Recovery (Flood & Bushfire)	\$3,275,270
• Apollo Bay Kindergarten relocation to P12	\$3,090,000
• Sealed Road Reconstruction program	\$2,750,601
• Colac CBD Revitalisation Project	\$1,950,000
• Unsealed Road Re-sheet program	\$1,400,000
• Building Renewal Program	\$1,008,000
• Local roads reseal program	\$ 900,000
• Road improvement program	\$ 750,000
• Queen Street Upgrade	\$ 700,000
• Bridge Rehabilitation program	\$ 650,000

The total projected Capital Works in the draft budget amounts to \$19.97 million with a further approximately \$1.67 million of capital projects carried forward from 2016/17 giving a total capital works program for 2016/17 of \$21.64 million. With Council's budgeted depreciation being \$10.03 million this covers the ratio of 150% as per the resolution from 26 February 2014 Council Meeting;

*"Capital replacement expenditure to be not less than 150% of depreciation where capital replacement expenditure areas comprise components as listed in the 2012-2013 Colac Otway Shire annual report and additional areas as may be added from time to time."*

### **Reserve Transfers**

#### Long Service Leave Reserve

During 2012-2013 Council received a call from the industry superannuation fund to maintain the liquidity of the Defined Benefits Superannuation scheme. This call of approximately \$3.18 million was paid during the 2012-2013 period. To pay that largely unexpected call, Council reduced the works programme for 2012-2013 and utilised funds set aside for employee Long Service Leave.

Council has committed to repay the employee Long Service Leave reserve within eight (8) years and the draft budget includes an amount of \$159,482 to continue this.

### Landfill Rehabilitation Reserve

In keeping with our approach towards prudent financial management, Council continues to set aside funds for future commitments towards landfill rehabilitation in order to save ratepayers significant in the coming years.

### **Loan Borrowings**

The budget for 2017/18 allows for no new borrowings to be made.

Council is budgeting to repay \$0.60 million in loan principal during 2017/18 and will once again put away another \$100,000 of funds to meet the scheduled repayment of \$500,000 on the Bluewater Bond in the 2019/20 financial year.

### **Rating**

Council's total rates and charges will increase to \$29.24 million to enable the delivery of services and infrastructure to the community. The budget proposal is for an increase in the average rates and charges of 0.63% (general rate and municipal charge) for the 2017/18 financial year, significantly below the announced rate cap of 2%.

In addition and in recognition of the challenges faced by the farming community through ongoing weather and market impacts beyond their control Council has reduced the rural farm rate differential from 79% to 77%. This will see the majority of properties in the rural farm category have a reduction in their rates from last year.

Also reflected in the total rate revenue is an increase in rateable properties (101) across the Shire and the rates contributed by these properties equates to approximately an additional 1% in rates and charges revenue.

When taking into account rates and charges including kerbside collection (noting that not all properties to receive a kerbside collection service) the average rate per assessment for 2017/18 will be \$1,931, being \$15 or 28 cents per week increase on 2016/17.

### **Waste Charge**

The kerbside collection charge has been reviewed in the light of service costs. It is proposed to increase the kerbside collection charge by 2% as follows:

- Weekly charge has increased from \$292 to \$298 or 11 cents per week.
- Fortnightly charge has increased from \$194 to \$198 or 7 cents per week.

On an average rates basis, and when taking total rates and charges into consideration, the average increase for those ratepayers receiving a weekly kerbside collection service will be 0.83% equating to 32 cents per week and for those on a fortnightly service an increase of 0.77% or 28 cents per week.



## FURTHER SUPPORTING INFORMATION

### 5. COMMUNITY CONSULTATION & ENGAGEMENT

The draft budget for 2017/18 has been developed by Councillors over many months and Council together with officers have analysed both financial and non-financial information to ensure that the budget delivers on Council's objectives and meets the services that our community requires.

The next stage of the process is to release the budget for public comment. Section 223 of the *Act* requires that the budget be available for comment for a period of at least four (4) weeks. A consultation period of five (5) weeks is proposed in line with the process adopted for the 2016/17 budget.

Community consultation is an important step in the budget process.

The community is strongly encouraged to provide comments and submissions on the financial strategies contained within the Budget document.

As part of Council's commitment to improve community engagement, drop-in information sessions will be held in Colac and Apollo Bay during the exhibition period to give community members the opportunity to ask questions of Councillors and staff about the draft budget.

It is important that the budget is adopted as near as practicable to the commencement of the financial year. Ideally the budget should be adopted prior to the commencement of the year to which it relates. This ensures that Council is authorised to function adequately from the commencement of the financial year.

The timelines proposed including the public submission phase would facilitate final adoption of the annual budget at the Council meeting to be held on 28 June 2017.

### 6. ANALYSIS

#### ALIGNMENT TO COUNCIL PLAN OR COUNCIL POLICY

A key driver for the preparation of the draft budget is the delivery of the draft Council Plan 2017-2021. Council has identified a vision for a sustainable community with a vibrant future.

There are four key themes or 'pillars' identified in the draft Council Plan:

#### **1. Our Prosperity**

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

#### **2. Our Places**

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

#### **3. Our Community**

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

#### **4. Our Leadership & Management**

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

## ENVIRONMENTAL IMPLICATIONS

Not applicable

## SOCIAL & CULTURAL IMPLICATIONS

All budget decisions take full consideration of any social or cultural implications

## ECONOMIC IMPLICATIONS

The long term financial sustainability of Council drives all financial decisions made during this budget process.

A detailed understanding of both the micro and macro-economic environment in which our community currently experiences was essential in deciding key outcomes of the budget process.

## LEGAL & RISK IMPLICATIONS

Any contractual obligations are met by the draft budget.

*Local Government Act 1989: (Act)*

- Section 127 - "Council must prepare a budget"
- Section 129 - "Public notice"
- Section 130 - "Adoption of budget or revised budget"
- Section 223 - "Right to make submission"

## RESOURCE IMPLICATIONS (FINANCIAL ETC)

Refer to the draft budget document.

## 7. IMPLEMENTATION STRATEGY

### DETAILS

The exhibition of the draft budget will be publicised and feedback sought through the following mechanisms:

- Published on the website and ability to provide written feedback via the website;
- Persons who registered their names and contact details via the community survey will be contacted directly and invited to provide feedback on the draft Council Plan, Budget and Municipal Health & Wellbeing Plan;
- Organisations in the Shire will be contacted directly and invited to provide feedback on all three documents;
- Persons previously having made submissions will be contacted directly and invited to read and provide feedback on all three documents;
- Two community information sessions will be held during the exhibition period, one in Colac and one in Apollo Bay, for people to attend and provide direct feedback to Councillors and officers as follows;
  - Thursday, 4 May outside Target Colac, from 10am - 1pm
  - Thursday, 11 May outside Apollo Bay Bakery, from 10am - 1pm

### COMMUNICATION

The release of the draft budget and processes for providing feedback will be widely publicised in the local media and on the website.

## TIMELINE

The exhibition period runs from 1 May 2017 to 2 June 2017.

2 June – Exhibition ends

14 June – Council consider submissions

28 June – Council consider endorsement of the Budget 2017/18 at its Ordinary Meeting

Submissions must be made in writing by Friday 2 June 2017 and Council will consider any submissions received at a Special Committee Meeting on Wednesday 14 June 2017 at 5pm prior to the final Budget being considered for adoption on Wednesday 28 June 2017.

Anyone wishing to be heard in support of their submission must advise Council of their intention to do so in the written submission provided by Friday 2 June 2017.

## 8. OFFICER DIRECT OR INDIRECT INTEREST

No conflicts of interest, direct or indirect, have been made in relation to this item.



# Colac Otway

## SHIRE

Colac Otway Shire Council Draft Budget Report – 2017/18

This Budget Report has been prepared with reference to Chartered Accountants ANZ "Victorian City Council Model Budget 2017/18" a best practice guide for reporting local government budgets in Victoria.



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## Mayor's introduction

On behalf of the Councillors of the Colac Otway Shire, I am pleased to release the draft 2017-18 budget to the community, which proposes the lowest rate rise in the municipality's history.

This draft budget earmarks an average rise of 0.63 per cent across all rating categories, which is considerably below the two per cent rate cap set by the State Government and establishes Colac Otway as one of the very few shires across Victoria that has committed to setting rates below the cap.

Notably, we are proposing to reduce the farm differential from 79 per cent to 77 per cent of the general rate, which will equate to the sector paying 1.2 per cent less total rates on average than they did last year. This reduction is in recognition of the hardship and ongoing challenges the rural sector faces.

This draft budget is the result of an extensive amount of work by Councillors and staff over many months, and its priorities reflect what you, the community, told us during the election campaign.

We have delivered on our commitment to maintain affordable rates without affecting the important services our community relies on. We are committed to delivering high quality community services and identify ongoing cost savings for long-term financial sustainability.

Key budget highlights include:

- A rise in the average rate of just 0.63 per cent, which is the lowest rate rise in the history of the Colac Otway Shire.
- Rural ratepayers will receive a reduction in rates on average of 1.2 per cent compared to last year, as a result of reducing in the farm rating differential reducing from 79 per cent to 77 per cent of the base rate.
- The delivery of significant capital works totalling \$21.64 million. And \$12.31 million will be spent on renewing community assets, a further \$1.57 million spent on assets to improve community services.
- A significant roads program totalling \$7.31 million.
- \$700,000 for the Queen Street footpath improvement between Pound Road and Hearn Street.
- \$1.95 million for the central business district revitalisation project.
- \$1.08 million in building renewal upgrades including \$0.47m for the Winifred Nance Kindergarten building upgrade.
- \$3.09 million for the Apollo Bay kindergarten relocation to the P-12 College.
- Recreational facility improvements of \$181,057 for redevelopment of netball facilities at the Irrewarra Beeac Recreation Reserve.
- \$160,000 for the playground renewal program, \$50,000 for the open space renewal program and \$100,000 for the street furniture renewal program.
- Reduction in operating expenditures as a result of continued business improvement and cost reduction programs.
- No new borrowings for 2017-2018 budget or forward projections.

Our materials and services expenses have reduced from the previous year and this is the result of the work done on business improvement to reduce operating costs, generating savings exceeding \$600,000.

This is a financially responsible draft budget, one that ensures Colac Otway remains in a sustainable, low-risk financial position.

Council has undertaken a rigorous process developing the draft budget and has been cautious and conservative in its forecasting, which provides a solid position. There are no new borrowings and as debt levels reduce, further cash flow will be released to fund capital works.

Ensuring the financial sustainability of the organisation is always the key focus and Council's draft budget paints a realistic picture of achieving an operating surplus while maintaining its community services and asset renewal program.

Although achieving community expectations in an environment of ongoing financial constraints beyond the organisations control, is a challenge, Council in partnership with staff continue to focus on delivering services and programs for community benefit now and into the future.

**Cr Chris Potter**  
**Mayor**

## Executive Summary

Colac Otway Shires Budget for 2017/18 seeks to maintain our services and infrastructure as well as deliver key projects and services that are valued by our community and aligned to outcomes set out in the Council Plan 2017/21.

This Budget projects a surplus of \$10.66m for 2017/18 and an adjusted underlying surplus result of \$3.24m after adjusting for non-recurrent capital grants and contributions (refer Sections 5 and 10.1).

### 1. Key things we are funding

1) Ongoing delivery of services to the Colac Otway Shire community funded by a budget of \$47.9m. These services are summarised in Section 2.1.

2) Continued investment in capital assets (\$21.64m) primarily for renewal works (12.3m).

*The Statement of Capital Works can be found in Section 3 and further details on the capital works budget can be found in Sections 6 and 12.*

3) The 2017/18 Budget also allocates funding to major projects and initiatives including:

- \$250,000 for Wye River/Separation Creek Vegetation restoration project
- \$240,000 for provision of a new sports shelter and amenities at Colac Secondary College Community Sports field
- \$150,000 Apollo Bay Harbour precinct Expression Of Interest (EOI) process and development plan
- \$30,000 for the implementation of the asset management improvement plan
- \$30,000 for a property management framework development

### 2. The Rate Rise

a. The average rate will rise by 0.63% which is 1.37% below the maximum level set by the Minister for Local Government on 19 December 2016 under the Fair Go Rates System of 2%.

b. Key drivers

- i. To support our farming community during difficult times – we are proposing to reduce the rural farm sector by 2% of the Colac Residential Category representing a drop in differential from 79% of Colac Residential to 77%
- i. To fund ongoing service delivery – business as usual (balanced with greater service demands from residents)
- ii. To fund renewal of infrastructure and community assets
- iii. To cope with growth in the population of Colac Otway Shire residents
- iv. To cope with cost shifting from the State Government
- v. To cope with a reduction in funding from the Commonwealth Government via the Victoria Grants Commission caused by their freezing of indexation of the grant

c. This is not a revaluation year. Valuations will be as per the General Revaluation dated 1 January 2016 (as amended by supplementary valuations).

d. The waste service charge incorporating kerbside collection and recycling will increase by 2.0% per property.

e. Note that for every \$100 in taxes paid by Victorian residents, rates make up approximately \$3.50. The other \$96.50 goes to the State and Federal Governments.

f. Refer Section 7 for further Rates and Charges details.

### 3. Key Statistics

- Total Revenue: \$58.54M (2016/17 - \$58.2M)
- Total Expenditure: \$47.88M (2016/17 - \$47.3M)
- Accounting Result: \$10.66M Surplus (2016/17 - \$10.9M Surplus)  
(Refer Income Statement in Section 3)
- Underlying operating result: Surplus of \$3.24M (2016/17 - Surplus of \$5.97M)  
(Refer Analysis of operating Budget in Section 10.1)  
(Note: Underlying operating result is an important measure of financial sustainability as it excludes income which is to be used for capital, from being allocated to cover operating expenses)
- Total Capital Works Program of \$21.64M (2016/17 - \$21.35M)
  - o \$7.6M from Council operations (rates funded)
  - o \$0.0M from borrowings
  - o \$0.15M from asset sales
  - o \$11.47M from external grants
  - o \$2.42M from cash and reserves

#### 4. Budget Influences

##### External Influences

The preparation of the budget is influenced by the following external factors:

- The Victorian State Government has introduced a cap on rate increases from 2016/17. The cap for 2017/18 has been set at 2.0% (2016/17 - 2.5%).
- Consumer Price Index (CPI) increases on goods and services of 1.5% through the year to December quarter 2016 (ABS release 25 January 2017). Significantly below the Reserve Bank of Australia's target CPI of 2-3%.
- Freeze in Federal Assistance Grants funding for another year.
- Reduction by the state government in the level of funding for School crossing Guards.
- Cost Shifting occurs where Local Government provides a service to the community on behalf of the State and Federal Government. Over time the funds received by local governments do not increase in line with real cost increases. Examples of services that are subject to Cost Shifting include school crossing supervisors, library services and home and community care for aged residents. In all these services the level of payment received by Council from the State Government does not reflect the real cost of providing the service to the community.
- Councils across Australia raise approximately 3.5% of the total taxation collected by all levels of Government in Australia. In addition Councils are entrusted with the maintenance of more than 30% of all Australian public assets including roads, bridges, parks, footpaths and public buildings. This means that a large proportion of Council's income must be allocated to the maintenance and replacement of these valuable public assets in order to ensure the quality of public infrastructure is maintained at satisfactory levels.
- The Fire Services Property Levy will continue to be collected by Council on behalf of the State Government with the introduction of the Fire Services Property Levy Act 2012.

##### Internal Influences

As well as external influences, there are also a number of internal influences which have a significant impact on the preparation of the 2017/18 Budget. These matters and their financial impact are set out below:

- The outcomes of the renegotiation of Council's Enterprise Bargaining Agreement covering the Strategic Resource Plan period.
- Transitioning to the National Disability Insurance Scheme (NDIS) impacting the resources required in the Council's Older Persons/Health and Community Care Services.
- Further resource diversion as a result of the finalisation of the disaster recovery works.
- Estimated Bushfire expenditure relating to recovery works from the December 2015 Wye River/Separation Creek Bushfires as follows:  
Bushfire Operating expenditure: \$0.57 million  
Bushfire Capital expenditure: \$2.15m
- Estimated Flood expenditure relating to recovery works from the August Flood event as follows:  
Flood Operating expenditure: \$0.25 million  
Flood Capital expenditure: \$1.13 million

#### 5. Advocacy and support (State and Federal Government)

Council will continue to advocate for:

- a. Colanda future use of site
- b. Great Ocean Road Authority
- c. Public transport improvements including:
  - i. Increased Vline services between Colac and Geelong
- d. Implementation of the Advocacy Strategy 2017-2020.

#### 6. Cost Shifting

Cost shifting occurs when Commonwealth and State programs transfer responsibilities to local government with insufficient funding or grants which don't keep pace with delivery costs.

##### *Type 1: Cost Shifting for Specific Services*

###### Examples

1. Home and Community Care (HACC)
2. State Emergency Service (SES)
3. Fire Management Services
4. Maternal & Child Health
5. School Crossing Supervision
6. Administration of the state wide temporary food registration system 'Stretrader'

##### *Type 2: Loss of funding in General*

7. A freeze on indexation of the federal financial assistance grants. The Commonwealth announced in its 2014/2015 budget that it will pause indexation of the total national pool of financial assistance grants to local government for three years (2015/2016, 2016/17, 2017/18).
8. Discontinuance of the Community Support Program (CSP) Fund for Family Day Care program from 1 July 2015

##### *Type 3: Statutory fee that prohibits full cost recovery*

9. After freezing planning fees since 2009 the State Government in October 2016 increased the allowable fee that Council may charge for these services. While this belated action is welcomed the new fees still do not cover the full cost of providing the service hence rate payers are still forced to subsidise the activities of developers across the city.

##### *Type 4: Levies*

10. State Government landfill levy - The levy has increased from \$9 per tonne in 2008/2009 to a forecast \$63.27 per tonne in 2017/18. The increase from 2016/17 to 2017/18 is approximately 2%

##### *Type 5: Statutory requirements lead to increased costs*

11. Increased reporting requirements (i.e. Local government Performance reporting framework)



## Budget Reports

The following reports include all statutory disclosures of information and are supported by the analysis contained in sections 8 to 16 of this report.

This section includes the following reports and statements in accordance with the Local Government Act 1989 and the Local Government Model Financial Report.

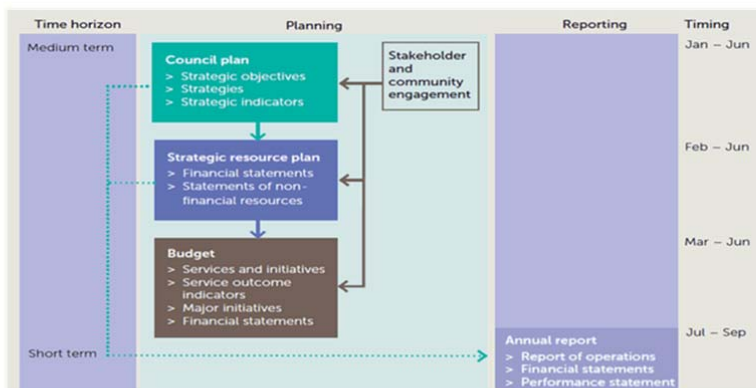
- 1 Links to Council Plan
- 2 Services and service indicators
- 3 Financial Statements
- 4 Financial performance indicators
- 5 Grants and borrowings
- 6 Detailed list of capital works
- 7 Rates and charges

## 1. Link to the Council Plan

This section describes how the Annual Budget links to the achievement of the Council Plan within an overall planning and reporting framework. This framework guides the Council in identifying community needs and aspirations over the long term, medium term (Council Plan) and short term (Annual Budget) and then holding itself accountable (Annual Report).

### 1.1 Planning and accountability framework

The Strategic Resource Plan, is part of and prepared in conjunction with the Council Plan, and is a rolling four year plan that outlines the financial and non-financial resources that Council requires to achieve the strategic objectives described in the Council Plan. The Annual Budget is framed within the Strategic Resource Plan, taking into account the services and initiatives which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the planning and accountability framework that applies to local government in Victoria.



Source: Department of Environment, Land, Water and Planning

In addition to the above, Council has a long term plan which articulates a community vision, mission and values. The Council Plan is prepared with reference to Council's long term Community Plan.

The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by 30 June following a general election and is reviewed each year in advance of the commencement of the Annual Budget process.

### 1.2 Our purpose

#### Our vision "Towards a prosperous future"

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

#### Our values

- **Respect** - Be open and consistent in our dealings with people and respect their views.
- **Integrity** - We will work in an open and transparent way, ensuring our processes, decisions and actions are ethical, responsible and honest.
- **Goodwill** - We will have an attitude of kindness and friendliness and build a good relationship with our customers and community.
- **Honesty** - We will be consistent, keep our promises, admit our mistakes and clearly communicate our decisions.
- **Trust** - We will act honestly, openly and fairly to build levels of trust.

### 1.3 Strategic objectives

Council delivers activities and initiatives under major service categories. Each contributes to the achievement of one of the four Strategic Objectives as set out in the 2017-2021 Council Plan. The following table lists the four Strategic Objectives as described in the Council Plan.

Strategic Objective	Description
1. Our Prosperity	We work together to improve the prosperity of our people, businesses and community partners by working to promote our beautiful shire as an attractive place to invest, live and work.
2. Our Places	Our places are well-planned. We work with local and government partners to plan healthy, safe environments which promote community life and enhance well-being. Our infrastructure assets are managed so that they are sustainable for the long term.
3. Our Community	We work to know our community and to understand their needs and aspirations. We plan our assets and services to meet community need and to foster a culture of good service and partnership with others.
4. Our Leadership & Management	We will work together with our community to create a sustainable future. We will deliver value for money for ratepayers in everything we do and we will achieve long term sustainability and transparent community leadership.

## 2. Services and service performance indicators

This section provides a description of the services and initiatives to be funded in the Budget for the 2017/18 year and how these will contribute to achieving



Source: Department of Environment, Land, Water and Planning

Services for which there are prescribed performance indicators to be reported on in accordance with the Regulations are shown in **bold** and underlined in the following sections.

### 2.1 Strategic Theme 1: Our Prosperity

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

#### Services

Service area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Building Control	This service provides for planned building developments to meet present and future community requirements.	560 (135) <b>425</b>
Events	This service provides for active community involvement in the provisioning of management and support for community entertainment and events.	268 (1) <b>267</b>
Economic Development	This service facilitates a healthy and resilient economy by providing effective leadership, advocacy, and partnership, by working with government business and the community.	1,762 (814) <b>947</b>
Tourism	This service provides economic benefit by promoting the Shire as a location for visitors to enjoy, explore and return to. Visitor information is provided via Council's two Visitor Information Centres and via media.	987 (368) <b>619</b>
Apollo Bay Harbour	This service manages and maintains the Apollo Bay Harbour for the enjoyment of the community.	1,196 (918) <b>278</b>
Colac Livestock Selling Centre	This service provides a vital link in our rural infrastructure by providing a marketplace for buying and selling livestock.	408 (600) (192)
Statutory Planning	This service fulfils Council's statutory obligations in being the responsible authority for the management and regulation of land use and development, with the aim of achieving sustainable outcomes in the interests of current and future generations.	966 (283) <b>683</b>
Strategic Planning	This service ensures that land use planning is undertaken to meet the sustainable long term needs of current and future generations.	566 (93) <b>473</b>
<b>Major Initiatives</b>		<b>Expenditure \$'000</b>
Streamlining Planning Scheme		50
Apollo Bay Harbour Precinct Expression of Interest (EOI) process and Development Plan		150

#### LGPRF Service Performance Outcome Indicators

The following indicators outlines how we intend to measure achievement of service objectives.

Service	Indicator	Performance Measure	Computation
Statutory planning	Decision making	Council planning decisions upheld at VCAT (Percentage of planning application decisions subject to review by VCAT and that were not set aside)	[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100

NB: Indicators shown above are based on the 2015-16 reporting period these may be subject to change.

## 2.2 Strategic Theme 2: Our Places

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

### Services

Service area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Emergency Management	This service provides for the necessary support for the community in the case of an emergency event occurring.	234 0 <b>234</b>
Environment	This service provides for management of our natural environment to the betterment and enjoyment of all members of our community.	719 (5) <b>714</b>
Fire Prevention	This service promotes community safety by aiming to eliminate potential fire risks within our community.	3,292 (2,648) <b>643</b>
Infrastructure Services	This service provides for the physical assets required by the community to maintain a happy, healthy and sustainable lifestyle.	4,230 (731) <b>3,499</b>
Parks, Gardens and Reserves	This service provides for the maintenance of open space for the enjoyment of all community members.	1,321 0 <b>1,321</b>
Street Lighting	This service actively promotes community safety by providing a clear and safe environment in our towns after dark.	107 0 <b>107</b>
Waste Management	This service provides for the efficient and effective control of waste products produced by our community. It includes the provision of waste collection services as well as for disposal to landfill.	3,275 (3,072) <b>203</b>

Major Initiatives	Expenditure \$'000
Sealed Road Reconstruction Programme	2,751
Unsealed Road Resheet Programme	1,400
Colac CBD and Entrances Programme	1,950
Lake Colac masterplan implementation	500
Waste Management Services contract review	60

### LGPRF Service Performance Outcome Indicators

The following indicators outlines how we intend to measure achievement of service objectives.

Service	Indicator	Performance Measure	Computation
Roads	Satisfaction	Satisfaction with sealed local roads (Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads)	Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads
Environment	Greenhouse Emission Target	Reduction in the proportion of greenhouse gas emissions for the Colac Otway Shire Council.	[Sum of emissions for council buildings, street lights and council fleet / total council greenhouse gas emissions] x100
Waste collection	Waste diversion	Kerbside collection waste diverted from landfill (Percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill)	[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100

NB: Indicators shown above are based on the 2015-16 reporting period these may be subject to change.



## 2.3 Strategic Theme 3: Our Community

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

Service area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Arts & Culture	This service is responsible for the management and provision of arts and cultural services to the community. This service is responsible for the running of the Colac Otway Performing Arts & Cultural Centre.	1,244 (574) <b>670</b>
Recreation	This service provides for active community involvement and the promotion of healthy lifestyles by providing for suitable sporting and recreational facilities.	335 0 <b>335</b>
Bluewater Leisure Centre	This service actively promotes a healthy lifestyle for our community by directly providing swimming and gymnasium facilities.	1,786 (1,266) <b>521</b>
Local Laws	This service provides for community safety and health by providing for a framework for behaviours which affect our community well-being.	910 (520) <b>390</b>
Public Health	This service promotes a healthy and safe lifestyle by actively promoting and policing public health issues.	441 (177) <b>263</b>
Older Persons & Disability Services	This service provides support to older and disabled members of our community in order to sustain quality of life for all our residents.	2,970 (2,251) <b>719</b>
Children and Family Services	This service provides support to our children, families and youth to encourage and nurture their growth and development.	957 (695) <b>262</b>
Library Service	The library service provides resources and oversight to the Corangamite Regional Library Corporation for the provision of information, education, recreation and enrichment for the community.	742 (26) <b>716</b>

Major Initiatives	Expenditure \$'000
New Sports Shelter and amenities at Colac Secondary College Community Sports Field	240
DHHS Budget Grant Regional Assessment Service Coordinator (Grant Funded)	174

### LGPRF Service Performance Outcome Indicators

The following indicators outlines how we intend to measure achievement of service objectives.

Service	Indicator	Performance Measure	Computation
Libraries	Participation	Active library members (Percentage of the municipal population that are active library members)	[Number of active library members / municipal population] x100
Maternal and Child Health	Participation	Participation in the MCH service (Percentage of children enrolled who participate in the MCH service)	[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100
		Participation in MCH service by Aboriginal children (Percentage of Aboriginal children enrolled who participate in the MCH service)	[Number of Aboriginal children who attend the MCH service at least once (in the year)/Number of Aboriginal children enrolled in the MCH service] x100
Aquatic Facilities	Utilisation	Utilisation of aquatic facilities (Number of visits to aquatic facilities per head of municipal population)	Number of visits to aquatic facilities / Municipal population

NB: Indicators shown above are based on the 2015-16 reporting period these may be subject to change.

## 2.4 Strategic Theme 4: Our Leadership & Management

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

Service area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Councillors and Chief Executive Office	This area of governance includes the Mayor, Councillors, Chief Executive Officer, Business Improvement Officer and Public Relations Team and associated support which cannot be easily attributed to the direct service provision areas.	1,724 0 <b>1,724</b>
Finance, Property and Rates	This service has the responsibility to generate revenue for Council via rate, levies and charges and to provide sustainable and accountable financial management of Council's resources.	1,998 (6,789) <b>(4,791)</b>
Customer Service	This service has the responsibility to provide the first point of contact between Council and the public through Council's Customer Service Centres. The service provides overall corporate customer service to the wider community and assists all areas of Council with the provision of corporate responsibility.	601 (1) <b>600</b>
Corporate Services Management	This service has the responsibility to maintain strong governance and administrative systems and to ensure that these systems are responsive, accountable and transparent to internal users and community needs.	437 (22) <b>414</b>
Contract Management Service	This service provides oversight and governance on contractual and procurement services undertaken by Council	121 0 <b>121</b>
Information Services	This service provides management and governance of information flows, storage and retrieval within the organisation in accordance with appropriate legislation and standards.	2,250 0 <b>2,250</b>
People, Performance & Culture	This service provides and develops a culture of high performance, productivity and accountability across the organisation.	731 0 <b>731</b>
Risk Management Services	This service has the responsibility to identify, record and manage all business risk associated with Council's activities. This service manages Council's insurance portfolio.	722 0 <b>722</b>

Major Initiatives	Expenditure \$'000
Information Technology Hardware Renewal program	186
Enhanced Financial & Statutory Reporting Capability project	140

### LGPRF Service Performance Outcome Indicators

The following indicators outlines how we intend to measure achievement of service objectives.

Service	Indicator	Performance Measure	Computation
Governance	Satisfaction	Satisfaction with Council decisions (Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community)	Community satisfaction rating out of 100 with the performance of Council in making decisions in the interest of the community

NB: Indicators shown above are based on the 2015-16 reporting period these may be subject to change.

## 2.7 Performance Statement

The service performance indicators detailed in the preceding pages will be reported on in the Performance Statement which is prepared at the end of the

## 2.8 Reconciliation with budgeted operating result

	Net Cost		
	Total	Expenditure	(Revenue)
	\$'000	\$'000	\$'000
Our Prosperity	3,502	6,714	(3,212)
Our Places	6,722	13,178	(6,456)
Our Community	3,876	9,384	(5,508)
Our Leadership & Management	1,770	8,582	(6,812)
<b>Total services and initiatives</b>	<b>15,870</b>	<b>37,859</b>	<b>(21,988)</b>
Other non-attributable	10,027		
<b>Deficit before funding sources</b>	<b>25,897</b>		
<b>Funding sources:</b>			
Rates & charges	(26,368)		
Capital grants	(10,185)		
<b>Total funding sources</b>	<b>(36,553)</b>		
<b>Surplus for the year</b>	<b>(10,656)</b>		



### 3. Financial Statements

This section presents information in regard to the Financial Statements. The budget information for the years 2017/18 to 2020/21 has been extracted from the Strategic Resource Plan.

This section includes the following financial statements in accordance with the Local Government Act 1989 and the Local Government Model Financial Report.

- 3.1 Comprehensive Income Statement
- 3.2 Balance Sheet
- 3.3 Statement of Changes in Equity
- 3.4 Statement of Cash Flows
- 3.5 Statement of Capital Works
- 3.6 Statement of Human Resources

### 3.1 Comprehensive Income Statement

For the four years ending 30 June 2021

	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Strategic Resource Plan Projections		
			2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
<b>Income</b>					
Rates and charges	28,789	29,238	29,823	30,419	31,028
Statutory fees and fines	672	730	744	759	775
User fees	4,324	4,540	4,631	4,724	4,818
Grants - Operating	11,109	12,592	9,624	11,125	8,624
Grants - Capital	12,146	10,185	7,449	7,523	8,672
Contributions - monetary	341	485	485	485	485
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	83	147	147	147	147
Share of net profits/(losses) of associates and joint ventures	30	7	7	7	7
Other income	722	616	626	635	645
<b>Total income</b>	<b>58,217</b>	<b>58,541</b>	<b>53,536</b>	<b>55,825</b>	<b>55,201</b>
<b>Expenses</b>					
Employee costs	18,851	18,982	19,361	19,942	20,540
Materials and services	16,478	16,450	16,762	17,098	17,440
Bad and doubtful debts	2	2	2	2	2
Depreciation and amortisation	9,430	10,027	10,343	10,663	10,986
Borrowing costs	269	226	181	122	74
Other expenses	2,237	2,199	1,970	1,789	1,858
<b>Total expenses</b>	<b>47,267</b>	<b>47,886</b>	<b>48,620</b>	<b>49,616</b>	<b>50,900</b>
<b>Surplus/(deficit) for the year</b>	<b>10,950</b>	<b>10,656</b>	<b>4,916</b>	<b>6,209</b>	<b>4,301</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to surplus/(deficit) in future periods</b>					
Net asset revaluation increment/(decrement)	0	0	0	0	0
Share of other comprehensive income of associates and joint ventures	0	0	0	0	0
<b>Items that may be reclassified to surplus or deficit in future periods</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive result</b>	<b>10,950</b>	<b>10,656</b>	<b>4,916</b>	<b>6,209</b>	<b>4,301</b>

### 3.2 Balance Sheet

For the four years ending 30 June 2021

	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Strategic Resource Plan Projections		
			2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	12,884	10,646	9,785	9,404	8,353
Trade and other receivables	2,075	2,085	1,906	1,988	1,966
Inventories	255	50	50	50	50
<b>Total current assets</b>	<b>15,214</b>	<b>12,781</b>	<b>11,741</b>	<b>11,442</b>	<b>10,369</b>
<b>Non-current assets</b>					
Trade and other receivables	0	0	0	0	0
Investments in associates and joint ventures	304	311	313	314	316
Property, infrastructure, plant & equipment	285,468	296,735	301,873	306,848	311,659
Intangible assets	46	46	46	46	46
<b>Total non-current assets</b>	<b>285,818</b>	<b>297,092</b>	<b>302,231</b>	<b>307,208</b>	<b>312,021</b>
<b>Total assets</b>	<b>301,032</b>	<b>309,873</b>	<b>313,973</b>	<b>318,649</b>	<b>322,390</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	2,833	2,377	2,388	2,407	2,460
Trust funds and deposits	681	671	671	671	671
Provisions	5,073	4,487	4,814	4,937	5,063
Interest-bearing loans and borrowings	604	649	1,197	286	142
<b>Total current liabilities</b>	<b>9,191</b>	<b>8,184</b>	<b>9,070</b>	<b>8,302</b>	<b>8,336</b>
<b>Non-current liabilities</b>					
Provisions	3,735	3,576	3,070	2,593	2,140
Interest-bearing loans and borrowings	3,370	2,721	1,524	1,238	1,096
<b>Total non-current liabilities</b>	<b>7,105</b>	<b>6,297</b>	<b>4,595</b>	<b>3,831</b>	<b>3,236</b>
<b>Total liabilities</b>	<b>16,296</b>	<b>14,481</b>	<b>13,665</b>	<b>12,133</b>	<b>11,571</b>
<b>Net assets</b>	<b>284,736</b>	<b>295,392</b>	<b>300,308</b>	<b>306,517</b>	<b>310,818</b>
<b>Equity</b>					
Accumulated surplus	123,041	135,666	143,091	151,444	158,032
Reserves	161,695	159,726	157,217	155,072	152,786
<b>Total equity</b>	<b>284,736</b>	<b>295,392</b>	<b>300,308</b>	<b>306,517</b>	<b>310,818</b>

### 3.3 Statement of Changes in Equity

For the four years ending 30 June 2021

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2016/17 Forecast</b>				
Balance at beginning of the financial year	273,786	114,600	148,936	10,250
Surplus/(deficit) for the year	10,950	10,950	0	0
Net asset revaluation increment/(decrement)	0	0	0	0
Transfer to other reserves	0	(14,732)	0	14,732
Transfer from other reserves	0	12,223	0	(12,223)
<b>Balance at end of the financial year</b>	<b>284,736</b>	<b>123,041</b>	<b>148,936</b>	<b>12,759</b>
<b>2017/18 Budget</b>				
Balance at beginning of the financial year	284,736	123,041	148,936	12,759
Surplus/(deficit) for the year	10,656	10,656	0	0
Net asset revaluation increment/(decrement)	0	0	0	0
Transfer to other reserves	0	(8,847)	0	8,847
Transfer from other reserves	0	10,817	0	(10,817)
<b>Balance at end of the financial year</b>	<b>295,392</b>	<b>135,666</b>	<b>148,936</b>	<b>10,790</b>
<b>2018/2019 Strategic Resource Plan</b>				
Balance at beginning of the financial year	295,392	135,666	148,936	10,790
Surplus/(deficit) for the year	4,916	4,916	0	0
Net asset revaluation increment/(decrement)	0	0	0	0
Transfer to other reserves	0	(1,618)	0	1,618
Transfer from other reserves	0	4,128	0	(4,128)
<b>Balance at end of the financial year</b>	<b>300,308</b>	<b>143,091</b>	<b>148,936</b>	<b>8,281</b>
<b>2019/2020 Strategic Resource Plan</b>				
Balance at beginning of the financial year	300,308	143,091	148,936	8,281
Surplus/(deficit) for the year	6,209	6,209	0	0
Net asset revaluation increment/(decrement)	0	0	0	0
Transfer to other reserves	0	(1,639)	0	1,639
Transfer from other reserves	0	3,784	0	(3,784)
<b>Balance at end of the financial year</b>	<b>306,517</b>	<b>151,444</b>	<b>148,936</b>	<b>6,136</b>
<b>2020/2021 Strategic Resource Plan</b>				
Balance at beginning of the financial year	306,517	151,444	148,936	6,136
Surplus/(deficit) for the year	4,301	4,301	0	0
Net asset revaluation increment/(decrement)	0	0	0	0
Transfer to other reserves	0	(1,661)	0	1,661
Transfer from other reserves	0	3,947	0	(3,947)
<b>Balance at end of the financial year</b>	<b>310,818</b>	<b>158,032</b>	<b>148,936</b>	<b>3,850</b>

### 3.4 Statement of Cash Flows

For the four years ending 30 June 2021

	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Strategic Resource Plan Projections		
			2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
<b>Cash flows from operating activities</b>					
Rates and charges	29,254	29,226	30,005	30,341	31,054
Statutory fees and fines	672	730	744	759	775
User fees	4,324	4,540	4,631	4,724	4,818
Grants - operating	11,109	12,592	7,449	7,523	8,672
Grants - capital	12,146	10,185	9,624	11,125	8,624
Contributions - monetary	341	485	485	485	485
Other receipts	722	616	626	635	645
Employee costs	(19,003)	(19,727)	(19,539)	(20,297)	(20,868)
Materials and services	(16,527)	(16,701)	(16,752)	(17,078)	(17,387)
Trust funds and deposits repaid	(1)	(10)	0	0	0
Other payments	(2,237)	(2,199)	(1,970)	(1,789)	(1,858)
<b>Net cash provided by/(used in) operating activities</b>	<b>20,801</b>	<b>19,739</b>	<b>15,303</b>	<b>16,429</b>	<b>14,960</b>
<b>Cash flows from investing activities</b>					
Payments for property, infrastructure, plant and equipment	(21,355)	(21,637)	(15,824)	(15,981)	(16,140)
Proceeds from sale of property, infrastructure, plant and equipment	269	490	490	490	490
<b>Net cash provided by/ (used in) investing activities</b>	<b>(21,086)</b>	<b>(21,147)</b>	<b>(15,334)</b>	<b>(15,491)</b>	<b>(15,650)</b>
<b>Cash flows from financing activities</b>					
Finance costs	(269)	(226)	(181)	(122)	(74)
Repayment of borrowings	(799)	(604)	(649)	(1,197)	(286)
<b>Net cash provided by/(used in) financing activities</b>	<b>(1,068)</b>	<b>(830)</b>	<b>(830)</b>	<b>(1,319)</b>	<b>(360)</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>(1,353)</b>	<b>(2,238)</b>	<b>(861)</b>	<b>(382)</b>	<b>(1,050)</b>
Cash and cash equivalents at the beginning of the financial year	14,237	12,884	10,646	9,785	9,404
<b>Cash and cash equivalents at the end of the financial year</b>	<b>12,884</b>	<b>10,646</b>	<b>9,785</b>	<b>9,404</b>	<b>8,353</b>

### 3.5 Statement of Capital Works

For the four years ending 30 June 2021

	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Strategic Resource Plan Projections		
			2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
<b>Property</b>					
Land	0	500	0	0	0
Buildings	4,417	4,419	4,654	6,976	7,135
<b>Total land &amp; Buildings</b>	<b>4,417</b>	<b>4,919</b>	<b>4,654</b>	<b>6,976</b>	<b>7,135</b>
<b>Total property</b>	<b>4,417</b>	<b>4,919</b>	<b>4,654</b>	<b>6,976</b>	<b>7,135</b>
<b>Plant and equipment</b>					
Plant, machinery and equipment	1,183	1,683	350	350	350
Fixtures, fittings and furniture	428	237	715	230	230
Computers and telecommunications	265	527	560	350	350
<b>Total plant and equipment</b>	<b>1,876</b>	<b>2,447</b>	<b>1,625</b>	<b>930</b>	<b>930</b>
<b>Infrastructure</b>					
Roads	12,201	7,311	6,908	6,100	6,100
Bridges	214	650	550	500	500
Footpaths and cycleways	1,445	525	987	425	425
Drainage	406	3,445	600	600	600
Other infrastructure	795	2,340	500	450	450
<b>Total infrastructure</b>	<b>15,061</b>	<b>14,271</b>	<b>9,545</b>	<b>8,075</b>	<b>8,075</b>
<b>Total capital works expenditure</b>	<b>21,355</b>	<b>21,637</b>	<b>15,824</b>	<b>15,981</b>	<b>16,140</b>
<b>Represented by:</b>					
New asset expenditure	1,285	7,755	0	0	0
Asset renewal expenditure	15,934	12,309	15,374	15,531	15,690
Asset upgrade expenditure	4,136	1,572	450	450	450
<b>Total capital works expenditure</b>	<b>21,355</b>	<b>21,637</b>	<b>15,824</b>	<b>15,981</b>	<b>16,140</b>



### 3.6 Statement of Human Resources

For the four years ending 30 June 2021

	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Strategic Resource Plan Projections		
			2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
<b>Staff expenditure</b>					
Employee costs - operating	18,851	18,982	19,361	19,942	20,540
Employee costs - capital	449	700	887	770	770
<b>Total staff expenditure</b>	<b>19,301</b>	<b>19,682</b>	<b>20,248</b>	<b>20,712</b>	<b>21,310</b>
	EFT	EFT	EFT	EFT	EFT
<b>Staff numbers</b>					
Employees	231.6	223.8	219.1	219.1	219.1
Total staff numbers	231.6	223.8	219.1	219.1	219.1

There has been no increase in permanent staffing levels. Overall Council's EFT has decreased by 7.8 EFT due to the winding down of staff levels dedicated to disaster recovery works resulting from the Christmas Day 2015 bushfires in Wye River and Separation Creek and 2016 Flood event. All costs for the remaining 4.7 EFT in relation to disaster recovery works are fully recoverable by council under Natural Disaster Relief and Recovery Arrangements (NDRRA). The staffing levels in the 2018/19 to 2020/21 years reflects the base level of staff once Disaster recovery works are completed.

A summary of human resources expenditure categorised according to the organisational structure of Council is included below:

Department	Budget 2017/18 \$'000	Comprises	
		Permanent Full Time \$'000	Permanent Part Time \$'000
Chief Executive Office	796	724	72
Corporate Services	3,668	3,025	643
Development and Community Services	7,026	3,981	3,045
Infrastructure and Leisure Services	7,299	6,931	369
Disaster Recovery	192	102	90
Total permanent staff expenditure	18,982	14,762	4,219
Other Staff expenditure	0		
<b>Total expenditure</b>	<b>18,982</b>		
Capitalised labour costs	700		

A summary of the number of full time equivalent (FTE) Council staff in relation to the above expenditure is included below:

Department	Budget FTE	Comprises	
		Permanent Full Time	Permanent Part Time
Chief Executive Office	5.5	5.0	0.5
Corporate Services	36.9	30.4	6.5
Development and Community Services	77.7	44.0	33.7
Infrastructure and Leisure Services	93.5	88.8	4.7
Disaster Recovery	4.7	2.5	2.2
Total	218.3	170.7	47.6
Casuals and other	5.5		
<b>Total staff</b>	<b>223.8</b>		
Capitalised labour costs (inclusive in the above EFT numbers)	8.9		



#### 4. Financial performance indicators

The following table highlights Council's current and projected performance across a range of key financial performance indicators. These indicators provide a useful analysis of Council's financial position and performance and should be interpreted in the context of the organisation's objectives.

Indicator	Measure	Notes	Actual 2015/16	Forecast Actual 2016/17	Budget 2017/18	Strategic Resource Plan Projections			Trend
						2018/19	2019/20	2020/21	+/-
<b>Operating position</b>									
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	1.9%	11.2%	6.3%	3.1%	1.3%	(3.1)%	-
<b>Liquidity</b>									
Working Capital	Current assets / current liabilities	2	197.5%	165.5%	156.2%	129.5%	137.8%	124.4%	-
Unrestricted cash	Unrestricted cash / current liabilities		123.9%	96.7%	89.3%	71.1%	73.1%	60.2%	-
<b>Obligations</b>									
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	3	17.3%	13.8%	11.5%	9.1%	5.0%	4.0%	+
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue		3.3%	3.7%	2.8%	2.8%	4.3%	1.2%	+
Indebtedness	Non-current liabilities / own source revenue		25.5%	20.5%	17.8%	12.8%	10.4%	8.6%	+
Asset renewal	Asset renewal expenditure / depreciation	4	97.6%	169.0%	122.8%	148.6%	145.7%	142.8%	+
<b>Stability</b>									
Rates concentration	Rate revenue / adjusted underlying revenue	5	60.9%	54.1%	57.2%	59.5%	60.5%	62.8%	-
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0
<b>Efficiency</b>									
Expenditure level	Total expenditure / no. of property assessments		\$2,983	\$3,145	\$3,165	\$3,197	\$3,247	\$3,314	+
Revenue level	Residential rate revenue / No. of residential property assessments		\$1,263	\$1,245	\$1,262	\$1,280	\$1,298	\$1,316	+

Key to Forecast Trend:

- + Forecasts improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator

#### Notes to indicators

- 1. Adjusted underlying result** – An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. The spike between 2016/17 to 2017/18 relates to disaster recovery operational funding to be received, the gradual decrease over the SRP forecast period is a direct reflection of the tightening margins expected under a rate cap environment and conservative income estimates for externally sourced revenue (i.e. grants).
- 2. Working Capital** - The proportion of current liabilities represented by current assets. The tightening of the cash position is reflected in the continuing decrease in working capital ratio.
- 3. Debt compared to rates** - The steep decrease in this ratio reflects the effect of continuing payback and maturity of debt without any forecast new borrowings.
- 4. Asset renewal** - This percentage indicates the extent of Council's renewals and upgrades against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates Council is maintaining its existing assets, while a percentage less than 100 means its assets are deteriorating faster than they are being renewed and future capital expenditure will be required to renew assets.

During 2016/17 there are additional capital works undertaken for disaster recovery which has inflated the result in this ratio, the Strategic Resource Plan period returns to more normal levels with a continued focus on Asset renewal.

- 5. Rates concentration** - Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Rates remain an important source of revenue for the go forward as reflected in the results in this ratio.

## 5. Other budget information (required by the Regulations)

This section presents other budget related information required by the Regulations.

This section includes the following statements and reports

- 5.1.1 Grants operating
- 5.1.2 Grants capital
- 5.1.3 Statement of borrowings

### 5.1.1 Grants operating - (\$1.48 million increase)

Operating grants include all monies received from State and Federal sources for the purpose of funding the delivery of Council's services to ratepayers. Overall, the level of operating grants is projected to increase by 13.4% or \$1.48 million compared to 2016/17. A list of operating grants by type and source, classified into recurrent and non-recurrent, is included below:

Grants - operating	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
<i>Recurrent - Commonwealth Government</i>			
Victorian Grants Commission	6,018	6,018	0
Family day care	374	377	3
General home care	65	69	4
Diesel	40	50	10
Other	2	22	20
<i>Recurrent - State Government</i>			
Aged and disability services	1,402	1,416	14
Port management	800	805	5
Economic development and events	0	0	0
Environment and protection services	107	355	248
Arts and Leisure	108	114	5
Planning, Building & Health	0	0	0
Health & Community Services	9	9	0
Other	0	100	100
<b>Total recurrent grants</b>	<b>8,924</b>	<b>9,334</b>	<b>410</b>
<i>Non-recurrent - Commonwealth Government</i>			
Drainage maintenance	0	0	0
Environmental planning	0	0	0
<i>Non-recurrent - State Government</i>			
Community health	3	0	(3)
Economic development and events	0	800	800
Planning, Building & Health	100	90	(10)
Environment and protection services	2,082	2,368	287
<b>Total non-recurrent grants</b>	<b>2,185</b>	<b>3,258</b>	<b>1,074</b>
<b>Total operating grants</b>	<b>11,109</b>	<b>12,592</b>	<b>1,483</b>

### 5.1.2 Grants capital (\$1.96 million decrease)

Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall the level of capital grants has decreased by 16.1% or \$1.96 million compared to 2016/17 due mainly to the winding down of disaster recovery works. Section 6. "Analysis of Capital Budget" includes a more detailed analysis of the grants and contributions expected to be received during the 2017/18 year. A list of capital grants by type and source, classified into recurrent and non-recurrent, is included below.

Grants - capital	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
<i>Recurrent - Commonwealth Government</i>			
Roads to Recovery	2,876	2,491	(385)
<i>Recurrent - State Government</i>			
Apollo Bay	0	276	276
Total recurrent grants	<b>2,876</b>	<b>2,767</b>	<b>(109)</b>
<i>Non-recurrent - Commonwealth Government</i>			
Buildings	0	3,140	3,140
Parks, Open Space and Streetscapes	0	100	100
Footpath and Cycleways	300	500	200
Recreational, Leisure and Community Facilities	100	0	(100)
<i>Non-recurrent - State Government</i>			
Buildings	2,282	100	(2,182)
Flood Recovery	614	2,353	1,739
Bushfire Recovery	5,974	0	(5,974)
Parks, Open Space and Streetscapes	0	250	250
Footpath and Cycleways	0	975	975
Total non-recurrent grants	<b>9,270</b>	<b>7,418</b>	<b>(1,852)</b>
Total capital grants	<b>12,146</b>	<b>10,185</b>	<b>(1,961)</b>

### 5.1.3 Statement of Borrowings

The table below shows information on borrowings specifically required by the Regulations.

	2016/17	2017/18
Total amount borrowed as at 30 June of the prior year	4,773	3,974
Total amount proposed to be borrowed	0	0
Total amount projected to be redeemed	(799)	(604)
Total amount of borrowings as at 30 June	3,974	3,370

## 6. Capital works program

This section presents a listing of the capital works projects that will be undertaken for the 2017/18 year.

The capital works projects are grouped by class and include the following:

- New works for 2017/18
- Works carried forward from the 2016/17 year.

### Capital works program

For the year ending 30 June 2018

Capital Works Area	Project cost	Asset expenditure type			Summary of funding sources			
		New	Renewal	Upgrade	Grants	Contrib.	Council cash	Borrowing
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>6.1 New Works</b>								
<b>Property</b>								
<b>Land</b>								
Lake Colac Master Plan Implementation	\$250	\$0	\$0	\$250	\$250	\$0	\$0	\$0
<b>Buildings</b>								
Apollo Bay Kindergarten relocation to P12 as per Council resolution	\$3,090	\$3,090	\$0	\$0	\$2,790	\$150	\$150	\$0
Irrewarra-Beeac Netball Facilities Upgrade	\$181	\$0	\$0	\$181	\$100	\$51	\$30	\$0
Building renewal Program	\$1,008	\$0	\$1,008	\$0	\$350	\$58	\$600	\$0
Solar Power Generation - Colac Library Solar PV System (50kW)	\$80	\$80	\$0	\$0	\$0	\$0	\$80	\$0
<b>Total property</b>	<b>\$4,609</b>	<b>\$3,170</b>	<b>\$1,008</b>	<b>\$431</b>	<b>\$3,490</b>	<b>\$259</b>	<b>\$860</b>	<b>\$0</b>
<b>Plant and equipment</b>								
<b>Plant, machinery and equipment</b>								
Bluewater Gym Equipment Renewal Plan	\$52	\$0	\$52	\$0	\$0	\$0	\$52	\$0
Light Fleet Replacement Program	\$651	\$0	\$651	\$0	\$0	\$0	\$651	\$0
Heavy Plant Replacement Program	\$880	\$0	\$880	\$0	\$0	\$0	\$880	\$0
<b>Fixtures, fittings and furniture</b>								
Office Furniture Replacement Program	\$30	\$0	\$30	\$0	\$0	\$0	\$30	\$0
<b>Computers and telecommunications</b>								
Information Technology Hardware Renewal program	\$186	\$0	\$186	\$0	\$0	\$0	\$186	\$0
Windows 10 upgrade	\$46	\$0	\$0	\$46	\$0	\$0	\$46	\$0
Network storage renewal - Disaster Recovery	\$250	\$0	\$250	\$0	\$0	\$0	\$250	\$0
Statutory Planning software	\$30	\$30	\$0	\$0	\$0	\$0	\$30	\$0
Authority 6.12 upgrade	\$15	\$0	\$0	\$15	\$0	\$0	\$15	\$0
<b>Total plant and equipment</b>	<b>\$2,140</b>	<b>\$30</b>	<b>\$2,049</b>	<b>\$61</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,140</b>	<b>\$0</b>

Capital Works Area	Project cost	Asset expenditure type			Summary of funding sources			
		New	Renewal	Upgrade	Grants	Contrib.	Council cash	Borrowing
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Infrastructure</b>								
<b>Roads</b>								
Unsealed Road Restoration	\$60	\$0	\$60	\$0	\$60	\$0	\$0	\$0
Queen Street upgrade - Pound road to Hearn Street	\$385	\$0	\$385	\$0	\$0	\$0	\$385	\$0
Asphalt Overlay Program	\$100	\$0	\$100	\$0	\$0	\$0	\$100	\$0
Unsealed Road Resheet Program	\$1,400	\$0	\$1,400	\$0	\$0	\$0	\$1,400	\$0
Kerb and Channel Replacement Program	\$75	\$0	\$75	\$0	\$0	\$0	\$75	\$0
Landslip Rehabilitation Program	\$200	\$0	\$200	\$0	\$0	\$0	\$200	\$0
Road Safety Devices	\$50	\$50	\$0	\$0	\$0	\$0	\$50	\$0
Local Roads Reseal Program	\$900	\$0	\$900	\$0	\$0	\$0	\$900	\$0
Sealed Road Reconstruction Program	\$2,491	\$0	\$2,491	\$0	\$2,491	\$0	\$0	\$0
Sealed Roads Major Patch Program	\$300	\$0	\$300	\$0	\$0	\$0	\$300	\$0
Rehabilitation of Cape Otway Road	\$25	\$0	\$25	\$0	\$0	\$0	\$25	\$0
Road Improvement Program	\$750	\$0	\$0	\$750	\$0	\$0	\$750	\$0
<b>Bridges</b>								
Bridge rehabilitation Program	\$650	\$0	\$650	\$0	\$0	\$0	\$650	\$0
<b>Footpaths and cycleways</b>								
Footpath Replacement Program	\$250	\$0	\$250	\$0	\$0	\$0	\$250	\$0
Footpath Extension Program	\$275	\$275	\$0	\$0	\$0	\$0	\$275	\$0
<b>Drainage</b>								
Landslip Restoration Works	\$1,065	\$0	\$1,065	\$0	\$2,293	\$0	(\$1,228)	\$0
Stormwater drainage system -Wye River/Separation Creek	\$2,150	\$2,150	\$0	\$0	\$0	\$0	\$2,150	\$0
Urban drainage renewal Program	\$150	\$0	\$150	\$0	\$0	\$0	\$150	\$0
Colac Drainage Implementation - Colac 2050 Project	\$80	\$0	\$0	\$80	\$0	\$0	\$80	\$0
<b>Other infrastructure</b>								
Colac CBD Revitalisation Project	\$1,475	\$1,475	\$0	\$0	\$1,475	\$0	\$0	\$0
Town Signage	\$30	\$30	\$0	\$0	\$0	\$0	\$30	\$0
Active Reserves Renewal Program	\$50	\$0	\$50	\$0	\$0	\$0	\$50	\$0
Street Furniture Renewal Program	\$100	\$0	\$100	\$0	\$0	\$0	\$100	\$0
Open Space Renewal Program	\$50	\$0	\$50	\$0	\$0	\$0	\$50	\$0
Playground Renewal Program	\$160	\$0	\$160	\$0	\$100	\$0	\$60	\$0
<b>Total infrastructure</b>	<b>\$13,222</b>	<b>\$3,980</b>	<b>\$8,412</b>	<b>\$830</b>	<b>\$6,419</b>	<b>\$0</b>	<b>\$6,802</b>	<b>\$0</b>
<b>Total capital works expenditure</b>	<b>\$19,970</b>	<b>\$7,180</b>	<b>\$11,468</b>	<b>\$1,322</b>	<b>\$9,909</b>	<b>\$259</b>	<b>\$9,802</b>	<b>\$0</b>

Capital Works Area	Project cost	Asset expenditure type			Summary of funding sources			
		New	Renewal	Upgrade	Grants	Contrib.	Council cash	Borrowing
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>6.2 Works carried forward from the 2016/17 Year</b>								
<b>Property</b>								
<b>Land</b>								
Lake Colac Master Plan Implementation	\$250	\$0	\$0	\$250	\$0	\$0	\$250	\$0
<b>Buildings</b>								
Memorial Square Shrine Refurbishment	\$60	\$0	\$60	\$0	\$0	\$0	\$60	\$0
<b>Total property</b>	<b>\$310</b>	<b>\$0</b>	<b>\$60</b>	<b>\$250</b>	<b>\$0</b>	<b>\$0</b>	<b>\$310</b>	<b>\$0</b>
<b>Plant and equipment</b>								
<b>Plant, machinery and equipment</b>								
Bluewater Solar Project	\$100	\$100	\$0	\$0	\$0	\$0	\$100	\$0
<b>Fixtures, fittings and furniture</b>								
HACC Minor Capital Grant	\$35	\$0	\$35	\$0	\$0	\$0	\$35	\$0
Radio system upgrade	\$172	\$0	\$172	\$0	\$0	\$0	\$172	\$0
<b>Total plant and equipment</b>	<b>\$307</b>	<b>\$100</b>	<b>\$207</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$307</b>	<b>\$0</b>
<b>Infrastructure</b>								
<b>Roads</b>								
Queen Street upgrade - Pound road to Hearn Street	\$315	\$0	\$315	\$0	\$0	\$0	\$315	\$0
Sealed Road Reconstruction Program	\$259	\$0	\$259	\$0	\$0	\$0	\$259	\$0
<b>Other infrastructure</b>								
Colac CBD Revitalisation Project	\$475	\$475	\$0	\$0	\$0	\$0	\$475	\$0
<b>Total infrastructure</b>	<b>\$1,049</b>	<b>\$475</b>	<b>\$574</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,049</b>	<b>\$0</b>
<b>Total capital works expenditure</b>	<b>\$1,666</b>	<b>\$575</b>	<b>\$841</b>	<b>\$250</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,666</b>	<b>\$0</b>
<b>6.3 Summary</b>								
PROPERTY	\$4,919	\$3,170	\$1,068	\$681	\$3,490	\$259	\$1,170	\$0
PLANT AND EQUIPMENT	\$2,447	\$130	\$2,256	\$61	\$0	\$0	\$2,447	\$0
INFRASTRUCTURE	\$14,271	\$4,455	\$8,986	\$830	\$6,419	\$0	\$7,852	\$0
<b>TOTAL CAPITAL WORKS EXPENDITURE</b>	<b>\$21,637</b>	<b>\$7,755</b>	<b>\$12,309</b>	<b>\$1,572</b>	<b>\$9,909</b>	<b>\$259</b>	<b>\$11,468</b>	<b>\$0</b>



## 7. Rates and charges

This section presents information about rates and charges which the Act and the Regulations require to be disclosed in the Council's annual budget.

### Rates and charges

In developing the Strategic Resource Plan (referred to in Section 14.), rates and charges were identified as an important source of revenue, accounting for 50%-60% of the total revenue received by Council over the SRP period. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process. The State Government have introduced the Fair Go Rates System (FGRS) which sets out the maximum amount councils may increase rates in a year. For 2017/18 the FGRS cap has been set at 2.0%. The cap applies to both general rates and municipal charges (doesn't apply to waste collection charges) and is calculated on the basis of council's average rates and charges.

The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the Colac Otway Shire community.

In order to achieve these objectives while maintaining service levels and a strong capital expenditure program, the average general rate, municipal charge and kerbside collection charge will change as illustrated below in comparison to the 2016/17 forecast actual amounts.

Note, the below average rates movement of 0.63% (or 21 cents per week per assessment on average) relates to general rates and municipal charge only. When we include the 2.0% movement in waste collection charges we get an overall increase (inclusive of waste collection) in the average rate per assessment of 0.77% (or 28 cents per week per assessment on average).

#### 7.1 The rate in the dollar to be levied as general rates under section 158 of the Act for each type or class of land compared with the previous financial year

Type or class of land	2016/17 cents/\$CIV	2017/18 cents/\$CIV	Change
Commercial/Industrial - BOS	0.006118	0.006191	1.2%
Commercial/Industrial - Colac	0.007210	0.007297	1.2%
Holiday Rental	0.004370	0.004422	1.2%
Residential - BOS	0.003714	0.003759	1.2%
Residential - Colac	0.004370	0.004422	1.2%
Rural Farm	0.003452	0.003405	(1.4)%

#### 7.2 The estimated total amount to be raised by general rates in relation to each type or class of land, and the estimated total amount to be raised by general rates, compared with the previous financial year

Type or class of land	2016/17 \$'000	2017/18 \$'000	Change
Commercial/Industrial - BOS	1,033,045	1,054,297	2.1%
Commercial/Industrial - Colac	1,991,777	2,080,993	4.5%
Holiday Rental	1,017,321	1,069,118	5.1%
Residential - BOS	7,238,841	7,467,665	3.2%
Residential - Colac	6,256,443	6,327,592	1.1%
Rural Farm	5,782,894	5,714,531	(1.2)%
<b>Total amount to be raised by general rates</b>	<b>23,320,321</b>	<b>23,714,195</b>	<b>1.7%</b>

NB\* The movements above the average increase reflect growth in valuations and number of rateable properties

**7.3 The number of assessments in relation to each type or class of land, and the total number of assessments, compared with the previous financial year**

Type or class of land	2016/17 Number	2017/18 Number	Change
Commercial/Industrial - BOS	336	343	2.1%
Commercial/Industrial - Colac	627	631	0.6%
Holiday Rental	439	454	3.4%
Residential - BOS	5,263	5,369	2.0%
Residential - Colac	5,579	5,562	(0.3)%
Rural Farm	2,785	2,771	(0.5)%
<b>Total number of assessments</b>	<b>15,029</b>	<b>15,130</b>	<b>0.7%</b>

**7.4 The basis of valuation to be used is the Capital Improved Value (CIV)**

**7.5 The estimated total value of each type or class of land, and the estimated total value of land, compared with the previous financial year**

Type or class of land	2016/17 \$'000	2017/18 \$'000	Change
Commercial/Industrial - BOS	168,475,000	170,283,608	1.1%
Commercial/Industrial - Colac	275,633,000	285,203,459	3.5%
Holiday Rental	232,275,000	241,748,359	4.1%
Residential - BOS	1,944,701,000	1,986,837,695	2.2%
Residential - Colac	1,428,472,000	1,430,792,128	0.2%
Rural Farm	1,671,476,000	1,678,288,624	0.4%
<b>Total value of land</b>	<b>5,721,032,000</b>	<b>5,793,153,873</b>	<b>1.3%</b>

**7.6 The municipal charge under section 159 of the Act compared with the previous financial year**

Type of Charge	Per Rateable Property 2016/17 \$	Per Rateable Property 2017/18 \$	Change
Municipal	182.45	184.64	1.2%

**7.7 The estimated total amount to be raised by municipal charges compared with the previous financial year**

Type of Charge	2016/17 \$'000	2017/18 \$'000	Change
Municipal	2,589,330	2,632,958	1.7%

*NB\* The movements above the average increase reflect growth in the number of rateable properties*

**7.8 The rate or unit amount to be levied for each type of service rate or charge under Section 162 of the Act compared with the previous financial year**

Type of Charge	Per Rateable Property 2016/17 \$	Per Rateable Property 2017/18 \$	Change
Weekly Kerbside collection	292	298	2.0%
Fortnightly Kerbside collection	194	198	2.0%

**7.9 The estimated total amount to be raised by each type of service rate or charge, and the estimated total amount to be raised by service rates and charges, compared with the previous financial year**

Type of Charge	2016/17 \$'000	2017/20*18 \$'000	Change
Kerbside collection	2,814	2,870	2.0%

**7.10 The estimated total amount to be raised by all rates and charges compared with the previous financial year**

Type of Charge	2016/17 Orig Budget \$'000	2017/18 \$'000	Change
General rates	23,320	23,714	1.7%
Municipal charge	2,589	2,633	1.7%
Kerbside collection and recycling	2,814	2,870	2.0%
Tirrengower Drainage Scheme	21	21	0.0%
<b>Rates and charges</b>	<b>28,744</b>	<b>29,238</b>	<b>1.7%</b>

*NB\* The movements above the average increase reflect growth in valuations and number of rateable properties*

#### 7.11 Any significant changes that may affect the estimated amounts to be raised by rates and charges

There are no known significant changes which may affect the estimated amounts to be raised by rates and charges. However, the total amount to be raised by rates and charges may be affected by:

- The making of supplementary valuations;
- The variation of returned levels of value (i.e. valuation appeals);
- Changes of use of land such that rateable land becomes non-rateable land and vice versa; and
- Changes of use of land such that residential land becomes business land and vice versa.

#### 7.12 Differential rates

##### Rates to be levied

The rate and amount of rates payable in relation to land in each category of differential are:

- A general rate of 0.004422 cents in the dollar of CIV for all rateable residential properties in Colac and all rateable residential properties in Colac East, Colac West and Elliminyt;
- A general rate of 0.003759 cents in the dollar of CIV for any residential land which is not located in Colac, Colac East, Colac West or Elliminyt (balance of Shire);
- A general rate of 0.003405 cents in the dollar of CIV for all rateable farm land;
- A general rate of 0.004422 cents in the dollar of CIV for all rateable holiday rental properties;
- A general rate of 0.007297 cents in the dollar of CIV for all rateable commercial and industrial properties in Colac, Colac East, Colac West and Elliminyt; and
- A general rate of 0.006191 cents in the dollar of CIV for all other rateable commercial and industrial properties not located in Colac, Colac East, Colac West and Elliminyt (balance of Shire).

Each differential rate will be determined by multiplying the Capital Improved Value of rateable land (categorised by the characteristics described below) by the relevant rate in the dollar listed above.

Council believes each differential rate will contribute to the equitable and efficient carrying out of council functions. Details of the objectives of each differential rate, the types of classes of land which are subject to each differential rate and the uses of each differential rate are set out below.

##### Residential Land – Colac

Any land, whether vacant or built upon, which is located in Colac, Colac East, Colac West and Elliminyt that is not zoned for commercial or industrial use and which does not have the characteristics of:

- a) Rural Farm Land;
- b) Holiday Rental Land; or
- c) Commercial/Industrial Land – Colac, Colac East, Colac West or Elliminyt.

##### Residential Land – Balance of Shire

Any land, whether vacant or built upon or which is not located in Colac, Colac East, Colac West or Elliminyt that does not have the characteristics of:

- a) Rural Farm Land;
- b) Holiday Rental Land;
- c) Commercial/Industrial Land – Colac, Colac East, Colac West or Elliminyt; or
- d) Commercial/Industrial Land – Balance of Shire.

##### Rural Farm Land

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 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.

#### **Holiday Rental Land**

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.

*Note: 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.

#### **Commercial/Industrial Land – Colac, Colac East, Colac West, Elliminyt**

Any land which is located in Colac, Colac East, Colac West or Elliminyt which does not have the characteristics of:

- a) Rural Farm Land;
- b) Residential Land – Colac, Colac East, Colac West or Elliminyt; or
- c) Holiday Rental Land; and  
is used primarily for:
  - a) the sale of goods or services;
  - b) other commercial purposes; or
  - c) industrial purposes or which is vacant but zoned for commercial or industrial use.

#### **Commercial/Industrial Land - Balance of Shire**

Any land which is not located in Colac, Colac East, Colac West or Elliminyt which does not have the characteristics of:

- a) Rural Farm Land;
- b) Residential Land – Balance of Shire; or
- c) Holiday Rental Land; and  
is used primarily for:
  - a) the sale of goods or services;
  - b) other commercial purposes; or
  - c) industrial purposes or which is vacant but zoned for commercial

## Other Charges

### Municipal Charge

A Municipal Charge be declared for the period commencing 1 July 2017 to 30 June 2018 to cover some of the administrative costs of the Council.

The municipal charge be the sum of \$184.64 per annum for each rateable property in respect of which a municipal charge can be levied.

### Annual Service (Waste Management) Charges

**An annual service (waste management) charge of \$298 per annum (weekly service provided) be declared for:**

All land used primarily for residential or commercial purposes; or

Other land in respect of which a weekly waste collection and disposal service is provided, for the period 1 July 2017 to 30 June 2018.

**An annual service (waste management) charge of \$198 per annum (fortnightly service provided) be declared for:**

All land used primarily for residential or commercial purposes; or

Other land in respect of which a fortnightly waste collection and disposal service is provided, for the period 1 July 2016 to 30 June 2017.

**Commercial properties can have a maximum of one (1) 240 litre or two (2) 120 litre bins.**

### Tirrengower Special (Drainage) Scheme

The special charge for the Tirrengower drainage works previously declared by Council has not yet been determined as it is subject to a consultation process that will occur early in the 2017/18 Financial year. For the purposes of the budget, we have estimated the price at \$2.50 per hectare for the period 1 July 2017 to 30 June 2018.

### 7.13 Fair Go Rates System Compliance

Colac Otway Shire Council is fully compliant with the State Governments Fair Go Rates System.

	<sup>1</sup> Council Adopted	<sup>1</sup> Maximum allowed under Cap
Base Average Rates (2016/17)	\$ 1,730.43	\$ 1,730.43
Rate Increase	0.63%	2.00%
Capped Average Rate (2017/18)	\$ 1,741.38	\$ 1,765.04
General Rates and Municipal Charges Revenue	\$ 26,347,153	\$ 26,705,047
<b>Amount 'under the cap' budgeted</b>	<b>\$ 357,895</b> <sup>2</sup>	

<sup>1</sup> \* Amounts do not include the waste collection charges as these do not form part of the Cap calculation

<sup>2</sup> \* "Amount under cap" is a direct result of Council's decision not to increase by the maximum available

## Budget Analysis

The following reports provide detailed analysis to support and explain the budget reports in the previous section.

This section includes the following analysis and information.

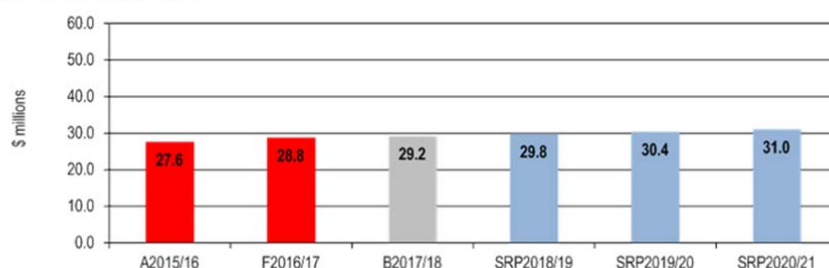
- 8 Summary of financial position
- 9 Budget influences
- 10 Analysis of operating budget
- 11 Analysis of budgeted cash position
- 12 Analysis of capital budget
- 13 Analysis of budgeted financial position
- 14 Strategic resource plan
- 15 Summary of other strategies
- 16 Rating strategy

## 8. Summary of financial position

Council has prepared a Budget for the 2017/18 financial year which seeks to balance the demand for services and infrastructure with the community's capacity to pay. Key budget information is provided below about the rate increase, operating result, services, cash and investments, capital works, financial position, financial sustainability and strategic objectives of the Council.

A= Actual F= Forecast B= Budget SRP= Strategic Resource Plan estimates

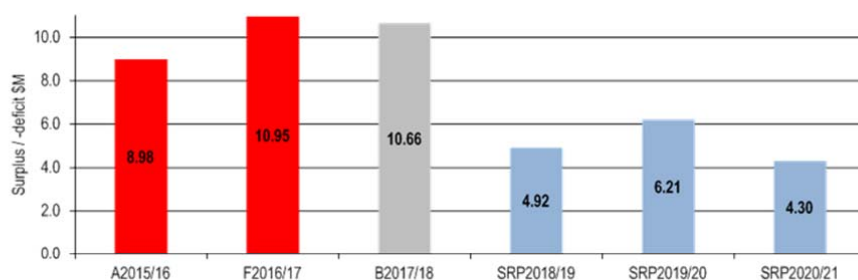
### 8.1 Rates and charges



It is proposed that the average rates increase by 0.63% for the 2017/18 year, raising total rates of 29.2 million, with the exception of farm rates which have been reduced in response to the issues experienced by our farmers. This results in a average rates increase of 0.63% across all categories which is the lowest rate rise on record.

This will result in an increase in total revenue from rates and service charges of 1.7%. The 1.7% increase (including almost 1% representing the growth in the number of properties) has been set at a level that balances the infrastructure needs of the shire while minimising the rating burden for our community.

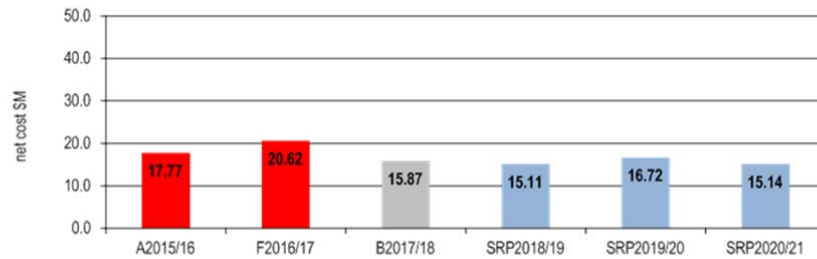
### 8.2 Operating Result



The expected operating result for the 2017/18 year is an operating surplus of \$10.66 million, which is a movement of (\$0.29) million from the 2016/17 forecast actual. The surplus result reflects the additional capital revenue generated to cover capital works relating to disaster recovery. The surpluses during the SRP period represent the operating surplus generated to cover the ongoing asset renewal requirements of Colac Otway Shire.

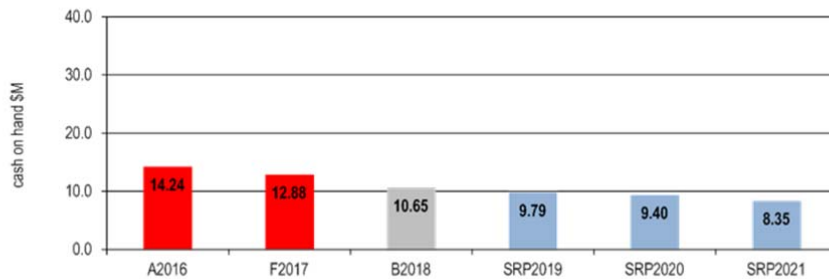


### 8.3 Services



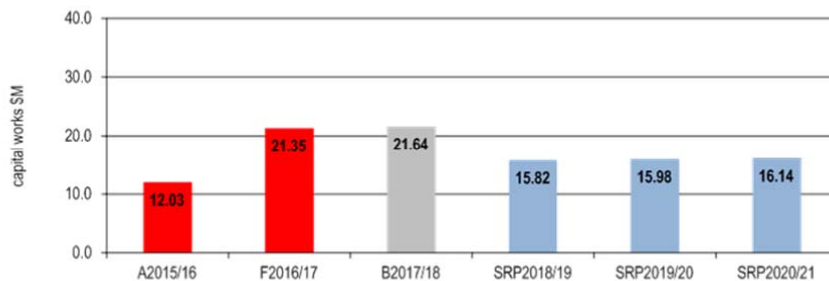
The net cost of services delivered to the community for the 2017/18 year is expected to be \$15.87 million which is a decrease of (\$4.75) million over 2016/17. A key influencing factor in the development of the 2017/18 budget has been to realise the cost benefits generated via continuous business improvement and a reduction in disaster recovery work.

### 8.4 Cash and investments



Refer also Section 4 for the Statement of Cash Flows and Section 11 for an analysis of the cash position.

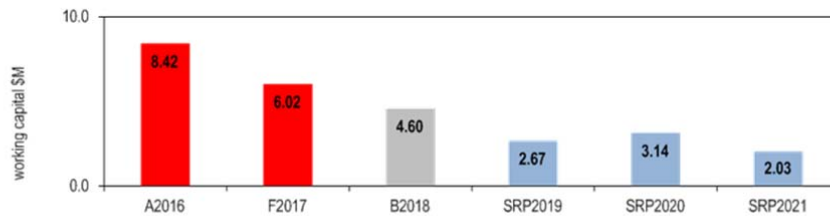
### 8.5 Capital works



The capital works program for the 2017/18 year is expected to be \$21.64 million of which \$1.67 million relates to projects which will be carried forward from the 2016/17 year. The carried forward component is fully funded from the 2016/17 budget. Of the \$21.64 million of capital funding required, \$9.91 million will come from external grants, \$0.26 million will come from community contributions with the balance of \$9.80 million from Council cash and reserves. The budgeted program continues Council's enviable position of maintaining renewal expenditure at least in line with Depreciation.

Refer also Section 4 for the Statement of Capital Works and Section 12 for an analysis of the capital budget.

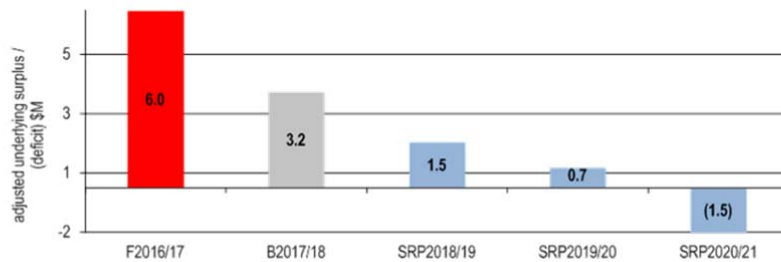
## 8.6 Financial position



The financial position (Working Capital) decreases across 2016/17 to 2017/18 as the additional cash balances forecast to be held by Council for disaster recovery works are spent by the end of 2017/18. They are then expected to remain above the minimum required working capital ratio during the SRP period of 2018/19 to 2020/21.

Refer also Section 4 for the Balance Sheet and Section 13 for an analysis of the budgeted financial position.

## 8.7 Financial sustainability

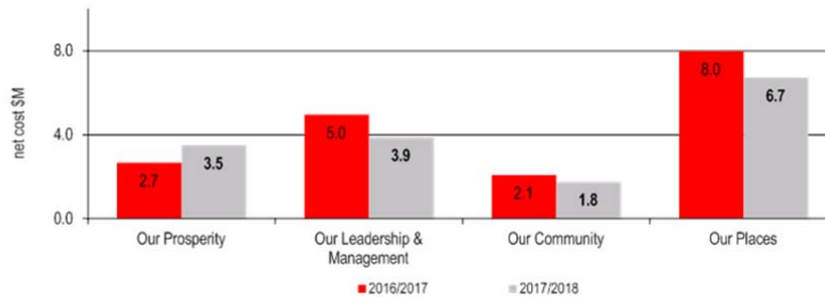


A high level Strategic Resource Plan for the years 2017/18 to 2020/2021 has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the Plan is financial sustainability in the medium to long term, while still achieving the Council's strategic objectives as specified in the Council Plan. The adjusted underlying result, which is a measure of financial sustainability, shows a decreasing surplus over the four year period reflecting the increasing dependency on grants as the effects of rate cap starts to impact operating results.

Note the above forecast for adjusted underlying surplus is based on conservative income estimates for externally sourced revenue (i.e. grants).

Refer Section 14 for more information on the Strategic Resource Plan.

### 8.8 Strategic objectives

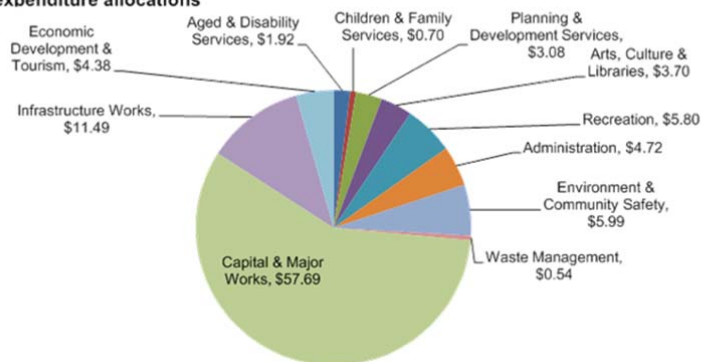


The Annual Budget includes a range of services and initiatives to be funded that will contribute to achieving the strategic objectives specified in the Council Plan. The above graph shows the level of funding allocated in the budget to achieve the strategic objectives as set out in the Council Plan for the 2017/18 year.

*Note: Council is expected to adopt a new Council plan at the same time as the budget, this new Council plan is expected to have different strategic themes to the previous plan therefore we have estimated the breakdown of comparatives.*

The services that contribute to these objectives are set out in Section 2

### 8.9 Council expenditure allocations



The above chart provides an indication of how Council allocates its expenditure across the main services that it delivers. It shows how much is allocated to each service area for every \$100 that Council spends.

## 9. Budget influences

This section sets out the key Budget influences arising from the internal and external environment within which the Council operates.

### 9.1 Snapshot of Colac Otway Shire Council

Colac Otway Shire Council is located in the South West of Victoria, covering an area of 3,443 square kilometres, stretching from the plains of Cressy in the north to rainforest of Cape Otway in the south. The Shire consists of rich agricultural lands, timbered forests and the urban areas of Colac, Apollo Bay, Birregurra, Pirron Yallock and Cressy. The Shire's administrative centre is based in the urban hub of Colac, with an additional service centre in the coastal town of Apollo Bay.

The current Shire was created through the amalgamation between the former City of Colac, the former Shire of Colac and the former Shire of Otway.

#### Population

Our population was estimated to be 21,168 in 2016, a growth of just over 560 residents in the past decade. We are anticipating increased population growth in the medium term as the duplication of the Princess Highway from Geelong to Colac opens up access to the region.

#### Ageing population

The Shire has a relatively older population, with 59.0% of our residents being over 35 years old (average age of 40.9). Over one quarter (25.5%) are aged over 60 years old and only 7.9% of our population was born outside of Australia.

*\*Source: Census 2011*

#### Employment and occupation

Colac Otway's residents enjoy steady employment, with 96.3% of our active workforce population in some form of employment. Of this 55.3% are employed in a full-time capacity.

Our five major employment sectors by employee count excluding owner-operators are:

- Agriculture, Forestry & Fishing (24.3%)
- Construction (14.8%)
- Retail Trade (10.9%)
- Accommodation and food services (10.8%)
- Other services (5.6%)

*Source: ABS Cat. No. 8165*

Our five major employment sectors by total employee count including owner-operators are:

- Agriculture, Forestry & Fishing (33.3%)
- Construction (13.5%)
- Rental, Hiring and Real Estate Services (8.6%)
- Accommodation and food services (6.3%)
- Retail Trade (5.9%)

Source: ABS Cat. No. 8165

#### **Budget implications**

As a result of the Shire's demographic profile there are a number of Budget implications in the short and long term as follows:

- Council's ageing population presents challenges in planning for infrastructure and services which provide ease of access and useability and support for the increasing aged members of our community. We may face challenges in attracting and retaining a sustainable workforce as the workforce age demographic declines.
- The location, relatively large area and very diverse topography of the Shire presents transport issues - the duplication of the Princess Highway from Geelong to Colac will alleviate a number of access issues, but may present different problems, with the potential for a significant increase in road freight and traffic travelling through the Shire.
- Complex regulatory environment - Council operates in a highly regulated environment.
- Asset Renewal - the highly diverse topography within the Shire presents unique circumstances in renewing assets due to the vastly different conditions from one end of the Shire to the other.

## **9.2 External influences**

- Consumer Price Index (CPI) increases on goods and services of 1.5% through the year to December quarter 2016 (ABS release 25 January 2017). Significantly below the Reserve Bank of Australia's target CPI of 2-3%.
- Freeze in Federal Assistance Grants funding for another year.
- Estimated Bushfire expenditure relating to recovery works from the December 2015 Wye River/Separation Creek Bushfires as follows:
  - Bushfire Operating expenditure: \$0.57 million
  - Bushfire Capital expenditure: \$2.15m
- Estimated Flood expenditure relating to recovery works from the August Flood event as follows:
  - Flood Operating expenditure: \$0.25 million
  - Flood Capital expenditure: \$1.13 million
- The shifting of various costs from state/federal government to local government without a shift of the corresponding resources/income. Cost Shifting occurs where Local Government provides a service to the community on behalf of the State and Federal Government. Over time the funds received by local governments do not increase in line with real cost increases. Examples of services that are subject to Cost Shifting include school crossing supervisors, library services and home and community care for aged residents. In all these services the level of payment received by Council from the State Government does not reflect the real cost of providing the service to the community.

- Councils across Australia raise approximately 3.5% of the total taxation collected by all levels of Government in Australia. In addition Councils are entrusted with the maintenance of more than 30% of all Australian public assets including roads, bridges, parks, footpaths and public buildings. This means that a large proportion of Council's income must be allocated to the maintenance and replacement of these valuable public assets in order to ensure the quality of public infrastructure is maintained at satisfactory levels.
- The Fire Services Property Levy will continue to be collected by Council on behalf of the State Government with the introduction of the *Fire Services Property Levy Act 2012*.

### 9.3 Internal influences

As well as external influences, there are also a number of internal influences which are expected to have an impact on the preparation of the 2017/18 Budget. These matters have arisen from events occurring in the 2016/17 year resulting in variances between the forecast actual and budgeted results for that year and matters expected to arise in the 2017/18 year. These matters and their financial impact are set out below:

- The outcomes of the renegotiation of Council's Enterprise Bargaining Agreement covering the Strategic Resource Plan period;
- Transitioning to the National Disability Insurance Scheme (NDIS) impacting the resources required in the Council's Older Persons/Health and Community Care Services;
- Reduction by the state government in the level of funding for School Crossing Guards; and
- Further resource diversion as a result of the finalisation of the disaster recovery works.

### 9.4 Budget principles

In response to these influences, guidelines were prepared and distributed to all Council officers with Budget responsibilities. The guidelines set out the key Budget principles upon which the officers were to prepare their Budgets. The principles included:

- 'Every dollar counts', recognising that every \$1,000 to \$2,000 saved is the equivalent of someone's rates;
- Considering the whole of life cost of the services and assets and generational impact;
- Identifying and implementing cost saving, innovative and/or alternative service delivery options; and
- Focusing on long term sustainability and asset management.

### 9.5 Long term strategies

The Budget includes consideration of a number of long term strategies and contextual information to assist Council to prepare the Budget in a proper financial management context. These include a Strategic Resource Plan for 2017/18 to 2020/21 (Section 14.), Rating Information (Section 7.) and Other Long Term Strategies (Section 16.) including borrowings, infrastructure and service delivery.

## 10. Analysis of operating budget

This section analyses the operating budget including expected income and expenses of the Council for the 2017/18 year.

### 10.1 Budgeted income statement

	Ref	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Total income	10.2	58,217	58,541	325
Total expenses	10.3	(47,267)	(47,886)	(619)
<b>Surplus (deficit) for the year</b>		<b>10,950</b>	<b>10,656</b>	<b>(294)</b>
Grants – capital non-recurrent	10.2.6	(4,982)	(7,418)	(2,436)
Contributions - non-monetary assets		0	0	0
Capital contributions - other sources	10.2.4			0
<b>Adjusted underlying surplus (deficit)</b>	10.1.1	<b>5,968</b>	<b>3,238</b>	<b>(2,730)</b>

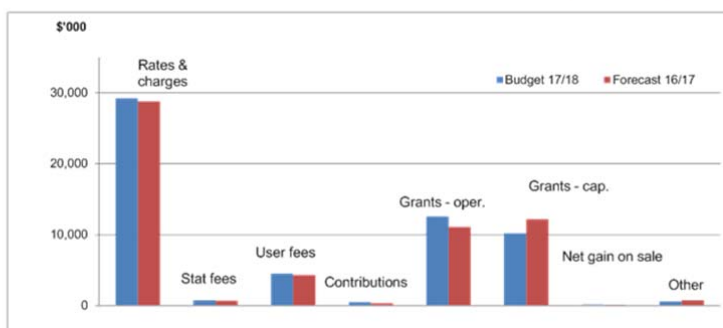
#### 10.1.1 Adjusted underlying result (\$2.73 million decrease)

The adjusted underlying result is the net surplus or deficit for the year adjusted for non-recurrent capital grants, non-monetary asset contributions, and capital contributions from other sources. It is a measure of financial sustainability and Council's ability to achieve its service delivery objectives as it is not impacted by capital income items which can often mask the operating result. Council has excluded grants received for capital purposes which are non-recurrent and capital contributions from other sources. Contributions of non-monetary assets are excluded as the value of assets assumed by Council is dependent on the level of development activity each year.

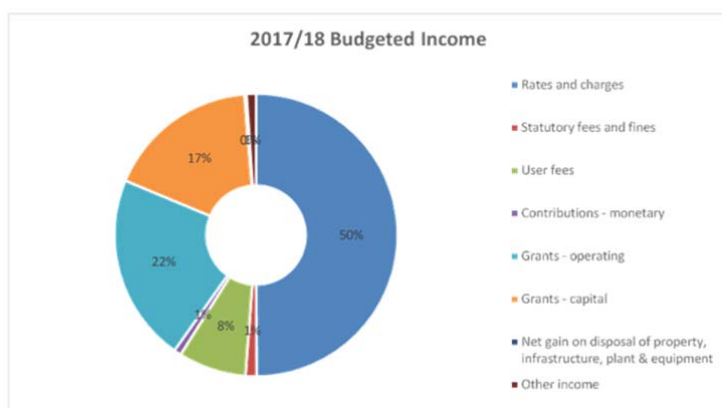
The decrease in the 2017/18 year is due to the decrease in operating grant funding in 17/18, non-recurrent operating grants generally fluctuate year to year.

### 10.2 Income

Income Types	Ref	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Rates and charges	10.2.1	28,789	29,238	449
Statutory fees and fines	10.2.2	672	730	58
User fees	10.2.3	4,324	4,540	216
Contributions - monetary	10.2.4	341	485	144
Grants - operating	5.1.1	11,109	12,592	1,483
Grants - capital	5.1.2	12,146	10,185	(1,961)
Net gain on disposal of property, infrastructure, plant & equipment	10.2.5	83	147	64
Other income	10.2.6	752	623	(129)
<b>Total income</b>		<b>58,217</b>	<b>58,541</b>	<b>325</b>







#### 10.2.1 Rates and charges (\$0.45 million increase)

Rates & Charges have been set at a level that reflects an initial 1.2% increase on each individual property. In response to the difficulties experienced by our primary producers (in particular the dairy farmers), we have reduced the farm rate cents/CIV rate by 2% (from 79% to 77% of the Colac Residential category). A more long term strategic view will be explored in the upcoming review of the Rating Strategy.

Section 7. Rates and Charges - includes a more detailed analysis of the rates and charges to be levied for 2017/18 and the rates and charges specifically required by the Regulations.

#### 10.2.2 Statutory fees and fines (\$0.06 million increase)

Statutory fees relate mainly to fees and fines levied in accordance with legislation and include animal registrations, *Public Health and Wellbeing Act 2008* registrations and parking fines. Increases in statutory fees are made in accordance with legislative requirements.

Statutory fees are forecast to increase by \$0.057 million due to a \$0.04 million increase in planning fees, \$0.01 million increase in Development Act fees and \$0.005 million increase in Subdivision fees based on price levels set by the State Government.

A detailed listing of statutory fees is included in Appendix A.

#### 10.2.3 User fees (0.22 million increase)

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include separate rating schemes, use of leisure, entertainment and other community facilities and the provision of human services such as family day care and home help services. In setting the budget, the key principle for determining the level of user charges has been to ensure that increases do not exceed CPI increases or market levels.

User Fees & Charges are budgeted to increase by \$0.22 million in 2017/18. This increase is mainly as a result of additional admission fees of \$0.105 million at the Bluewater facility due to the opening of the stadium, \$0.085 million of additional Saleyards revenue as volumes recover after the downturn in 2016/17.

A detailed listing of fees and charges is included in Appendix A.

#### 10.2.4 Contributions - monetary (\$0.14 million increase)

Contributions relate to monies paid by developers in regard to public recreation facilities, drainage and car parking in accordance with planning permits issued for property development.

Contributions are projected to remain relatively flat year-on-year. These remain a minor funding source for Colac Otway Shire.

#### 10.2.5 Net gain on disposal of Property, infrastructure, plant and equip. (\$0.06 million increase)

Proceeds from the sale of Council assets reflect the vehicle and heavy plant replacement program forecast for 2017/18.

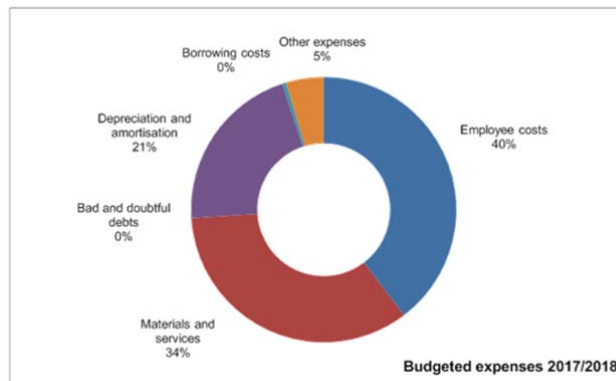
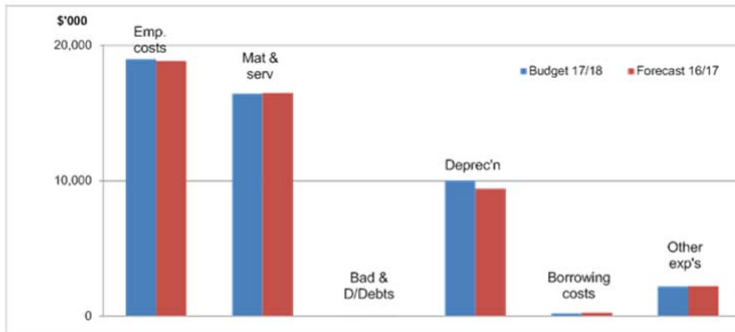
#### 10.2.6 Other income (\$0.13 million decrease)

Other income relates to a range of sundry income items including reimbursements and cost recoveries, however the majority relates to interest revenue on investments and rate arrears.

Other income is forecast to decrease by \$0.13 million mainly due to sale of property database to State Revenue office income received every two years (2016/17 and 18/19) but won't be received in 2017/18 of approximately \$70,000. There is also a forecast drop-off of interest income of \$25,000 due to a lower cash rate.

### 10.3 Expenses

Expense Types	Ref	Forecast	Budget	Variance
		Actual 2016/17 \$'000		
Employee costs	10.3.1	18,851	18,982	131
Materials and services	10.3.2	16,478	16,450	(28)
Bad and doubtful debts	10.3.3	2	2	0
Depreciation and amortisation	10.3.4	9,430	10,027	597
Borrowing costs	10.3.5	269	226	(43)
Other expenses	10.3.6	2,237	2,199	(38)
<b>Total expenses</b>		<b>47,267</b>	<b>47,886</b>	<b>619</b>



### 10.3.1 Employee costs (\$0.13 million increase)

Employee costs include all labour related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements, employer superannuation, rostered days off, etc.

Employee costs are forecast to increase by 1.0% or \$0.19 million compared to 2016/17 forecast actuals. This increase relates to three key factors:

- Renegotiation of Council's Enterprise Bargaining Agreement (EBA); and
- Anticipated reduction in Disaster Recovery Employee costs as works wind down in 2017/18.

A summary of human resources expenditure categorised according to the organisational structure of Council is included below:

Department	Budget 2017/18 \$'000	Comprises	
		Permanent Full Time \$'000	Permanent Part Time \$'000
Chief Executive Office	796	724	72
Corporate Services	3,668	3,025	643
Development and Community Services	7,026	3,981	3,045
Infrastructure and Leisure Services	7,299	6,931	369
Disaster Recovery	192	102	90
<b>Total permanent staff expenditure</b>	<b>18,982</b>	<b>14,762</b>	<b>4,219</b>
Other Staff expenditure	0		
<b>Total expenditure</b>	<b>18,982</b>		
Capitalised labour costs (included in the above)	700		

A summary of the number of full time equivalent (FTE) Council staff in relation to the above expenditure is included below:

Department	Budget FTE	Comprises	
		Permanent Full Time	Permanent Part Time
Chief Executive Office	5.5	5.0	0.5
Corporate Services	36.9	30.4	6.5
Development and Community Services	77.7	44.0	33.7
Infrastructure and Leisure Services	93.5	88.8	4.7
Disaster Recovery	4.7	2.5	2.2
<b>Total</b>	<b>218.3</b>	<b>170.7</b>	<b>47.6</b>
Casuals and other	5.5		
<b>Total staff</b>	<b>223.8</b>		
Capitalised labour costs (inclusive in the above)	8.9		

### 10.3.2 Materials and services (\$0.03 million decrease)

Materials and services include the purchases of consumables, payments to contractors for the provision of services and utility costs. These costs are typically subject to inflationary pressures but due to the impacts of our ongoing business improvement program we are forecasting materials and services to remain flat in 2017/18. The remaining 3 years of the Strategic Resource Plan have inflation factored into the estimates although opportunities for business improvement will be a key focus albeit challenging.

### 10.3.3 Bad and doubtful debts (Nil movement)

Bad and doubtful debts is projected to remain flat compared to 2016/17.

### 10.3.4 Depreciation and amortisation (\$0.60 million increase)

Depreciation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as Roads, Drains, Buildings, recreational facilities, etc. The increase for 2017/18 is due mainly to the completion of the 2017/18 capital works program and the full year effect of depreciation on the 2016/17 capital works program. Refer to Section 6. 'Analysis of Capital Budget' for a more detailed analysis of Council's capital works program for the 2017/18 year.

### 10.3.5 Borrowing costs (\$0.04 million decrease)

Borrowing costs relate to interest charged by financial institutions on funds borrowed. The reduction in borrowing costs results from the planned reduction in borrowings due to repayment of principal in accordance with loan agreements.

### 10.3.6 Other expenses (\$0.04 million decrease)

Other expenses relate to a range of unclassified items including contributions to community groups, advertising, insurances, motor vehicle registrations and other miscellaneous expenditure items.

## 11. Analysis of budgeted cash position

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2017/18 year. Budgeting cash flows for Council is a key factor in setting the level of rates and providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

The analysis is based on three main categories of cash flows:

- **Operating activities** - Refers to the cash generated or used in the normal service delivery functions of Council. Cash remaining after paying for the provision of services to the community may be available for investment in capital works, or repayment of debt.
- **Investing activities** - Refers to cash generated or used in the enhancement or creation of infrastructure and other assets. These activities also include the acquisition and sale of other assets such as vehicles, property and equipment.
- **Financing activities** - Refers to cash generated or used in the financing of Council functions and include borrowings from financial institutions and advancing of repayable loans to other organisations. These activities also include repayment of the principal component of loan repayments for the year.

### 11.1 Budgeted cash flow statement

	Ref	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
<b>Cash flows from operating activities</b>	11.1.1			
<i>Receipts</i>				
Rates and charges		29,254	29,226	(28)
Statutory fees and fines				
User fees and fines		4,996	5,270	274
Grants - operating		11,109	12,592	1,483
Grants - capital		12,146	10,185	(1,961)
Contributions - monetary				
Interest		0	0	0
Other receipts		1,064	1,102	38
		<b>58,568</b>	<b>58,375</b>	<b>(193)</b>
<i>Payments</i>				
Employee costs		(19,003)	(19,727)	(724)
Other payments		(18,765)	(18,910)	(145)
		<b>(37,767)</b>	<b>(38,637)</b>	<b>(869)</b>
<b>Net cash provided by operating activities</b>		<b>20,801</b>	<b>19,739</b>	<b>(1,062)</b>
<b>Cash flows from investing activities</b>	11.1.2			
Payments for property, infrastructure, plant & equip.		(21,355)	(21,637)	(282)
Proceeds from sale of property, infrastructure, plant & equipment		269	490	221
Payments for investments		0	0	0
Proceeds from investments		0	0	0
Loans and advances made		0	0	0
Repayments of loans and advances		0	0	0
<b>Net cash used in investing activities</b>		<b>(21,086)</b>	<b>(21,147)</b>	<b>(61)</b>
<b>Cash flows from financing activities</b>	11.1.3			
Finance costs		(269)	(226)	43
Proceeds from borrowings		0	0	0
Repayment of borrowings		(799)	(604)	195
<b>Net cash used in financing activities</b>		<b>(1,068)</b>	<b>(830)</b>	<b>238</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(1,353)</b>	<b>(2,238)</b>	<b>(885)</b>
Cash and cash equivalents at the beginning of the year		14,237	12,884	(1,353)
<b>Cash and cash equivalents at end of the year</b>	11.1.4	<b>12,884</b>	<b>10,646</b>	<b>(2,238)</b>

#### 11.1.1 Operating activities (\$1.1 million decrease)

The decrease in cash inflows from operating activities is illustrated above in the variance column.

The net cash flows from operating activities does not equal the surplus (deficit) for the year as the expected revenues and expenses of the Council include non-cash items which have been excluded from the Cash Flow Statement. The budgeted operating result is reconciled to budgeted cash flows available from operating activities as set out in the following table.

	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
<b>Surplus/(deficit) for the year</b>	<b>10,950</b>	<b>10,656</b>	<b>(294)</b>
<b><u>Operating Cash flows not in Operating Statement</u></b>			
Movement in Trade & Other Receivables	592	(10)	(602)
Movement in Trade & Other Payables	(93)	(456)	(363)
Movement in Provisions	(152)	(745)	(593)
Trust funds and deposits	(1)	(10)	(9)
Share of net profits/(losses) of associates and joint ventures	3	(7)	(10)
Movement in Inventories	(114)	205	319
<b><u>Non-Cash Operating Statement items</u></b>			
Contributions - non-monetary	0	0	0
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	(83)	(147)	(64)
Depreciation and amortisation	9,430	10,027	597
Borrowing costs	269	226	(43)
<b>Cash flows available from operating activities</b>	<b>20,801</b>	<b>19,739</b>	<b>(1,062)</b>

#### 11.1.2 Investing activities (\$0.1 million increase)

The small increase in payments for investing activities represents another year of an above average level of capital works due to disaster recovery works as disclosed in section 10 of this budget report.

#### 11.1.3 Financing activities (\$0.2 million decrease)

For 2017/18 cash outflows from financing activities continue to decrease as debt continues to retire.

#### 11.1.4 Cash and cash equivalents at end of the year (\$2.2 million decrease)

Overall, total cash and investments is forecast to decrease resulting from the completion of disaster recovery works where a large portion of the funding of that works is held in the opening balance of cash for 2017/18.

#### 11.2 Restricted and unrestricted cash and investments

Cash and cash equivalents held by Council are restricted in part, and not fully available for Council's operations. The budgeted cash flow statement above indicates that Council is estimating at 30 June 2018 it will have cash and investments of \$10.65 million, which has been restricted as shown in the following table.

	Ref	Forecast Actual 2017 \$'000	Budget 2018 \$'000	Variance \$'000
<b>Total cash and investments</b>		<b>12,884</b>	<b>10,646</b>	<b>(2,238)</b>
<b>Restricted cash and investments</b>				
- Statutory reserves	11.2.1	(835)	(901)	(66)
- Conditional Grants Reserves (Carried Forward projects)	11.2.2	(921)	0	921
- Trust funds and deposits		(681)	(671)	10
<b>Unrestricted cash and investments</b>	11.2.3	<b>10,447</b>	<b>9,074</b>	<b>(1,372)</b>
- Contractual reserves	11.2.4	(1,556)	(1,763)	(207)
<b>Unrestricted cash adjusted for discretionary reserves</b>	11.2.5	<b>8,891</b>	<b>7,311</b>	<b>(1,579)</b>

**11.2.1 Statutory reserves (\$0.07 million increase)**

These funds must be applied for specified statutory purposes in accordance with various legislative requirements. While these funds earn interest revenues for Council, the funds are not available for other purposes.

**11.2.2 Cash held to fund carry forward capital works tied to grants (\$0.92 million decrease)**

There is no amount shown as cash held to fund carry forward works at 30 June 2018, as it is expected that the capital works budget in the 2017/18 financial year will be fully completed. An amount of \$0.92 million is forecast to be held at 30 June 2017 to fund capital works tied to a grant budgeted but not completed in the 2016/17 financial year.

**11.2.3 Unrestricted cash and investments (\$1.37 million decrease)**

The amount shown is in accordance with the definition of unrestricted cash included in the Regulations. These funds are free of statutory reserve funds and cash to be used to fund capital works expenditure from the previous financial year.

**11.2.4 Contractual reserves (\$0.21 million increase)**

These funds are held to meet Council's commitment to the Department of Economic Development, Jobs, Transport and Resources (DEDJTR) under the management agreement for the Port of Apollo Bay. Cash is held on behalf of DEDJTR and this reserve represents the amount cash held under that contract.

**11.2.5 Unrestricted cash adjusted for contractual reserves (\$1.58 million decrease)**

These funds are free of all specific Council commitments and represent funds available to meet daily cash flow requirements, unexpected short term needs and any budget commitments which will be expended in the following year such as grants and contributions. Council regards these funds as the minimum necessary to ensure that it can meet its commitments as and when they fall due without borrowing further funds.



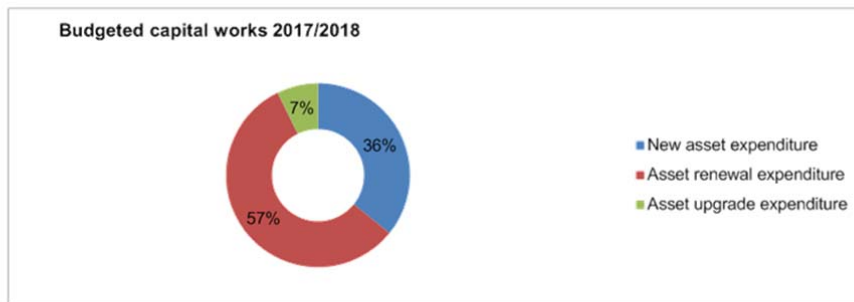
## 12. Analysis of capital budget

This section analyses the planned capital expenditure budget for the 2017/18 year and the sources of funding for the capital budget. Further detail on the capital works program can be found in Section 6.

### 12.1 Capital works

Capital Works Areas	Ref	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
<b>Works carried forward</b>	12.1.1			
<b>Property</b>				
Land		0	250	250
Buildings		2,858	4,359	1,501
<b>Total land &amp; Buildings</b>		<b>2,858</b>	<b>4,609</b>	<b>1,751</b>
<b>Total property</b>		<b>2,858</b>	<b>4,609</b>	<b>1,751</b>
<b>Plant and equipment</b>				
Plant, machinery and equipment		1,183	1,583	400
Fixtures, fittings and furniture		185	30	(155)
Computers and telecommunications		265	527	262
<b>Total plant and equipment</b>		<b>1,634</b>	<b>2,140</b>	<b>506</b>
<b>Infrastructure</b>				
Roads		11,793	6,736	(5,057)
Bridges		214	650	436
Footpaths and cycleways		1,045	525	(520)
Drainage		406	3,445	3,039
Other infrastructure		747	1,865	1,118
<b>Total infrastructure</b>		<b>14,205</b>	<b>13,222</b>	<b>2,955</b>
<b>Total works carried forward</b>		<b>18,697</b>	<b>19,970</b>	<b>5,212</b>
<b>New works</b>				
<b>Property</b>	12.1.2			
Land		0	250	250
Buildings		1,559	60	(1,499)
<b>Total land &amp; Buildings</b>		<b>1,559</b>	<b>310</b>	<b>(1,249)</b>
<b>Total property</b>		<b>1,559</b>	<b>310</b>	<b>(1,249)</b>
<b>Plant and equipment</b>	12.1.3			
Plant, machinery and equipment		0	100	100
Fixtures, fittings and furniture		243	207	(36)
Computers and telecommunications		0	0	0
<b>Total plant and equipment</b>		<b>243</b>	<b>307</b>	<b>64</b>
<b>Infrastructure</b>	12.1.4			
Roads		408	574	166
Bridges		0	0	0
Footpaths and cycleways		400	0	(400)
Drainage		0	0	0
Other infrastructure		48	475	427
<b>Total infrastructure</b>		<b>856</b>	<b>1,049</b>	<b>193</b>
<b>Total new works</b>		<b>2,658</b>	<b>1,666</b>	<b>(992)</b>
<b>Total capital works expenditure</b>		<b>21,355</b>	<b>21,637</b>	<b>4,220</b>
<b>Represented by:</b>				
New asset expenditure	12.1.5	1,285	7,755	6,470
Asset renewal expenditure	12.1.5	15,934	12,309	(3,624)
Asset upgrade expenditure	12.1.5	4,136	1,572	(2,564)
<b>Total capital works expenditure</b>		<b>21,355</b>	<b>21,637</b>	<b>282</b>





Source: Section 3. A more detailed listing of capital works is included in Section 6.

#### **12.1.1 Carried forward works (\$1.67 million)**

At the end of each financial year there are likely to be projects which are either incomplete or not commenced due to factors including planning issues, weather delays and extended consultation. For the 2016/17 year it is forecast that \$1.67 million of capital works will be incomplete and be carried forward into the 2017/18 year.

#### **12.1.2 Property (\$4.92 million)**

The property class comprises buildings and building improvements including community facilities, municipal offices, sports facilities and pavilions.

For the 2017/18 year, \$4.92 million will be expended on building and building improvement projects. The more significant projects include Apollo Bay Kindergarten relocation costing \$3.09m & the Irrewarra-Beeac Netball Facilities Upgrade costing \$0.18m.

#### **12.1.3 Plant and equipment (\$2.45 million)**

Plant and equipment includes plant, machinery and equipment, computers and telecommunications.

For the 2017/18 year, \$2.45 million will be expended on plant, equipment and other projects. The more significant projects include the light fleet replacement program of \$0.65m and Heavy Plant Replacement program of \$0.9m.

#### **12.1.4 Infrastructure (\$14.27 million)**

Infrastructure includes roads, bridges, footpaths and cycleways, drainage, recreation, leisure and community facilities, parks, open space and streetscapes, off street car parks and other structures.

For the 2017/18 year, \$7.3 million will be expended on road projects (of which \$2.5 million is federally funded through the Roads to Recovery program). The more significant projects include sealed road reconstructions (\$2.75 million) and road resheeting (\$1.40 million).

\$3.4 million will be expended on drainage projects. The more significant of these include road drainage improvement works at Wye River/Separation Creek (\$2.2 million) funded by the State Government and \$1.1 million of flood recovery drainage works funded through NDRRA.

\$0.65 million will be expended on Bridges & \$0.53 million on footpaths and cycleways.

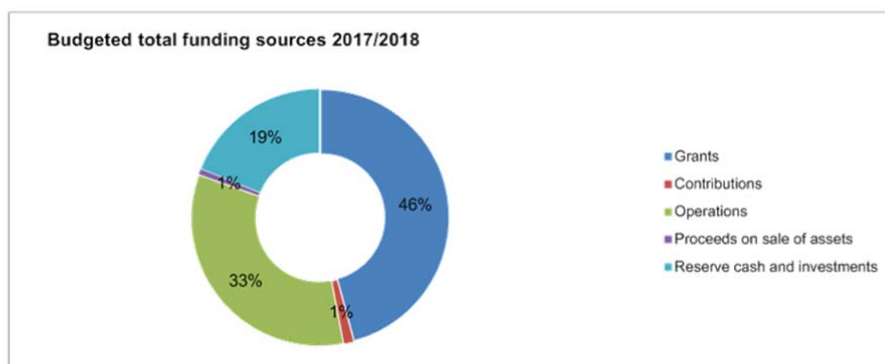
Other infrastructure expenditure (\$2.34 million) includes \$1.95 million on the CBD and entrances project.

#### 12.1.5 Asset renewal (\$12.31 million), New Assets (\$7.76 million) and Upgraded Assets (\$1.57 million)

A distinction is made between expenditure on new assets, asset renewal and upgrade. Expenditure on asset renewal is expenditure on an existing asset, or on replacing an existing asset that returns the service of the asset to its original capability. Expenditure on new assets does not have any element of upgrade of existing assets but will result in an additional burden for future operation, maintenance and capital renewal.

#### 12.2 Funding sources

Sources of funding	Ref	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
<b>Works carried forward</b>				
<b>Current year funding</b>				
Grants		0	0	0
Contributions		0	0	0
Borrowings		0	0	0
Council cash				
- operations		0	0	0
- proceeds on sale of assets		0	0	0
- reserve cash and investments		2,658	1,666	(992)
- unrestricted cash and investments		0	0	0
<b>Total works carried forward</b>	12.2.1	<b>2,658</b>	<b>1,666</b>	<b>(992)</b>
<b>New works</b>				
<b>Current year funding</b>				
Grants	12.2.2	12,146	9,909	(2,237)
Contributions		252	259	7
Borrowings			0	0
Council cash				
- operations	12.2.3	5,107	7,239	2,131
- proceeds on sale of assets	12.2.4	269	147	(122)
- reserve cash and investments	12.2.5	923	2,416	1,493
- unrestricted cash and investments	12.2.6	0	0	0
<b>Total new works</b>		<b>18,697</b>	<b>19,970</b>	<b>1,273</b>
<b>Total funding sources</b>		<b>21,355</b>	<b>21,637</b>	<b>282</b>



#### 12.2.1 Carried forward works (\$1.67 million)

At the end of each financial year there are projects which are either incomplete or not commenced due to factors including weather delays and diversion of resources for disaster recovery works. For the 2016/17 year it is forecast that \$1.67 million of capital works will be incomplete and be carried forward into the 2017/18 year.

#### 12.2.2 Grants - Capital (\$9.91 million)

Capital grants include all monies received from State and Federal sources for the purposes of funding the capital works program. Significant grants and contributions are budgeted to be received for Roads to Recovery (\$2.49m), \$2.79m for Apollo Bay Kindergarten and \$2.4m for Flood recovery.

#### 12.2.3 Council cash - operations (\$7.24 million)

Council generates cash from its operating activities, which is used as a funding source for the capital works program. It is forecast that \$7.24 million will be generated from operations to fund the 2017/18 capital works program.

#### 12.2.4 Council cash - proceeds from sale of assets (\$0.15 million)

Proceeds from sale of assets include motor vehicle sales in accordance with Council's fleet renewal policy of \$0.15 million.

#### 12.2.5 Reserve cash - reserve cash and investments (\$4.08 million)

Council has some cash reserves, which it is currently using to fund its annual capital works program. The reserves include monies set aside for specific purposes such as Plant replacement, Saleyards funding and non-specific reserves such as the Matching grants Reserve. For 2017/18 the following are an example of what reserve amounts Council will be using to fund discretionary projects:

- \$1.66m of the carry forward projects reserve to fund Capital projects in 2017/18;
- \$0.12m of the Kerbside Bin Collection reserve to fund the first phase of the waste management contract
- \$1.38m of the Plant Replacement reserve to fund Heavy plant and light fleet replacement;
- \$0.08m of the Plant Replacement reserve to fund the installation of solar panels at the library;
- \$0.03m of the Open Space reserve to fund the upgrade of the Irrewarra-Beeac Netball facilities;
- \$0.12m of the Kerbside Bin Collection reserve to fund the first phase of the waste management contract

### 13. Analysis of budgeted financial position

This section analyses the movements in assets, liabilities and equity between 2016/17 and 2017/18. It also considers a number of key financial performance indicators.

#### 13.1 Budgeted balance sheet

	Ref	Forecast Actual 2017 \$'000	Budget 2018 \$'000	Variance \$'000
<b>Current assets</b>	13.1.1			
Cash and cash equivalents		12,884	10,646	(2,238)
Trade and other receivables		2,075	2,085	10
Financial assets		0	0	0
Other assets		255	50	(205)
<b>Total current assets</b>		<b>15,214</b>	<b>12,781</b>	<b>(2,433)</b>
<b>Non-current assets</b>	13.1.1			
Trade and other receivables		0	0	0
Investments in associates and joint ventures		304	311	7
Property, infrastructure, plant and equipment		285,468	296,735	11,267
Intangible assets		46	46	0
<b>Total non-current assets</b>		<b>285,818</b>	<b>297,092</b>	<b>11,274</b>
<b>Total assets</b>		<b>301,032</b>	<b>309,873</b>	<b>8,841</b>
<b>Current liabilities</b>	13.1.2			
Trade and other payables		2,833	2,377	456
Trust funds and deposits		681	671	10
Provisions		5,073	4,487	586
Interest-bearing loans and borrowings		604	649	(45)
<b>Total current liabilities</b>		<b>9,191</b>	<b>8,184</b>	<b>1,007</b>
<b>Non-current liabilities</b>	13.1.2			
Provisions		3,735	3,576	159
Interest-bearing loans and borrowings		3,370	2,721	649
<b>Total non-current liabilities</b>		<b>7,105</b>	<b>6,297</b>	<b>808</b>
<b>Total liabilities</b>		<b>16,296</b>	<b>14,481</b>	<b>1,815</b>
<b>Net assets</b>		<b>284,736</b>	<b>295,392</b>	<b>10,656</b>
<b>Equity</b>	13.1.4			
Accumulated surplus		123,041	135,666	12,625
Reserves		161,695	159,726	(1,969)
<b>Total equity</b>		<b>284,736</b>	<b>295,392</b>	<b>10,656</b>

Source: Section 3

#### 13.1.1 Current Assets (\$2.43 million decrease) and Non-Current Assets (11.27 million increase)

Cash and cash equivalents include cash and investments such as cash held in the bank and in petty cash and the value of investments in deposits or other highly liquid investments with short term maturities of three months or less. These balances are projected to decrease during the year mainly as a result of spending disaster recovery funding.

Trade and other receivables are monies owed to Council by ratepayers and others. Short term debtors are not expected to change significantly in the budget.

Other assets relates predominantly to inventories, we are projecting a minimal inventory balance at the end of 2018.

Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the value of all the land, buildings, roads, vehicles, equipment, etc. which has been built up by Council over many years. The increase in this balance is attributable to the net result of the capital works program, depreciation of assets and the sale of property, plant and equipment.

### 13.1.2 Current Liabilities (\$1.01 million decrease) and Non Current Liabilities (\$0.81 million decrease)

Trade and other payables are those to whom Council owes money as at 30 June. These liabilities are budgeted to decrease in line with Materials and Services.

Provisions include accrued long service leave and annual leave owing to employees. These employee entitlements are only expected to remain flat due to active management of entitlements despite factoring in an increase for Collective Agreement outcomes. Provisions also include a provision for landfill rehabilitation based on a discounted cash flow model.

Interest-bearing loans and borrowings are borrowings of Council. The Council has a goal to reduce debt at every opportunity, as a consequence debt is a continually decreasing balance.

### 13.1.3 Working Capital (\$1.43 million decrease)

Working capital is the excess of current assets above current liabilities. This calculation recognises that although Council has current assets, some of those assets are already committed to the future settlement of liabilities in the following 12 months, and are therefore not available for discretionary spending.

Some of Council's cash assets are restricted in that they are required by legislation to be held in reserve for specific purposes or are held to fund carry forward capital works from the previous financial year.

	Forecast Actual 2017 \$'000	Budget 2018 \$'000	Variance \$'000
<b>Current assets</b>	15,214	12,781	2,433
<b>Current liabilities</b>	9,191	8,184	1,007
<b>Working capital</b>	6,023	4,597	1,426
Restricted cash and investment current assets			
- Statutory reserves	(835)	(901)	66
- Cash used to fund carry forward capital works	(2,658)	(1,666)	(992)
<b>Unrestricted working capital</b>	<b>2,530</b>	<b>2,030</b>	<b>500</b>

### 13.1.4 Equity (\$10.66 million increase)

Total equity always equals net assets and is made up of the following components:

- Asset revaluation reserve which represents the difference between the previously recorded value of assets and their current valuations.
- Other reserves that are funds that Council wishes to separately identify as being set aside to meet a specific purpose in the future and to which there is no existing liability. These amounts are transferred from the surplus of the Council to be separately disclosed.
- Accumulated surplus which is the value of all net assets less Reserves that have accumulated over time. \$10.81 million of the \$12.63 million increase in accumulated surplus results directly from the surplus for the year. An amount of \$1.82 million (net) is budgeted to be transferred from other reserves to accumulated surplus. This reflects the usage of investment cash reserves to partly fund the capital works program. This is a transfer between equity balances only and does not impact on the total balance of equity.

### 13.2 Key assumptions

In preparing the Budgeted Balance Sheet for the year ending 30 June 2018 it was necessary to make a number of assumptions about assets, liabilities and equity balances. The key assumptions are as follows:

- Movement in Receivables was assumed to be wholly Rates and Charges based therefore the movement in this item impacts cash flows for Rates and Charges only.
- Movement in Payables was assumed to be wholly Materials and Services based therefore the movement in this item impacts cash flows for Materials and Services only.
- Movement in Receivables is proportionate to the level of the underlying income items (Rates and Charges, Fees & Charges & Other Income).
- Movement in Payables is proportionate to the level of the underlying expense items (Materials and Services and Other Expenses).
- All Capital Works assumed to be completed on average half-way through the year and is depreciated accordingly.
- Movements in Provisions is proportionate to Employee Costs and the changes to the landfill rehabilitation provision.
- Inventories and intangible assets are expected to remain flat from 2017/18 onwards.
- Trust Funds and Deposits have been forecast utilising a historical trend analysis.

## Long Term Strategies

This section includes the following analysis and information.

- 14 Strategic resource plan
- 15 Rating information
- 16 Other long term strategies

## 14. Strategic resource plan

This section includes an extract of the adopted Strategic Resource Plan to provide information on the long term financial projections of the Council.

### 14.1 Plan development

The Act requires a Strategic Resource Plan (SRP) to be prepared describing both financial and non-financial resources (including human resources) for at least the next four financial years to achieve the strategic objectives in the Council Plan. In preparing the SRP, Council must take into account all other plans and strategies in regard to services and initiatives which commit financial and non-financial resources for the period of the SRP.

Council has prepared an SRP for the four years 2017/18 to 2020/21 as part of its ongoing financial planning to assist in adopting a budget within a longer term framework. The SRP takes the strategic objectives and strategies as specified in the Council Plan and expresses them in financial terms for the next four years.

The key objective, which underlines the development of the SRP, is financial sustainability in the medium to long term, while still achieving Council's strategic objectives as specified in the Council Plan. The key financial objectives, which underpin the SRP, are:

- Maintain existing service levels;
- Maintain an operating surplus to fund the shire's increasing capital works requirements;
- Undertake a capital works program which maintains Council's assets;
- No new forecast borrowings; and
- Identify new funding opportunities to minimise the reliance on rates & charges.

In preparing the SRP, Council has also been mindful of the need to comply with the following Principles of Sound Financial Management as contained in the Act:

- Prudently manage financial risks relating to debt, assets and liabilities;
- Provide reasonable stability in the level of rate obligation;
- Consider the financial effects of Council decisions on future generations; and
- Provide full, accurate and timely disclosure of financial information.

The SRP is updated annually through a rigorous process of consultation with Council service providers followed by a detailed sensitivity analysis to achieve the key financial objectives.



## 14.2 Financial resources

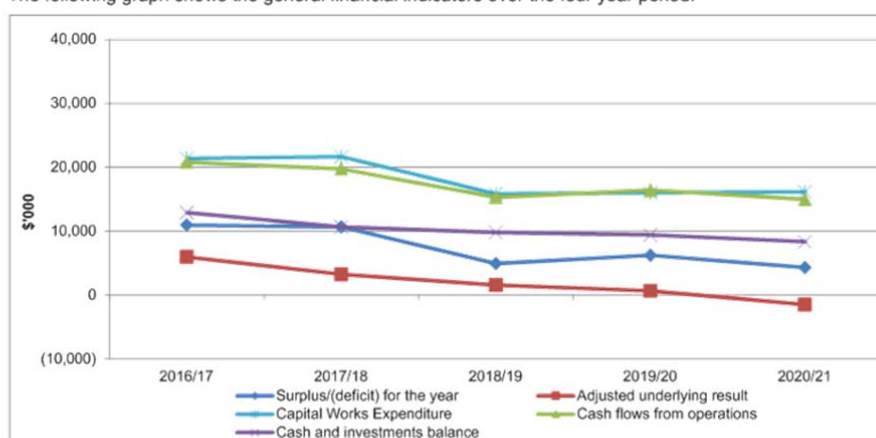
The following table summarises the key financial results for the next four years as set out in the SRP for years 2017/18 to 2020/21. Section 3 includes a more detailed analysis of the financial resources to be used over the four year period.

Indicator	Forecast Actual	Budget	Strategic Resource Plan Projections			Trend +/-
	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	
Surplus/(deficit) for the year	10,950	10,656	4,916	6,209	4,301	-
Adjusted underlying result	5,968	3,238	1,543	669	(1,521)	-
Cash and investments balance	12,884	10,646	9,785	9,404	8,353	-
Cash flows from operations	20,801	19,739	15,303	16,429	14,960	-
Capital works expenditure	21,355	21,637	15,824	15,981	16,140	-

Key to Forecast Trend:

- + Forecasts improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator

The following graph shows the general financial indicators over the four year period.



The key outcomes of the Plan are as follows:

- **Financial sustainability (Section 11)** - Cash and investments is forecast to decrease over the four year period from \$10.95 million to \$4.46 million, which illustrates the impacts of rate capping when assuming a conservative forecast for future grants.
- **Rating levels (Section 15)** - Modest rate increases are forecast over the four years at an average of 2.0% in line with the current cap.
- **Service delivery strategy (section 16)** - Service levels have been maintained throughout the four year period, this is a key underlying principle of the Strategic Resource Plan. As can be seen by the key items above, maintaining services in a rate capping environment with modest grant levels is expected to put a strain on Council's cash.
- **Borrowing strategy (Section 16)** - Borrowings are forecast to reduce from \$3.37 million to \$1.24 million over the four year period. This includes no new borrowings and a significant retirement of debt in the 2019/20 financial year.
- **Infrastructure strategy (Section 16)** - Capital expenditure over the four year period will total \$69.58 million at an average of \$17.4 million. This average is slightly inflated by the extra disaster recovery works in 2017/18.

## 15. Rating information

This section contains information on Council's past and foreshadowed rating levels along with Council's rating structure and the impact of changes in property valuations. This section should be read in conjunction with Council's Rating Strategy which is available on Council's website. Note the Council's Rating Strategy is due to expire 31 December 2017 and is currently being reviewed and this review will include an extensive community consultation.

### 15.1 Rating context

In developing the Strategic Resource Plan (referred to in Section 14), rates and charges were identified as an important source of revenue, accounting for approximately 50% of the total revenue received by Council annually. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process. The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the Colac Otway community.

### 15.2 Future rates and charges

The following table sets out future proposed increases in revenue from rates and charges and the total rates to be raised, based on the forecast financial position of Council as at 30 June 2017, and proposed rate caps set by the State Government.

Year	General Rate Increase %	Municipal Charge Increase %	Fortnightly Kerbside Charge Increase %	Weekly Kerbside Charge Increase %	Total Rates Raised \$'000
2016/17	2.50	2.50	2.50	2.50	28,789
2017/18	1.69	1.68	2.00	2.00	29,238
2018/19	2.00	2.00	2.00	2.00	29,823
2019/20	2.00	2.00	2.00	2.00	30,419
2020/21	2.00	2.00	2.00	2.00	31,028

*NB\* The above % increases are made up of the cap increase plus the additional revenue due to an increase in rateable properties*

### 15.3 Rating structure

Council has established a rating structure which is comprised of three key elements. These are:

- Property values which form the central basis of rating under the *Local Government Act 1989*
- A user pays component to reflect usage of certain services provided by Council
- A fixed municipal charge per property to cover some of the administrative costs of the Council.

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

Council makes a further distinction within the property value component of rates based on the purpose for which the property is used, that is, whether the property is used for residential or commercial purposes. This distinction is based on the concept that business should pay a fair and equitable contribution to rates taking into account the benefits those commercial properties derive from the local community.

Having reviewed the various valuation bases for determining the property value component of rates, Council has determined to apply a Capital Improved Value (CIV) basis on the grounds that it provides the most equitable distribution of rates across the municipality. There are currently no plans to change that basis, but Council is in the process of reviewing its rating structure and will consider this approach for its ongoing appropriateness.

The existing rating structure comprises six differential rates (see below). These rates are structured in accordance with the requirements of Section 161 'Differential Rates' of the Act. The differential Rates for each category are as follows:

<u>Differential Category</u>	<u>Differential rate</u>
Commercial/Industrial - BOS	140%
Commercial/Industrial - Colac	165%
Holiday Rental	100%
Residential - BOS	85%
Residential - Colac	100%
Rural Farm	77%

Council also levies a municipal charge and a kerbside collection charge as allowed under the Act.

The following table summarises the rates to be determined for the 2017/18 year. A more detailed analysis of the rates to be raised is contained in Section 7 Rates and Charges.

Rate type	How applied	2016/17	2017/18	Total Raised 2017/18	Change
Commercial/Industrial - BOS	Cents/\$ CIV	0.006118	0.006191	1,054,297	1.2%
Commercial/Industrial - Colac	Cents/\$ CIV	0.00721	0.007297	2,080,993	1.2%
Holiday Rental	Cents/\$ CIV	0.00437	0.004422	1,069,118	1.2%
Residential - BOS	Cents/\$ CIV	0.003714	0.003759	7,467,665	1.2%
Residential - Colac	Cents/\$ CIV	0.00437	0.004422	6,327,592	1.2%
Rural Farm	Cents/\$ CIV	0.003452	0.003405	5,714,531	(1.4)%
Tirrengower Drainage Scheme	\$/ Hectare	\$2.50	\$2.50	21,063	0.0%
Municipal charge	\$/ property	\$182.45	\$184.64	2,632,958	1.2%
Weekly Kerbside collection	\$/ property	\$292	\$298	2,869,982	2.0%
Fortnightly Kerbside collection	\$/ property	\$194	\$198		2.0%

Council previously adopted a formal *Rating Strategy* that contains expanded information on Council's rating structure and the reasons behind its choices in applying the rating mechanisms it has used (currently under review).

## 16. Summary of other strategies

This section sets out summaries of the strategies that have been developed and incorporated into the Strategic Resource Plan including borrowings, infrastructure and service delivery.

### 16.1 Borrowings

In developing the Strategic Resource Plan SRP (see Section 14), borrowings were identified as an important funding source for capital works programs. In the past, Council has at times borrowed to finance large infrastructure projects and since then has been in a phase of debt reduction. This has resulted in a reduction in debt servicing costs, but has meant that cash and investment reserves have been used as an alternate funding source to maintain robust capital works programs. With continued constraints around Council's ability to raise income, it may be necessary to reconsider the issue of borrowings. As such Council will review the Debt Strategy in the coming months.

For the 2017/18 year, Council has decided not to take out any new borrowings to fund the capital works program and therefore, after making loan repayments of \$0.6 million, will reduce its total borrowings to \$3.37 million as at 30 June 2018. It is worth noting in 2019/20 over \$1m is forecast to be repaid including a one-off \$0.5m bond repayment, to fund this payment an amount of \$0.1m per year for 5 years has been set aside to ensure the appropriate cash flow exists in the 2019/20 financial year.

The table below shows information on borrowings specifically required by the Regulations.

	2016/17	2017/18
	\$'000	\$'000
Total amount borrowed as at 30 June of the prior year	4,773	3,974
Total amount proposed to be borrowed	0	0
Total amount projected to be redeemed	(799)	(604)
Total amount of borrowings as at 30 June	3,974	3,370

### 16.2 Infrastructure

The Council has developed an Asset Management Plan based on the knowledge provided by various Asset Management Plans, which sets out the capital expenditure requirements of Council for the next 10 years by class of asset, and is a key input to the SRP. It predicts infrastructure consumption, renewal needs and considers infrastructure needs to meet future community service expectations. The plan has been developed through a rigorous process of consultation and evaluation. The key aspects of the process are as follows:

- Long term capital planning process which integrates with the Council Plan, Strategic Resource Plan and Annual Budget processes;
- Identification of capital projects through the preparation of asset management plans;
- Prioritisation of capital projects within classes on the basis of evaluation criteria;
- Methodology for allocating annual funding to classes of capital projects.

A key objective of the Asset Management Plan is to maintain or renew Council's existing assets at desired condition levels. If sufficient funds are not allocated to asset renewal then Council's investment in those assets will reduce, along with the capacity to deliver services to the community.

At present, Council is similar to most municipalities in that it is presently unable to fully fund asset renewal requirements identified in the Asset Management Plan. While the Asset Management Plan is endeavouring to provide a sufficient level of annual funding to meet ongoing asset renewal needs and the above graph indicates asset renewal is being addressed, the SRP illustrates the impacts on Council's cash and underlying result position in order to maintain the shires renewal requirements.

In updating the Asset Management Plan for the 2017/18 year, the following influences have had a significant impact:

- Resources committed to undertaking the remaining Disaster Recovery works.
- Future planning for disaster recovery to ensure we learn from our recent experiences.
- Availability of Federal funding for upgrade of roads.
- Availability of certain government grants programs such as the Victorian Grants Commissions grants.
- The enactment of the *Road Management Act 2004* removing the defence of non-feasance on major assets such as roads.



The following table summarises Council's forward outlook on capital expenditure including funding sources for the next four years.

Year	Summary of funding sources				
	Total Capital Program	Grants	Contributions	Council Cash	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000
2016/17	21,354.9	12,146.0	0.3	9,208.5	0
2017/18	21,636.5	10,184.9	0.5	11,451.1	0
2018/19	15,823.9	7,448.8	0.5	8,374.6	0
2019/20	15,981.1	7,522.8	0.5	8,457.9	0
2020/21	16,140.0	8,672.5	0.5	7,467.0	0

In addition to using cash generated from its annual operations, borrowings and external contributions such as government grants, Council has significant cash or investment reserves that are also used to fund a variety of capital projects. These reserves are either 'statutory' or 'discretionary' cash reserves. Statutory reserves relate to cash and investments held by Council that must be expended on a specific purpose as directed by legislation or a funding body, and include contributions to open space investment and unspent Home and Community Care packages. Discretionary cash reserves relate to those cash and investment balances that have been set aside by Council and can be used at Council's discretion, even though they may be earmarked for a specific purpose.

### 16.3 Service delivery

The key objectives in Council's Strategic Resource Plan (referred to in Section 14.) which directly impact the future service delivery strategy are to maintain existing service levels. The Rating Information (see Section 15.) also refers to modest rate increases into the future. With these key objectives as a basis, a number of internal and external influences have been identified through discussions with management which will have a significant impact on the scope and level of services to be provided over the next four years.

There are a number of specific influences which relate directly to service areas or activities. The most significant changes in these areas are summarised below.

#### 16.3.1 Service Reviews

Council has identified the importance of ensuring services to the community are delivered in the most efficient and effective way possible. The key principles underpinning any review of services would be as follows:

- Is Council the most appropriate source of these services?
- What alternative providers are available in the market?
- The degree of importance of the service to the community
- If the service is a priority for Council to provide, what is the appropriate level of service?
- Is the service being delivered in the most efficient and effective manner?
- Is the service to be delivered on a cost neutral basis or subsidised by Council?

#### 16.3.2 Aged & Disability Services

As the National Disability and Insurance Scheme (NDIS) takes effect and various services transition to this program, we will see more funded services move from Council therefore decreasing both Grants and Materials & Services/Employee costs.

#### 16.3.3 Valuation Services

The Council is required to revalue all properties within the municipality every two years. The last general revaluation was carried out as at 1 January 2016 effective for the 2016/17 year and the next revaluation undertaken as at 1 January 2018 is in its first stages with costs budgeted for in 2017/18.

#### 16.3.4 Waste Management Contract review

The Waste Management contract is set for renewal in 2019/20 financial year. Being Council's largest contract this will be an involved and detailed review and has a significant impact on one of the key services we provide our community. Accordingly funding of \$0.06m has been set aside in the 2017/18 budget for the first phase of this review.

The service delivery outcomes measured in financial terms are shown in the following table.

Year	Adjusted		
	Surplus (Deficit) for the year	Underlying Surplus (Deficit)	Net Service (Cost)
	\$'000	\$'000	\$'000
2016/17	10,950	5,968	(20,621)
2017/18	10,656	3,238	(15,870)
2018/19	4,916	1,543	(15,112)
2019/20	6,209	669	(16,725)
2020/21	4,301	(1,521)	(15,140)

## Appendix A

### Fees and charges schedule

This appendix presents the fees and charges of a statutory and non-statutory nature which will be charged in respect of various goods and services provided during the 2017/18 year.

Description	Council /Statutory	GST %	2016/17 Fee incl. Tax	2017/18 incl. Tax
<b>Corporate Services</b>				
<b>Financial Services</b>				
Council Properties (per annum)				
Apollo Bay Newsheet				
Apollo Bay Newsheet	C	10	\$850.72	\$885.00
Land Information Certificate				
Land Information Certificate	S	0	\$24.80	\$25.40
Replacement Rate Notice				
Replacement Rate Notice				
Replacement Rate Notice	C	0	\$25.00	\$25.00
Payment Dishonour Fee (All Other)				
Admin Fee				
Admin Fee	C	10	\$25.00	\$26.00
Payment Dishonour Fee (Direct Debit)				
Admin Fee				
Admin Fee	C	10	\$10.00	\$10.50
<b>Governance</b>				
Freedom of Information (per application)				
Freedom of Information (per application)				
Freedom of Information (per application)	S	0	\$27.90	\$27.90
<b>Printing and Photocopying</b>				
A3 sheet				
A3 sheet	C	10	\$0.40	\$0.40
A4 sheet				
A4 sheet	C	10	\$0.20	\$0.20
Coloured copy – A3 sheet				
Coloured copy – A3 sheet	C	10	\$2.00	\$2.00
Coloured copy – A4 sheet				
Coloured copy – A4 sheet	C	10	\$1.00	\$1.00
Record Search Fee				
Discovery Fee - Per Hour				
Discovery Fee - Per Hour	C	10	\$50.00	\$65.00
Annual Report				
Hard Copy of Annual Report				
Cost per copy	C	10	\$20.00	\$20.00
<b>Waste Management</b>				
Waste Management Additional Service Charge/Bin				
240 litre garbage additional service charge/bin				
240 litre garbage additional service charge/bin	C	10	\$266.00	\$271.00
240 litre organic additional service charge/bin				
240 litre organic additional service charge/bin	C	10	\$128.00	\$130.50
240 litre recycle additional service charge/bin				
240 litre recycle additional service charge/bin	C	10	\$77.00	\$78.50
Set 3 new bins new property				
Set 3 new bins new property	C	10	\$0.00	\$0.00
Upgrade to 240litre Garbage Bin				
Upgrade to 240litre Garbage Bin	C	10	\$205.00	\$209.00
Upgrade to 360ltr Recycling bin				
Upgrade to 360ltr Recycling bin	C	10	\$0.00	\$39.25
All waste receival sites				
Car bodies				
Car bodies	C	10	\$67.00	\$68.00
Chemical drums				
Chemical drums (each)	C	10	\$1.10	\$1.10
Commercial fully co-mingled recyclables				
Commercial fully co-mingled recyclables (per m3)	C	10	\$14.25	\$14.50
Commercial fully co-mingled recyclables (per tonne)			\$60.00	\$61.00
Mattresses each				
Mattresses each	C	10	\$24.00	\$24.50
Putrescibles (inc mixed rubbish)				
Putrescibles (inc mixed rubbish) per m3	C	10	\$60.00	\$61.00
Putrescibles (inc mixed rubbish) 1st 240 ltr bin or less	C	10	\$10.00	\$10.20
Putrescibles (inc mixed rubbish) 2nd 240 litre bin	C	10	\$15.00	\$15.50
Putrescibles (inc mixed rubbish) per tonne	C	10	\$280.00	\$285.00
Steel scrap				
Steel scrap (per M3)	C	10	\$11.00	\$11.50
Steel scrap (per Tonne)	C	10	\$41.00	\$41.50
Tree pruning's				
Tree pruning's (per M3)	C	10	\$38.00	\$38.50
Tree pruning's (per Tonne)	C	10	\$132.00	\$134.50



Description	Council /Statutory	GST %	2016/17 Fee incl. Tax	2017/18 incl. Tax
<b>TV &amp; Monitors</b>				
TV & Monitors	C	10	\$10.00	\$10.50
<b>Tyres</b>				
Car	C	10	\$7.50	\$8.00
Car on rim	C	10	\$14.00	\$14.50
Commercial batteries each (more than 2)	C	10	\$6.10	\$6.50
Light truck	C	10	\$16.00	\$16.50
Tractor 1-2m	C	10	\$210.00	\$215.00
Tractor up to 1m	C	10	\$100.00	\$102.00
Truck	C	10	\$45.00	\$46.00
<b>Waste disposal tickets</b>				
10 tickets(up to 240lt bin)	C	10	\$68.00	\$70.00
25 tickets (up to 240lt bin)	C	10	\$146.00	\$150.00
<b>Kerbside Bin Fees</b>				
<b>120 litre garbage (bin only )</b>				
120 litre garbage (bin only )	C	10	\$74.00	\$75.50
<b>120 litre organic (bin only )</b>				
120 litre organic (bin only )	C	10	\$74.00	\$75.50
<b>120 litre recycle (bin only )</b>				
120 litre recycle (bin only )	C	10	\$74.00	\$75.50
<b>240 litre garbage (bin only)</b>				
240 litre garbage (bin only)	C	10	\$79.00	\$80.00
<b>240 litre organic (bin only )</b>				
240 litre organic (bin only )	C	10	\$79.00	\$80.00
<b>240 litre recycle (bin only )</b>				
240 litre recycle (bin only )	C	10	\$79.00	\$80.00
<b>Bin change over fee (all bins)</b>				
Bin change over fee (all bins)	C	10	\$31.00	\$32.00
<b>Lost or stolen bins – 120/240 litre</b>				
Lost or stolen bins – 120/240 litre	C	10	\$54.00	\$55.00
<b>Other</b>				
Safe waste bin locks	C	10	\$0.00	\$6.50
Tourist Bags (red and yellow) per pair	C	10	\$0.00	\$10.00
<b>Infrastructure &amp; Leisure Services</b>				
<b>Aerodrome Landing Fees</b>				
<b>Apollo Bay (per landing)</b>				
Apollo Bay (per landing )	C	10	\$10.50	\$0.00
Apollo Bay (per landing per tonne )	C	10	N/A	\$11.00
Apollo Bay overnight parking fee	C	10	N/A	\$50.00
<b>Colac (per landing)</b>				
Colac (per landing)	C	10	\$10.50	\$0.00
Colac (per landing per tonne)	C	10	N/A	\$11.00
Colac overnight parking fee	C	10	N/A	\$50.00
<b>Apollo Bay Harbour</b>				
<b>Fixed mooring (annual)</b>				
Fixed mooring (annual)	C	10	\$1,860.00	\$1,916.00
<b>Itinerant Berth (daily) based on vessel length</b>				
more than 10m but less than 15m	C	10	\$26.00	\$27.00
more than 15m but less than 20m	C	10	\$31.00	\$32.00
more than 20m but less than 25m	C	10	\$38.00	\$39.00
more than 25m but less than 30m	C	10	\$62.00	\$64.00
more than 30m	C	10	\$124.00	\$128.00
<b>Marina keys (per key)</b>				
Marina keys (per key) (including replacement)	C	10	\$26.00	\$27.00
<b>Swing mooring (annual)</b>				
Swing mooring (annual)	C	10	\$123.50	\$127.00
<b>Swing mooring establishment</b>				
Swing mooring establishment	C	10	\$199.00	\$205.00
<b>Other Harbour Fees - based on Vessel Length</b>				
<b>Slipping Fee by vessel Length</b>				
10	C	10	\$184.50	\$190.00
10.2	C	10	\$191.50	\$197.00
10.4	C	10	\$199.00	\$205.00
10.6	C	10	\$207.00	\$213.00
10.8	C	10	\$214.00	\$220.00
11	C	10	\$215.00	\$221.00
11.2	C	10	\$228.50	\$235.00
11.4	C	10	\$236.00	\$243.00
11.6	C	10	\$244.00	\$251.00
11.8	C	10	\$250.00	\$258.00
12	C	10	\$259.50	\$267.00
12.2	C	10	\$266.00	\$274.00
12.4	C	10	\$274.00	\$282.00
12.6	C	10	\$280.00	\$288.00
12.8	C	10	\$288.50	\$297.00
13	C	10	\$295.50	\$304.00
13.2	C	10	\$303.00	\$312.00
13.4	C	10	\$310.00	\$319.00
13.6	C	10	\$316.00	\$325.00
13.8	C	10	\$325.50	\$335.00
14	C	10	\$331.50	\$341.00
14.2	C	10	\$342.00	\$352.00
14.4	C	10	\$353.00	\$364.00
14.6	C	10	\$363.00	\$374.00
14.8	C	10	\$373.00	\$384.00
15	C	10	\$384.00	\$396.00
15.2	C	10	\$393.50	\$405.00
15.4	C	10	\$403.00	\$415.00
15.6	C	10	\$413.00	\$425.00
15.8	C	10	\$423.50	\$436.00
16	C	10	\$433.50	\$447.00
16.2	C	10	\$444.00	\$457.00
16.4	C	10	\$454.00	\$468.00

Description	Council /Statutory	GST %	2016/17 Fee incl. Tax	2017/18 incl. Tax
16.6	C	10	\$464.50	\$478.00
16.8	C	10	\$474.00	\$488.00
17	C	10	\$484.00	\$499.00
17.2	C	10	\$494.50	\$509.00
17.4	C	10	\$505.00	\$520.00
17.6	C	10	\$498.31	\$513.00
17.8	C	10	\$525.50	\$541.00
18	C	10	\$535.50	\$552.00
18.2	C	10	\$548.00	\$564.00
18.4	C	10	\$560.00	\$577.00
18.6	C	10	\$575.00	\$592.00
18.8	C	10	\$587.00	\$605.00
19	C	10	\$599.50	\$617.00
19.2	C	10	\$613.00	\$631.00
19.4	C	10	\$625.00	\$644.00
19.6	C	10	\$638.50	\$658.00
19.8	C	10	\$651.00	\$671.00
20	C	10	\$664.50	\$684.00
24	C	10	\$921.00	\$949.00
<b>Storage Fee (Per Day) by vessel length</b>				
10	C	10	\$46.50	\$48.00
10.2	C	10	\$50.50	\$52.00
10.4	C	10	\$53.50	\$55.00
10.6	C	10	\$58.00	\$60.00
10.8	C	10	\$62.00	\$64.00
11	C	10	\$66.00	\$68.00
11.2	C	10	\$70.00	\$72.00
11.4	C	10	\$74.00	\$76.00
11.6	C	10	\$77.00	\$79.00
11.8	C	10	\$81.50	\$84.00
12	C	10	\$84.50	\$87.00
12.2	C	10	\$90.00	\$93.00
12.4	C	10	\$93.00	\$96.00
12.6	C	10	\$96.00	\$99.00
12.8	C	10	\$102.00	\$105.00
13	C	10	\$105.00	\$108.00
13.2	C	10	\$108.00	\$111.00
13.4	C	10	\$112.50	\$116.00
13.6	C	10	\$115.50	\$119.00
13.8	C	10	\$120.50	\$124.00
14	C	10	\$123.50	\$127.00
14.2	C	10	\$126.50	\$130.00
14.4	C	10	\$132.00	\$136.00
14.6	C	10	\$136.00	\$140.00
14.8	C	10	\$140.00	\$144.00
15	C	10	\$143.00	\$147.00
15.2	C	10	\$146.00	\$150.00
15.4	C	10	\$151.50	\$156.00
15.6	C	10	\$149.35	\$154.00
15.8	C	10	\$158.50	\$163.00
16	C	10	\$163.00	\$168.00
16.2	C	10	\$167.00	\$172.00
16.4	C	10	\$171.00	\$176.00
16.6	C	10	\$175.00	\$180.00
16.8	C	10	\$178.00	\$183.00
17	C	10	\$182.50	\$188.00
17.2	C	10	\$185.50	\$191.00
17.4	C	10	\$189.50	\$195.00
17.6	C	10	\$193.50	\$199.00
17.8	C	10	\$198.00	\$204.00
18	C	10	\$202.00	\$208.00
18.2	C	10	\$205.00	\$211.00
18.4	C	10	\$209.00	\$215.00
18.6	C	10	\$213.00	\$219.00
18.8	C	10	\$216.50	\$223.00
19	C	10	\$220.50	\$227.00
19.2	C	10	\$224.50	\$231.00
19.4	C	10	\$230.00	\$237.00
19.6	C	10	\$233.00	\$240.00
19.8	C	10	\$236.00	\$243.00
20	C	10	\$240.00	\$247.00
<b>Asset Management</b>				
<b>Asset Protection Permit Fee</b>				
Asset Protection Permit Fee	C	0	\$140.00	\$145.00
<b>Checking of Engineering Plans</b>				
Checking of Engineering Plans	S	0	0.75%	0.75%
<b>Design Fee</b>				
In house	C	0	10.00%	10.00%
External design - Supervision fee	C	0	20.00%	20.00%
External design work	C	0	At cost	At cost
<b>Fee for Legal Point of Discharge Report (as per Section 312(3) Building Regulations 2006)</b>				
Fee for Legal Point of Discharge Report (as per Section 312(3) Building Regulations 2006)	S	0	\$62.56	\$62.56
<b>Special Charge Scheme</b>				
Contract administration	C	0	2.50%	2.50%
Scheme administration	C	0	3.00%	3.00%
<b>Supervision of Sub-division Works</b>				
(% of estimated cost of constructing works proposed)	S	0	2.50%	2.50%
<b>Local Road (speed at any time is greater than 50 kph)</b>				
<b>Minor Works</b>				
Conducted on any part of the roadway, shoulder or pathway (11.5 units)	S	0	\$160.31	\$160.31
- Cost per fee unit				
Not conducted on any part of the roadway, shoulder or pathway (5 units)	S	0	\$69.70	\$69.70
- Cost per fee unit				
<b>Works on Roads (works other than minor works)</b>				
Conducted on any part of the roadway, shoulder or pathway (25 units)	S	0	\$348.50	\$348.50
- Cost per fee unit				



Description	Council /Statutory	GST %	2016/17 Fee incl. Tax	2017/18 incl. Tax
Not conducted on any part of the roadway, shoulder or pathway (25 units) - Cost per fee unit	\$	0	\$348.50	\$348.50
<b>Local Road (speed at any time is not more than 50kph)</b>				
<b>Minor Works</b>				
Conducted on any part of the roadway, shoulder or pathway (11.5 units) - Cost per fee unit	\$	0	\$160.31	\$160.31
Not conducted on any part of the roadway, shoulder or pathway (5 units) - Cost per fee unit	\$	0	\$69.70	\$69.70
<b>Works on Roads (works other than minor works)</b>				
Conducted on any part of the roadway, shoulder or pathway (20 units) - Cost per fee unit	\$	0	\$278.80	\$278.80
Not conducted on any part of the roadway, shoulder or pathway (5 units) - Cost per fee unit	\$	0	\$69.70	\$69.70
<b>Bluewater Fitness Centre</b>				
<b>Aquatic – Daily Charges</b>				
<b>Combo Swim Spa Sauna Stadium (SSSS)</b>				
Adult	C	10	\$10.90	\$11.50
Concession	C	10	\$9.00	\$9.50
<b>Pool or spa or steam room or stadium</b>				
Adult	C	10	\$6.20	\$6.50
Child	C	10	\$4.30	\$4.50
Competitor Entry Adult	C	10	\$1.00	\$3.00
Competitor Entry Child	C	10	\$1.00	\$2.00
Concession	C	10	\$5.10	\$5.30
Family	C	10	\$18.90	\$19.50
Parent/Toddler	C	10	\$5.10	\$5.30
School Group	C	10	\$4.30	\$4.50
<b>Aqua Membership (Aquatics Only)</b>				
Adult				
12 months	C	10	\$532.00	\$555.00
Direct Debit	C	10	\$20.50	\$21.50
Child				
12 months	C	10	\$372.00	\$390.00
Direct Debit	C	10	\$14.30	\$15.00
Concession				
12 months	C	10	\$439.00	\$455.00
Direct Debit	C	10	\$16.90	\$17.60
Family				
12 months	C	10	\$798.00	\$825.00
Direct Debit	C	10	\$30.70	\$32.00
<b>Crèche</b>				
<b>Member - BWFC</b>				
Child 1 hr (per hour)	C	10	\$5.30	\$5.50
Family 1 hr (per hour)	C	10	\$9.50	\$10.00
10 Multi Visit Pass (Visit per Hour)	C	10	\$0.00	\$50.00
30 Multi Visit Pass (Visit per Hour)	C	10	\$0.00	\$140.00
<b>Non-member - BWFC</b>				
Child 1 hr	C	10	\$8.50	\$10.00
Family 1 hr	C	10	\$15.20	\$18.00
<b>Health Club &amp; Group Fitness</b>				
<b>Casual</b>				
Fitness Assessment (45 min)	C	10	\$53.00	\$55.00
<b>Casual Entry</b>				
Adult	C	10	\$12.30	\$12.80
Concession	C	10	\$10.10	\$10.50
Group entry (schools)	C	10	\$6.80	\$7.00
Senior Programs	C	10	\$6.80	\$7.00
<b>Personal Training</b>				
1 session group training	C	10	\$72.00	\$75.00
1 session personal training (45 min)	C	10	\$53.00	\$55.00
10 ticket group training	C	10	\$612.00	\$635.00
10 ticket personal training	C	10	\$451.00	\$470.00
5 ticket group training	C	10	\$324.00	\$340.00
5 ticket personal training	C	10	\$239.00	\$250.00
<b>Platinum Membership (Full Centre)</b>				
Adult				
12 months	C	10	\$794.00	\$820.00
Direct Debit	C	10	\$30.50	\$31.50
Concession				
12 months	C	10	\$655.00	\$680.00
Direct Debit	C	10	\$25.20	\$26.20
Family				
12 months	C	10	\$1,190.00	\$1,240.00
Direct Debit	C	10	\$45.80	\$48.00
<b>Gold Membership (Gym Only)</b>				
Adult				
12 months	C	10	\$704.00	\$730.00
Direct Debit	C	10	\$27.10	\$28.30
Concession				
12 months	C	10	\$580.00	\$605.00
Direct Debit	C	10	\$22.30	\$23.10
Family				
12 months	C	10	\$1,055.00	\$1,100.00
Direct Debit	C	10	\$40.60	\$42.50
<b>Membership Fee</b>				
<b>Direct Debit Joining Fee</b>				
Adult	C	10	\$46.00	\$48.00
Concession	C	10	\$38.00	\$40.00
Family	C	10	\$69.00	\$72.00
Swim School	C	10	\$14.00	\$15.00
<b>Multipass</b>				
Adult				
10 ticket platinum	C	10	\$111.00	\$115.00

Description	Council /Statutory	GST %	2016/17 Fee incl. Tax	2017/18 incl. Tax
10 ticket aqua	C	10	\$55.80	\$58.00
30 ticket platinum	C	10	\$314.00	\$325.00
30 ticket aqua	C	10	\$158.00	\$165.00
Concession				
10 ticket aqua	C	10	\$46.00	\$48.00
10 ticket platinum	C	10	\$91.00	\$95.00
30 ticket platinum	C	10	\$259.00	\$270.00
30 ticket aqua	C	10	\$130.00	\$135.00
Other Charges				
Casual Inflatable				
Family Pass	C	10	\$21.00	\$22.00
Single Pass	C	10	\$6.50	\$6.80
Upgrade from Swim	C	10	\$3.00	\$3.10
Inflatable Hire				
Inflatable Hire	C	10	\$90.00	\$95.00
Instructor hire/hr aquatic or dry				
Instructor Hire	C	10	\$55.50	\$60.00
Pool party per child				
Pool Party	C	10	\$12.00	\$12.50
Swim School				
30 min 1 on 1				
Swim School	C	0	\$41.00	\$43.00
30 min group lesson				
Swim School	C	0	\$12.40	\$12.80
Family Discount				
Discount for 3 or more children enrolled	C	0	\$(18.00)	\$(18.00)
Membership				
Direct Debit dishonour	C	0	\$21.50	\$21.50
Schools Instructor Charge				
Instructor Charge	C	0	\$55.50	\$60.00
Schools Swim & Survive Program Entry				
Program Entry	C	0	\$3.30	\$3.40
Venue Hire				
Pool Hire				
Lane hire/hr (during normal operating hrs)	C	10	\$22.50	\$23.50
Whole pool ½ day<4 hrs (during normal operating hours)	C	10	\$338.00	\$350.00
Whole pool full day 4+ hrs (during normal operating hours)	C	10	\$506.00	\$525.00
Program Pool Hire - half pool per hr	C	10	\$33.00	\$34.00
Program Pool Hire -full pool per hr	C	10	\$55.00	\$57.00
Additional Lifeguard Hire (per hour)	C	10	\$40.00	\$42.00
Commercial Room Hire				
Program Room Single	C	10	\$36.50	\$38.00
Program Room Double	C	10	\$55.00	\$57.00
Meeting Room	C	10	\$36.50	\$38.00
Community Room Hire				
Program Room Single	C	10	\$25.60	\$26.50
Program Room Double	C	10	\$38.50	\$40.00
Meeting Room	C	10	\$25.60	\$26.50
Stadium Hire				
All day hire	C	10	\$516.00	\$600.00
Off Peak court hire/hr	C	10	\$36.80	\$38.00
Peak court hire/hr	C	10	\$43.00	\$45.00
Apollo Bay Leisure Centre Charges				
Pool or spa or steam room or stadium				
Adult	C	10	\$6.00	\$6.00
Concession	C	10	\$5.10	\$5.10
Child	C	10	\$4.30	\$4.30
Family	C	10	\$18.90	\$18.90
Season Pass Adult	C	10	\$170.00	\$170.00
Season Pass Concession	C	10	\$128.00	\$128.00
Season Pass Family	C	10	\$275.00	\$275.00
Stadium Casual Entry	C	10	\$5.10	\$5.10
Stadium Hire	C	10	\$36.80	\$36.80
COPACC				
Auditorium 1 - 4 Hour Minimum Hire				
Commercial Hire				
4 Hour Hire	C	10	\$980.00	\$1,000.00
8 Hour Hire	C	10	\$1,450.00	\$1,480.00
Additional Hour	C	10	\$130.00	\$132.00
Hourly penalty	C	10	\$200.00	\$200.00
Community Groups, Schools & Council From Colac Otway				
4 Hour Hire	C	10	\$725.00	\$740.00
8 Hour Hire	C	10	\$1,080.00	\$1,100.00
Additional Hour	C	10	\$105.00	\$107.00
Hourly penalty	C	10	\$150.00	\$150.00
Catering				
Catering				
Tablecloth Hire - COPACC Black - per cloth	C	10	\$10.00	\$11.00
Tea, Coffee & Mints - All Day - per head	C	10	\$3.25	\$3.50
Juice - Apple/Orange per Jug	C	10	\$6.00	\$6.50
Cinema/Box Office Charges				
Commercial Hire				
Credit Card Charges on online sales	C	10	4.00%	4.00%
Community Groups, Schools & Council From Colac Otway				
Credit Card Charges on sales	C	10	4.00%	4.00%
COPACC Theatre season shows				
Credit Card Charges on sales	C	10	4.00%	4.00%
Civic Hall				
Commercial Hire				
4 Hour Hire	C	10	\$470.00	\$480.00
8 Hour Hire	C	10	\$725.00	\$740.00
Additional Hour	C	10	\$85.00	\$87.00



Description	Council / Statutory	GST %	2016/17 Fee incl. Tax	2017/18 incl. Tax
<b>Community From Colac Otway</b>				
4 Hour Hire	C	10	\$395.00	\$405.00
8 Hour Hire	C	10	\$620.00	\$630.00
Additional Hour	C	10	\$75.00	\$77.00
<b>Equipment Hire</b>				
Equipment Hire				
Projector Hire - Epson 11K (per day)	C	10	\$0.00	\$200.00
Projector Hire - Epson 11K (per week)	C	10	\$0.00	\$500.00
Projector Hire - NEC 4.5K (per day)	C	10	\$82.00	\$85.00
Projector Hire - Meeting Rooms per unit (per day)	C	10	\$26.00	\$27.00
Haze Machine - Daily	C	10	\$40.00	\$40.00
Haze Machine - Weekly	C	10	\$100.00	\$100.00
Mirror Ball	C	10	\$77.00	\$80.00
PA System - Advanced	C	10	\$250.00	\$255.00
PA System - Basic	C	10	\$100.00	\$105.00
PA System - Meeting Room (Fixed)	C	10	\$25.00	\$26.00
Portable Stage - Flat Stage	C	10	\$200.00	\$210.00
Portable Stage - Large Tiered Seating	C	10	\$1,200.00	\$1,200.00
Portable Stage - Small Tiered Seating	C	10	\$800.00	\$800.00
Wireless Microphone - per additional day	C	10	\$25.00	\$26.00
Wireless Microphone - per day	C	10	\$50.00	\$51.00
<b>Green Room</b>				
<b>Commercial Hire</b>				
After Hours	C	10	\$67.00	\$68.00
Hourly Rate	C	10	\$41.00	\$42.00
<b>Community From Colac Otway</b>				
After Hours	C	10	\$59.00	\$58.00
Hourly Rate	C	10	\$28.00	\$29.00
<b>Kitchen Hourly Rate</b>				
<b>Commercial Hire</b>				
After Hours & Weekends	C	10	\$67.00	\$68.00
Between 8:30 & 5pm (Mon-Fri)	C	10	\$52.00	\$53.00
<b>Community From Colac Otway</b>				
After Hours & Weekends	C	10	\$59.00	\$60.00
Between 8:30 & 5pm (Mon-Fri)	C	10	\$28.00	\$29.00
<b>Labour Charges</b>				
<b>Hourly Rate</b>				
Event staff - First 8 Hours (per hour)	C	10	\$62.00	\$63.50
Event staff - Additional Hour (per hour)	C	10	\$83.00	\$85.00
Technical staff - First 8 Hours (per hour)	C	10	\$62.00	\$63.50
Technical staff - Additional Hour (per hour)	C	10	\$83.00	\$85.00
<b>Meeting Room/s Hourly Rate</b>				
<b>Commercial Hire</b>				
Double Room (After Hours)	C	10	\$88.00	\$90.00
Double Room (Between 8:30 & 5pm)	C	10	\$67.00	\$68.00
Single Room (After Hours)	C	10	\$67.00	\$68.00
Single Room (Between 8:30 & 5pm)	C	10	\$46.00	\$47.00
<b>Community From Colac Otway</b>				
Double Room (After Hours)	C	10	\$78.00	\$80.00
Double Room (Between 8:30 & 5pm)	C	10	\$57.00	\$58.00
Single Room (After Hours)	C	10	\$57.00	\$58.00
Single Room (Between 8:30 & 5pm)	C	10	\$36.00	\$37.00
<b>Other Charges</b>				
<b>Commercial Hire</b>				
Admin Fee	C	10	\$165.00	\$180.00
Grand Piano	C	10	\$100.00	\$102.00
Major Cleaning	C	10	\$210.00	\$215.00
Minor Cleaning	C	10	\$155.00	\$160.00
Piano Tuning	C	10	\$260.00	\$260.00
Test & Tag Services - per item	C	10	\$0.00	\$10.00
<b>Community Groups, Schools &amp; Council From Colac Otway</b>				
Admin Fee	C	10	\$165.00	\$180.00
Grand Piano - Free of charge	C	10	\$0.00	\$0.00
Major Cleaning	C	10	\$210.00	\$215.00
Minor Cleaning	C	10	\$155.00	\$160.00
Piano Tuning	C	10	\$260.00	\$260.00
Test & Tag Services - per item	C	10	\$0.00	\$10.00
<b>Public Gallery Exhibition &amp; Display Hire Charges</b>				
<b>Exhibition</b>				
Exhibition - % Commission	C	10	10.0%	10.0%
<b>Public Gallery Hourly Rate For Meeting &amp; Convention</b>				
<b>Commercial Hire</b>				
After Hours	C	10	\$67.00	\$68.00
Between 8:30 & 5pm	C	10	\$46.00	\$47.00
<b>Community From Colac Otway</b>				
After Hours	C	10	\$57.00	\$58.00
Between 8:30 & 5pm	C	10	\$36.00	\$37.00
<b>Rehearsal Room Hourly Rate</b>				
<b>Commercial Hire</b>				
After Hours	C	10	\$67.00	\$68.00
Between 8.30 & 5pm	C	10	\$46.00	\$47.00
<b>Community From Colac Otway</b>				
After Hours	C	10	\$57.00	\$58.00
Between 8.30 & 5pm	C	10	\$36.00	\$37.00
<b>Roll Over (pre event set up)</b>				
<b>Commercial Hire</b>				
All Day Prior	C	10	\$165.00	\$170.00
Evening Prior	C	10	\$105.00	\$110.00
<b>Community From Colac Otway</b>				
All Day Prior	C	10	\$135.00	\$140.00
Evening Prior	C	10	\$80.00	\$85.00

Description	Council /Statutory	GST %	2016/17 Fee incl. Tax	2017/18 incl. Tax
<b>Development &amp; Community Services</b>				
<b>Economic Development &amp; Events</b>				
<b>Colac Livestock Selling Centre</b>				
Agents (with leased office space) special sale				
Agents special sale	C	10	\$200.00	\$200.00
Agents (with leased office space) weekly fee				
Agents weekly fee	C	10	\$200.00	\$200.00
Agents (without office space) per sale fee				
Agents sale fee	C	10	N/A	\$500.00
<b>All horses</b>				
All horses	C	10	\$17.60	\$17.60
<b>All other cattle</b>				
All other cattle	C	10	\$13.50	\$13.50
<b>Annual licence and rental</b>				
Annual licence and rental	C	10	\$2,377.60	\$2,377.60
<b>Bobby calves</b>				
Bobby calves	C	10	\$5.90	\$5.90
<b>Bulls flat rate</b>				
Bulls flat rate	C	10	\$18.60	\$18.60
<b>Cows and calves weigh fee</b>				
>5 animals	C	10	\$3.50	\$3.50
1 animal	C	10	\$4.80	\$4.80
2-4 animals	C	10	\$4.10	\$4.10
<b>Dairy cattle</b>				
Dairy cattle	C	10	\$13.50	\$13.50
<b>Pigs</b>				
Pigs	C	10	\$3.50	\$3.50
<b>Private weigh</b>				
Private weigh	C	10	\$5.90	\$5.90
<b>Sheep and lambs</b>				
Sheep and lambs	C	10	\$1.10	\$2.20
<b>Stud cattle</b>				
Stud cattle	C	10	\$18.60	\$18.60
<b>Weighed cattle</b>				
Weighed cattle	C	10	\$13.50	\$13.50
<b>Other miscellaneous fees</b>				
Truck wash per minute	C	10	\$1.00	\$1.10
Small bale of Hay	C	10	\$8.00	\$10.00
Office rental	C	10	\$385.00	\$385.00
Adjustment for cattle per day per beast	C	10	\$3.00	\$4.00
<b>Environment &amp; Community Safety</b>				
<b>Animal Control - Effective from 10 April 2015</b>				
<b>Registration</b>				
All other (refer Sch 2 of Domestic Animal Act 1994)	C	0	\$38.00	\$40.00
Cat registration – full	C	0	\$105.00	\$110.00
Cat registration – micro chipped and de-sexed	C	0	\$18.00	\$20.00
Cat registration – micro chipped only (reduced fee for microchipping only applies to cats registered prior to 2014)	C	0	\$33.00	\$35.00
Dog registration – full	C	0	\$115.00	\$125.00
Dog registration – micro chipped and de-sexed	C	0	\$24.00	\$25.00
Dog registration – micro chipped only (reduced fee for microchipping only applies to dogs registered prior to 2014)	C	0	\$37.00	\$40.00
Pensioner discount of registration fee	C	0	50%	50%
Working farm dog	C	0	\$24.00	\$25.00
Declared Dangerous & Menacing Dogs	C	0	\$120.00	\$125.00
Pet Shop - Breeding/Boarding Facility Audit Fee	C	0	\$160.00	\$200.00
<b>Pound Release Fees</b>				
Cats - Initial impoundment plus	C	0	\$40.00	\$40.00
Cats - per head per day	C	0	\$5.00	\$5.00
Cattle/horses - Initial impoundment plus	C	0	\$80.00	\$80.00
Cattle/horses - per head per day	C	0	\$15.00	\$15.00
Dogs - Initial impoundment plus	C	0	\$60.00	\$60.00
Dogs - per head per day	C	0	\$15.00	\$15.00
Sheep/pigs - Initial impoundment plus	C	0	\$41.00	\$41.00
Sheep/pigs - per head per day	C	0	\$10.00	\$10.00
All other - Initial impoundment plus	C	0	\$30.00	\$30.00
All other - per head per day	C	0	\$10.00	\$10.00
<b>Events</b>				
<b>Charitable organisations</b>				
Charitable organisations per event	C	0	\$75.00	\$0.00
<b>Other</b>				
Wedding on Council controlled/managed land	C	0	\$75.00	\$80.00
Other activity per event	C	0	\$170.00	\$200.00
<b>Fire Prevention</b>				
<b>Administrative fee block slashing (plus cost of slashing)</b>				
Administrative fee block slashing (plus cost of slashing)	C	10	\$170.00	\$175.00
<b>Local Law Infringement fee – burning of offensive material (2 penalty units)</b>				
Infringement fee – burning of offensive material (2 penalty units)	S	0	\$200.00	\$200.00
<b>Statutory Penalty fee – Failing to comply with fire prevention notice (10 penalty units)</b>				
Infringement fee – failing to comply with fire prevention notice (2 penalty units)	S	0	\$1,517.00	\$1,555.00
<b>Standpipe water fee – per kilolitre</b>				
Standpipe water fee – per kilolitre	C	10	\$4.50	\$4.70
<b>Local Laws</b>				
<b>Local Law No 1</b>				
Alcohol permit	C	0	\$120.00	\$150.00
<b>Local Law No 2</b>				
Alcohol infringement fee (2 penalty unit)	S	0	\$200.00	\$200.00
Goods for sale per m2	C	0	\$60.00	\$65.00
- Signs (A frame) - Charitable Organisations	C	0	\$60.00	\$65.00
- Signs (A frame) - Other	C	0	\$120.00	\$125.00
Street party/festival per event	C	0	\$170.00	\$200.00
Tables and chairs				
- 1st table and 4 chairs PLUS	C	0	\$115.00	\$120.00



Description	Council /Statutory	GST %	2016/17 Fee incl. Tax	2017/18 incl. Tax
Tables and chairs – then per seat thereafter	C	0	\$30.00	\$35.00
Using Council land	C	0	\$50.00	\$60.00
- Permit /admin fee PLUS				
Using Council land	C	0	\$25.00	\$30.00
- Cost per week				
Vegetation	C	0	\$75.00	\$100.00
Other				
<b>Abandoned or derelict vehicles</b>				
Abandoned or derelict vehicles	C	0	\$250.00	\$250.00
- Pickup fee PLUS				
Abandoned or derelict vehicles	C	0	At cost	At cost
- transport and storage costs				
<b>All other permits</b>				
All other permits (Spruiking & Busking, Weddings, Door Knocks and Temporary Dwellings Permit)	C	0	\$85.00	\$85.00
<b>Circus</b>				
Circus	C	0	\$140.00	\$160.00
<b>Impoundment Fee</b>				
Impoundment Fee	C	0	\$150.00	\$150.00
<b>Public protection (hording permit)</b>				
Public protection (hording permit)	C	0	\$30.00	\$35.00
- Application fee PLUS				
Public protection (hording permit)	C	0	\$10.00	\$15.00
- Per m2 fee				
Work Zone Parking Permit (per bay per week)	C	0	\$40.00	\$40.00
<b>Sport Event</b>				
Sport Event	C	0	\$70.00	\$70.00
<b>Parking</b>				
<b>All day parking permit (Payable in 6 monthly blocks - Johnstone's Carpark only)</b>				
All day parking permit - per week	C	0	\$20.00	\$22.00
<b>Building site on street</b>				
Parking space charge/permit	C	0	\$40.00	\$40.00
- per bay per week or part there of				
<b>Car parking fines</b>				
Car parking fines	C	0	\$75.00	\$78.00
<b>Statutory Car parking fines These fees are set under the provisions of the Road Safety (General) Regulations 2009 - Schedule 6. The fees will be reset by the Victorian Treasurer and announced in April 2017 for</b>				
Car parking fines (.6 Statutory penalty Unit)	S	0	\$90.60	\$93.00
Car parking fines (1 Statutory penalty Unit)	S	0	\$151.00	\$155.00
<b>Disabled parking</b>				
Disabled Persons Permit Issue Fee	C	0	\$10.00	\$10.00
Permit replacement fee	C	0	\$5.00	\$5.00
<b>Planning &amp; Building</b>				
<b>Bonds</b>				
<b>Bond for Demolition or Removal of Building (Reg 323)</b>				
Bond for Demolition or Removal of Building (Reg 323)	S	0	\$100.00	\$100.00
- per sqm of floor area OR				
- cost of works, whichever is the lesser				
<b>Bond for Re-erection of Building (Reg 323)</b>				
Bond for Re-erection of Building (Reg 323)	S	0	\$5,000.00	\$5,000.00
- Fee OR				
- cost of works				
<b>Building Control Charges</b>				
<b>Application for Place of Public Entertainment (PoPE) Permit or Temporary Structure</b>				
Application for Place of Public Entertainment (PoPE) Permit PLUS	C	10	\$590.00	\$600.00
Application for Place of Public Entertainment (PoPE) Permit	C	10	\$30.00	\$40.00
- per year for multiple year permits				
Application for Temporary Structure Siting Permit PLUS	C	10	\$470.00	\$480.00
Application for Temporary Structure Siting Permit	C	10	\$30.00	\$35.00
- per year for multiple year permits				
Application for Place of Public Entertainment (PoPE) Permit & Temporary Structure Siting Permit PLUS	C	10	\$820.00	\$840.00
Application for Place of Public Entertainment (PoPE) Permit & Temporary Structure Siting Permit	C	10	\$30.00	\$40.00
- per year for multiple year permits				
Application for Place of Public Entertainment Permit or Temporary Structure Siting Permit Priority Fee (in addition to application fee)	C	10	\$235.00	\$245.00
<b>Information charges</b>				
Building plans, plan search	C	10	\$80.00	\$100.00
Building plans/plan search (archival search)	C	10	\$190.00	\$200.00
<b>Property Information Certificate</b>				
Property information Application	S	0	\$49.91	\$51.20
<b>Lodgement fees</b>				
Class 1 & 10	S	0	\$37.40	\$38.30
<b>Building Enforcement</b>				
<b>Building Enforcement</b>				
Administration of Building Notice	C	10	\$940.00	\$950.00
Administration of Building Order	C	10	\$590.00	\$600.00
<b>Building Permit Amendments</b>				
<b>Permit Amendments</b>				
Permit Amendments	C	10	\$188.00	\$195.00
Extensions of Time	C	10	\$188.00	\$195.00
<b>Building Permit Application Fee</b>				
<b>All other classes of Occupancy 2-9 inclusive (construction and/or demolition)</b>				
Does not exceed \$5,000*	C	10	\$445.00	\$450.00
Does not exceed \$10,000*	C	10	\$610.00	\$630.00
Does not exceed \$20,000*	C	10	\$940.00	\$960.00
Does not exceed \$50,000*	C	10	\$1,330.00	\$1,380.00
Does not exceed \$100,000*	C	10	\$2,105.00	\$2,150.00
Does not exceed \$200,000*	C	10	\$2,935.00	\$2,750.00
Does not exceed \$500,000*	C	10	\$4,650.00	\$3,410.00
Does not exceed \$600,000	C	10	0.62%	\$4,092.00
Does not exceed \$700,000	C	10	0.62%	\$4,774.00
Does not exceed \$800,000	C	10	0.62%	\$4,760.00



Description	Council /Statutory	GST %	2016/17 Fee incl. Tax	2017/18 incl. Tax
Does not exceed \$900,000	C	10	0.62%	\$6,138.00
Does not exceed \$1,000,000	C	10	0.57%	\$6,270.00
Does not exceed \$1,500,000	C	10	0.52%	\$9,350.00
Does not exceed \$2,000,000	C	10	0.52%	\$11,440.00
Does exceed \$2,000,000	C	10	0.41%	\$13,860.00
<b>Domestic – class 1a Dwellings (construction and demolition), where the value of building work:</b>				
Does not exceed \$5,000	C	10	\$488.00	\$350.00
Does not exceed \$10,000	C	10	\$610.00	\$475.00
Does not exceed \$15,000	C	10	\$820.00	\$650.00
Does not exceed \$25,000	C	10	\$915.00	\$800.00
Does not exceed \$50,000	C	10	\$1,262.00	\$1,262.00
Does not exceed \$75,000	C	10	\$1,462.00	\$1,462.00
Does not exceed \$100,000	C	10	\$1,768.00	\$1,768.00
Does not exceed \$150,000	C	10	\$1,890.00	\$1,890.00
Does not exceed \$200,000	C	10	\$2,318.00	\$2,318.00
Does not exceed \$250,000	C	10	\$2,805.00	\$2,500.00
Does not exceed \$300,000	C	10	\$3,050.00	\$2,750.00
Does exceed \$300,000	C	10	\$3,900.00	\$3,250.00
<b>Minor Works - Class 10a, 10b &amp; 1a: Garages, carports, pool/spas &amp; fence where value of work:</b>				
Less than \$5000	C	10	\$476.00	\$350.00
Between \$5,000 to \$10,000	C	10	\$590.00	\$475.00
Between \$10,001 to \$20,000	C	10	\$766.00	\$780.00
More than \$20,000	C	10	\$885.00	\$900.00
Minor works - Class 10b: Safety Barrier (without pool/spa) & Alterations to Safety Barrier.	C	10	\$176.00	\$250.00
<b>Statutory charge on building permits</b>				
Building permit levy (cost of building over \$10,000)	S	0	0.128%	0.128%
<b>Inspections</b>				
<b>Additional Inspection (charged where additional inspections are required)</b>				
Additional Inspection (Domestic) - within 20km radius of Colac	C	10	\$200.00	\$225.00
Additional Inspection (Commercial)	C	10	\$270.00	\$280.00
Additional Travel per km				
- (in addition to additional inspection fee)	C	10	\$1.00	\$1.00
- more than 20km from Colac				
Safety Barrier Inspection Fee	C	10	\$200.00	\$250.00
<b>Essential Safety Measures Assessments</b>				
<b>Essential Safety Measures Determination</b>				
Essential Safety Measures Determination	C	10	\$590.00	\$650.00
<b>Swimming Pool/Spa Safety Barrier Audit</b>				
Safety Barrier Inspection	C	10	\$220.00	\$250.00
<b>Report and Consent Fees</b>				
<b>Demolition fee (s. 29A)</b>				
Demolition fee (s. 29A)	S	0	\$62.56	\$64.10
<b>Report &amp; Consent Application</b>				
Report & Consent Application	S	0	\$250.65	\$256.90
Report & Consent Application - Charge per notice sent to adjoining properties	C	10	\$21.00	\$25.00
<b>Legal Point of Discharge</b>				
<b>Legal Point of Discharge (Reg 610)</b>				
Legal Point of Discharge (Reg 610)	S	0	\$62.56	\$64.10
<b>Planning Fees &amp; Charges – Other</b>				
<b>Advertising</b>				
Advertising notice sent to individual property owners per letter	C	10	\$6.50	\$7.00
Advertising sign erected on site	C	10	\$120.00	\$300.00
<b>Application for approval of amended plans under secondary consent</b>				
Application for approval of amended plans under secondary consent	C	10	\$170.00	\$175.00
<b>Application for Certification of subdivision under Subdivision Act</b>				
Application for Certification of subdivision under Subdivision Act PLUS	S	0	\$100.00	\$164.50
Application for Certification of subdivision under Subdivision Act - cost per lot	S	0	\$20.00	\$20.00
Required alteration of plan (NEW)	S	0	N/A	\$104.60
<b>Application for Plan of Consolidation</b>				
Application for Plan of Consolidation	S	0	\$100.00	\$164.50
<b>Application for Recertification of Plan of Subdivision</b>				
Application for Recertification of Plan of Subdivision	S	0	\$100.00	\$132.40
<b>Check Engineering Plans</b>				
Check Engineering Plans	S	0	0.75%	0.75%
<b>Engineering Plan prepared by Council</b>				
Engineering Plan prepared by Council	S	0	3.50%	3.50%
<b>Extension of time to planning permits</b>				
1st Extension of time to planning permits	C	10	\$105.00	\$100.00
2nd Extension of time to planning permits	C	10	N/A	\$150.00
Each additional extension of time to planning permits	C	10	N/A	\$200.00
<b>Property Enquiry (does not require extensive research)</b>				
Property Enquiry (does not require extensive research)	C	10	\$40.00	\$50.00
<b>Property Enquiry (extensive research)</b>				
Property Enquiry (extensive research)	C	10	\$150.00	\$160.00
<b>Satisfaction Matters</b>				
Satisfaction matters as specified by planning scheme	S	0	\$102.00	\$306.70
<b>Supervision of Works</b>				
Supervision of Works	S	0	2.50%	2.50%
<b>Section 173 Agreements</b>				
Amendment to an existing agreement	S	0	\$150.00	\$620.30
Removal of an existing agreement	S	0	\$100.00	\$620.30
Written consent to vary something registered on title.	C	10	N/A	\$620.30
<b>Certificates of compliance</b>				
Certificates of compliance	S	0	\$147.00	\$306.70
<b>Permit for use of land</b>				
Application where only the land use is changed.	S	0	\$502.00	\$1,240.70
<b>To develop land or to use and develop land for a single dwelling per lot or to undertake development ancillary to the use of the land for a single dwelling per lot if the estimated cost of development included in</b>				
<b>Excluding VicSmart applications</b>				
Single dwelling (\$10,000 or less)	S	0	N/A	\$188.20
Single dwelling (\$10,000-\$500,000)	S	0	N/A	\$1,212.80
Single dwelling (\$500,000-\$1,000,000)	S	0	N/A	\$1,310.40
Single dwelling (\$1,000,000-\$2,000,000)	S	0	N/A	\$1,407.90
<b>NEW FEE Vic smart applications</b>				
Applications in this category are simple in nature				
VicSmart - \$10,000 or less	S	0	N/A	\$188.20

Description	Council / Statutory	GST %	2016/17 Fee incl. Tax	2017/18 incl. Tax
VicSmart - more than \$10,000	S	0	N/A	\$404.30
VicSmart - subdivision or consolidation	S	0	N/A	\$188.20
<b>To develop land (other than for a single dwelling per lot) if the estimated cost of development included in the application is:</b>				
Other developments (less than \$100,000)	S	0	\$604.00	\$1,080.40
Other developments (\$100,000 - \$1,000,000)	S	0	\$707.00	\$1,456.70
Other developments (\$1,000,000 - \$5,000,000)	S	0	\$815.00	\$3,213.20
Other developments (\$5,000,000 - \$15,000,000)	S	0	\$1,153.00	\$8,189.80
Other developments (\$10,000,001-\$50 million)	S	0	\$8,064.00	\$24,151.10
Other developments (more than \$50,000,000)	S	0	\$16,130.00	\$54,282.40
To subdivide an existing building	S	0	\$386.00	\$1,240.70
To subdivide land into two lots	S	0	\$386.00	\$1,240.70
To effect a realignment of a common boundary between lots or to consolidate two or more lots	S	0	\$386.00	\$1,240.70
All other subdivisions per 100 lots created	S	0	\$781.00	\$1,240.70
An application to remove a restriction (within the meaning of the Subdivision Act 1988) in the circumstances described in Section 47(2) of the Planning and Environment Act 1987	S	0	\$249.00	\$1,240.70
An application to create, vary or remove a restriction within the meaning of the Subdivision Act 1988 or to create or remove a right-of-way.	S	0	\$541.00	\$1,240.70
To create, vary or remove an easement other than a right of way, or to vary or remove a condition in the nature of an easement other than a right of way in a Crown.	S	0	\$404.00	\$1,240.70
A permit not otherwise provided for in the Fee regulations	S	0	\$0.00	\$1,240.70
<b>(b) Amendments to Permits – Set by Statute</b>				
1				
Change of use only	S	0	\$502.00	\$1,240.70
2				
To amend a permit other than a single dwelling to change the statement of what the permit allows or to change any or all of the conditions which apply to the permit	S	0	\$502.00	\$1,240.70
3				
Single dwelling (\$10,000 or less) Changed from \$10,00-\$100,000	S	0	\$239.00	\$188.20
4				
Single dwelling (\$10,000 - \$100,000)	S	0	\$0.00	\$592.50
Single dwelling (\$100,000 - \$500,000)	S	0	\$490.00	\$1,212.80
Single dwelling (\$500,000 - \$2,000,000)	S	0	\$0.00	\$1,310.40
5				
VicSmart - \$10,000 or less	S	0	N/A	\$188.20
VicSmart - development more than \$10,000	S	0	N/A	\$404.30
VicSmart - subdivision or consolidation	S	0	N/A	\$188.20
6				
Other developments (less than \$100,000)	S	0	\$604.00	\$1,456.70
7				
8				
Other developments (\$100,00 - \$1,000,000) previous lines included \$500,000-\$1million, as well as line above for \$250k- \$500k	S	0	\$207.00 to \$815.00	\$1,456.70
Other developments (\$1,000,000 - \$50,000,000)	S	0	\$0.00	\$3,213.20
9				
Amendment to a permit not otherwise provided for in the fee regulation	S	0	\$386.00	\$1,240.70
Subdivision - common boundary realignment, consolidation of two or more lots, existing buildings and two lot subdivisions (other than VicSmart)	S	0	N/A	\$1,240.70
Subdivision (other than VicSmart, two lot subdivisions and boundary realignments)	S	0	N/A	\$1,240.70
Creation, variation and removal of restrictions, easements and rights of way	S	0	N/A	\$1,240.70
<b>(c) Planning Scheme Amendment Fees – Set by Statute</b>				
i.				
Considering a request for an Amendment	S	0	\$798.00	\$2,871.60
ii.				
New line - For considering up to 10 submissions	S	0	\$0.00	\$14,232.70
New line - For considering 11-20 submissions	S	0	\$0.00	\$28,437.60
New line - For considering in excess of 20 submissions	S	0	\$0.00	\$38,014.40
iii.				
Adoption of Amendment by Responsible Authority	S	0	\$524.00	\$453.10
iv.				
Consideration of a request to approve an Amendment (by the Minister for Planning)	S	0	\$798.00	\$453.10
<b>Community Services - Family Day Care &amp; Maternal &amp; Child Health</b>				
<b>Family Day Care Administration Levy</b>				
<b>Carers Levy</b>				
Carers Levy per week	C	0	\$11.40	\$11.80
Per family per week				
Child's hourly rate for a family per week	C	0	\$0.45	\$0.55
<b>Family Day Care Charges</b>				
<b>8am to 6pm Monday to Friday</b>				
(per hour per child)	C	0	\$7.40 to \$7.90	\$7.60 to \$8.10
<b>Before 8 am and after 6 pm</b>				
Mon – Fri (per hour per child)	C	0	\$8.45 to \$8.90	\$8.60 to \$9.10
<b>Meals (per meal)</b>				
Breakfast	C	0	\$3.60	\$3.65
Evening Meal	C	0	\$6.20	\$6.25
Lunch	C	0	\$4.65	\$4.70
Snack	C	0	\$1.60	\$1.65
<b>Saturday, Sunday and Public Holidays (per hour per child)</b>				
Saturday, Sunday and Public Holidays (per hour per child)	C	0	\$8.45 to \$8.90	8.60 to 9.10
<b>Trips</b>				
Trips	C	0	\$4.80	\$4.90
<b>Community Services - Older Persons Ability Support Service (OPASS)</b>				
<b>OPASS</b>				
<b>Domestic Assistance (per hr)</b>				
Domestic Assistance	C	0	\$4.50 to \$45.00	\$4.60 to \$46.00



Description	Council /Statutory	GST %	2016/17 Fee incl. Tax	2017/18 incl. Tax
<b>Overnight Respite (per night)</b>				
Respite Care	C	0	\$36.00	\$37.00
<b>Personal Care (per hr)</b>				
Personal Care	C	0	\$4.50 to \$45.00	\$4.60 to \$46.00
<b>Property Maintenance (per hr plus cost of materials)</b>				
Property Maintenance (per hr plus cost of materials)	C	0	\$12.10 to \$48.10	\$12.50 to \$49.00
<b>Respite Care (per hr)</b>				
Respite Care	C	0	\$4.50 to \$45.00	\$4.60 to \$46.00
<b>Veterans Home Care (1st hr)</b>				
Minimum service fee	S	0	\$5.50	\$5.50
<b>Community Transport</b>				
Birregurra/Forrest/Beeac/Warrion				
One way	C	0	\$8.00	\$8.20
Return	C	0	\$16.00	\$16.50
Colac				
Return	C	0	\$9.00	\$9.20
Colac Otway Shire - Apollo Bay, Lavers Hill				
Return	C	0	\$30.00	\$31.00
Colac to Geelong or Ballarat				
One way - single passenger	C	0	\$20.00	\$20.50
One way - Two or more passengers			\$15.00	\$15.50
Return	C	0	\$30.00	\$31.00
Colac to Melbourne				
Return	C	0	\$55.00	\$56.00
Colac to Warrnambool				
Return	C	0	\$35.00	\$36.00
<b>Community Bus Transport for Group Activities</b>				
Community Bus Transport for Group Activities	C	0	\$5.60	\$5.80
<b>Full Cost Service</b>				
Full Cost Service (per km)	C	10	\$1.10	\$1.20
<b>Contracted Services</b>				
<b>Case Management (per hr)</b>				
Assessments, reassessments, reviews, set up arrangements.	C	10	\$90.00	\$92.00
<b>Contracted Services</b>				
Rate/Kilometre	C	10	\$1.15	\$1.18
<b>Food Services (per meal)</b>				
Meal	C	10	\$22.50	\$16.00
<b>Domestic Assistance (per hr)</b>				
7:30am to 7:30pm Sat./Sun./Public Holiday	C	10	\$85.00	\$87.00
7:30am to 7:30pm Mon. to Fri.	C	10	\$46.00	\$47.00
<b>Personal Care (per hr)</b>				
7:30am to 7:30pm Sat./Sun./Public Holiday	C	10	\$85.00	\$87.00
7:30am to 7:30pm Mon. to Fri.	C	10	\$47.00	\$48.00
7:30pm to 7:30am Mon. to Fri.	C	10	\$85.00	\$87.00
<b>Property Maintenance (per hr plus cost of materials)</b>				
7:30am to 7:30pm Sat./Sun./Public Holiday	C	10	\$95.00	\$97.00
7:30am to 7:30pm Mon. to Fri.	C	10	\$52.60	\$54.00
7:30pm to 7:30am Mon. to Fri.	C	10	\$95.00	\$97.00
<b>Respite Care (per hr)</b>				
7:30am to 7:30pm Sat./Sun./Public Holiday	C	10	\$85.00	\$87.00
7:30am to 7:30pm Mon. to Fri.	C	10	\$47.00	\$48.00
7:30pm to 7:30am Mon. to Fri.	C	10	\$85.00	\$87.00
<b>Delivered Meals</b>				
<b>All meals (per meal)</b>				
All meals (per meal)	C	0	\$10.00 to \$22.00	10.5 to \$16.00
<b>Delivered meals (per meal)</b>				
Delivered meals (per meal)	C	0	\$10.00 to \$22.00	\$10.50 to \$16.00
<b>Public Health</b>				
<b>Health Protection Administration (Registration Fees)</b>				
<b>CLASS 1 Food Premises</b>				
New	C	0	\$572.35	\$580.00
Renewal	C	0	\$441.85	\$450.00
Transfer of Registration	C	0	\$220.93	\$225.00
Large / Complex Site New	C	0	N/A	\$870.00
Large / Complex Site Renewal	C	0	N/A	\$675.00
Large / Complex Site Transfer	C	0	N/A	\$435.00
<b>CLASS 2 Major Food Premises</b>				
New	C	0	\$477.80	\$480.00
Renewal	C	0	\$328.80	\$330.00
Transfer of Registration	C	0	\$164.40	\$165.00
Large / Complex Site New	C	0	N/A	\$720.00
Large / Complex Site Renewal	C	0	N/A	\$495.00
Large / Complex Site Transfer	C	0	N/A	\$360.00
<b>CLASS 2 Minor Food Premises</b>				
New	C	0	\$282.60	\$285.00
Renewal	C	0	\$195.25	\$200.00
Transfer of Registration	C	0	\$97.63	\$100.00
<b>CLASS 3 Major Food Premises</b>				
New	C	0	\$282.60	\$285.00
Renewal	C	0	\$161.35	\$165.00
Transfer of Registration	C	0	\$80.68	\$82.50
<b>CLASS 3 Minor Food Premises</b>				
New	C	0	\$205.50	\$210.00
Renewal	C	0	\$107.90	\$110.00
Transfer of Registration	C	0	\$53.95	\$55.00
Large / Complex Site New	C	0	N/A	\$430.00
Large / Complex Site Renewal	C	0	N/A	\$250.00
Large / Complex Site Transfer	C	0	N/A	\$215.00
<b>Additional Temporary/Mobile Food Registration</b>				
Class 2	C	0	\$120.00	\$120.00
Class 3	C	0	\$65.00	\$65.00
<b>Community Group Support</b>				
Class 2	C	0	\$100.00	\$70.00

Description	Council /Statutory	GST %	2016/17 Fee incl. Tax	2017/18 incl. Tax
<b>Class 3</b>	C	0	\$55.00	\$40.00
<b>Personal Appearance Services</b>				
<b>Beauty Therapies</b>				
New premises registration fee	C	0	\$133.60	\$150.00
New premises registration (pro-rata fee - per month)	C	0	\$11.13	\$12.50
Registration/renewal	C	0	\$149.00	\$150.00
Transfer of registration	C	0	\$74.50	\$75.00
<b>Hairdressers</b>				
New premises registration fee	C	0	\$180.00	\$200.00
Transfer of registration	C	0	\$90.00	\$100.00
<b>Skin Penetration (acupuncture, ear piercing)</b>				
New premises registration fee	C	0	\$133.60	\$150.00
New premises registration (Pro-rata fee - per month)	C	0	\$11.13	\$11.70
Registration/renewal	C	0	\$137.17	\$140.00
Transfer of registration	C	0	\$68.59	\$70.00
<b>Skin Penetration (Tattooists, body piercing)</b>				
New premises registration fee	C	0	\$133.60	\$150.00
New premises registration (Pro-rata fee - per month)	C	0	\$11.13	\$16.70
Registration/renewal	C	0	\$190.00	\$200.00
Transfer of registration	C	0	\$95.00	\$100.00
<b>Miscellaneous</b>				
Conveyance Enquiries for regulated businesses				
Conveyance Enquiries	C	0	\$133.60	\$220.00
<b>Street Traders (Food, Ice-cream and Coffee Vans) Under the Victorian Food Act term "Streatrader"</b>				
Administration Assistance	C	0	\$40.00	\$40.00
<b>Water Sampling</b>				
Water samples Professional service fee	C	0	\$140.00	\$140.00
Water samples Actual testing fee			Actual cost	Actual cost
<b>Immunisation</b>				
Immunisation	C	10	\$22.10	\$23.00
<b>Late Renewal Penalty Fee per Month</b>				
Late Renewal Penalty Fee per Month	C	0	\$133.60	\$140.00
<b>Replacement Certificate</b>				
Replacement Certificate	C	0	\$47.80	\$40.00
<b>Transfer of Registration</b>				
Express Service				
Express Service (within 5 days)	C	0	\$140.00	\$200.00
<b>Professional Service</b>				
Professional Service	C	0	\$133.60	\$140.00
Additional hour	C	0	\$40.00	\$50.00
<b>Prescribed Accommodation</b>				
<b>up to 6 persons</b>				
New premises design fee	C	0	\$133.60	\$150.00
New premises pro rata registration	C	0	\$11.13	\$12.50
Registration/renewal	C	0	\$160.00	\$160.00
Transfer of Registration	C	0	\$80.00	\$80.00
<b>6 to 10 persons</b>				
New premises design fee	C	0	\$133.60	\$150.00
New premises pro rata registration	C	0	\$11.13	\$12.50
Registration/renewal	C	0	\$191.12	\$200.00
Transfer of Registration	C	0	\$95.56	\$100.00
<b>11 to 20 persons</b>				
New premises design fee	C	0	\$133.60	\$150.00
New premises pro rata registration	C	0	\$11.13	\$12.50
Registration/renewal	C	0	\$232.22	\$240.00
Transfer of Registration	C	0	\$116.11	\$120.00
<b>20+ persons</b>				
New premises design fee	C	0	\$133.60	\$150.00
New premises pro rata registration	C	0	\$11.13	\$12.50
Registration/renewal	C	0	\$285.65	\$290.00
Transfer of Registration	C	0	\$142.82	\$145.00
<b>Caravan Parks per site</b>				
Caravan Parks per site	S	0	\$2.50	\$13.94
<b>Public Health - Septic Tanks</b>				
<b>Additional Inspections</b>				
Additional inspections	C	0	\$133.60	\$140.00
<b>Septic tank alterations</b>				
Septic tank alterations	C	0	\$256.88	\$300.00
<b>Septic tanks system</b>				
Septic tank systems	C	0	\$513.75	\$750.00

## Budget processes

This section lists the budget processes to be undertaken in order to adopt the Budget in accordance with the Local Government Act 1989 (the Act) and Local Government (Planning and Reporting) Regulations 2014 (the Regulations).

Under the Act, Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the rates and charges that Council intends to levy as well as a range of other information required by the Regulations which support the Act.

The 2017/18 budget, which is included in this report, is for the year 1 July 2017 to 30 June 2018 and is prepared in accordance with the Act and Regulations. The budget includes financial statements being a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and Statement of Capital Works. These statements have been prepared for the year ended 30 June 2018 in accordance with the Act and Regulations, and consistent with the annual financial statements which are prepared in accordance with Australian Accounting Standards. The budget also includes information about the rates and charges to be levied, the capital works program to be undertaken, the human resources required, and other financial information Council requires in order to make an informed decision about the adoption of the budget.

A 'proposed' budget is prepared in accordance with the Act and submitted to Council in April for approval 'in principle'. Council is then required to give 'public notice' that it intends to 'adopt' the budget. It must give at least 28 days notice of its intention to adopt the proposed budget and make the budget available for inspection at its offices and on its web site. A person has a right to make a submission on any proposal contained in the budget and any submission must be considered before adoption of the budget by Council.

With the introduction of the State Governments Rate Capping legislation in 2015 Councils are now unable to determine the level of rate increase and instead must use a maximum rate increase determined by the Minister for Local Government which is announced in December for application in the following financial year.

If a Council wishes to seek a rate increase above the maximum allowable it must submit a rate variation submission to the Essential Services Commission (ESC). The ESC will determine whether the rate increase variation submission has been successful by 31 May. In many cases this will require Councils to undertake 'public notice' on two separate proposed budgets simultaneously, i.e. the Ministers maximum rate increase and the Council's required rate increase.

The final step is for Council to adopt the budget after receiving and considering any submissions from interested parties. The budget is required to be adopted by 30 June and a copy submitted to the Minister within 28 days after adoption. The key dates for the budget process are summarised below:

Budget process	Timing
1. Minister of Local Government announces maximum rate increase	Dec
2. Officers update Council's long term financial projections	Dec/Jan
3. Council to advise ESC if it intends to make a rate variation submission	Jan/Feb
4. Council submits formal rate variation submission to ESC	Mar
5. Officers prepare operating and capital budgets	Jan/Feb
6. Councillors consider draft budgets at informal briefings	Mar/Apr
7. Proposed budget submitted to Council for approval to advertise	May
8. Public notice advising intention to adopt budget	May
9. Budget available for public inspection and comment	May
10. Public submission process undertaken	May/Jun
11. Submissions period closes (35 days)	Jun
12. Submissions considered by Council/Committee	Jun
13. Budget and submissions presented to Council for adoption	Jun-Aug
14. Copy of adopted budget submitted to the Minister	Jul
15. Revised budget where a material change has arisen	

ORDINARY COUNCIL MEETING  
**THIRD QUARTER FINANCE REPORT**  
OM172604-4

<b>LOCATION / ADDRESS</b>	Whole of Municipality	<b>GENERAL MANAGER</b>	Mark Lyons
<b>OFFICER</b>	Daniel Fogarty	<b>DEPARTMENT</b>	Corporate Services
<b>TRIM FILE</b>	F16/6696	<b>CONFIDENTIAL</b>	No
<b>ATTACHMENTS</b>	1. 3rd Quarter Finance Report 2017/18		
<b>PURPOSE</b>	To consider the Third Quarter Finance Report		

## 1. LOCATION PLAN / AERIAL PHOTO

Not Applicable

## 2. EXECUTIVE SUMMARY

The purpose of this report is to provide information regarding the third quarter financial report.

## 3. RECOMMENDATION

***That Council:***

***Receives and notes the forecast results and budget allocations contained in the third quarter financial performance report for 2016/17.***

## 4. BACKGROUND / KEY INFORMATION

### BACKGROUND

Council adopted the budget for 2016/17 including the Capital Works and Major Projects programmes at its Ordinary meeting held on 22 June 2016.

### KEY INFORMATION

Attached to this report is the Third Quarter Financial Performance Report 2016/17.

Overall, the report confirms that Council continues to deliver a balanced budget and remains financially sustainable.



## **FURTHER SUPPORTING INFORMATION**

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

The community engagement strategy follows the recommendations of the Colac Otway Shire Council Community Engagement Policy of July 2013, 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 financial report that is provided for information.

### **6. ANALYSIS**

#### **ALIGNMENT TO COUNCIL PLAN OR COUNCIL 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.

#### **ENVIRONMENTAL IMPLICATIONS**

There are no direct environmental and climate change considerations arising from this report, however many items within the budget do have impact upon the environment and potential climate change implications. These items have been addressed at the time of setting and adopting the annual budget.

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

There are no direct social and cultural implications arising from this report.

#### **ECONOMIC IMPLICATIONS**

Economic implications affecting the budget performance of Council are contained in the attached report.

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

This report meets the legal and risk obligations of Council.

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

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



## 7. IMPLEMENTATION STRATEGY

### DETAILS

The Council Plan and Budget were adopted by Council on 22 June, 2016.

### COMMUNICATION

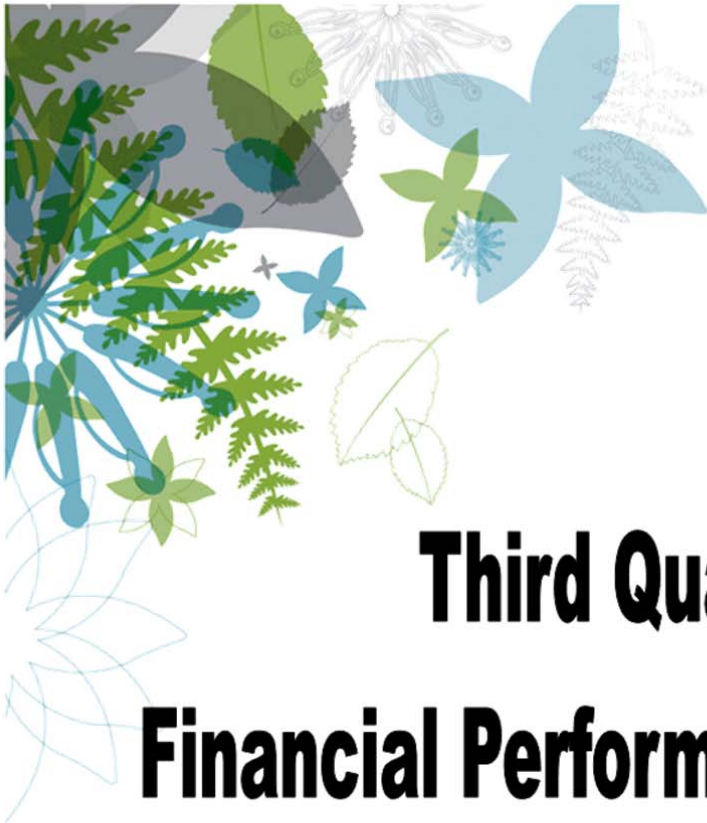
This report has been compiled by the Financial Services Unit with the assistance of the Executive Management Team and all business units of Council. It reflects the performance to date against the budget and targets adopted by Council. The report confirms that there are no material issues that would adversely affect Council's overall financial position.

### TIMELINE

The attached Third Quarter Financial Performance Report 2016-2017 reflects Council's financial performance for the first nine months of the year as compared to budget.

## 8. OFFICER DIRECT OR INDIRECT INTEREST

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



# **Third Quarter Financial Performance Report 2016-2017**



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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 January 2017 to 31 March 2017 and reports on:

- Council's financial statements;
- Significant variations from the adopted budget;
- Council's cash balance and forecast;
- Council's investment performance;
- Debtors position;
- Contracts and tenders

## Overview

The end of the third quarter provides an opportunity to investigate trends within the financial and operational environment. The mid-year budget review identified a revised operating surplus of \$10.95 million compared to an original budget forecast of \$ 6.83 million.

The movement in forecast surplus of \$4.12 million primarily related to the following which will be either expended in this financial year or carried over to the 2017/18 financial year:

- \$3.7m of additional Bushfire recovery grants
- \$0.6m of additional Flood recovery grants

## Prior Quarter Budget Adjustments - 2015/16 Financial Statements Audit Port of Apollo Bay

In finalising the 2015/16 financial reports, and in consultation with our auditors, changes were made to the treatment of assets associated with the Port of Apollo Bay.

It was agreed that the Port of Apollo Bay would no longer be applicable to be treated as a controlled entity or controlled asset of Colac Otway Shire and therefore under Accounting Standards should not be consolidated into the Shire's results. These results were consolidated in previous financial years and therefore the 2016/17 budget included estimates for Port arrangements that will no longer need to be recognised (mainly depreciation expense and the capital value of assets). Recommended adjustments to the budget, to reflect this new position, have been finalised as part of the mid-year budget review.

## Operating Statement

The information in the table below shows operating income and expenditure for the period ending 31 March 2017. The five (5) columns of data provide information on the following:-

- Original budget as adopted by Council
- YTD actual results to 31 March 2017
- YTD budget to 31 March 2017 (i.e. estimated timing of income and expenditure)
- \$ value variance YTD actuals compared to YTD budget
- % value YTD variance to YTD budget.
- Revised Budget Forecast based on mid-year review

### Comprehensive Income Statement For Period Ended 31 March 2017

	Original Budget 2016-17	Revised Budget 2016-17	YTD Actual 2016-17	YTD Budget	YTD Variance	% YTD Variance
<b>Operating revenue</b>						
Rates and charges	28,744,422	28,789,422	28,712,625	28,789,422	(76,797)	(0.3%)
Statutory fees and charges	570,200	671,593	582,584	648,012	(65,428)	(10.1%)
User fees and charges	4,588,450	4,320,465	3,189,430	3,523,735	(334,305)	(9.5%)
Operating grants	8,983,465	8,470,745	7,218,157	7,105,529	112,628	1.6%
Operating grants - Bushfire	2,080,962	1,899,024	2,628,544	1,424,268	1,204,276	84.6%
Operating grants - Flood	-	742,969	750,000	-	750,000	100.0%
Capital grants	5,558,206	6,172,008	1,321,647	1,789,573	(467,926)	(26.1%)
Capital grants - Bushfire	2,300,000	5,974,000	5,430,000	2,643,494	2,786,506	105.4%
Capital grants - Flood	-	-	-	-	-	0.0%
Contributions	371,150	341,470	99,581	261,854	(162,273)	(62.0%)
Other revenue	799,167	752,093	786,613	425,168	361,445	85.0%
Net gain / loss on disposal of assets	83,000	83,000	201,336	62,250	139,086	223.4%
<b>Total operating revenue</b>	<b>54,079,022</b>	<b>58,216,789</b>	<b>50,920,516</b>	<b>46,673,305</b>	<b>4,247,211</b>	<b>9.1%</b>
<b>Operating expenses</b>						
Employee benefits	18,337,711	18,194,940	14,678,620	13,618,120	(1,060,500)	(7.8%)
Employee benefits - Bushfire	1,180,700	601,195	659,570	450,891	(208,679)	(46.3%)
Employee benefits - Flood	-	55,000	35,253	-	(35,253)	100.0%
Materials and services	15,904,598	14,683,686	16,021,842	9,174,921	(6,846,921)	(74.6%)
Materials and services - Bushfire	920,262	1,461,799	625,203	1,096,344	471,141	43.0%
Materials and services - Flood	-	332,500	153,651	-	(153,651)	100.0%
Depreciation and amortisation	9,429,573	9,429,573	6,953,229	7,072,164	118,935	1.7%
Finance expenses	288,631	268,631	190,346	176,783	(13,563)	(7.7%)
Bad and doubtful debts	2,000	2,000	945	1,503	558	37.2%
Other expenses	1,184,000	2,237,226	1,647,362	1,995,253	347,891	17.4%
Assets written off	-	-	-	-	-	-
<b>Total operating expenses</b>	<b>47,247,475</b>	<b>47,266,550</b>	<b>40,966,021</b>	<b>33,585,979</b>	<b>(7,380,042)</b>	<b>(22.0%)</b>
<b>Operating Surplus / (Deficit)</b>	<b>6,831,547</b>	<b>10,950,239</b>	<b>9,954,495</b>	<b>13,087,326</b>	<b>(3,132,831)</b>	<b>(23.9%)</b>

NB\* Revised Budget includes revised estimates for bushfire and flood response activities; note additional funding is transferred to reserves and does not represent additional available surplus.

This report is the third for the 2016/17 reporting period and the year to date budget (YTD) provides a guide to the timing of receipts and payments. Timing differences can occur during the financial year and where variances occur on a YTD basis this does not imply that the annual budget will be affected.

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

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

**Statutory fees and charges:** Statutory fees and charges variance is a budget timing difference that is expected to clear by year end. At this stage it is expected statutory fees and charges will meet the revised budget estimate.

**User Fees and Charges:** The major contributors to the User fees and charges variance are timing differences of income at the Colac Regional Saleyards, Animal registrations and Great Ocean Road Visitor Information Centre, with the expected income at year end to be within revised budget.

**Operating grants – Bushfire/Flood:** The variation relates to timing differences reflecting outstanding payments for reimbursement of costs by the Department of Treasury and Finance relating to disaster management activities. The claims management process is being actively managed by staff to minimise timing differences and at this stage no expected income is at risk.

**Capital grants:** This variance relates mainly to the timing difference of the payments expected for the Central Reserve redevelopment, this variation is expected to be resolved by the end of the financial year.

**Capital grants – Bushfire:** The variation relates to timing differences reflecting project funding by the Department of Treasury and Finance relating to disaster management activities received in advance of completion of works.

**Contributions:** This variation relates mainly to timing differences for the Central Reserve, Birregurra tennis courts and developer contributions, full income is expected to be received for both the Central Reserve and Birregurra tennis courts by year end.

**Other Revenue:** Additional income predominantly associated with the V/Line train accident at Phalps Road. This income offsets expenditure incurred at the time for clean up works. There has also been an earlier than expected payment for Council's rates data from the Office of State Revenue which is normally received in June.

**Net gain/loss on disposal of assets:** Vehicle sales have been received but the capitalisation process performed at the end of the financial year will see the final result in line with budget.



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

**Employee benefits:** After adjusting for timing differences the budget is expected to be below annual expectations. Current results include wages that will be capitalised (relating to capital works - \$378,000) and payments for annual leave and long service leave that vary throughout the year.

**Employee benefits – Bushfire/Flood:** The employee costs are higher than budget as actual expenditure on a project by project basis varies between employee costs and materials and services. When taking into consideration the overall budgets for bushfire and flood they continue to be in line with estimates. All expenses incurred are expected to be reimbursed to Council as part of the ongoing claims process.

**Materials and Services:** The variance relates to amounts not yet capitalised (\$6.6m) with some smaller variances relating to timing differences. Again this item is expected to be on track to meet budget by year end.

**Materials and Services – Bushfire/Flood:** The materials and services costs are lower than budget as actual expenditure on a project by project basis varies between employee costs and materials and services. When taking into consideration the overall budgets for bushfire and flood they continue to be in line with estimates. All expenses incurred are expected to be reimbursed to Council as part of the ongoing claims process.

**Finance expenses:** Finance expenses have a small budget variance which is a timing difference that will correct itself by the end of the financial year.

**Other expenses:** Variations relate to timing differences for the payment of waste disposal expenditure, fire services levy and elected member expenses. In addition the budget for the externally funded RAS co-ordinator position has been accounted for at this item and actual expenses have been recorded in materials and services and employee benefits and this will be adjusted as part of the end of financial year process. Overall actuals are expected to be in line with the budget by year end.

## Financial Position Statement

The table provides details on the financial position or balance sheet as at 31 March 2017.

### Balance Sheet As At 31 March 2017

	YTD Actual 2016-17
<b>Assets</b>	
<b>Current Assets</b>	
Cash & Cash Equivalents	17,892,596
Trade and Other Receivables	14,063,257
Inventories	173,199
<b>Total Current Assets</b>	<b>32,129,052</b>
<b>Non Current Assets</b>	
Other Non Current Assets	306,733
Property, Infrastructure, Plant & Equipment	267,110,585
Intangible Assets	-
<b>Total Non Current Assets</b>	<b>267,417,318</b>
<b>Total Assets</b>	<b>299,546,370</b>
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Trade and Other Payables	986,488
Interest Bearing Loans and Borrowings	144,156
Trust Deposits	699,597
Provisions	4,530,815
<b>Total Current Liabilities</b>	<b>6,361,056</b>
<b>Non Current Liabilities</b>	
Interest Bearing Loans and Borrowings	4,137,020
Provisions	4,428,741
<b>Total Non Current Liabilities</b>	<b>8,565,761</b>
<b>Total Liabilities</b>	<b>14,926,817</b>
<b>Net Assets</b>	<b>284,619,553</b>
<b>Equity</b>	
Accumulated Surplus	120,987,059
Reserves	163,632,494
<b>Total Equity</b>	<b>284,619,553</b>

## Capital Works Statement

The table below provides details on the capital works expenditure as at 31 March 2017.

The capital works original budget for the 2016/17 financial year was \$18.3 million of which \$12.6 million related to the renewal of Council's existing assets, with a further \$5.7 million allocated for upgrading or new assets. After adjusting for mid-year adjustments (both carry over projects and projects deferred) the capital budget totals \$21.35 million. The major increase in capital works as part of the mid-year budget review related to an additional \$1.5m of Bushfire infrastructure works and \$1.8m of Flood infrastructure works.

The overall capital program is currently 40.4% expended at the end of the third quarter and there are some larger projects being finalised with payments due in the coming months (eg Central Reserve). In addition there were \$ 1.67 million of projects identified in the draft budget that will be carried forward to the 2017/18 financial year including larger projects such as the Queen Street Upgrade and CBD revitalisation projects.

Delivery teams are working to finalise as much of the program as possible by the end of the financial year. The major projects that are being reviewed for their final timing are detailed below, and once available, any adjustments will be reported to Council in the next quarterly finance report and/or at year end:

- a) Delivery of the externally funded Disaster Recovery works (\$4.02 million currently unspent this financial year). Final designs are being completed and tender processes will commence in the coming months. Any unexpended funds will be carried forward into the 2017/18 financial year along with the matching funding sources.
- b) Discussions are ongoing with VIC Roads regarding the appropriate timing for delivery of the Conns Lane reconstruction project which is linked to Princess Highway Duplication (\$0.99m currently unspent this financial year).

**Capital Works Statement**  
For the period Ended 31 March 2017

Category	Original Budget	Revised Budget 16-17	YTD Actual	YTD Budget	YTD Variance	% YTD Variance
<b>Property</b>						
Building	4,516,335	4,488,015	2,654,592	2,720,224	65,632	2.4%
<b>Property Total</b>	<b>4,516,335</b>	<b>4,488,015</b>	<b>2,654,592</b>	<b>2,720,224</b>	<b>65,632</b>	<b>2.4%</b>
<b>Plant and Equipment</b>						
Plant , Machinery and Equipment	1,142,000	1,142,248	303,824	856,562	552,738	64.5%
Fixtures Fittings and Furniture	469,632	469,632	61,069	406,896	345,827	85.0%
Computers and Telecommunications	265,450	265,450	173,070	197,991	24,921	12.6%
<b>Plant and Equipment Total</b>	<b>1,877,082</b>	<b>1,877,330</b>	<b>537,963</b>	<b>1,461,449</b>	<b>923,486</b>	<b>63.2%</b>
<b>Infrastructure</b>						
Roads	6,819,060	6,788,483	2,265,669	3,669,000	1,403,331	38.2%
Roads - Bushfire	2,300,000	3,824,000	851,956	2,867,994	2,016,038	70.3%
Roads - Floods	0	1,841,402	239,920	0	(239,920)	0.0%
Bridges	250,000	213,983	133,169	103,492	(29,677)	-28.7%
Footpath and Cycle way	1,525,000	1,225,000	210,016	389,003	178,987	46.0%
Drainage	450,000	173,000	5,700	70,250	64,550	91.9%
Recreational, Leisure and Community Facilities	301,650	598,906	24,702	300,546	275,844	91.8%
Parks Open Space and Streetscapes	257,975	324,767	112,020	220,854	108,834	49.3%
<b>Infrastructure Total</b>	<b>11,903,685</b>	<b>14,989,541</b>	<b>3,843,153</b>	<b>7,621,139</b>	<b>3,777,986</b>	<b>49.6%</b>
<b>Total Capital Works</b>	<b>18,297,102</b>	<b>21,354,886</b>	<b>7,035,708</b>	<b>11,802,812</b>	<b>4,767,104</b>	<b>40.4%</b>
Represented by	Original Budget	Revised Budget 16-17	YTD 2016- 2017 Actual	YTD 2016/17 Budget	YTD Variance	% YTD Variance
New	297,975	395,231	41,647	247,798	206,151	83.2%
Renewal	12,631,008	16,451,021	4,878,805	8,905,355	4,026,550	45.2%
Upgrade	5,368,119	4,508,634	2,115,257	2,649,659	534,402	20.2%
<b>Total Capital Works</b>	<b>18,297,102</b>	<b>21,354,886</b>	<b>7,035,708</b>	<b>11,802,812</b>	<b>4,767,104</b>	<b>40.4%</b>

## Cash Balance

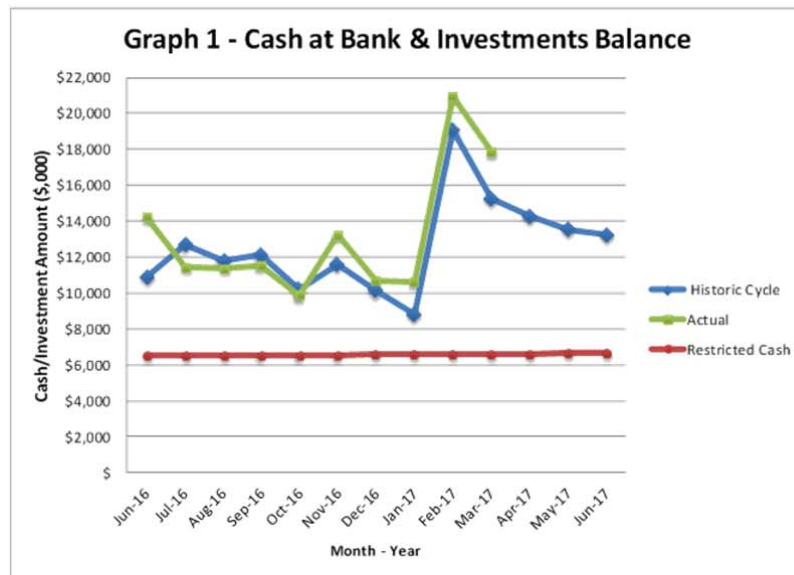
The chart below show projections of how Council's cash balance is expected to perform over the course of the 2016/17 financial year. The chart portrays:

- The Estimate – which is an estimation of what the cash balance is expected to be at the end of each month based upon historical averages. The estimate will reflect recent years which include one off major projects.
- The Actual – this is the actual balance at the end of each month of the year up to and including March 2017.
- Restricted Cash – this is the value of funds Council has a legal obligation to expend or reimburse and Councils estimated staff liabilities.

Restricted cash includes:-

- Estimated Long Service Leave
- Estimated Annual leave
- Port of Apollo Bay funds held on behalf of the State government
- Recreational lands contributions held on behalf of developers
- Tirrengower Drainage Scheme landholder contributions
- Trust funds held on behalf of others.

Graph 1 shows Council's cash balance is within expectations and every opportunity is taken to invest surplus cash to maximise investment returns.



The table below shows Council's investments during the March quarter which have an average return on investment of 2.09% compared with the average cash deposit rate of 1.50% and the 90 Day bank bill rate of 1.79%.

In order to meet Council's financial commitments investments are rolled over on a regular basis. Council's investment policy limits the investments in any one institution to 75%. Without approval from Council, investments are limited to interest bearing deposits with Australian owned banking institutions and Government bonds issued by the Commonwealth of Australia or an Australian State.

### Investment Report

#### Colac Otway Shire - Return on investment 3rd Quarter

Council Performance			Market Indicators		
Market Rates	At Call Deposits	Fixed term Deposits	Average Monthly Performance	Reserve Bank Cash rate	90 Day Bank Bill Index
Minimum Rate	1.50%	2.18%	1.84%	1.50%	1.78%
Maximum Rate	1.75%	2.90%	2.33%	1.50%	1.78%
Average Rate	1.63%	2.54%	2.09%	1.50%	1.79%

#### Investments held at 31 March 2017

	Mature April	Mature May	Mature June - Dec	Investment Amount	Institution allocation
Commonwealth Bank	0	0	0	0	0%
Bank West	2,000,000	2,000,000	5,500,000	9,500,000	60%
Bank of Melbourne	0	2,000,000	2,000,000	4,000,000	25%
National Australia Bank	2,000,000	0	310,000	2,310,000	15%
<b>Total</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>7,810,000</b>	<b>15,810,000</b>	<b>100%</b>
<b>Maturity breakup</b>	25%	25%	49%		



## Sundry Debtors

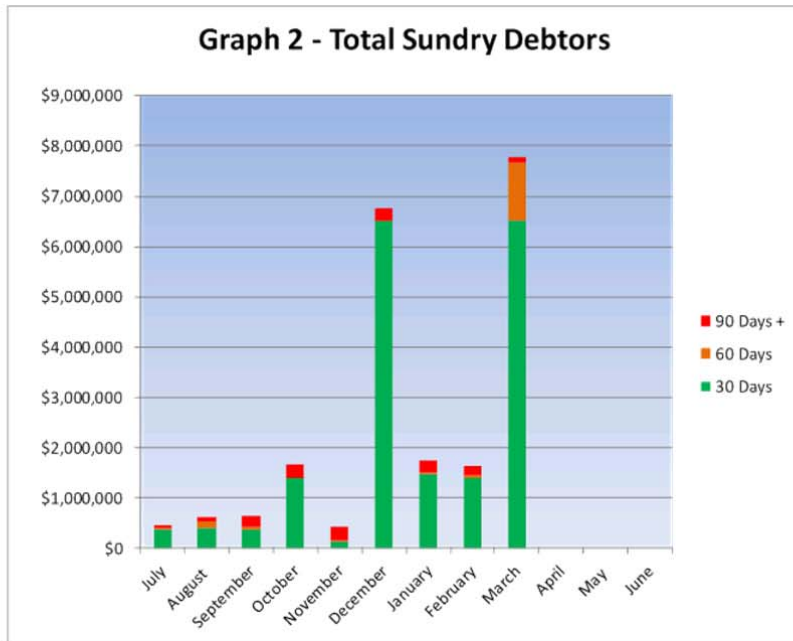
At the end of March 2017 Council has outstanding sundry debts of \$7.78m predominantly consisting of Disaster Recovery grant funding of \$6.34m and Central Reserve Redevelopment grant funding of \$1.14m, with both amounts expected to be received in April. Of the remaining amount outstanding, \$93k is overdue 90 days or more. The table below shows the amount is principally made up of three debtors and all payments are expected to be received:

Sundry Debtors over \$5,000 90 Days and more				
Category	Debtor Name	Debtor Number	Amount 90 Days and +	Collection Status / Notes
Misc	Tennis Australia	7790.01	\$22,000.00	Cororooke Tennis Courts, national court rebate scheme - milestone for payment not yet completed due to project delays.
Harbour	Apollo Bay Fisherman's Co-operative	1254.03	\$15,487.86	Annual rental raised in September and paid off monthly throughout the year.
Misc	Colac Football Netball Club	807.01	\$9,696.50	Annual rental - account issued in the off season, payment expected to be made once cashflow resumes.

The balance of other amounts owed in the 90 day category are made up of smaller debts from planning permit activities, property clearance and aged care services.

Council is actively pursuing all outstanding monies. This involves a mix of Council Officers directly contacting the outstanding debtor and the use of an external debt collection agency as appropriate.

Graph 2 shows the monthly ageing of sundry debtors. The recent increase to the 30 days debtors in March relates to the previously mentioned grant funding invoices raised during the month, these payments are all expected to be received in a timely manner.



## Rate Debtors

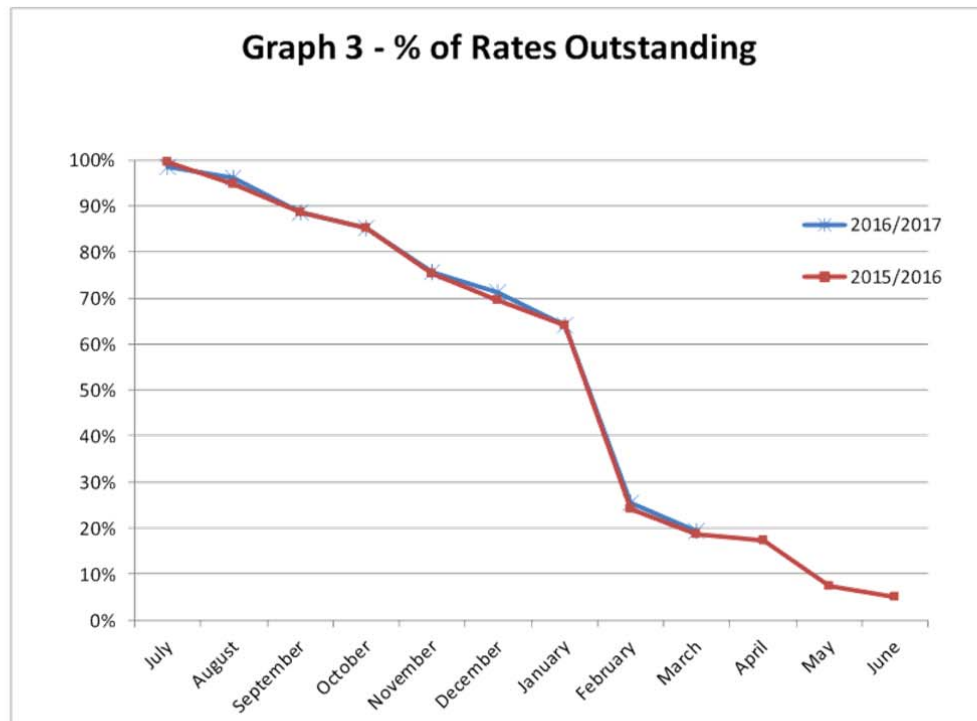
In the third quarter, the annual instalment and the 3<sup>rd</sup> quarter instalment was due for payment. At 31 March, 80.7% of the rates raised have been collected compared to 81.4% for the same period of the 2015/16 financial year.

The due date for ratepayers opting to pay in full was 15 February 2017. For ratepayers opting to pay via instalments the first three instalments were due 30 September, 30 November 2016 and 28 February 2017 respectively. The final instalment for the year falls due on the 31 May 2017.

The take up of instalments in the 2016/17 year indicate that approximately 41% of ratepayers chose to pay by instalments. This remains in line with the previous year.

Graph 3 shows that current collection trends are closely following the 2015/16 collection trend.

The rates deferral option that has been accessible to dairy farmers within our Shire is not expected to make a material impact on our cash flow.



## Contracts Awarded and Tenders Advertised

The table below summarises all contracts that have been entered into by Council and tenders advertised in the three months January to March 2017.

### January

#### Contracts Awarded

Contract No.	Description	Contractor	Value \$ (excluding GST)
1619	Line marking Services	Southern Highway Services	Schedule of Rates
1622	Birregurra Tennis and Netball Courts Redevelopment	Deja Eight	\$211,202

#### Tenders Advertised

Tender No.	Description	Starting Date	Closing Date
1702	Central Business District Revitalisation Project	13/01/17	15/02/17
1703	Design and Specify Storm Water Management System for the Townships of Wye River and Separation	27/01/17	01/03/17

### February

#### Contracts Awarded

Contract No.	Description	Contractor	Value \$ (excluding GST)
1621-a	Conns Lane Reconstruction	Deja Eight	\$964,078 (\$73,219 extra with final seal option)
1621-b	Trasks Road Reconstruction	Deja Eight	\$237,870 (\$30,940 extra with final seal option)
1623	Wye River Separation Creek Supply and Install Retaining Walls	Leprechaun Landscapes	Schedule of Rates

#### Tenders Advertised

Tender No.	Description	Starting Date	Closing Date
1704	Supply and Deliver Reach Arm Mower	03/02/17	08/03/17
1705	Supply and Deliver Tractor	03/02/17	08/03/17
1706	Supply and Deliver Grader	03/02/17	08/03/17
1707	Supply and Deliver 3 metre Truck	03/02/17	08/03/17

**March****Tenders Advertised**

<b>Tender No.</b>	<b>Description</b>	<b>Starting Date</b>	<b>Closing Date</b>
1710	External Plant Hire and Associated Services	17/03/17	12/04/17
1711	Supply of Crushed Rock, Sealing Aggregate and Pavement Materials	17/03/17	12/04/17
1713	Internal Audit Services	24/03/17	19/04/17
1714	Planning Consultancy Services	24/03/17	19/04/17

## Trending Issues

### Vision Super Defined Benefits Superannuation Vested Benefits Index

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

The latest available quarterly Vested Benefits Index for the Vision Super Defined Benefits fund is listed in the table 8 below:

Date	Vested Benefits Index
December 2015	104.4%
March 2016	102.4%
June 2016	102.0%
September 2016	103.7%
December 2016	105.4%

NB\* March 2017 figures were unavailable at the time of publishing this report  
The fund's quarterly threshold limits are:

Quarter Ending	VBI Threshold
September	97%
December	97%
March	97%
June	100%

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

The most recent quarter figures from Vision Super (December 2016) provide that the gap has now increased. It is not envisioned that a call will be made in the immediate future; Council officers are continually monitoring each quarter's index results.

### Sustainability Ratios

It is important that Council remain financially sustainable in the long term and the Victorian Auditor General's Office (VAGO) measure eight (8) ratios for all Councils and have established benchmarks to measure the relative risk rating. It is important to note that the combination of results must be analysed along with future trends to determine financial stability.

Council continues to maintain a sound financial position with the majority of indicators in the low risk categories. Those ratios that are in the medium category are marginally below that required to meet the low risk benchmark. It is expected that Council will substantially maintain this overall low-risk position through to the end of the 2016/17 financial year.

### Sustainability Ratios

Ratio	Calculation	Explanation	Actual Result 2015/2016	Original Budget 2016/2017
Net Result Ratio	Net operating result / Total income	Measures operational result including capital income	3.8%	13%
Liquidity Ratio	Current Assets / Current Liabilities	Measure of Council's abilities to meet their short-term commitments	198%	144%
Indebtedness	Non-Current Liabilities / Own sourced income	Capacity to cover debt commitments with own sourced income	25.79%	9.31%
Internal Financing Ratio	Total income less capital grants received/ operating costs	Measures the ability to fund operations from only internal sources	95%	89.82%
Capital replacement ratio	Capital Renewal, Upgrade and New expenditure / Depreciation	Measures total expenditure on assets to the cost of fixed assets being consumed	131%	194%
Renewal gap	Capital Renewal expenditure / Depreciation	Measures the expenditure on existing assets to the cost of fixed assets being consumed	123%	139,30%
Debt Management ratio	Interest Bearing Debt / Rates and Charges	Proportion of rates and charges covering debt	17.29%	1.15%
Debt Commitment ratio	Interest Paid and Principal paid / Rates and Charges	Proportion of rates and charges covering debt payments	3.28%	3.80%

### VAGO Benchmarks

Indicator	High	Medium	Low
Net Result Ratio	Negative 10% or less	Between negative 10% and zero	Greater than zero
Liquidity Ratio	Equal to or less than 75%	Between negative 75% and 100%	Greater than 100%
Indebtedness	Greater than 60%	Between negative 40% and 60%	Less than 40%
Internal financing Ratio	Less than 75 %	Between negative 75% and 100%	Greater than 100%
Capital replacement ratio	Equal to or less than 100%	Between negative 100% and 150%	Greater than 150%
Renewal gap	Equal to or less than 50%	Between negative 50% and 100%	Greater than 100%
Debt Management ratio	More than 35%	Between negative 35% and more than 25%	Less than 25%
Debt Commitment ratio	More than 10%	Between negative 5% and 10%	Less than 5%



ORDINARY COUNCIL MEETING

# COLAC REGIONAL SALEYARDS ADVISORY COMMITTEE - TERMS OF REFERENCE

OM172604-5

<b>LOCATION / ADDRESS</b>	55 Colac-Ballarat Road, Irrewarra	<b>GENERAL MANAGER</b>	Gareth Smith
<b>OFFICER</b>	Clare Malone	<b>DEPARTMENT</b>	Development & Community Services
<b>TRIM FILE</b>	F16/6696	<b>CONFIDENTIAL</b>	No
<b>ATTACHMENTS</b>	1. Terms of Reference - Colac Regional Saleyards Advisory Committee - 20170328		
<b>PURPOSE</b>	Council endorse the Colac Regional Saleyards Advisory Committee Terms of Reference		

## 1. LOCATION PLAN / AERIAL PHOTO



## 2. EXECUTIVE SUMMARY

The Colac Regional Saleyards Advisory Committee (the Committee) Terms of Reference (ToR) are endorsed by Council and require Council to consider the ToR within six months of a new Council being elected.

The ToR prescribe the Committee's responsibilities and purpose as an advisory committee, membership composition and appointment process for members and committee procedures.

Feedback has been sought from the Committee members and proposed changes agreed for the consideration of Council. The key changes relate to membership, appointment processes, decision making processes and communication of minutes to Councillors.

Should the proposed changes be endorsed by Council the ToR will be updated to reflect the agreed changes and the Committee members will be informed.

Correspondence will be prepared and sent to Advisory Committee representative organisations seeking confirmation of their representative. An expression of interest (EOI) process will also be undertaken inviting applications for the two farmer representative memberships. Appointment of the farmer representatives will be subject to a future Council decision.

## 3. RECOMMENDATION

*That Council:*

- 1. endorse the proposed amendments to the Colac Regional Saleyards Advisory Committee Terms of Reference; and*
- 2. authorises the Chief Executive Officer to administer an expression of interest process to identify up to two farmer representatives for the Colac Regional Saleyards Advisory Committee for future Council consideration.*

## 4. BACKGROUND / KEY INFORMATION

### BACKGROUND

The Colac Regional Saleyards Advisory Committee (the Committee) Terms of Reference (ToR) were last endorsed by Council on 19 December 2012. The ToR state they are to be reviewed within six months of a new Council being elected.

The ToR prescribe the Committee's responsibilities and purpose as an Advisory Committee (as opposed to a decision making forum), membership composition and appointment process for members and committee procedures.

The existing Committee membership is detailed below in Table 1:

Table 1

<b>Name</b>	<b>Organisation/segment representing</b>
Gareth Smith	Chair - General Manager, Development & Community Services (COS)
Cr Chris Smith	Councillor Colac Otway Shire (COS)
Clare Malone	Acting Manager, Economic Development & Events (COS)
Graeme Riches	Superintendent, Colac Regional Saleyards (COS)
Matt Nelson	Charles Stewart & Co (Stock Agent Rep)
Jeffrey Johnson	MC Herd (Buyer Rep)
Phil Douglas	Charles Stewart Dove (Stock Agent Rep)
Paul Kerr	HF Richardson (Stock Agent Rep)
Peter Delahunty	United Dairyfarmers Victoria (UDV)
James Dennis	Victorian Farmers Federation (VFF)
Rodney Boyle	Boyles Transport (Livestock Transport Association of Victoria)
Sergio Beanie	Farmer (Farmers Representative)

Feedback has been sought from the Committee members and proposed changes agreed for the consideration of Council. The key changes highlighted in tracked changes include:

- Update to the date Council endorses the ToR (assuming supported)
- Addition of – The Committee is advisory in nature and intended to represent a spectrum of users as such the minutes of meetings will contain resolutions if adopted unanimously or reflect the diversity of views at the meeting if there is no unanimity
- That ‘Invited members’ are agencies invited by Council to be represented on the committee whereas ‘Appointed members’ are the Councillor and Council staff and community members appointed by Council through an Expression of Interest (Eoi) process
- Organisations, as opposed to individuals from organisations, will be invited to be members in case a nominated representative changes
- Updates to Council officer position titles and removal of position of Manager Cosworks as an appointed member
- Inclusion of - Victorian Farmers Federation and United Dairy Farmers representatives provide a critical role in representing farmer views relevant to the Saleyards
- Inclusion of Stock agents and buyer representatives providing a critical role in representing Saleyard users and potential user views
- Increasing farmer representation from 1 to ‘up to 2’
- Changed reference to ‘up to 4 Stock Agents Representatives’ providing flexibility when we have less agents regularly using the facilities (we currently have three agents)
- Change of the Chairperson to the Councillor representative from the General Manager representative
- Members may send delegates in their place if they are unable to attend, subject to the approval of the Chairperson
- Replacement of the term ‘Council’ with ‘Shire’ when reference is to the organisation rather than Council (the seven Councillors)
- Removal of reference to the Advisory Committee having powers to remove members. The default position would be for Council to make this decision
- Minutes being distributed to Council by email rather than through an Ordinary Council meeting as stated in the ToR. Minutes had not been distributed to Council
- Reduced duplication of information within the ToR

A copy of the current ToR and pertinent proposed changes (in track) for the consideration of Council are at Attachment 1.

Other changes that have been made but not shown in track changes include reference to the ‘Colac Regional Saleyards’ which reflects the approved name of the facility.

Should the proposed changes be endorsed by Council the ToR will be updated to reflect the agreed changes and the Committee members will be informed.

Correspondence will be prepared and sent to Advisory Committee representative organisations seeking confirmation of their representative. An expression of interest (EOI) process will also be undertaken inviting applications for the two farmer representative memberships. Appointment of the farmer representatives will be subject to a future Council decision.

#### **KEY INFORMATION**

As required the ToR have been reviewed within six months of a new Council being elected.

Should the proposed changes be endorsed by Council the ToR will be updated to reflect the agreed changes and distributed to the existing committee membership.

As noted above the representative organisations will be contacted seeking confirmation of the representatives going forward. A public EOI process will also be undertaken seeking up to 2 farmer representatives for Council consideration.

## **FURTHER SUPPORTING INFORMATION**

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

As a part of the review of the ToR, feedback has been sought from the Advisory Committee members and proposed changes agreed for the consideration of Council. Up to 2 Farmer Representatives will be appointed through an Expression of Interest (EoI) process and endorsed by Council.

In addition to the Farmer representation, Victorian Farmers Federation (VFF) and United Dairy Farmers (UDF) representatives provide a critical role in representing farmer views relevant to the Saleyards. Stock agents and buyer representatives provide a critical role in representing Saleyards users and potential user views. The Livestock Transport Association of Victoria plays an important role in informing the Committee about livestock transport matters.

### **6. ANALYSIS**

#### **ALIGNMENT TO COUNCIL PLAN OR COUNCIL 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.

The Colac Regional Saleyards provide an important channel for the Shire's livestock producers to get their produce to the market and there are opportunities to grow these operations.

The Colac Otway Shire's Colac Regional Saleyards Conditions of Entry and Use Policy seeks to:

- (a) Provide for the efficient operation and management of the Colac Regional Saleyards;
- (b) Minimise stress in all livestock by encouraging efficient and considerate treatment and handling;
- (c) Establish standards of behaviour that users are expected to meet.

#### **ENVIRONMENTAL IMPLICATIONS**

The Advisory Committee considers environmental implications and risks at and from the facility. The proposed changes to the ToR do not create any environmental implications.

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

The representative membership model proposed to continue is sound and includes all key user groups and the farming community. There are no social and cultural implications as a result of the proposed changes.

#### **ECONOMIC IMPLICATIONS**

The Committee advise the Shire regarding the Saleyards fees and charges and estimated usage which informs the budget process. The Committee's function also supports enhancing the financial outcomes of the facility.

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

There are no legal or risk implications relating to the amendments to the ToR. The Committee provides advice on risk matters and undertakes a walk through audit of the facility post meetings.

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

Committee membership is voluntary therefore changes to membership have no financial implications from the operation of the committee.

## **7. IMPLEMENTATION STRATEGY**

### **DETAILS**

Should the proposed changes to the ToR be endorsed by Council, the ToR will be updated to reflect the agreed changes and distributed to the existing committee membership.

As noted above the representative organisations will be contacted seeking confirmation of the representatives going forward. A public EOI process will also be undertaken seeking up to 2 farmer representatives for Council consideration.

### **COMMUNICATION**

The revised ToR will be replaced in any existing communication material and the membership informed of the changes.

The key communications approach for the EOI process would entail publically advertising in the Colac Herald, inclusion on Council's website and Facebook, and informing relevant industry bodies and encouraging distribution to their members and data bases.

### **TIMELINE**

The Advisory Committee will be informed of the revised TOR at its 28 April meeting. The representative organisations will be requested to confirm their nominees in May.

The public EOI process will be undertaken in May and June 2017. The EOI process would be advertised for a four week period. Council will consider nominees for the Farmer representative positions at its June or July Ordinary meeting.

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

No Council officers have declared a direct or indirect interest in this matter.





## **COLAC REGIONAL SALEYARDS ADVISORY COMMITTEE - TERMS OF REFERENCE**

The Terms of Reference for the Colac Regional Saleyards Advisory Committee are as follows:

### **1. Establishment of the Colac Regional Saleyards Advisory Committee**

The Colac Regional Saleyards Advisory Committee Terms of Reference was ~~were~~ reconfirmed by Council on ~~23-May~~ 26 April 2001 ~~7~~ as a Regional Selling Centre.

The Advisory Committee and its Terms of Reference shall be reviewed within 6 months of the election of a new Council. The Advisory Committee shall be made up ~~of from~~ Council appointed representatives, ~~and~~ invited ~~Industry~~ Representatives, ~~and advertised~~ Community Representatives who The appointed members will be appointed by the Council at an Ordinary Meeting of the Council.

### **2. Responsibilities of the Colac Regional Saleyards Advisory Committee**

The Colac Regional Saleyards Advisory Committee will not have a decision making role.

The primary responsibility of the Colac Regional Saleyards Advisory Committee will be to provide comment and feedback to ~~Council the Shire~~ in relation to the strategic operation and management of the Saleyards and promote the facility as a Regional Saleyard.

~~The Colac Livestock Selling Centre Advisory Committee will also be responsible to assist in promoting, feeding information to and educating the wider community about the Saleyards.~~

The purpose of the Advisory Committee is as follows:

- a) Provide advice to ~~Council the Shire~~ on the operations of the Centre and to make recommendations to ~~Council the Shire~~ on potential improvements regarding the operation of the facility.
- b) Make recommendations to ~~Council the Shire~~ on how to improve sales through the centre based on sound strategic advice.
- c) Make recommendations to ~~Council the Shire~~ on proposed capital investment.
- d) Make recommendations to ~~Council the Shire~~ on ~~setting of~~ fees and charges.
- e) Contribute to continuous improvement in service delivery.
- f) Participate with other stakeholders to promote the importance of the saleyards to the wider community.
- g) Provide ~~strategic~~ advice to ~~Council the Shire~~ on ~~matters effecting the~~ operations of the saleyards. The Advisory Committee will have no authority to direct operational activities, Council staff, employees or customers at the saleyards.
- h) Promote the facility as a Regional Saleyards with the objective of making this centre ~~at the~~ major rural selling centre in rural Victoria.

### 3. Appointment of Members

The Colac Regional Saleyards Advisory Committee will ~~comprise of members who will be selected by Council at an Ordinary Meeting and~~ consist of individuals or representatives from the following:

- Councillor (Appointed Member and Chairperson)
  - Council Officer - General Manager Infrastructure and Services Development and Community Services (Appointed Member and Chairperson)
  - Council Officer – Manager Economic Development and Tourism Events (Appointed Member)
  - Council Officer – Saleyards Superintendent (Appointed Member)
  - ~~Councillor (Appointed Member)~~
  - Farmer Representative - up to 2 (Advertised Community Member) (Appointed through EOI process and endorsed by Council)
  - Stock Agents Representative x up to 4 No. (Invited Member)
  - Buyers Representative (Invited Member)
  - Victorian Farmers Federation Representative (Invited Member)
  - United Dairy Farmers Representative (Invited Member)
  - Livestock Transport Association of Victoria (Invited Member)
  - ~~Council Officer – Manager Cosworks (Appointed Member)~~
  - ~~Council Officer – Saleyards Superintendent (Appointed Member)~~
- a) Appointed Member - Shall be appointed by Council.
  - b) Invited Member - Shall be invited ~~as an Advisory Member~~ and nominated by their representative organisation.
  - c) Advertised Community Member/s - Appointed by Council at an Ordinary meeting after the conduct of a public advertising process calling for expressions of interest.

Victorian Farmers Federation and United Dairy Farmers representatives provide a critical role in representing farmer views relevant to the Saleyards.

Stock agents and buyer representatives provide a critical role in representing Saleyard users and potential user views.

### 4. Colac Regional Saleyards Advisory Committee Procedures

- The ~~General Manager Infrastructure and Services~~ Appointed Councillor, shall act as Chairperson at the meetings of the Advisory Committee.
- The meetings will be held in Colac at a time and venue ~~agreed by the Group~~ notified by the Chairperson, taking into account the availability of members and officers. Normally the meetings would occur at the Colac Saleyards office building canteen area outside normal sale times.
- Council will provide administration support for the ~~production~~ preparation of meeting agendas and recording of minutes.
- The Committee will generally meet ~~at least~~ four (4) times per year. The actual meeting times will be determined by the Chairperson in consultation with the members of the committee.
- The Advisory Committee shall meet at other times as required and requested, subject to two (2) or more Advisory Committee members requesting in writing that the Chairperson arrange a meeting to discuss one (1) or more specific items of business and availability of Council officers.
- ~~All members at the Advisory Committee Meeting shall have one (1) vote.~~

- Members may send delegates in their place if they are unable to attend., subject to the approval of the Chairperson
- An agenda for each meeting will be prepared by a council officer and forwarded to members at least four (4) days prior to a meeting.
- The Committee is advisory in nature and intended to represent a spectrum of users as such the minutes of meetings will contain resolutions if adopted unanimously or reflect the diversity of views at the meeting if there is no unanimity.
- Recommendations to Council need to be moved and seconded by members of the Advisory Committee.
- Recommendations to Council will be endorsed through a majority vote from the Advisory Committee. Where there is a tied vote, the Chairperson shall use their casting vote to either approve or reject the recommendation.
- ~~Any member may at the discretion of the Advisory Committee and subject to a majority vote be removed from the Advisory Committee for undertaking any of the following:~~
  - ~~a) Missing representation at three (3) consecutive meetings by either the Committee Member or their Delegate.~~
  - ~~b) Undermines the interests of the Colac Livestock Selling Centre as determined by the Advisory Committee in a vote at an Advisory Committee Meeting where the matter is discussed.~~
  - ~~c) Undertakes activities which impact on the Colac Livestock Selling Centre and are outside the Terms of Reference for the Advisory Committee.~~
  - ~~d) Commits a Criminal Offence that is unacceptable to the majority of the Advisory Committee in a vote at an Advisory Committee Meeting where the matter is discussed.~~
- If any member of the Advisory Committee is removed for any reason, then the member shall be replaced as soon as practical after following due process ~~which includes advising Council.~~
- ~~The meetings~~Minutes of each Colac Regional Saleyards Advisory Committee meeting shall be ~~reported emailed to Council~~Councillors as soon as practicable following adoption. ~~at the next available Ordinary Council Meeting where practicable.~~



ORDINARY COUNCIL MEETING

# CONSTRUCTION OF A TELECOMMUNICATIONS FACILITY (20M MONOPOLE) AT 31 WARRION HILL ROAD, WARRION (PP49/2017)

OM172604-6

<b>LOCATION / ADDRESS</b>	31 WARRION HILL ROAD WARRION (LOT 3 TP851647)	<b>GENERAL MANAGER</b>	Gareth Smith
<b>OFFICER</b>	Helen Evans	<b>DEPARTMENT</b>	Development & Community Services
<b>TRIM FILE</b>	F17/2394	<b>CONFIDENTIAL</b>	No
<b>ATTACHMENTS</b>	1. Elevation and Site Layout PP49/2017-1		
<b>PURPOSE</b>	To consider a planning application for a 20 metre high concrete monopole and associated antennas and related works.		

## 1. LOCATION PLAN / AERIAL PHOTO

The overall lot highlighted to the left; Warrion township to the right of the photo



## The relevant area



## 2. EXECUTIVE SUMMARY

A planning permit is sought for the construction of a 20 metre high Telstra monopole at 31 Warrion Hill Road, Warrion, which would replace an existing 10 metre high monopole. The proposed monopole would support all antennas from the existing pole. The application also includes minor ancillary works.

This application is before Council as the monopole and antennas would be over twenty metres in height.

The land is in the Farming Zone (FZ) and is subject to the Environmental Significance Overlay Schedule 1 (ESO1 - Warrion Groundwater Area) and Schedule 2 (ESO2 – Lakes, Wetlands and Watercourses) and Significant Landscape Overlay Schedule 1 (SLO1 – Valleys, Hills and Plains Landscape Precinct).

Key issues for consideration relate to the potential visual impact of the proposed monopole and whether the proposal adequately addresses the provisions of Clause 52.19 (Telecommunications Facility) of the Colac Otway Planning Scheme.

It is considered that Clause 52.19 has been adequately addressed. It is also considered that the proposed siting of the monopole, together with its narrow appearance, would ensure an acceptable balance is achieved between visual impact and community benefit. Allowing the proposal would improve telecommunications coverage in this part of the Shire.

## 3. RECOMMENDATION

***That Council resolves to issue a planning permit for the Construction of a Telecommunications Facility (20m monopole) and Associated Antennae, Equipment Cabinets and Works at 31 Warrion Hill Road Kawarren (Lot 3 TP851647) subject to the following conditions:***

### ***Endorsed plans***

- 1. The development as shown on the endorsed plans must not be altered without the written consent of the Responsible Authority.***

### ***Amenity***

- 2. The nature and colour of building materials employed in the construction of the monopole and associated structures hereby permitted must be non-reflective, to the satisfaction of the Responsible Authority.***

3. *The telecommunications facility and associated development hereby permitted must be maintained in good condition to the satisfaction of the Responsible Authority.*

**Removal of facility**

4. *The existing 10m high Telstra telecommunications facility must be decommissioned and removed from the site within one month of the monopole hereby permitted being brought into use, unless an alternative time frame is agreed in writing by the Responsible Authority.*
5. *In the event that the telecommunications facility hereby permitted ceases to be operational, the facility must be decommissioned and removed from the site in its entirety within 12 months of the use ceasing, and the land must be re-instated, all to the satisfaction of the Responsible Authority.*

**Expiry**

6. *This permit will expire if one of the following circumstances applies:*
  - a) *The development is not commenced within two years of the date of this permit.*
  - b) *The development is not completed within four years of the date of this permit.*

*In accordance with section 69 of the Planning and Environment Act 1987, an application may be made to the Responsible Authority to extend the periods referred to in this condition.*

**Note**

1. *The telecommunications facility allowed by this permit must be designed in accordance with relevant Occupational Health and Safety Guidelines, in accordance with 'A Code of Practice for Telecommunications Facilities in Victoria' (2004).*

## **4. BACKGROUND / KEY INFORMATION**

### **BACKGROUND**

It is proposed to replace an existing 10 metre high Telstra monopole with a 20 metre high monopole. This proposal is not part of the Mobile Black Spot Program.

There are a number of existing telecommunications facilities on top of Warrion Hill, some of which are over 20m metres high, i.e. a 23m Broadcast Australia Tower and a 25m NBN monopole approved by Planning Committee in April 2015.

### **KEY INFORMATION**

#### **Options**

Council has the options of:

- a) Granting a planning permit subject to the recommended conditions;
- b) Granting a planning permit subject to recommended conditions with changes;
- c) Refusing to grant a permit on specified planning grounds.

It is considered that there is a critical need for improved telecommunications in the Shire, which would be of significant benefit to the local community from a net community benefit point of view. The subject land is already developed with telecommunication facilities and the application proposes to replace one of these with a higher monopole. It is recommended that Option a) is supported for the reasons outlined in the balance of this report.



## **Proposal**

A planning permit is sought for development of a telecommunications facility comprising a 20m high monopole and ancillary components, including antennae and an outdoor equipment cabinet, enclosed within an existing 79m<sup>2</sup> fenced area located between the existing Broadcast Australia Tower and other existing telecommunications towers and equipment on the land.

A Telecommunications Facility is defined as '*Land used to accommodate any part of the infrastructure of a Telecommunications network. It includes any telecommunications line, equipment, apparatus, telecommunications tower, mast, antenna, tunnel, duct, hole, pit, pole, or other structure or thing used, or for use in or in connection with a Telecommunications network.*'

The proposed monopole that forms the subject of this application would be constructed in concrete and would accommodate the existing 4 antennas currently located on the 10m high monopole:

- a) A 3 array antenna (being 7.7m in length) would be connected at 20.5m high;
- b) Two (2) solid parabolic antennas (off white, 2 x 1200mm) would be connected at 17m and 18m high; and
- c) A new pole antenna (being 3.5m in length) would be connected at 12m high (replacing the old omni antenna from the 10m pole)

Associated facilities would include a new 2m high cable ladder between the new pole and the existing equipment shelters, enclosed within the existing 79m<sup>2</sup> compound and secured by a 1.5m wire farm fence. The old cable ladder would be removed.

Access to the site would be via the existing access track from Warrion Hill Road (approximately 1400m in length). The facility would be powered by underground power cable from an existing power source 150m away. It is expected that noise and vibration emissions associated with the proposed facility would be limited to the construction phase (7am to 6pm). Once installed, only low level noise is expected from the air conditioning associated with the equipment units (this is considered to be comparable to domestic units and background noise levels).

The development is proposed to be located approximately 160m from the northern boundary, 330m from the southern boundary and approximately 428m from the western boundary of the site. The proposed facility would be located approximately 960m west of Warrion Hill Road and 860m west of the existing dwelling on the site.

## **Subject Site and Surrounds**

The site, which is rectangular in shape, is located on the west side of Warrion Hill Road, to the north of its junction with Riccarton Road. The proposed monopole and associated compound would be located within the Telstra Lease Site. The lot also contains a carriageway easement (E-1) to the east of the existing telecommunications facility to provide access and an electricity supply easement (E-2) to the south.

The site is located at the top of the Warrion Hill at 276m AHD, with views to the surrounding landscape in all directions. The site contains sparse vegetation across the hill with the farmhouse residence to the eastern side, adjacent to Warrion Hill Road.

The site is currently used for agricultural purposes and contains existing telecommunications facilities adjacent to the proposed site. The existing telecommunication structures include an existing Broadcast Australia Tower with shelter, an existing Telstra facility and various telecommunication structures, monopoles and shelters. Access to the site is via the existing access track from Warrion Hill Road (approximately 1400m in length).

The site and immediate surrounding area is located within the Farming Zone (FZ). The closest dwelling to the application site is located on the application site, 860m to the east. The next closest dwelling is 960m to the south east at 205 Riccarton Road.

The site is identified as being in an area of cultural heritage sensitivity.

### **Permit Triggers**

The land is in the Farming Zone (FZ) and is subject to the Environmental Significance Overlay Schedules 1 and 2 (ESO1 and ESO2) and Significant landscape Overlay (SLO1). A planning permit is required under the following provisions:

- Clause 35.07-4 – buildings and works associated with Section 2 Use (FZ)
- Clause 42.01-2 – buildings and works (ESO1)
- Clause 42.01-2 – buildings and works (ESO2)
- Clause 42.03-2 – buildings and works (SLO1)
- Clause 52.19-2 - building and works for a Telecommunications Facility.

Clause 62 provides exemptions to permit requirements for Telecommunications Facilities when the requirements of Clause 52.19 are met. In this instance, Clause 52.19 requirements have not been satisfied and therefore a planning permit is required.

### **State Planning Policy Framework and Local Policy Planning Framework (LPPF), including the Municipal Strategic Statement (MSS)**

The State and Local Planning Policy Frameworks seek to ensure the objectives of planning in Victoria are fostered through appropriate land use and development planning policies and practices which integrate relevant environmental, social and economic factors in the interests of net community benefit and sustainable development. The following policies are relevant to the consideration of this application:

- Clause 12 – Environmental and Landscape Values
- Clause 15 – Built Environment and Heritage
- Clause 19.03-4 – Telecommunications
- Clause 21.02 – Vision
- Clause 21.03-8 – Smaller Townships
- Clause 21.04-8 – Landscape Character

Clause 19.03-4 (Telecommunications) has the following objective:

*“To facilitate the orderly development, extension and maintenance of telecommunication infrastructure.”*

Clause 19.03-4 lists a number of strategies on how this objective can be achieved, including to “ensure that modern telecommunications are widely accessible to business, industry and the community” and to seek “a balance between the provision of important telecommunications services and the need to protect the environment from adverse impacts arising from telecommunications infrastructure”.

The clause states that a Planning Scheme should not prohibit the use of land for a telecommunications facility in any zone.

The need for improved infrastructure is recognised and the provision of appropriate communications facilities will contribute to the economic development of small towns and communities within the shire.

The proposal is considered to accord with the principles of the State and Local Planning Policy Frameworks.

#### **Other relevant provisions**

Clause 52.19 - Telecommunications Facility is relevant in the consideration of this application. The purpose of this provision is:

- *To ensure that telecommunications infrastructure and services are provided in an efficient and cost effective manner to meet community needs.*
- *To ensure the application of consistent provisions for telecommunications facilities.*
- *To encourage an effective state-wide telecommunications network in a manner consistent with the economic, environmental and social objectives of planning in Victoria as set out in Section 4 of the Planning and Environment Act 1987.*
- *To encourage the provision of telecommunications facilities with minimal impact on the amenity of the area.*

Under the provisions of Clause 52.19-2, a permit is required to construct a building or construct or carry out works for a Telecommunications Facility which is not a *Low Impact Facility*. The proposed facility is considered to require a permit under the provisions of Clause 52.19, as it is not identified as a Low Impact Facility or other exempt facility listed under Clause 52.19-2.

The decision guidelines of Clause 52.19 state that before deciding on an application, consideration should be given to:

- *The principles for the design, siting, construction and operation of a Telecommunications Facility set out in A Code of Practice for Telecommunications Facilities in Victoria;*
- *The effect of the proposal on the adjacent land;*
- *If the Telecommunications facility is located in an Environmental Significance Overlay, a Vegetation Protection Overlay, a Significant Landscape Overlay, a Heritage Overlay, a Design and Development Overlay or an Erosion Management Overlay, the decision guidelines in those overlays and the schedules to those overlays.*

'A Code of Practice for Telecommunications Facilities in Victoria' (July 2004) is an incorporated document in the Colac Otway Planning Scheme pursuant to Clause 81. The purpose of the code is to:

- *Set out circumstances and requirements under which land may be developed for a telecommunications facility without the need for a planning permit.*
- *Set out principles for the design, siting, construction and operation of a telecommunications facility which a responsible authority must consider when deciding on an application for a planning permit.*

The principles in the Code of Practice for Telecommunications Facilities in Victoria are:

- *A telecommunications facility should be sited to minimise visual impact.*
- *Telecommunications facilities should be co-located wherever practical.*
- *Health Standards for exposure to radio emissions will be met.*
- *Disturbance and risk relating to siting and construction should be minimized.*
- *Construction activity and site location should comply with State environmental protection policies and best practice environmental management guidelines.*

#### Cultural Heritage

The site is identified as being one of Cultural Heritage Sensitivity.

Under the provisions of Regulation 43 of the Aboriginal Heritage Regulations 2007, the construction of a building or the construction or carrying out of works on land is a high impact activity if the construction of the building or the construction or carrying out of the works:

- (a) *would result in significant ground disturbance; and, inter alia,*
- (b) *is for or associated with the use of the land for a utility installation, other than a telecommunications facility.*

As noted above, whilst a telecommunications facility is contained within the broader umbrella term of utility installation, it is specifically excluded under Regulation 43 of the Aboriginal Heritage Regulations 2007.

Under the provisions of Regulation 44 of the Aboriginal Heritage Regulations 2007, the construction of a telecommunications line is a high impact activity if the construction would result in significant ground disturbance and would consist of an underground cable or duct with a length exceeding 500m.

Telecommunications line is defined in the Colac Otway Planning Scheme as “*a wire, cable, optic fibre, tube, conduit, waveguide or other physical medium used, or to be used, as a continuous artificial guide for or in connection with carrying communications by means of guided electromagnetic energy*”. In this instance, there would be no new underground power connection as it is proposed to connect to the existing connection. Therefore no high impact activity is proposed.

In view of the above, it is considered that a Cultural Heritage Management Plan (CHMP) is not required.

### **Referrals**

No internal referrals were required.

### **External Referrals**

In accordance with Section 55 of the Planning and Environment Act 1987, the application was referred to Barwon Water and Southern Rural Water under the provisions of ESO1 (as Determining Referral Authorities) and to the Department of Environment, Land, Water and Planning under ESO2 (Determining Referral Authority).

No objections were raised to the proposal by the referral authorities, nor did any require conditions to be included on any permit issued.

### **Public Notification**

It was considered that the proposal would not cause material detriment to any person for the reasons outlined below and therefore, In accordance with Section 52 of the *Planning and Environment Act 1987*, public notification was not undertaken:

1. there are existing telecommunication facilities on the land
2. the proposed monopole would replace an existing facility and it is not considered that the increase in height would result in material detriment to any person.
3. the proposed facility would be located within an existing area leased by Telstra.
4. the closest dwelling to the site is 860m away and that is owned by the landowner that leases the land.
5. the next closest dwelling is located at 205 Riccarton Road, 950m south of the proposed pole.
6. public notification of an application for a new 25m high telecommunications facility adjacent to the facility currently proposed was given in 2015 and no objections were received.

## **Assessment**

This application proposes to remove an existing 10m monopole and replace it with a 20 metre monopole. The antennae located on the existing facility would be transferred to the replacement pole. A new equipment shelter is also proposed.

The replacement pole would be located within a cluster of other radio and telecommunications towers located on the Warrion Hill, providing linkages to other towers as well as servicing the immediate area. The applicant has advised that it is necessary to raise the height of the facility in order to secure a clear signal.

It is considered that the proposal would be acceptable in terms of the purposes of the overlays affecting the site, noting that none of the statutory referral authorities had any objection to the proposal.

It is also considered that the proposal would not prejudice the purpose of the Farming Zone, given that the proposed monopole would be clustered with other telecommunication facilities and would not cause any additional impact to the existing agricultural activity conducted on the land.

Given the extent of the proposed works, which would result in the replacement of an existing facility with a new 10m higher facility, the principles for the design, siting, construction and operation of a Telecommunications facility set out in '*A Code of Practice for Telecommunications Facilities in Victoria*' have been considered in the assessment of this proposal:

### **A telecommunications facility should be sited to minimise visual impact, and co-location**

It is proposed to remove an existing pole and replace it with a taller pole within the existing cluster of towers. This is considered acceptable and should not materially alter the visual impact.

### **Health standards for exposure to radio emissions**

The Electromagnetic Emissions would not change with the taller monopole.

### **Disturbance and risk relating to siting and construction should be minimised**

The site already contains three telecommunications lattice towers and three monopoles and, as such, it is considered that the immediate area already comprises a modified environment. It is considered that any further disturbance to the site in this location would be minimal and limited to the proposed compound area

### **Construction activity and site location should comply with State environment protection policies and best practice environmental management guidelines**

It is recommended that a note on any permit issued highlight the need to ensure that the construction of the proposed facility is designed in accordance with relevant Occupational Health and Safety Guidelines.

Allowing this proposal would improve telecommunications service coverage in this part of the Shire. The proposal is considered generally consistent with the State and Local Planning Policy Frameworks, the zoning and overlay provisions, and the particular provision for telecommunications facilities.

Having given due regard to the matters discussed above, it is considered that the application should be allowed, subject to conditions

## **FURTHER SUPPORTING INFORMATION**

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

As noted earlier in this report, public notification was not undertaken for this application as the proposed monopole would replace an existing facility within a cluster of telecommunication facilities, and given the location of the site away from any sensitive uses. This approach accords with section 52 of the Planning and Environment Act 1987, which does not require public notification of a planning application to be undertaken if a responsible authority is satisfied that a proposal would not cause material detriment to any person.

### **6. ANALYSIS**

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

Relevant pillars in the Council Plan are:

##### *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, live ability and development of the shire and encourage innovation and efficiency in the local economy.*

##### *A Healthy Community and Environment*

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

Within this pillar, there is a goal to “respect cultural differences, support a range of healthy and creative activities, foster community safety and promote environmental sustainability”.

Amongst the relevant services/activities listed is emergency management coordination. A relevant strategy is to:

*“Support community safety initiatives, local law enforcement and emergency management”.*

As noted in this report, the proposal would result in improved communications, which in turn would help provide the community with the services and facilities it needs now and in the future, and would also help to support a prosperous economy where trade, manufacturing and business activity flourishes. In addition, improved coverage would assist in improving emergency management, which also would be beneficial to the community.

#### **ENVIRONMENTAL IMPLICATIONS**

The potential environmental implications of the proposal have been discussed in the body of this report. In summary, it is not considered that there would be any material environmental impacts, as the proposed monopole would replace an existing telecommunications facility in a defined compound area, on land already developed with a number of telecommunication facilities.



## **SOCIAL & CULTURAL IMPLICATIONS**

The proposed replacement telecommunications facility should result in improved communications in the municipality, which would be of social benefit. The site is within an area of cultural heritage sensitivity, as discussed in the report above, but a Cultural Heritage Management Plan is not required in this case. There are no other direct social or cultural implications for Council.

## **ECONOMIC IMPLICATIONS**

The proposed replacement telecommunications facility should result in improved communications in the municipality, which would be of economic benefit. There are no other direct economic implications for Council.

## **LEGAL & RISK IMPLICATIONS**

There are no legal or risk implications for Council if a planning permit is issued.

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

There are no resource implications for Council if a planning permit is issued.

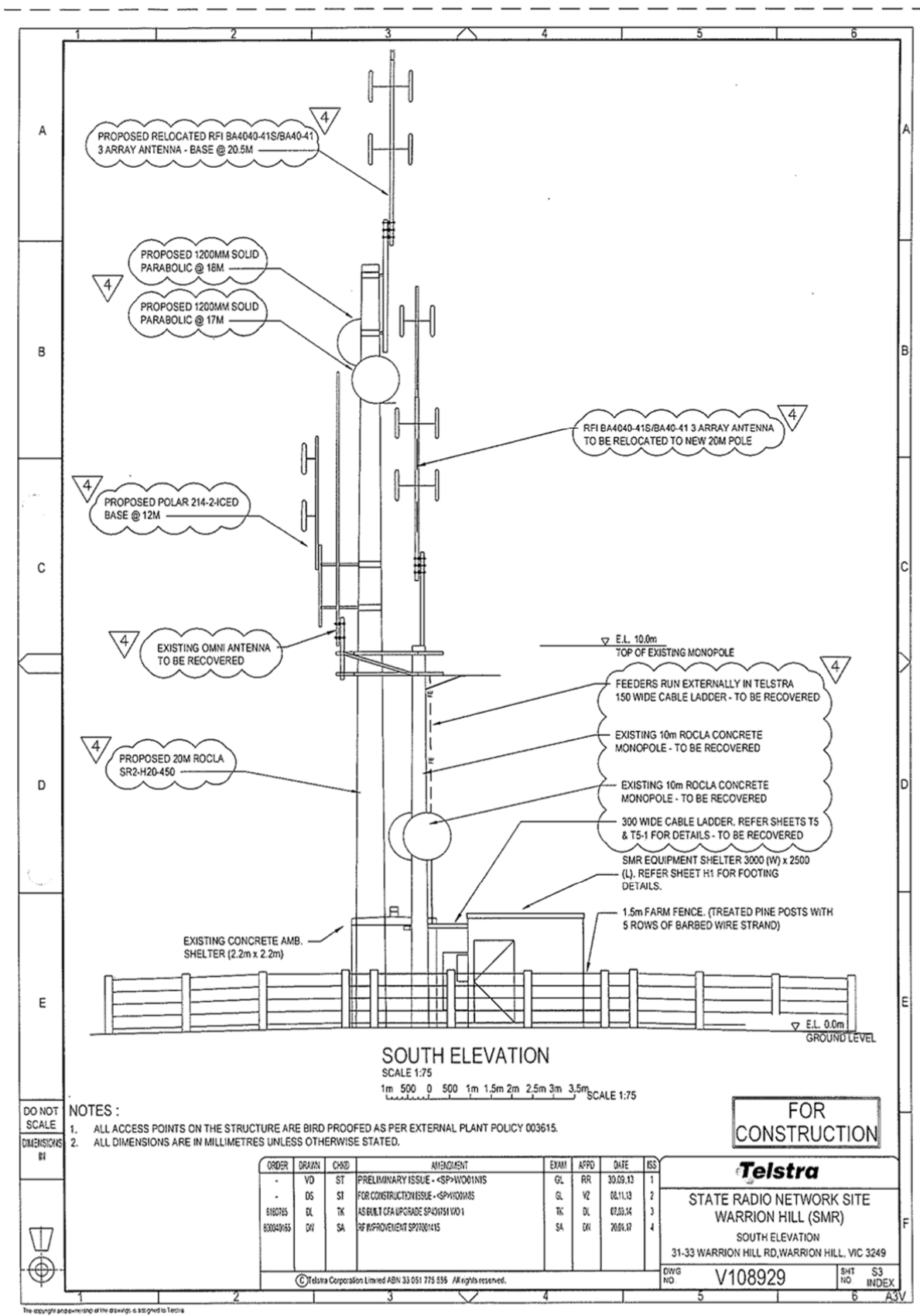
## **7. IMPLEMENTATION STRATEGY**

### **DETAILS**

If a permit is issued for the proposed replacement telecommunications facility, the applicant will have two years to commence development and four years to complete development, in accordance with standard time frames for planning permits.

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

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



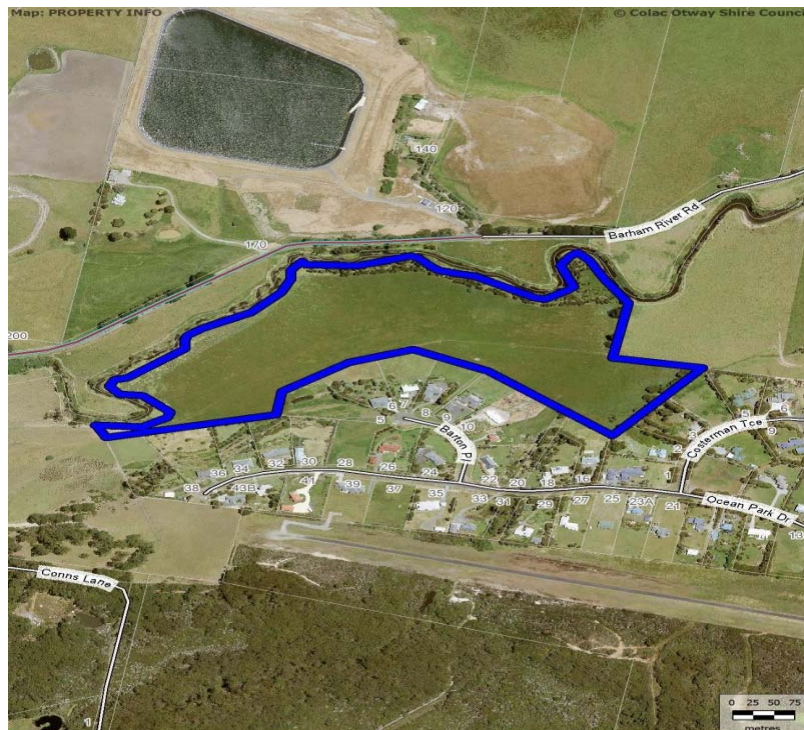


ORDINARY COUNCIL MEETING  
**HEATHFIELD ESTATE –  
 LEASE ENDORSEMENT**  
 OM172604-7

<b>LOCATION / ADDRESS</b>	20 Ocean Park Drive, Marengo	<b>GENERAL MANAGER</b>	Tony McGann
<b>OFFICER</b>	Jade Thomas	<b>DEPARTMENT</b>	Infrastructure & Leisure Services
<b>TRIM FILE</b>	F16/6696	<b>CONFIDENTIAL</b>	No
<b>ATTACHMENTS</b>	1. 4.2 Council Property Leasing Policy		
<b>PURPOSE</b>	To seek Council endorsement to enter into a Lease with the recommended applicant.		

## 1. LOCATION PLAN / AERIAL PHOTO

**Aerial Map of Leased Area - 20 Ocean Park Drive Marengo**



## 2. EXECUTIVE SUMMARY

The purpose of this report is to seek Council's endorsement to enter into a Lease Agreement with Nathan Telford for the property located at 20 Ocean Park Drive in Marengo which is also known as Heathfield Estate. The land is 11.52 HA (est) and has a 'land subject to inundation overlay'.

The parcel of land was originally provided for public open space, however a Community Reference Group (CRG) that was formed in 2014 resolved that the land was unsuitable for this purpose due to its condition. The CRG recommended that the land be leased for the purpose of grazing and or fodder. This recommendation was endorsed by Council at the February 2014 Council Meeting.

In September 2016 Council advertised an Expression of Interest (EOI) to Lease the land. Council received two applications; one was from the Apollo Bay Pony Club and the other applicant was Nathan Telford who is a neighbouring dairy farmer who is the current tenant. The preferred applicant is Nathan Telford (dairy farmer) who received the highest score from the criteria of evaluation.

The preferred applicant offers the maximum rent revenue of \$3,300 pa (incl GST) which is close to the rent valuation of \$3,795 pa (incl GST) received by an accredited valuer. In Council's current environment of rate capping, it's recommended that it seeks maximum financial return and minimal ongoing maintenance for this property. The preferred applicant has applied to lease the entire parcel of land, where the other applicant has requested a reduced area which would increase Council's maintenance requirements.

## 3. RECOMMENDATION

***That Council:***

- 1. Enters into an Agreement with Nathan Telford to Lease 20 Ocean Park Drive, Marengo with the following terms;***

Agreement Type	Lease Agreement
Rent	\$3,300 per annum (incl. GST)
Lease Term	3 years
Further Term	Nil
Rent Review Type	Plus annual CPI% increase
Permitted Use	Grazing and or Fodder
Maintenance/Utilities	100% tenant

- 2. Authorises the Chief Executive Officer or delegate to execute the Lease on behalf of Council.***

## 4. BACKGROUND / KEY INFORMATION

### BACKGROUND

The Heathfield Estate Reserve (the reserve) was transferred to Council as part of the Heathfield Estate residential subdivision in the early 1990's. The reserve covers an area of 11.52 hectares and is located between the eastern boundary of the Heathfield Estate and the Barham River, Marengo.

The reserve is currently zoned as Public Park and Recreation with a number of overlays including land subject to inundation overlay (LSIO).

Community Reference Groups provide advice to Council concerning a specific issue, they enhance communication between Council and the community and complement other elements of community engagement. The CRG for this matter met three times and determined that the area wasn't suitable for a public open space and recommended for it to be leased for grazing and or fodder.

The parcel of land is subject to flooding which results in difficulty to maintain safe grass levels mechanically. Since 2014 the Telford family has had an informal agreement with Council to occupy the land for grazing and or fodder to maintain and care for the land.

Issues relating to this parcel of land have been raised at Council Meetings during question time in the past. The questions have related to pugging concerns, river erosion and the need to improve fencing to prevent cattle accessing the river. The questions have been submitted by two public members and these concerns are addressed in the key information and environment sections of this report.

In September 2016 Council advertised an Expression of Interest (EOI) to Lease the land and two applications were received.

## KEY INFORMATION

The options considered in this report are;

1. Enter into a Lease with the recommended applicant Nathan Telford.
2. Enter into a Lease with the second applicant Apollo Bay Pony Club.
3. Repeat the Expression of Interest process to find an alternate Lessee.

In response to the EOI advertisement, Council received two applications to lease the property;

Applicant 1 – Mr Nathan Telford

Applicant 2 – Apollo Bay Pony Club

The land was appraised by an accredited valuer for \$3,795 incl GST to rent per annum in 2016. Each applicant agreed to the following conditions which form part of the lease:

- The stock must be looked after and kept in a healthy condition.
- Fencing must be maintained to prevent access to the river frontage revegetation area.
- Stock densities and movements must be managed to prevent degradation (specifically pugging).
- Two separate rounds of weed control management in Spring and Autumn is required.
- All present weeds listed under the Catchment and Land Protection Act 1994 must receive either mechanical or chemical control, in line with legislative requirements. Evidence must be provided within one month of completing the works (photographs or contractor invoices).
- The successful applicant will need to seek Council approval before any pastures are sown on the property.
- Demonstrate how this will be managed on application

The submissions were ranked using the following assessment criteria:-

<u>Criteria</u>	<u>Weighting</u>
1. Financial Return to Council	45%
2. Insurance Coverage	10%
3. Demonstrated how the leasing requirements will be met.	35%
4. References	10%



Following the advertisement of the expression of interest two neighboring property owners expressed that they were not supportive of the land being used as a horse agistment facility. The reasons indicated were reduced privacy, increase in traffic, limited parking and increased activity which would interrupt the quiet enjoyment of their property. The property owners indicated that they would present a petition although they have not done this to date.

Below is a table with responses to issues that have been raised at Council Meetings, during question time in the past;

Concern	Resolution/Response
Pugging	The lease addresses pugging by a special condition that requires the lessee to manage, prevent and remedy pugging as required.
Fencing	In the past cattle have accessed the river from the opposite side of Heathfield Estate. This is Crown land and therefore Council has no jurisdiction, a Council Officer has notified the Department of Environment, Land, Water and Planning. The occupant must prevent stock being able to jump over the fence on Council 's side.
Erosion	Council agrees to finish the boundary fencing to prevent stock going close to the river bank. Native trees will be planted along the bank to protect and prevent further erosion.

The concern of pugging can be caused by either horses or cattle if the stock density isn't managed correctly and therefore is addressed in the Lease.

Council is offering a 3 year term, in accordance with Council's Leasing Policy where the preferred term of agreement is three (3) years where the rental levels are less than the commercial market rental or not classified as a retail premises.

In accordance with *Section 223 of the Local Government Act* Council is not required to advertise for public submissions based on the proposed terms and conditions.

The Lessee is given exclusive access to the property for the purpose of grazing, public access is not permitted within the leased area. The Leased area excludes the access tracks from Barwon Street and Ocean Park Drive, the lessee is not responsible for maintaining these areas. The Lease allows Council or its contractors access the property by providing the required notice to the tenant.

Summary of evaluation criteria results:

#### Applicant 1 – Mr Nathan Telford (Total Score 680)

Mr Telford offered the highest rent revenue \$ 3,000pa (excluding GST) and offered to lease the entire area to minimise Council's maintenance requirements and meet all other requirements as per the Expression of Interest. Mr Telford has proposed to utilise the reserve for the purposes of grazing and or fodder.

#### Applicant 2 – Apollo Bay Pony Club (Total Score 265)

The Pony Club has offered a heavily discounted rent of \$200pa (excluding GST) with a proposed capital investment of \$5,500 over a 3 year period. The proposed capital investment includes fencing, a culvert and tree planting. The Club intends to offer free horse agistment to its members. The Pony Club's application proposed that 2 hectares are excluded from the leased area to be used as a Public walking track (expectation is that this is to be maintained by Council).

### Overall Recommendation

Mr Nathan Telford is the recommended applicant as he achieved the highest overall score after evaluating the selection criteria. The recommended tenant has agreed to the terms and conditions of the Lease agreement in Principal and subject to Council's approval.

Mr Telford received the highest overall rating from the assessment. Also Mr Telford offered an overall financial contribution in line with the independent value of the property established by an accredited valuer (valued at \$3,450 per annum excluding GST). The Pony Club offered \$200 p.a. in rent revenue excluding GST plus an estimated \$ 5,500 of capital improvements (in kind labour and materials). Mr Telford offers \$3,000 p.a. in rent revenue excluding GST, this is a total difference of \$8,400 revenue to Council over the term of the agreement between the two submissions.

With Council's current environment of rate capping, along with an ageing property portfolio that requires significant investment and maintenance, Council is challenged to meet the needs of the Community while maintaining sustainable and safe buildings. Therefore the opportunity to achieve the highest rent return and lowest ongoing maintenance cost is recommended for this lease. This will help to offset other building costs.

## **FURTHER SUPPORTING INFORMATION**

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

The community engagement strategy follows the recommendations of the Colac Otway Shire Council Community Engagement Policy of July 2013, which details five levels of engagement – inform, consult, involve, collaborate and empower.

The method selected is to ‘consult’ and ‘inform’. Council has advertised an EOI and engaged each applicant and a number of public members and neighbours.

### **6. ANALYSIS**

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

This Lease Agreement has been prepared in accordance with Councils Property and Leasing Policy.

This Lease aligns with the following Council Pillar in the Council Plan.

#### **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.

#### **ENVIRONMENTAL IMPLICATIONS**

There are no specific environmental issues on Heathfield Estate itself that need to be considered as part of the lease.

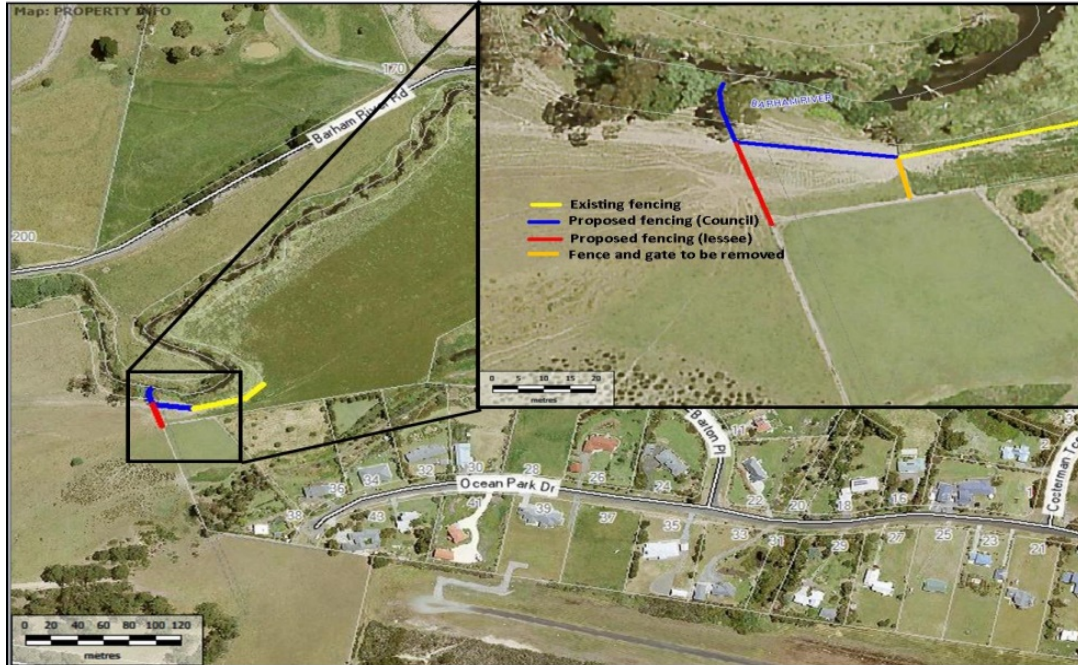
There is a small, localised area of river bank erosion occurring on the Crown Land at the western end of the property. To manage this issue, Council is working with the Southern Otway Landcare Network (SOLN) to install fencing which will prevent stock from accessing this area. The fence will be constructed following this resolution.

After the fence construction, native plants will be established to help protect the bank and address the erosion issue.

This is a continuation of the work that Council has competed along the Barham River, where Willows are being removed, stock prohibited and planting of native species undertaken.

These actions help to improve water quality, increase biodiversity and prevent erosion. The diagram below shows the proposed new fence which completes the boundary fencing for this property.

## Fencing Diagram 1



### SOCIAL & CULTURAL IMPLICATIONS

There are no relevant social and cultural implications relating to this proposal at this point in time.

### ECONOMIC IMPLICATIONS

If the recommended option is adopted rent revenue of \$9,000 over the term of the agreement is expected, plus CPI increases.

Approximately \$1,000 is required to complete the boundary fence and this has been budgeted for by Council. No future Council maintenance costs are expected for the term of the Lease.

### LEGAL & RISK IMPLICATIONS

Council's standard Lease Agreement template will be used to mitigate risk to both parties for consistency and best practice property management. The Lessee is required to have \$20M public liability insurance for the leased area.

### RESOURCE IMPLICATIONS (FINANCIAL ETC)

Administrative costs associated with the preparation of the Lease and future invoicing will be absorbed into the relevant operational budget.

## 7. IMPLEMENTATION STRATEGY

### DETAILS

Following Councils endorsement, the Chief Executive Officer or delegate administers all procedures necessary to execute the new Lease agreement. Additionally, Council will complete the fencing at the West end along the river.

## COMMUNICATION

- All Lease applicants will be notified of the outcome following a Council resolution.

## TIMELINE

- All Lease applicants will be notified on 27 April 2017
- A lease agreement is executed by both the Lessor and Lessee – May 2017
- A fully signed copy is sent to the Lessee – May 2017

## 8. OFFICER DIRECT OR INDIRECT INTEREST

No officer declared a direct or indirect interest under the *Local Government Act 1989* in the preparation of this report.

## COUNCIL POLICY

<b>Council Policy Title:</b>	<b>Council Property Leasing</b>
<b>Council Policy ref. no:</b>	4.2
<b>Responsible Department:</b>	Corporate and Community Services
<b>Date of adoption/review:</b>	18 December 2013

### 1. INTRODUCTION

The Council's Property Leasing Policy considers the way Council leases out its property assets.

This is a general policy that outlines Council's principles and values. It is not intended to be a rigid set of rules, but rather a framework that assists Council in participating in fair and equitable discussions with all types of tenants.

### 2. POLICY

#### 2.1 AIMS and PRINCIPLES

##### 2.1.1 Aim

To provide guiding principles that will enable the establishment and management of Council's leased assets in a way that is consistent with the Council Plan and maximises the use of the communities assets so that they are managed responsibly.

##### 2.1.2 Principles

This aim will be achieved by addressing issues in harmony with Council's values, inclusive of partnership, consultation and service. These values will provide the foundations for decision making. This will be done through the following key areas:

- Understanding and fostering community benefit.
- Maximising the value of Council's leased assets to Council and to the community.
- Providing an equitable and transparent process for dealing with subsidised leaseholds.
- Providing an easily understood subsidised rental application.
- Equitable and easily understood framework for subsidies.
- Encouraging community responsibility.
- Consideration of ownership of land



### 2.1.3 Objective

The objective of the policy is to provide straightforward guidelines for the development of occupancy agreements, which clearly define the roles and responsibilities of both the tenant and the Council. The policy will provide a useful tool to ensure the best use of facilities is achieved and a clear relationship established between parties.

## 3. DEFINITIONS

### 3.1 Lease

A lease is a right granted by the owner of land to an occupant to have the exclusive use of that land in consideration for a payment, known as rent.

Nature of the interest.

- A lease creates an interest in land. An interest in land is:
  - i) binding on third parties (ie if the lessor sells the land the purchaser will take the land subject to the lease); and
  - ii) is, unless the lease specifies to the contrary, capable of being assigned.
- A lease is also a contractual agreement between the landlord and the tenant under which each party has certain contractual obligations.
- Council is prohibited under the Local Government Act 1989 (Vic) from entering into a lease exceeding 50 years.
- "The Local Government Act requires Council must give public notice of its intention to enter into a lease where:
  - the lease term is one year or more; and
    - the rent exceeds \$50,000 per annum; or
    - the current market rental value of the land is in excess of \$50,000 per annum; or
  - the lease term is 10 years or more; or
  - the lease is a building or improving lease (which is a lease that includes the construction of a premises or improvements or the carrying out of major redevelopment works by either party)."

A lease agreement will be generally used where the site is fully occupied for a specific purpose, such as bowls and hockey clubs or where a club has made substantial financial contributions to the development.

### 3.2 Licence

A licence gives the licensee a right to occupy land (not exclusively) which without the licence would be unlawful.

Nature of the interest.

- A licence does not create any interest in the land.
- The rights created by a licence are personal and do not run with the land.
- A licence cannot be assigned unless the other contracting party agrees.
- A licence will terminate where the owner of the land ceases to own the land.

A licence agreement will apply when an occupier shares a facility or the premises offer the potential for the facility to be shared promoting greater use of Council assets, for example Cressy Neighbourhood House using the Cressy Maternal and Child Health Centre.

### **3.3 Seasonal Allocation**

A seasonal allocation is an agreement in which a club agrees to occupy a premises in accordance with the terms and conditions of Council's Seasonal Allocation Policy. It will generally relate to a pavilion or sporting ground which may include change rooms, social rooms, kiosks, kitchens, offices and public toilets where used by clubs. It will apply for an occupancy that occurs for a portion of the year and fits within the following seasonal dates set by Council.

Seasonal dates:

Summer	First Saturday in October to second Sunday in March
Winter	First Saturday in April to second Sunday in September

The establishment of these agreements will be in accordance with the seasonal allocation policy and will generally apply to football, cricket and soccer clubs.

The agreements may be in a form of a lease or licence depending on whether the interest satisfies the definition of a lease or licence as set out in paragraph 2.1 and paragraph 2.2 above respectively.

### **3.4 Asset Value**

The asset value of Council land and buildings is prepared by independent valuers. Council undertakes a formal revaluation of its land and buildings on a regular basis every three years.

## **4. TENANT GROUP DEFINITIONS**

Tenants are grouped in four major categories:

### **4.1 Group 1 – Community Services**

This group will receive the greatest discount or subsidy. This will include community groups that service the local community or an underprivileged group or disadvantaged group. The group will be reliant on Council funding and do not have the capacity to generate a significant amount of income. They will not engage in any form of commercial activity and are expected to utilise the premises for at least 60% of the time available.

Examples of these type of tenant include pre-school committees, senior citizen clubs and historical societies.

#### **4.2 Group 2 – Not for Profit Recreation and Sporting Clubs**

This group will pay a rental based upon a percentage of the asset value of the facility and receives a substantial discount or subsidy from a fair market rental. This group will include recreational or community groups that service the community and are readily available to Colac Otway residents. Such tenants may include netball, hockey clubs or the like. The rental for pavilions associated with grass based sports such as soccer, football or cricket clubs will be calculated as group 2 tenants but will generally be allocated a seasonal allocation unless they have made substantial funding contributions to their premises in which case they may be on a lease or licence for a pavilion.

Rental will be assessed in accordance with the factors outlined in 7.2

Examples of this type of tenant would include bowling clubs, tennis clubs and other sporting clubs (without gaming or other commercial facilities).

#### **4.3 Group 3 – Larger Non-Government Agencies (Not for Profit) in Receipt of Significant Grants/Fees or other Income**

This group will attract no discount or subsidy unless agreed by Council due to specific circumstances.

Examples of this type of tenant would include the leasing of:

- Botanic Gardens Tearooms, Colac (Otway Community College)
- Colac Central Bowling Club
- Lake Colac Bowling Club

#### **4.4 Group 4 – Commercial or Resident Group**

This group will attract no discount or subsidy and is for commercial or residential tenants of Council's assets.

Examples of this type of tenant would include the leasing of:

- Apollo Bay Airfield
- Apollo Bay Service Centre
- Caravan Park, Colac
- Caravan Park, Forrest
- Cinema and Auditorium, COPACC
- Fishing Co-Op, Apollo Bay
- Radio Towers

## **5. GENERAL PHILOSOPHY**

### **5.1 Tenants**

The following factors are to be considered when accepting a tenant:

- Community based tenants must service the Colac Otway community and further the goals of the Council Plan as well as where possible maximising the return on the asset.
- Any tenant or licensee must be a legal entity - that is either a person or an incorporated body.
- Any tenant or licensee must have adequate and appropriate insurance coverage.
- All commercial tenants are to be fully reference checked to assure the premises will be suitably maintained and rentals paid on time.

### **5.2 Optimum use of Facilities**

Council's goal is to ensure the greatest community benefit and value can be provided by the utilisation of Council's facilities. This is done by encouraging multi use of facilities and tailoring the services provided by tenants to best suit the community. Council will work with tenants to ensure the highest potential is achieved.

### **5.3 Crown Land**

Where Council acts as the Committee of Management over Crown Land, agreements will be prepared in accordance with the Department of Sustainability and Environment's guidelines. Leases and licences will take the form of those provided by the Department and Council's standard agreement will not be used. Council's standard maintenance schedules will be included within these agreements.

Before committing/entering into a lease for facilities on Crown Land, approval is required from the Department of Sustainability and Environment.

### **5.4 Renegotiation to Standard Terms**

When Council is making a significant financial input to a facility development this will be dependent on the club/organisation being prepared to renegotiate an existing agreement to bring it into line with standard lease terms.

Long term ongoing agreements may be renegotiated by both parties if it is seen to be in the best interests of the parties and for the benefit of the community.

The determination relieves Councils of complying with procedural obligations placed on landlords by the *Retail Leases Act 2003* (Act), such as disclosure of outgoings and notice of lease renewals. Councils are also exempt from the statutory maintenance and repair obligations imposed on landlords.

### **5.5 Retail Leases Act 2003**

In August 2008 the Victorian Minister for Small Business made a determination under the *Retail Leases Act 2003* (Act) to exempt certain leases of Council owned or managed property that the Act would otherwise cover.

The determination only applies to leases entered into after 1 August 2008.

Under the determination, the following two categories of leases (where Council is the landlord) will be exempt.

1. Where the premises are used by the tenant wholly or predominantly for any one or more of the following purposes:
  - Public or municipal purposes;
  - Charitable purposes;
  - As a residence of a practising minister of religion;
  - For the education and training of persons to be ministers of religion;
  - As a club for, or a memorial to, persons who served in the First or Second World War or in any other war, hostilities or special assignment referred to in the *Patriotic Funds Act 1958*;
  - For the purposes of the RSL;
  - For the purposes of the Air Force Association;
  - For the purposes of the Australian League of Ex-Servicemen and Women
2. Where the premises are used wholly or predominantly by a group that exists for the purposes of providing or promoting community, cultural, sporting or recreational or similar facilities or objectives and that applies its profits to promoting its objectives and prohibits payment to its members.

The second category also applies to leases where Council is acting as a committee of management within the meaning of the *Crown Land (Reserves) Act 1978*.

The determination relieves Councils of complying with procedural obligations placed on landlords by the Act, such as disclosure of outgoings and notice of lease renewals. Councils are also exempt from the statutory maintenance and repair obligations imposed on landlords.

This does not exempt the need for a lease.

## **6. RENTAL LEVELS**

### **6.1 Group 1 Tenants**

This group is fully subsidised. A full rental subsidy is offered to approved recreation or community groups that service the local community or an underprivileged or disadvantaged group and are not in receipt of significant grants or other income.

The minimum to apply at the time of the policy adoption is \$1 per annum.

### **6.2 Group 2 Tenants**

The rental calculation for Group 2 tenants will be assessed at the time of a lease being entered into or at renewal of an existing lease.

The greater the net community benefit, the greater the subsidy offered. The following describes the factors that may be considered in determining the level of rental and subsidy.



#### *Capital Contribution*

Often groups or clubs have made a significant Capital Contribution on the site. This may include the addition of an asset on the property at the expense of the tenant.

#### *Proposed Capital Contribution*

A group or club may enter into a lease agreement undertaking to carry out capital improvements at their expense or in partnership with Council or another agency.

#### *Approved Use*

An approved use is one that is determined by the appropriate Council General Manager to fulfil a function, meet a demand, or provide a service, that is consistent with the Council Plan or the needs of the community.

#### *Special Needs Group*

A group that actively promotes an activity for disabled, underprivileged or disadvantaged people, a lower socio economic group or other group with special or unique needs, may be eligible for certain levels of subsidy.

#### *Limited Revenue Potential*

There are varying degrees of potential for a group or club to raise revenue. Many clubs are limited by the nature of their function which is the reason for having subsidised rentals. Tenants that have a gaming or liquor licence may be charged a higher rental. Groups will be encouraged to seek alternative revenue sources.

#### *Community Access*

Maximising the community use of an asset is a Council priority. Groups are encouraged to make a leased facility available to other user groups in order to maximise the utilisation of the facility.

#### *Maintenance Ability*

A tenant's ability to maintain a premises may be limited by their type of use. A tenant may undertake more maintenance in exchange for lower rental payments.

#### *User Catchment*

Priority is given to tenants whose users are from the municipality. A local catchment would predominantly include residents of the township or surrounding areas. A regional catchment would include users from other areas.

#### *Grants and Funding*

Some groups receive financial assistance from the Council. This may impact on level of rental and subsidy.

#### *Other*

Other factors may be considered by Council if special circumstances exist.



### **6.3 Group 3 Tenants**

Group 3 tenants will pay a commercial market rental derived from the market unless a discount or subsidy is agreed to by Council due to specific extenuating circumstances.

### **6.4 Group 4 Tenants**

Group 4 tenants will pay a commercial market rental.

### **6.5 General**

Council reserves the right to amend the rental if a tenant gains liquor or gaming licences, or gains access to any other similar commercial means of income generation during the life of an agreement.

## **7. MAINTENANCE AGREEMENTS**

### **7.1 Introduction**

Generally the purpose of undertaking building maintenance is to ensure buildings remain suitable and safe for their intended use and their life cycle is extended as far as practical. It is in Council's interests to ensure its assets are adequately maintained.

Council is responsible for many buildings which it:

- Owns and operates (eg Council office/depot/library/public toilets);
- Owns and operates via a Committee of Management (Council appointed); and
- Manages as a Committee of Management.

### **7.2 Requirements**

The requirement of tenants to maintain their premises will vary depending upon the following factors:

- Ability to maintain
- Revenue potential
- Level of subsidy or grants
- Any special maintenance needs
- Rental level
- The requirements of any applicable retail leasing legislation

The Maintenance Schedule (Schedule A) will form part of the lease or licence agreements and will clearly identify maintenance responsibilities.

Buildings used for community services and not for profit recreation and sporting clubs are to receive maintenance support in accordance with Schedule A unless specified separately in a lease/agreement.

Buildings occupied and controlled exclusively by a club or organisation or buildings determined by Council as having no further use are to receive no Council support.

Community Services and Not for Profit Recreation and Sporting Clubs are defined as a building operated by (refer clause 3.1 and 3.2 for definitions):

- a) a Committee of Management for public purposes;
- b) an incorporated association undertaking community service under the auspices of Council.

Maintenance requirements for Group 3 Tenants (Larger non-government agencies) and for Group 4 tenants (Commercial) will be agreed to between the parties on suitability market controlled conditions.

### 7.3 Principles

- a) Council has a responsibility to contribute to the maintenance of buildings that have a community use.
- b) Council has no responsibility to maintain/improve buildings on Council owned land occupied by an organisation or group exclusively for private purposes, subject to the requirements of the Retail Leases Act 2003 if the land is occupied pursuant to a lease subject to that Act.
- c) Wear and tear maintenance and works of a recurrent nature are the responsibility of the occupier or management body of the building, subject to the requirements of the Retail Leases Act 2003 if the land is occupied pursuant to a lease subject to that Act.
- d) Major maintenance and capital works are the responsibility of Council unless agreement with lessee.
- e) No guarantee can be given that works required can be funded by Council in any given year.
- f) Ongoing support for any building is subject to review based on use and need.
- g) Where insufficient funding is available an occupier may choose to proceed with works on its own accord subject to all works being approved by Council.
- h) All maintenance and other works shall be undertaken in accordance with good practice and all requirements of other Commonwealth and State Legislation or policy.
- (i) All maintenance works undertaken by the tenant are to be reported to Council.
- (j) Where maintenance is the responsibility of the tenant they need to ensure that their obligations are carried out as per the Lease or other documentation.

### 7.4 Assessment of Requests

In assessing requests for major maintenance works Council must consider:

- Reason for request, for example safety issues, damage, deterioration;.
- Estimated cost for works;
- Funds available and estimated additional annual works;
- Type of works and whether Council is responsible for the issue;
- Purpose of the building, existing and future use, and need, and
- Alignment with Council's strategic planning objectives.

## 8. GENERAL TERMS AND CONDITIONS

### 8.1 A standard agreement will be developed for all tenancies except Group 3 and Group 4 Tenants.

Agreements will be prepared for leases and licences which are tailored to each organisation and varied only when required. Additional clauses will be included in

agreements only when necessary to meet specific requirements of Council or the organisation involved.

Licence agreements will be negotiated in situations where the occupiers share the facility or where the facility is suitable for multiuse and will occupy for a period in excess of 6 months.

Council has a preference to enter such agreements in order for facilities to be used to the greatest potential, rather than only one user. Licences may be used for toy libraries, senior citizens and other clubs that share facilities.

Seasonal allocations will be granted where an organisation will not occupy the premises for the entire year. They may have occupied the premises from year to year but only for a season at a time and the premises will be used by another club in the alternate season. This will apply to some sporting clubs in particular cricket and football.

## **8.2 Rates, Taxes, Charges and Outgoings**

The tenant should pay for all rates, taxes (including GST and stamp duty) charges and outgoings that are levied on the premises or in conjunction with the establishment of the lease, subject to the requirements of the Retail Leases Act 2003 if the land is occupied pursuant to a lease subject to that Act.

## **8.3 Terms**

The term of the agreement will depend upon many factors including the following:

- the tenant;
- the ongoing need for the premises or provided use;
- substantial contributions to capital works;
- the stability of the tenant,
- suitability of the premises to the tenant; and
- the requirements of any applicable retail leasing legislation.

For leases where the rental levels are less than the commercial market rental or are not classified as a retail premises the preferred term of the lease will be for a period of 3 years.

Council sees the optimum term of the agreement as 3 years to best represent the Council and tenants. This allows for regular opportunities to meet and discuss occupancy requirements and to review:

- i) the value Council and the community receives from the lease or licence;
- ii) equity with other organisations in the community.

The regular changes made to leasing/licencing agreements will reflect the changing needs and legislative requirements of all parties to the agreement. It is seen as an opportunity to work with Council's tenants to ensure that they meet the needs of both parties.

A longer term lease may be negotiated where the community organisation is making or has made, a substantial capital contribution to the construction, improvement or maintenance of the property.

Retail Premises leases will be for a minimum of five years (which can include any option periods).

Consideration of a longer lease term will be made on a case by case basis.

Agreements will only exceed 10 years in exceptional circumstances and where there is significant return on investment for Council's asset. When this happens Council will undertake the requirements of section 190 of the Local Government Act including advertising the terms of the proposed agreement. Leases may not exceed 50 years in accordance with the *Local Government Act* (1989).

#### **8.4 Insurance**

All tenants are required to take out public liability insurance noting Council as an interested party or in joint names of the tenant and Council. A minimum cover of \$10m is to be provided unless otherwise stipulated by Council.

As a general principle, Council will fully insure all improvements on a leased premises unless otherwise agreed to in a lease. This amount will either be reimbursed by the tenant or considered as part of the rental structure.

Council will not insure the contents of any leased premises. Tenants may choose to provide this themselves.

Other insurances, such as professional indemnity, are the responsibility of the lessee.

#### **8.5 Use of Premises**

Council must approve any additional or changed use of a leased or licenced premise. Council reserves the right to review the rent or any other lease provisions when providing this consent. The proposed use will be subject to an assessment of derived community benefit and meeting the needs of the Council Plan. If the use changes or the service or organisation cease to exist the current agreement will automatically terminate and the building will be returned back to Council's control.

#### **8.6 Rent Review**

The rental for Group 1 tenants will not be reviewed for the life of the agreement as the agreement is for up to 3 years. Agreements for a period longer than 3 years must include a rental review clause.

Other rents will be reviewed regularly, and adjusted using the Consumer Price Index, a set percentage or a market review.

#### **8.7 Legal Fees**

The tenant will pay all legal costs associated with the establishment of a new lease agreement that differs from Council's standard lease document except if the lease is subject to the *Retail Leases Act* 2003.

#### **8.8 Keys and Locks**

All keys should be compatible with the master set held by Council's Infrastructure and Services Department.

### **8.9 Planning Requirements**

All leases will encompass the conditions of any issued Planning Permit, and there must be ongoing compliance with Planning Scheme Requirements.

### **8.10 Safety Requirements**

Tenants are responsible to have in place emergency/evacuation plans and generally adhere to occupational, health and safety conditions.

### **8.11 Smoking**

Council has a Smoke Free Environment in Council owned and managed buildings and adherence is strictly required.

### **8.12 Water and Energy**

Tenants are encouraged to minimise water and energy usage.

### **8.13 Legislation and Regulations**

Tenants will be required to comply with all legislation and regulations etc.

### **8.14 Advertising on Council Facilities**

- a) Internal advertising is allowed in Council facilities without Council approval if it is advertising the group's own or community's activities.
- b) Other internal advertising on Council facilities requires the prior approval of Council and in particular, political advertising will not be permitted.
- c) Any external advertising on Council facilities, unless on a designated notice board, requires the prior approval of Council. Political advertising will not be permitted unless approved by Council.

### **8.15 Gaming in Council Facilities**

Council will not generally support gaming facilities in Council owned and/or managed buildings.

## **9. PROCESS FOR ESTABLISHING OF LEASES**

The following outlines the procedures for negotiating and establishing a subsidised leasehold:

- Internal meeting to discuss particulars of proposed tenant with appropriate Council departments:
  - check status of land,
  - confirm statutory requirements,
  - review proposal with respect to Council Property Leasing Policy,
  - seek legal advice where necessary, and
  - assess relevance of any compliance with Retail Leases Act.
- Meet with tenant to discuss terms and conditions of lease.

- Forward copy of lease to tenant for review.
- Where required advertise lease in Council's official newspapers inviting submissions pursuant to s.223 of the Local Government Act for a period of 6 weeks.
- Draft report for next Ordinary Council Meeting recommending execution of two copies Lease Agreement (dependent on submission process).
- Arrange for tenant to sign lease.
- Update Lease Register (in accordance with s11(m) of the Local Government (General) Regulations 2004) and store one original of Lease Agreement.
- Forward an original copy of Lease Agreement to tenant.
- Advise Finance, Infrastructure Services, Risk Management, Parks and Gardens and appropriate manager of lease details.
- Establish invoicing arrangement.

#### 10. IMPLEMENTATION AND REVIEW

The Council Property Leasing Policy will be published on Council's website. The Leasing Policy will be subject to periodic review.

#### ADOPTED/AMENDMENT OF POLICY

Policy Review Date	Reason for Amendment
23 June 2010	Adopted by Council
24 July 2013	Review
18 December 2013	Review



**Schedule A**

**Maintenance Schedule and Responsibilities for Occupier and Council for Group 1 Community Services and Group 2 – Not for Profit Recreation and Sporting Clubs categories.**

**GROUP 1 – COMMUNITY SERVICES**

**LEASES**

Apollo Bay Old Cable Station – Historical Society  
Apollo Bay Radio Tower (Emergency Services)  
Apollo Bay Senior Citizens Centre  
Beech Forest Radio Tower (Emergency Services)  
CCDA Theatre (COPACC)  
Colac History Centre (COPACC)  
Lavers Hill Depot Radio Tower (Emergency Services)

**AGREEMENTS/LICENCES**

Cressy Maternal and Child Health Centre  
Kanyana  
Pre-Schools

**GROUP 2 – NOT FOR PROFIT RECREATION AND SPORTING CLUBS**

**LEASES**

Colac Aero Club  
Colac Anglers Club Inc.  
Colac Pistol Club Recreation Reserve  
Colac Players Shed  
Colac Tennis Tournament Club  
Pennyroyal Tennis Courts  
Public Open Space – Kennett River  
Rowing Club, Foreshore Reserve  
Wye River Surf Club  
Yacht Club, Foreshore Reserve

**AGREEMENTS**

Recreation Reserves

Item	Occupier's Responsibility	Council's Responsibility
<b>Air Conditioning and Heating Appliances</b>	<ul style="list-style-type: none"><li>• Service and repair when required</li></ul>	<ul style="list-style-type: none"><li>• Replacement of unit and any major parts</li></ul>
<b>Building</b>	<ul style="list-style-type: none"><li>• Determine and document the specific needs of the building relating to any requests to Council for building alterations.</li><li>• Prepare plans and obtain quotes for requests for minor improvements.</li></ul>	<ul style="list-style-type: none"><li>• Assess all requests submitted.</li><li>• Undertake works required to bring premises and surrounds to appropriate standards to meet the required regulations. This excludes items identified as the lessee's responsibility in this document.</li><li>• Preparation of long-term development plans, design of major building alterations or major structural works.</li></ul>

Item	Occupier's Responsibility	Council's Responsibility
<b>Cleaning</b>	<ul style="list-style-type: none"> <li>Keep premises in clean, sanitary and fresh condition.</li> </ul>	<ul style="list-style-type: none"> <li>Nil</li> </ul>
<b>Ceilings, Walls and Skylights (internal)</b>	<ul style="list-style-type: none"> <li>Cost of repairs due to major or continual misuse.</li> <li>Regular cleaning</li> </ul>	<ul style="list-style-type: none"> <li>Major repair and/or replacement due to structural faults/age.</li> </ul>
<b>Curtains/Drapes/Blinds</b>	<ul style="list-style-type: none"> <li>Repairs costs.</li> <li>Replacement costs.</li> <li>Supervision of installation of replacement items.</li> <li>Regular cleaning.</li> </ul>	<ul style="list-style-type: none"> <li>Nil</li> </ul>
<b>Doors (Inc. cupboard doors)</b>	<ul style="list-style-type: none"> <li>Regular cleaning and repair of internal/external doors due to major or continual misuse.</li> <li>Minor adjustments.</li> </ul>	<ul style="list-style-type: none"> <li>Replacement due to age, structural fault.</li> </ul>
<b>Electrical Wiring, Fittings and Lights</b>	<ul style="list-style-type: none"> <li>Additional or security lighting.</li> <li>Cost of repair and replacement of electrical wiring if damage is due to major or continual misuse.</li> <li>Repair and replacement of all light globes.</li> <li>Regular cleaning of all light fixtures.</li> </ul>	<ul style="list-style-type: none"> <li>Replacement of all building wiring from main supply to and including the switchboard.</li> <li>Replacement of light fittings.</li> </ul>
<b>Essential Safety Measures (eg fire extinguishers, exit lights etc)</b>	<ul style="list-style-type: none"> <li>Notification to Council of maintenance or servicing issues.</li> <li>Not to interfere or obstruct essential safety measures elements</li> </ul>	<ul style="list-style-type: none"> <li>Undertake inspections, servicing and maintenance of all specified essential safety measures as required under the relevant Building Regulations.</li> <li>Meet all costs associated with this function.</li> </ul>
<b>Floor Surfaces and Coverings</b>	<ul style="list-style-type: none"> <li>All regular cleaning and maintenance of floor coverings such as carpet and tiles.</li> </ul>	<ul style="list-style-type: none"> <li>Replace to essential areas when excessively worn or dangerous.</li> </ul>
<b>Fly Screens</b>	<ul style="list-style-type: none"> <li>Maintain and replace fly wire.</li> <li>Install additional fly screens</li> </ul>	<ul style="list-style-type: none"> <li>Nil</li> </ul>
<b>Garbage</b>	<ul style="list-style-type: none"> <li>Normal fee for service waste collection</li> </ul>	<ul style="list-style-type: none"> <li>Nil</li> </ul>
<b>Glass</b>	<ul style="list-style-type: none"> <li>Replace broken or cracked windows arising from misuse.</li> <li>Regular cleaning</li> </ul>	<ul style="list-style-type: none"> <li>Replace due to breakage arising from structural fault, age.</li> </ul>
<b>Grounds</b>	<ul style="list-style-type: none"> <li>Keep all entry/exit areas clear and sweep regularly.</li> <li>Maintain all grounds associated with building by cutting the grass, minor pruning, replacing trees, bushes and flowers if required.</li> <li>Repair fences.</li> <li>Remove dead foliage.</li> </ul>	<ul style="list-style-type: none"> <li>Repair paths, driveways etc.</li> <li>Replacement of essential pavement, driveway and carpark areas; retaining walls and ramps.</li> <li>Replacement of essential/required fences.</li> <li>Structural repairs or capital works re. fences.</li> <li>Trees lopped/pruned to meet security/safety requirements where considered dangerous.</li> </ul>

	<ul style="list-style-type: none"> <li>Seek Council approval for any modification to the grounds.</li> <li>Maintenance of garden beds.</li> </ul>	
<b>Item</b>	<b>Occupier's Responsibility</b>	<b>Council's Responsibility</b>
	<ul style="list-style-type: none"> <li>Maintenance of garden hoses and sprinklers etc.</li> <li>Cleaning and weeding of pavement and driveway areas</li> </ul>	
<b>Internal Appliances eg. Fans, Kettles, Food Processors etc.</b>	<ul style="list-style-type: none"> <li>Replacement as required of minor kitchen appliances.</li> </ul>	<ul style="list-style-type: none"> <li>Nil</li> </ul>
<b>Vandalism</b>	<ul style="list-style-type: none"> <li>Less than \$1000 (subject to change based on claims history)</li> </ul>	<ul style="list-style-type: none"> <li>More than \$1000 (subject to change based on claims history)</li> </ul>
<b>Keys and Locks</b>	<ul style="list-style-type: none"> <li>Repair and replacement of locks if damaged through major or continued misuse.</li> </ul>	<ul style="list-style-type: none"> <li>Replacement of lost or damaged keys as applies to Council's master key system.</li> <li>Supply of keys for user groups.</li> <li>Repair and replacement of locks as applies to Council's master key system.</li> </ul>
<b>Painting</b>	<ul style="list-style-type: none"> <li>Internal painting if damaged through major or continued misuse or colour scheme changes etc.</li> </ul>	<ul style="list-style-type: none"> <li>Internal and external for structural integrity reasons.</li> </ul>
<b>Permanent Fixtures</b>	<ul style="list-style-type: none"> <li>Regular cleaning of all fixtures.</li> <li>Repair and/or replace if damaged through major or continual misuse.</li> </ul>	<ul style="list-style-type: none"> <li>Replace when required the following items: <ul style="list-style-type: none"> <li>hot water service</li> <li>sinks and toilets</li> <li>verandas attached to the building.</li> </ul> </li> </ul>
<b>Pest Control</b>	<ul style="list-style-type: none"> <li>Keep all areas in a clean and hygienic state.</li> <li>All pest control as required both internal and external.</li> </ul>	<ul style="list-style-type: none"> <li>Pest control relating to structural items (eg. woodborer and termites).</li> </ul>
<b>Plumbing</b>	<ul style="list-style-type: none"> <li>Cost of internal repair due to major or continued misuse.</li> <li>Replacement and repair of internal surface plumbing fittings such as toilet seats, taps and washers etc.</li> </ul>	<ul style="list-style-type: none"> <li>Replacement of damaged or corroded plumbing fittings, toilet bowls and cisterns.</li> <li>Repairs or works required for drainage purposes, including sewerage, drains, water pipes and pits.</li> <li>Replacement of gas pipes.</li> <li>Structural repairs or capital works.</li> </ul>
<b>Roof, Skylight, External Walls, Spouting and Downpipes</b>	<ul style="list-style-type: none"> <li>Cleaning of roof, external walls, spouting, downpipes and guttering.</li> </ul>	<ul style="list-style-type: none"> <li>All maintenance and repair of the structure of the premises as required.</li> </ul>
<b>Signage</b>	<ul style="list-style-type: none"> <li>Maintain and replace all internal/external signs relating to the committee.</li> </ul>	<ul style="list-style-type: none"> <li>Identification signage to be provided by Council where required.</li> </ul>
<b>Smoke Detectors</b>	<ul style="list-style-type: none"> <li>Install, repair and replacement of battery operated smoke detectors. Includes battery replacement as required.</li> </ul>	<ul style="list-style-type: none"> <li>Installation and maintenance of hard wire system where required.</li> </ul>

<b>Telecommunication Systems (eg. fax, photocopiers, telephones etc)</b>	<ul style="list-style-type: none"><li>• Purchase, service and maintenance cost.</li><li>• Replacement costs.</li></ul>	<ul style="list-style-type: none"><li>• Nil</li></ul>
<b>Whitegoods (eg refrigerator, dishwasher etc)</b>	<ul style="list-style-type: none"><li>• Service and maintenance costs.</li><li>• Replacement costs.</li></ul>	<ul style="list-style-type: none"><li>• Nil</li></ul>

ORDINARY COUNCIL MEETING  
**CONTRACT 1706 –**  
**SUPPLY AND DELIVERY OF A GRADER**  
 OM172604-8

<b>LOCATION / ADDRESS</b>	Whole of Municipality	<b>GENERAL MANAGER</b>	Tony McGann
<b>OFFICER</b>	Andrew Kavanagh	<b>DEPARTMENT</b>	Infrastructure & Leisure Services
<b>TRIM FILE</b>	F17/1206	<b>CONFIDENTIAL</b>	No
<b>ATTACHMENTS</b>	Nil		
<b>PURPOSE</b>	Council approval is required to award a contract for the supply and delivery of a grader to Council for which tenders have been received.		

## 1. LOCATION PLAN / AERIAL PHOTO

Not applicable

## 2. EXECUTIVE SUMMARY

Tenders have been received for the supply and delivery of a grader, including trade-in. The tender by William Adams Pty Ltd, including its trade-in offer represents best value to Council and is recommended for acceptance.

The tender by William Adams has been assessed as offering the best value to Council. It scored highest against the evaluation criteria. The trade-in offer by William Adams was also assessed as the best option for Council compared to sending the plant to auction.

## 3. RECOMMENDATION

1. That Council awards Contract 1706 for Supply and Delivery of one Caterpillar 12M to William Adams Pty Ltd at the change-over price of \$368,000 (excluding GST, stamp duty and registration costs) inclusive of trade-in.
2. That the General Manager, Infrastructure & Leisure Services signs the contract documents following award of Contract 1706.

## 4. KEY INFORMATION / BACKGROUND

Tenders closed on 8 March 2017 for the supply and delivery of a grader with freeroll roller.

A Mitsubishi MG 460 grader with freeroll roller registered WGH 993 purchased in March 2008 is proposed to be traded for the new plant. This grader has reached the end of its useful life. We are finding that parts are hard to source and this, combined with short service intervals, results in the machine being out of service for significant periods.

A private request for tenders was issued to the following suppliers through the preferred supplier deed for the National Procurement Network contract for the purchase of Plant Machinery Equipment by councils:

- CJD Equipment Pty Ltd
- Hitachi Construction Machinery (Australia) Pty Ltd
- Komatsu Australia
- William Adams Pty Ltd

Tenders were received from the following suppliers:

<b>Tenderer</b>	<b>Make/Model</b>
Hitachi Construction Machinery (Australia)	John Deere 670GP
Komatsu Australia	GD555_5
William Adams	Caterpillar 12M

Tenders were evaluated and a recommendation made in accordance with Council's *Procurement Policy and Tenders/Quotations and Purchasing Procedure*.

All tenders were evaluated and scored using the following selection criteria:

<b><u>Criteria</u></b>	<b><u>Weighting</u></b>
Tendered price	50
Suitability of vehicle tendered	10
Performance of vehicle tendered	10
Authorised distributor of product	10
Plant availability	5
Spare parts – availability and support	5
Warranty offered	5
Local content	5

The Tender Evaluation Panel consisted of the following members:

- Manager Services and Operations
- Team Leader – Maintenance and Construction
- Supervisor Mechanic
- Acting Team Leader – Gellibrand
- Contract Governance Coordinator

The Tender Evaluation Panel recommended that the William Adams tender for the Caterpillar 12M for \$423,000 (excluding GST) provided the best value and is the highest scoring tender. The plant conforms fully with the tender specifications.

The Tender Evaluation Panel further recommended accepting the trade-in offer of \$55,000 (excluding GST) from William Adams. The Panel determined that greater value for money would be achieved in accepting the trade-in offer rather than sending the plant to auction.



## ***FURTHER SUPPORTING INFORMATION***

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

Not applicable.

### **6. ANALYSIS**

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

Purchasing goods through a tender process aligns with the Good Governance pillar of the Council Plan. Good Governance for Council includes striving for excellence in financial management and council services, and always looking for better ways to do things.

#### **ENVIRONMENTAL IMPLICATIONS**

Not applicable

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

Not applicable

#### **ECONOMIC IMPLICATIONS**

Not applicable

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

The plant procured must comply with all relevant legislation and Australian and international standards.

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

Plant purchases are funded by the plant replacement reserve. The net cost of purchase is within the total available budget.

### **7. IMPLEMENTATION STRATEGY**

#### **DETAILS**

Upon award of the contract the successful tenderer , and unsuccessful tenders, will be notified and delivery of the new plant (and disposal of the replaced plant) will be scheduled.

#### **COMMUNICATION**

The successful tenderer will be notified by a letter of acceptance signed by the General Manager Infrastructure and Leisure Services.

Notice of the award of the contract will be published on Council's website. Letters will also be issued to the unsuccessful tenderers.

## **TIMELINE**

The advice of William Adams is that delivery of the grader can be expected within three to five weeks after acceptance of the tender.

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

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

ORDINARY COUNCIL MEETING

# RE-ELECTION S86 COMMITTEES OF MANAGEMENT

OM172604-9

<b>LOCATION / ADDRESS</b>	Whole of Municipality	<b>GENERAL MANAGER</b>	Mark Lyons
<b>OFFICER</b>	Mark Lyons	<b>DEPARTMENT</b>	Corporate Services
<b>TRIM FILE</b>	11/96645	<b>CONFIDENTIAL</b>	No
<b>ATTACHMENTS</b>	Nil		
<b>PURPOSE</b>	Endorse membership newly elected s86 Committees of Management		

## 1. LOCATION PLAN / AERIAL PHOTO

Not Applicable

## 2. EXECUTIVE SUMMARY

Council endorsement is required for the appointment of newly elected committee members to the Chapple Vale Hall, Cressy Hall, Barwon Downs Hall and Lavers Hill Hall committees of management for the next three years.

## 3. RECOMMENDATION

*That Council:*

- Pursuant to section 86 of the Local Government Act 1989, resolves to appoint the following nominated members to the Chapple Vale Hall, Cressy Hall, Barwon Downs Hall and Lavers Hill Hall Committee of Management until 22 April 2020:*

<i>Chapple Vale Hall</i>	<i>Alistair MacDonald, Russell Mahoney, Sheryl Mahoney, Emma Ferrari, Jo MacDonald, Hayley Ferrari, Jenny Ferrari, Kate Bayley</i>
<i>Cressy Hall</i>	<i>Ashley Nelson, Don Potter, Jan Nelson, Ross Alexander, Rex Wellman, Brad Nelson, Paul Lamont, Ian Mowat, Alma Smart, Murray Horne, Ian Nelson</i>
<i>Barwon Downs Hall</i>	<i>Peter Mitchell, Fay Callahan, Albert Halliday, Carolie Nash, Rusty Berther, Denis Hylands, Robbie Halliday, Rhonda Dean, Sandy Batten</i>
<i>Lavers Hill Hall</i>	<i>Tracy Brauer, Kim Robertson, Virginia Atkins, Robert Atkins, Trevor Dempsey, Roz O'Loughlin, Ellen Rayner</i>

2. *In accordance with section 81 sub-section(2) sub-section(a) of the Local Government Act 1989, resolves to exempt members of the Committee from being required to submit a primary or ordinary conflict of interest return in accordance with this section.*
3. *Advises the Committee that a copy of minutes of meetings held be forwarded to Council for its record after each meeting and that a Treasurer's Report be provided on an annual basis.*

## 4. BACKGROUND / KEY INFORMATION

### BACKGROUND

Council appoints Committees of Management under section 86 of the *Local Government Act 1989* as Special Committees of Council to act in accordance with rules and conditions of appointment adopted by Council.

### KEY INFORMATION

The purpose of the Committees is to manage the operations of the facilities. Council policy is that Committee of Management members are appointed for a three year term.

Meetings to appoint new members to the following facilities have been conducted and chaired by a councillor as follows:

Chapple Vale Hall	19 January 2017	Cr Stephen Hart
Cressy Hall	21 March 2017	Cr Kate Hanson
Barwon Downs Hall	4 April 2017	Cr Joe McCracken
Lavers Hill Hall	10 April 2017	Cr Stephen Hart

## 5. COMMUNITY CONSULTATION & ENGAGEMENT

Consultation took place with committee members as to the preferred time for the meetings and advertisements seeking nominations to the committee were placed in the Colac Herald and the relevant community newsletters at least two weeks prior to the meetings being conducted.

## 6. ANALYSIS

### ALIGNMENT TO COUNCIL PLAN OR COUNCIL POLICY

Council appoints committees as special committees under section 86 of the *Local Government Act 1989* to perform certain functions, duties and powers. This is in keeping with council's policy of working with its community in the management of halls, reserves and other facilities throughout the Shire.

### ENVIRONMENTAL IMPLICATIONS

Nil

### SOCIAL & CULTURAL IMPLICATIONS

These council facilities provide a venue for networking and resource sharing within the local communities.

## **ECONOMIC IMPLICATIONS**

A committee of management is responsible for the maintenance, hire, operation, use and development of the property on Council's behalf.

## **LEGAL & RISK IMPLICATIONS**

A section 86 committee's legal status is derived from Council through formal delegation.

Committee of management members appointed under section 86 of the Act are covered by the Council's Liability and Personal Accident policies when carrying out activities for and on behalf of the committee whilst acting within their delegated powers.

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

Each Committee holds their own bank account and administers budgets set by the Committee in accordance with funds within these accounts.

Each Committee is required to provide copies of annual financial statements/treasurer's report to Council.

## **7. IMPLEMENTATION STRATEGY**

### **DETAILS**

It is proposed to appoint the following community persons to the Committees named for a term of three years until 22 April 2020.

Chapple Vale Hall	Alistair MacDonald, Russell Mahoney, Sheryl Mahoney, Emma Ferrari, Jo MacDonald, Hayley Ferrari, Jenny Ferrari, Kate Bayley
Cressy Hall	Ashley Nelson, Don Potter, Jan Nelson, Ross Alexander, Rex Wellman, Brad Nelson, Paul Lamont, Ian Mowat, Alma Smart, Murray Horne, Ian Nelson
Barwon Downs Hall	Peter Mitchell, Fay Callahan, Albert Halliday, Carolie Nash, Rusty Berther, Denis Hylands, Robbie Halliday, Rhonda Dean, Sandy Batten
Lavers Hill Hall	Tracy Brauer, Kim Robertson, Virginia Atkins, Robert Atkins, Trevor Dempsey, Roz O'Loughlin, Ellen Rayner

### **COMMUNICATION**

A letter will be forwarded to the management committee advising of Council's endorsement for the appointment of a new committee for the ensuing three years.

### **TIMELINE**

Notification of formal appointment will occur as soon as practicable following the meeting.

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

No conflicts of interest, direct or indirect, have been made in relation to this item.

ORDINARY COUNCIL MEETING  
**ASSEMBLY OF COUNCILLORS**  
OM172604-10

<b>LOCATION / ADDRESS</b>	Whole of Municipality	<b>GENERAL MANAGER</b>	Mark Lyons
<b>OFFICER</b>	Sarah McKew	<b>DEPARTMENT</b>	Corporate Services
<b>TRIM FILE</b>	F16/6678	<b>CONFIDENTIAL</b>	No
<b>ATTACHMENTS</b>	<ol style="list-style-type: none"> <li>1. Assembly of Councillors - Friends of the Colac Botanic Gardens - 9 March 2017</li> <li>2. Assembly of Councillors - Councillor Briefing - 15 March 2017</li> <li>3. Assembly of Councillors - Councillor Briefing - 22 March 2017</li> <li>4. Assembly of Councillors - Councillor Briefing - 29 March 2017</li> <li>5. Assembly of Councillors - Councillor Briefing - 5 April 2017</li> </ol>		
<b>PURPOSE</b>	To note the Assemblies of Councillors		

## 1. LOCATION PLAN / AERIAL PHOTO

Not applicable

## 2. EXECUTIVE SUMMARY

The *Local Government Act 1989* 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. All relevant meetings have been recorded, documented and will be kept by Council for 4 years. The attached documents provide details of those meetings held that are defined as an Assembly of Councillors.

## 3. RECOMMENDATION

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

- *Friends of the Colac Botanic Gardens* **9 March 2017**
- *Councillor Briefing* **15 March 2017**
- *Councillor Briefing* **22 March 2017**
- *Councillor Briefing* **29 March 2017**
- *Councillor Briefing* **5 April 2017**



## 4. BACKGROUND / KEY INFORMATION

The *Local Government Act 1989* S.3 (1) defines an ‘Assembly of Councillors’ as:

A meeting of an advisory committee of the Council, if at least one Councillor is present, or a planned or scheduled meeting of at least half of the Councillors and one member of Council staff which considers or is likely to be:

- the subject of a decision of the Council or
- subject to the exercise of a function, duty or power of the Council that has been delegated to a person or committee.

The *Local Government Act 1989* S.3 (1) defines an Advisory Committee as:

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 S. 98 (Delegations).

### CRITERIA

When considering whether or not a committee is an advisory committee, there are two key criteria to consider:

- How is it established?
- What is its advisory role?

For a committee to be considered an ‘advisory committee’ under the Act, it must be established by the Council. This generally requires a decision to establish the committee by:

- Council resolution; or
- resolution of a special committee; or
- a Council management decision.

*Local Government Act 1989* S.80 requires a written record to be made by Council Staff member:

“At an assembly of Councillors, the Chief Executive Officer must ensure that a written record is kept of”:

- the names of all Councillors and members of Council staff attending; and
- the matters considered; and
- any conflict of interest disclosures made by a Councillor attending.

This information is:

- to be recorded (documented);
- to be retained by the Chief Executive Officer for 4 years;
- to be made available for public inspection at the Council Offices for 12 months after the date of the Assembly of Councillors.

### COUNCIL AGENDA

An agenda item is required to note the Assembly of Councillors.

It is a requirement that the written record of any Assembly of Councillors must be (as soon as practicable):

- reported at an ordinary meeting of the Council; and
- incorporated in the minutes of that Council meeting.

#### **WRITTEN RECORD**

The written record of an Assembly must include at least:

- the names of all Councillors and names of Council staff attending;
- the matters considered;
- any conflict of interest disclosures made by a Councillor attending;
- whether a Councillor who has disclosed a conflict of interest leaves the Assembly.

#### **PROCEDURE AT AN ASSEMBLY OF COUNCILLORS**

A Councillor who has a conflict of interest at an assembly of Councillors must:

- disclose to the meeting that he or she has a conflict of interest; and
- leave the meeting while the matter is being discussed and is recalled once the discussion has concluded.

#### **STAFF ATTENDANCE**

It is important that any meeting that is an assembly of Councillors should have at least one member of Council staff in attendance to:

- prepare the record of the Assembly;
- make recommendations about Council decisions;
- disclose any conflict of interest if applicable.

Relevant meetings in a Colac Otway Shire context that meet the reporting requirements include:

- Councillor Briefings (including pre-meeting briefings);
- Central Reserve Advisory Committee;
- Colac Livestock Selling Centre Advisory Committee;
- Friends of the Colac Botanic Gardens Advisory Committee; and
- Lake Colac Co-ordinating Committee.

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

Not applicable

## **6. ANALYSIS**

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

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

## ISSUES / OPTIONS

Not all gatherings or meetings at which Councillors are present will constitute assemblies of Councillors. For a meeting to be an assembly of Councillors it **MUST** be one of the two types of meetings described above.

Examples of Meetings or Committees that would **NOT** be defined as an Assembly of Councillors are:

- Ordinary Meeting of the Council;
- an Audit Committee established under S.139 of the *Local Government Act*;
- Special Committee of the Council;
- a committee or working group established by another organisation;
- chance meetings of Councillors and Council staff that are not planned or scheduled;
- meetings of other organisations such as clubs, associations, peak bodies or political parties.

## ENVIRONMENTAL IMPLICATIONS

Not applicable

## SOCIAL & CULTURAL IMPLICATIONS

Not applicable

## ECONOMIC IMPLICATIONS

Not applicable

## LEGAL & RISK IMPLICATIONS

The inclusion of the Assembly of Councillors report meets the compliance requirements of the *Local Government Act 1989*:

Section 80 A – requirements for an assembly of Councillors;

Section 3 (1) – definition of an ‘advisory committee’ and ‘assembly of Councillors’.

## RESOURCE IMPLICATIONS (FINANCIAL ETC)

Nil

# 7. IMPLEMENTATION STRATEGY

## DETAILS

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

- |  |               |
|--|---------------|
| • Friends of the Colac Botanic Gardens | 9 March 2017  |
| • Councillor Briefing                  | 15 March 2017 |
| • Councillor Briefing                  | 22 March 2017 |
| • Councillor Briefing                  | 29 March 2017 |
| • Councillor Briefing                  | 5 April 2017  |

## COMMUNICATION

The community engagement strategy follows the recommendations of the Colac Otway Shire Council Community Engagement Policy of July 2013, which details five levels of engagement – inform, consult, involve, collaborate and empower.

The method selected would be to inform. This is achieved by including documentation and notification of the Assembly of Councillors that have occurred to the public at the Ordinary Council meeting.

## TIMELINE

All meetings that are defined as an Assembly of Councillors will be recorded, documented and kept by Council for 4 years. They will be reported to the next practicable Ordinary meeting of Council.

## 8. OFFICER DIRECT OR INDIRECT INTEREST

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

## 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: 9, 3, 17

Time: 7.30 am/pm

Assembly Location: Colac Botanic Gardens Tearooms

(some e.g's. COPACC, Colac Otway Shire Offices, 2 - 6 Rae Street, Colac, Shire Offices - Nelson Street, Apollo Bay)

### In Attendance:

Councillors: Joe McCracken

Officer/s: MARK ROBINSON

Matter/s Discussed: Colac Friends of the Gardens March 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: N:1

Officer/s:

Left meeting at: 9.00 PM

Completed by: MARK ROBINSON

## Assembly of Councillors

### INVITEES:

Cr Smith, Cr Woodcroft, Cr Hanson, Cr Hart, Cr Schram, Cr Potter, Cr McCracken, Sue Wilkinson, Mark Lyons, Tony McGann, Gareth Smith

### ATTENDEES:

Cr Hanson, Cr Hart, Cr Potter, Cr Schram, Cr Woodcroft, Cr McCracken, Sue Wilkinson, Mark Lyons, Tony McGann, Gareth Smith, Doug McNeill, Jenny Wood, Heather Johnson, Greg Fletcher, Daniel Fogarty

### EXTERNAL ATTENDEES:

### APOLOGIES:

### ABSENT:

Cr Smith

Meeting commenced at 9.09am

	Declaration of Interest	Item	Reason
Nil			
9.15am – 10.05am	Colac 2050 Growth Plan - Population Housing Needs  Cr Potter left at 9.15am; returned at 9.23am Cr Woodcroft arrived at 9.38am		Doug McNeill
10.05am – 10.11am	ALGA National General Assembly of Local Government & MAV State Council – Motions		Jenny Wood
10.11am – 10.48am	Community Engagement - Council Plan, Budget, Municipal Health & Wellbeing Plan and Rating Strategy		Heather Johnson
10.48am – 11.03am	Break		



11.03am – 12.58pm	Council Plan Themes / Health & Wellbeing Plan  Cr McCracken arrived at 12.10pm Cr Potter left at 12.28pm	Heather Johnson Greg Fletcher
12.58pm – 1.25pm	Lunch	
1.25pm – 3.05pm	Cr Potter returned at 1.25pm  Budget Workshops – Draft Rating Strategy Overview Workshop	Daniel Fogarty
3.05pm – 3.55pm	Break	
3.55pm – 6.30pm	Budget Workshop – Operating Budget  Cr Woodcroft left at 6.00pm and did not return Cr Schram left at 6.06pm and did not return Cr McCracken left at 6.20pm and did not return Cr Hanson left at 6.20pm and did not return	Daniel Fogarty
6.30pm	Meeting closed	

Councillor Briefing – 15 March 2017



## Assembly of Councillors

### INVITEES:

Cr Smith, Cr Woodcroft, Cr Hanson, Cr Hart, Cr Schram, Cr Potter, Cr McCracken, Sue Wilkinson, Mark Lyons, Tony McGann, Gareth Smith

### ATTENDEES:

Cr Hart, Cr Schram, Cr Hanson, Cr McCracken, Cr Woodcroft, Mark Lyons, Gareth Smith, Jade Thomas, Jenny Wood, Sarah McKew, Ian Seuren, Greg Fletcher, Heather Johnson, Stewart Anderson

### EXTERNAL ATTENDEES:

Michael Scholtes, CEO of CRLC

### APOLOGIES:

Cr Potter, Sue Wilkinson

### ABSENT:

Cr Smith

Meeting commenced at 1.36pm

	Declaration of Interest	Item	Reason
Nil			
1.37pm – 1.58pm		Heathfield Estate – Leasing Update	Jade Thomas
1.58pm – 2.53pm		Library Services – CRLC Cr Hanson arrived at 2.30pm Cr McCracken arrived at 2.30pm	Ian Seuren Mark Scholtes
2.53pm – 3.00pm		Break	
3.00pm – 4.32pm		Draft Municipal Public Health and Wellbeing Plan 2017-2021 - 1st Draft Cr Woodcroft arrived at 3.30pm Cr Schram left the meeting at 4.03pm; returned at 4.32pm	Greg Fletcher Heather Johnson Stewart Anderson

4.32pm – 4.35pm	Break	
4.35pm – 5.32pm	Council Meeting Preparation	
5.32pm	Meeting closed	



## Assembly of Councillors

### INVITEES:

Cr Smith, Cr Woodcroft, Cr Hanson, Cr Hart, Cr Schram, Cr Potter, Cr McCracken, Sue Wilkinson, Mark Lyons, Tony McGann, Gareth Smith

### ATTENDEES:

Cr Potter, Cr Hanson, Cr Hart, Cr McCracken, Cr Schram, Sue Wilkinson, Mark Lyons, Heather Johnson, Tony McGann, Greg Fletcher, Daniel Fogarty

### EXTERNAL ATTENDEES:

### APOLOGIES:

Cr Woodcroft

### ABSENT:

Cr Smith

Meeting commenced at 9.17am

Declaration of Interest		Item	Reason
Cr Potter	Left the meeting at 4.54pm; returned at 4.55pm	General business – Confidential Contract	Indirect interest
Cr Hart	Left the meeting at 5.04pm; returned at 5.12pm	General business – Coles Development Progress Update	I have an indirect financial interest as I own Wesfarmers shares
9.17am – 10.32am	Council Plan Themes – Health & Wellbeing Plan  Cr Schram arrived at 9.28am; left at 10.32am		Heather Johnson
10.32am – 10.49am	Break		



10.49am – 12.00pm	Council Plan Themes – Health & Wellbeing Plan (continued)  Cr Potter left at 10.51am; returned at 10.52pm Cr Hart left at 11.46am; returned at 11.50am Cr Hart left at 11.54am; returned at 2.56pm	Heather Johnson
12.00pm – 2.56pm	Break	
2.56pm – 4.54pm	Overall Budget & Strategic Resource Plan (Budget)  Cr McCracken arrived at 2.56pm Cr Hanson left at 4.30pm and did not return	Daniel Fogarty
4.54pm – 5.30pm	General Business  1. Confidential Contract 2. Planning Update 3. Coles Development Progress Update 4. CBD & Entrances  Having declared a conflict of interest, Cr Potter left the meeting at 4.54pm; returned at 4.55pm Having declared a conflict of interest, Cr Hart left the meeting at 5.04pm; returned at 5.12pm Cr Hart left the meeting at 5.23pm and did not return	
5.30pm	Meeting closed	



## Assembly of Councillors

### INVITEES:

Cr Smith, Cr Woodcroft, Cr Hanson, Cr Hart, Cr Schram, Cr Potter, Cr McCracken, Sue Wilkinson, Mark Lyons, Tony McGann, Gareth Smith

### ATTENDEES:

Cr McCracken, Cr Potter, Cr Hart, Cr Woodcroft, Cr Hanson, Cr Schram, Sue Wilkinson, Mark Lyons, Tony McGann, Gareth Smith, Heather Johnson, Vige Satkunarajah, Suzanne Barker, Peter Macdonald, Ian Seuren, Barry Whelan, Stephen Wright, Jenny Wood, John Postma, Daniel Fogarty

### EXTERNAL ATTENDEES:

Adrian Fernon - Director/Principal Consultant, ASR Research Pty Ltd

### APOLOGIES:

### ABSENT:

Cr Smith

Meeting commenced at 9.07am

	Declaration of Interest	Item	Reason
	NIL		
9.07am – 12.09pm	Draft Council Plan – 1 <sup>st</sup> Draft & Consultation  Cr Woodcroft arrived at 9.49am Cr Hanson arrived at 10.18am Cr Hart left at 10.58am; returned at 11.02am Cr Schram arrived at 11.15am; left at 12.09pm		Heather Johnson
12.09pm – 12.22pm	Break		





12.22pm – 12.59pm	Colac 2050 Growth Plan – Community Infrastructure Planning  Presentation by Adrian Fernon - Director/Principal Consultant, ASR Research Pty Ltd	Vige Satkunarajah Greg Fletcher Peter Macdonald Ian Seuren Barry Whelan Stephen Wright
12.59pm – 1.56pm	Lunch	
1.56pm – 2.46pm	Delegations Overview	Jenny Wood Vige Satkunarajah John Postma
2.46pm – 3.07pm	Budget – Final Recap	Daniel Fogarty
3.07pm – 4.31pm	Break	
4.31pm – 5.48pm	Colac 2050 Growth Plan - Residential Growth Workshop (no written report)  Cr Schram returned at 4.31pm	Vige Satkunarajah Suzanne Barker
5.48pm – 6.00pm	General Business • Planning update	
6.00pm	Meeting closed	



ORDINARY COUNCIL MEETING  
**AUDIT COMMITTEE MINUTES – 7 DECEMBER 2017**  
OM172604-11

<b>LOCATION / ADDRESS</b>	Whole of Municipality	<b>GENERAL MANAGER</b>	Mark Lyons
<b>OFFICER</b>	Jenny Wood	<b>DEPARTMENT</b>	Corporate Services
<b>TRIM FILE</b>	F16/6678	<b>CONFIDENTIAL</b>	No
<b>ATTACHMENTS</b>	1. Audit Committee Summary Minutes – 7 December 2017		
<b>PURPOSE</b>	For Council to receive for information the Colac Otway Shire Audit Committee Minutes dated 7 December 2016.		

## RECOMMENDATION

**Recommendation**

***That Council receive for information the Colac Otway Shire Audit Committee Minutes dated 7 December 2016.***

AUDIT COMMITTEE MEETING  
**SUMMARY MINUTES**

WEDNESDAY, 7 DECEMBER 2016

at 8.45AM

COPACC

## COLAC OTWAY SHIRE AUDIT COMMITTEE MEETING

7 DECEMBER 2016

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## COLAC OTWAY SHIRE COUNCIL AUDIT COMMITTEE MEETING

MINUTES of the *AUDIT COMMITTEE MEETING OF THE COLAC OTWAY SHIRE COUNCIL*  
held at COPACC on 7 December 2016 at 8.45am.

### 1. OPENING OF MEETING

### 2. PRESENT

Mr Mike Said (Chair)  
Ms Linda MacRae  
Cr Jason Schram  
Cr Stephen Hart

Mark Lyons, General Manager, Corporate Services  
Mr Gareth Smith, General Manager, Development & Community Services  
(arrived 9.13am)  
Mr Daniel Fogarty, Manager, Financial Services  
Mr David Testa, Financial Operations Coordinator  
Mr Trevor Olsson, Acting Manager, People, Performance & Culture  
Mr Gavin Furney, Acting Manager, Information Services  
Mr Andrew Zavitsanos, Crowe Horwath  
Ms Jenny Wood, Manager, Governance and Customer Service  
Ms Sarah McKew, Governance Officer  
Ms Marni Young, Risk & OHS Coordinator (arrived 9.18am)

### 3. APOLOGIES

Ms Sue Wilkinson

### 4. DISCLOSURE OF ANY CONFLICTS OF INTEREST

Andrew Zavitsanos	
Nature of Disclosure:	Indirect Interest
Type of Indirect Interest:	78 B
Nature of Interest:	Employed by Crowe Horwath, as is newly elected Colac Otway Shire Councillor Kate Hanson, who works in a part-time capacity

Cr Jason Schram	
Nature of Disclosure:	Indirect Interest
Type of Indirect Interest:	78 B
Nature of Interest:	Personal business awarded an existing Colac Otway Shire contract for Roadside Furniture Spraying

5. CONFIRMATION OF MINUTES – PREVIOUS MEETING

- Audit Committee Meeting held on the 6 September 2016.

*RESOLUTION*

*MOVED Cr Stephen Hart seconded Mr Mike Said*

*That the Audit Committee confirm the above minutes.*

*CARRIED 2 : 0*

Ms Linda MacRae arrived at the meeting at 9.03am.

Cr Jason Schram arrived at the meeting at 9.08am.

6. BUSINESS ARISING FROM THE PREVIOUS MEETING

Nil

**AC160712-1 8.9 (B) – APPOINTMENT OF CHAIRPERSON**

AUTHOR:	Jenny Wood	ENDORSED:	Mark Lyons
DEPARTMENT:	Corporate Services	FILE REF:	F16/5852

**RESOLUTION**

***MOVED Ms Linda MacRae seconded Cr Stephen Hart***

***That the Audit Committee appoints Mr Mike Said as the Chairperson of the Audit Committee until 1 December 2017.***

***CARRIED 4 : 0***



**AC160712-2 CEO STATEMENT OF COMPLIANCE**

AUTHOR:	Mark Lyons	ENDORSED:	Sue Wilkinson
DEPARTMENT:	Corporate Services	FILE REF:	F16/5852

**Original Recommendation**

*That the Audit Committee notes the following topics:*

1. *Reportable Incident at Colac Depot and recommends the engagement of independent expertise to review and improve current safety systems.*
2. *Local Government Elections*
3. *Enterprise Bargaining Agreement*
4. *Flood Event & Coastal Landslides*

**ALTERNATIVE MOTION**

*MOVED Cr Jason Schram seconded Ms Linda MacRae*

*That the Audit Committee notes the following topics:*

1. *Reportable Incident at Colac Depot and recommends the engagement of independent expertise to review and improve current safety systems and further, the Audit Committee strongly recommends that the three reviews be done as a matter of expediency.*
2. *Local Government Elections*
3. *Enterprise Bargaining Agreement*
4. *Flood Event & Coastal Landslides*

**CARRIED 4 : 0**

Cr Jason Schram left meeting at 9.19am.

Cr Jason Schram returned to the meeting at 9.21am.

Gareth Smith left the meeting at 9.23am.

**AC160712-3**

**8.1 (E) FINANCIAL REPORTING - REVIEW FORM AND CONTENT OF QUARTERLY REPORTS**

AUTHOR:	Daniel Fogarty	ENDORSED:	Mark Lyons
DEPARTMENT:	Corporate Services	FILE REF:	F16/5851

**RESOLUTION**

**MOVED** *Cr Stephen Hart seconded Cr Jason Schram*

*That the Audit Committee receives the report on the First Quarter Financial Performance Report for 2016/2017 for information.*

**CARRIED 4 : 0**

The Chairman wished to have noted his congratulations to finance staff on the prompt turnaround of reports.

**AC160712-4****8.2 (A) INTERNAL CONTROL – IT SECURITY AND CONTROL ENVIRONMENT REVIEW**

AUTHOR:	Gavin Furney	ENDORSED:	Mark Lyons
DEPARTMENT:	Corporate Services	FILE REF:	F16/6678

**Original Recommendation**

*That the Audit Committee notes the report on IT Security and Control Environment Review and the continuous improvements addressing the recommendations in the Internal Audit Report – “IT Control Environment Review”.*

**ALTERNATIVE MOTION**

**MOVED** Cr Stephen Hart seconded Mr Mike Said

- 1. That the Audit Committee notes the report on IT Security and Control Environment Review and the continuous improvements addressing the recommendations in the Internal Audit Report – “IT Control Environment Review”.*
- 2. That officers conduct a self-evaluation gap analysis against the Financial Systems Control Report issued by the Auditor General in November 2016, in time for the June Audit Committee meeting.*

**CARRIED 3 : 0**

Ms Linda MacRae left the meeting at 9.38am.

Ms Linda MacRae returned to the meeting at 9.40am.

**AC160712-5****8.3 (C) & (D) – RISK MANAGEMENT – RISK MANAGEMENT ADHERENCE REPORT**

AUTHOR:	Trevor Olsson	ENDORSED:	Mark Lyons
DEPARTMENT:	Corporate Services	FILE REF:	F15/4519

**Original Recommendation**

1. *That the Audit Committee receives the Risk Management Adherence Report as at November 2016.*

**ALTERNATIVE MOTION**

**MOVED Ms Linda MacRae seconded Cr Stephen Hart**

1. *That the Audit Committee receives the Risk Management Adherence Report as at November 2016.*
2. *That the Full Strategic Risk Register be provided to the Audit Committee and that officers report back at the next Audit Committee meeting.*
3. *That the Audit Committee members review the detailed hard copies of the Risk Management Adherence Report issued today and provide any feedback through “reply all” to Jenny Wood.*
4. *That the Audit Committee members note the CGU Trend Analysis performance rating and the significant improvement in that rating and its favourable comparison to the industry average.*
5. *That the Audit Committee note the comments about staff fatigue issues and refer them to the Chief Executive Officer.*
6. *That a report come to Audit Committee in March with extreme risks and the impact to Council on any risk that is a high or extreme risk that is being tolerated.*

**CARRIED 4 : 0**

**AC160712-6****8.4 (B) & (C) FRAUD PREVENTION/AWARENESS – FRAUD CONTROL PROGRAM**

AUTHOR:	Daniel Fogarty	ENDORSED:	Mark Lyons
DEPARTMENT:	Corporate Services	FILE REF:	F16/5851

**RESOLUTION**

***MOVED Ms Linda MacRae seconded Cr Jason Schram***

***That the Audit Committee receives the Fraud Control Program Report for the period  
1 May 2016 to 31 October 2016.***

***CARRIED 4 : 0***

**AC160712-7**  
**8.6 (C) INTERNAL AUDIT –**  
**REVIEW AND APPROVE INTERNAL AUDIT SCOPES AND PROGRESS**

AUTHOR:	Jenny Wood	ENDORSED:	Mark Lyons
DEPARTMENT:	Corporate Services	FILE REF:	F16/5852

**Original Recommendation**

*That the Audit Committee notes the Internal Audit Progress Report as at November 2016.*

**ALTERNATIVE MOTION**

**MOVED** Cr Stephen Hart seconded Cr Jason Schram

- 1. That the Audit Committee notes the Internal Audit Progress Report as at November 2016.*
- 2. That the MAP Confidential Information scope be distributed to Audit Committee members prior to the next meeting and that feedback is forwarded "reply all" to Jenny Wood.*
- 3. That the order of Audits to be conducted in 2017 be changed to have the confidential information audit before the Section 86 Committees audit.*

**CARRIED 4 : 0**

**AC160712-8**

**8.6 (E) INTERNAL AUDIT – INTERNAL AUDIT REPORTS –  
RISK MANAGEMENT AND INSURANCE**

AUTHOR:	Jenny Wood	ENDORSED:	Mark Lyons
DEPARTMENT:	Corporate Services	FILE REF:	F16/5852

**RESOLUTION**

***MOVED Cr Jason Schram seconded Ms Linda MacRae***

***That the Audit Committee receives the Internal Audit Report on Risk Management and Insurance noting management comments.***

***CARRIED 4 : 0***

**Mark Lyons left the meeting at 10.56am.**

**Mark Lyons returned to the meeting at 10.58am.**



**AC160712-9 8.8 (C) COMPLIANCE – EXCESS ANNUAL LEAVE REPORT**

AUTHOR:	Trevor Olsson	ENDORSED:	Mark Lyons
DEPARTMENT:	Corporate Services	FILE REF:	F16/6671

**RESOLUTION**

***MOVED Cr Stephen Hart seconded Cr Jason Schram***

***That the Audit Committee receives the report on Excess Annual Leave.***

***CARRIED 4 : 0***

Trevor Olsson and Marni Young left the meeting at 11.07am.

Cr Stephen Hart left the meeting at 11.07am.

Cr Stephen Hart returned to the meeting at 11.09am.

**AC160712-10 8.10 (A) OTHER – REVIEW AUDIT COMMITTEE PLAN 2017**

AUTHOR:	Jenny Wood	ENDORSED:	Mark Lyons
DEPARTMENT:	Corporate Services	FILE REF:	F16/5852

**RESOLUTION**

**MOVED Ms Linda MacRae seconded Cr Stephen Hart**

- 1. That the Audit Committee notes the updated Audit Committee Plan for 2017**
- 2. That the Audit Committee confirms the 2017 meeting dates and times:**
  - *Wednesday 8 March 2017 - 9 am*
  - *Wednesday 14 June 2017 - 9 am*
  - *Wednesday 6 September 2017 - 9 am*
  - *Wednesday 6 December 2017 - 9 am*

**CARRIED 4 : 0**

Sarah McKew left the meeting at 11.29am.

Sarah McKew returned to the meeting at 11.34am.

**AC160712-11 8.10 (C) EVALUATE THE PERFORMANCE OF THE AUDIT COMMITTEE**

AUTHOR:	Jenny Wood	ENDORSED:	Mark Lyons
DEPARTMENT:	Corporate Services	FILE REF:	F16/5852

**RESOLUTION**

**MOVED** Cr Jason Schram seconded Ms Linda MacRae

*That the Audit Committee note the results of the review of the effectiveness of the Audit Committee.*

**CARRIED 4 : 0**

David Testa left the meeting at 11.46am.

*The Meeting Was Declared Closed at 11.49am*

**CONFIRMED** at the meeting held on 8 MARCH 2017



.....

## 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>SUBJECT</b>	<b>REASON</b>	<b>SECTION OF ACT</b>
<b>Minutes of In Committee Council Meeting held on 22 March 2017</b>	this matter deals with contractual matters; AND this matter may prejudice the Council or any person.	Section 89 (2) (d) & (h)
<b>Contract 1706 - Supply and Delivery of Grader</b>	this matter deals with contractual matters.	Section 89 (2) (d)