

Corangamite Shire

MINUTES

Ordinary Council Meeting

Held 7.00 pm • Tuesday 24 January 2017

Killara Centre

210-212 Manifold Street, Camperdown

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**MINUTES OF THE ORDINARY MEETING OF THE CORANGAMITE
SHIRE COUNCIL HELD AT KILLARA CENTRE, 210-212 MANIFOLD
STREET, CAMPERDOWN 7.00 PM ON
24 JANUARY 2017**

1. PRESENT

Councillors J. Beard (Chairperson), L. Brown, H. Durant, R. Gstrein,
S. Illingworth, B. McArthur, N. Trotter.

Officers Andrew Mason, Chief Executive Officer
Ian Gibb, Director Sustainable Development
Brooke Love, Director Works and Services
David Rae, Director Corporate and Community Services
Greg Hayes, Manager Planning and Building Services
John Kelly, Manager Assets Planning
Adam Taylor, Manager Finance
Jarrod Woff, Manager Facilities and Recreation

2. APOLOGIES

Nil.

3. DECLARATIONS OF CONFLICT OF INTEREST

Cr J. Beard declared a direct conflict of interest in Agenda items 5 and 10.8 and left the meeting prior to any discussion or vote on the matter.

4. CONFIRMATION OF MINUTES

RECOMMENDATION

That the Minutes of the Corangamite Shire Ordinary Council meeting held on Tuesday 20 December 2016 be confirmed.

COUNCIL RESOLUTION

MOVED: Cr Gstrein
SECONDED: Cr Brown

That the recommendation be adopted.

CARRIED

DISCLAIMER

The advice and information contained herein is given by the Council without liability or responsibility for its accuracy. Before placing any reliance on this advice or information, a written enquiry should be made to the Council giving the entire reason or reasons for seeking the advice or information and how it is proposed to be used.

5. DEPUTATIONS & PRESENTATIONS

The Mayor, Cr J. Beard, invited members of the public who had requested to address Council to make their presentations.

Cr J. Beard declared a direct conflict of interest in Agenda item 5 and left the meeting prior to any discussion or vote on the matter.

Prior to vacating the chair, Cr J Beard called for an election of temporary chairperson.

COUNCIL RESOLUTION

MOVED: *Cr McArthur*
SECONDED: *Cr Illingworth*

That Council appoints Cr Neil Trotter as temporary chairperson.

CARRIED

The Mayor, Cr J. Beard, vacated the chair and left the meeting at 7.02 pm .

Cr N. Trotter assumed the chair.

The following item was submitted:

- Dick Tracey, regarding Agenda item 10.8, Special Charge Scheme - Installation of Footpath in Adams and Clarke Streets, Cobden.

Cr J. Beard returned to the meeting at 7.09 pm.

Cr N. Trotter vacated the chair. The Mayor assumed the chair.

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6. MAYOR'S REPORT

6.1 Mayor's Report

Author: Jo Beard, Mayor

File No: D17/26

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - Jo Beard

In providing this advice to Council as the Mayor, I have no interests to disclose in this report.

Issues

As we begin 2017, it is a relief to be writing this report knowing that our region has not had to face the natural disasters that were experienced during the Christmas and New Year period in 2015-2016. Although a devastating time, as Mayor I was proud of the way in which our Shire staff and community members responded to help out our Colac Otway neighbours and offer assistance in any way we could.

When times are tough, our residents have a unique way of coming together and assisting no matter what we have to confront. We have our neighbours' back because that is what we do and it is something that really does make Corangamite Shire such a great community to be a part of. As Australians, it is part of our identity to support others and give back to the community, and indeed the country, where we live. We have an amazing network of volunteers who continue to both inspire and enrich the country we are fortunate enough to call home.

On Australia Day, I encourage all residents to come along to Lismore and acknowledge some of these selfless individuals who will be awarded at our Australia Day celebrations. It is during the presentation of these awards where you really do begin to appreciate the incredible people who live in the Shire and the work they have been completing (some for more than 50 years) to make their town or their community a better place for others. While these people often prefer to complete this work without recognition or award, I think it is important that we do celebrate the outstanding work that they complete.

As part of the Australia Day celebrations, we will also have the opportunity to recite the Australia Day Affirmation and sing our National Anthem loudly (and yes, we do include the second verse!). There is also one of my favourite parts to the day, the welcoming of our newest Australian citizens through a citizenship ceremony. There will also be a community barbeque held following the official ceremony, with there being nothing more Australian than sharing a sausage and having a chat to others in the community and being reminded about what makes Australia great.

Personally, it is my absolute honour to be leading Corangamite Shire on this day. As I stand in front of my fellow citizens, I feel proud and privileged to be not only an Australian, but a citizen of Corangamite Shire. It is my home, a place where my husband and I chose to raise our two boys. To be able to provide them with the opportunities and upbringing that we were so fortunate to have, and to give back to our community in a way that it has given so much to us, really does provide me with a lot of satisfaction. The incredible landscapes, the diversity of lifestyle, the safe backyards for our children to grow up in, the opportunities for a fulfilled future, and most of all the wonderful and caring people, all play a part in making Corangamite such a great place to live.

So, I encourage all residents and visitors to come along on 26 January and join us at the Lismore Community Centre at 10 am. Come and help us celebrate all our wonderful volunteers and be reminded of how lucky we are to call Australia home.

On another note, the beginning to this New Year has seen some long overdue announcements in terms of road funding for parts of our Shire. While Council would still like to see many more millions of dollars invested on the VicRoads arterial road network, it was pleasing to see, that after many years of advocacy and lobbying, funding was announced for Foxhow Road. This funding will see the widening of two notorious sections of this road, which is the source of so many complaints from residents and visitors alike.

This announcement, coupled with funding for upgrades to the Ayresford Road, Terang-Mortlake Road and the Princes Highway demonstrates that the State Government are starting to listen and understand that our region will no longer be treated as second class citizens. Our region contributes significantly to the State and national economy, but to stay competitive we need a regional road network that allows our agricultural and tourism industries to grow.

As Mayor, it is one of the most important issues we face and I will be continuing to advocate on behalf of all residents that both our Shire and the region need significant road funding announcements to bring our State arterial road network back to an acceptable standard.

Information only.

7. COMMITTEE REPORTS

7.1 Audit Committee Report

Author: David Rae, Director Corporate and Community Services

File No: D16/777

Previous Council Reference: 18 October 2016, Item 7.1

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - David Rae

In providing this advice to Council as the Director Corporate and Community Services, I have no interests to disclose in this report.

Summary

This report provides Council with a summary of business considered at the 8 December 2016 meeting of the Audit Committee.

Introduction

The Audit Committee (the Committee) is an independent advisory committee to Council. The primary objective of the Committee is to assist Council in the effective conduct of its responsibilities for financial reporting, management of risk, maintaining a reliable system of internal controls and facilitating the organisation's ethical development.

Issues

Attendees at the Committee meeting were as follows:

Councillors: Cr Bev McArthur, Cr Neil Trotter, Cr Jo Beard (ex officio member)

Independent Members: Nancy Johnson (Chairperson)
Colin Hayman
Andrew Jeffers

Officers: Andrew Mason, Chief Executive Officer
David Rae, Director Corporate and Community Services
Adam Taylor, Manager Finance

Guests: Andrew Zavitsanos, Crowe Horwath (Internal Auditor)

Declaration of Conflict of Interest: Nil

The Committee considered the following matters at the meeting:

- Audit Committee meeting dates for 2017
- Review of Annual Work Plan
- Audit Committee Charter Annual Review
- Audit Committee Annual Performance Review
- Internal Audit Plan 2016-2017
- Status update of outstanding Internal Audit recommendations
- Quarterly Finance Report as at September 2016
- Business Continuity Framework biennial review
- ICT Disaster Recovery Plan biennial review
- Corangamite Shire Landfill Management Annual Report to the Audit Committee
- Victorian Auditor General's Office 2015-2016 Audit Results for Local Government
- Internal Audit Service Provider Annual Performance Review.

Review of Audit Committee Charter

In accordance with the Audit Committee's annual work plan, amendments to the Committee's Charter were considered following release of the Local Government Act Review Directions Paper and the Victorian Auditor General's Office Report into Audit Committee Governance. The amendments recommended by the Audit Committee are detailed below with the major change proposed being to strengthen the Committee's independence by stipulating a majority of independent members. This is consistent with the reforms proposed in the Directions paper.

Composition

- The Committee will consist of five members:
 - Two Council members (internal members);
 - Three independent members (external members).
- Council will appoint Committee members and the Committee chair:
 - External members are appointed for a three year term following an expression of interest which is assessed by a panel consisting of Council members and the Chief Executive Officer, or delegate.
 - Council members are appointed by Council annually.
- If Council proposes to remove an external member of the Committee, it must give written notice to the external member of its intention to do so.
- Councillors who are not members of the Committee are able to attend as observers.

Meetings

- A quorum shall be three members of the Committee including two external members.
- Councillors who are not members of the Committee are able to attend as observers.

The amendments are reflected in the revised Charter attached. The revised Charter also includes minor grammatical amendments. A tracked changes version of the Charter is also attached under separate cover.

Internal Audit Plan 2016-2017

In accordance with the Audit Committee's Charter, the audit plan for 2016-2017 must be approved by Council. The 2016-2017 annual audit plan was programmed for consideration in July 2016, however, was deferred to allow for the appointment of an internal audit service provider for a three year period commencing 1 October 2016. The Audit Committee recommends Council approves the following reviews for 2016-2017:

- Review 1: Refresh of Risk (Strategic Risk Assessment) profile:

- The objective of the engagement is to review and update Council risk register in order to inform the medium term audit plan.
- Review 2: Procurement and Tendering:
 - This internal audit will consider the adequacy and effectiveness of processes and controls surrounding the purchasing and tendering function.

Policy and Legislative Context

Reporting of the Audit Committee's activities is consistent with the Council Plan 2013-2017 which includes the following commitments:

Council will demonstrate high levels of ethical behaviour and corporate governance standards. We will make budgetary decisions that are reflective of our financial circumstances. We will advocate for and with the community to achieve outcomes.

Model contemporary standards of corporate governance and professional standards.

Financial and Resource Implications

There are no financial and resource implications as a consequence of this report.

Internal / External Consultation

The Audit Committee Charter was developed in consultation with the both the Audit Committee and Council's internal auditor, Crowe Horwath, during 2012. The Charter was adopted by Council at its ordinary meeting in February 2013. The Charter was most recently reviewed by the Audit Committee in December 2016.

The proposed internal audit work plan for 2016-2017 is recommended by the Audit Committee after being considered at its December 2016 meeting following consultation with Council's internal auditor, Crowe Horwath.

Options

Council may wish to:

1. Approve the revised Audit Committee Charter, with or without amendment, and the proposed internal audit reviews for 2016-2017; or
2. Not approve the revised Audit Committee Charter or proposed internal audit reviews for 2016-2017.

Conclusion

The next meeting of the Audit Committee is scheduled for March 2017 and a report on that meeting will be presented at the April 2017 Council meeting. Council is requested to approve the revised Audit Committee Charter and internal audit reviews for 2016-2017 as recommended by the Audit Committee.

RECOMMENDATION

That Council:

1. Revokes the Audit Committee Charter dated December 2015.
2. Adopts the Audit Committee Charter dated December 2016 as attached to this report.
3. Approves the following internal audit reviews to be completed by Crowe Horwath for 2016-2017:
 - (a) Refresh of Risk (Strategic Risk Assessment) profile.
 - (b) Procurement and Tendering.

COUNCIL RESOLUTION

MOVED: *Cr Trotter*
SECONDED: *Cr McArthur*

That the recommendation be adopted.

CARRIED

Attachments

1. Audit Committee Charter - Revised December 2016
2. Audit Committee Charter - Revised December 2016 (Tracked Changes) - Under Separate Cover

Audit Committee Charter



CORANGAMITE
SHIRE

Revised December 2016

Purpose

The Audit Committee (Committee) is an independent advisory committee to Corangamite Shire Council (Council) and constituted in accordance with Section 139 of the *Local Government Act 1989* (the Act).

The primary objective of the Committee is to assist Council in the effective conduct of its responsibilities for financial reporting, internal control, risk management, business continuity, internal audit, external audit, organisation compliance and fraud. This Charter will assist Council in facilitating its objectives in this regard.

The Chief Executive Officer, or delegate, has responsibility to provide secretariat services and officer advice in respect of matters before the Committee.

Authority

The Committee has the authority for advising Council on:

- Seeking resolution on any disagreements between management and the external auditors on financial reporting.
- Reviewing all auditing matters, including audit planning and audit outcomes.
- Seeking any information it requires from Councillors, and Council officers via the Chief Executive Officer and external parties.
- Formally meeting with Council officers, internal and external auditors as necessary.
- The Chair, as permitted under Section 139(6A) of the Act, may require any report prepared by the Committee to be listed on the agenda for the next ordinary meeting of the Council.

Composition

- The Committee will consist of five members:
 - Two Council members (internal members);
 - Three independent members (external members).
- Council will appoint Committee members and the Committee chair:
 - External members are appointed for a three year term following an expression of interest which is assessed by a panel consisting of Council members and the Chief Executive Officer, or delegate.
 - Council members are appointed by Council annually.
- The Chair of the Committee must:
 - be an independent member, that is, must not be a Councillor;
 - not be a member of Council staff; and
 - be suitably qualified.
- At least one independent Committee members must be suitably qualified, that is, competent, including relevant tertiary qualifications, and experienced in financial matters
- If Council proposes to remove an external member of the Committee, it must give written notice to the external member of its intention to do so.

Meetings

- The Committee will meet at least four times a year, with authority to convene additional meetings, as circumstances require. Additional meetings shall be convened at the discretion of the Chairperson or at the written request of any member of the Committee, the internal auditor or the external auditor.
- All Committee members are expected to attend each meeting, in person or through teleconference.
- The Chief Executive Officer, or delegate, will facilitate the meetings of the Committee and invite Council officers, auditors or others to attend meetings to provide pertinent information, as necessary.
- Meeting agendas will be prepared and provided at least one week in advance to members, along with appropriate briefing materials.
- A quorum shall be three members of the Committee including two external members.
- Meetings are closed to the public given the sensitive nature of material considered by the Committee.
- Council's internal auditor shall be in attendance at all meetings.
- Council's external auditor must attend meetings considering the draft annual financial statements and results of the external audit and be extended an invitation for all other meetings.
- Councillors who are not members of the Committee are able to attend as observers.
- Minutes will be prepared and circulated to Committee members within seven days of the meeting.

Responsibilities

The Committee will carry out the following responsibilities.

Financial Reporting

- Review significant accounting and reporting issues, including complex or unusual transactions and highly judgemental areas, and recent accounting, professional and regulatory pronouncements and legislative changes, and understand their effect on the financial report.
- Review with management and the external auditors the results of the audit, including any difficulties encountered.
- Review the annual financial statements, and consider whether it is complete, consistent with information known to Committee members, and reflects appropriate accounting principles.
- Review with management and the external auditors all matters required to be communicated to the Committee under the Australian Auditing Standards.

Internal control

- Understand the scope of internal and external auditors' review of internal controls over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.

Risk management

- Monitor the systems and process via Council's risk profile to ensure that material operational risks to Council are dealt with appropriately.
- Monitor the process of review of Council's risk profile.
- Consider the adequacy of actions taken to ensure that the material business risks have been dealt with in a timely manner to mitigate exposures to Council.

Business continuity

- Monitor processes and practices of Council to ensure effective business continuity.

Internal audit

- Review with management and the internal auditor the charter, activities, staffing, and organisational structure of the internal audit function.
- Review and recommend the annual audit plan for approval by Council and all major changes to the plan.
- Monitor processes and practices to ensure that the independence of audit function is maintained.
- As part of the Committee's annual assessment of performance, determine level of satisfaction with internal audit function having consideration of the Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing.
- Once every Council term develop a medium-term work plan for internal audit which is to be reviewed annually. This should be developed in the first year of a new Council term.
- Monitor that the internal auditor's annual plan is linked with and covers the material business risks.
- Provide an opportunity at each meeting for the Committee to meet with the internal auditor, when in attendance, to discuss any matters that the Committee or internal auditor believes should be discussed privately without management present.

External audit

- Note the external auditor's proposed audit scope and approach, including any reliance on internal auditor activity.
- Provide an opportunity at each meeting for the Committee to meet with the external auditors, when in attendance, to discuss any matters that the Committee or the external auditors believe should be discussed privately without management present.

Compliance

- Review the systems and processes to monitor effectiveness of the system for monitoring compliance with legislation and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.
- Keep informed of the findings of any examinations by regulatory agencies, any auditor (internal or external) observations and monitor management's response to these findings.
- Obtain regular updates from management about compliance matters.

Reporting responsibilities

- Report regularly to Council about Committee activities, issues, and related recommendations through circulation of minutes. Additional updates may be appropriate should issues of concern arise.
- Monitor that open communication between the internal auditor, the external auditors, and Council occurs.
- Report annually to stakeholders, describing the Committee's composition, responsibilities and how they were discharged, and any other information required by regulation, including approval of non-audit services.
- Consider the findings and recommendations of relevant Performance Audits undertaken by the Victorian Auditor-General and to ensure Council implements relevant recommendations.
- Management is to report any material error in any financial statements to the Committee immediately it becomes known.

Fraud

- Ascertain whether fraud risks have been:
 - Identified, analysed, evaluated, have an appropriate treatment plan which has been implemented, communicated, monitored and there is regular reporting and ongoing management of fraud risks.
 - Included in the assessment of the risk profile of Council and have been appropriately addressed.
- Monitor Council's fraud prevention and detection framework, including any action taken with respect to actual and suspected instances of fraud.
- Monitor management's efforts to create and maintain a strong internal control environment, including the design and implementation of anti-fraud strategies and programs, conduct of fraud awareness seminars or training courses to increase staff awareness of activities that amount to fraud.
- Management is to report any incidents of actual or suspected fraud immediately it becomes known.

Other responsibilities

- Perform other activities related to this charter as requested by Council or Special Committees of Council.
- Develop an annual work plan.
- Review and assess the adequacy of the Committee's charter annually, requesting Council approval for proposed changes, and ensure appropriate disclosure as might be required by legislation or regulation.
- Confirm annually that all responsibilities outlined in this charter have been carried out.
- Evaluate the Committee's performance annually.

Remuneration of members

Section 139(7) of the Act allows Council, at its discretion, to pay a fee to a member of the Committee who is not a Councillor or member of Council staff (i.e. independent member). The amount of the fee paid to an independent member is at the discretion of the Council. The fee will reflect the time, commitment and responsibility involved in serving as a member of the Committee.

Conflicts of Interest

The Act identifies direct and indirect conflicts of interest which require disclosure as and when they may arise as they are likely to compromise the independence of a Committee member in relation to the matter to which they relate. Section 139(4A) of the Act subjects members of the Committee to the provisions of sections 76D and 79 of the Act.

The nature of the work of the Committee will provide its members with access to information about the day to day operations of Council including information that may be commercial in confidence. Members of the Committee must recognise the responsibilities associated with their access to this information, in particular with regard to its use or misuse.

Section 76D of the Act makes it an offence for a member the Committee to misuse his or her position to:

- Gain or attempt to gain, directly or indirectly, an advantage for themselves or for any other person; and
- Cause, or attempt to cause, detriment to the council or to another person.

Members of the Committee must be fully aware of their responsibilities with regard to the management of interests in relation to the discharge of their duties as a member of the Committee. The management of interests includes the proper disclosure of any conflicts of interest as and when they may arise. Section 79 of the Act makes it mandatory for members of the Committee to disclose all conflicts of interest prior to the discussion of the matter for which the conflict of interest has arisen. Members of the Committee must also be fully aware of the statutory definitions of direct and indirect interests which may give rise to a conflict of interest. These are set out in sections 77A, 77B, 78, 78A, 78B, 78C and 78D of the Act.

Other Matters

- The Committee may request Council to obtain independent legal or professional advice if and when it requires.
- Council and Committee members are to have regard to the publication 'Audit Committees - A Guide to Good Practice for Local Government' as issued by Local Government Victoria, January 2011.

Revision

Council's Charter was developed and adopted in 2003 and revised by Council in 2008, and annually from 2012.. In 2012 the Charter was extensively reviewed against 'Audit Committees - A Guide to Good Practice for Local Government' as issued by Local Government Victoria, January 2011. The Charter is reviewed annually by the Committee with amendments approved by Council.

7.2 Audit Committee - Annual Report to Council

Author: David Rae, Director Corporate and Community Services

File No: D16/778

Previous Council Reference: 27 January 2016, Item 7.2

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - David Rae

In providing this advice to Council as the Director Corporate and Community Services, I have no interests to disclose in this report.

Summary

The purpose of this report is to provide Council with a summary of the activities undertaken by the Audit Committee (the Committee) during 2016 in accordance with the Committee Charter.

Introduction

Audit committees play a critical role in the financial reporting framework of councils by overseeing and monitoring the participation of management and external auditors in the financial reporting process. They also address issues such as the approach being adopted by a council and management to address business risks, corporate and financial governance responsibilities and legal compliance. A council may also refer issues of a strategic nature to their audit committee. The principal functions and extent of authority for an audit committee are set out in the *Local Government Act*.

In 2012, Council resolved to enhance the Committee's effectiveness through a review of the Committee's Charter, the appointment of an internal auditor and the appointment of a majority of independent Audit Committee members. These initiatives were implemented as a result of the publication "Audit Committees – A Guide to Good Practice for Local Government" published in February 2011 and approved by the Minister for Local Government.

The Audit Committee's Charter requires the Committee must:

Report annually to stakeholders, describing the Committee's composition, responsibilities and how they were discharged, and any other information required by regulation, including approval of non-audit services.

Issues

The Committee met four times during the review period. The Committee membership did not change. The Committee had a successful year and met its objectives. The Committee's engagement with Council management was positive, which ensures a continuing and strong commitment to corporate governance and improving internal controls. Significant progress was also made in the Internal Audit function, particularly in regards to risk management, with Crowe Horwath reappointed as Council's internal auditor in August 2016.

Committee Members

The Committee was comprised of the following members during the year:

- Independent members:
 - Ms Nancy Johnson (Chairperson)
 - Mr Andrew Jeffers
 - Mr Colin Hayman
- Councillors:
 - Councillor Bev McArthur (from 24 November 2016)
 - Councillor Neil Trotter
 - Councillor Ruth Gstrein (until 22 October 2016)
 - The Mayor attended as an ex-officio Committee member.

Attendee	Meeting			
	10/03/2016	09/06/2016	08/09/2016	08/12/2016
Members				
Nancy Johnson	✓	x	✓	✓
Andrew Jeffers	✓	✓	✓	✓
Colin Hayman	✓	✓	✓	✓
Bev McArthur	n/a	n/a	n/a	✓
Ruth Gstrein	x	✓	✓	n/a
Neil Trotter	✓	✓	✓	✓
Jo Beard	✓	✓	✓	✓

In Attendance

The followings individuals attended Committee meetings during the year:

- Council officers:
 - Mr Andrew Mason, Chief Executive Officer
 - Mr David Rae, Director Corporate and Community Services
 - Mr Ian, Gibb, Director Sustainable Development
 - Ms Brooke Love, Director Works and Services
 - Mr Adam Taylor, Finance Manager
 - Mr Greg Hayes, Manager Planning and Building Services
- Coffey Hunt, agent of the Victorian Auditor General's Office (External Auditor):
 - Mr Chris Kol, Coffey Hunt
- Crowe Horwath (Internal Auditor):
 - Mr Andrew Zavitsanos, Manager.

Meetings

Issues considered by the Committee during the period included:

- Meeting 10 March 2016:
 - 2015-2016 External Audit Strategy
 - 2014-2015 External Audit Management Letter - Outstanding Recommendations
 - Internal Audit Review - Statutory Building Services
 - Finance Policy Reviews
 - Investment Policy
 - Fraud Prevention and Control Policy
 - Governance and Management Attestation as at 31 December 2015
 - Risk Management Policy Review
 - Finance Report as at November 2015
 - Risk Profile Update

- Meeting 9 June 2016:
 - 2015-2016 External Audit Interim Management Letter
 - Internal Audit Review – Management of Council Operated Kindergartens
 - Procurement Policy Review 2016
 - Status Update – Internal Audit Recommendations
 - Risk Management Update
 - 2016-2017 Budget
 - Finance Report for period ending 31 March 2016
- Meeting 8 September 2016:
 - 2015-2016 Financial Statements and Performance Statement
 - 2015-2016 Draft Management Letter
 - 2015-2016 Procurement Summary
 - Fraud Control Plan Annual Review
 - Strategic Risk Profile Biannual Update
 - Health and Safety Management System Review
 - Finance Report for period ending 31 May 2016
- Meeting 8 December 2016:
 - Audit Committee meeting dates for 2017
 - Review of Annual Work Plan
 - Audit Committee Charter Annual Review
 - Audit Committee Annual Performance Review
 - Internal Audit Plan 2016-2017
 - Status update of outstanding Internal Audit recommendations
 - Quarterly Finance Report as at September 2016
 - Business Continuity Framework biennial review
 - ICT Disaster Recovery Plan biennial review
 - Corangamite Shire Landfill Management Annual Report to the Audit Committee
 - Victorian Auditor General's Office 2015-2016 Audit Results for Local Government
 - Internal Audit Service Provider Annual Performance Review.

Assessing the Audit Committee's Performance

As required by the Committee's Charter, a performance review was undertaken by the Committee in December 2016. The review, conducted by a self-assessment survey, was used to measure the Committee's performance against its responsibilities detailed within its Charter. Committee members assessed the effectiveness of the Audit Committee as a whole and their individual performance.

The self-assessment survey sourced from "Audit Committees - A Good Practice Guide for Local Government", as published by Local Government Victoria in January 2011, was used as the criteria by which the performance of the Audit Committee was assessed. This was sent to Committee members prior to the meeting for completion. Committee members also considered whether they had:

- a good understanding of, and commitment to, the Audit Committee's role and responsibilities
- an ability to act objectively and independently
- an ability and willingness to take difficult, but constructive stands, at meetings when necessary
- a good understanding of the Council's business
- a good understanding of the Council's risk management processes
- have sufficient business, industry, financial and regulatory knowledge
- adequately prepared for, and participated in, Audit Committee meetings.

In summary, respondents were positive about the contribution made by the Committee to Council's corporate governance objectives. Respondents considered the Committee's performance has been either "adequate" or "more than adequate" in the assessed areas. The Committee continues to have a mature and professional approach. Meetings are well-planned and structured, with appropriate participation and strong support of Councillors and senior management.

Internal Auditor Performance

As required by the Committee's Charter, a performance review of the Internal Auditor (Crowe Horwath) was also undertaken by the Committee in December 2016. The review was used to assess the Internal Auditor's performance in achieving the objectives of the Audit Committee. An evaluation form adapted from the publication "Evaluation of Internal Auditors" produced by KPMG Hong Kong's Audit Committee Institute was used for this purpose.

Council's Internal Auditor is responsible for providing objective assurance as to the adequacy and effectiveness of Council's risk management and control framework. Council's Audit Committee has a significant obligation to continue to enhance the effectiveness and efficiency of internal audit, including internal audits interaction with management. An effective relationship between the Committee and internal audit is also necessary to ensure the Committee discharges its responsibilities.

The evaluation form (survey) was sent to Committee members prior to the meeting for completion. In summary, respondents were positive about the contribution made by the Internal Auditor to Council's corporate governance objectives and the role of internal audit. Respondents considered the Internal Auditor's performance had been mostly "adequate" or "strong" in the assessed areas.

Future

The tenure of independent Committee member Andrew Jeffers expires 31 January 2017. An expression of interest process will commence mid-January 2017 to fill the vacancy culminating in a recommendation to Council in February 2017.

During the first half of 2017, it is proposed subject to Council's agreement the Committee will consider a review of Council's risk profile and a review of Council's tendering and procurement processes.

The Committee will also continue to review the effectiveness of the internal control framework associated with Business Continuity Planning and Risk Management.

Policy and Legislative Context

Reporting of the Audit Committee's activities is consistent with the Council Plan 2013-2017 which includes the following commitments:

Council will demonstrate high levels of ethical behaviour and corporate governance standards. We will make budgetary decisions that are reflective of our financial circumstances. We will advocate for and with the community to achieve outcomes.

Model contemporary standards of corporate governance and professional standards.

Internal / External Consultation

The Chairperson of the Audit Committee has been provided with a copy of this report.

Financial and Resource Implications

There are no financial and resource implications as a consequence of this report.

Conclusion

During 2016 Council's Audit Committee considered a broad range of issues as detailed in this report. Members of the Committee worked productively and harmoniously and have largely met the objectives set out in the Charter. The Committee continues to recognise the ongoing need for continuous improvement in enhancing the effectiveness of the Committee and Internal Audit. The Committee also continues to work professionally and effectively with management.

RECOMMENDATION

That Council receives the 2016 Audit Committee Annual Report.

COUNCIL RESOLUTION

MOVED: *Cr Gstrein*

SECONDED: *Cr Trotter*

That the recommendation be adopted.

CARRIED

8. INFORMATION BULLETIN

Nil.

9. PLANNING REPORTS

9.1 Planning Report PSA2016/001 PP2016/076 C47 Combined Application for Planning Scheme Amendment to Rezone Land from Farming Zone - Schedule 1 to Township Zone and a Planning Permit for Eight Lot Subdivision 31 Glenormiston Road Noorat Request For Authorisation

Author: Scott Matheson, Planning Officer

File No: D16/779

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - Scott Matheson

In providing this advice to Council as the Planning Officer, I have no interests to disclose in this report.

Summary

Council has received a request for a combined planning permit application and planning scheme amendment for land in Noorat. This report recommends that Council seek authorisation from the Minister for Planning to prepare and exhibit Planning Scheme Amendment C47 which seeks to rezone part of 31 Glenormiston Road, Noorat, from Farming Zone to Township Zone and subdivide the property into eight lots.

Introduction

Subject Land

31 Glenormiston Road Noorat is on the northern edge of Noorat township, irregular in shape and 2.22 hectares in size. The western part of the land currently houses a two-storey dwelling with several outbuildings, mature gardens and a swimming pool. The eastern portion of the land accommodates an established landscaping business and materials associated with this use. Land between these uses is generally vacant; post and wire fencing separates the land internally. The land generally slopes uphill to the north. Residential access is available from Glenormiston Road to the south and business access is from Carroopook Street to the east.

Figure 1 shows an aerial image of the subject land.



Figure 1. Aerial image of subject land at 31 Glenormiston Road Noorat

Surrounding Area

Adjoining land uses vary, typical of smaller townships. Residential lots, community facilities and retired light industry adjoin the subject land within Township Zone lots. Land north-west is used for farming and to the north are several large residential lots. Glenormiston Road is a well-maintained sealed Council road and Carroopook Street is a graded gravel road. Mount Noorat, a dormant volcanic cone, rises steeply further north of the subject land.

Existing Zoning and Overlays

The subject land is currently in two zones, the Township Zone to the south and the Farming Zone to the north. This zoning anomaly effectively divides the land use permissions for the subject land as the purposes of the Farming Zone and Township Zone are contradictory.

The subject land is covered by a Significant Landscape Overlay – Schedule 1 which is relevant to the Mount Noorat cone. No changes are sought to this overlay nor does the overlay trigger the need for subdivision assessment.

Figure 2 illustrates the subject land and surrounding zones.

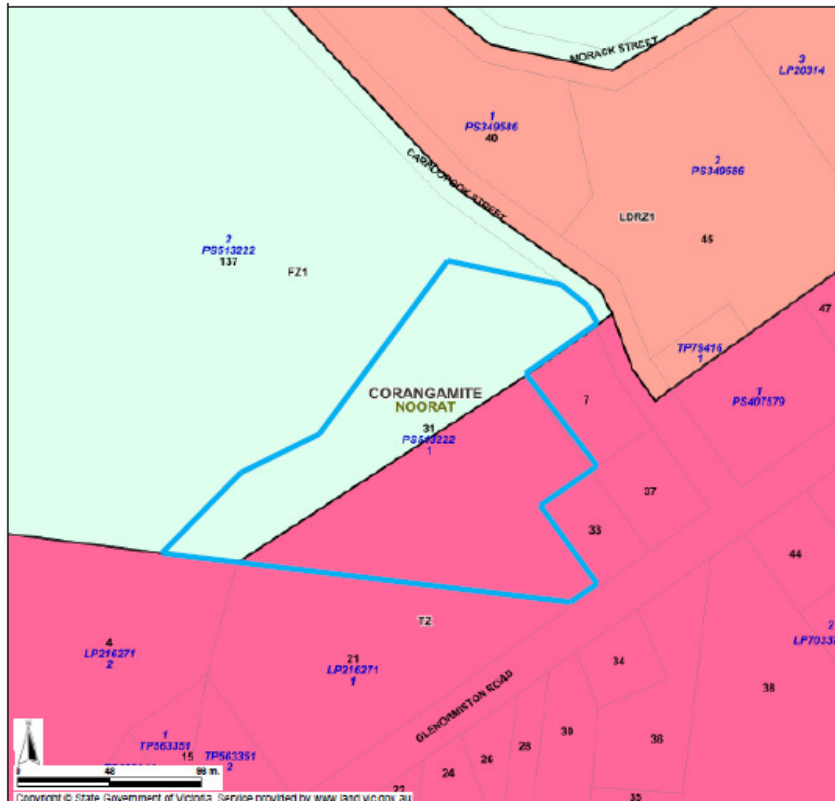


Figure 2. Subject Land and Surrounding Zones, 31 Glenormiston Road, Noorat
Blue outline – Subject Land; Green – Farming Zone; Pink – Township Zone; Orange – Low Density Residential Zone

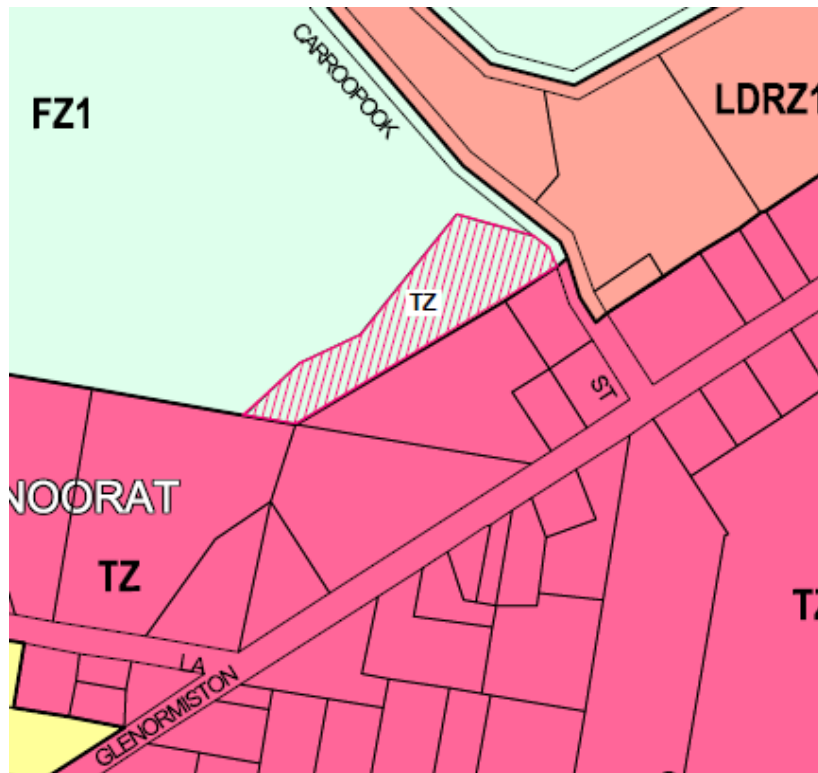


Figure 3. Proposed Rezoning, 31 Glenormiston Road, Noorat

Proposal

Policy and Legislative Context

Corangamite Shire Council is the Planning Authority responsible for considering an application under the combined amendment and permit process. This stage of the combined application process is the commencement of the amendment (i.e. for Council to request authorisation from the Minister for Planning to prepare and exhibit an amendment). Section 96A of the *Planning and Environment Act 1987* allows for a planning permit application to be considered concurrently with a planning scheme amendment even if it could not be granted under the existing planning scheme. Once authorisation is received the amendment will be exhibited to allow for community input.

Planning Scheme Amendment

Planning Scheme Amendment C47 is requested to apply the Township Zone to the entire subject site, removing the zoning anomaly outlined above. Further, residential subdivision of this lot would not be allowed under the Farming Zone as the minimum lot size specified for the Farming Zone is 40 hectares. The proposed rezoning is outlined in Figure 3.

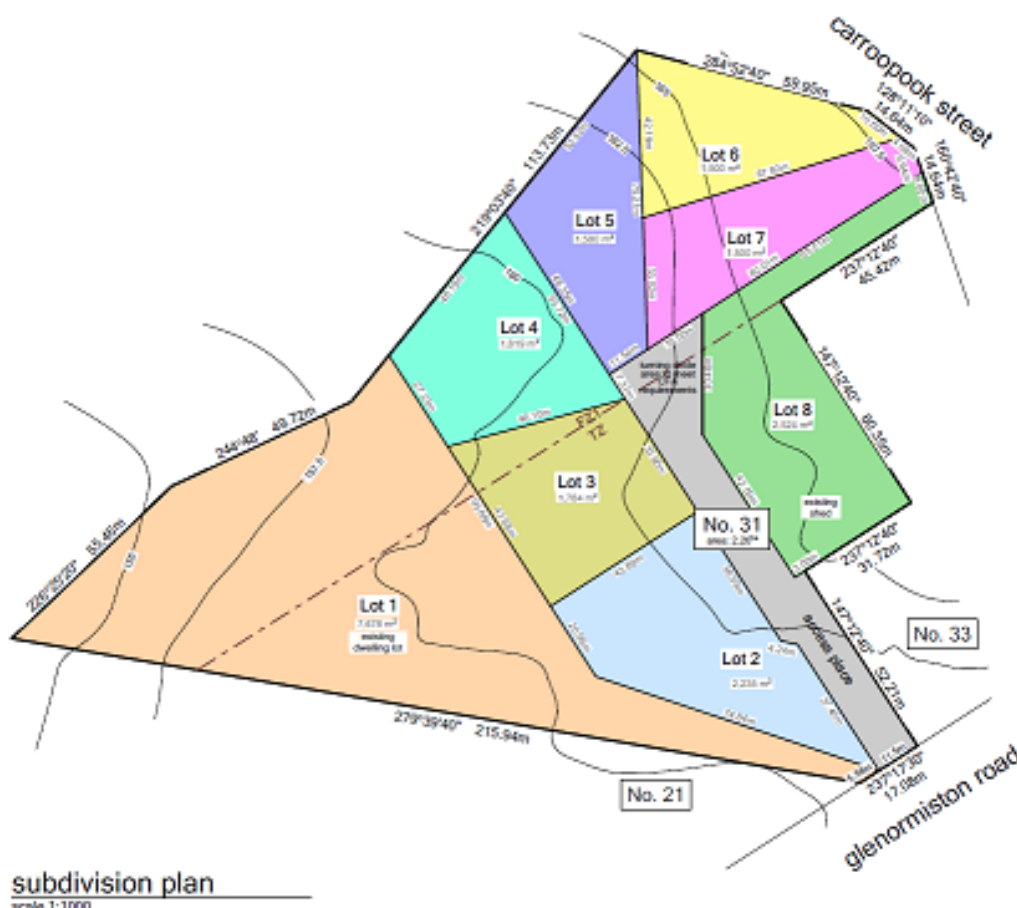


Figure 4. Proposed 8 Lot Subdivision, 31 Glenormiston Road, Noorat

Planning Permit Application

A planning permit application is sought concurrent to the planning scheme amendment for a staged eight (8) lot subdivision. Figure 4 above outlines the proposed subdivision. The application seeks to create a large residential lot for the existing dwelling (shown as proposed Lot 1 in Figure 4), six (6) further residential lots (shown as Lot 2 to Lot 7 in Figure 4) and a lot for the existing commercial use (shown as proposed Lot 8 in Figure 4). A new court-style access road extending from Glenormiston Road is sought to access 4 of the new residential lots. The subdivision is proposed to occur in two stages.

Internal / External Consultation

Discussions have been held with the regional office of the Department of Environment, Land, Water and Planning (DELWP) and Council's Manager Assets Planning in relation to C47 combined amendment and application. DELWP indicated tentative support for the proposal subject to increased details being submitted by the proponent.

Financial and Resource Implications

The costs of this Planning Scheme Amendment, development of the land, subdivision and required infrastructure improvements are to be borne by the proponent.

Options

Council may choose from the following options:

1. Seek authorisation from the Minister for Planning to prepare and exhibit C47 planning scheme amendment to partially rezone land at 31 Glenormiston Road, Noorat, to Township Zone and a draft planning permit for an 8 lot subdivision at the same address
2. Not support C47 concurrent planning scheme amendment and planning permit application

Option 1 is the recommended approach, allowing the proponent to proceed to public exhibition for the planning scheme amendment and draft planning permit.

Conclusion

This concurrent planning scheme amendment and planning permit application would result in an increase to the Noorat township boundary and several new residential lots. The opportunity to correct a zoning anomaly and increase lot supply within Noorat is a positive planning outcome. It is recommended that Council seek authorisation from the Minister for Planning to exhibit this amendment under Section 96C of the *Planning and Environment Act*

RECOMMENDATION

That Council:

1. Seeks authorisation from the Minister for Planning under Section 8A of the *Planning and Environment Act 1987* to prepare C47 a combined planning scheme amendment and planning permit application to:
 - (a) Rezone all of the land at 31 Glenormiston Road, Noorat, to Township Zone.
 - (b) Subdivide the land into eight lots in stages.
2. Following receipt of authorisation from the Minister for Planning, prepare and exhibit C47 combined planning scheme amendment and planning permit application under Section 96C of the *Planning and Environment Act* to:
 - (a) Rezone all of the land at 31 Glenormiston Road, Noorat, to Township Zone.
 - (b) Subdivide the land into eight lots in stages.

COUNCIL RESOLUTION

MOVED: *Cr Durant*
SECONDED: *Cr Illingworth*

That the recommendation be adopted.

CARRIED

10. OFFICERS' REPORTS

10.1 Community Planning Infrastructure Projects Policy

Author: Jarrod Woff, Manager Facilities and Recreation

File No: D17/11

Previous Council Reference: 22 November 2016, Item 10.3

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - Jarrod Woff

In providing this advice to Council as the Manager Facilities and Recreation, I have no interests to disclose in this report.

Summary

This report seeks Council adoption of the revised Community Planning Infrastructure Projects Policy, which governs Council's and communities' involvement in the construction of new assets or asset renewals as an action of Township Community Plans.

The Community Planning Infrastructure Projects Policy was previously considered by Council in November 2016. At this time a decision to adopt the policy was deferred until January 2017, to ensure the policy included appropriate financial acquittal requirements.

Introduction

The Community Planning Infrastructure Projects Policy was established in 2014. Since this time the policy has applied to a number of township community planning initiatives including the Port Campbell Community Art Space, Timboon Amphitheatre and BBQ Shelter, Derrinallum Walking Track and more.

The policy has been developed to:

- Provide a framework for Council to assist and support those organisations with the development and ongoing management and maintenance of new infrastructure or renewal of existing assets.
- Formalise Council's involvement in community projects identified in Corangamite Shire Township Community Plans where they involve the construction of new assets or renewal of assets.
- Assist community groups initiating infrastructure projects as an action of Township Community Plans by improved awareness and understanding of standard requirements for asset construction throughout the project planning, project implementation and project completion phases.

Issues

The Community Planning Infrastructure Projects Policy provides a mechanism to guide the balance between Council's role in building capacity within local communities and ensuring its resources can adequately meet the demand of maintaining its existing assets. The introduction of rate capping has put financial pressure on Council to develop and renew infrastructure. The implementation of the Community Planning Infrastructure Projects Policy has assisted Council and community groups in being able to outline recurrent human and financial resource implications. The review of this policy has made allowance for this conservative position by acknowledging Council's support will be in accordance with available resources at any point in time.

Council acknowledges the importance of community planning as a key collaboration between Council and communities and in building capacity within local communities (Council Plan 2013-2017). Council is also responsible for ensuring its resources can adequately meet the demand of maintaining its existing assets and ensuring community assets continue to meet the functionality and needs of our residents and communities.

The policy has been reviewed with the following amendments proposed:

- Development of memorandum of understandings with community groups early in the process to define roles and responsibilities.
- Occupational Health and Safety compliance with legislation.
- Inclusion of appropriate financial acquittal requirements.

In the past this policy has been reviewed on an annual basis and included consultation with each of the township associations and an internal review. In that time there has not been any significant changes proposed and as a result it is proposed that this policy is now reviewed on a three year basis.

Policy and Legislative Context

The Community Planning Infrastructure Projects Policy has been developed in accordance with Council's Policy Development Framework.

The policy aligns with Council's Plan 2013-2017 as it supports the following commitments:

Provide opportunities to improve and enhance the health and wellbeing of our community.

Provide and advocate for a range of services, facilities and support to our people to enable them to fully engage and participate in the community.

Ensure appropriate land use and development outcomes which make Corangamite more liveable.

Sustainability and preservation of our assets.

Internal / External Consultation

The Community Planning Infrastructure Projects Policy has been reviewed internally by Council's Facilities and Recreation department, Community Development Officer and Senior Officer Group.

Financial and Resource Implications

The Community Planning Infrastructure Projects Policy is not expected to impose a financial cost to Council.

The introduction of rate capping has had a financial impact on Council and its ability to provide recurrent human and financial resources and new infrastructure development. The policy will be considered in accordance with Council's budget development and available human resources.

Where resources are available, Council staff will assist community groups through the planning and implementation phases of the project as required, and review and analyse project proposals for Council's consideration.

Options

Council can adopt the Community Planning Infrastructure Projects Policy as presented, or choose to amend the Community Planning Infrastructure Projects Policy.

Conclusion

Council acknowledges the contribution of community based organisations and the work invested in the development of local communities. Council also recognises that many communities are continually striving to improve the amenity of their townships and associated infrastructure in addition to those works planned and delivered by Council.

Council's Community Planning Infrastructure Projects Policy formalises Council's involvement in community projects identified in Corangamite Shire Township Community Plans, where they involve the construction of new assets or renewal of assets. It is also designed to assist community groups initiating infrastructure projects through improved awareness and understanding of standard requirements for asset construction.

RECOMMENDATION

That Council:

- 1. Revokes the Community Planning Infrastructure Projects Policy dated December 2015.**
- 2. Adopts the Community Planning Infrastructure Projects Policy dated January 2017.**

COUNCIL RESOLUTION

MOVED: *Cr Illingworth*

SECONDED: *Cr Trotter*

That the recommendation be adopted.

CARRIED

Attachments

- 1. Policy Council Community Planning Infrastructure Projects 24 January 2017**
- 2. Policy Council Community Planning Infrastructure Projects 24 January 2017 with track changes - Under Separate Cover**



**CORANGAMITE
SHIRE**

Community Planning Infrastructure Projects Policy

Corangamite Shire
January 2017

Corangamite Shire Council Policy – Community Planning Infrastructure Projects

Council Policy



Community Planning Infrastructure Projects

Introduction

Council acknowledges the contribution of community based organisations and the work they invest in the development of local communities. Council also recognises that many communities are continually striving to improve the substance and appearance of their townships and associated infrastructure in addition to works planned and delivered by Council. This policy has been developed to provide a framework for Council to assist and support community organisations with the development and ongoing management and maintenance of new infrastructure or renewal of existing assets.

Purpose

This policy aims to formalise Council's involvement in community projects identified in Corangamite Shire Township Community Plans where those projects involve the construction of new assets or renewal of assets.

It also aims to establish a shared understanding and common agreement regarding project standards and future maintenance responsibilities and will guide the planning, design, development and ongoing management of the asset.

Scope

This policy applies to the construction and management of infrastructure identified in Corangamite Shire Township Community Plans, whether that infrastructure is located on Council owned land, Council controlled land, Crown Land, Road Reserve managed by others, private or other land tenure.

Definitions

Infrastructure - new assets or renewal of community assets including but not limited to buildings/structures, barbecues, rotundas, gardens, tree plantings, park furniture, property landscaping, public art works, footpaths, and other civil infrastructure.

References

Community Initiated Projects Policy (INFRA 37-01)
Recreation Facility Development Policy (INFRA 06-01)
Asset Management Policy (INFRA35-01)
Trails Management Policy (INFRA 07B-03)
Public Halls Management Policy (INFRA 09-03)
Disposal of Assets Policy (INFRA 42-00)

Policy Detail

The community planning process has identified a number of projects within Corangamite Shire townships which are considered to be a priority for that community. The following

Adopted at Council on:
Agenda Item:
Responsibility: Facilities and Recreation Manager
File Number: D/15/37234

Department: Works & Services
To be reviewed by: November 2019
Policy Number:
Page Number: 2

Corangamite Shire Council Policy – Community Planning Infrastructure Projects

information details Councils involvement with and expectations of the community groups with regards to realising these projects.

1. Council Interest

In most instances Council will have a vested interest as the project will be developed on Council owned or controlled land, or will be allocated funding as a part of Council's budget process. In other instances, Council may merely be a resource for the community group with regard to the project development, implementation or outcomes.

Depending on the significance of the project, Council may request periodic updates on the project, a representative to be on the Project Control Group or it may offer to manage the project itself in conjunction with the community group.

In the instance Council is the auspice agency for any funding agreement with the State Government or other entity, it must bank all revenue and account for expenditure associated with the project in accordance with Council's Procurement Policy. Where Council makes a contribution to the project as a part of its annual budget, this must also be administered in accordance with Council's Procurement Policy.

Council expects that any infrastructure will be of a high quality and that asset design will be considered in accordance with relevant legislation and industry standards.

2. Planning

Where the project involves infrastructure development or renewal, whether on Council owned land or not, Council will provide high level technical advice and, where relevant and resources permit, administrative support e.g. grant writing, detailed design

Where the project is to be located on Council owned or controlled land it is expected that detailed design and appropriate approvals are sought before the project commences. The detailed design plans should be developed in accordance with the prescribed standards or relevant regulations for that infrastructure and approved by Council.

If the community group wishes to deviate from the design standards recommended by Council, it should provide detail of the proposed project design and seek Council approval to proceed. This approval will need to be considered against a risk assessment and ultimately endorsed by the Chief Executive Officer.

The standard of agreed design will need to be discussed in conjunction with maintenance costs associated with the life of the asset. Refer 5 Management & Maintenance.

Council officers and community groups should engage in conversations related to these projects early in the planning phase so as to manage the likely requirements of the project delivery and expectations for the ongoing management and maintenance for the life of the asset.

3. Construction

The community group will need to ensure it has relevant insurances – works insurance, public liability insurance, and employees - where applicable and provide a copy to Council to be retained on file. It is the responsibility of the community group / project control group to ensure any works undertaken by contractors or the community group, relating to the project, complies with all Occupational Health and Safety (OHS) legislation.

Adopted at Council on:
Agenda Item:
Responsibility: Facilities and Recreation Manager
File Number: D/15/37234

Department: Works & Services
To be reviewed by: November 2019
Policy Number:
Page Number: 3

Corangamite Shire Council Policy – Community Planning Infrastructure Projects

It will be the responsibility of the community group / project control group to ensure the project is delivered in accordance with the agreed design.

It is expected that appropriately qualified contractors will be appointed to undertake relevant items of work e.g. electrician, plumber, builder.

In the instance of projects requiring a building permit, the works will be inspected by Council's building department to ensure the construction is in accordance with relevant regulations and before a Certificate of Practical Completion or Occupancy will be granted.

It is also recommended that Council's project contact or project manager meet with community representatives and /or the contractor to inspect the final works in accordance with relevant regulations or approved design standards.

4. Project Management

Depending on the size and components of the project, it may be either that a Project Control Group is required to oversee the project construction or Council will manage the project directly.

In the first instance the community group will be responsible for establishing and administering the Project Control Group. The Project Control Group will be responsible for overseeing the management of the project through to its completion and will monitor the scope of works, budget, timelines, variations and any other matters that arise.

Where Council directly manages the project it will do so with regular feedback to the community group.

Where the community group directly manages the project it will do so with regular feedback to Council.

5. Management & Maintenance

The ongoing management and maintenance of any new infrastructure will be subject to planning and discussion prior to the commencement of the project. Council expects that any infrastructure will be of a high quality and able to be realistically maintained within the respective party's resource capacity. Council will include all assets located on Council owned or controlled land on its asset register for the purposes of insurance provision.

In general, in the instance that:

- A. A project located on Council owned or Council controlled land is delivered in accordance with Council's prescribed standards of design the infrastructure will be maintained as a part of Council's recurrent operating budget.
- B. The project is delivered outside Council's recommended standards; the community group will be responsible for the ongoing management and maintenance of the infrastructure or part thereof as agreed to by Council. This will include but be not limited to:
 - utility costs
 - routine maintenance
 - audit requirements

Adopted at Council on:
Agenda Item:
Responsibility: Facilities and Recreation Manager
File Number: D/15/37234

Department: Works & Services
To be reviewed by: November 2019
Policy Number:
Page Number: 4

Corangamite Shire Council Policy – Community Planning Infrastructure Projects

- insurances
- renewal or upgrade

Council notes there are some assets already on Council's asset register or are acknowledged as Council's responsibility.

In the event the community group disbands or determine they no longer wish to be involved in the operations of the infrastructure they will be responsible for arranging for an alternative organisation to assume ongoing operational responsibilities for the relevant asset.

In the event an asset is abandoned by the community group it is expected:

- Council will be notified immediately should a replacement organisation be unable to be sourced to undertake ongoing operations
- Council will discuss and consider the future of that asset including:
 - the benefit to the community
 - the views of the township progress / action association
 - the capacity of Council to fund ongoing maintenance and operations
 - the cost to decommission or remove the infrastructure.
 - the cost of reimbursement for removal of the item.

6. Agreement to terms

A formal agreement will be developed between Council and an incorporated community association for the implementation and ongoing management of a project asset on Council owned or controlled land. The formal agreement should be agreed to and signed off by relevant parties prior to works commencing. Council will consider arrangements with unincorporated associations on a case by case basis.

7. Financial acquittals

At the conclusion of the project the community group must provide an acquittal to account for all funds expended as part of the project. The acquittal must include a copy of all paid invoices, receipts or bank statements evidencing payment, in-kind labour and total project cost.

Any funds remaining at the completion of a project must be declared to Corangamite Shire and/or any other funding bodies.

In the event that external funding e.g. State Government or philanthropic funding, has been secured as part of the project, this will need to be acquitted as per the relevant funding guidelines. The responsibility of funding acquittals will be:

- Completed by Council if Council has been responsible for securing the funding
- Completed by the community group if the community group has been responsible for securing the funding. A copy of the funding acquittal should be submitted to Council for record keeping purposes.

The use of any leftover funds must not be used for unrelated, unauthorised or unspecified purposes without prior approval in writing by Corangamite Shire.

Adopted at Council on:
Agenda Item:
Responsibility: Facilities and Recreation Manager
File Number: D/15/37234

Department: Works & Services
To be reviewed by: November 2019
Policy Number:
Page Number: 5

Corangamite Shire Council Policy – Community Planning Infrastructure Projects

Reference to linked Procedure or Guidelines, if applicable

D/14/7799 Template Community Projects Checklist

Review Date

January 2020

“It is considered that this Policy does not impact negatively on any rights identified in the *Charter of Human Rights Act (2006)*”.

Adopted at Council on:
Agenda Item:
Responsibility: Facilities and Recreation Manager
File Number: D/15/37234

Department: Works & Services
To be reviewed by: November 2019
Policy Number:
Page Number: 6

10.2 Community Group Loan Guarantee Policy

Author: Adam Taylor, Manager Finance

File No: D17/22

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - Adam Taylor

In providing this advice to Council as the Manager Finance, I have no interests to disclose in this report.

Summary

This report seeks Council adoption of the Community Group Loan Guarantee Policy. The policy was adopted by Council in June 2013 and no changes have been proposed to the policy.

Introduction

The Community Group Loan Guarantee Policy sets out the guidelines and principles that need to be followed when evaluating whether Council should act as guarantor for loans for community groups.

Issues

The Community Group Loan Guarantee Policy sets the guidelines to be used to assist Council in considering requests to act as guarantor for loans to local community groups. These guidelines include:

- purpose of the loan
- types of eligible projects
- Council limits
- Council records
- information to be submitted by an applicant
- Terms of Guarantee arrangements entered into by Council
- monitoring of Financial Position of groups for which Council acts as Guarantor.

The policy also deals with what happens in the event of a default on a guaranteed loan to a community group.

Council currently has one approved community group loan guarantee in place; Noorat Recreation Reserve which was approved in March 2016. The loan for this guarantee is yet to be drawn down.

Policy and Legislative Context

Consideration of this report is in accordance with Council's Community Group Loan Guarantee Policy and the following commitments in the Council Plan 2013-2017:

Council will demonstrate high levels of ethical behaviour and corporate governance standards. We will make budgetary decisions that are reflective of our financial circumstances. We will advocate for and with the community to achieve outcomes.

Model contemporary standards of corporate governance and professional standards.

Council will recognise and make decisions that reflect our financial circumstances.

Corangamite Shire's communities are welcoming and provide support and a sense of belonging. Council will work to improve and enhance community health, wellbeing and connectedness. Council has an important role in planning to ensure townships grow in a sustainable manner.

Provide opportunities to improve and enhance the health and wellbeing of our community.

Provide and advocate for a range of services, facilities and support to our people to enable them to fully engage and participate in the community.

Ensure appropriate land use and development outcomes which make Corangamite more liveable.

Internal / External Consultation

The Community Group Loan Guarantee Policy has been reviewed internally by the Director Corporate and Community Services, Finance Manager and Senior Officer Group.

Financial and Resource Implications

No community group that has been a beneficiary of a Council loan guarantee has defaulted in the past. The policy outlines what would happen in the case of a default on a guaranteed loan.

Options

Council can adopt the Community Group Loan Guarantee Policy as presented, or choose to amend the Community Group Loan Guarantee Policy.

Conclusion

The Community Group Loan Guarantee Policy is presented for Council approval. There are no proposed changes to the policy which was adopted in June 2013.

RECOMMENDATION

That Council:

1. Revokes the Community Group Loan Guarantee Policy dated June 2013.
2. Adopts the Community Group Loan Guarantee Policy dated January 2017.

COUNCIL RESOLUTION

MOVED: *Cr Trotter*
SECONDED: *Cr Illingworth*

That the recommendation be adopted.

CARRIED

Attachments

1. Community Group Loan Guarantee Policy January 2017



**CORANGAMITE
SHIRE**

Community Group Loan Guarantee Policy

Corangamite Shire

January 2017

Council Policy



Community Group Loan Guarantee Policy

Introduction

This policy sets out the guidelines and principles that need to be followed by Council officers when evaluating whether Council should act as guarantor for loans for community organisations.

Purpose

To establish criteria to be used in evaluating whether Council should act as guarantor for loans for community organisations.

Scope

This policy applies to the evaluation of all requests to Council for it to act as guarantor for loans by community groups.

References

Associations Incorporation Reform Act 2012

Policy Detail

The following guidelines should be used to assist Council in considering requests to act as a guarantor for loans to local clubs and organisations:

Purpose of the loan

- The purpose of the loan must be one which provides an asset of community importance and which would be worthy of financial support were funds to be available.
- The project must be of a capital nature for new or improved facilities. Refinancing of existing commitments will not be accepted.

Types of Eligible Projects

Projects substantially satisfying the following criteria would have higher priority for loan guarantee candidacy –

- “Core” community recreation works or facilities ie. Those, which are directly associated with, proposed recreation participation/experience.
- Where there is a demonstrated need for the new works/facility having regard to effective and efficient provision for various sports throughout the Shire.
- Where the proposed new works/facility is in accordance with the relevant Council strategies.
- Council, in its capacity as owner/manager of Council land, planner/provider of recreation service and facilities and as planning authority must be initially satisfied that the proposed project to be financed by the loan is compatible with Council’s adopted recreation, planning and other relevant policies, the development plan for the relevant Council property, town planning considerations and the occupancy arrangement for the relevant group.
- The applicant for the guarantee must be a bona-fide non-profit community body and must be incorporated under the *Associations Incorporation Reform Act 2012* or other appropriate legislation.
- The objects, constitution and activities/programs of the relevant group must be to Council’s satisfaction.

The above includes preservation or refurbishment of existing “core” recreation assets, subject to the order of expenditure placing such projects beyond those of major/cyclic maintenance nature.

The following types of projects would not necessarily be excluded but would have lower eligibility-

- New or significant refurbishment of ancillary facilities of appropriate scale, such facilities being conventional and appropriate to support the dominant recreation/community purpose.
- Where the project is of a relatively minor scale, for which it could be expected that the relevant group would raise the funds required prior to works being undertaken ie: to avoid borrowing.

In addition, a previous history of sound financial management, leadership, stability and general credentials within the community group will also be considered.

Council Limits

A loan guarantee will only be approved by the Council if the risk to Council is minimal. The following criteria will be considered:

- The maximum amount to be guaranteed by Council in any single instance will not exceed \$100,000.
- Council reserves the right to take security over the applicant's equity, including land and buildings. The level of security Council requires will be assessed on each application.
- The guarantee will not exceed fifty percent of the total project cost.
- The maximum period of a loan subject to guarantee should be ten years.
- Council will only agree to act as a guarantor providing all other possible sources of funding for a project have been exhausted.

Council Records

Any Bank Guarantees are recorded in the Annual Financial Statements as Contingent Liabilities.

The Finance Department shall be responsible for maintaining a record of all guarantees and monitoring compliance with the relevant financial ratios.

Prior to any guarantee being approved Council must be provided with a schedule of current guarantees to determine its risk exposure.

Information to be submitted by applicant

The applicant must submit the following information where applicable:-

- Prior 3 years audited financial statement;
- Current Operating Budget;
- Complete cash flow projections of operations, with the inclusion of debt servicing and redemption of the proposed loan, for the guarantee period;
- Interest rate and any other assumptions made, particularly in relation to other source income;
- Detailed cash flow and total costing of project costs;
- Floor plans of any building works;
- Costs as to fit out and external costs such as landscaping etc.;
- Start Up costs envisaged;
- Details of management plans for both the construction phase and the operating of the facility after completion;
- Levels of equity in the project provided by the applicant and any liabilities attached to any funds contributed;

- Business Plans of the applicant if in existence. It should be noted that in respect of larger projects, this will be a compulsory requirement.
- Other information as deemed appropriate.

Terms of Guarantee arrangements entered into by Council

Each guarantee arrangement relates solely to a specific project and cannot be extended to cover additional facilities without Council's consent in writing.

Repayment instalments by the relevant group should be for both principal and interest. Council's guarantor status should be only in relation to the reducing balance of principal owing.

The guarantee agreement should relate solely to Council standing in the position of the debtor in the event of default and not indemnifying the debt due to other reasons.

The Council guarantee will be for a set time period following which Council is to be released from the guarantee. Any commitment to renew the guarantee will be based on a new assessment at that point in time.

An agreement between Council and the lending authority will be sought regarding procedural steps to be followed in the event of a loan default. Such issues include:-

- Communication between bank/financial institution and Council of any non-payment of loan instalments;
- The right for Council to continue with the loan repayment schedule rather than lump sum payment;
- The procedure used by the Bank/Financial institution prior to calling upon the guarantee, including the giving of initial notification of intent and the provision of an agreed time period of rectification.
- The lender will be required to exhaust its legal rights against the borrower and other guarantors prior to calling on the Council guarantee.
- An agreement between Council and the applicant to be reached regarding administration of the community body and its assets in the event of loan payments not being made and/or the loan guarantee being called upon.

Monitoring of Financial Position of groups for which Council acts as Guarantor

Written agreement to be entered into between Council and the relevant group as a condition of Council accepting guarantor status, this agreement requiring full compliance in relation to the following monitoring arrangements:-

- Submission by the group of financial reports, annual operating budgets and half yearly management accounts to the nominated Council Officer within thirty (30) working days of the end of the specified reporting period (i.e. quarterly, half yearly, yearly) in an acceptable format.
- Council guaranteed debt must be repaid prior to other loan liabilities.
- Group advising Council as soon as possible in the event there is a possibility of facing difficulties in meeting loan repayments.
- Any other material information which may have a bearing on the financial position of the organisation and its position to meet all debts when they are due, including loan repayments.

In the event of one or more of the above occurring, the group must agree for Council to obtain independent appraisal of the group's position, also to closely consider and act upon recommendations from such assessment following detailed consultation with Council.

Council's specific permission is required for any change in relation to loan repayment arrangements, including terms and period of repayment. In the event of any restructure of the loan arrangement, which is beneficial and appropriate, any fees, charges and costs involved shall be met by the group..

Default of Loan

If the community group defaults on the loan repayments Council will negotiate to recover costs associated with the loss. This may include:

- An agreed repayment plan with the community group
- Taken possession of the asset to potentially sell

Review Date

The next review of this document is scheduled for completion by the Manager Finance on or before 30 June 2016. The policy will be reviewed earlier where there is any legislative change.

10.3 Finance Report

Author: Adam Taylor, Manager Finance

File No: D17/24

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - Adam Taylor

In providing this advice to Council as the Manager Finance, I have no interests to disclose in this report.

Summary

To note Council's current financial position as at 31 December 2016 and to approve changes to the 2016-2017 Reviewed Budget, that have resulted from a mid-year review of operations.

Introduction

Council adopted the 2016-2017 Budget at a special Council meeting in June 2016. At the October 2016 ordinary Council meeting, Council approved a number 2015-2016 capital and non-recurrent projects that were identified as incomplete, requiring remaining budgets to be carried forward to the 2016-2017 financial year. During November 2016, Managers conducted a comprehensive review of budgets and the required funds to deliver programs and initiatives. This report is seeking approval of a mid-year budget review, and as a result an updated 2016-2017 budget forecast position as provided. The mid-year budget adjustments will deliver a net benefit to Council of \$148,240. Council's financial performance for 2016-2017 remains on target.

Issues

Budget Variations

Council's target "cash position" is \$5 million or greater on an annual basis. The "cash position" as at 30 June 2016 was \$11.59 million, which was primarily due to incomplete capital works and non-recurrent projects and to a lesser extent a favourable result to the adjusted forecast. The higher than forecast "cash position" as at 30 June 2016 will fund the carry forward budget adjustments approved in October 2016. A summary of the forecast "cash position" after the inclusion of carry forward adjustments and the mid-year review is as follows:

"Cash position" as at 30 June 2016	\$11.59 million
2016-2017 adopted Surplus/(Deficit)	(\$1.63) million
2015-2016 Carry forward adjustments	(\$2.51) million
2016-2017 Mid-year budget adjustments	\$ 0.15 million
Forecast "cash position" as at 30 June 2017	<u>\$7.60 million</u>

After carry forward and mid-year budget adjustments, the forecast “cash position” of \$7.60 million is within the target range of \$5 million or greater. A summary of the mid-year adjustments are as follows:

Capital mid-year adjustments	\$188,157
Department mid-year adjustments	(\$45,383)
Non Recurrent Operating Projects mid-year adjustments	(\$47,464)
Recurrent Operating Projects mid-year adjustments	\$52,930
Total mid-year forecast budget adjustments	\$148,240

Council’s 2016-2017 adopted budget is a “cash” deficit of \$1,632,118. As a result of the carry forwards and mid-year budget review, Council’s operating “cash” result is forecast to be a deficit of \$3,992,405. A detailed list of the mid-year adjustments is contained in the attached report.

2016-2017 adopted Surplus/(Deficit)	(\$1,632,118)
2015-2016 carry forwards (net)	(\$2,508,526)
2016-2017 mid-year budget adjustments	\$148,240
2016-2017 Forecast “cash” Surplus/(Deficit)	(\$3,992,405)

Financial Performance

Council’s financial performance for 2016-2017 is on target with a year to date favourable cash variance of \$1,399,772 compared to budget. Main contributors to the better than forecast result as at 31 December are:

- Recurrent operations are \$1,325,917 favourable to budget as a result of timing and forecasting differences.
- Project expenditure is \$367,103 unfavourable to budget predominately due to expenditure incurred as a result of the floods in September.
- Capital expenditure is \$543,018 favourable due to delays in purchasing of heavy plant which is partially offset by a delay in Roads to Recovery grant income.
- Rate Income is \$70,346 ahead of budget due to supplementary rates.
- The remaining variations are associated with timing differences for loans and reserve transfers.

Policy and Legislative Context

The report meets Council’s requirements for reporting under the *Local Government Act 1989* and is in accordance with its Council Plan 2013-2017 commitment that:

Council will demonstrate high levels of ethical behaviour and corporate governance standards. We will make budgetary decisions that are reflective of our financial circumstances. We will advocate for and with the community to achieve outcomes.

Internal / External Consultation

This report has been prepared in consultation with relevant department managers and has been reviewed by the Senior Officer Group. As there are no changes to rates or charges and no proposed new borrowings, the forecast budget is not required to be publically advertised.

Financial and Resource Implications

This report indicates that Council’s forecast financial position at 30 June 2017 will differ from the Reviewed Budget due to the mid-year review of the operations of the Council.

The purpose of the mid-year review is to identify significant variances to the budget. Adjustments are made due to new information being recognised.

Options

Council can choose to:

1. Accept the adjustments to the 2016-2017 forecast budget which include the mid-year budget variations.
2. Not accept the adjustments to the 2016-2017 forecast budget.

Conclusion

Council's financial performance for 2016-2017 remains on target. The year to date cash variance of \$1,399,772 is favourable compared to budget, this is primarily due to timing issues. After the proposed mid-year adjustments of \$148,240, Council's "cash position" will remain within the target range of \$5 million or greater.

RECOMMENDATION

That Council approves the forecast budget for 2016-2017, which includes the mid-year budget review.

COUNCIL RESOLUTION

MOVED: *Cr Gstrein*
SECONDED: *Cr Illingworth*

That the recommendation be adopted.

CARRIED

Attachments

1. Finance Report - December 2016



**CORANGAMITE
SHIRE**

Monthly Financial Performance
Report
December 2016

Table of Contents

1. Performance Summary

2. Cash Budget

3. Recurrent Operations

4. Projects

5. Capital

6. Project Delivery

7. Investments

8. Outstanding Debtors

9. Purchasing and Procurement

10. Mid-year budget variations

Appendix

Detailed Reports – Financial Statements

1. Balance Sheet – 31 December 2016
2. Income Statement for the period ended 31 December 2016
3. Cash Flow Statement – 31 December 2016

Financial Performance Report

For the period 1 July 2016 to 31 December 2016

Synopsis

The purpose of this report is to provide Council an update and commentary on the financial performance of Council's operations on a quarterly basis.

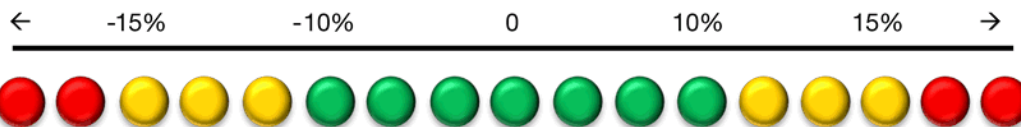
Definitions

- Annual Budget: represents the Budget adopted by Council in June.
- Reviewed Budget: the Annual Budget adjusted for approved budget amendments through either a Carry-forward Budget Review or Mid-Year Budget review.
- Forecast Budget: most recent estimated financial position including impact of proposed budget amendments.
- Positive amounts: represents income, contribution to Council or favourable variation.
- Negative amounts: represents expenditure, cost to Council or unfavourable variation. NB: Some sections in this report show expenditure as positive numbers. Where this occurs they are grouped as "expenditure" or "expenses".

Notes to the report

Variance indicator thresholds

The following tolerances are used on all reports represented by traffic light indicator



Certification

In my opinion the accompanying finance report presents fairly the financial transactions of Corangamite Shire Council for the period ended 31 December 2016.



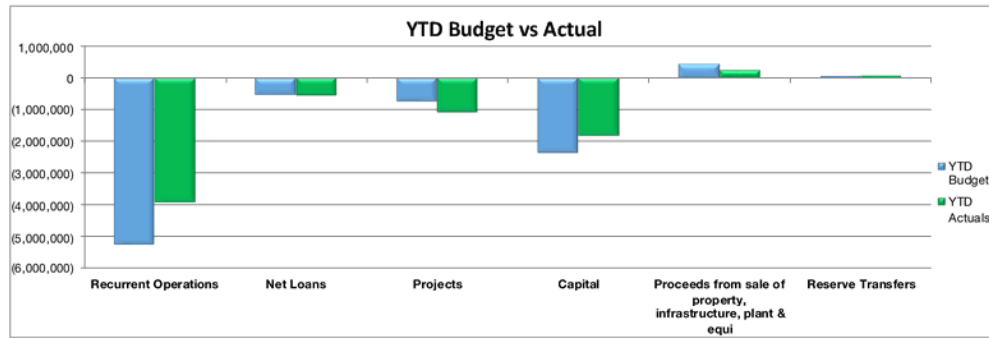
Adam Taylor
Principal Accounting Officer

1. Performance Summary

	Adopted Budget	Reviewed Budget	Forecast Budget	YTD Budget	YTD Actuals	YTD Variance fav/(unfav)	
						\$	%
Recurrent Operations	(9,869,374)	(10,638,170)	(10,645,663)	(5,237,066)	(3,911,149)	1,325,917	25%
Rate Income	20,062,190	20,062,190	20,062,190	20,075,716	20,146,062	70,346	0%
Net Loans	(1,097,134)	(1,097,134)	(1,097,134)	(548,567)	(553,493)	(4,926)	1%
Projects	(1,383,000)	(1,906,193)	(1,938,857)	(736,312)	(1,103,415)	(367,103)	(50%)
Capital	(8,810,100)	(10,026,637)	(9,838,480)	(2,371,873)	(1,828,855)	543,018	23%
Proceeds from sale of property, infrastructure, plant & equi	874,300	874,300	874,300	426,300	221,079	(205,221)	(48%)
External Loan Funds	18,972	18,972	18,972	0	37,741	37,741	0%
Reserve Transfers	(1,427,972)	(1,427,972)	(1,427,733)	47,739	47,739	0	0%
Surplus/(Deficit)	(1,632,118)	(4,140,645)	(3,992,405)	11,655,938	13,055,710	1,399,772	12%
Surplus/(Deficit) B/forward	7,645,183	11,594,000	11,594,000				
Surplus/(Deficit) at end of year	6,013,065	7,453,355	7,601,595				

Note: Figures in brackets indicate cost to Council

Unfavourable variances shown in brackets



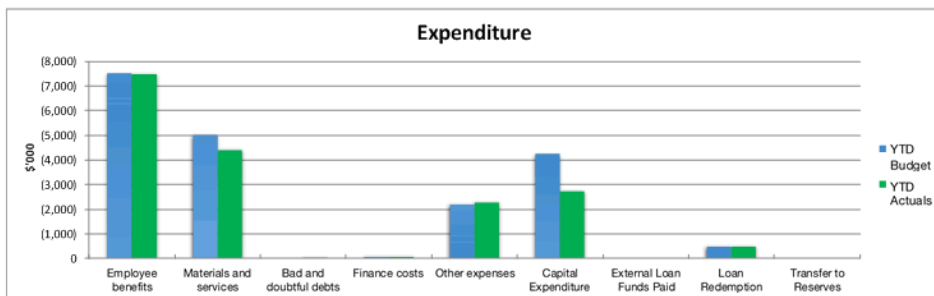
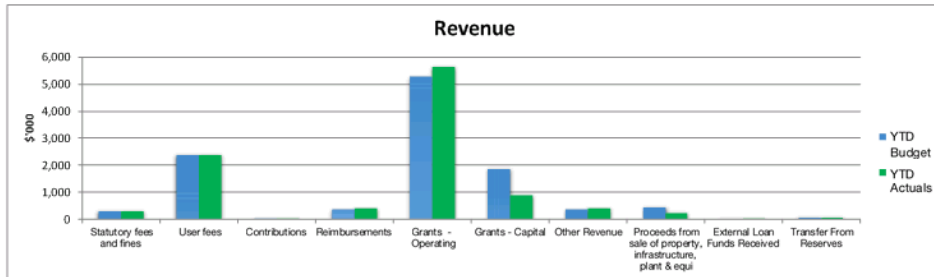
Key Performance Indicators	Adopted Budget	Reviewed Budget	Forecast Budget	YTD Actuals	Trend
Underlying Result (VAGO) (Total operating result/Total revenue)	8.1%	5.9%	5.2%	52.7%	↑
Working capital ratio (current assets/Current liabilities)	242.4%	203.0%	205.3%	606.5%	↔
Self-financing (cash generated from operating activities/Revenue)	28.6%	26.6%	24.1%	7.2%	↓
Indebtedness (non-current liabilities/Own source revenue)	5.2%	5.2%	4.7%	7.6%	↔
Debt commitment ratio (interest and loan repayments as a % of rate revenue)	5.5%	5.5%	5.5%	2.7%	↓

2. Cash Budget

	Annual Budget	Reviewed Budget	Forecast Budget	YTD Budget	YTD Actuals	YTD Variance fav/(unfav)	
						\$	%
REVENUE							
Rates and charges	20,062,190	20,062,190	20,062,190	20,075,716	20,146,062	70,346	0%
Statutory fees and fines	189,450	189,450	235,035	289,012	318,398	29,387	10%
User fees	5,356,998	5,356,998	5,261,953	2,389,560	2,384,146	(5,414)	(0%)
Contributions	49,793	254,468	269,773	22,320	7,555	(14,764)	(66%)
Reimbursements	897,361	897,361	900,578	378,481	418,977	40,496	11%
Grants - Operating	9,904,940	10,071,811	14,259,373	5,289,498	5,614,596	325,098	6%
Grants - Capital	4,730,000	5,187,000	5,149,000	1,862,000	879,628	(982,372)	(53%)
Other Revenue	454,193	454,193	499,193	389,343	406,187	16,844	4%
Proceeds from sale of property, infrastructure, plant & equi	874,300	874,300	874,300	426,300	221,079	(205,221)	(48%)
External Loan Funds Received	118,972	118,972	118,972	0	37,741	37,741	0%
Transfer From Reserves	175,000	175,000	177,739	47,739	47,739	0	0%
Total Revenue	42,813,197	43,641,743	47,808,105	31,169,969	30,482,109	(687,859)	70%
EXPENDITURE							
Employee benefits	(14,757,699)	(14,869,446)	(14,948,991)	(7,526,332)	(7,467,704)	58,628	1%
Materials and services	(10,596,109)	(11,503,302)	(15,656,846)	(5,017,115)	(4,383,309)	633,806	13%
Bad and doubtful debts	(2,000)	(2,000)	(2,000)	0	(1,505)	(1,505)	(0%)
Finance costs	(139,732)	(139,732)	(139,732)	(69,866)	(74,871)	(5,005)	(7%)
Other expenses	(3,279,902)	(3,772,498)	(3,735,502)	(2,187,459)	(2,284,108)	(96,649)	(4%)
Capital Expenditure	(13,009,500)	(14,835,037)	(14,654,565)	(4,234,558)	(2,736,280)	1,498,278	35%
External Loan Funds Paid	(100,000)	(100,000)	(100,000)	0	0	0	(0%)
Loan Redemption	(957,402)	(957,402)	(957,402)	(478,701)	(478,622)	79	0%
Transfer to Reserves	(1,602,972)	(1,602,972)	(1,605,472)	0	0	0	(0%)
Total Expenditure	(44,445,316)	(47,782,388)	(51,800,510)	(19,514,031)	(17,426,399)	2,087,632	(36%)
Surplus/(Deficit)	(1,632,118)	(4,140,645)	(3,992,405)	11,655,938	13,055,710	1,399,772	12%

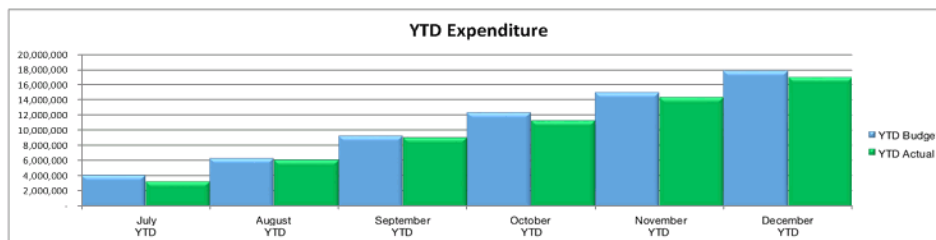
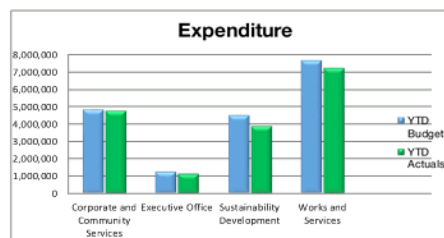
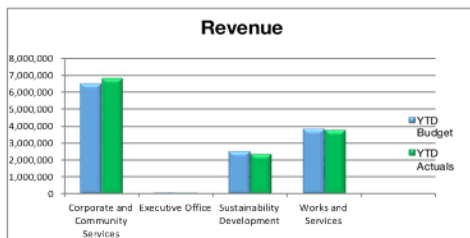
Note: Figures in brackets indicate cost to Council

Unfavourable variances shown in bra



3. Recurrent Operations

	Adopted Budget	Reviewed Budget	Forecast Budget	YTD Budget	YTD Actuals	YTD Variance fav/(unfav)	
						\$	%
Recurrent Operations							
Revenue							
Corporate and Community Services	12,537,612	12,484,287	12,631,995	6,509,474	6,841,042	331,568	5%
Executive Office	31,400	31,400	31,400	3,413	4,828	1,415	41%
Sustainability Development	5,604,368	5,604,368	5,531,505	2,481,128	2,343,315	(137,813)	(6%)
Works and Services	6,908,240	6,908,240	6,858,240	3,816,450	3,753,143	(63,307)	(2%)
Revenue Total	25,081,620	25,028,295	25,053,139	12,810,466	12,942,329	131,863	1%
Expenses							
Corporate and Community Services	8,846,673	8,937,684	8,965,095	4,770,706	4,731,709	38,997	1%
Executive Office	2,326,717	2,538,614	2,662,614	1,229,056	1,121,667	107,389	9%
Sustainability Development	9,444,760	9,833,813	9,799,929	4,455,939	3,838,457	617,482	14%
Works and Services	14,332,845	14,356,355	14,270,365	7,591,830	7,161,645	430,185	6%
Expenses Total	34,950,994	35,666,465	35,698,002	18,047,532	16,853,478	1,194,054	7%
Recurrent Operations Total	9,869,374	10,638,170	10,644,863	5,237,066	3,911,149	1,325,917	25%



Recurrent Revenue is \$130,000 over budget.

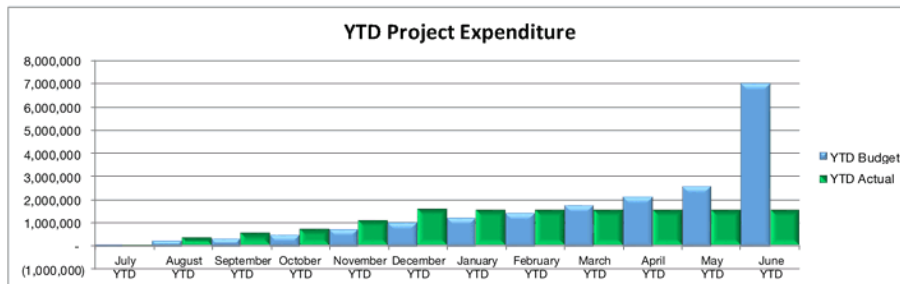
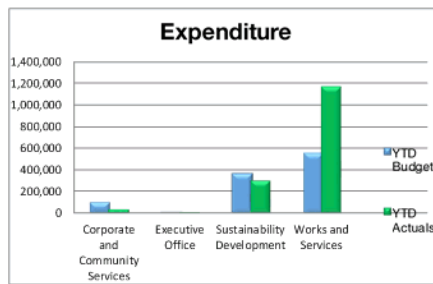
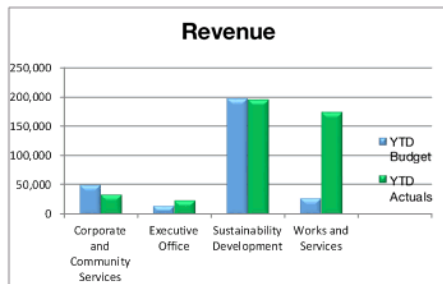
- Investment Income is \$134,000 above budget due to higher cash reserves from delayed expenditure.
- Landfill and Transfer Station revenue is \$133,000 below year to date budget. This is a phasing issue with the income. The tonnages received to date are in line with expectations.
- Aged and Disability support income of \$178,000 received earlier than budget.
- Pre School administration grants of \$49,000 received earlier than budget.
- South West Alliance funding currently \$77,000 below budget. This is offset by saving in expenditure highlighted below.

Recurrent expenditure is \$1,194,000 under budget.

- Executive Services are \$102,000 below budget due to staff vacancy and phasing of expenditure.
- Landfill expenditure is \$412,000 below budget due to delays in construction of cells and leachate dam.
- Local Roads expenditure is \$427,000 below budget due to weather delays.
- South West Alliance expenditure is \$105,000 below budget.
- Fleet costs are currently \$127,000 under budget due to phasing.

4. Projects

	Annual Budget	Reviewed Budget	Forecast Budget	YTD Budget	YTD Actuals	YTD Variance fav/(unfav)	
						\$	%
Projects							
Revenue							
Corporate and Community Services	0	0	58,500	52,000	35,000	(17,000)	(33%) ●
Executive Office	0	3,000	15,000	15,000	25,000	10,000	67% ●
Sustainability Development	157,690	271,190	576,321	197,742	197,345	(397)	(0%) ●
Works and Services	548,000	704,371	4,459,834	28,000	174,843	146,843	524% ●
Revenue Total	705,690	978,561	5,109,655	292,742	432,188	139,446	48% ●
Expenses							
Corporate and Community Services	197,000	249,269	304,769	104,288	38,460	65,828	63% ●
Executive Office	88,000	140,770	137,770	10,500	15,457	(4,957)	(47%) ●
Sustainability Development	653,190	1,073,350	1,436,032	365,955	306,756	59,199	16% ●
Works and Services	1,120,500	1,391,365	5,140,740	548,311	1,174,930	(626,619)	(114%) ●
Expenses Total	2,058,690	2,854,754	7,019,312	1,029,054	1,535,603	(506,549)	(49%) ●
Projects Total	1,353,000	1,876,193	1,909,657	736,312	1,103,415	(367,103)	(50%) ●



Project Revenue is \$139,000 above the year to date budget

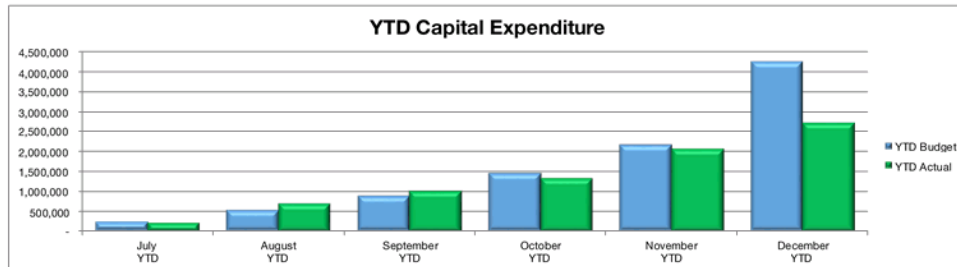
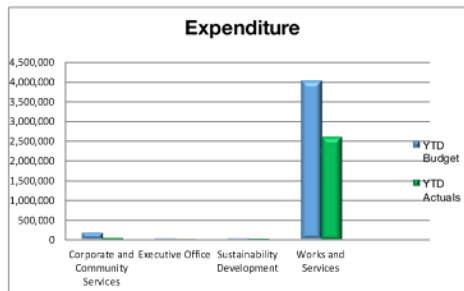
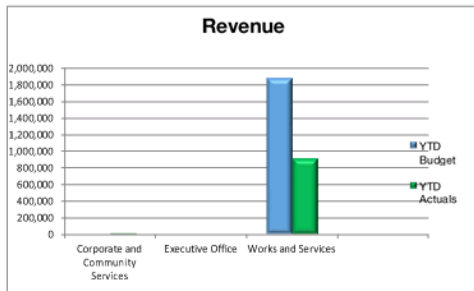
- \$81,000 grant relating to the Cobden fitness centre was received through council and paid to the centre.
- \$90,000 received from South West Alliance emergency call outs due to flood events.
- \$19,500 of revenue for budgeted for recreation reserve projects not yet received.

Project Expenditure is \$507,000 above the year to date budget

- \$81,000 related to the Cobden fitness centre grant as mentioned above.
- \$530,000 relates to expenditure on flood recovery. Most of these expenses will be recovered.
- \$125,000 relates to expenditure on South West Alliance call outs. These expenses will be recovered.
- \$114,000 is currently underspent in the drainage program. This is a phasing issue.

5. Capital

	Annual Budget	Reviewed Budget	Forecast Budget	YTD Budget	YTD Actuals	YTD Variance fav/(unfav)	
						\$	%
Capital							
Revenue							
Corporate and Community Services	0	0	0	0	14,347	14,347	0% ●
Executive Office	0	26,000	26,000	0	0	(0)	0% ●
Works and Services	4,199,400	4,782,400	4,790,085	1,862,685	893,079	(969,606)	(52%) ●
Revenue Total	4,199,400	4,808,400	4,816,085	1,862,685	907,426	(955,259)	(51%) ●
Expenses							
Corporate and Community Services	107,500	397,565	293,565	162,065	62,188	99,877	62% ●
Executive Office	10,000	163,900	70,250	15,000	15,157	(157)	(1%) ●
Sustainability Development	110,500	132,500	126,427	26,427	32,016	(5,589)	(21%) ●
Works and Services	12,781,500	14,141,072	14,164,323	4,031,066	2,626,918	1,404,148	35% ●
Expenses Total	13,009,500	14,835,037	14,654,565	4,234,558	2,736,280	1,498,278	35% ●
Capital Total	8,810,100	10,026,637	9,838,480	2,371,873	1,828,855	543,018	23% ●



Capital Income was under budget by \$955,000.

- Grant Income is \$969,000 under budget due to Roads to Recovery grant income not yet received.

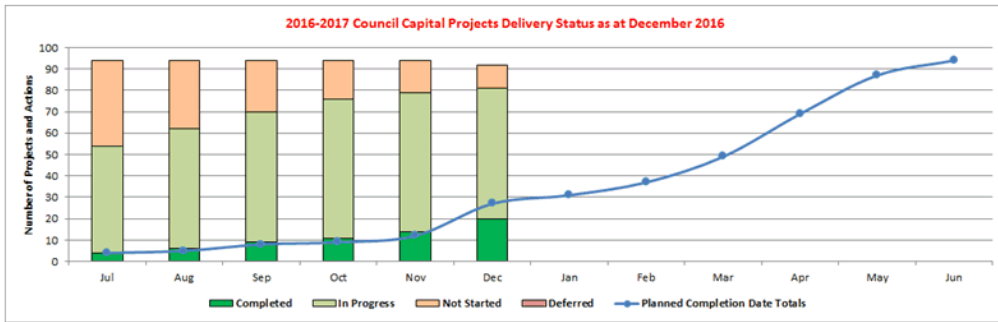
Capital Expenditure was under budget by \$1,498,000.

- Plant & Equipment purchases are \$1,338,000 under budget due to phasing. There was a delay in purchasing machinery due to the caretaker period.
- IT Projects are currently \$70,000 below budget due to phasing.
- A number of other smaller differences make up the result.

6. Project delivery

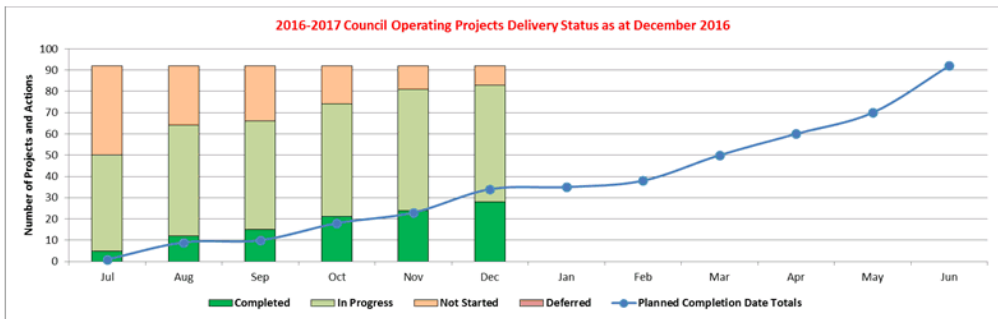
The graphs and tables below provide an overview of the status of Council’s capital and operating projects for the reporting period. As reflected in the financial reports, project delivery has fallen behind schedule at the end of December.

Capital Projects



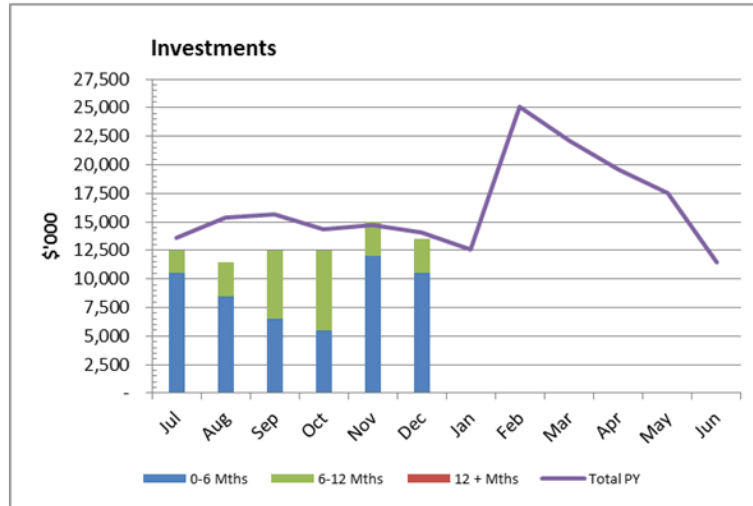
Directorate	Council	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Project	Capital Projects												
Not Started		40	32	24	18	15	11	0	0	0	0	0	0
In Progress		50	56	61	65	65	61	0	0	0	0	0	0
Completed		4	6	9	11	14	20	0	0	0	0	0	0
Deferred		0	0	0	0	0	0	0	0	0	0	0	0
Unfunded		0	0	0	0	0	0	0	0	0	0	0	0
Total		94	94	94	94	94	92	0	0	0	0	0	0
Planned Completion Date		4	5	8	9	12	27	31	37	49	69	87	94

Operating Projects



Directorate	Council	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Project	Operating Proj												
Not Started		42	28	26	18	11	9	0	0	0	0	0	0
In Progress		45	52	51	53	57	55	0	0	0	0	0	0
Completed		5	12	15	21	24	28	0	0	0	0	0	0
Deferred		0	0	0	0	0	0	0	0	0	0	0	0
Unfunded		0	0	0	0	0	0	0	0	0	0	0	0
Total		92	92	92	92	92	92	0	0	0	0	0	0
Planned Completion Date		1	9	10	18	23	34	35	38	50	60	70	92

7. Investments

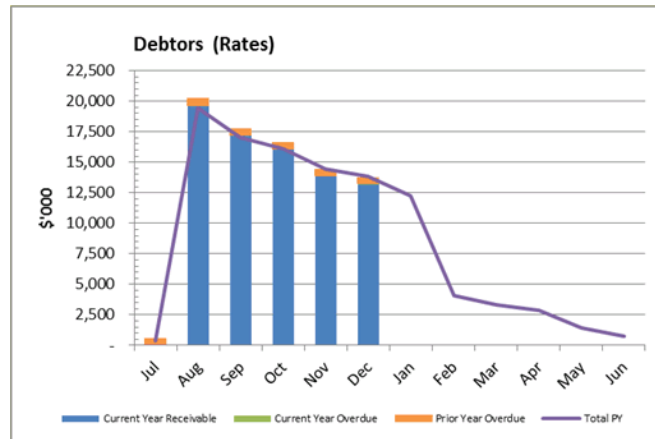


The above graph shows the 2015-2016 total investments as a comparative line and categorises current year investments by term. Term deposits are similar to the level of investments at this time last year.

8. Outstanding Debtors

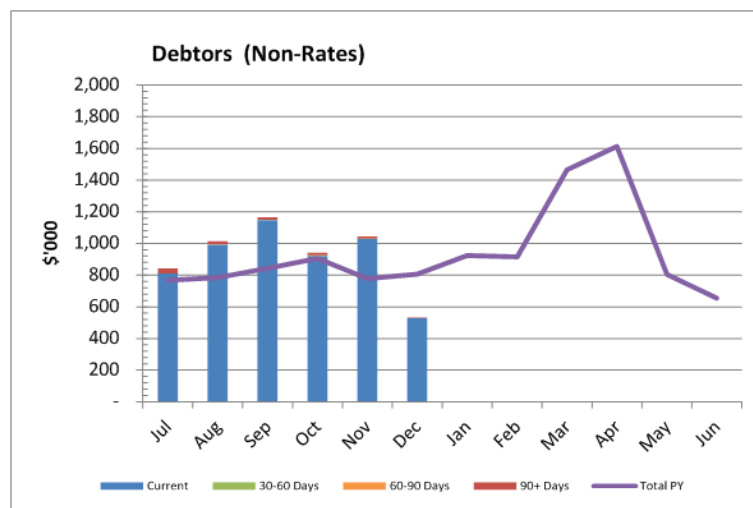
Rate Debtors

The below graph shows the total outstanding debt from the 2015-2016 financial year as a comparative line with the stacked bar graph showing the current year outstanding rates, categorised as current, current year overdue and prior year overdue. In this period there is no current year overdue rates.



Rates are raised in August and the first instalment is due on 30 September, the second instalment 30 November, the third instalment 15 February and the final instalment 15 May. Rates debt relating to prior years is slowly reducing as payment arrangements are followed and collection through external collection agencies pursued. The overdue debt has profiled similarly to the previous financial year.

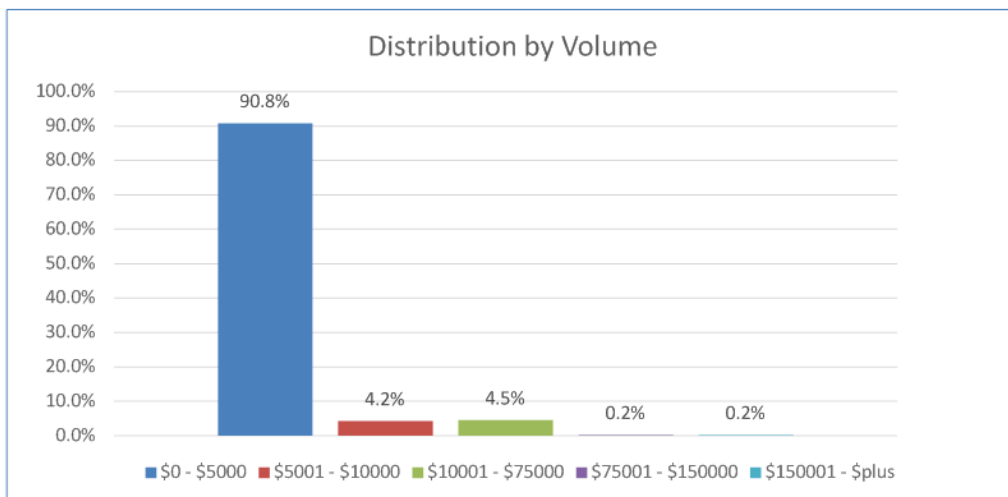
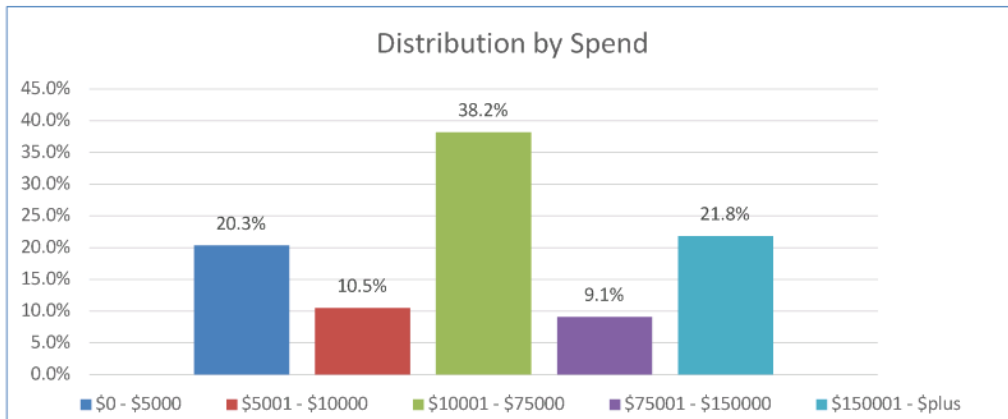
Sundry Debtors



Sundry Debtors are showing a lower total amount owing than the same period last year.

9. Purchasing and Procurement

The graph below details Council’s procurement activity for the reporting period by spend and volume. The top graph details the cumulative expenditure by value whilst the bottom graphs details the cumulative transactions by volume. For example 90.8% of transactions for the period were for a value of \$5,000 or less with a cumulative value representing 20.3% of total procurement.



10. Mid-year budget variations

Type	2016-2017 Adopted Budget	2016-2017 Reviewed Budget	2016-2017 Forecast Budget	Favourable / (Unfavourable)	
Capital Projects					
Patching Prior to Reseal	200,000	200,000	400,000	(200,000)	\$200,000 reallocated from sealing contract savings
Resealing Program	1,466,500	1,466,500	1,216,500	250,000	\$250,000 sealing contract savings allocated to patch prior to reseal and Pt Campbell carpark
Parking Morris St Port Campbell LGIF	0	13,108	63,108	(50,000)	\$50,000 allocated from sealing contract savings
Terang Children's Centre - Construction	0	141,623	41,623	100,000	Savings realised as a result of no defects to building
Technology/OneGIS integration	0	17,000	10,000	7,000	Project to be completed under budget
New Website	0	93,650	0	93,650	\$90,000 allocated to department spending in Community Relations, no upfront costs for website
Port Campbell Transfer Station Wall & Infrastructure Renewal	0	22,000	15,927	6,073	Project completed under budget
Camperdown Court House - Roof & Box Guttering	0	26,330	36,500	(10,170)	Additional work required to complete project
Lismore Depot - Office Renewal	0	7,756	16,902	(9,146)	Additional work required to complete project
Timboon Hall - Concertina Door Replacement	5,000	5,000	1,250	3,750	Project to be completed under budget
Relocated Disaster Recovery Environment to Killara complex	15,000	15,000	18,000	(3,000)	Additional work required to complete project
	1,686,500	2,007,967	1,819,810	188,157	
Department					
Community Relations	732,251	732,251	762,251	(30,000)	\$30,000 additional allocation for new website recurrent cost funding by capital savings above
Records Management & Archive	218,826	218,826	234,826	(16,000)	Maternity Leave backfill costs not budgeted
Port Campbell Information Centre	246,114	246,114	253,594	(7,480)	\$5,000 reduction in booking income due to site not yet working, \$2480 correction to income budget due to variations.
Investment Interest	(300,000)	(300,000)	(345,000)	45,000	Additional investment revenue expected
Maternal & Child Health	103,704	103,704	82,010	21,694	Additional funding received following revision of service agreement
Mobile Child Care	36,240	36,240	35,513	727	\$14,826 reduction in income offset by savings in program
Pre School Administration	(675,151)	(621,826)	(717,666)	95,840	Additional income as a result of new enrolments
Pre School - Skipton	92,863	92,863	90,776	2,087	Reduction in staff hours based on new enrolments
Pre School - Terang	156,743	156,743	203,120	(46,377)	Increase in staff hours based on new enrolments
Pre School - Cobden	111,478	111,478	137,175	(25,697)	Increase in staff hours based on new enrolments
Pre School - Timboon	119,351	119,351	144,028	(44,677)	Increase in staff hours based on new enrolments
Planning	424,045	424,045	383,045	41,000	Additional income to be received as a result of fee increases
Building	69,845	69,845	79,845	(10,000)	Lower demand for building applications
Saleyard - Operations	(155,090)	(155,090)	(83,590)	(71,500)	\$57,000 reduction in income due to lower numbers and values, \$15,000 increase in maintenance costs
	1,181,220	1,234,545	1,279,928	(45,383)	

Non Recurrent Operating Projects									
Stage 1 Waste Management Innovation Options Investigation	0	122,397	185,000	(62,603)	Additional money required for chipper. Purchase approved by Council on 28 August 2016				
Simpson Indoor Cricket Training Venue	0	0	2,500	(2,500)	Correction of prior year error. Grant included twice in last financial year				
Community Grants Funding	50,000	50,000	39,274	10,726	Program undersubscribed with the balance allocated to Facility Grants				
Facility Grants	50,000	50,000	61,822	(11,822)	Additional money from undersubscribed community planning grants				
CMA Landcare Grant 2015/2016	0	7,675	2,623	5,052	Additional income received				
Smartphones for Community Service Co-ordinators	4,000	4,000	1,000	3,000	Alternative phone model chosen at lower cost				
Cobden Senior Citizens - Replace Chairs	5,000	5,000	0	5,000	Project funded from HACC capital grant				
Recreation Tender Development - Shared Service	10,000	10,000	4,317	5,683	Project to cost less than budget				
	119,000	249,072	296,536	(47,464)					
Recurrent Operating Projects									
Great Ocean Road Regional Tourism 8	89,000	89,000	80,000	9,000	Contributions to Great Ocean Road Regional Tourism lower than budget.				
Corporate ICT	236,620	236,620	234,120	2,500	Lease for plan printer finished in Jan-17				
Other Community Housing	0	0	1,101	(1,101)	Site was sold but additional expenses incurred prior to sale				
Street Stalls	0	0	1,000	(1,000)	Expenses for Cobden street stall. Not budget but expenses are being incurred.				
Public Conveniences	283,054	283,054	244,723	38,331	Annual Leave & Superannation not required as these are budgeted in employee home cost centre				
Vmware License Maintenance	24,200	24,200	19,000	5,200	Saving on contract cost				
	632,874	632,874	579,944	52,930					
Total	3,619,594	4,124,458	3,976,218	148,240					

Appendix

Financial Statements

1. Balance Sheet – 31 December 2016
2. Income Statement for the period ended 31 December 2016
3. Cash Flow Statement – for the period ended 31 December 2016

1. Balance Sheet for the period ended 31 December 2016

	Prior Year Balance	Adopted Budget	Reviewed Budget	Forecast Budget	YTD Actuals
CURRENT ASSETS					
Cash and cash equivalents	16,302,791	12,129,000	9,620,473	9,768,713	15,512,356
Financial Assets	107,954	142,000	142,000	142,000	58,547
Rate Receivables	685,593	700,000	700,000	700,000	13,700,679
Other Trade Receivables	1,180,402	1,800,000	1,800,000	1,800,000	1,113,255
Inventories	66,521	93,000	93,000	93,000	157,345
Other assets	1,273,588	569,000	569,000	569,000	276,639
Total Current Assets	19,616,847	15,433,000	12,924,473	13,072,713	30,818,821
NON CURRENT ASSETS					
Investments in associates	237,601	214,000	214,000	214,000	237,601
Financial Assets	358,972	313,000	313,000	313,000	342,869
Trade and other receivables	68,595	89,000	89,000	89,000	57,748
WIP - Capital	1,244,365	13,019,500	14,845,037	14,664,565	3,889,722
Fixed assets	409,884,013	403,951,500	403,951,500	403,951,500	409,690,574
Total Non Current Assets	411,793,547	417,587,000	419,412,537	419,232,065	414,218,514
Total Assets	431,410,394	433,020,000	432,337,010	432,304,778	445,037,335
CURRENT LIABILITIES					
Trade and other payables	2,436,945	2,500,000	2,500,000	2,500,000	431,696
Trust funds and deposits	132,896	205,000	205,000	205,000	154,342
Interest bearing liabilities	968,855	312,000	312,000	312,000	490,234
Provisions - current	3,725,467	3,350,000	3,350,000	3,350,000	4,005,498
Total Current Liabilities	7,264,163	6,367,000	6,367,000	6,367,000	5,081,770
NON CURRENT LIABILITIES					
Interest bearing liabilities - non-current	2,223,945	1,918,000	1,918,000	1,918,000	2,223,945
Provisions - non-current	5,367,741	5,420,000	5,420,000	5,420,000	5,276,307
Total Non Current Liabilities	7,591,686	7,338,000	7,338,000	7,338,000	7,500,251
Total Liabilities	14,855,849	13,705,000	13,705,000	13,705,000	12,582,021
Net Assets	416,554,545	419,315,000	418,632,010	418,599,778	432,455,314
EQUITY					
Operating Surplus/Deficit	10,083	3,419,484	2,736,494	2,704,023	15,900,769
Accumulated surplus	212,058,560	209,612,516	209,612,516	209,612,516	212,068,643
Asset revaluation reserve	203,161,574	203,495,000	203,495,000	203,495,000	203,161,574
Reserves	1,324,329	2,788,000	2,788,000	2,788,239	1,324,329
Total Equity	416,554,545	419,315,000	418,632,010	418,599,778	432,455,314

2. Income Statement for the period ended 31 December 2016

	Annual Budget	Reviewed Budget	Forecast Budget	YTD Budget	YTD Actuals	YTD Variance favourable/ (unfavourable)
REVENUE						
Rates and charges	20,062,190	20,062,190	20,062,190	20,075,716	20,146,062	70,346
Statutory fees and fines	189,450	189,450	235,035	289,012	318,398	29,387
User fees	5,356,998	5,356,998	5,261,953	2,389,560	2,384,146	(5,414)
Contributions	49,793	254,468	269,773	22,320	7,555	(14,764)
Reimbursements	897,361	897,361	900,578	378,481	418,977	40,496
Grants - Operating	9,904,940	10,071,811	14,259,373	5,289,498	5,614,596	325,098
Grants - Capital	4,730,000	5,187,000	5,149,000	1,862,000	879,628	(982,372)
Other Revenue	454,193	454,193	499,193	389,343	406,187	16,844
Total Revenue	41,644,925	42,473,471	46,637,094	30,695,930	30,175,550	(520,380)
EXPENDITURE						
Employee benefits	14,757,699	14,869,446	14,948,991	7,526,332	7,467,704	58,628
Materials and services	10,596,109	11,503,302	15,656,846	5,017,115	4,383,309	633,806
Bad and doubtful debts	2,000	2,000	2,000	0	1,505	(1,505)
Depreciation	9,450,000	9,450,000	9,450,000	0	218,105	(218,105)
Finance costs	139,732	139,732	139,732	69,866	74,871	(5,005)
Other expenses	3,279,902	3,772,498	3,735,502	2,187,459	2,284,108	(96,649)
Total Expenditure	38,225,442	39,736,977	43,933,071	14,800,772	14,429,602	371,170
(Surplus)/Deficit from Operatio	3,419,484	2,736,494	2,704,023	15,895,158	15,745,948	(149,210)
Proceeds from sale of property, infrastructure, plant & equip	874,300	874,300	874,300	426,300	221,079	205,221
Written down value property, infrastructure, plant and equip	874,300	874,300	874,300	0	66,258	(66,258)
Net (gain)/loss on disposal of property, infrastructure, plant and equipment	0	0	0	426,300	154,821	271,479
(Surplus) / deficit for period	3,419,484	2,736,494	2,704,023	16,321,458	15,900,769	(420,689)

3. Cash Flow Statement – for the period 31 December 2016

	Adopted Budget	Reviewed Budget	Forecast Budget	YTD Actuals
Cash flows from operating activities				
Rates and charges	19,748,000	19,748,000	19,748,000	7,130,976
Statutory fees and fines	189,000	189,000	234,585	318,398
User fees	5,250,000	5,250,000	5,154,954	2,449,788
Contributions	50,000	254,675	269,980	7,555
Grants - Operating	9,905,000	10,071,871	14,259,433	5,614,596
Grants - Capital	4,730,000	5,187,000	5,149,000	879,628
Reimbursements	897,000	897,000	900,217	418,977
Other Revenue	454,000	454,000	499,000	406,187
Payments to employees	(14,758,000)	(14,869,747)	(14,960,892)	(7,279,108)
Payments to suppliers	(14,572,000)	(15,971,788)	(20,076,498)	(7,766,542)
Net cash provided by operating activities	11,893,000	11,210,011	11,177,779	2,180,456
Cash flows from investing activities				
Payments for property, infrastructure, plant and equipment	(13,009,000)	(14,834,538)	(14,654,066)	(2,736,280)
Repayment of loans and advances from/(to) Organisations	19,000	19,000	19,000	76,357
Proceeds from sale of property, infrastructure, plant and equipment	874,000	874,000	874,000	221,079
Net cash flow from investing activities	(12,116,000)	(13,941,538)	(13,761,066)	(2,438,845)
Cash flows from financing activities				
Finance costs	(139,000)	(139,000)	(139,000)	(74,871)
Trust funds and deposits	0	0	0	21,446
Proceeds from interest bearing loans and borrowings	0	0	0	0
Repayment of interest bearing loans and borrowings	(957,000)	(957,000)	(957,000)	(478,622)
Net cash from financing activities	(1,096,000)	(1,096,000)	(1,096,000)	(532,046)
Net increase (decrease) in cash and cash equivalents	(1,319,000)	(3,827,527)	(3,679,287)	(790,435)
Cash and cash equivalents at beginning of the year	13,448,000	13,448,000	13,448,000	16,302,791
Cash and cash equivalents at end of the year	12,129,000	9,620,473	9,768,713	15,512,356

10.4 2017-2018 Rate Cap

Author: David Rae, Director Corporate and Community Services

File No: D16/781

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - David Rae

In providing this advice to Council as the Director Corporate and Community Services, I have no interests to disclose in this report.

Summary

To present information on the 2017-2018 rate cap announced by the Minister for Local Government and its financial impact.

Introduction

On 22 December 2016, the Government Gazette published a General Order issued by the Minister for Local Government under Section 185D of the *Local Government Act 1989*. The purpose of the Order was to announce a rate cap of 2% which will apply to all Victorian councils for the 2017-2018 financial year. The effect of the cap means a council must not exceed the base average rate by more than the rate cap specified in the Order. The cap is based on the Victorian Department of Treasury and Finance mid-year economic update CPI forecast. A copy of the General Order is attached under separate cover. A council may apply to the Essential Services Commission (ESC) for a special Order specifying a higher cap for up to a maximum of four financial years.

Issues

Corangamite Shire Council's financial position is strong and generally within the low risk benchmarks as assessed by the Victorian Auditor General's Office. In order to continue to maintain Council's strong record of financial management under a rate capping regime, Council will need to contain, on average, annual increases in costs at or below the cap. This will need to be achieved through reduced operating expenditure. Reducing capital expenditure is not financially responsible; new capital expenditure is generally low and maintaining capital expenditure on renewing existing assets is essential.

To achieve the required reduction in operating expenditure, Council will need to adjust its level of service provision. Financial modelling based on the cap indicates that from 1 July 2017 Council will need to reduce its recurrent operating expenditure by \$50,000 to remain financially sustainable. This is in addition to preserving the \$500,000 savings achieved in 2016-2017 following the introduction of rate capping. Whilst officers have historically and currently continue to identify and implement efficiency and productivity initiatives, further action is required in bridging the "rates capping gap" for 2017-2018. A summary of the modelling is provided below under the Financial and Resource Implications.

The draft budget for 2017-2018 will be presented to Council in April 2017. The draft budget will include an increase in Council rates and the municipal charge equal to the cap, which is lower than the 2016-2017 cap of 2.5%. The budget will also include a variety of initiatives to deliver the required savings to bridge the funding gap. These initiatives will be developed over the next several months and will result in a broad reduction in costs which will be achieved through modifying or eliminating some services. There will also be an emphasis on reviewing services currently provided by Council on behalf of the State Government. Conversely, alternative income sources will be considered including a review of fees and charges where the underlying service mostly deliver benefits to individuals rather than the community. As initiatives are developed, the stakeholders who are impacted will be consulted where possible prior to the draft budget being presented to Council.

The key principles underpinning Council's response to rate capping are as follows:

- Where possible seek to reduce cost shifting from the State Government. Council currently provides services on behalf of the State Government which are subsidised by Council. Examples include blue green algae testing and response at Lake Bullen Merri, which is the responsibility of the State Government, and the provision of funding to the SES. The 2017-2018 draft budget will propose Council reduce SES funding to nil.

There are many additional services that are provided on behalf of the State Government. These services include school crossing supervisors and processing of fire permits for the CFA. While no decision has been made by Corangamite about the continued provision of these services, some of these services may need to be 'cut' or 'handed back' to the State Government.

- Work with other councils through the Municipal Association of Victoria to advocate for a fairer system of funding. The ongoing Parliamentary Inquiry into rate capping in 2015 identified a range of services where State Government funding had been significantly reduced over a period of time. For example, libraries services were originally funded 80% State Government and 20% Local Government, over time these ratios have been reversed. The Inquiry and MAV advocacy, resulted in an increase in funding by the State Government for Maternal and Child Health services.

The Inquiry also notes the impact on rural councils of the cut by the State Government of the Country Roads and Bridges funding. This funding provided \$1 million a year for local road and bridge renewal. Infrastructure renewal is paramount to the liveability and connectivity within our communities. External funding for roads is essential to ensure Council can continue to maintain our roads and bridges.

- Reduce or eliminate some services which are "nice to do but not critical". Unfortunately this will impact on our capacity to provide funding and support to communities. It is still too early to know what these services are, it is expected that services will be identified through the budget development and/or future service reviews.
- Continue to invest in renewing existing assets. It is important that we don't let our assets (roads and buildings) deteriorate, this means that it is unlikely that substantial cost reductions will be made in these areas.
- Not borrow to subsidise operating activities. We will not use loans to fund operating activity because this just defers the problem to the future.

- Continue to be as efficient as possible. A challenge for future years will be to keep our costs below the rate cap.

Policy and Legislative Context

Consideration of this paper is in accordance with the *Local Government Amendment (Fair Go Rates) Act 2015*, which was passed by the Victorian Parliament during November 2015 and with the 2013-2017 Council Plan commitments:

Council will demonstrate high levels of ethical behaviour and corporate governance standards. We will make budgetary decisions that are reflective of our financial circumstances. We will advocate for and with the community to achieve outcomes.

Model contemporary standards of corporate governance and professional standards.

Council will recognise and make decisions that reflect our financial circumstances.

Internal / External Consultation

Significant internal and external consultation occurred following the announcement of the 2016-2017 Rate Cap. A minimum of \$500,000 in recurrent savings was identified prior to drafting the 2016-2017 Budget. The Budget was adopted on 14 June 2016 following an intensive public submission process. The recurrent savings identified will be preserved in the 2017-2018 Budget.

Late December 2016, Council received notification the rate cap for 2017-2018 will be 2%. Council's Senior Officer Group will identify savings initiatives in consultation with the Leadership Group prior to the first budget briefing on 15 March 2017. Effected stakeholders will be consulted prior to present the draft budget to Council at the 26 April 2017 meeting.

Financial and Resource Implications

The financial impact of the Rates Capping and Variation Framework is summarised below.

	2016-2017 Budget	2017-2018 SRP	Increase
Rate* Increase @ 2.25%	18,548,552	18,965,894	417,342
Rate Cap Increase @ 2.00%	18,548,552	18,919,523	370,971
Financial Impact ==>			(46,371)

Based on modelling a reduction in recurrent costs of \$50,000 will be required in the 2017-2018 financial year.

* At present the rate cap does not apply to service charges (i.e. waste management charges) and so have been excluded from the modelling. The increase in services charges is set on a cost recovery basis. However, the Minister reserves discretion to cap service charges if increases are excessive.

Options

Council has limited options to deal with the impact of rate capping. Council may choose to:

1. Not take any action, however this is financially unsustainable.
2. Reduce only capital expenditure, however this provides only short-term benefits and is not financially sustainable in the long-term.
3. Apply to the Essential Services Commission for a variation to increase rates higher than the cap.
4. Reduce operating costs to a sustainable level.

Conclusion

The rate cap for 2017-2018 has been set at 2%. The cap will limit the annual increase in rates and the municipal charge. To remain financially sustainable, Council's draft 2017-2018 Budget will include a variety of initiatives to offset the impact. Some services will be impacted and stakeholders will be consulted prior to Council considering the draft Budget in April 2017.

RECOMMENDATION

That Council:

1. **Notes the impact of rate capping as outlined in this report and prepare a draft budget taking into account the loss of approximately \$50,000 of rate income.**
2. **Writes to the Minister for Local Government and Local Government Victoria outlining the financial impacts of rate capping on Corangamite Shire and the need for greater financial support for rural and regional councils.**
3. **Writes to the Rural Council's Victoria supporting their advocacy efforts to increase State Government funding to services provided by rural Council's on behalf of the State Government.**

COUNCIL MOTION

MOVED: *Cr McArthur*
SECONDED: *Cr Illingworth*

That the recommendation be adopted subject to the inclusion of:

4. **Determines it hands back services previously funded by the State Government now funded by Council.**

LOST

COUNCIL RESOLUTION

MOVED: *Cr Brown*
SECONDED: *Cr Trotter*

That Council defers the item to a subsequent meeting, so that a review of State Government services delivered by Council as a result of cost shifting and which will be impacted will be better understood.

CARRIED

Attachments

1. Minister for Local Government General Order - 2017-2018 Rate Cap - Under Separate Cover

Mr Adam Taylor left the meeting at 8.05 pm

10.5 Timbon Sporting Centre 2016-2017 Fees and Charges

Author: Lucy Vesey, Recreation Development Officer

File No: D16/801

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - Lucy Vesey

In providing this advice to Council as the Recreation Development Officer, I have no interests to disclose in this report.

Summary

To approve the proposed fees and charges for programs and activities conducted at the Timboon Sporting Centre for 2017.

Introduction

The Timboon Sporting Centre is overseen by a Committee of Management appointed by Council, as per the agreement between the Corangamite Shire, Timboon P-12 School and the Timboon Sporting Centre Management.

The Centre is managed and operated by the Ballarat YMCA. The contract between Council and the Ballarat YMCA specifies that the Contractor will have responsibility to recommend fees for the Centre at the December meeting of the Committee of Management for implementation from 1 January to 31 December of each year subject to Council approval.

The current contract with the Ballarat YMCA states that “the Contractor shall be responsible for receipt of all user fee income and shall keep daily record of all income received”. Any increase in fee income is retained by the Ballarat YMCA.

Issues

A fee increase is sought for programs and activities at the Timboon Sporting Centre for the 2017 calendar year.

The Ballarat YMCA has prepared and recommended an adjustment to the fees for the consideration of the Timboon Sporting Centre Committee of Management as follows:

TIMBOON SPORTING CENTRE			
	2016	2017	
Program	Approved Fee	Proposed Fee	% Increase
Senior: Basketball	\$6.20	\$6.50	4.8%
Netball	\$6.20	\$6.50	4.8%
Badminton	\$6.20	\$6.50	4.8%
Volleyball	\$6.20	\$6.50	4.8%
Junior: Basketball	\$4.20	\$4.50	7.1%
Soccer	\$4.20	\$4.50	7.1%
Netball	\$4.20	\$4.50	7.1%
Squash	\$4.20	\$4.50	7.1%
A two game discount will be applied to the above sports for upfront payment of a full season. Discount applied to number of games per season (finals excluded).			
Pennant squash: per game	\$6.70	\$6.70	0%
pre-paid 10% discount			
Junior training - any sport	\$4.20	\$4.50	7.1%
Senior training – any sport	\$6.20	\$6.50	4.8%
Casual squash	\$7.50	\$7.50	0%
Pennant practise	\$6.20	\$6.50	4.8%
Group Fitness Programs			
Single Session	\$11.00	\$11.50	4.5%
Single Session (Concession)	\$9.50	\$10.00	5.3%
Group Fitness classes to be sold as term passes. Pricing will be determined on the amount of weeks per (school) term x single session.			
Gym Memberships			
Single Session	\$11.00	\$11.50	4.5%
Single Session (Concession)	\$9.50	\$10.00	5.3%
Gym memberships to be sold as term passes. Pricing will be determined on the amount of weeks per (school) term x single session.			
Funastics			
Single Session	\$11.00	\$11.50	4.5%
Single Session (Concession)	\$9.50	\$10.00	5.3%
Funastics to be sold as term passes. Pricing will be determined on the amount of weeks per (school) term x single session.			
Stadium Hire (Casual one off bookings)			
No lights	\$50.00 h	\$52.00 h	4%
Lights	\$65.00 h	\$67.00 h	3%

The YMCA recommended a number of fees remain unchanged in 2016 to ensure ease of cash handling. At that time the YMCA and committee recommended an increase from \$6.20 to \$6.50 in 2017 to offset the 0% increase in 2016.

Council has undertaken an exercise to compare fee models at neighbouring sporting centres to ensure competitive fees and charges are being provided at the centre.

Below is an outline of the findings:

- A number of facilities charge a fee to the sporting association or school on a court by court, hour by hour fee (refer table 1).
- There are a number of different usage arrangements being used, including licence agreements, association run programs and contractors to deliver the service.
- Majority of facilities increase fees by 4-5% each financial year.
- Facility A and Facility B do not differentiate between junior and senior sport participants.

Program	Facility A Current Fee Type	Facility B Current Fee Type	Facility C Current Fee Type	Facility D Current Fee Type	Facility E Current Fee Type
Senior Sports Basketball Netball Volleyball Badminton	Licence Agreement (Basketball) Court Hire Arrangement (All Other Sports)	Court Hire Arrangement	Per participant (\$10.00)	Court Hire Arrangement	Court Hire Arrangement
Junior Sports Basketball Netball Volleyball Badminton	Licence Agreement (Basketball) Court Hire Arrangement (All Other Sports)	Court Hire Arrangement	Per participant (\$7.60)	Per participant (\$3.50)	Court Hire Arrangement
Court Hire (per court per hour)	\$43.00 (peak times) \$36.80 (off peak times)	\$35.00 (Basketball Association) \$45.00 (All other sports)	\$60.00 (without lights) \$70.00 (with lights)	\$35.00 (per team per game) \$45.00 (Casual users)	\$60.00 (peak times) \$30.00 (off peak times)

Table 1: Fee Type by Facility

In order to provide comparative data, Council officers have reviewed the different fees and charges to derive a per participant fee.

In the instance of those facilities where court hire fees are applied, the number of people expected to be on court for the duration of a match has been factored. It should be noted that this only provides a base comparison as there may be additional members of a team, for instance substitutes that if included in the calculation could make the individual participant fee cheaper.

It has also been assumed that the licence agreement for basketball (Facility A) is at the court hire rate. For the purposes of comparison, if this was greater per hour per court then the participant rate would be higher and likewise if it was lower.

The detailed calculations of the comparison are outlined in Attachment 1.

In summary, the average cost per participant, broken down by senior and junior participants across the four neighbouring facilities is outlined in Table 2 below.

	Junior	Senior
Facility A	\$6.04	\$6.04
Facility B	\$6.00	\$6.00
Facility C	\$7.60	\$10.00
Facility D	\$3.50	\$4.90
Facility E	\$4.15	\$8.25
Timboon Sporting Centre	\$4.50	\$6.50

Table 2: Average cost per participant senior and junior across all sports

Table 2 shows that the average cost per participant is slightly higher at most other sporting centres, with the exception of Facility D, and highlights that the cost per participant to utilise the Timboon Sporting Centre is on par with neighbouring facilities.

The proposed fees for Timboon Sporting Centre show an incentive for junior participation with a cheaper fee to that of a senior participant. This is the same fee model as Facility C and Facility E, however this differs from Facility A and B.

Overall, the cost per participant is similar to neighbouring facilities and given the known benefits of health and wellbeing outcomes for those who participate in sport from a young age, the fee model of the Timboon Sporting Centre would seem appropriate.

There is no change proposed to the current fee model at this time and under the current contract. The fee model is something that can be reviewed as a part of any future management model direction.

In 2016, Council developed its Recreation and Open Space Strategy 2016-2026. As part of this process consultation with the community was undertaken in the form of surveys and face to face interviews. The study sought feedback regarding barriers to participation in sport and recreation. The outcomes from this consultation highlighted:

The main reason for not participating in these activities was 'being too busy'. ... Not feeling confident and cost were not seen as significant factors preventing respondents from participating in their desired activities.

Corangamite Shire Recreation and Open Space Strategy 2016-2026.

Policy and Legislative Context

The Timboon Sporting Centre Committee of Management is a Special Committee of Council in accordance with Section 86 of the *Local Government Act 1989*. Election of committee members is conducted in accordance with the Instrument of Delegation. Council has delegated special powers and functions under the instrument of delegation to the Committee, of which one is to prepare a list of fees and charges for Council approval.

This arrangement aligns with 2013-2017 Council Plan key commitments in the areas of community wellbeing and lifestyle:

Corangamite Shire's communities are welcoming and provide support and a sense of belonging. Council will work to improve and enhance community health, wellbeing and connectedness. Council has an important role in planning to ensure townships grow in a sustainable manner.

Provide opportunities to improve and enhance the health and wellbeing of our community.

Provide and advocate for a range of services, facilities and support to our people to enable them to fully engage and participate in the community

Internal / External Consultation

The Committee considered the proposed fees and charges for 2017 at its meeting on 6 December 2016 and agreed to recommend the proposed fee increase for approval by Council.

External consultation was undertaken with neighbouring councils in the form of benchmarking to have comparison data on current fee levels and different fee models for sporting centres.

Financial and Resource Implications

The fees have increased at an average rate of 4.8% with rounding.

The action will result in no change to the net cost of the operation of the Timboon Sporting Centre to Council as all fees are retained by the contractor.

The proposed Timboon Sporting Centre fees are on par with similar facilities where benchmarking has been completed.

Options

Council can opt to accept the Committee's recommendation to increase the fees and charges for programs and activities conducted at the Timboon Sporting Centre for 2017.

Alternatively, Council can reject the recommendation from the Timboon Sporting Centre Committee of Management and retain the current fees or recommend alternative fees.

Conclusion

The recommended fees and charges for the Timboon Sporting Centre for 2017 are in line with industry prices, are not considered to be a barrier for residents to get active and partake in recreational activities, and provide a cheaper price point for junior participants as an incentive for participation.

RECOMMENDATION

That Council approves the proposed fees and charges for programs and activities conducted at the Timboon Sporting Centre 2017:

TIMBOON SPORTING CENTRE	
Program	
Senior: Basketball	\$6.50
Netball	\$6.50
Badminton	\$6.50
Volleyball	\$6.50
Junior: Basketball	\$4.50
Soccer	\$4.50
Netball	\$4.50
Squash	\$4.50
A two game discount will be applied to the above sports for upfront payment of a full season. Discount applied to number of games per season (finals excluded).	
Pennant squash: per game	\$6.70
pre-paid 10% discount	
Junior training - any sport	\$4.50
Senior training – any sport	\$6.50
Casual squash	\$7.50
Pennant practise	\$6.50
Group Fitness Programs	
Single Session	\$11.50
Single Session (Concession)	\$10.00
Group Fitness classes to be sold as term passes. Pricing will be determined on the amount of weeks per (school) term x single session.	
Gym Memberships	
Single Session	\$11.50
Single Session (Concession)	\$10.00
Gym memberships to be sold as term passes. Pricing will be determined on the amount of weeks per (school) term x single session.	
Funastics	
Single Session	\$11.50
Single Session (Concession)	\$10.00
Funastics to be sold as term passes. Pricing will be determined on the amount of weeks per (school) term x single session.	
Stadium Hire (Casual one off bookings)	
No lights	\$52.00 h
Lights	\$67.00 h

COUNCIL RESOLUTION

MOVED: *Cr Trotter*
SECONDED: *Cr Illingworth*

That the recommendation be adopted.

CARRIED

Attachments

1. Sporting Centre Fee Comparison January 2017 - Under Separate Cover

Mr Jarrod Woff left the meeting at 8.10 pm.

10.6 Special Charge Scheme - Installation of Footpath on Northern Side of Tarrant Street from Adams Street to Victoria Street, Cobden

Author: John Kelly, Manager Assets Planning

File No: D17/2

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - John Kelly

In providing this advice to Council as the Manager Assets Planning, I have no interests to disclose in this report.

Summary

This report proposes that a special charge scheme be declared for the installation of a footpath on the northern side of Tarrant Street, from Adams Street to Victoria Street, Cobden.

The majority of owners have advised of their support of the proposal and the recommendation is that the Special Charge Scheme be declared.

Introduction

Council's current budget provides for the construction of concrete footpath, nature strip reinstatement and associated works in Tarrant Street, Cobden. The path will connect with the existing footpath in Victoria Street in the east and a proposed path in Adams Street in the west.

The works are to be undertaken under a Special Charge Scheme.

In order to make a declaration under a Special Charge Scheme the following documents were prepared (refer to attachments):

- public notice of proposed declaration
- proposed declaration
- map of area of scheme, including concept plan of proposed works
- schedule of properties and special charge apportionments
- determination of the maximum total levy
- letter of notice to benefiting property owners.

Issues

This special charge scheme allows for defraying a portion of the cost of the construction of 201m of concrete footpath and associated works on the northern side of Tarrant Street from Adams Street and Victoria Street, Cobden.

Policy and Legislative Context

Section 163, Special Rates and Special Charges, of the *Local Government Act 1989* specifies the procedure for Council to recover costs if it considers that certain works will be of special benefit to the persons required to pay the rate or charge. Council must resolve to make a special rate or special charge and such resolution must specify:

- the land in relation to which the special rate or special charge is declared
- the manner in which the charge will be assessed and levied
- details of the period for which the charge remains in force.

Section 163 of the *Local Government Act 1989* also specifies how a council should determine the maximum total amount that may be levied as a special charge. In accordance with Council's Special Rates and Charges Policy, when determining this levy amount, consideration is given to the level of benefit received by the wider community in comparison with the level of special benefit received by the abutting properties.

The policy broadly:

- Recognises that property owners who receive a benefit from infrastructure improvements are liable to contribute in a fair, equitable, consultative and consistent manner.
- Commits Corangamite Shire to contribute a minimum of 35% of the total cost, but may contribute more if the community benefit is higher.
- Provides for a range of repayment options for scheme participants.

The installation of this footpath supports Council's Municipal Public Health and Wellbeing Plan 2013-2017 by providing infrastructure that will support active transport, access and connectivity and improve the health of our community.

Internal / External Consultation

A preliminary letter and survey form were sent on 6 December 2016 to affected property owners to gauge initial support for the proposal. The preliminary letter had advised that there was to be further opportunity for owners at a later stage to comment on the proposal. Of the eight owners, one owner indicated support for the proposal whilst one owner did not support it. Six owners had not replied.

A subsequent onsite meeting was held on 14 December 2016 between the property owners, Councillor Ruth Gstrein, and Council officers Brooke Love and John Kelly to give owners further opportunity to ask questions of the proposal. The majority of owners agreed at the meeting that the project progress to the next stage of a public notice being put out for the proposed declaration of the special charge scheme for the works.

A statutory public notice was placed in the Cobden Timboon Coast Times on 21 December 2016 and a letter was sent out to the benefitting property owners on 22 December 2016 regarding the proposed declaration of the special charge scheme.

All scheme documents, plans and schedules were made available at the Corangamite Shire office.

The 28 day period within which any person may make a written submission to Council expired on 18 January 2017. There have been no submissions made in relation to the scheme.

Financial and Resource Implications

There would be a large community benefit with the installation of footpath in Tarrant Street, with improved access for residents in the southern part of Cobden to the recreation reserve and tennis courts, indoor public pool, Cobden hospital, medical clinic, aged care facilities, Tandarook Park and Senior Citizens Clubrooms. Based on the community benefit and the special amenity and access benefits to the abutting property owners, it is determined that 70% of the cost of construction of the footpath is to be borne by Council and 30% is to be borne by the abutting owners.

The estimated costs of the works and cost recovery is as follows:

Total Cost of Works	\$28,079
Property Owner contribution	\$8,424
Council contribution	\$19,655

The Council 2016-2017 budget allocation for the works in Tarrant Street is \$23,100.

Options

Council may proceed, vary or abandon the proposed special charge scheme.

Conclusion

Since the majority of abutting owners have advised that they support the proposal and there have been no objections since the Notice of the Proposed Declaration was sent out, it is recommended that Council resolve to declare a special charge to finance the construction of the footpath and associated works on the northern side of Tarrant Street from Adams Street to Victoria Street, Cobden.

RECOMMENDATION

That:

1. **A special charge be declared for the purpose of defraying a portion of the cost of construction work in relation to provision of concrete footpath and associated works on the northern side of Tarrant Street from Adams Street and Victoria Street, Cobden under S163 (1) of the *Local Government Act 1989*, which Council considers will be of special benefit to those persons required to pay the special charge and who are described in the succeeding part of this declaration.**
2. **The following be specified as the criteria on the basis of which the special charge is so declared:**
 - (a) **The special charge is based on a total estimated “scheme” cost of \$28,079 with the distribution of the charge being based upon:**
 - (i) **the frontage of mid allotments and the lesser of the frontage/sideage of a corner allotment included in the scheme as receiving a benefit**
 - (ii) **30% of the total cost of concrete footpath construction, nature strip reinstatement and administration cost to abutting allotments.**

3. The following be specified as the area of which the special charge is so declared:
 - (a) The land shown, identified with street addresses on the map in Attachment 1.
4. The following be specified as the land in relation to which the special charge is so declared:
 - (a) The properties listed in column 6 of Attachment 2, Schedule of Properties and Special Charge Apportionment.
5. The following be specified as the manner in which the special charge so declared will be assessed and levied:
 - (a) A charge per property which is abutting the said street where the footpath is proposed.
6. The following be specified as the period for which the special charge remains in force:
 - (a) The special charge remain a charge on the respective properties until such time the special charge is paid in full with any interest thereof.
7. That having regard to the preceding parts of this declaration, it be recorded that:
 - (a) The owners of the land described in column 6 of Attachment 2 will be liable for the respective amounts set out in subsequent columns thereof.
 - (b) The special charge be paid within 30 days of the owner receiving accounts of the works, or by 20 quarterly instalments as approved by Council bearing interest at the rate of interest as set by Council pursuant to Section 172(2) of the *Local Government Act 1989*.
8. The Revenue/Rates Co-ordinator be directed and authorised by the Chief Executive Officer to demand payment of and recover the special charge, in accordance with the *Local Government Act 1989*.

COUNCIL RESOLUTION

MOVED: *Cr Gstrein*
SECONDED: *Cr Trotter*

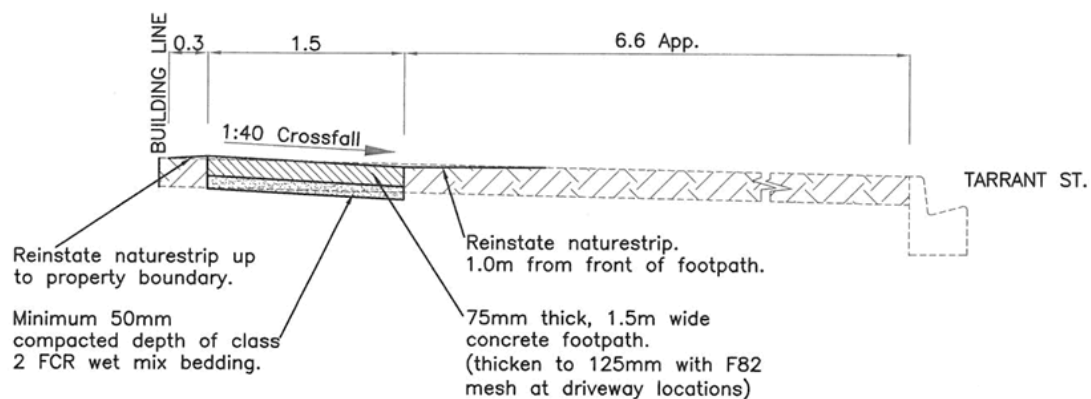
That the recommendation be adopted.

CARRIED

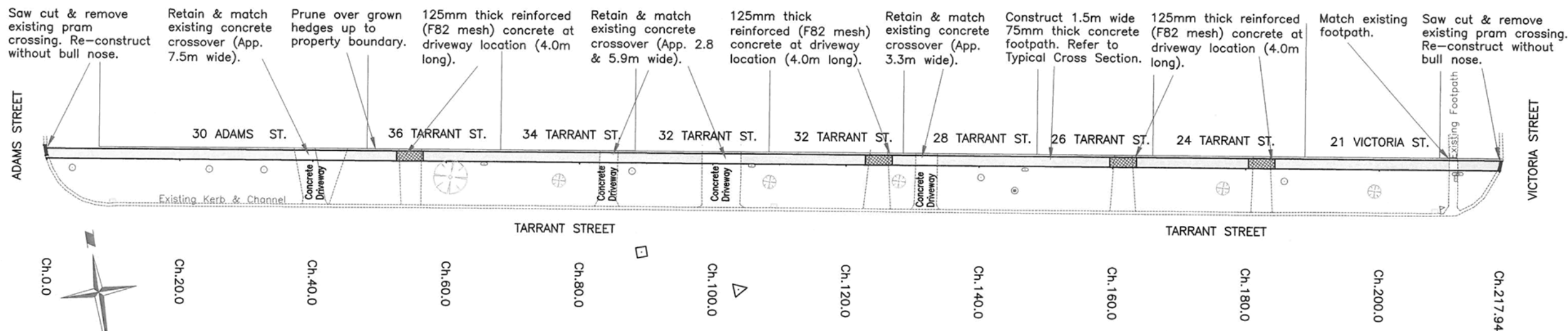
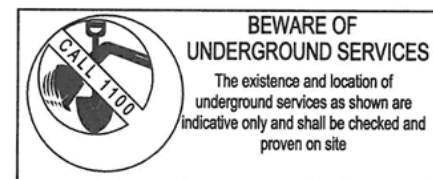
Attachments

1. Attachment 1 - Plan of Tarrant Street, Cobden Footpath Special Charge Scheme
2. Attachment 2 - Tarrant Street Schedule of Properties and Special Charge Apportionments
3. Proposed Declaration - Tarrant Street Special Charge Scheme - Under Separate Cover
4. Public Notice - Proposed Declaration Tarrant Street Special Charge Scheme - Under Separate Cover
5. Proposed Declaration Letter to Property Owners - Under Separate Cover
6. Determination of Maximum Total Levy - Tarrant Street Special Charge Scheme

ATTACHMENT 1



- NOTE:
1. Bedding material to be 50mm compacted depth of class 2 FCR wet mix.
 2. Finished level of footpath to match all concrete driveways.
 3. Footpath width to be 1.5m.
 4. All disturbed naturestrips to be top soiled, reinstated and seeded.
 5. Driveways to property nos. 36, 32, 26 and 24 to be reinstated with FCR backfilling to match new concrete footpath.



PUBLIC UTILITIES CHECK		Initial	Date	AMENDMENTS		Date	Approved
U/G Power Cable							
U/G Telecom Cable							
Gas Main Proving							
Water Main Proving							
Gas Main High Pressure							
Fire Services							
Sewer Mains							

Date: / / Assets Planning Manager			CORANGAMITE SHIRE COUNCIL	
Date: / / Director Works & Services			TARRANT ST., COBDEN - ADAMS ST. TO VICTORIA ST. (North Side)	
Survey	HKWR & BH	PROPOSED CONCRETE FOOTPATH		PLAN NUMBER
Design	HKWR	CONCEPT PLAN		TFP1
File	XXXX			
L.B.	-			
Scale	AS SHOWN			
Checked	Date Dec. 16	Level Datum	NA	A3
		Est. Bk. No.		Sheet 1 of 1

ATTACHMENT 2

SCHEDULE OF PROPERTIES AND SPECIAL CHARGE APPORTIONMENT

SPECIAL CHARGE APPORTIONMENT FOR CONCRETE PATHWAY CONSTRUCTION
 NORTH SIDE OF TARRANT STREET BETWEEN ADAMS STREET AND VICTORIA STREET, COBDEN.
 30% OF TOTAL ESTIMATED COSTS TO BE APPORTIONED TO OWNERS OF ABUTTING PROPERTIES
 DISTRIBUTION OF APPORTIONED COSTS BASED ON LENGTH OF FRONTAGE OF ALLOTMENTS

ESTIMATED COST OF SCHEME: \$28,079
 ESTIMATED COST OF WORKS TO BE RECOVERED FROM PROPERTY OWNERS: \$8,424

UNIT OF APPORTIONMENT: 28,079/ 178.63*0.3 = \$47.157

DESCRIPTION OF WORKS AND SPECIFICATIONS	QUANTITY	ESTIMATED COST		PROPERTY NUMBER	DESCRIPTION OF PROPERTY	LOT FRONT TO STREET(m)	SIDEAGE (m)	CHARGEABLE FRONTAGE (m)	APPORTIONMENT OF COST	VEHICLE CROSSING THICKENING			TOTAL ESTIMATED OWNERS COST
		RATE	AMOUNT							WIDTH (m)	RATE (\$)/Lm	AMOUNT (\$)	
Excavate and construct 75mm thick Concrete Pathway	201	\$120/Lm	\$24,120.00	5846	30 Adams Street Lot 3 LP74977	40.23	17.68	17.68	\$834	0.00	25.00	0.00	\$834
Naturestrip reinstatement	Item		\$2,000.00	7429	36 Tarrant Street CA 13 Section 2 Township of Cobden	20.12		20.12	\$949	4.00	25.00	100.00	\$1,049
				7428	34 Tarrant Street CA 14 Section 2 Township of Cobden	20.12		20.12	\$949	0.00	25.00	0.00	\$949
				7427	32 Tarrant Street CA 15 & 16 Section 2 Township of Cobden	40.24		40.24	\$1,898	4.00	25.00	100.00	\$1,998
				7426	28 Tarrant Street CA 17 Section 2 Township of Cobden	20.12		20.12	\$949	0.00	25.00	0.00	\$949
				7425	26 Tarrant Street Lot 1 LP92870	17.37		17.37	\$819	4.00	25.00	100.00	\$919
				7424	24 Tarrant Street Lot 2 LP92870	22.86		22.86	\$1,078	4.00	25.00	100.00	\$1,178
Total 7.5% administration			\$26,120.00 \$1,959.00	7529	21 Victoria Street CA 20 Section 2 Township of Cobden	20.12	50.29	20.12	\$949	0.00	25.00	0.00	\$949
						201.18		178.63	\$8,424			\$400.00	\$8,824

Special Charge Scheme

Construction of Footpath

Northern side of Tarrant Street from Adams Street to Victoria Street, Cobden

A Purpose

To construct a footpath to provide pedestrian access for properties on the above section of Tarrant Street and for the community walking to and from Tarrant Street. There is currently an existing path on the western side of Victoria Street east of Tarrant Street and a proposed path for the eastern side of Adams Street west of Tarrant Street. Currently there is only nature strip to walk on.

B Coherence

All of the properties abutting onto the proposed footpath are considered to receive a special benefit. The works are physically connected to the properties.

C Total Cost

Rate for construction of 1.5m wide footpath based on previous works is \$120/m. There is 201m length of footpath.

Therefore, the Total Estimated Cost is

Footpath	\$120 x 201 = \$24,120
Naturestrip Reinstatement	= \$2,000
<u>Subtotal</u>	= <u>\$26,120</u>
7.5% admin costs	= \$1,959
<u>Total</u>	= <u>\$28,079</u>

This does not include strengthening of driveways which are at the owners' cost.

D Identify Special Beneficiaries

8 properties in Tarrant Street will abut the footpath and are considered to be receiving special benefits.

E Determine Properties To Include Scheme (TSBs – In & Out)

All 8 properties abutting the footpath are considered to be subject to the scheme.

Therefore TSB(in) =100%, TSB(out)=0%

F Estimate Total Special Benefits

For this scheme, it is assumed that the greater proportion of benefits is for pedestrian access – given the defined purpose of the scheme. Therefore it is considered that 70% of benefits relate to access and 30% to amenity. These proportions are consistent with those adopted in examples provided with the Special Rates and Charges Ministerial Guidelines 2004.

- Projected pedestrian use of the footpath is 100% for the adjoining properties.
- Projected amenity benefits are based on frontage. 100% of the length of the footpath is in front of the private residential properties.

G Estimate Total Community Benefits (TCB)

There would be a large community benefit with the installation of footpath in Tarrant Street with improved access for residents in the southern part of Cobden to the recreation reserve and tennis courts, indoor public pool, Cobden hospital, medical clinic, aged care facilities, Tandarook Park and Senior Citizens Clubrooms. For the purposes of the calculations it is estimated that approximately 140 households would benefit.

H Calculate “Benefit Ratio”

The proportion of special benefits compared with community benefits is shown in the table below.

	8 Private Properties (7 owner occupiers) TSB (in)	140 Other households TCB
Access (70%)	$70\% \times 7/147 = 3.33\%$	$70\% \times 140/147 = 66.7$
Amenity (30%)	$30\% \times 1 = 30\%$	Nil
Total Benefits	33.3% say 30%	66.7% say 70%

Therefore the contribution to the scheme from abutting owners is estimated at 30%. Ratio R = 0.30.

I Calculate Maximum Total Levy

$R \times C \text{ (cost)} = S \text{ (Scheme Contribution)}$

$0.30 \times \$28,079 = \$8,424$

10.7 Special Charge Scheme - Installation of Footpath on Southern Side of Swanston Street from Lyons Street to Galloway St, Terang

Author: John Kelly, Manager Assets Planning

File No: D17/3

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - John Kelly

In providing this advice to Council as the Manager Assets Planning, I have no interests to disclose in this report.

Summary

This report proposes that a Special Charge Scheme be declared for the installation of a footpath on the southern side of Swanston Street, from Lyons Street to Galloway Street, Terang.

The majority of owners have indicated their support of the proposal and the recommendation is that the Special Charge Scheme be declared.

Introduction

Council's current budget provides for the construction of a concrete footpath, nature strip reinstatement and associated works in Swanston Street, Terang. The path will connect with the existing footpaths in Lyons Street and in Swanston Street, east of Lyons Street.

The works are to be undertaken under a Special Charge Scheme.

In order to make a declaration under a Special Charge Scheme the following documents were prepared (refer to attachments):

- public notice of proposed declaration
- proposed declaration
- map of area of scheme, including concept plan of proposed works
- schedule of properties and special charge apportionments
- determination of the maximum total levy
- letter of notice to benefiting property owners.

Issues

This Special Charge Scheme allows for defraying a portion of the cost of the construction of 557m of concrete footpath and associated works on the southern side of Swanston Street from Lyons Street to Galloway Street, Terang.

Policy and Legislative Context

Section 163, Special Rates and Special Charges, of the *Local Government Act 1989* specifies the procedure for Council to recover costs if it considers that certain works will be of special benefit to the persons required to pay the rate or charge. Council must resolve to make a special rate or special charge and such resolution must specify:

- the land in relation to which the special rate or special charge is declared
- the manner in which the charge will be assessed and levied
- details of the period for which the charge remains in force.

Section 163 of the *Local Government Act 1989* also specifies how a council should determine the maximum total amount that may be levied as a special charge. In accordance with Council's Special Rates and Charges Policy, when determining this levy amount consideration is given to the level of benefit received by the wider community in comparison with the level of special benefit received by the abutting properties.

The policy broadly:

- Recognises that property owners who receive a benefit from infrastructure improvements are liable to contribute in a fair, equitable, consultative and consistent manner.
- Commits Corangamite Shire to contribute a minimum of 35% of the total cost, but may contribute more if the community benefit is higher.
- Provides for a range of repayment options for scheme participants.

The installation of this footpath supports Council's Municipal Public Health and Wellbeing Plan 2013-2017 by providing infrastructure that will support active transport, access and connectivity and improve the health of our community.

Internal / External Consultation

A preliminary letter and survey form were sent on 2 December 2016 to affected property owners to gauge initial support for the proposal. The preliminary letter had advised that there was to be further opportunity for owners at a later stage to comment on the proposal. Of the 26 owners, 12 owners indicated support for the proposal whilst five (5) owners did not support it. Nine (9) owners had not replied.

A subsequent on site meeting was held on 13 December 2016 between the property owners, Councillors Ruth Gstrein, Bev McArthur and Helen Durant and Council officers Brooke Love and John Kelly to give owners further opportunity to ask questions of the proposal. The owners at the meeting agreed that the project progress to the next stage of a public notice being put out for the proposed declaration of the special charge scheme for the works.

A statutory public notice was placed in the Terang Express on 22 December 2016 and a letter was sent out to the benefitting property owners on 23 December 2016 regarding the proposed declaration of the Special Charge Scheme.

All scheme documents, plans and schedules were made available at the Corangamite Shire office.

The 28 day period within which any person may make a written submission to Council expired on 18 January 2017. There have been no submissions made in relation to the scheme.

Financial and Resource Implications

There is considered to be a large community benefit with the footpath extended along Swanston Street with improved access provided for those accessing the Terang railway station from the north-west of the town. The footpath extension will also provide an alternative route for those accessing the Terang hospital from the north-east of the town. Based on the community benefit and the special amenity and access benefits to the abutting property owners, it is determined that 70% of the cost of construction of the footpath should be borne by Council and 30% is to be borne by the abutting owners.

The estimated costs of the works and cost recovery is as follows:

Total Cost of Works	\$71,853
Property Owner contribution	\$21,556
Council contribution	\$50,297

The Council 2016-2017 budget allocation for the works in Swanston Street is \$70,000.

Options

Council may proceed, vary or abandon the proposed special charge scheme.

Conclusion

Since the majority of abutting owners have advised that they support the proposal and there have been no objections since the Notice of the Proposed Declaration was sent out, it is recommended that Council resolve to declare a special charge to finance the construction of the footpath and associated works on the southern side of Swanston Street from Lyons Street to Galloway Street, Terang.

RECOMMENDATION

That:

1. **A special charge be declared for the purpose of defraying a portion of the cost of construction work in relation to provision of concrete footpath and associated works on the southern side of Swanston Street from Lyons Street to Galloway Street, Terang under S163 (1) of the *Local Government Act 1989*, which Council considers will be of special benefit to those persons required to pay the special charge and who are described in the succeeding part of this declaration.**
2. **The following be specified as the criteria on the basis of which the special charge is so declared:**
 - (a) **The special charge is based on a total estimated “scheme” cost of \$71,853 with the distribution of the charge being based upon:**
 - (i) **the frontage of mid allotments and the lesser of the frontage/sideage of a corner allotment included in the scheme as receiving a benefit**
 - (ii) **30% of the total cost of concrete footpath construction, nature strip reinstatement and administration cost to abutting allotments.**

3. The following be specified as the area of which the special charge is so declared:
 - (a) The land shown, identified with street addresses on the map in Attachment 1.
4. The following be specified as the land in relation to which the special charge is so declared:
 - (a) The properties listed in column 6 of Attachment 2, Schedule of Properties and Special Charge Apportionment.
5. The following be specified as the manner in which the special charge so declared will be assessed and levied:
 - (a) A charge per property which is abutting the said street where the footpath is proposed.
6. The following be specified as the period for which the special charge remains in force:
 - (a) The special charge remain a charge on the respective properties until such time the special charge is paid in full with any interest thereof.
7. That having regard to the preceding parts of this declaration, it be recorded that:
 - (a) The owners of the land described in column 6 of Attachment 2 will be liable for the respective amounts set out in subsequent columns thereof.
 - (b) The special charge be paid within 30 days of the owner receiving accounts of the works, or by 20 quarterly instalments as approved by Council bearing interest at the rate of interest as set by Council pursuant to Section 172(2) of the *Local Government Act 1989*.
8. The Revenue/Rates Co-ordinator be directed and authorised by the Chief Executive Officer to demand payment of and recover the special charge, in accordance with the *Local Government Act 1989*.

COUNCIL RESOLUTION

MOVED: *Cr Durant*
SECONDED: *Cr McArthur*

That the recommendation be adopted.

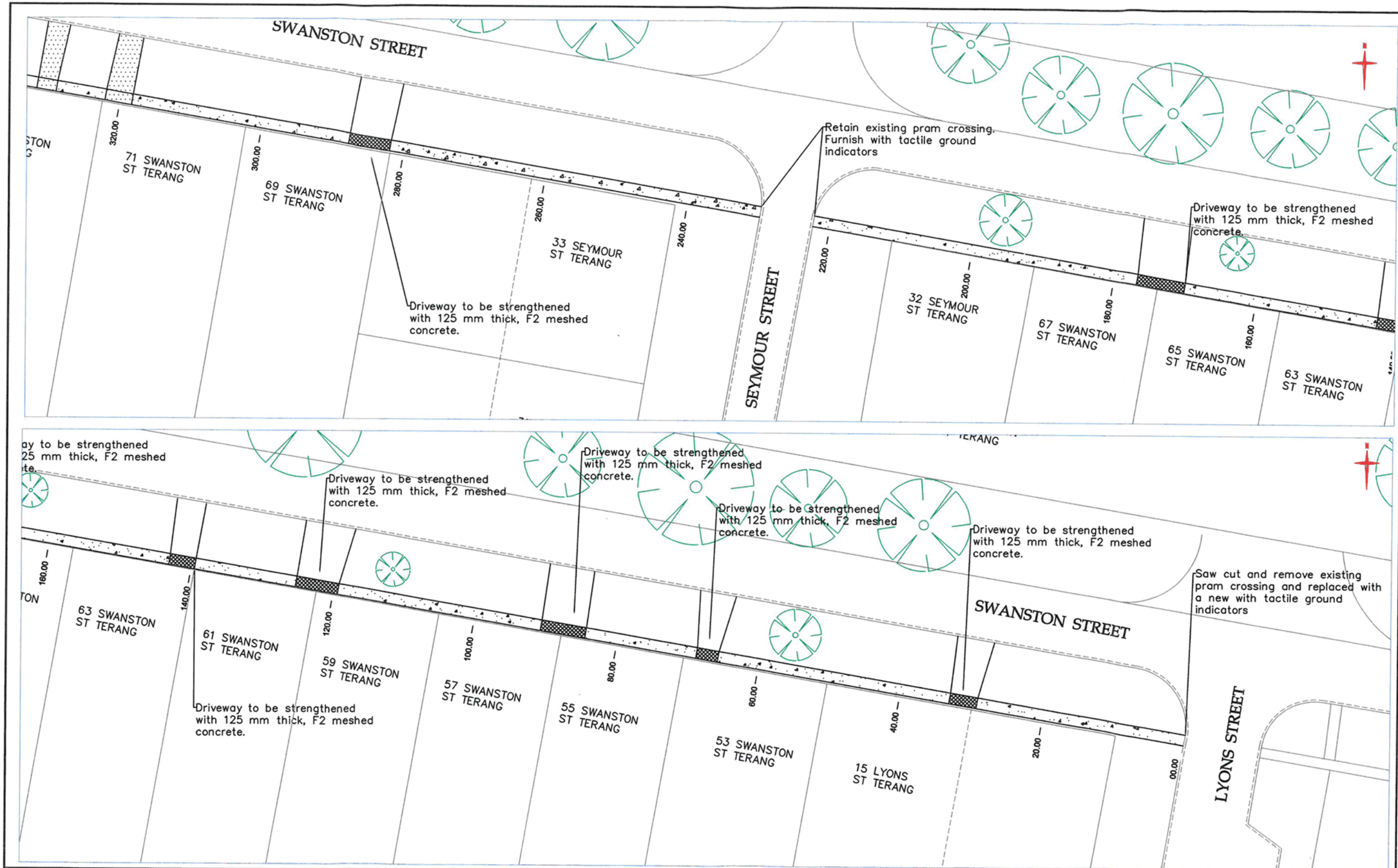
CARRIED

Attachments

1. Attachment 1 - Plans for Swanston Street Special Charge Scheme
2. Attachment 2 - Swanston Street Schedule of Properties and Special Charge Apportionments
3. Proposed Declaration - Swanston Street Special Charge Scheme - Under Separate Cover

-
4. Public Notice - Proposed Declaration Swanston Street Special Charge Scheme - Under Separate Cover
 5. Proposed Declaration Letter to Property Owners - Under Separate Cover
 6. Determination of Maximum Total Levy - Swanston Street Special Charge Scheme

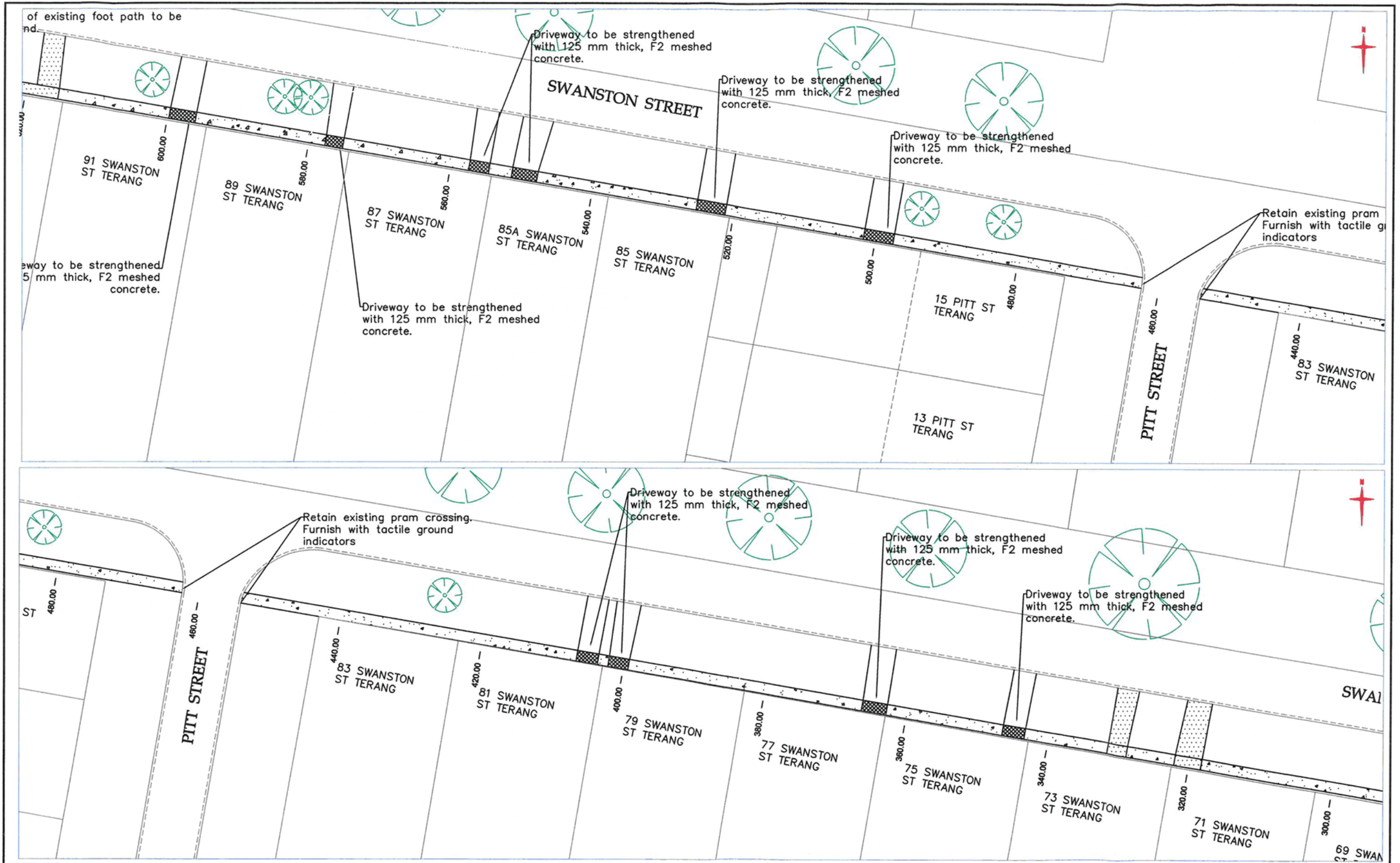
ATTACHMENT 1



PUBLIC UTILITIES CHECK	Initial	Date	AMENDMENTS	Date	Approved
U/G Power Cable					
U/G Telecom Cable					
Gas Main Proving					
Water Main Proving					
Gas Main High Pressure					
Fire Services					
Sewer Mains					

Date: / / Assets Planning Manager			CORANGAMITE SHIRE COUNCIL	
Date: / / Director Works & Services			SWANSTON ST TERANG - LYONS TO GALLOWAY ST SOUTH CONSTRUCTION OF A CONCRETE FOOT PATH CONCEPT	
Survey L.D.S & XX Design L.D.S File XXXX L.B. - Scale AS SHOWN Checked Date AUG 15	Level Datum ARBITRARY	A3	Est. Bk. No.	PLAN NUMBER 3204 Sheet 1 of 3

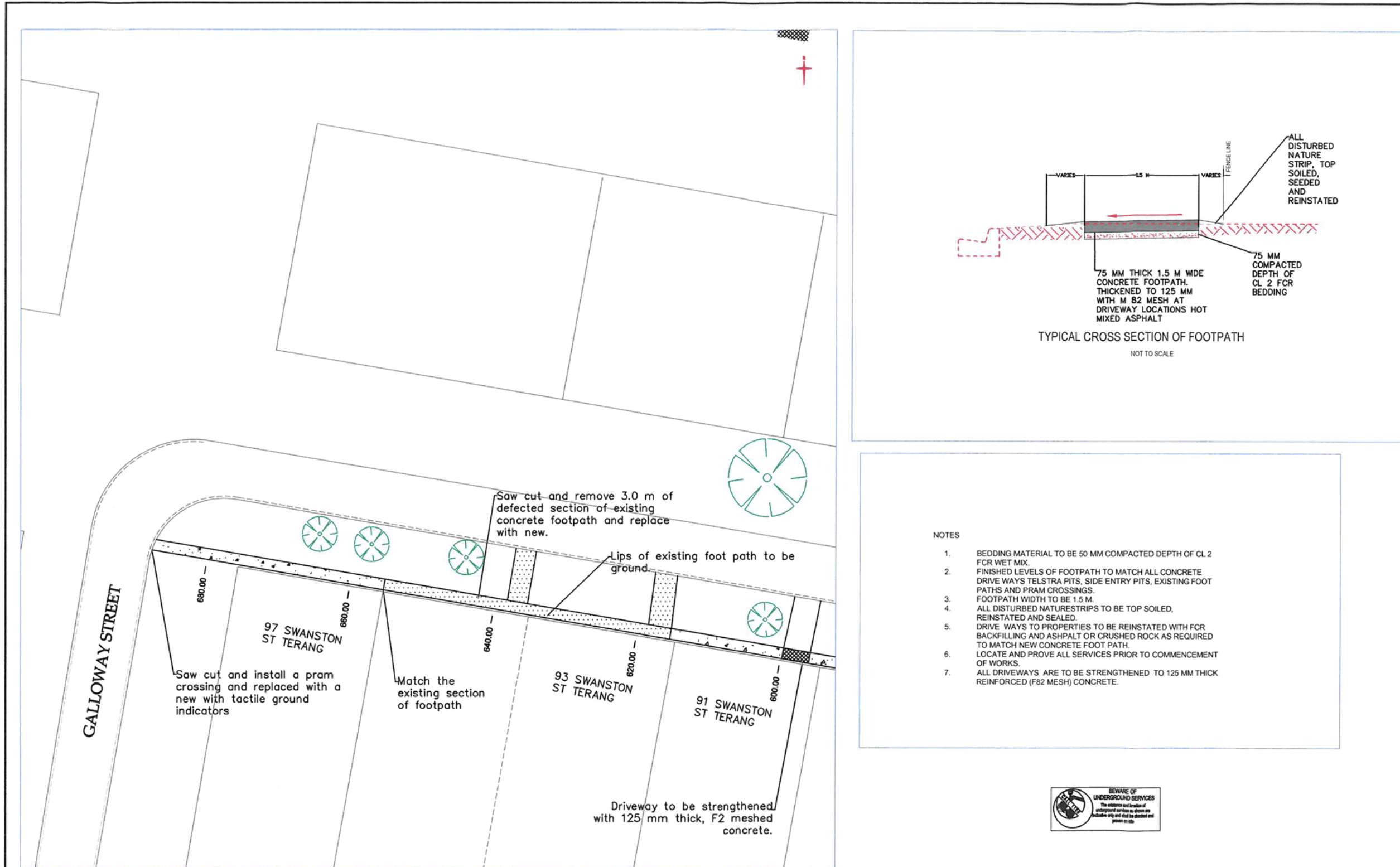
ATTACHMENT 1



PUBLIC UTILITIES CHECK	Initial	Date	AMENDMENTS	Date	Approved
U/G Power Cable					
U/G Telecom Cable					
Gas Main Proving					
Water Main Proving					
Gas Main High Pressure					
Fire Services					
Sewer Mains					

Date: / / Assets Planning Manager			CORANGAMITE SHIRE COUNCIL SWANSTON ST TERANG - LYONS TO GALLOWAY ST SOUTH CONSTRUCTION OF A CONCRETE FOOT PATH CONCEPT		PLAN NUMBER 3204
Date: / / Director Works & Services			Survey L.D.S & XX Design L.D.S File XXXX L.B. - Scale AS SHOWN Checked Date AUG 15	Level Datum ARBITRARY A3 Est. Bk. No.	Sheet 2 of 3

ATTACHMENT 1



PUBLIC UTILITIES CHECK	Initial	Date	AMENDMENTS	Date	Approved
U/G Power Cable					
U/G Telecom Cable					
Gas Main Proving					
Water Main Proving					
Gas Main High Pressure					
Fire Services					
Sewer Mains					

Date: / /
Assets Planning Manager

Date: / /
Director Works & Services



CORANGAMITE SHIRE COUNCIL			
Survey L.D.S & XX	SWANSTON ST TERANG - LYONS TO GALLOWAY ST SOUTH CONSTRUCTION OF A CONCRETE FOOT PATH CONCEPT	PLAN NUMBER	
Design L.D.S		3204	
File XXXX			
L.B. -			
Scale AS SHOWN	Level Datum ARBITRARY	A3	Est. Bk. No.
Checked Date AUG 15	Sheet 3 of 3		

ATTACHMENT 2

SPECIAL CHARGE SCHEME

SPECIAL CHARGE APPORTIONMENT FOR CONSTRUCTION OF A CONCRETE FOOTPATH
 SWANSTON ST , LYONS ST TO GALLOWAY ST (SOUTH SIDE), TERANG
 30% OF TOTAL ESTIMATED COSTS TO BE APPORTIONED TO OWNERS OF ABUTTING PROPERTIES
 DISTRIBUTION OF APPORTIONED COSTS BASED ON LENGTH OF FRONTAGE OF ALLOTMENTS

ESTIMATED COST OF WORKS: \$71,853
 ESTIMATED COST OF WORKS TO BE RECOVERED BY PROPERTY OWNERS: \$21,556

FRONTAGE UNIT OF APPORTIONMENT: 21555.90/511.16 = \$42.1706

DESCRIPTION OF WORKS AND SPECIFICATIONS	QUANTITY (lineal metre)	ESTIMATED COST		PROPERTY NUMBER	DESCRIPTION OF PROPERTY	LOT FRONTAGE TO STREET(m)	SIDEAGE (m)	CHARGEABLE FRONTAGE (m)	APPORTIONMENT OF COST	VEHICLE CROSSING THICKENING			Total Final Owners Cost
		RATE (\$/m)	AMOUNT							WIDTH (m)	RATE (\$)/Lm	AMOUNT (\$)	
CONSTRUCTION OF A 75 MM THICK 1.5 M WIDE CONCRETE FOOTPATH, REINSTATE NATURE STRIP AND ASSOCIATED WORKS.	557	120.00	\$66,840	3177	15 LYONS ST CA 19 & 20 SECTION 27	40.23	50.29	40.23	\$1,697	3	25.00	75.00	\$1,772
				3687	53 SWANSTON ST CA 18 SECTION 27	20.12		20.12	\$848	3	25.00	75.00	\$923
				3688	55 SWANSTON ST LOT 7 LP 26065	17.5		17.50	\$738	3	25.00	75.00	\$813
				3689	57 SWANSTON ST LOT 1 TP 87415S	17.22		17.22	\$726	3	25.00	75.00	\$801
				3690	59 SWANSTON ST LOT 1 TP 677516W	17.22		17.22	\$726	3	25.00	75.00	\$801
				3691	61 SWANSTON ST LOT 4 LP26065	17.22		17.22	\$726	3	25.00	75.00	\$801
				3692	63 SWANSTON ST LOT 1 TP 583044L	17.22		17.22	\$726	3	25.00	75.00	\$801
				3693	65 SWANSTON ST LOT 1 TP 545971J	17.22		17.22	\$726	3	25.00	75.00	\$801
				3694	67 SWANSTON ST LOT 1 TP 111326M	17.22		17.22	\$726	3	25.00	75.00	\$801
				3568	32 SEYMOUR ST CA11 SECTION 27	20.12	50.29	20.12	\$848	0	25.00	0.00	\$848
				3565	33 SEYMOUR ST LOT 1 & 2 TP 615591G	40.22	25.15	25.15	\$1,061	0	25.00	0.00	\$1,061
				3695	69 SWANSTON ST CA 18 SECTION 28	20.12		20.12	\$848	6	25.00	150.00	\$998
				3696	71 SWANSTON ST CA 17 SECTION 28	16.62		16.62	\$701	0	25.00	0.00	\$701
				3697	73 SWANSTON ST CA 16 SECTION 28	16.92		16.92	\$714	0	25.00	0.00	\$714
				3698	75 SWANSTON ST CA 15 SECTION 28	20.12		20.12	\$848	3	25.00	75.00	\$923
				3699	77 SWANSTON ST CA 14 SECTION 28	20.12		20.12	\$848	3	25.00	75.00	\$923
				3700	79 SWANSTON ST CA 13 SECTION 28	20.12		20.12	\$848	3	25.00	75.00	\$923
				3701	81 SWANSTON ST CA 12 SECTION 28	20.12		20.12	\$848	3	25.00	75.00	\$923
				3702	83 SWANSTON ST CA 11 SECTION 28	20.12	50.29	20.12	\$848	0	25.00	0.00	\$848
				3423	15 PITT ST LOT 1,2,3 TP 511991T	47.25	16.76	16.76	\$707	3	25.00	75.00	\$782
				3703	85 SWANSTON ST LOT 1 & 2 TP 533279P	16.61		16.61	\$700	3	25.00	75.00	\$775
				3704	85A SWANSTON ST LOT 1 TP 533159A	16.61		16.61	\$700	3	25.00	75.00	\$775
				3705	87 SWANSTON ST CA 16 SECTION 29	20.12		20.12	\$848	3	25.00	75.00	\$923
				3706	89 SWANSTON ST CA 15 SECTION 29	20.12		20.12	\$848	3	25.00	75.00	\$923
				3707	91 SWANSTON ST CA 14 SECTION 29	20.12		20.12	\$848	3	25.00	75.00	\$923
				3709	97 SWANSTON ST CA 11 SECTION 29	20.12	50.29	20.12	\$848	0	25.00	0.00	\$848
SUB TOTAL			\$66,840										
7.5% ADMINISTRATION			\$5,013										
TOTAL			\$71,853			556.72		511.16	\$21,556	63.00		1575.00	\$23,131

Special Charge Scheme

Construction of Footpath

Southern side of Swanston Street from Lyons Street to Galloway Street, Terang

A Purpose

To construct a footpath to provide pedestrian access for properties on the above section of Swanston Street and for the community travelling along Swanston Street to access either the Terang railway station or hospital. There are currently existing paths along Lyons Street and on Swanston Street east of Lyons Street. Currently there is only nature strip to walk along the above section of Swanston Street.

B Coherence

All of the properties abutting onto the proposed footpath are considered to receive a special benefit. The works are physically connected to the properties.

C Total Cost

Rate for construction of 1.5m wide footpath and associated works based on previous works is \$120/m. There is 557m length of footpath.

Therefore, the Total Estimated Cost is

Footpath	\$120 x 557 = \$66,840
7.5% admin costs	=\$5,013
<u>Total</u>	<u>=\$71,853</u>

This does not include strengthening of driveways which are at the owners' cost.

D Identify Special Beneficiaries

26 properties in Tarrant Street will abut the footpath and are considered to be receiving special benefits.

E Determine Properties To Include Scheme (TSBs – In & Out)

All 26 properties abutting the footpath are considered to be subject to the scheme. 14 of these properties have owner occupiers that will benefit from access to the footpath.

Therefore TSB(in) =100%, TSB(out)=0%

F Estimate Total Special Benefits

For this scheme, it is assumed that the greater proportion of benefits is for pedestrian access – given the defined purpose of the scheme. Therefore it is considered that 70% of benefits relate to access and 30% to amenity. These proportions are consistent with those adopted in examples provided with the Special Rates and Charges Ministerial Guidelines 2004.

- Projected pedestrian use of the footpath is 100% for the adjoining properties.
- Projected amenity benefits are based on frontage. 100% of the length of the footpath is in front of the private residential properties.

G Estimate Total Community Benefits (TCB)

There would be a large community benefit with the footpath extended along Swanston Street with improved access provided for those accessing the Terang railway station from the north-west of the town. Also with the footpath extension an alternative route is provided for those accessing the Terang hospital from the north-east of the town. For the purposes of the calculations it is estimated that 250 households would benefit.

H Calculate “Benefit Ratio”

The proportion of special benefits compared with community benefits is shown in the table below.

	26 Private Properties (14 owner occupiers) TSB (in)	250 households TCB
Access (70%)	$70\% \times 14/264 = 3.7\%$	$70\% \times 250/264 = 66.3\%$
Amenity (30%)	$30\% \times 1 = 30\%$	Nil
Total Benefits	33.7% say 30%	66.3% say 70%

Therefore the contribution to the scheme from abutting owners is estimated at 30%. Ratio R = 0.30.

I Calculate Maximum Total Levy

$R \times C \text{ (cost)} = S \text{ (Scheme Contribution)}$

$0.30 \times \$71,853 = \$21,556$

Cr J. Beard declared a direct conflict of interest in Agenda item 10.8 and left the meeting prior to any discussion or vote on the matter.

Prior to vacating the chair, Cr J. Beard called for an election of temporary chairperson.

COUNCIL RESOLUTION

MOVED: *Cr Gstrein*
SECONDED: *Cr McArthur*

That Council appoints Cr Neil Trotter as temporary chairperson.

CARRIED

The Mayor, Cr J. Beard, vacated the chair and left the meeting at 8.17 pm .

Cr N. Trotter assumed the chair.

10.8 Special Charge Scheme - Installation of Footpath in Adams and Clarke Streets, Cobden

Author: John Kelly, Manager Assets Planning

File No: D17/4

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - John Kelly

In providing this advice to Council as the Manager Assets Planning, I have no interests to disclose in this report.

Summary

This report proposes that a Special Charge Scheme be declared for the installation of a footpath on the eastern side of Adams Street and on the northern side of Clarke Street, from Parrott Street to Victoria Street, Cobden. The majority of owners have advised of their support of the proposal.

Introduction

Council's current budget provides for the construction of concrete footpath, nature strip reinstatement and associated works in Adams and Clarke Streets, Cobden. The path will connect with the existing footpaths in Parrott Street in the north and in Victoria Street east of Clarke Street.

The works are to be undertaken under a Special Charge Scheme.

In order to make a declaration under a Special Charge Scheme the following documents were prepared (refer to attachments):

- public notice of proposed declaration
- proposed declaration
- map of area of scheme, including concept plan of proposed works
- schedule of properties and special charge apportionments
- determination of the maximum total levy
- letter of notice to benefiting property owners.

Issues

This special charge scheme allows for defraying a portion of the cost of the construction of 533m of concrete footpath and associated works on the eastern side of Adams Street and on the northern side of Clarke Street, from Parrott Street to Victoria Street, Cobden.

Policy and Legislative Context

Section 163, Special Rates and Special Charges, of the *Local Government Act 1989* specifies the procedure for Council to recover costs if it considers that certain works will be of special benefit to the persons required to pay the rate or charge. Council must resolve to make a special rate or special charge and such resolution must specify:

- The land in relation to which the special rate or special charge is declared.
- The manner in which the charge will be assessed and levied.
- Details of the period for which the charge remains in force.

Section 163 of the *Local Government Act 1989* also specifies how a council should determine the maximum total amount that may be levied as a special charge. In accordance with Council's policy for special charge schemes, when determining this levy amount, consideration is given to the level of benefit received by the wider community in comparison with the level of special benefit received by the abutting properties.

Council's Special Rates and Charges – September 2015 policy applies. The policy broadly:

- Recognises that property owners who receive a benefit from infrastructure improvements are liable to contribute in a fair, equitable, consultative and consistent manner.
- Commits Corangamite Shire to contribute a minimum of 35% of the total cost, but may contribute more if the community benefit is higher.
- Provides for a range of repayment options for scheme participants.

The installation of this footpath supports Council's Municipal Public Health and Wellbeing Plan 2013-2017 by providing infrastructure that will support active transport, access and connectivity and improve the health of our community.

Internal / External Consultation

Initial consultation regarding the proposed works was held late in 2014 to gauge property owner support. A preliminary letter and survey highlighted some support however also some opposition to the proposal. Several on site meetings were held between the property owners, Councillors and Council officers to give owners further opportunity to ask questions of the proposal.

At the most recent meeting held on 14 December 2016 between the property owners, Councillor Ruth Gstrein, and Council officers Brooke Love and John Kelly the majority of owners at the meeting agreed that the project progress to the next stage of a public notice being put out for the proposed declaration of the special charge scheme for the works.

In summary, following the various meetings and correspondence it has concluded that of the 15 owners, nine (9) owners support the project whilst four (4) owners do not support it. Two (2) owners have not responded.

A statutory public notice was placed in the Cobden Timboon Coast Times on 21 December 2016 and a letter was sent out to the benefitting property owners on 22 December 2016 regarding the proposed declaration of the special charge scheme.

All scheme documents, plans and schedules were made available at the Corangamite Shire office.

The 28 day period within which any person may make a written submission to Council expired on 18 January 2017. There has been one submission made in support of the scheme and one submission objecting to the proposal.

Financial and Resource Implications

There would be a large community benefit with the installation of footpath in Adams and Clarke Streets with improved access for residents in the southern part of Cobden to the recreation reserve and tennis courts, indoor public pool, Cobden hospital, medical clinic, aged care facilities, Tandarook Park and CBD. Based on this community benefit and the special amenity and access benefits to the abutting property owners, it is determined that 70% of the cost of construction of the footpath is to be borne by Council and 30% is to be borne by the abutting owners.

The estimated costs of the works and cost recovery is as follows:

Total Cost of Works	\$73,057
Property Owner contribution	\$21,917
Council contribution	\$51,140

The Council 2016-2017 budget allocation for the works in Adams and Clarke Streets is \$61,000.

Options

Council may proceed, vary or abandon the proposed special charge scheme.

Conclusion

Since the majority of abutting owners have advised that they support the proposal, and there has been one objection received since the Notice of the Proposed Declaration was sent out, it is recommended that Council resolve to declare a special charge to finance the construction of the footpath and associated works on the eastern side of Adams Street and on the northern side of Clarke Street, from Parrott Street to Victoria Street, Cobden.

RECOMMENDATION

That:

1. A special charge be declared for the purpose of defraying a portion of the cost of construction work in relation to provision of concrete footpath and associated works on the eastern side of Adams Street and on the northern side of Clarke Street, from Parrott Street to Victoria Street, Cobden under S163 (1) of the *Local Government Act 1989*, which Council considers will be of special benefit to those persons required to pay the special charge and who are described in the succeeding part of this declaration.
 2. The following be specified as the criteria on the basis of which the special charge is so declared:
 - (a) The special charge is based on a total estimated “scheme” cost of \$73,057 with the distribution of the charge being based upon:
 - (i) the frontage of mid allotments and the lesser of the frontage/sideage of a corner allotment included in the scheme as receiving a benefit
 - (ii) 30% of the total cost of concrete footpath construction, nature strip reinstatement and administration cost to abutting allotments.
 3. The following be specified as the area of which the special charge is so declared:
 - (a) The land shown, identified with street addresses on the map in Attachment 1.
 4. The following be specified as the land in relation to which the special charge is so declared:
 - (a) The properties listed in column 6 of Attachment 2, Schedule of Properties and Special Charge Apportionment.
 5. The following be specified as the manner in which the special charge so declared will be assessed and levied:
 - (a) A charge per property which is abutting the said street where the footpath is proposed.
 6. The following be specified as the period for which the special charge remains in force:
 - (a) The special charge remain a charge on the respective properties until such time the special charge is paid in full with any interest thereof.
 7. That having regard to the preceding parts of this declaration, it be recorded that:
 - (a) The owners of the land described in column 6 of Attachment 2 will be liable for the respective amounts set out in subsequent columns thereof.
 - (b) The special charge be paid within 30 days of the owner receiving accounts of the works, or by 20 quarterly instalments as approved by Council bearing interest at the rate of interest as set by Council pursuant to Section 172(2) of the *Local Government Act 1989*.
 8. The Revenue/Rates Co-ordinator be directed and authorised by the Chief Executive Officer to demand payment of and recover the special charge, in accordance with the *Local Government Act 1989*.
-

COUNCIL RESOLUTION

MOVED: *Cr Gstrein*
SECONDED: *Cr Durant*

That the recommendation be adopted.

CARRIED

Attachments

1. Attachment 1 - Plan for Adams Street - Clarke Street Special Charge Scheme
2. Attachment 2 - Adams Street - Clarke Street Schedule of Properties and Special Charge Apportionments
3. Proposed Declaration - Adams Street - Clarke Street Special Charge Scheme - Under Separate Cover
4. Public Notice - Proposed Declaration Adams Street - Clarke Street Special Charge Scheme - Under Separate Cover
5. Proposed Declaration Letter to Property Owners - Under Separate Cover
6. Determination of Maximum Total Levy - Adams Street - Clarke Street Special Charge Scheme
7. Submission to Proposed Declaration of Special Charge Scheme - Under Separate Cover
8. Submission to Proposed Declaration of Special Charge Scheme Adams Street Footpath - Under Separate Cover

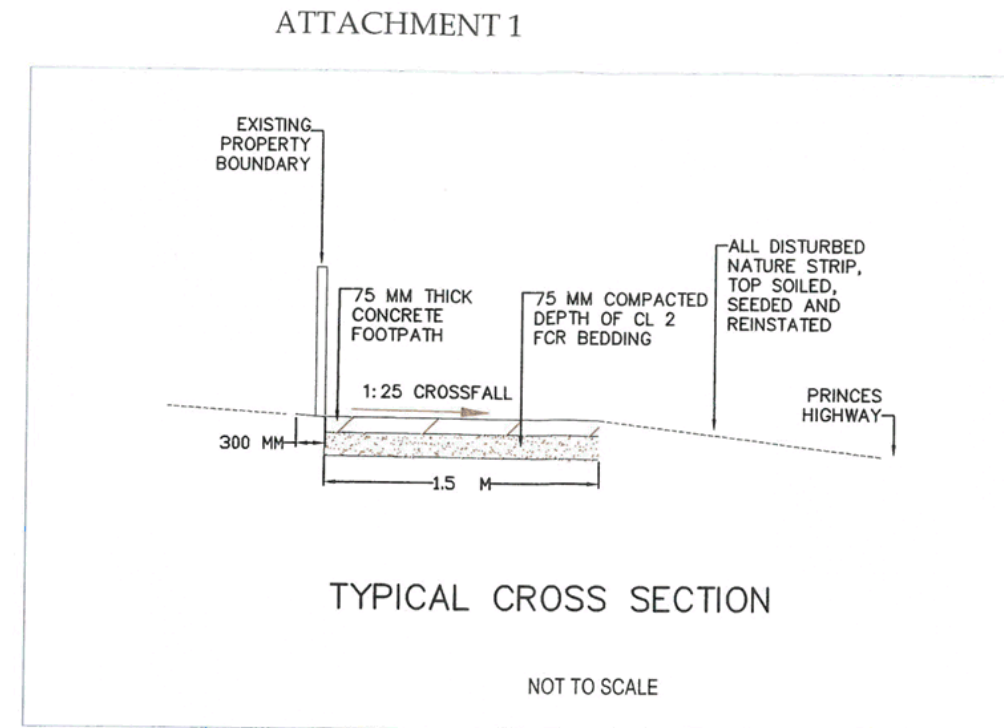
Cr J. Beard returned to the meeting at 8.29 pm.

Cr N Trotter vacated the chair and the Mayor assumed the chair.

Mr John Kelly left the meeting at 8.37 pm.



LAY OUT
SCALE - 1 : 2000



NOTES

1. BEDDING MATERIAL TO BE 75 MM COMPACTED DEPTH OF CL 2 FCR WET MIX.
2. FINISHED LEVELS OF FOOTPATH TO MATCH ALL CONCRETE DRIVE WAYS TELSTRA PITS, SIDE ENTRY PITS, EXISTING FOOT PATHS AND PRAM CROSSINGS.
3. FOOTPATH WIDTH TO BE 1.5 M.
4. ALL DISTURBED NATURE STRIPS TO BE TOP SOILED, REINSTATED AND SEEDED.
5. DRIVEWAYS TO PROPERTIES TO BE REINSTATED WITH FCR BACKFILLING/ASPHALT AS REQUIRED TO MATCH NEW CONCRETE FOOTPATH.
6. LOCATE AND PROVE ALL SERVICES PRIOR TO COMMENCEMENT OF WORKS.
7. ALL DRIVEWAYS ARE TO BE STRENGTHENED TO 125 MM THICK REINFORCED (FB2 MESH) CONCRETE.

PUBLIC UTILITIES CHECK	Initial	Date	AMENDMENTS	Date	Approved
U/G Power Cable					
U/G Telecom Cable					
Gas Main Proving					
Water Main Proving					
Gas Main High Pressure					
Fire Services					
Sewer Mains					

Date: / /
Assets Planning Manager

Date: / /
Director Works & Services



CORANGAMITE SHIRE COUNCIL

Survey	L.D.S & XX	ADAMS ST - PARROTT TO CLARKE ST (EAST SIDE), CLARKE ST - ADAMS TO VICTORIA ST (NORTH SIDE) IN COBDEN	PLAN NUMBER 3232
Design	L.D.S		
File	XXXX		
L.B.	-		
Scale	AS SHOWN	PROPOSED NEW CONCRETE FOOTPATH CONCEPT	
Checked	Date OCT. 14	Level Datum ARBITRARY	Est. Bk. No. A3
			Sheet 1 of 1

ATTACHMENT 2

SPECIAL CHARGE SCHEME

SPECIAL CHARGE APPORTIONMENT FOR CONCRETE FOOTPATH CONSTRUCTION
 EAST SIDE OF ADAMS STREET & NORTH SIDE OF CLARKE STREET BETWEEN PARROTT STREET AND VICTORIA STREET, COBDEN.
 30% OF TOTAL ESTIMATED COSTS TO BE APPORTIONED TO OWNERS OF ABUTTING PROPERTIES
 DISTRIBUTION OF APPORTIONED COSTS BASED ON LENGTH OF FRONTAGE OF ALLOTMENTS

ESTIMATED COST OF SCHEME: \$73,057
 ESTIMATED COST OF WORKS TO BE RECOVERED FROM PROPERTY OWNERS: \$21,917

UNIT OF APPORTIONMENT: $73,057 / 487.9 \times 0.3 =$ \$44.921

DESCRIPTION OF WORKS AND SPECIFICATIONS	QUANTITY	ESTIMATED COST		ASSESSMENT NUMBER	DESCRIPTION OF PROPERTY	LOT FRONT TO STREET(m)	SIDEAGE (m)	CHARGEABLE FRONTAGE (m)	APPORTIONMENT OF COST	VEHICLE CROSSING THICKENING			TOTAL ESTIMATED OWNERS COST		
		RATE	AMOUNT							WIDTH (m)	RATE (\$)/Lm	AMOUNT (\$)			
Excavate and construct 75mm thick Concrete Footpath	533	\$120/Lm	\$63,960	7533	5 Victoria St Part CA 93 LP88637 Lot 10 LP112193	136.8		136.8	\$6,145	0.0	0	0.0	\$6,145		
				6052	40 Clarke St Lot 9 LP112193	15.2		15.2	\$683	0.0	25	0.0	\$683		
				6053	42 Clarke St Lot 8 LP112193	18.3		18.3	\$822	3.0	25	75.0	\$897		
				6054	44 Clarke St Lot 7 LP112193	18.7		18.7	\$840	3.0	25	75.0	\$915		
				6055	46 Clarke St Lot 6 LP112193	22.9		22.9	\$1,029	3.5	25	87.5	\$1,116		
				6056	48 Clarke St Lot 5 LP112193	22.9	37	45.8	\$2,057	0.0	25	0.0	\$2,057		
				5844	6 Adams St CP173022	24.2		24.2	\$1,087	0.0	25	0.0	\$1,087		
				5845	10 Adams St CP171489	30.5		30.5	\$1,370	10.2	25	255.0	\$1,625		
				10220	12 Adams St Lot 1 PS422590W	18.6		18.6	\$836	6.0	25	150.0	\$986		
				7411	14 Adams St Lot 2 PS422590W	18.5		18.5	\$831	3.2	25	80.0	\$911		
				201283	16 Adams St Lot3 PS422590W	22		22.0	\$988	4.0	25	100.0	\$1,088		
				7410	37 Tarrant St Lots 1 & 2 PS636217C	52	46	46.0	\$2,066	0.0	25	0.0	\$2,066		
				5846	30 Adams St Lot 3 LP794977	17.7	40.2	17.7	\$795	0.0	25	0.0	\$795		
				5847	32 Adams St Lot 2 PS431170U	32.6		32.6	\$1,464	9.0	25	225.0	\$1,689		
				Total 7.5% administration			\$67,960 \$5,097	7048	39 Parrott St CA 10 Section 2	50.3	20.1	20.1	\$903	6.0	25
			\$73,057				450.90			487.90			\$21,917	\$1,047.50	\$22,062

Special Charge Scheme

Construction of Footpath

Eastern side of Adams Street and Northern side of Clarke Street from Parrott Street to Victoria Street, Cobden

A Purpose

To construct a footpath to provide pedestrian access for properties on the above section of Adams Street and Clarke Street and for the community walking in the area. There are currently existing paths on Adams Street north of Parrott Street, on Parrott Street north of Adams Street and on Victoria Street north of Clarke Street. Currently there is only nature strip to walk on the above sections of Adams and Clarke Streets.

B Coherence

All of the properties abutting onto the proposed footpath are considered to receive a special benefit. The works are physically connected to the properties.

C Total Cost

Rate for construction of 1.5m wide footpath based on previous works is \$120/m. There is 201m length of footpath.

Therefore, the Total Estimated Cost is

Footpath	\$120 x 533 = \$63,960
Naturestrip Reinstatement	= \$4,000
<u>Subtotal</u>	<u>= \$67,960</u>
7.5% admin costs	= \$5,097
<u>Total</u>	<u>= \$73,057</u>

This does not include strengthening of driveways which are at the owners' cost.

D Identify Special Beneficiaries

15 properties in Tarrant Street will abut the footpath and are considered to be receiving special benefits.

E Determine Properties To Include Scheme (TSBs – In & Out)

All 15 properties abutting the footpath are considered to be subject to the scheme. 9 of these properties have owner occupiers that will benefit from access to the footpath.

Therefore TSB(in) =100%, TSB(out)=0%

F Estimate Total Special Benefits

For this scheme, it is assumed that the greater proportion of benefits is for pedestrian access – given the defined purpose of the scheme. Therefore it is considered that 70% of benefits relate to access and 30% to amenity. These proportions are consistent with those adopted in examples provided with the Special Rates and Charges Ministerial Guidelines 2004.

- Projected pedestrian use of the footpath is 100% for the adjoining properties.
- Projected amenity benefits are based on frontage. 100% of the length of the footpath is in front of the private residential properties.

G Estimate Total Community Benefits (TCB)

There would be a large community benefit with the installation of footpath in Adams and Clarke Streets with improved access for residents in the southern part of Cobden to the recreation reserve and tennis courts, indoor public pool, Cobden hospital, medical clinic, aged care facilities, Tandarook Park and CBD. For the purposes of the calculations it is estimated that approximately 200 households will benefit

H Calculate “Benefit Ratio”

The proportion of special benefits compared with community benefits is shown in the table below.

	15 Private Properties (9 owner occupiers) TSB (in)	200 other households TCB
Access (70%)	70% x 9/209 = 3%	70% x 200/209 = 67%
Amenity (30%)	30% x1 = 30%	Nil
Total Benefits	33% say 30%	67% say 70%

Therefore the contribution to the scheme from abutting owners is estimated at 30%. Ratio R = 0.30.

I Calculate Maximum Total Levy

R x C (cost) = S (Scheme Contribution)

$$0.30 \times \$73,057 = \$21,917$$

10.9 Submission to Review of Native Vegetation Clearing Regulations

Author: Greg Hayes, Manager Planning and Building Services

File No: D17/15

Previous Council Reference: 26 April 2016, Item 10.8

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - Greg Hayes

In providing this advice to Council as the Manager Planning and Building Services, I have no interests to disclose in this report.

Summary

The purpose of this report is for Council to consider its submission to phase 3 of the *Review of the Native Vegetation Clearing Regulations*, which details proposed changes to the Victorian Planning Provisions and a program of other actions.

Introduction

The State Government has recently concluded its review of the native vegetation clearing regulations. The review considered how the regulations have been functioning since reforms were introduced in 2013. This is the second submission Council has prepared to the review, with the first being in response to the consultation paper in April 2016. This report recommends that Council make a submission to DELWP in relation to the proposed regulatory system changes suggested as part of the *Review of the Native Vegetation Clearing Regulations*.

The *Review of the native vegetation clearing regulations – summary of proposed changes to the Victoria Planning Provisions* and the *Draft Native vegetation clearing – assessment guidelines* is publically available for the State Government *Engage Victoria* website. Submissions close on 5 February 2016.

Issues

The *Review of the Native Clearing Regulations* contains a number of changes which will impact local government. The proposed changes include:

- Revised extent thresholds and renaming of the three assessment pathways (i.e. Basic, Intermediate or Detailed).
- A greater emphasis on the avoidance of native vegetation removal including a requirement to now demonstrate how the three step approach of 'avoid', 'minimise' and 'offset' has been undertaken.
- Updated and more detailed mapping which now will include endangered Ecological Vegetation Classes and large trees.
- The ability for individual site based information to be used in some circumstances to supplement the native vegetation mapping and assessments.

- Offsets must now protect and prioritise large trees before vegetation is permitted to be removed (i.e. the offset secured must include the protection of at least one large tree for every large tree to be removed).
- Additions and changes to the current exemptions for native vegetation removal. Exemptions now include exemption for utility installations and ‘conservation work’.
- An increased commitment to monitoring and reporting on native vegetation losses and offsets.
- Emphasis for a co-regulatory approach to enforcement between state and local governments.

Table 1 below contains a summary of responses to each of the proposed changes outlined in the *Review of the Native Vegetation Clearing Regulations*. Changes are proposed to the native vegetation provisions in the planning scheme as well other changes which sit outside of the planning scheme (for example changes to monitoring and reporting).

The full submission is provided in **Attachment 1**.

Amendments to Victorian Planning Provisions		
Planning Provision	Proposed Key Changes	Comment
Clause 12.01 <i>Biodiversity</i>	Updating text to: <ul style="list-style-type: none"> • Ensure appropriate consideration of impacts from the removal, destruction or lopping of native vegetation. • Ensure permitted clearing of native vegetation results in no net loss to biodiversity. 	<ul style="list-style-type: none"> • Agree that the primary focus needs to move back to avoidance of clearing native vegetation as a first option, as this is not only the best outcome from an environmental perspective it can also be the most financially beneficial for the landowner (when the cost of offsets are considered) and reduces statutory workload for Council. • There is also, however, a need to acknowledge that native vegetation removal will legitimately be required in some circumstances.
Clause 52.16 <i>Native Vegetation Precinct Plan</i> Clause 52.17 <i>Native Vegetation</i>	<ul style="list-style-type: none"> • Clarifying the three step approach (avoid, minimise, offset) in the purpose to Clause 52.16. This includes an increased focus on avoiding and minimising in areas where the value of the native vegetation is high. • Amend the table of exemptions to improve their operability, remove ambiguity and reflect updates to other legislation. This includes clarification of wording around emergency works, fencing and planted vegetation exemptions, widening of the scope of Crown land 	<ul style="list-style-type: none"> • Council supports the improvements in clarity throughout the exemptions. • Council supports the introduction of an exemption for ‘conservation work’ as this will be particularly useful for the removal of native weeds where it is not possible for these to be listed under the schedule to clause 52.17. • However, the requirement to have the works approved by the DELWP secretary adds unnecessary red tape and it would be more appropriate for these conservation works to be approved by Council. • The Crown land exemption needs to be broadened to include works undertaken by a Crown land CoM if the Crown land manager has provided consent. Currently not all CoM works are excluded under this exemption. • Exemptions for local government should be included in the table and not hidden away in planning scheme agreements or MOUs. • The revised thresholds for the three assessment pathways (basic, intermediate, detailed) are appropriate as it provides tighter controls for the removal of more than 0.5ha of native vegetation

	<p>exemptions, an additional exemption for utility installations and a new exemption for conservation work.</p>	<p>and includes consideration of large trees in the assessment pathway.</p> <ul style="list-style-type: none"> • In addition to the native vegetation regulations review, Council would like to see a review of local government agreements for the removal of native vegetation to maintain the safe and efficient function of public roads. • Council would like to see this agreement simplified through the inclusion of a 'road maintenance envelope' which exempts planning permit requirements in this zone. Council would also like to see the agreement broadened to exempt vegetation removal associated with upgrades on existing infrastructure, such as intersections and bridges.
<p>Incorporated Document</p>	<p>The following changes in the "<i>Native Vegetation Clearing-Assessment Guidelines</i>" that are not already detailed above are:</p> <ul style="list-style-type: none"> • Broadening of the biodiversity value of native vegetation to include large trees, endangered EVC's and sensitive wetlands and coastal areas. • Classification of scattered trees into two sizes- small and large. • Replace the Native vegetation location risk map with an updated map of highly localised habitats, rare or threatened species, habitat, endangered EVC's and sensitive wetlands and coastal areas. • The inclusion of large trees as an assessment pathway determinant. • Providing for the following alternative arrangements to include: <ul style="list-style-type: none"> ○ The ability to submit site-based information to supplement species habitat maps 	<ul style="list-style-type: none"> • Requiring an 'avoid and minimisation statement' for basic applications is unnecessary and places additional burden on local government to provide guidance to applicants on meeting this requirement. • An applicant is not required to avoid and minimise impacts from the removal of native vegetation on biodiversity values in the Basic Assessment Pathway, however they are still required to prepare a statement and may still need to avoid and minimise other impacts. This will create confusion for applicants and simple applications should be excluded from the requirement for an 'avoid and minimisation statement'. • A definition of what constitutes an accredited native vegetation assessor is supported as this will remove ambiguity as is further detail of how and when a site assessment process should occur. • The review fails to address issues associated with calculating, assessing and implementing offsets. The offset system requires simplification, particularly for simple applications which will now require an offset statement. • The current method of calculating offsets is overly complex, particularly for applicants who want to undertake first party offsets. Without guidance from a qualified native vegetation assessor, it is difficult for an applicant to determine what on-ground works (i.e. revegetation, protection of remnant vegetation) are required to achieve a first-party offset. This places additional burden on local government to assist applicants to calculate their offsets and provide advice on how to achieve the offset. For simple applications, the offset system should also be simplified so that applicants can calculate and manage their own offsets without the need and cost of engaging a native vegetation assessor. Due to the complexity, it is also difficult for local government to assess the

	<ul style="list-style-type: none"> ○ Alternative specific offset arrangements when offsets for major strategic projects for complex sites cannot be secured ○ Accessing alternative offset arrangements for private native forest timber harvesting. ● Requirement for an avoid and minimisation statement to be included as a requirement for all applications (this is not currently required for the low-risk pathway). 	<p>appropriateness of proposed offsets.</p> <ul style="list-style-type: none"> ● There is a limited availability of third party offsets, particularly over the counter offsets, within Corangamite Shire. Primarily a rural area, landholders in our municipality often prefer to achieve first party offsets. The complexity of the system, the expense of meeting the security arrangements, and the excessive revegetation requirements make it difficult for applicants to achieve first party offsets, particularly for basic assessment applicants. ● Crown land offsets must also be subject to the same Credit register requirements and reporting. This also needs to be extended to roadsides to allow councils to undertake offsets in close proximity to removals. ● Agree that third party offsets through the credit register are more straightforward for applicants and councils as they remove the requirement for ongoing monitoring. However, experience has been that they can be outrageously expensive, which is a significant deterrent for applicants to use this type of offset.
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Changes Outside of the Planning Scheme		
Monitoring and Reporting	Proposed Key Changes	Comment
	<p>Implement monitoring and reporting with local government and in consultation with other relevant stakeholders to improve monitoring and reporting on:</p> <ul style="list-style-type: none"> ● Permitted native vegetation clearing and offsets that are occurring ● Levels of known non-compliance with the regulations, including with management of offset agreements ● Gains in native vegetation that is occurring at offset sites. 	<ul style="list-style-type: none"> ● Council has concerns around the administrative burden that will be placed on local government from additional reporting. There is limited capacity for local government to undertake additional reporting. Local government has limited resources to capture and maintain this information and therefore this role should be completed by State Government and managed at a central location.
	<ul style="list-style-type: none"> ● Undertake a native vegetation offset market review to identify opportunities to improve its operation. 	<ul style="list-style-type: none"> ● This is supported if it results in a more simplified approach to offsets, especially for types or locations with low offset availability. Council has experienced instances where offsets cannot be obtained through this process and therefore recommend that an alternative calculation should be available if the other offset criteria cannot be achieved e.g. class and quality.

Information and Guidance	Proposed Key Changes	Comment
	<ul style="list-style-type: none"> • Provide clearer guidance on when to refuse an application to remove native vegetation. • Guidance to applicants for compiling a permit application. • Guidance to support strategic planning for native vegetation protection and management. • Development of an assessment handbook for responsible and referral authorities to guide assessment and decision making. • Guidance for exemptions including the purposes and principles of the exemptions and how the exemptions are intended to apply. 	<ul style="list-style-type: none"> • Due to the complexity of the system, Council often receives poor quality permit applications particularly from applicants who want to remove only a small amount of vegetation. This has created a significant burden on local government to assist applicants through an already complex process. The regulations should be made clearer and simplified in order for a permit applicant to assess and consider the three step process and any offset calculation required.
Compliance and Enforcement	Proposed Key Changes	Comment
	<ul style="list-style-type: none"> • DELWP will develop a compliance and enforcement strategy in collaboration with local government and the MAV. The compliance and enforcement strategy proposes to adopt a co-regulatory approach between agencies including local government. 	<ul style="list-style-type: none"> • Many rural councils have little resources for enforcement, particularly compliance activities. While it is identified that DELWP will identify and develop key guidance and support material to assist with the delivery of compliance and enforcement programs, these efforts will be worthless without funding and technical expertise being provided to councils to support the roles. Currently councils receive little support from DELWP in enforcement issues, even though it is the DELWP personnel who have the required skills and expertise in native vegetation. • Do not agree that DELWP should only assist councils with advice and resources to then go and complete enforcement. This will only increase financial burden for local government and staff resources. Enforcement should be undertaken by DELWP and not forced onto local government once breaches are identified. • Support expanded powers for DELWP Officers to allow DELWP to undertake direct enforcement processes across Victoria. Do not

		support DELWP officers increasing workloads for local government by increasing the number of investigations or driving councils into enforcement action.
Native Vegetation Information Mapping (NVIM)	Proposed Key Changes	Comment
	<ul style="list-style-type: none"> Place greater emphasis on key areas of habitat for dispersed species in decision making and offset requirements. 	<ul style="list-style-type: none"> Further improvements to the functionality of the mapping is needed, particularly aerial imagery to allow applicants to utilise the mapping at a property scale for improved accuracy.

The Corangamite Shire is concerned the review fails to address the following critical elements:

1. The need to further increase the scope of exemptions relating to Council works and maintenance within road reserves. Councils must be allowed the ability to undertake works and maintain roads, drains and roadside reserves.
2. The review should consider allowing Councils greater flexibility around annual fire prevention works and roadside slashing.
3. The review fails to take advantage of the opportunity to reduce the regulatory framework and 'red tape'. Instead the review outcomes increase the layers of complexity adding a significant burden on local government and permit applicants alike. The failure to reduce red tape will likely further increase non-compliance and matters requiring enforcement.
4. The review will result in continued cost shifting to local government through an increase in enforcement matters being identified and reported by DELWP for Council action. Arrangements in relation to future monitoring and reporting are also likely to further increase the burden on local government in relation to implementation of these State-wide provisions.

Policy and Legislative Context

Making a submission on the *Review of the Native Vegetation Clearing Regulations* is consistent with the following commitment in the Council Plan 2013-2017:

Council will demonstrate high levels of ethical behaviour and corporate governance standards. We will make budgetary decisions that are reflective of our financial circumstances. We will advocate for and with the community to achieve outcomes.

Internal / External Consultation

Internal consultation has been undertaken with appropriate Council officers. Council officers have also liaised with the MAV in relation to these reforms, and the MAV is holding an information session on 25 January 2017. Local Government has been represented in the Stakeholder Reference Group established by DELWP to assist the review.

Financial and Resource Implications

There are no financial implications involved in making this submission.

There are changes proposed within the *Review of the Native Vegetation Clearing Regulations* that will impact local government and if adopted may increase Council's involvement in enforcement and monitoring and reporting activities. An increase in responsibilities for Council will also require the allocation of additional resources and increase costs for Council. Of particular concern in this regard are the proposed changes in relation to enforcement responsibilities and additional requirements for monitoring and reporting.

It is important that further consideration is given to *The Victorian State -Local Government Agreement 2014* and that the reforms are consistent with the principles contained in the agreement to ensure there is no cost shifting to local government.

Options

Council may choose to provide the submission to the *Review of the Native Vegetation Clearing Regulations* in its current form or with alteration. Alternatively, Council may decide not to provide a submission to the review.

Conclusion

The *Review of the Native Vegetation Clearing Regulations* provides an opportunity for Council to contribute to the future priorities and planning system changes for native vegetation changes in Victoria. The submissions provides a range of feedback in relation to each of the proposed changes within the *Review of Native Vegetation Clearing Regulations*.

RECOMMENDATION

That Council:

1. Authorises the CEO to finalise a submission to the Department of Environment Land Water and Planning on the Review of the Native Vegetation Clearing Regulations.
2. Provides a copy of Council's final submission to the MAV and Rural Councils Victoria.

COUNCIL RESOLUTION

MOVED: Cr Durant

SECONDED: Cr Brown

That the recommendation be adopted.

CARRIED

Attachments

1. Submission to DELWP on the review of the Native Vegetation Clearing regulations - Under Separate Cover

10.10 Age-Friendly Victoria Declaration

Author: Matthew Dawson, Manager Community Services

File No: D17/20

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - Matthew Dawson

In providing this advice to Council as the Manager Community Services, I have no interests to disclose in this report.

Summary

This report seeks Council's endorsement to sign the Age-Friendly Victoria declaration to demonstrate Council's commitment to creating liveable communities for older Victorians.

Introduction

The Commissioner for Senior Victorians report *Ageing is everyone's business: a report on isolation and loneliness among senior Victorians* (April 2016) reveals that isolation and loneliness is a significant issue for Victoria's ageing population.

The Victorian Government launched the Age-Friendly Victoria initiative as part of their response to the report.

As a demonstration of commitment, the Victorian Government signed an Age-Friendly Declaration with the Municipal Association of Victoria on 14 April 2016. The Declaration means the Government and Municipal Association of Victoria are committed to planning for and establishing age-friendly communities.

The intention of the declaration is to strengthen the partnership between State and Local Government to continue to support and assist Victorian councils to create age-friendly communities.

Issues

The Age-Friendly Communities initiative is being led by the World Health Organisation, who note that:

an age-friendly world enables people of all ages to actively participate in community activities and treats everyone with respect, regardless of their age. It is a place that makes it easy for older people to stay connected to people that are important to them. It helps people stay healthy and active even at the oldest ages and provides appropriate support to those who can no longer look after themselves.

Signing the Age-Friendly Victoria declaration will demonstrate Council's commitment to creating liveable communities for older people in Corangamite Shire and continuing to improve state and local planning for the creation of age-friendly communities.

Corangamite Shire has a diverse range of services and programs for older people including (but not limited to) University of the Third Age (U3A), Senior Citizen's Centres, Community House programs, community care, delivered meals and community transport. These services and programs are delivered by Council, health services, community organisations and volunteers.

With our ageing population, it is important that we are actively working to ensure that these programs and services continue to be available to meet the demand of our local population.

Policy and Legislative Context

Age-Friendly Victoria is an initiative of the Victorian Government.

The Age-Friendly Victoria declaration is directly linked to a key goal in Council's Health and Wellbeing Plan 2013-2017 to "increase access to opportunities for all residents to improve their health and wellbeing".

The declaration also supports strategy 2.3 in the Strengthening our Communities theme in the 2013-2017 Council Plan to "address the specific needs of our older residents".

Internal / External Consultation

A community consultation process was conducted as part of the development of the Health and Wellbeing Plan 2013-2017.

Financial and Resource Implications

Signing the declaration is likely to support future funding applications because it demonstrates Council's commitment to creating liveable communities for older Victorians and that Council's commitment is aligned with the Victorian Government commitment on healthy ageing.

Options

Council may consider not signing the declaration, but this may limit future funding and partnership opportunities.

Conclusion

The Age-Friendly Victoria declaration is a part of the State Government's Age-Friendly Victoria initiative. By signing the agreement Council will demonstrate a commitment to creating liveable communities for older Australians and support Council's Health and Wellbeing Plan 2013-2017.

RECOMMENDATION

That Council:

1. Authorises the Mayor to sign the Age-Friendly Victoria Declaration on behalf of Council.
2. Promotes Council's declaration on the Seniors Online Victoria website.

COUNCIL RESOLUTION

MOVED: *Cr Durant*

SECONDED: *Cr Brown*

That the recommendation be adopted.

CARRIED

Attachments

1. Age Friendly Victoria Declaration - Victorian Government and MAV - Under Separate Cover

10.11 Quick Response Grants - January 2017 Allocation

Author: David Rae, Director Corporate and Community Services

File No: D16/797

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - David Rae

In providing this advice to Council as the Director Corporate and Community Services, I have no interests to disclose in this report.

Summary

The purpose of this report is to approve the January 2017 allocation of funds under the Quick Response Grants Program.

Introduction

The Quick Response Grants Program is beneficial in supporting instances of community needs that are not readily able to be considered under the Community and Facilities Grants Program or Environmental Grants Program. Applications for Quick Response Grants are considered by Council as they are received.

Issues

The Quick Response Grants Program is a fixed budget that Council provides annually for the distribution of funds to Shire community groups. The Quick Response Grants Program has a rolling intake and this flexible approach allows Council to allocate small amounts to various community groups which results in positive outcomes.

Applications received for this allocation are attached under separate cover. Each application has been assessed against the following criteria as detailed in the Quick Response Grants Policy:

- a. Eligible recipient
- b. Council Plan alignment
- c. Community benefit
- d. Eligible expenditure.

The assessment has also been provided as a separate attachment to this report.

Policy and Legislative Context

Consideration of applications for the Quick Response Grants Program is in accordance with the Quick Response Grants Policy and the following 2013-2017 Council Plan Commitments:

Corangamite Shire's communities are welcoming and provide support and a sense of belonging. Council will work to improve and enhance community health, wellbeing and

connectedness. Council has an important role in planning to ensure townships grow in a sustainable manner.

Provide opportunities to improve and enhance the health and wellbeing of our community.

Improve the educational outcomes of our community.

Recognise the importance of Art and Culture to the community.

Internal / External Consultation

Applications for the Quick Response Grants Program are available from Council's website or by contacting Council's Community Relations team. Applicants are encouraged to discuss their application with the respective Ward Councillor prior to submission. Applicants may also contact Council's Director Corporate and Community Services for further information. Applicants will be advised of the outcome of their application following the Council meeting. Successful applicants will also be requested to provide a grant acquittal following completion of the event or project, including return on unexpended amounts.

Financial and Resource Implications

The 2016-2017 Quick Response Grants Program budget allocation is \$14,000. Annual allocations for each Ward shall not exceed 1/7th of the fund's annual budget in the case of North, South West, Coastal and South Central Wards, and 3/7th of the fund's annual budget in the case of Central Ward. Should the allocations be approved as recommended in this report, the remaining allocation is as follows:

Ward	Annual Allocation	Previous Allocations	This Allocation	Remaining Allocation
Coastal	\$2,000.00	\$0.00	\$71.43	\$1,928.57
North	\$2,000.00	\$450.00	\$71.43	\$1,478.57
South Central	\$2,000.00	\$370.00	\$71.43	\$1,558.57
South West	\$2,000.00	\$500.00	\$71.43	\$1,428.57
Central	\$6,000.00	\$1,680.00	\$464.28	\$3,855.72
	\$14,000.00	\$3,000.00	\$750.00	\$10,250.00

Options

Council can consider:

1. Allocating the funds as requested by the applicants.
2. Allocating the funds for a reduced amount.
3. Not allocating funds as requested by the applicants.

Conclusion

The Quick Response Grants Program provides financial assistance to community groups to undertake beneficial projects and activities. The applications recommended for funding in this allocation are in accordance with Quick Response Grants Policy and will result in positive outcomes for the community.

RECOMMENDATION

That Council approves the following applications for funding from the Quick Response Grants Program for January 2017:

Applicant	Purpose	Ward	Amount
Ms Charmaine Uy (Auspice: Lakes and Craters Band)	Assist with costs of hall hire of Multi-Cultural Christmas Party at Camperdown Theatre on 24 December 2016 (application received prior to event).	Central	\$250.00
Corangamite Ice Taskforce (Auspice: Brophy Family and Youth Services)	Assist with costs to implement two anti-ice projects within the Corangamite Shire in response to the Great South Coast Ice Challenge.	Multi	\$500.00

COUNCIL RESOLUTION

MOVED: *Cr Durant*
SECONDED: *Cr Gstrein*

That the recommendation be adopted subject to the condition that the contribution to the Corangamite Ice Taskforce be subject to the balance of funding being secured for the projects.

CARRIED

Attachments

1. Quick Response Grants Assessment - January 2017 Allocation - Under Separate Cover
2. Application - Corangamite Ice Taskforce (Auspice: Brophy Family and Youth Services) - Under Separate Cover
3. Application - Ms Charmaine Uy (Auspice: Lakes and Craters Band Camperdown) - Under Separate Cover

10.12 Determination of Mayoral and Councillor Allowances

Author: Penny MacDonald, Executive Services and Governance Coordinator

File No: D17/12

Previous Council Reference: 20 December 2016, Item 10.4

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - Penny MacDonald

In providing this advice to Council as the Executive Services and Governance Coordinator, I have no interests to disclose in this report.

Summary

The purpose of this report is to enable Council to determine the Mayoral and Councillor allowances.

Introduction

Council is required to review and determine the level of the Mayoral and Councillor allowances within six months after a general election or by 30 June, whichever is later.

Issues

Council, at its meeting on 20 December 2016, reviewed the Mayoral and Councillors allowances and proposed that the Councillor allowance be set at \$24,730 per annum and the Mayoral allowance be set at \$76,521 per annum, plus the equivalent superannuation contribution (currently 9.5%). Council also resolved to place a public notice to call for submissions regarding the proposed allowances.

Councillors are entitled to receive an allowance while performing their duty as an elected official. Allowances are provided in recognition of the time and commitment required of councillors, often resulting in a loss of earnings and superannuation. Payment of councillor allowances also encourages diversity amongst people nominating for election to councils. Although councillors are not considered to be employees of a council and do not receive employment benefits, they are entitled to an allowance that needs to be included in tax returns and will also receive the equivalent of the superannuation guarantee contribution.

The Victorian Government sets the limits and ranges for councillor and mayoral allowances. The limits and ranges are based on a council's category and are reviewed each year by the Minister for Local Government. The category status is based on a council's population and income/revenue figures. The current ranges are outlined in Table 1 below.

	Councillors	Mayors
Category 1	\$8,234-\$19,834 per annum	Up to \$59,257 per annum
Category 2	\$10,284-\$24,730 per annum	Up to \$76,521 per annum
Category 3	\$12,367-\$29,630 per annum	Up to \$94,641 per annum

Table 1: Mayoral and Councillor Allowances Limits and Ranges

Corangamite is classed as a Category 2 council with a current permitted range of \$10,284-\$24,730 per annum for Councillors and up to \$76,521 per annum for Mayors (as from 1 December 2016). These amounts exclude the 9.5% equivalent superannuation contribution which is payable in addition to these amounts.

The current allowance for Corangamite Shire Councillors is \$24,128.24 per annum, and the Mayoral allowance is \$68,870.20, excluding the 9.5% superannuation equivalent.

The allowances determined by Council will be payable from the date of Council's resolution setting the allowances and will remain in place for the remainder of the Council term. However, automatic adjustments (historically a 2.5% increase) will apply each year following the Minister's annual review of the limits and ranges for allowances. Council may only vary the allowances if the limits or ranges for its category has been varied (this is separate to the annual automatic adjustment), or the category for Corangamite Shire has been changed.

An individual Councillor can choose not to receive an allowance, but cannot receive an amount different to that adopted by Council.

In accordance with section 223 of the *Local Government Act*, public notices were placed in the Warrnambool Standard and WD Newspapers inviting members of the public to make written submissions by 5.00 pm on 23 January 2017.

Policy and Legislative Context

Council's review of Mayoral and Councillor allowances is in accordance with sections 74, 74A and 223 of the *Local Government Act* (the Act).

Under section 79C(1)(c) of the Act, a Councillor is taken to not have a conflict of interest if the matter pertains to a decision relating to the payment of allowances to the Mayor or Councillors.

Council's review and determination of the allowances is also consistent with the following commitments in the 2013-2017 Council Plan:

Council will demonstrate high levels of ethical behaviour and corporate governance standards. We will make budgetary decisions that are reflective of our financial circumstances.

Model contemporary standards of corporate governance and professional standards.

Council will recognise and make decisions that reflect our financial circumstances.

Internal / External Consultation

Public notices advertising the proposed allowances and notifying the public of the opportunity to make submissions were placed in the Warrnambool Standard on 24 December 2016 and 7 January 2017, with a closing date for submissions of 23 January 2017. Notice was also provided in the WD Newspapers and on Council's website. At the time of writing this report no submissions have been received. Any submissions received prior to the Council meeting will be tabled.

Financial and Resource Implications

Council's 2016-2017 Budget provides for the proposed allowances. Future budgets will be revised to meet any annual adjustments made by the Minister for Local Government.

Options

Council may determine to set the proposed allowances as advertised or set the allowances at a lesser amount.

Conclusion

Council has undertaken a review of Mayoral and Councillor allowances and proposed that the Councillor allowance be set at \$24,730 per annum and the Mayoral allowance be set at \$76,521 per annum, plus the equivalent superannuation contribution (currently 9.5%). Public notices were placed in the Warrnambool Standard and WD Newspapers inviting members of the public to make written submissions by 5.00 pm on 23 January 2017. As no submissions have been received, it is recommended that Council adopt the Councillor and Mayoral allowances as proposed.

RECOMMENDATION

That Council:

- 1. Determines that the Councillor allowance be set at \$24,730 per annum, plus the superannuation equivalent.**
- 2. Determines that the Mayoral allowance be set at \$76,521 per annum, plus the superannuation equivalent.**

COUNCIL RESOLUTION

MOVED: *Cr Illingworth*

SECONDED: *Cr Trotter*

That the recommendation be adopted

CARRIED

10.13 Application of Common Seal of Council 2016

Author: Penny MacDonald, Executive Services and Governance Coordinator

File No: D17/10

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author – Penny MacDonald

In providing this advice to Council as the Executive Services and Governance Coordinator, I have no interests to disclose in this report.

Summary

This report informs Council of all applications of the Common Seal made by the Chief Executive Officer under delegation during 2016.

Introduction

Various documents require the use of the Common Seal of Council, such as Section 173 Agreements under the *Planning and Environment Act*, contracts and funding agreements.

Throughout 2016, the use of the Common Seal was prescribed by the previous Local Law No. 3, Processes of Municipal Government Law 2009, and new Meeting Procedures Local Law No.3 2016. Under the Local Law, Council may by resolution delegate the use of the Common Seal to the Chief Executive Officer for general classes of activities or transactions. Other applications of the Common Seal are authorised by Council by resolution as required. The Chief Executive Officer is required by the Local Law to regularly advise Council of the use of the Common Seal when applied under delegation.

Issues

At its meeting on 24 January 2012, Council resolved to authorise the Chief Executive Officer to apply the Common Seal of Council to general classes of documents. Typical documents sealed under delegation by the Chief Executive Officer include:

- *Planning and Environment Act* section 173 agreements
- funding/grant agreements
- contracts endorsed by a resolution of Council
- lease agreements endorsed by a resolution of Council
- licence agreements endorsed by a resolution of Council
- transfer of land documents for transactions endorsed by a resolution of Council.

The Common Seal was applied by the Chief Executive Officer during 2016 to the documents listed in the attached table.

Policy and Legislative Context

Meeting Procedures Local Law No.3 2016, Part C, Clause 9.3 states 'the Council may, by resolution, give the Chief Executive Officer authority to use the Common Seal for general classes of activities or transactions'. Clause 9.4 continues 'if the Chief Executive uses the Common Seal in a manner prescribed by Clause 9.3, then he or she must advise Council of such use on a regular basis'.

This report ensures compliance with the Local Law and is consistent with the Council Plan commitment and objective:

Council will demonstrate high levels of ethical behaviour and corporate governance standards.

Model contemporary standards of corporate governance and professional standards.

Conclusion

Various documents require the use of the Common Seal of Council. Meeting Procedures Local Law No.3 2016 details the use of the Common Seal and provides for the application of the Common Seal by the Chief Executive Officer under delegation for general classes of activities or transactions. Council is asked to receive the attached list of documents for which the Common Seal was applied under delegation by the Chief Executive Officer during 2016 and authorise the Chief Executive Officer to continue to use the Common Seal for general classes of activities or transactions.

RECOMMENDATION

That Council:

1. **Receives the attached list of documents sealed by the Chief Executive Officer under delegation during 2016**
2. **Authorises the Chief Executive Officer to use the Common Seal for general classes of activities or transactions in accordance with Meeting Procedures Local Law No.3 2016.**

COUNCIL RESOLUTION

MOVED: *Cr Trotter*
SECONDED: *Cr Gstrein*

That the recommendation be adopted.

CARRIED

Attachments

1. Table Application of Common Seal of Council under CEO Delegation in 2016

Application of Common Seal of Council under CEO Delegation in 2016

Description	Date sealed
Licence Agreement with Megan Heard (Family Day Care) for Old Lismore Maternal and Child Health Centre	27 January 2016
Tripartite Deed Council Between Salvation Army Housing Victoria and Director of Housing 10 Victoria Street Cobden (Tandarook House/Gunner Street Deed)	28 January 2016
Transfer of Land for 19-21 Osborne Street, Skipton (authorisation by Council to sell property Item 10.4 Ordinary Meeting 17 December 2013)	10 February 2016
Lease Renewal 12-14 Montgomery Street, Skipton (extension of lease authorised by Council Item 10.5 Ordinary Meeting 25 March 2014)	15 February 2016
Sub lease between Cobden Aero Club and Peter Rohan	26 February 2016
Transfer of Land for 15-17 Osborne Street, Skipton (authorisation by Council to sell property Item 10.4 Ordinary Meeting 17 December 2013)	2 March 2016
Lease Renewal with South Western District Restoration Group for property on Hallyburtons Road, Cobden (Racecourse Reserve)	13 April 2016
Lease Renewal with Rob Robilliard for Cobden Airstrip Commercial Hangar	29 April 2016
Cattle Underpass Agreement with lessee at 1220 Melrose Road, Princetown	9 May 2016
Transfer of Land for Tandarook House with Salvation Army Housing and Gunner Street, Camperdown with Director of Housing (transaction authorised by Council Item 13.2 Ordinary Meeting 25 March 2014)	17 May 2016
Licence Agreement Renewal with Simpson and District Community Centre for Simpson Men's Shed and Community Garden	18 May 2016
Section 173 Agreement for Permit PP2016/008 2 Lot Subdivision Excision of Dwelling – 205 Skibo Road, Skibo	31 May 2016
Amended Planning Permit PP2008/018B a 12 lot staged subdivision – Curdies River Road, Timboon	31 May 2016
Contract of Sale for 23 and 24 Gunner Street, Camperdown with Director of Housing (transaction authorised by Council, Item 13.2 Ordinary Meeting 25 March 2014)	15 June 2016

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Description	Date sealed
Deed of Variation for Funding under the Community Support Programme 2016-2017	19 July 2016
Licence to Occupy with Origin Energy for pipeline on local roads	19 July 2016
Licence Agreement with Camperdown Pre-School Association (agreement authorised by Council, Item 10.6 Ordinary Meeting 26 July 2016)	10 August 2016
Section 173 Agreement Planning Permit 2016/025 a 2 lot subdivision at 1286 Timboon-Curdievale Road, Curdievale	23 August 2016
Licence Agreement with Daphne Pearson for Sustainability House (Family Day Care)	6 September 2016
Licence Agreement with Megan Heard for Old Lismore M&CH Centre (Family Day Care)	14 September 2016
Licence Agreement with Simpson Bowls Club for 1 Fisher Street, Simpson	4 October 2016
Deed of Licence (Licence to Occupy) and Deed of Assignment and Assumption with South East Australia Gas (Mortlake) Pty Ltd and Origin Energy for unmade roads in southern part of Shire for existing gas pipeline	10 October 2016
Lease Agreement with Lismore Croquet Club for 30-32 William Street, Lismore	27 October 2016
Lease Agreement with Ken Pillar and Belinda Thornton for Mount Leura Road, Camperdown	30 November 2016
Right of Entry Business and Goods for 220 Park Road, Camperdown (Caravan Park)	30 November 2016
Deed of Mortgage of Lease for 220 Park Road, Camperdown (Caravan Park)	30 November 2016
Licence Agreement with Camperdown Playgroup	21 December 2016

10.14 Records of Assembly of Councillors

Author: Andrew Mason, Chief Executive Officer

File No: D17/13

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Summary

This report documents the Assembly of Councillors to be reported since the last Ordinary Meeting of Council on 20 December 2016.

Introduction

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

Issues

An 'Assembly of Councillors' is defined in the Act as a meeting at which matters are considered that are intended or likely to be the subject of a Council decision or subject to the exercise of a delegated authority and which is either of the following:

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

Typical meetings giving rise to an Assembly of Councillors at Corangamite Shire include Councillor briefings, advisory committees and planning site inspections. However, from time to time additional records may be reported in accordance with the Act.

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

- The Councillors and members of Council staff attending.
- The matters discussed.
- Disclosures of conflict of interest (if any are made).
- Whether a Councillor left the meeting after making a disclosure.

Records of an Assembly of Councillors are documented by a Council officer present at a meeting designated as an Assembly of Councillors. Responsibility for the maintenance of records associated with Assembly of Councillors rests with the Chief Executive Officer.

Policy and Legislative Context

Tabling of the records of Assembly of Councillors ensures Council is compliant with the Act. In addition, this report is consistent with the Council Plan 2013-2017 strategy, "Council will demonstrate high levels of ethical behaviour and corporate governance standards".

Conclusion

The records documenting the below Assembly of Councillors are attached:

- Councillor Briefing 20 December 2016
- Councillor Briefing 10 January 2017.

RECOMMENDATION

That Council accepts the attached Records of Assembly of Councillors.

COUNCIL RESOLUTION

MOVED: *Cr McArthur*
SECONDED: *Cr Illingworth*

That the recommendation be adopted.

CARRIED

Attachments

1. Record of an Assembly of Councillors 20 December 2016
2. Record of an Assembly of Councillors 10 January 2017

Council

Record of an Assembly of Councillors



Councillor Briefing

Date: 20 December 2016

Time: 1.45pm

Place: Killara Centre, Camperdown

Present:

- Cr Beard Cr Brown Cr Durant Cr Gstrein
- Cr Illingworth Cr McArthur Cr Trotter

Cr Gstrein left at 4.15pm and returned at 5.15pm

Officers:

- Ian Gibb Brooke Love Andrew Mason David Rae

Michael Emerson (Item 3)

Lyall Bond (Items 4 and 5)

Matthew Dawson (Item 6)

Guests:

Todd Henderson and Mark Yates, Brookfield Energy Australia (Item 3)

Issues Discussed:

Item	Discussion Topic
1	Hot Topics: <i>Special Charge Scheme Update, Dairy Meeting, Camperdown Cruise, Agenda Items, Shipwreck Coast Briefing, Parks Victoria Update, North Shire Tour, Rate Cap</i>
2	Councillor Items: <i>Regional Waste Group, Glenormiston, Landfill Sustainability, Timboon Fun Run, Road Sealing Timboon, Elm Trees, Regional Library Corporation Update</i>
3	Terang Gas
4	Environmental Health Services
5	Local Laws Overview and Policies
6	Aged & Disability Services Reform – Confidential Item

Conflicts of Interest declared: Cr Beard declared a direct interest in a hot topic item (Special Charge Scheme Update) discussed during Item 1.

Councillor left the meeting at: 2.00pm

Councillor returned to the meeting at: 2.05pm

Councillor Conflict of Interest Form Completed: Yes

Meeting close: 6.00pm

Note taker: Andrew Mason

Council

Record of an Assembly of Councillors

**Councillor Briefing****Date:** 10 January 2017**Time:** 10.00 am**Place:** Commencing Mount Elephant, followed by tour of North of the Shire**Present:**

Cr Beard Cr Brown Cr Durant Cr Gstrein
 Cr Illingworth Cr McArthur Cr Trotter

*Cr Illingworth and Cr McArthur left at 3.30 pm***Officers:**

Ian Gibb Brooke Love Andrew Mason David Rae
 Adam Taylor

Guests:**Issues Discussed:**

Item	Discussion Topic
1	Hot Topics: <i>Lord Street, Grass Slashing, CEO Leave, Roads Funding, Camperdown Dairy, Pomborneit Cricket Announcement, Timboon Dog Attack</i>
2	Councillor Items: <i>Devils Gully Slip, Scotts Creek Cemetery Trust, Timboon Streetscape Trees, War Memorial, Origin Energy Update, Hanging Branches, Long Grass, Terang Recycling Bins, Terang Café Signage, Meals</i>
3	Mid-year Budget Review Community Grant Loan Guarantee Policy 2017-2018 Rate Cap
4	Combined Planning Permit Application and Planning Scheme Amendment 31 Glenormiston Road, Noorat
5	Council Plan
6	Councillor Shire Tour (North): <i>Derrinallum, Lismore, Bradvale, Skipton</i>

Conflicts of Interest declared: Nil.**Councillor left the meeting at:** NA**Councillor returned to the meeting at:** NA**Councillor Conflict of Interest Form Completed:** NA**Meeting close:** 6.00pm**Note taker:** Andrew Mason

11. OTHER BUSINESS

Nil.

12. OPEN FORUM

Nil.

13. CONFIDENTIAL ITEMS

Nil.

Meeting Closed: 9.07 pm

I hereby certify that these minutes have been confirmed and are a true and correct record.

CONFIRMED:

(Chairperson)

DATE:
