

# **Corangamite Shire**



**MINUTES**

## **Ordinary Council Meeting**

*Held 7.00 pm • Tuesday 25 September 2018*

*Killara Centre*

*210-212 Manifold Street, Camperdown*

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**MINUTES OF THE ORDINARY MEETING OF THE CORANGAMITE  
SHIRE COUNCIL HELD AT SKIPTON MECHANICS HALL, WRIGHT  
STREET, SKIPTON 7.00 PM ON  
25 SEPTEMBER 2018**

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**1. PRESENT**

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

Officers David Rae, Acting Chief Executive Officer  
Brooke Love, Director Works and Services  
John Kelly, Manager Assets Planning  
Aaron Moyne, Manager Planning and Building Services  
Rory Neeson, Manager Growth and Engagement  
Adam Taylor, Manager Finance  
Jane Hinds, Acting Manager Facilities and Recreation

**2. APOLOGIES**

Cr B. McArthur is on a leave of absence from 24 August 2018 to 24 November 2018 (inclusive).

**3. DECLARATIONS OF CONFLICT OF INTEREST**

Nil.

**4. CONFIRMATION OF MINUTES**

**RECOMMENDATION**

**That the Minutes of the Corangamite Shire Ordinary Council meeting held on Tuesday 28 August 2018 be confirmed.**

**COUNCIL RESOLUTION**

***MOVED: Cr Brown***

***SECONDED: Cr Durant***

**That the recommendation be adopted.**

**CARRIED**

**DISCLAIMER**

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## 5. DEPUTATIONS & PRESENTATIONS

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

The following items were submitted regarding Agenda Item 7.1 Planning Permit Application PP2018/060 Bookaar Solar Farm:

- Glenda McIntyre – deputation also submitted in writing, supporting the application.
- Ian Urquhart – opposing
- Richard Seymour – Proponent
- Marie Thornton – opposing
- Laurie Hickey – opposing
- Wendy Ward – opposing
- Andrew Duynhoven – opposing
- Joan Mahony – opposing
- Rodney Johnson – opposing
- Andrew Wilson – opposing
- Clive Jamieson - opposing.

The Mayor advised that a written deputation was also received from Gillian Howley opposing the application, and was circulated to Councillors.

## **6. COMMITTEE REPORTS**

Nil.

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## 7. PLANNING REPORTS

### 7.1 Planning Permit Application PP2018/060 - Bookaar Solar Farm

**Author:** Steve Myers, Consultant Town Planner

**Authorised:** Aaron Moyne, Manager Planning and Building Services

**File No:** D18/358

**Previous Council Reference:** Nil

#### **Declaration**

Acting Chief Executive Officer – David Rae

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

Manager Planning and Building Services - Aaron Moyne

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

#### **Summary**

On 5 July 2018, Bookaar Renewables Pty Ltd lodged a planning permit application for a renewable energy facility (the Bookaar Solar Farm) at 520 Meningoort Road, Bookaar.

The proposal involves the installation of 700,000 photovoltaic panels and supporting infrastructure across the 554 hectares site. Panels will be mounted to the ground and fitted to a tracking system which tilts panels from east to west throughout the day. The solar farm is expected to operate over a 30-year period.

Supporting infrastructure includes the installation of inverters, a substation, battery storage, site compound, and associated infrastructure such as internal access tracks. Landscape screening is proposed around the site boundary.

A number of agencies (such as the Country Fire Authority, Glenelg Hopkins Catchment Management Authority, VicRoads, servicing authorities, etc.) have been consulted throughout the application. All have consented to the application, subject to the inclusion of relevant conditions.

The application raises a number of key issues such as the use of agricultural land for a non-agricultural use, fire risk, potential impact on views from nearby dwellings and local key viewing locations, potential impact on native vegetation, drainage, native wildlife, traffic management and impact on the road network during construction.

A total of 86 submissions (five in support and eighty-one opposed) have been received to the application, which raise the following concerns:

- fire risk
- loss of agricultural land
- landscape and visual impact
- traffic impacts during construction
- potential impact on native wildlife

- creation of a micro climate as a result of the solar farm
- noise disturbance
- glare and glint from solar panels.

Submissions in support of the proposal have focused on the economic and employment benefits for the region and promotion for renewable energy production.

The proposal has been assessed against the relevant provisions of the Corangamite Planning Scheme. In balancing the policy directions for the protection of productive agricultural land and environmental management against the support for new renewable energy production in appropriate locations, the proposal will provide for an acceptable planning outcome. Whilst being developed in the Farming Zone and on productive agricultural land, the proposal will not result in the permanent loss or fragmentation of the site's productive agricultural capacity. The environmental effects from the solar farm can be adequately managed through permit conditions.

It is recommended that Council issue a Notice of Decision to Grant a Planning Permit, subject to conditions which make changes to the proposal directed toward appropriately responding to site constraints and potential environmental impacts during both construction of the development and operation of the proposed use.

### Introduction

Application details:

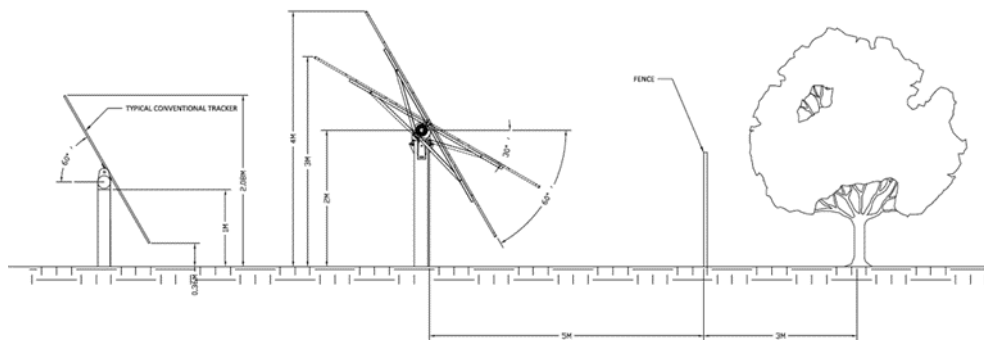
Application is for:	Use and development of land for a renewable energy facility (Solar Farm) and removal of native vegetation in accordance with the endorsed plans.	
Applicant's Name:	Bookaar Renewables Pty Ltd	
Date Received:	5 July 2018	
Application Number:	PP2018/060	
Planner:	Steve Myers, Consultant Town Planner, authorised by Aaron Moyne, Manager Planning and Building	
Land/Address:	520 Meningoort Road, Bookaar	
Zoning:	Farming Zone	
Overlays:	Heritage Overlay (Schedule 80) Significant Landscape Overlay (Schedule 1)	
Under what clauses is a permit required?	Clause 35.07-1 (Farming Zone - Use of land for a renewable energy facility) Clause 35.07-4 (Farming Zone - Buildings and works) Clause 52.17-1 (Native vegetation removal)	
Current use and development:	Agricultural land used for grazing and farming activities	
Cultural Heritage Management Plan	Required: No	Date received: N/A

The application seeks to use and develop land at 520 Meningoort Road, Bookaar (subject site) for a renewable energy facility (Solar Farm) and removal of native vegetation. The proposal involves the installation of 700,000 photovoltaic (PV) panels and supporting

infrastructure. The application states each panel measures approximately 2 metres x 1 metres mounted to the ground and fitted to single-axis tracking system which tilts panels from east to west throughout the day.

The proposal includes the following supporting infrastructure:

- 60 inverters measuring approximately 12.2 m (l) x 2.9 m (h) x 2.5 m (w). Inverters will be placed together in groups of two units or singularly throughout the site.
- A substation to connect the facility to the national electricity grid through the on-site high voltage 220kV overhead transmission line.
- Battery storage facility (typically housed within shipping containers).
- Site office, associated maintenance buildings, storage buildings, workshop and parking.
- Native vegetation screening (20 metre screen along site boundary).
- Firebreaks and water storage.
- Access tracks.
- Electrical cabling including trenching.
- Drainage channels.
- Fencing.
- Temporary construction compound and laydown area.



**Figure 1: Typical view of tracking structure and panels**

The proposed Bookaar Solar Farm will have a combined generation capacity of approximately 200 megawatts (MW), enough energy to power approximately 80,000 homes. The proposal is expected to operate over a 30-year period.

### ***Grid connection***

The proposed solar farm will connect directly to the national electricity grid through an on-site substation to the high voltage 220kV overhead transmission line (operated by AusNet). If a planning permit is granted for the proposal, the permit holder will be required to consult with AusNet to ensure Australian Energy Market Operator (AEMO) requirements are met, as the manager of the high voltage transmission line network. The submitted Town Planning Reports notes AEMO has confirmed there is capacity to allow an additional 200MW to connect to the grid.

The proposed onsite connection to the national electricity grid eliminates the need for a new transmission line to be built and connected in to an off-site transmission substation.



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***Native vegetation***

The majority of the subject site is generally devoid of native vegetation owing to its long history of agricultural use. The site does contain some areas of native vegetation, including Common Spike-sedge along part of a drainage line. Permission is sought to remove up to 24 square metres of native vegetation (Common Spike-sedge) for the construction of two culverts over the drainage line.

***Cultural heritage***

New Aboriginal Heritage Regulations 2018 came into effect on 23 May 2018, after the submitted Preliminary Cultural Heritage Study had been prepared. The new regulations changed the cultural heritage sensitivity mapping, which included the northeast corner of the property within an area of Aboriginal cultural heritage sensitivity. Consistent with the approach to avoid key site constraints, on 4 September 2018, the applicant submitted an amended planning permit application to reduce the size of the proposed Bookaar Solar Farm. The site area was reduced to avoid the new area of Aboriginal cultural heritage sensitivity. Accordingly, a Cultural Heritage Management Plan is not required for this project.

A copy of the permit application is provided under separate cover.



**Figure 2: Subject site (Source: Town Planning Report)**

### ***Site Context***

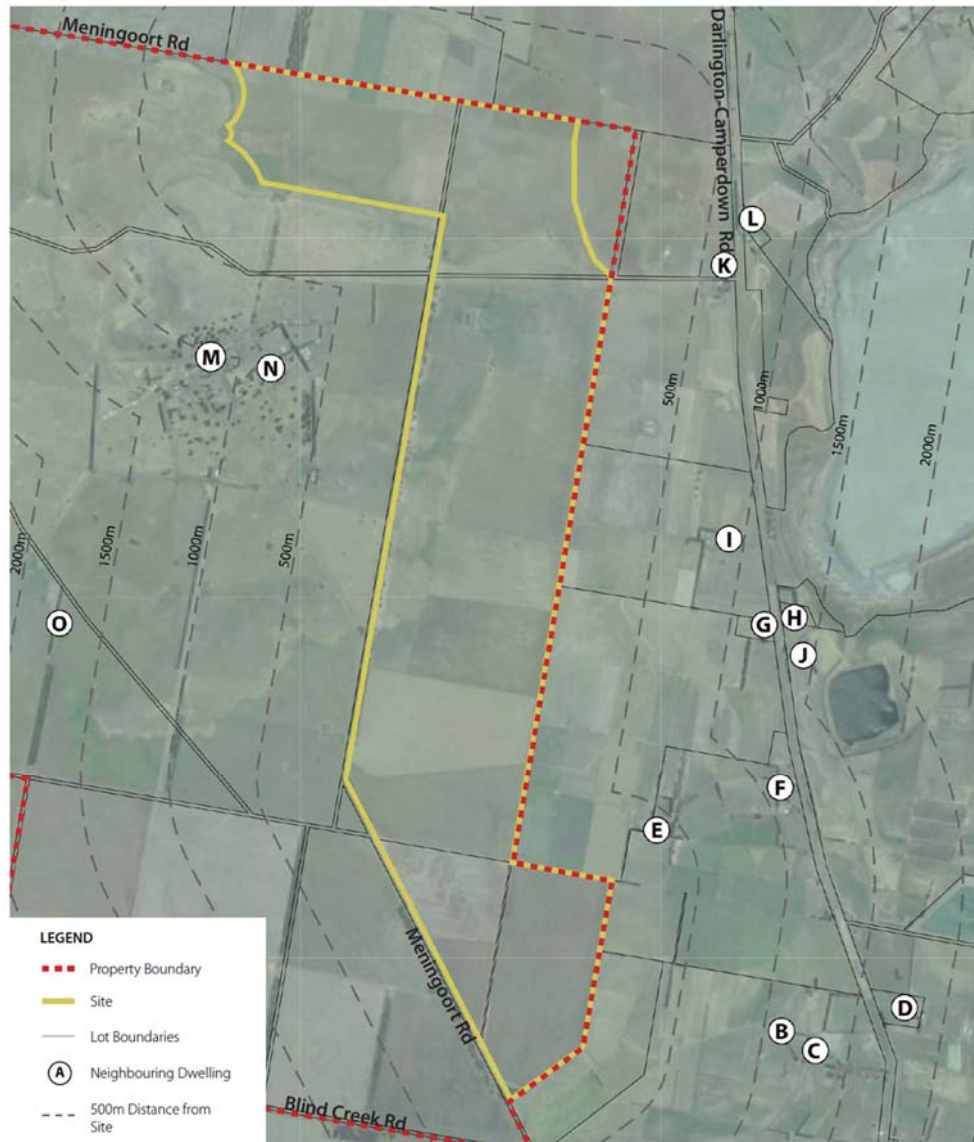
The proposed Bookaar Solar Farm is located at 520 Meningoort Road, Bookaar, approximately 7.5 kilometres north-west of Camperdown. The property is a large rural land holding (approximately 2,100 hectares) used for cropping, cattle and sheep grazing. Of the 2,100 hectares, it is proposed to use approximately 554 hectares as part of the proposed Bookaar Solar Farm. The historic Meningoort Homestead is located approximately 1.2 kilometres west / south of the proposed Bookaar Solar Farm.

A high voltage 220kV overhead transmission line traverses the site. The subject site and surrounds are characterised by agricultural uses including grazing and farming activities. Farmhouses, sheds, and windbreaks (tree lines) are interspersed throughout the surrounding area.

The nearest residential dwelling (see House 'E' on Figure 4) is located just under 500 metres from the proposed Bookaar Solar Farm. Lake Bookaar (part of the Western District Lakes Ramsar site) is located approximately 1.2 kilometres to the east of the proposed Bookaar Solar Farm.



Figure 3: Site context (Source: Town Planning Report)



**Figure 4: Neighbouring dwellings (Source: Town Planning Report)**

**Notification**

The application has been advertised pursuant to Section 52 of the Planning and Environment Act 1987, by:

- Sending notices to the owners and occupiers of land within 2 kilometres of the subject site;
- Placing a sign on-site;
- Placing the application on Council’s website; and
- Publishing a notice placed in the Warrnambool Standard on 11 August 2018.

Council received 86 submissions to the application (five in support and eighty-one opposed) which raised fire risk, loss of agricultural land, visual impact, traffic impacts during construction, potential impact on fauna, creation of a micro climate as a result of the solar farm, noise disturbance, and glare and glint from solar panels as key issues.

Submissions in support of the proposal have generally focused on the economic and employment benefits for the region and promotion of new renewable energy production.

A copy of each submission is provided under separate cover. All submissions have been considered in the assessment of the proposal.

**Referrals**

External referrals required by the Corangamite Planning Scheme:

Section 55 - Referral authority	Determining or Recommending	Response
Department of Environment, Land, Water and Planning (DELWP) (66.02-2)	Recommending authority	DELWP requested additional information relating to extent of native vegetation removal, site access requirements, and drainage and wetland management. DELWP provided conditions to be included on any permit granted. It is recommended conditions relating to native vegetation removal be included on any permit granted. Requested conditions relating to hydrological modelling will inform Stormwater and Drainage Management Plan requirements.
AusNet (66.02-4)	Determining authority	AusNet consents to the application subject to inclusion of conditions relating to works within the transmission easement. It is recommended that conditions be imposed on any permit granted.

Note: **Determining authority** has the power to refuse the granting of a permit or to impose particular conditions. **Recommending authority** only has power to make recommendations on the application. Council is not obliged to refuse or impose any conditions required by a recommending authority.

External notice to authorities:

Section 52 - Notice authority	Response
Country Fire Authority (CFA)	CFA consents to the application subject to siting, access, water supply, fuel/vegetation management recommendations and implementation of an emergency management plan. The CFA provided an extensive list of Fire Management Plan requirements. It is recommended a condition be imposed on any permit granted requiring a Fire Prevention and Emergency Response Plan be prepared in consultation with CFA. Accordingly, the CFA requirements detailed within its response will be addresses as part of the Fire Prevention and Emergency Response Plan.
Environment Protection Authority (EPA)	EPA consents to the application subject to conditions relating to construction / environmental management conditions. It is recommended that conditions be imposed on any permit granted.
Glenelg Hopkins Catchment Management Authority (GHCMA)	GHCMA consents to the application subject to condition for a Construction Management Plan which addresses surface water management and erosion control. It is recommended that conditions be imposed on any permit granted.
Wannon Water	Wannon Water consents to the application without requiring any conditions.

Section 52 - Notice authority	Response
Powercor	Powercor consents to the subject to conditions relating to works within the transmission easement and connection to the power distribution network. It is recommended that conditions be imposed on any permit granted.
VicRoads	No objection subject to inclusion of conditions relating to the upgrade of Darlington-Camperdown Road and Blind Creek Road intersection. It is recommended that conditions be imposed on any permit granted.

Internal department advice:

Department	Response
Assets Department	<p>Council's Assets Department has requested conditions relating to traffic management and stormwater management be imposed on any permit granted. As set out in this report, it is recommended that Traffic Management Plan and Stormwater and Drainage Management Plan conditions be imposed on any permit granted.</p> <p>The Traffic Management Plan would include:</p> <ul style="list-style-type: none"> <li>• Engagement of an independent Road Quality Auditor to undertake regular inspections of roads during construction of the project. Road upgrades must be certified by the road quality auditor.</li> <li>• An existing conditions survey of public roads on designated construction transport routes, including details of suitability, design and construction standard and condition of the roads.</li> <li>• Recommendations on the need for road and intersection upgrades to accommodate additional traffic (such as upgrades to Blind Creek Road and Meningoort Road).</li> <li>• Identification and timetabling of any required pre-construction works.</li> <li>• Program of regular inspections to be carried out during the construction period to identify maintenance works as a result of construction traffic.</li> <li>• Program to rehabilitate roads as required.</li> <li>• Restriction on the use of Sandy's Creek Road for construction traffic.</li> </ul> <p>The permit holder will be required to bear costs of required infrastructure upgrades and maintenance of roads during the construction phase.</p> <p>The Stormwater and Drainage Management Plan is required to demonstrate flows through the site remain at pre-development rates.</p>
Environment Department	<p>Council's Environment Department has requested conditions relating to native vegetation protection be imposed on any permit granted. As set out in this report, it is recommended that Environmental Management Plan conditions (including protection of existing native vegetation) be imposed on any permit granted.</p>

Department	Response
	Council's Environment Department also raises potential glint / glare impacts on avifauna. These matters can be addressed through the requirement to prepare a Bat and Avifauna Management Plan which addresses potential bird and bat impacts.

A copy of each response has been circulated under separate cover. All referral / notice responses have been considered in the assessment of the proposal.

### ***Consultation***

Consultation was undertaken throughout the assessment of the application including:

- 2 August 2018 - request for further information:
  - Details of proposed landscaping along the western boundary.
  - Clarification on drainage easement between lot 51 and 52 on LP004677.
  - Updated ecological report to address an assessment of native vegetation to be removed in accordance with DELWP guidelines.
  - Plans to be amended to include location of proposed construction compound.
  - Plans of proposed cellular mast / communication tower.
- 30 August 2018 - met with applicant to discuss application and additional information requirements.
- 4 September 2018 - applicant provided additional information including confirmation of proposed landscaping along the western boundary, clarification of the drainage easement, and an assessment of potential impacts on native vegetation. The applicant also amended the application to avoid a new area of Aboriginal cultural heritage sensitivity and removed the proposed communications tower.
- 5 September 2018 - applicant confirmed reduced site area (554 hectares).
- 11 September 2018 – on-site consultation meeting held between Council, the applicant, landowner and submitters.
- 17 September 2018 - the applicant provided additional information in response to submissions made for the application and a summary of ecological assessments.

### **Assessment**

#### ***Planning Policy Context - Planning Policy Framework***

Within the Planning Policy Framework (PPF), the following policies are relevant to the proposal:

- Clause 11.01-1R 'Settlement - Great South Coast'
- Clause 12.01-1S 'Protection of biodiversity'
- Clause 12.01-2S 'Native vegetation management'
- Clause 12.03-1S 'River corridors, waterways, lakes and wetlands'
- Clause 13.02-1S 'Bushfire planning'
- Clause 13.07-1S 'Land use compatibility'
- Clause 14.01-1S 'Protection of agricultural land'

- Clause 14.01-2S ‘Sustainable agricultural land use ‘
- Clause 15.01-6S ‘Design for rural areas’
- Clause 15.02-1S ‘Energy and resource efficiency’
- Clause 15.03-2S ‘Aboriginal cultural heritage’
- Clause 17.01-1S ‘Diversified economy’
- Clause 17.01-1R ‘Diversified economy - Great South Coast’
- Clause 19.01-1S ‘Energy supply’
- Clause 19.01-2S ‘Renewable energy’
- Clause 19.01-2R ‘Renewable energy - Great South Coast’.

The PPF seeks to promote and facilitate the development of renewable energy facilities. The objective of Clause 19.01-1S **Energy supply** is:

*To facilitate appropriate development of energy supply infrastructure.*

Clause 19.01-2S **Renewable energy** seeks to:

*To promote the provision of renewable energy in a manner that ensures appropriate siting and design considerations are met.*

The PPF also seeks to protect agricultural land. The objective of Clause 14.01S **Protection of agricultural land** is:

*To protect the state’s agricultural base by preserving productive farmland.*

Clause 14.01S outlines a number of strategies to achieve this objective which generally seek to avoid removal of productive farmland due to permanent changes of land use.

#### ***Planning Policy Context - Municipal Planning Strategy***

Within the Municipal Planning Strategy, the following policies are relevant to the proposal:

- Clause 21.01 ‘Municipal profile’
- Clause 21.04-1 ‘Agriculture’
- Clause 21.05-1 ‘Infrastructure’.

Clause 21.01-1 **Municipal profile** identifies the Shire is a renowned farming region with large areas of remnant vegetation, significant landscape and significant environmental resources.

Clause 21.01-1 **Regional profile** identifies the Great South Coast region is rich in environmental assets, natural resources and amenities. Of relevance to this application.

Clause 21.01-1 identifies the Great South Coast Regional Growth Plan outlines the following challenges for growth:

- Managing competing demands for agricultural land, including limiting urban encroachment into highly productive agricultural areas.
- Maximising the potential benefits of energy production, while managing the impacts on amenity, roads and environment.
- Ensuring planning provides for sustainable management of the region’s natural resources and its significant environmental assets



The need to maximize the potential benefits of energy production while manage competing demands on agricultural land are identified amongst key planning issues for the Shire (Clause 21.01-2). The Strategic Land Use Framework identifies the Shire's highest quality agricultural land is located within the area surrounding Timboon, Cobden and Simpson (Clause 21.01-3). The subject site is located outside this area.

Clause 21.04-1 **Agriculture** identifies:

The protection and enhancement of the agricultural industry is linked to the Shire's environmental and economic wellbeing. Given the importance of agriculture to the local economy, the preservation of agricultural land is necessary for the sustainable development of primary production within the Shire. Unplanned urban growth into productive agricultural land may compromise the viability of the industry and must be avoided.

Clause 21.05-1 **Infrastructure** identifies the Shire is well located to take advantage of renewable energy industries. Clause 21.05-1 supports the establishment and expansion of renewable energy industries throughout the Shire.

***Other relevant policy***

In August 2015, the Victorian Government released **Victoria's Renewable Energy Roadmap: delivering jobs and a clean energy future** which identifies a number of priority areas, including the transformation of Victoria's generation stock towards renewable energy.

The **Renewable Energy (Jobs and Investment) Act 2017** establishes a Victorian renewable energy target of 25 percent by 2020 and 40 percent by 2025.

In November 2015, the State Government released **Victoria's Statement: Your voice, your region, your state** which acknowledges the significant job opportunities from new energy industries which will drive Victoria's transition to a low-carbon economy.

The **Renewable Energy Action Plan** (DELWP 2017) supports accelerating large-scale renewable energy generation to strengthen the affordability, reliability and resilience of Victoria's energy system.

***Planning Policy Context - Assessment***

The Planning Policy Framework and Municipal Planning Strategy provide limited policy direction on balancing policy which supports the development of renewal energy against policy which supports the protection of productive agricultural land. In these situations, Clause 71.02-3 **Integrated decision making** directs that:

...responsible authorities should endeavour to integrate the range of planning policies relevant to the issues to be determined and balance conflicting objectives in favour of net community benefit and sustainable development for the benefit of present and future generations.

A key question in the assessment of this application is whether the application is an appropriate outcome which will result in net community benefit and sustainable development.

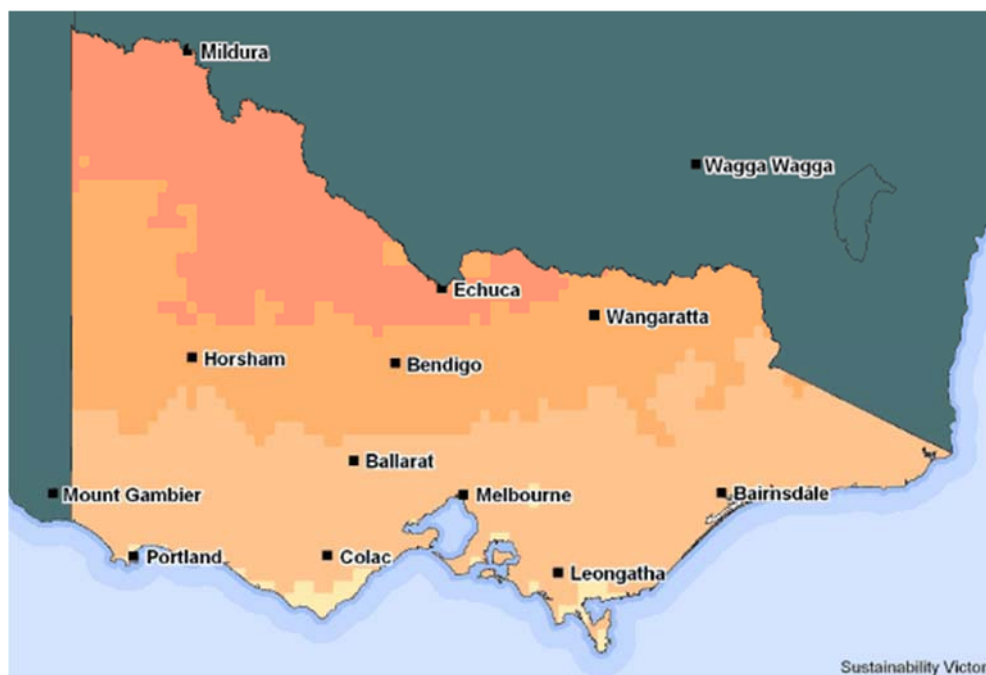
The Great South Coast Regional Growth Plan guides land use and development across the region (Clause 11.01-01R **Settlement - Great South Coast**). The vision for the region is:

The Great South Coast region will create a thriving, multifaceted and resilient economy, while valuing and managing our natural resource and environment. Our people will be healthy, well educated and have great lifestyle choices. We will work together for a stronger, more prosperous, equitable and liveable Great South Coast.

The Great South Coast Regional Growth Plan identifies the region's economy is closely tied to agriculture. Agriculture, forestry and fishing are identified as 'the cornerstone of the Great South economy'. Accordingly, the plan seeks to protect high quality agricultural land from inappropriate land uses (such as rural residential development).

The Growth Plan also identifies access to energy as a key driver of change within the region. New and renewable energy sources (wind, solar, geothermal, wave and bioenergy) are identified as 'a major opportunity for the region and Victoria'. The region has good solar exposure and is well located to harvest the sun's energy (see Figure 5).

Apart from the level of solar energy available, the proximity to a suitable connection point to the national electricity grid with available capacity is a critical element when selecting a viable solar site. Areas within the Great South Coast Region have excellent access to connections to the transmission network with available capacity.



**Figure 5: Average Yearly Global Solar Exposure**

(Source: <https://www.energy.vic.gov.au/renewable-energy/solar-energy/victorias-solar-resources-technical-information>)

The Great South Coast Regional Growth Plan seeks to '*strengthen the region's economy through increased industry, diversification, innovation and development.*' A key direction is to *Encourage appropriate local energy production... ..throughout the region, especially along the northern and eastern corridors identified in Map 5: Future economic directions.*

Map 5: Future economic directions



Figure 6: Future Economic Directions (Source: Great South Regional Growth Plan)

While the proposal will result in a new non-agricultural use in a rural area, it will not result in the permanent loss of agricultural land in the same way a rural residential subdivision, dwelling or permanent development would. The land could reasonably be returned to an agricultural use at the end of the life of the solar farm. The proposal does not result in permanent development nor will it result in the loss or fragmentation of rural land holdings. The removal of 554 hectares (for a period of time) is relatively minor in the context of an area of 372,000 hectares of farmland across the Shire.

The loss of a small area of agricultural land (for a period of time) must be balanced against the need to provide infrastructure to meet community demand for energy services (Clause 19.01-2S **Renewable energy**).

Clause 19.01-2S **Renewable energy** has the following objective:

To promote the provision of renewable energy in a manner that ensures appropriate siting and design considerations are met.

Clause 19.01-2S outlines a number of strategies to achieve this objective, including:

- Facilitate renewable energy development in appropriate locations.
- Develop appropriate infrastructure to meet community demand for energy services.
- Consider the economic and environmental benefits to the broader community of renewable energy generation while also considering the need to minimise the effects of a proposal on the local community and environment.

The proposal supports the provision of renewable energy and will assist with meeting future energy demand. Harvesting the sun’s energy is a supported sustainable land management practice. According to the planning application, the solar farm will result in employment

during construction and result in 8 to 12 full-time ongoing jobs. The level of investment and employment will have a direct and indirect local benefit.

On balance, the policy context provides support for the loss of a small area of agricultural land for a purpose of a solar farm. The proposed solar farm will contribute to the generation of electricity from renewable resources and help to service the electricity needs of the Great South Coast region in a more sustainable manner.

Before considering whether the location of the proposed solar farm is appropriate, Clause 13.02-1S **Bushfire planning** must be considered. Clause 13.02-1S has the following objective:

To strengthen the resilience of settlements and communities to bushfire through risk-based planning that prioritises the protection of human life.

This policy must be applied to all planning permit applications within a designated bushfire prone area. The subject site is within a designated bushfire prone area.

Under the heading 'Use and development control in a Bushfire Prone Area' it states:

In a bushfire prone area designated in accordance with regulations made under the Building Act 1993, bushfire risk should be considered when assessing planning applications for the following uses and development...

A number of land uses are then listed. A renewable energy facility is not included on this list. Notwithstanding, Clause 13.02-1S is still relevant policy to this proposal.

Bushfire is a key concern raised by submitters. Council shares these concerns. The application was referred to the Country Fire Authority (CFA) for comment. The CFA has consented to the application subject to siting, access, water supply, fuel/vegetation management recommendations and implementation of an emergency management plan.

Significant weight is given to the CFA response. Subject to implementation of the requirements outlined in the CFA letter, it is considered that fire risk issues can be appropriately managed. It is recommended that conditions be imposed on any permit granted requiring the preparation of a Fire Prevention and Emergency Response Plan to the satisfaction of the responsible authority (in consultation with the CFA).

### ***Farming Zone***

The subject site is located upon land in the Farming Zone. Planning permission is required to use and develop land for a renewable energy facility (solar farm) in the Farming Zone. As such, whilst the use for a solar farm would not contribute to primary production, it is an allowable use in the Farming Zone. Throughout the Farming Zone, it is common to find discretionary non-agricultural uses such as quarries, mines, schools and dwellings.

A renewable energy facility is a section 2 use in the Farming Zone subject to the condition that the application must meet the requirements of Clause 53.13 **Renewable Energy Facility**. Clause 53.13 has the following purpose:

To facilitate the establishment and expansion of renewable energy facilities, in appropriate locations, with minimal impact on the amenity of the area.

These matters are considered below.

Is the location appropriate for the proposed use?

The sheer scale of the proposed solar farm means there is insufficient land available in zones other than the Farming Zone (in either Corangamite Shire or the Great South Coast Region).

The Corangamite Planning Scheme provides discretion to allow renewable energy facilities in the Farming Zone (section 2 use). The purpose of the Farming Zone is:

Farming Zone Purpose	Assessment
To implement the Municipal Planning Strategy and the Planning Policy Framework.	There is policy support for the development of renewable energy facilities within rural areas.
To provide for the use of land for agriculture.	While the proposed solar farm does not provide for use of land for agriculture, the use of land for a solar farm is an appropriate (section 2 use) under the Farming Zone.
To encourage the retention of productive agricultural land.	The proposal will not result in the permanent loss, removal or fragmentation of productive agricultural land.
To ensure that non-agricultural uses, including dwellings, do not adversely affect the use of land for agriculture.	Solar farms are a relatively low impact use and are compatible with agricultural land uses. They are not susceptible to reverse amenity impacts which prove problematic for many agricultural uses (such as dwellings can be).
To encourage the retention of employment and population to support rural communities.	As set out earlier in this report, the solar farm will result in significant employment during construction and result in 8 to 12 full-time ongoing jobs. The amount of investment and employment is greater than the current situation and will have a direct local benefit.
To encourage use and development of land based on comprehensive and sustainable land management practices and infrastructure provision.	The proposed solar farm will provide essential infrastructure to meet community demand for energy services. The proposal makes use of existing infrastructure by locating in proximity to the 220kV overhead transmission line.

The proposed site is an acceptable location for the development of a renewable energy facility which aligns with the purpose of the Farming Zone.

Amenity and offsite impacts

The specific sections of the Corangamite Planning Scheme relevant to consideration of amenity and offsite impacts are outlined in Clause 53.13 Renewable Energy Facility which includes the following decisions guidelines:

Decision guideline	Assessment
The effect of the proposal on the surrounding area in terms of:	
Noise (and vibration)	<p>Operational noise is expected to be limited. The two main components which generate noise are the substation and invertors which will be located throughout the site.</p> <p>The submitted Town Planning Report states the substation is expected to generate a noise level of up to 81 decibels (dB), requiring a separation distance of 160 metres to the nearest residential receptor (dwelling).</p> <p>The inverters are expected to generate noise up to 97dB, requiring a distance of up to 350 metres to the nearest residential receptor.</p> <p>The nearest residential receptor (see House 'E' on <b>Figure 4</b>) is located just under 500 metres from the boundary of the site. Separation distances between the substation and inverters are considered to be sufficient to avoid unacceptable outcomes for nearby residents.</p> <p>The EPA has recommended conditions be imposed on any permit granted which requires noise levels to be in accordance with levels as set out in Noise from Industry in Regional Victoria (<i>NIRV; EPA Publication 1411, 2011</i>) or as amended.</p>
Glint (and glare)	<p>Glint and glare impacts are considered in the submitted Solar Photovoltaic Glint and Glare Study (Pager Power, 28 April 2018). The assessment considered potential impacts on elevated viewpoints (Camperdown Botanic Gardens, Mount Leura, and Mount Elephant), Darlington-Camperdown Road, and dwellings within 1 kilometre of the site.</p> <p>The assessment concluded minimal impact is expected at elevated viewpoints. Impact on Darlington-Camperdown Road has been assessed as low. The assessment concluded mitigation measures are not required for these locations.</p> <p>The assessment identified residents within five dwellings (of the 16 dwellings) could experience solar reflection. Unmitigated, the solar reflections would last up to 20 minutes (on a clear sunny day). The assessment provides recommended mitigation options for the five dwellings where solar reflection is possible. Based on a site survey, it was determined that screening should be installed for three dwellings (dwellings E, I, K). The remaining two dwellings (dwellings L, N) have sufficient screening</p>

Decision guideline	Assessment
	<p>(existing shelter belts) to mitigate potential impacts.</p> <p>It is recommended that a condition be imposed on any permit granted requiring the preparation and implementation of landscape screening (Landscape Plan) prior to the use commencing. It is noted, landscaping will take time to establish and will be beneficial in reducing glare / glint impacts close to the site. It is recommended landscaping be undertaken early in construction of the project.</p>
Light spill	<p>The submitted Landscape &amp; Visual Impact Assessment outlined lighting will be on-demand with minimal security lighting restricted to four metres in height. Any lights that are not motion activated, will be facing downwards with shielded lighting sources. The application states there will not be regular night operations. Given the low levels of light and no regular night operations, lighting is considered to be commensurate with a rural environment and acceptable under Clause 53.13.</p>
Air emissions (including odour)	<p>During the construction and decommissioning phases, potential air emissions are expected to include dust from excavation works and movement of vehicles using unsealed access tracks. Air emissions would also be produced from equipment and vehicle exhaust. Without mitigation, these affects could reduce amenity at surrounding properties.</p> <p>The operational phase is not expected to produce air emissions which could reduce amenity at surrounding properties.</p> <p>It is recommended a condition be imposed on any permit granted requiring the preparation of an Environmental Management Plan to the satisfaction of the responsible authority. The plan would outline measures to reduce dust emissions, for example use of a water truck during dust generating activities.</p>
Electromagnetic interference.	<p>The submitted Town Planning Report identifies potential sources of electromagnetic interference as the substation, internal 33kV transmission lines and other electrical gear. The submitted report concludes interference on external electrical equipment outside the site will not occur. Given the proposed setback distances between electrical equipment, electromagnetic interference is considered to be negligible and acceptable under Clause 53.13.</p>
The impact of the proposal on significant views, including visual corridors and sightlines.	<p>The submitted Town Planning Report outlines selection of the solar farm site area considered topography of the broader property and specifically sought to avoid the high scenic quality attributed to the prominent volcanic cone by locating the solar farm outside the overlay and on the</p>

Decision guideline	Assessment
	<p>flattest terrain to ensure visual impact is minimised.</p> <p>For the purposes of this assessment, visual impact has been assessed at a broader landscape level and local level. With regard to the broader landscape level, the proposed solar farm will be visible from elevated locations such as Camperdown Botanic Gardens, Mount Leura, and Mount Elephant. The subject site is located at varying distances from these viewpoints (ranging between 7.5 kilometres and 26 kilometres). The subject site is located in the 'Paddocks and Cones' landscape character area as identified within the South West Victoria Landscape Assessment Study and in close distance to the 'Large Shallow and Deep Crater Lakes' character area. The area is characterised by flat to undulating basaltic plains scattered with volcanic features including numerous volcanic cones (such as Mount Leura and Mount Elephant). The South West Victoria Landscape Assessment Study identifies areas where the Significant Landscape Overlay should be applied. The subject site is not identified as an area where the Significant Landscape Overlay should be applied.</p> <p>The submitted Landscape &amp; Visual Impact Assessment includes a photomontage from the nearest elevated viewing location (Camperdown Botanic Gardens - Gnotuk Lookout). The photomontage illustrates the landscape is dotted with volcanic cones, several lakes, wetlands, and stands of vegetation. Manmade structures (farmhouses, powerlines, poles, windrow plantations, farming activities) are scattered throughout the landscape.</p> <p>The proposed solar farm will be viewed as a component of this broader landscape. The photomontage demonstrates visual impact will be low. Given the distances from the site to elevated public viewing locations, the impact on the landscape is considered to be acceptable and does not require mitigation.</p> <p>It is noted, the submitted Landscape &amp; Visual Impact Assessment identifies the proposed 20 metre wide planting buffer will be effective in minimising visual impacts from elevated viewpoints over time.</p> <p>It is further noted, the proposed connection to the national electricity grid through an on-site substation eliminates the need for a new transmission line and minimises the visual impacts associated with the proposal.</p> <p>With regard to potential visual impact at the local level, the Landscape &amp; Visual Impact Assessment concluded surrounding residents would have limited views of the proposal and intervening vegetation would mostly screen these views. The assessment concluded impacts are considered to be low. To manage potential impacts, a 20</p>



Decision guideline	Assessment
	<p>metre wide vegetation screen has been incorporated along the entire western, southern and eastern boundaries, as well as partial planting of the northern boundary of the site. The Landscape &amp; Visual Impact Assessment concludes the vegetation screen will completely mitigate visual impacts.</p> <p>It is recommended that a condition be imposed on any permit granted requiring the preparation and implementation of a Landscape Plan to the satisfaction of the responsible authority.</p> <p>It is also recommended that a condition be imposed on any permit granted requiring internal access tracks to be constructed with local gravel and/or other surface material that will not unduly contrast with the landscape.</p>
<p>The impact of the proposal on the natural environment and natural systems.</p>	<p><u>Drainage / flooding</u></p> <p>Key drainage / flooding issues relate to water quality and flows into Lake Bookaar (RAMSAR wetland), stormwater management, and water quality during construction.</p> <p><u>Lake Bookaar</u></p> <p>Information submitted with the application identifies it is unlikely that runoff from the subject site would enter Lake Bookaar as the drainage line running parallel to the subject site to the east, and depressions along the subject site's eastern boundary would likely intercept any water.</p> <p><u>Stormwater management</u></p> <p>The submitted Town Planning Report outlines the proposal will not change overall hydrological flows through the site. Other than two proposed culverts, no works are proposed on drainage lines which traverse the site. It is noted, depending on final design of the solar farm, additional onsite drainage infrastructure may be required to ensure onsite equipment does not impede or alter flows across the site.</p> <p>The application was accompanied with a desktop assessment to investigate potential drainage and flood risk (prepared by Eco Logical Australia). The assessment concludes the proposal will pose minimal impact to existing catchment hydrology and that there should be no significant impact to landholders downstream from the site.</p> <p>The Department of Environment, Land, Water and Planning (DELWP) has expressed concern regarding the potential for changes in infiltration rates, surface flow rates and pooling across the site. DELWP has requested a location specific / catchment scale hydrological study be undertaken for the proposal. This requirement can be appropriately managed through a condition on any permit granted requiring the preparation of a Stormwater and</p>

Decision guideline	Assessment
	<p>Drainage Management Plan to the satisfaction of the responsible authority.</p> <p><u>Water quality</u></p> <p>The Eco Logical Australia assessment identified the construction phase poses the greatest risk associated with flooding and drainage (such as risk of surface water contamination in the event of a spill). The assessment concludes these risks can be managed with appropriate on-site stormwater management. It is recommended that a requirement be included within the Construction Management Plan / Decommissioning Management Plan (discussed earlier) requiring a sediment, erosion and water quality management plan. This approach is supported by the Glenelg Catchment Management Authority which requested a similar condition in its letter of advice.</p> <p><u>Biodiversity</u></p> <p>The submitted Ecological Due Diligence assessment identifies the subject site is generally devoid of native vegetation owing to its long history of agricultural use. No significant flora and fauna species were recorded within the subject site.</p> <p><u>Flora</u></p> <p>The submitted Town Planning Report identifies a small area of native vegetation (Common Spike-sedge) is required to be removed (up to 24sqm) for the construction of two culverts. A planning permit is required under Clause 52.17 Native Vegetation. The submitted Town Planning report notes the exact location or extent of vegetation which may require removal will be determined as part of the detailed design process (post grant of a permit). An assessment against the decision guidelines of Clause 52.17 is set out later in this report.</p> <p><u>Fauna</u></p> <p>The Department of Environment, Land, Water and Planning (DELWP) advice confirms that the site is located within close proximity to the Lake Bookaar component of the Western District Lakes Ramsar site. Given the site's proximity to Lake Bookaar, DELWP has raised the potential for bird and bat collision and has recommended further investigation. It is recommended that a condition be imposed on any permit granted requiring the preparation of a Bat and Avifauna Management Plan to the satisfaction of the responsible authority (in consultation with DELWP).</p> <p>DELWP has also raised the need to consider how wildlife may affect infrastructure and the operation of the solar farm. This particularly relates to 'white' cockatoos (long and short-billed corellas, sulphur-crested cockatoos and galahs). The department notes these species are well</p>

Decision guideline	Assessment
	<p>documented for their behaviour in damaging infrastructure, particularly rubber seals, timber structures and cables, as well as flocking and roosting in large numbers.</p> <p>DELWP has recommended the applicant prepare a Wildlife Management Plan which would identify mitigation measures - such as including the armouring of cables, covering and protection of rubber seals, and monitoring the impacts to enable adaptive management offsite. It is recommended that a note be placed on any permit granted to this effect.</p> <p>In addition to the above, it is recommended that measures to control pest plants and pest animals be included within any requirement to prepare an Environmental Management Plan.</p>
<p>Whether the proposal will require traffic management measures.</p>	<p>Construction vehicle access will be via Meningoort Road. Meningoort Road will be accessed via Blind Creek Road to Darlington-Camperdown Road. Deliveries will come from either Princes Highway (south) or Hamilton Highway (north) along Darlington-Camperdown Road. Darlington-Camperdown Road is gazetted as an approved Higher Mass Limit road. Blind Creek Road is restricted due to a timber bridge located to the west of Meningoort Road.</p> <p>Blind Creek Road comprises an approximate four metre seal and graveled shoulders. Meningoort Road is unsealed.</p> <p>The submitted Transport Impact Assessment identifies up to 182 vehicle movements per day (32 trucks and 150 light vehicles) will be generated during the construction phase, and up to 30 vehicle movements per day during operation. The assessment concludes the level of traffic generated during construction and operational phases is not expected to have an impact on the operation of the road network.</p> <p>The Transport Impact Assessment identifies the increase in traffic volumes on Blind Creek Road and Meningoort Road will result in increased frequency of vehicles relying on the gravel shoulder to pass one another, which may result in a requirement for additional maintenance to counter wear and tear on gravel shoulders (and in the case of Meningoort Road, the full surface of the road).</p> <p>It is recommended that a condition be imposed on any permit granted requiring the preparation of a Traffic Management Plan (TMP) to the satisfaction of the responsible authority. The TMP must include (amongst other matters):</p> <ul style="list-style-type: none"> <li>• Engagement of an independent Road Quality Auditor to undertake regular inspections of roads</li> </ul>

Decision guideline	Assessment
	<p>during construction of the project. Road upgrades must be certified by the road quality auditor.</p> <ul style="list-style-type: none"> <li>• An existing conditions survey of public roads on designated construction transport routes, including details of suitability, design and construction standard and condition of the roads.</li> <li>• Recommendations on the need for road and intersection upgrades to accommodate additional traffic (such as upgrades to Blind Creek Road and Meningoort Road).</li> <li>• Identification and timetabling of any required pre-construction works.</li> <li>• Program of regular inspections to be carried out during the construction period to identify maintenance works as a result of construction traffic.</li> <li>• Program to rehabilitate roads as required.</li> <li>• Restriction on the use of Sandy’s Creek Road for construction traffic.</li> </ul> <p>Council has identified specific road upgrades required to Blind Creek Road and Meningoort Road used for site access to the solar farm, which will be specifically prescribed in permit conditions.</p> <p>With regard to the Darlington-Camperdown Road / Blind Creek Road intersection, VicRoads has requested a condition be imposed on any permit granted requiring the upgrade of the intersection to the satisfaction of the Roads Corporation.</p> <p>The permit holder will be required to bear costs of required infrastructure upgrades and maintenance of roads during the construction phase.</p>

Based on the guidance within the Corangamite Planning Scheme and information provided with the application, amenity and offsite impacts can be managed so as not to result in unacceptable outcomes for adjoining properties.

Farming Zone Decision Guidelines

<b>Clause 35.07-6 - Farming Zone Decision Guidelines</b>	
<p>Before deciding on an application to use or subdivide land, construct a building or construct or carry out works, in addition to the decision guidelines in Clause 65, the responsible authority must consider, as appropriate:</p>	
<b>General issues</b>	
<p>The Municipal Planning Strategy and the Planning Policy Framework.</p>	<p>An assessment against the Municipal Planning Strategy and the Planning Policy Framework is set out in this report.</p>

Any Regional Catchment Strategy and associated plan applying to the land.	Not relevant.
The capability of the land to accommodate the proposed use or development, including the disposal of effluent.	<p>The land has good solar exposure and is well located to harvest the sun's energy.</p> <p>The application does not provide details on waste water management. There is sufficient land to treat and retain waste water onsite.</p> <p>It is recommended that a requirement be imposed (Environmental Management Plan) on any planning permit granted requiring details on waste water management to minimise the impact of nutrient loads on waterways and native vegetation.</p>
How the use or development relates to sustainable land management.	The proposal supports the sustainable use of land by harvesting the sun's energy.
Whether the site is suitable for the use or development and whether the proposal is compatible with adjoining and nearby land uses.	Solar farms are compatible with agricultural land uses. They are not susceptible to reverse amenity impacts which prove problematic for many agricultural uses (such as dwellings can be).
How the use and development makes use of existing infrastructure and services.	The proposal relies on access to an existing transmission which crosses the site.
<b>Agricultural issues and the impacts from non-agricultural uses</b>	
Whether the use or development will support and enhance agricultural production.	While the proposal will result in a new non-agricultural use in a rural area, it will not necessarily result in the permanent loss of agricultural land in the same way a rural residential subdivision or permanent development would. The land could reasonably be returned to an agricultural use at the end of the life of the solar farm. During the operation phase, the land could be grazed by small livestock (such as sheep) which can successfully coexist with solar panels.
Whether the use or development will adversely affect soil quality or permanently remove land from agricultural production.	<p>The submitted Town Planning Report identifies the proposed solar farm has been designed to sit 'lightly' on the land with minimal ground disturbance (i.e. mounting system installed on piles driven or screwed into the ground).</p> <p>The impact on soil is therefore considered to be negligible. The proposed solar farm will not permanently remove land from agricultural production.</p>

<p>The potential for the use or development to limit the operation and expansion of adjoining and nearby agricultural uses.</p>	<p>Solar farms are a relatively low impact use and are compatible with agricultural land uses. They are not susceptible to reverse amenity impacts which prove problematic for many agricultural uses (such as dwellings can be).</p>
<p>The capacity of the site to sustain the agricultural use.</p>	<p>Not relevant. The proposed use is not agricultural.</p>
<p>The agricultural qualities of the land, such as soil quality, access to water and access to rural infrastructure.</p>	<p>The proposal relies on access to an existing transmission which crosses the site. The proposal does not depend on the agricultural qualities of the land.</p>
<p>Any integrated land management plan prepared for the site.</p>	<p>Not applicable.</p>
<p><b>Environmental issues</b></p>	
<p>The impact of the proposal on the natural physical features and resources of the area, in particular on soil and water quality.</p>	<p>An assessment of the natural physical features and resources of the area and impact of the use or development on the flora and fauna on the site and its surrounds is set out in this report.</p>
<p>The impact of the use or development on the flora and fauna on the site and its surrounds.</p>	
<p>The need to protect and enhance the biodiversity of the area, including the retention of vegetation and faunal habitat and the need to revegetate land including riparian buffers along waterways, gullies, ridgelines, property boundaries and saline discharge and recharge area.</p>	<p>The proposed solar farm does this in a number of ways. Firstly, the design and layout of the solar farm considered impact on native vegetation (River Red Gums and Common Spike-sedge). The removal of native vegetation has been minimised where possible. The proposed solar farm has been setback a 20 metres from identified wetlands. Secondly, a 20 metre landscape buffer is proposed which incorporates existing native vegetation and planting of new native vegetation.</p>
<p>The location of on-site effluent disposal areas to minimise the impact of nutrient loads on waterways and native vegetation.</p>	<p>The application does not provide details on waste water management. There is sufficient land to treat and retain waste water onsite.</p> <p>It is recommended that a condition (Environmental Management Plan) be imposed on any planning permit granted requiring details on waste water management to minimise the impact of nutrient loads on waterways and native vegetation.</p>

<b>Design and siting issues</b>	
The need to locate buildings in one area to avoid any adverse impacts on surrounding agricultural uses and to minimise the loss of productive agricultural land.	The submitted Town Planning Report outlines the proposed solar farm site represents the lowest quality agricultural land within the property, owing to its heavy soils which can become water logged following rain events, resulting in crop damage or requiring relocation of grazing livestock while pastures recover or are replanted. This approach will minimise the loss of productive agricultural land.
The impact of the siting, design, height, bulk, colours and materials to be used, on the natural environment, major roads, vistas and water features and the measures to be undertaken to minimise any adverse impacts.	The proposed solar farm will be four metres high. The height of buildings (substation, etc.) will not exceed eight metres high. The site will be screened by a landscape buffer. This will limit visual impact on the surrounding area.
The impact on the character and appearance of the area or features of architectural, historic or scientific significance or of natural scenic beauty or importance.	The 'Meningoort' homestead is located approximately 1.2 kilometres from the proposed solar farm. The homestead is identified as being of architectural, historic or scientific significance. The submitted Heritage Assessment (prepared by GJM Heritage) identified the proposed solar farm is oriented so as to minimise any impact on key views to and from the homestead. The assessment concluded the proposed solar farm will not impact negatively upon the cultural heritage significance of the place.
The location and design of existing and proposed infrastructure including roads, gas, water, drainage, telecommunications and sewerage facilities.	According to the submitted Town Planning Report, the proposed solar farm will utilise existing infrastructure. New access roads are proposed within the site. The existing transmission which crosses the site eliminates the need for a new transmission line and minimises the visual impacts associated with the proposal.
Whether the use and development will require traffic management measures	Assessment of traffic management measures is set out in this report. Once operational, traffic management measures will not be required.

Clause 52.06 - Car parking

Requirements in relation to car parking are specified under Clause 52.06. A solar farm is not listed as a land use in the associated table of car parking rates. Accordingly, car parking must be provided to the satisfaction of the responsible authority.

On-site car parking is proposed to meet demands of staff during the construction and operational phases with an area available for one parking space per staff member. During

the construction phase, this equates to up to 150 car spaces. Up to 15 spaces are required during operation. These car parking rates are supported by the submitted Traffic Impact Assessment. Car parking provision is considered to meet the requirements of Clause 52.06.

Clause 52.17 - Native vegetation

A permit is required to remove, destroy or lop native vegetation, including dead native vegetation. None of the exemptions in this clause apply and a permit is required under Clause 52.17 for the removal of native vegetation.

Part of the planning permission sought for this project includes the removal of up to 24 square metres of native vegetation (Common Spike-sedge) for the construction of two culverts over the drainage line. The removal of native vegetation has been assessed under the low risk pathway. Offsets can be secured for the loss of native vegetation.

The submitted Town Planning report notes the exact location or extent of native removal will be determined as part of the detailed design process (post grant of a permit). The Department of Environment, Environment, Land, Water and Planning has provided recommended conditions to manage native vegetation. It is recommended these conditions be imposed on any permit granted.

***Response to Submissions***

Council received 81 submissions against the application which raise the following key issues:

<b>Ground of submission</b>	<b>Response to submission</b>
Fire risk	Fire risk is a key concern raised by submitters. Council shares these concerns. The application has been reviewed by the Country Fire Authority (CFA). The CFA has consented to the application subject to siting, access, water supply, fuel/vegetation management recommendations and implementation of an emergency management plan. Significant weight is given to the CFA response. Subject to implementation of the CFA's requirements, it is considered that fire risk issues can be appropriately managed. It is recommended that conditions be imposed on any permit granted requiring the preparation of a Fire Prevention and Emergency Response Plan to the satisfaction of the responsible authority (in consultation with the CFA).
Loss of agricultural land	It is acknowledged that the Corangamite Planning Scheme places a strong emphasis on the retention of agricultural land and the discouragement of non-agricultural uses in farming areas. As set out in this report, the planning scheme also encourages the use and development renewable energy facilities in rural locations. Whilst the use of land for a solar farm would not contribute to primary production, it is still an allowable use in the Farming Zone.  On balance, the policy context supports the use of a small area of agricultural land (for a period of time) for the purpose of a solar farm. The proposed solar farm is a sustainable use of land which provides net community benefit. The solar farm will contribute to the generation of electricity from renewable resources and help to service the electricity needs of the Great South Coast region in a



Ground of submission	Response to submission
	<p>more sustainable manner. The land could reasonably be returned to an agricultural use at the end of the life of the solar farm.</p>
<p>Visual impact</p>	<p>The submitted Town Planning Report outlines selection of the solar farm site area considered topography of the broader property and specifically sought to avoid the high scenic quality attributed to the prominent volcanic cone by locating the solar farm outside the overlay and on the flattest terrain to ensure visual impact is minimised.</p> <p>For the purposes of this assessment, visual impact has been assessed at a broader landscape level and local level. With regard to the broader landscape level, the proposed solar farm will be visible from elevated locations such as Camperdown Botanic Gardens, Mount Leura, and Mount Elephant. The subject site is located at varying distances from these viewpoints (ranging between 7.5 kilometres and 26 kilometres). The subject site is located in the 'Paddocks and Cones' landscape character area as identified within the <i>South West Victoria Landscape Assessment Study</i> and in close distance to the 'Large Shallow and Deep Crater Lakes' character area. The area is characterised by flat to undulating basaltic plains scattered with volcanic features including numerous volcanic cones (such as Mount Leura and Mount Elephant). The <i>South West Victoria Landscape Assessment Study</i> identifies areas where the Significant Landscape Overlay should be applied. The subject site is not identified as an area where the Significant Landscape Overlay should be applied.</p> <p>The submitted Landscape &amp; Visual Impact Assessment includes a photomontage from the nearest elevated viewing location (Camperdown Botanic Gardens - Gnotuk Lookout). The photomontage illustrates the landscape is dotted with volcanic cones, several lakes, wetlands, and stands of vegetation. Manmade structures (farmhouses, powerlines, poles, windrow plantations, farming activities) are scattered throughout the landscape.</p> <p>The proposed solar farm will be viewed as a component of this broader landscape. The photomontage demonstrates visual impact will be low. Given the distances from the site to elevated public viewing locations, the impact on the landscape is considered to be acceptable and does not require mitigation.</p>

Ground of submission	Response to submission
	<p>It is noted, the submitted Landscape &amp; Visual Impact Assessment identifies the proposed 20 metre wide planting buffer will be effective in minimising visual impacts from elevated viewpoints over time.</p> <p>It is further noted, the proposed connection to the national electricity grid through an on-site substation eliminates the need for a new transmission line and minimises the visual impacts associated with the proposal.</p> <p>With regard to potential visual impact at the local level, the Landscape &amp; Visual Impact Assessment concluded surrounding residents would have limited views of the proposal and intervening vegetation would mostly screen these views. The assessment concluded impacts are considered to be low. To manage potential impacts, a 20 metre wide vegetation screen has been incorporated along the entire western, southern and eastern boundaries, as well as partial planting of the northern boundary of the site. The Landscape &amp; Visual Impact Assessment concludes the vegetation screen will completely mitigate visual impacts.</p> <p>It is recommended that a condition be imposed on any permit granted requiring the preparation and implementation of a Landscape Plan to the satisfaction of the responsible authority.</p> <p>It is also recommended that a condition be imposed on any permit granted requiring internal access tracks to be constructed with local gravel and/or other surface material that will not unduly contrast with the landscape.</p>
<p>Traffic impacts during construction</p>	<p>An assessment of traffic impacts has been set out in this report.</p> <p>It is recommended that a condition be imposed on any permit granted requiring the preparation of a Traffic Management Plan (TMP) to the satisfaction of the responsible authority. The TMP must include (amongst other matters):</p> <ul style="list-style-type: none"> <li>• Engagement of an independent Road Quality Auditor to undertake regular inspections of roads during construction of the project. Road upgrades must be certified by the road quality auditor.</li> <li>• An existing conditions survey of public roads on designated construction transport routes, including details of suitability, design and construction standard and condition of the roads.</li> <li>• Recommendations on the need for road and intersection upgrades to accommodate additional traffic (such as upgrades to Blind Creek Road and Meningoort Road).</li> <li>• Identification and timetabling of any required pre-construction works.</li> </ul>

Ground of submission	Response to submission
	<ul style="list-style-type: none"> <li>• Program of regular inspections to be carried out during the construction period to identify maintenance works as a result of construction traffic.</li> <li>• Program to rehabilitate roads as required.</li> <li>• Restriction on the use of Sandy’s Creek Road for construction traffic.</li> </ul> <p>Council has identified specific road upgrades required to Blind Creek Road and Meningoort Road used for site access to the solar farm, which will be specifically prescribed in permit conditions.</p> <p>With regard to the Darlington-Camperdown Road / Blind Creek Road intersection, VicRoads has requested a condition be imposed on any permit granted requiring the upgrade of the intersection to the satisfaction of the Roads Corporation.</p> <p>The permit holder will be required to bear costs of required infrastructure upgrades and maintenance of roads during the construction phase.</p>
Potential impact on fauna	<p>An assessment of potential fauna impacts has been set out in this report.</p> <p>Weight is given to the DELWP response which raised concern regarding potential for bird and bat collision. It is recommended that a condition be imposed on any permit granted requiring the preparation of a Bat and Avifauna Management Plan to the satisfaction of the responsible authority (in consultation with DELWP).</p>
Creation of a micro climate as a result of the solar farm (heat island effect)	<p>The applicant has provided information on the potential for ‘heat island’ effect in relation to solar farms. The findings of the review are consistent with expert evidence prepared for four solar farm proposals in Shepparton (<i>Expert Witness Report, Solar Farm Planning Permit Application Nos 2017-162, 2017-274, 2017-301 and 2017-344 for Solar Farms and Tatura East, Tallygaroppna, Lemnos and Congupna, Ken Guthrie, 7 May 2018</i>). It is anticipated that any heat build-up during the day would dissipate quickly and would not be measurable at the site boundary. Significant landscape screening is proposed around the perimeter of the site which would also assist in cooling of the solar farm area. Heat island effects are not considered to be an issue which require imposition of a condition on any permit granted.</p>
Noise disturbance	<p>Operational noise is expected to be limited. The two main components which generate noise are the substation and invertors which will be located throughout the site.</p> <p>The submitted Town Planning Report states the substation is expected to generate a noise level of up to 81 decibels (dB), requiring a separation distance of 160 metres to the nearest residential receptor (dwelling).</p>

Ground of submission	Response to submission
	<p>The inverters are expected to generate noise up to 97dB, requiring a distance of up to 350 metres to the nearest residential receptor.</p> <p>The nearest residential receptor (see House 'E' on <b>Figure 4</b>) is located just under 500 metres from the boundary of the site. Separation distances between the substation and inverters are considered to be sufficient to avoid unacceptable outcomes for nearby residents.</p>
Glare and glint from solar panels.	<p>Modern Photovoltaic panels are designed to absorb as much sunlight as possible to convert to electricity. The submitted Solar Photovoltaic Glint and Glare Study identified residents within five dwellings (of the 16 dwellings) could experience solar reflection. The assessment provides recommended mitigation options for the five houses where solar reflections is possible. Based on a site survey, it was determined that screening should be installed for three dwellings (dwellings E, I, K). The remaining two dwellings (dwellings L, N) have sufficient screening (existing shelter belts) to mitigate potential impacts.</p> <p>It is recommended that a condition be imposed on any permit granted requiring the preparation and implementation of landscape screening prior to the use commencing.</p> <p>It is noted, landscaping will take time to establish and will be beneficial in reducing glare / glint impacts close to the site. It is recommended landscaping be undertaken early in construction of the project.</p>

### Financial and Resource Implications

There are no significant financial or resource implications created by determining this application. Permit conditions are proposed which require the permit holder to bear costs of required infrastructure upgrades and maintenance of roads during the construction phase.

### Options

The options available to Council are:

1. Support the application and issue a Notice of Decision to grant a permit subject to conditions recommended by the report (recommended option);
2. Support the application and issue a Notice of Decision to grant a permit subject to varied permit conditions;
3. Refuse the permit application (this option would require Grounds of Refusal); or
4. Request the Minister for Planning to decide upon the application (pursuant to Section 97C of the *Planning and Environment Act 1987*).

### Conclusion

This report has assessed the proposed Bookaar solar farm project against the relevant requirements of the Corangamite Planning Scheme.

The Great South Coast Regional Growth Plan identifies new and renewable energy sources (such as solar) as 'a major opportunity for the region and Victoria'. The proposal supports the provision of renewable energy and will assist with meeting the region's future energy demands.

The Bookaar solar farm project will result in employment during construction and up to 12 full-time ongoing jobs. The level of investment and employment will have direct and indirect local benefit.

While the proposal will result in a new non-agricultural use in a rural area, it will not result in the permanent loss of agricultural land. The land could reasonably be returned to an agricultural use at the end of the life of the solar farm.

The use of agricultural land for the solar farm must be balanced against the need to provide infrastructure to meet community demand for energy services. On balance, the policy context provides support for the use of agricultural land for a purpose of a solar farm. The proposed solar farm will contribute to the generation of electricity from renewable resources and help to service the electricity needs of the Great South Coast region in a more sustainable manner.

The proposal has attracted a large number of submissions from the community. Many of these are concerned about the risk of fire and offsite amenity impacts. The solar farm has been designed to ensure risks associated with fire and offsite amenity impacts such as glint / glare, noise and views can be managed to an acceptable level of risk. The environmental effects from the proposal can be appropriately managed via permit conditions.

It is recommended that Council issue a Notice of Decision to Grant a Planning Permit subject to conditions. Detailed permit conditions are proposed, including requirements for plan amendments, an Environmental Management Plan (including sub-management plans), Traffic Management Plan, and a Fire Prevention and Emergency Response Plan.

## RECOMMENDATION

**That Council, pursuant to section 64 of the *Planning and Environment Act 1987*, resolves to issue a Notice of Decision to Grant a Planning Permit PP2018/060 for the use and development of land for a renewable energy facility (Solar Farm) and removal of native vegetation, in accordance with the endorsed plans on land described as Lots 1 to 12 TP844741, Lots 51 & 52 LP4677, 520 Meningoort Road, Bookaar subject to the following conditions:**

### DEVELOPMENT PLANS

- 1. Before the development starts, development plans must be prepared to the satisfaction of the responsible authority. When approved, the plans will be endorsed by the responsible authority and will then form part of this permit. The plans must be fully dimensioned, drawn to scale and three copies must be provided to the responsible authority. The plans must be generally in accordance with the *'General Preliminary Layout Drawing, 8 May 2018'* but modified (where required) to show:**

- a) the location, setbacks to property boundaries, layout and dimensions of all buildings and works including solar panels, access tracks, on-ground / underground cables, substation, inverters, battery storage facility, landscaping, any designated car parking areas, any signage, and ancillary works, such as construction compound and water tanks;
  - b) details of the new site entrance off Meningoort Road;
  - c) a 10-metre wide fuel reduced area / fire break around the perimeter of the site located on the development side of the 20-metre landscape strip;
  - d) a perimeter road of no less than 4 metres width within the fuel reduced area of 10-metre perimeter fire break.
  - e) access tracks within the site designed in consultation with the Country Fire Authority (CFA).
  - f) a 6-metre separation between solar panel solar banks/rows;
  - g) battery storage facility to be located as close to site entrance as possible to (location to be agreed by CFA);
  - h) vegetation exclusion zones based on the Ecological Due Diligence submitted with the application and defined in consultation with Corangamite Shire Council's Environment Unit;
  - i) drainage line easements;
  - j) elevations, dimensions and materials of all buildings including substation, inverters, battery storage facility and construction compounds; and
  - k) staging of development.
2. Before the use of the solar farm commences, all buildings and works as shown on the endorsed plans must be completed to the satisfaction of the responsible authority.

**LAYOUT NOT ALTERED WITHOUT CONSENT**

3. The use and development as shown on the endorsed plans must not be altered or modified without the written consent of the responsible authority.

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4. The responsible authority will not consent to an alteration or modification of the use and development as shown on the endorsed plans under Condition 3 unless the responsible authority is satisfied that the alteration or modification will not give rise to a material adverse change to assessed landscape, vegetation, fauna, cultural heritage, visual amenity, noise, or fire risk impacts.

Any application for the consent of the responsible authority for an alteration or modification to the endorsed plans under Condition 3 must be accompanied by supporting material addressing the matters referred to in this condition, to the satisfaction of the responsible authority.

#### **SPECIFICATIONS**

5. The solar farm must meet the following requirements, and shall not be altered or modified without the written consent of the responsible authority:
- a) not more than 700,000 photovoltaic panels;
  - b) direct connection between the onsite substation to the 220kV overhead line connecting the solar farm to the national electricity network;
  - c) the overall maximum height of the photovoltaic panels (including mounting on tracking system) must not exceed 4 metres above natural ground level;
  - d) all work required to construct and operate the solar farm must be completed without entering or disturbing vegetation exclusion zones.
  - e) access tracks within the site are sited and designed to minimise impacts on overland flows, soil erosion, the landscape value of the site, and environmentally sensitive areas to the satisfaction of the responsible authority;
  - f) access tracks are to be constructed with local gravel and/or other surface material that will not unduly contrast with the landscape to the satisfaction of the responsible authority;
  - g) all new electricity cabling associated with the solar farm must be placed on the ground or under the ground except for connection between the substation and the 220kV overhead line connecting the solar farm to the national electricity network; and
  - h) a minimum of 45,000 litres of water to be used solely for firefighting purposes must be provided on the site in not more than two tanks. The tanks must meet the access and outlet requirements specified in Condition 5(b).

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## LANDSCAPING

6. Before the development starts, a Landscaping Plan must be prepared to the satisfaction of the responsible authority. When approved, the plans will be endorsed by the responsible authority and will then form part of this permit. The plans must be fully dimensioned, drawn to scale and three copies must be provided to the responsible authority.

The Landscaping Plan must provide:

- a) 20 metre wide landscaping strip around the perimeter of the site with a minimum of four (4) rows using a mixture of local trees and understorey species;
- b) details of plant species to be used in the landscaping, including height and spread of plants at maturity;
- c) Details of all dwellings within 2 kilometres of the site and recommendations on the need for off-site landscaping of dwellings;
- d) a timetable for implementation of landscaping works; and
- e) a maintenance and monitoring program to ensure the ongoing health of the landscaping.

All species selected must be to the satisfaction of the responsible authority.

7. The landscaping as shown on the endorsed Landscaping Plan must be completed in accordance with the implementation timetable, and monitored and maintained, all to the satisfaction of the responsible authority.

## TRAFFIC MANAGEMENT

### Engineering specifications

8. Prior to the commencement of development of the solar farm, engineering plans for all road works required by this condition must be submitted to the responsible authority for approval. The engineering plans must be designed to Australian Standards and in accordance with VicRoads guidelines and include:
- a) the location and detailed design of the connection between the internal access tracks and Meningoort Road;
  - b) a demonstration that safe sight distances, turning movements, and the avoidance of traffic conflicts at the intersection of internal roads and Meningoort Road will be achieved to the satisfaction of responsible authority;



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c) The following roads upgraded and constructed to the following specifications:

- i. Meningoort Road between Blind Creek Road and the entrance road to the solar farm site to be constructed as a 7m wide gravel road; and
- ii. Blind Creek Road between Darlington-Camperdown Road and Meningoort Road and all associated intersections to be constructed as a 4m wide seal, with 1.5m gravel shoulders on either side, for a total width of 7m.

The plans required under this condition must include pavement design, cross sections showing their formation, depth, drainage and surface levels to the satisfaction of the responsible authority. Any variation to the width of the road widening to avoid native vegetation must be indicated on the plans.

9. Prior to the commencement of development of the solar farm, internal access roads and the on-site substation, the road construction works approved under Condition 8, must be undertaken, completed and assessed by the Independent Road Quality Auditor to the satisfaction of the responsible authority.

#### **TRAFFIC MANAGEMENT PLAN**

10. Before construction of the road upgrades referred to in Condition 8 commences, a Traffic Management Plan must be prepared to the satisfaction of, and endorsed by, responsible authority and VicRoads. The traffic management plan must be complied with, unless varied by the written consent of the responsible authority and VicRoads.

11. The traffic management plan must include:

- a) the scope of the expertise, duties and role of the nominated Road Quality Auditor engaged under Condition 13, including inspection frequency and reporting requirements;
- b) the number and type of anticipated vehicle movements and the time of day when public roads will be used;
- c) the nominated routes for traffic accessing and departing the solar farm site (note: Sandy's Creek Road must not be used for construction traffic);
- d) an existing conditions survey (including testing of road base) of public roads that may be used in connection with the solar farm (for access, pre-construction or construction purposes), including details of the suitability, design, condition and construction standard of the relevant public roads;

- e) the designation of all vehicle access points to the solar farm site from surrounding roads. Vehicle access points must be designed and located to ensure safe sight distances, turning movements, and avoid potential through traffic conflicts;
- f) the designation of appropriate pre-construction, construction and transport vehicle routes to and from the solar farm site;
- g) engineering plans demonstrating whether, and if so how, truck movements to and from the solar farm site can be accommodated on sealed roadways and turned without encroaching onto the incorrect side of the road;
- h) provision of designated areas for loading zones;
- i) measures to be undertaken to record traffic volumes on the nominated road network during the construction of the solar farm;
- j) recommendations regarding the need for road and intersection upgrades to accommodate any additional traffic or site access requirements (whether temporary or ongoing), beyond those already required by Condition 8. Where upgrades are required, the Traffic Management Plan must include:
  - i. detailed engineering plans showing the required works, including pavement design and cross sections which show their formation, depth, drainage and surface levels to the satisfaction of the responsible authority; and
  - ii. the timing of when the works are to be undertaken;
- k) proposed measures to ensure workers enter and exit the solar farm site from the designated site entrance at Meningoort Road;
- l) proposed measures to ensure construction vehicles are easily identifiable;
- m) the designation of mitigation measures, including operating hours and speed limits for trucks on routes accessing the solar farm site which:
  - i. provide for appropriate safety measures around school bus routes and school bus times where relevant; and
  - ii. provide for resident safety;
- n) proposed measures to manage traffic impacts associated with the ongoing operation of the solar farm on the traffic volumes and flows on surrounding roads; and

- o) a program to rehabilitate existing public roads within agreed timeframes to the condition identified in the surveys carried out under Condition 11(d) or to the condition to which the roads have been upgraded, whichever is relevant.

**12. Where there is:**

- a) a significant increase in vehicle numbers, determined by the Road Quality Auditor, above the anticipated vehicle movements identified in the endorsed traffic management plan; or
- b) any change to an endorsed vehicle route identified in the Traffic Management Plan.

The Traffic Management Plan must be updated to the satisfaction of the responsible authority within 28 days of the event described in Conditions 12(a) or 12(b).

**Road Quality Auditor**

- 13. Prior to endorsement of the Traffic Management Plan, the permit holder must submit to the responsible authority for approval the identity of a suitably qualified engineer, independent of the permit holder's traffic adviser who will undertake the duties of the Road Quality Auditor identified in the Traffic Management Plan.

Once approved, the developer of the solar farm must engage, at its cost, the approved Road Quality Auditor to fulfil the requirements of the Road Quality Auditor as defined in the Traffic Management Plan.

- 14. The responsible authority may require at any time the appointment of an alternate proposed Road Quality Auditor within 21 days of making a written request to the solar farm developer, if the appointed Road Quality Auditor is unable to maintain independence or is unable to meet project timelines to the responsible authority's satisfaction. The alternate auditor must, if approved, be appointed by the solar farm developer to undertake the duties identified under the Traffic Management Plan.

- 15. Prior to endorsement of the Traffic Management Plan, the terms of reference for the Road Quality Auditor must be endorsed by the responsible authority, including but not limited to:

- a) a program of regular inspections to be carried out during the construction of the solar farm to identify maintenance works necessary as a result of construction traffic;
- b) frequency of inspections;
- c) frequency of reporting to the solar farm developer, Corangamite Shire Council and VicRoads;
- d) standards to which all agreed local roads are constructed;

- e) ongoing maintenance and repair regime during construction of the solar farm;
  - f) procedures for corrective works resulting from non-compliance; and
  - g) penalties for non-compliance.
16. Before substantive construction of the solar farm commences, construction of all local road upgrades required by this permit must be certified by the Road Quality Auditor as satisfying the requirements of the traffic management plan and the relevant conditions of this permit, to the satisfaction of the responsible authority, unless otherwise approved in writing by responsible authority.

**Traffic management and road upgrade and maintenance works**

17. The traffic management and road upgrade and maintenance works identified in the endorsed Traffic Management Plan must be carried out in accordance with the endorsed Traffic Management Plan to the satisfaction of the responsible authority.

**VICROADS CONDITIONS**

18. Before the development starts, the intersection of Darlington-Camperdown Road and Blind Creek Road is to be upgraded to the satisfaction of and at no cost to the Roads Corporation.
19. Prior to the commencement of works on the road reserve, the applicant must enter into a formal agreement with the Roads Corporation regarding the processes and fees associated with all works undertaken within the declared road reserve of the Darlington-Camperdown Road.

**ENVIRONMENTAL MANAGEMENT PLAN**

**General requirement for an environmental management plan**

20. Before the development starts, an Environmental Management Plan must be prepared to the reasonable satisfaction of the responsible authority. The plan must be submitted to the responsible authority for approval. When approved, the plan will be endorsed by the responsible authority and will then form part of this permit.

**The Environmental Management Plan:**

- a) must be prepared in consultation with the agencies specified in Conditions 22, 28, and 29 or any other agency as directed by the responsible authority;
- b) may be prepared in sections or stages;
- c) must be in accordance with all relevant EPA requirements and guidelines;

- d) must provide for the presence on-site of a suitably qualified ecologist(s) when construction work is occurring in areas of defined environmental sensitivity; and
  - e) must meet the requirements of Conditions 22 to 34 below.
21. The use and development must be carried out in accordance with the endorsed Environmental Management Plan, to the satisfaction of the responsible authority.

**Construction and work site management plan**

22. The environmental management plan must include a construction and work site management plan.

The construction and work site management plan must include:

- a) the identification of fuels, other hazardous materials and all other potential contaminants stored or used on site during the construction phase of the solar farm, and appropriate storage, construction and operational methods to control any identified contamination risks;
- b) procedures for managing potential spills and leaks and pollution incidents, including incorporation of appropriate pollution control measures outlined in EPA Publication 480 Environmental Guidelines for Major Construction Sites (February 1996);
- c) procedures to suppress dust emissions from construction-related activities. Appropriate measures may include water spraying of roads and stockpiles, stabilising surfaces, temporary screening and wind fences, modifying construction activities during periods of heightened winds and revegetating exposed areas as soon as practicable;
- d) procedures for managing noise emissions from construction-related activities
- e) appropriate sanitary facilities to be provided for construction and maintenance staff, which must be designed and operated in accordance with EPA Publication 891.3 Code of Practice – Onsite wastewater management (February 2013);
- f) the identification of waste re-use, recycling and disposal procedures
- g) a timetable, where practicable, for the construction of access tracks and power cabling during warmer months, to minimise impacts on local fauna and sediment mobilisation;
- h) procedures to ensure that construction vehicles and equipment use designated tracks and works areas to avoid impacts on native vegetation;

- i) procedures for covering trenches and holes at night, and filling trenches as soon as practical after excavation, to protect native fauna; and
- j) the removal of works, buildings and staging areas on completion of the construction phase of the project.

#### **Construction Noise Management Plan**

**23. The environmental management plan must include a construction noise management plan.**

**The construction noise management plan must include**

- a) performance requirements for noise at nearby receptors in accordance with EPA Publication 1254.
- b) procedures for measuring compliance with performance requirements; and
- c) procedures for receiving, evaluating and responding to complaints.

#### **Sediment, erosion and water quality management plan**

**24. The environmental management plan must include a sediment, erosion and water quality management plan which must be prepared in consultation with the Glenelg Hopkins Catchment Management Authority prior to its submission to the responsible authority.**

**25. The sediment, erosion and water quality management plan must include:**

- a) identification of all construction and operational processes that could potentially lead to water contamination;
- b) procedures to ensure that silt from batters, cut-off drains, table drains and road works is retained on the site during and after construction and replaced as soon as possible. To this end:
  - i. all land disturbances must be confined to a minimum practical working area;
  - ii. soil to be removed must be stockpiled and separate soil horizons must be retained in separate stockpiles and not mixed, and soil must be replaced as soon as possible in sequence; an
  - iii. stockpiles must be located away from drainage lines;
- c) the installation of geo-textile silt fences (with sedimentation basins where appropriate) on all drainage lines from the site which are likely to receive run-off from disturbed areas

- d) procedures to ensure that steep batters are treated in accordance with EPA Publication 275 Construction Techniques for Sediment Pollution Control (May 1991)
- e) procedures for waste water discharge management;
- f) a process for overland flow management to prevent the concentration and diversion of waters onto steep or erosion prone slopes;
- g) pollution management measures for stored and stockpiled materials including waste materials, litter, contaminated run-off and any other potential source of pollution to ground or surface waters;
- h) incorporation of appropriate pollution control measures outlined in EPA Publication 480 Environmental Guidelines for Major Construction Sites (May 1996);
- i) a program and appropriate capacity for annual inspection and regular maintenance of any on-site wastewater management system;
- j) procedures to manage dust from access tracks to prevent adverse impacts on the amenity of neighbouring residential properties; and
- k) a program of inspection and remediation of localised erosion within a specified response time.

#### **Hydrocarbon and hazardous substances plan**

**26. The environmental management plan must include a hydrocarbon and hazardous substances plan.**

**27. The hydrocarbon and hazardous substances plan must include**

- a) procedures for any on-site, permanent post-construction storage of fuels, lubricants, waste oil or other hazardous substances or potential contaminants to be in bunded areas; and
- b) contingency measures to ensure that any chemical or oil spills are contained on-site and cleaned up in accordance with EPA requirements.

#### **Fire prevention and emergency response plan**

**28. The environmental management plan must include a fire prevention and emergency response plan prepared in consultation with and to the satisfaction of the CFA and the responsible authority. Consultation with the CFA must include consultation at the region and local level.**

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The fire prevention and emergency response plan must include:

- a) criteria for the provision of static water supply tanks solely for fire-fighting purposes, including minimum capacities, appropriate connections and signage;
- b) procedures for vegetation management, fuel control and the provision of fire-fighting equipment during declared fire danger periods;
- c) minimum standards for access roads and tracks to allow access for fire fighting vehicles, including criteria for access to static water supply tanks for fire-fighting vehicles;
- d) a requirement that, within one month after the commencement of the operation of the solar farm, the operator of the solar farm facilitates a familiarisation visit to the site and explanation of emergency services procedures for:
  - i. the CFA (including headquarters level, the CFA Regional Office and local volunteer brigades as specified by the CFA Regional Office);
  - ii. Rural Ambulance Victoria
  - iii. Corangamite Shire Council's Municipal Emergency Management Committee; an
  - iv. Victoria Police
  - v. subsequent familiarisation sessions for new personnel of the organisations referred to in Condition 28(d) on a periodic basis as required;
  - vi. if requested, training of personnel of the organisations referred to in condition 28(d) in relation to suppression of solar farm fires.

#### **Biosecurity management plan**

29. The environmental management plan must include a biosecurity management plan to be prepared in consultation with Department of Economic Development, Jobs, Transport and Resources (DEDJTR) and to the satisfaction of the responsible authority.

30. The biosecurity management plan must include

- a) procedures to prevent biosecurity risks, which may include (but are not limited to):
  - i. the cleaning of all plant and equipment before transport onto and off the site; and



- ii. the use of material/products on site which are free of invasive plants and animals
- b) a protocol for effective identification of biosecurity risks, early intervention to manage biosecurity risks, ongoing monitoring of biosecurity risks, trace-backs, and integrated control measures when entry, establishment or spread of specific risk targets is identified;
- c) a requirement to comply with approved government or industry standards and procedures for the identification, prevention and management of biosecurity risks that apply from time to time, which include (but are not necessarily limited to):
  - i. the DEDJTR's Invasive Plant and Animal Management Policy Framework (undated);
  - ii. the DEDJTR's Biosecurity Guidelines for Movement of Equipment Contractors Between Farms (Note Number: AG1171 published in January 2005 and updated in July 2009; and
  - iii. the DEDJTR's recommended standards and practices for managing viticulture biosecurity and plant biosecurity risks.

#### **Environmental management plan training program**

31. The environmental management plan must include a training program for construction workers and permanent employees or contractors at the solar farm site, including a site induction program relating to the range of issues addressed by the environmental management plan.

#### **Environmental management plan reporting program**

32. The environmental management plan must include a program for reporting environmental incidents, including:
- a) a register of environmental incidents, non-conformances and complaints, together with corrective actions taken in response to such incidents, non-conformances or complaints; and
  - b) identification of the person to whom reports of environmental incidents, non-conformances and complaints should be made.

#### **Implementation timetable**

33. The environmental management plan must include a timetable for implementation of all programs and work referred to in Conditions 22 to 33 above.

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**Review of the environmental management plan**

34. The environmental management plan must be reviewed and if necessary amended in consultation with the responsible authority and other authorities as directed by the responsible authority every five years, to reflect operational experience and changes in environmental management standards and techniques.

The amended environmental management plan must be submitted to the responsible authority for re-endorsement. Once re-endorsed, the amended environmental management plan will take the place of the earlier environmental management plan and will form part of this permit.

**BATS AND AVIFUANA**

35. Before the development starts, the permit holder must engage the services of a suitably qualified expert(s) to prepare a Bat and Avifauna Management Plan to the satisfaction of the responsible authority. It must be prepared in consultation with the Department of Environment, Water, Land and Planning (DEWLP) Environment Portfolio and must be submitted to and approved by the responsible authority. When approved, the plan will be endorsed by the responsible authority and will then form part of this permit.

The Bat and Avifauna Management Plan must include:

- a) an overall strategy for managing and mitigating any significant bird and bat strike arising from the solar farm;
- b) a bat and bird strike monitoring program specifying, at least, its duration, timing, data recorded, methodology, correction factors and reporting protocols;
- c) specification of mortality rates for the bat and bird species listed under the Environment Protection and Biodiversity Conservation Act 1999 (EPBC) or the Flora and Fauna Guarantee Act 1988 (FFG) Act that would trigger the requirements for appropriate ameliorative measures; and
- d) management and mitigation measures or offset measures that can be taken in response to monitoring results relative to relevant triggers and standards.

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## **STORMWATER AND DRAINAGE MANAGEMENT PLAN**

**36. Before the development starts, a Stormwater Drainage Management Plan must be prepared to the reasonable satisfaction of the responsible authority, in consultation with the Department of Environment, Water, Land and Planning (DEWLP) Environment Portfolio and Glenelg Hopkins Catchment Management Authority. The plan must be submitted to the responsible authority for approval. When approved, the plan will be endorsed by the responsible authority and will then form part of this permit.**

**The plan must include:**

- a) details of any existing drainage onsite;**
- b) details of how it is proposed to drain the development;**
- c) details of how storm water discharge from the development will be limited to predevelopment runoff for a 20% Annual Exceedance Probability (AEP) storm event;**
- d) details and measures to enhance stormwater discharge quality from the site and protect downstream waterways and drainage lines;**
- e) demonstration that storm water runoff resulting from a 1% AEP storm event is able to pass into the drainage network without causing damage or nuisance to adjoining lots;**
- f) detail on modelling methods available and used to predict outcomes following proposed actions;**
- g) where interim or temporary works are proposed, details to show how these works will integrate with ultimate drainage systems.**

**37. The endorsed Stormwater and Drainage Management Plan is to be implemented to the satisfaction of the responsible authority.**

## **GLENELG HOPKINS CATCHMENT MANAGEMENT AUTHORITY CONDITIONS**

**38. The applicant shall provide a copy of the Environmental Management Plan which specifically addresses surface water management and erosion control to the satisfaction of Glenelg Hopkins CMA prior to construction occurring.**

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## AUSNET CONDITIONS

39. No part of the proposed development is permitted on AusNet Transmission Group's easement other than interface works required for connection of the Solar Farms electrical system to the 220 kilovolt transmission line. Design plans for such work must be submitted to and approved in writing by AusNet Transmission Group prior to the commencement of construction.
40. Access to and along the easement must be maintained at all times for AusNet Transmission Group's vehicles, staff and contractors.
41. Natural ground surface levels on the easement must not be altered by the stockpiling of excavated material or by landscaping without prior written approval from AusNet Transmission Group.
42. The use of vehicles and equipment exceeding 3 metres in height are not permitted to operate on the easement without prior written approval from AusNet Transmission Group.
43. Approval must be obtained from AusNet Transmission Group as to the position and/or suitability of any roads that are proposed within the easement.

## POWERCOR CONDITIONS

44. The permit holder shall:
  - a) Negotiate with Powercor for the connection of the development, to the existing power distribution network.
  - b) Any buildings must comply with the clearances required by the Electricity Safety (Installations) Regulations.
  - c) Any construction work must comply with Energy Safe Victoria's "No Go Zone" rules.
  - d) Set aside for the use of Powercor Australia Ltd reserves and/or easements satisfactory to Powercor Australia Ltd where any electric substation (other than a pole mounted type) is required.

Alternatively, at the discretion of Powercor Australia Ltd a lease(s) of the site(s) and for easements for associated powerlines, cables and access ways shall be provided. Such a lease shall be for a period of 30 years at a nominal rental with a right to extend the lease for a further 30 years. Powercor Australia Ltd will register such leases on the title by way of a caveat prior to the registration of the plan of subdivision.

- e) Provide easements satisfactory to Powercor Australia Ltd, where easements have not been otherwise provided, for all existing Powercor Australia Ltd electric lines on the land and for any new powerlines required to service the lots and adjoining land, save for lines located, or to be located, on public roads set out on the plan. These easements shall show on the plan an easement(s) in favour of "Powercor Australia Ltd" for "Power Line" pursuant to Section 88 of the Electricity Industry Act 2000.
- f) Obtain for the use of Powercor Australia Ltd any other easement external to the development.

**DEPARTMENT OF ENVIRONMENT, LAND, WATER AND PLANNING  
CONDITIONS**

- 45. This permit allows removal associated with the development, only to the minimum extent necessary to enable the development, to the satisfaction of the responsible authority.
- 46. Before any native vegetation is removed under this permit, a Native Vegetation Plan to the satisfaction of the Department of Environment, Land, Water and Planning (DELWP) must be submitted to and approved by the responsible authority. When approved the Native Vegetation Plan will be endorsed and will then form part of the permit. All works constructed or carried out must be in accordance with the endorsed plan. The Native Vegetation Plan must include:
  - a) final Native vegetation removal report which identifies all losses being approved by this permit and the associated offset requirements, in accordance with the Guidelines for the removal, destruction or lopping of native vegetation (DELWP 2017).
  - b) plans drawn to scale with dimensions that identify:
    - i. an informed greatest extent construction footprint;
    - ii. native vegetation to be removed;
    - iii. any current mapped wetlands, as defined in the Guidelines for the removal, destruction or lopping of native vegetation (DELWP 2017) that are present on the site;
    - iv. any native vegetation to be retained;
    - v. the location of any detected threatened flora and fauna species;  
and
    - vi. measures to be used during construction to protect native vegetation to be retained.

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47. Except with the written consent of the responsible authority, within any area of native vegetation to be retained the following are prohibited:
- a) vehicular or pedestrian access;
  - b) trenching or soil excavation;
  - c) storage or dumping of any soils, materials, equipment, vehicles, machinery or waste products;
  - d) entry and exit pits for underground services; and
  - e) any other actions or activities that may result in adverse impacts to retained native vegetation.
48. To offset the native vegetation removal described in the endorsed Native Vegetation Plan, the permit holder must secure a native vegetation offset in accordance with the Guidelines for the removal, destruction or lopping of native vegetation (DELWP 2017).
49. Before any native vegetation is removed, evidence that the required offset for the project has been secured must be provided to the satisfaction of the responsible authority in consultation with the DELWP. This evidence is one or both of the following:
- a) an established first party offset site including a security agreement signed by both parties, and a management plan detailing the 10 year management actions and ongoing management of the site and/or
  - b) credit extract(s) allocated to the permit from the Native Vegetation Credit Register.

A copy of the offset evidence will be endorsed by the responsible authority and form part of this permit. Within 30 days of endorsement of the offset evidence by the responsible authority, a copy of the endorsed offset evidence must be provided to DELWP.

At the conclusion of the project, offset requirements can be reconciled with agreement by the responsible authority and DELWP.

50. In the event that a security agreement is entered into, the applicant must provide the annual offset site condition report to the responsible authority by the anniversary date of the execution of the offset security agreement, for a period of 10 consecutive years. After the tenth year, the landowner must provide a report at the reasonable request of a statutory authority.

#### **ENVIRONMENT PROTECTION AUTHORITY CONDITIONS**

51. Nuisance dust and/or nuisance airborne particles must not be discharged or emitted beyond the boundaries of the premises

52. Effective noise levels from the use of the premises must not exceed the recommended levels as set out in Noise from Industry in Regional Victoria (NIRV; EPA Publication 1411, 2011) or as amended.
53. Surface water discharge from the site must not be contaminated with waste.
54. Construction and post-construction activities must be in accordance with EPA Publication 275 Construction Techniques for Sediment Pollution Control 1991 or as amended.

#### **DECOMMISSIONING**

55. Within six months after the construction of the solar farm is completed, the operator of the solar farm and the owners of the properties which make up the site must enter into an agreement with the responsible authority under section 173 of the Planning and Environment Act 1987.

The agreement must require the operator of the solar farm to do the following where the solar panel farm permanently ceases to generate electricity:

- a) notify the responsible authority in writing of the ceasing of operation. Such notification must be given no later than two months after the solar farm ceases operation;
- b) undertake the following to the satisfaction of the responsible authority, within such timeframe as may be specified by the responsible authority:
  - i. remove all above ground non-operational equipment;
  - ii. remove and clean up any residual contamination;
  - iii. rehabilitate all storage areas, construction areas, access tracks and other areas affected by the decommissioning of the solar farm if those areas are not otherwise useful to the on-going use or decommissioning of the solar farm;
  - iv. submit a decommissioning traffic management plan to the same level of detailed as required by condition 10 to the satisfaction of VicRoads and Corangamite Shire Council and, when approved, implement that plan; and
  - v. submit a post-decommissioning revegetation management plan, including a timetable of works, to the responsible authority and, when approved by the responsible authority, implement that plan.

56. An application must be made to the Registrar of Titles to register the section 173 agreement on the title to the land under section 181 of the Act within one month after the agreement is executed.

57. The operator of the solar farm must pay the reasonable costs of the preparation, execution, registration and enforcement of the section 173 agreement.

#### **STAGING**

58. The use and development authorised by this permit may be completed in stages as shown on the endorsed development plans. Any corresponding obligation arising under this permit (including the preparation and approval of plans) may be similarly completed in stages or parts, but only insofar as those obligations are relevant to the activities and the elements of the solar farm that are proposed to be used or developed in a stage or part.

#### **EXPIRY**

59. This permit will expire if one of the following circumstances applies:

- a) the development is not started within three years of the date of this permit;
- b) the development is not completed within six years of the date of this permit.

The responsible authority may extend the time if a request is made in writing in accordance with section 69 of the Planning and Environment Act 1987.

#### **PERMIT NOTES**

##### **Road Reserve Works Permit**

Prior to the commencement of works on the road reserve, a Road Reserve Works Permit must be obtained from Council.

##### **Wildlife Management Plan**

The Department of Environment, Land, Water and Planning has raised the need to consider how wildlife may affect infrastructure and the operation of the solar farm. This particularly relates to 'white' cockatoos (long and short-billed corellas, sulphur-crested cockatoos and galahs). The Department notes these species are well documented for their behaviour in damaging infrastructure, particularly rubber seals, timber structures and cables, as well as flocking and roosting in large numbers.

The Department recommends a Wildlife Management Plan be prepared which identifies mitigation measures - such as including the armouring of cables, covering and protection of rubber seals, and monitoring the impacts to enable adaptive management offsite.



## COUNCIL MOTION

**MOVED:** *Cr Gstrein*

**SECONDED:** *Cr Illingworth*

That Council, pursuant to Section 65 of the Planning and Environment Act 1987, resolves to Issue a Notice of Refusal to Grant a Permit under the provisions of the Corangamite Planning Scheme for the use and development of land for a renewable energy facility (solar farm) and removal of native vegetation on land described as Lots 1 to 12 TP844741, Lots 51 & 52 LP4677, 520 Meningoort Road, Bookaar, based on the following grounds:

### Grounds of Refusal

1. The use and development does not provide an acceptable outcome in terms of the Planning Policy Framework, including the Municipal Strategic Statement and local planning policy.
2. The use and development will result in the loss of productive agricultural land and will create impacts on the continuation of primary production on adjacent land.
3. The use and development will result in an unacceptable level of environmental impact which cannot be adequately managed.
4. The use and development will cause unacceptable landscape and visual impacts within the local area and from surrounding key viewpoints.
5. The use and development will not result in net community or social benefit.
6. The absence of solar farm planning and policy guidelines by the State Government provides a lack of direction for planning decision making.

## COUNCIL AMENDMENT

**MOVED:** *Cr Trotter*

**SECONDED:**

That the motion be adopted subject to the removal of point 5, that the use and development will not result in net community or social benefit.

**LAPSED FOR WANT OF A SECONDER**

**COUNCIL RESOLUTION****MOVED:** *Cr Gstrein***SECONDED:** *Cr Illingworth*

That Council, pursuant to Section 65 of the Planning and Environment Act 1987, resolves to Issue a Notice of Refusal to Grant a Permit under the provisions of the Corangamite Planning Scheme for the use and development of land for a renewable energy facility (solar farm) and removal of native vegetation on land described as Lots 1 to 12 TP844741, Lots 51 & 52 LP4677, 520 Meningoort Road, Bookaar, based on the following grounds:

**Grounds of Refusal**

1. The use and development does not provide an acceptable outcome in terms of the Planning Policy Framework, including the Municipal Strategic Statement and local planning policy.
2. The use and development will result in the loss of productive agricultural land and will create impacts on the continuation of primary production on adjacent land.
3. The use and development will result in an unacceptable level of environmental impact which cannot be adequately managed.
4. The use and development will cause unacceptable landscape and visual impacts within the local area and from surrounding key viewpoints.
5. The use and development will not result in net community or social benefit.
6. The absence of solar farm planning and policy guidelines by the State Government provides a lack of direction for planning decision making.

**CARRIED**

## Attachments

1. Planning Permit Application Documentation PP2018/060 PART A - Under Separate Cover
2. Planning Permit Application Documentation PP2018/060 PART B - Under Separate Cover
3. Planning Permit Application Documentation PP2018/060 PART C - Under Separate Cover
4. Copy of Submissions PP2018/060 - Under Separate Cover
5. Copy of Referral Responses (External and Internal) PP2018/060 - Under Separate Cover
6. Applicant Response to Submissions PP2018/060 - Under Separate Cover
7. Applicant Summary of Ecological Assessments PP2018/060 - Under Separate Cover
8. Late Submission from Applicant PP2018 060 1403P - Under Separate Cover

**COUNCIL RESOLUTION**

**MOVED:**            *Cr Gstrein*

**SECONDED:**      *Cr Trotter*

**That standing orders be suspended.**

**CARRIED**

Standing Orders were suspended at 8.51 pm to allow members of the gallery to exit the meeting.

**COUNCIL RESOLUTION**

**MOVED:**            *Cr Gstrein*

**SECONDED:**      *Cr Trotter*

**That standing orders be resumed.**

**CARRIED**

Standing orders resumed at 8.58 pm. Councillor L. Brown was absent. All other Councillors attending the meeting were present. Members of the public left the meeting.

Councillor L. Brown returned to the meeting at 8.59 pm.

---

## 7.2 Adoption of Planning Scheme Amendment C44 Red Tape Reduction

**Author:** Steve Myers, Consultant Town Planner  
**Authorised** Aaron Moyne, Manager Planning and Building Services

**File No:** D18/315

**Previous Council Reference:** 27 March 2018, Item 9.1

### Declaration

Acting Chief Executive Officer – David Rae

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

Manager Planning and Building Services – Aaron Moyne

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

### Summary

This report is to brief Council on matters arising from the exhibition of Corangamite Planning Scheme Amendment C44. Amendment C44 proposes to:

- Reduce ‘red tape’ in the Corangamite Planning Scheme by refining and reducing the triggers for planning permit applications; and
- Correct zone and overlay mapping anomalies.

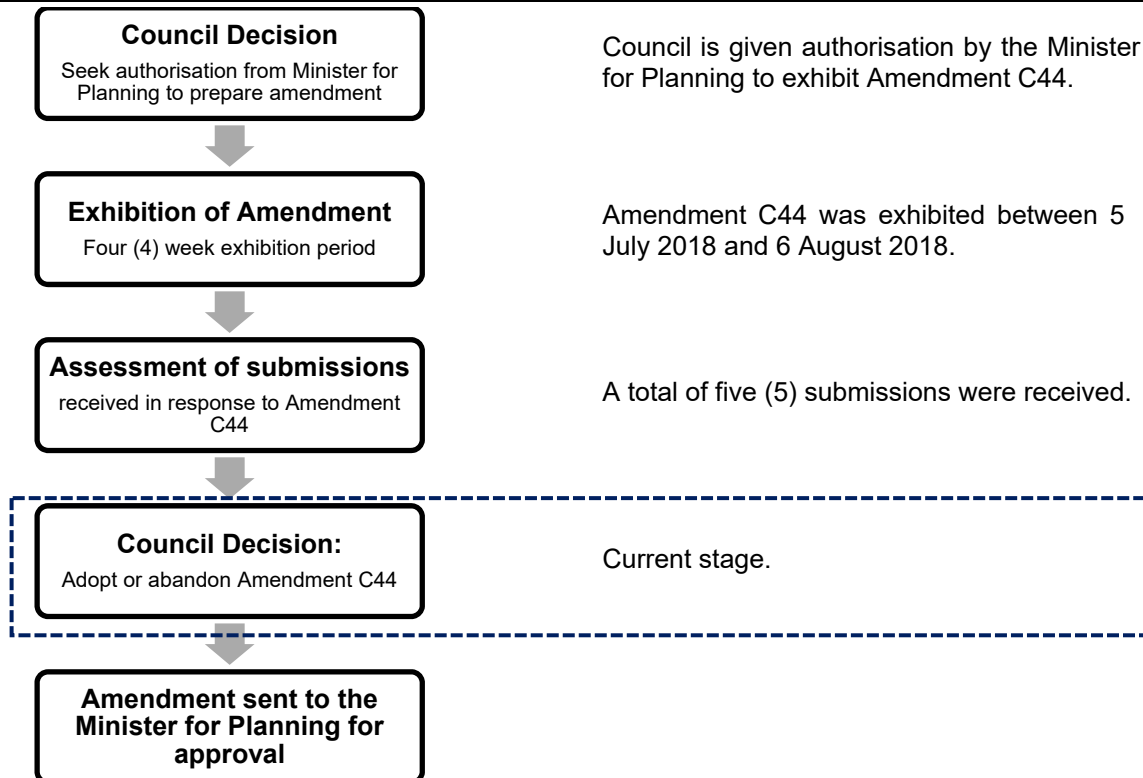
This report recommends Council resolves to:

- Adopt Corangamite Planning Scheme Amendment C44 with changes; and
- Submit Corangamite Planning Scheme Amendment C44 to the Minister for Planning for approval.

### Introduction

Corangamite Planning Scheme Amendment C44 proposes to implement a key recommendation from the recent Planning Scheme Review (2018), which sought to reduce ‘red tape’ and facilitate development within Corangamite Shire Council.

The following flowchart (overleaf) provides a chronology of the amendment process:



**Figure 1. CORANGAMITE PLANNING SCHEME AMENDMENT C44 FLOWCHART**

Amendment C44 proposes to reduce ‘red tape’ and facilitate orderly development on public and private land by:

**1. Increasing the number of ‘VicSmart’ eligible planning permit application classes**

This initiative is expected to benefit over 20 customers per year and will save customers approximately \$1073.60 per application. It may also result in additional customers and investment being attracted to the Shire through the offering of lower permit costs and expedited planning permit application decisions.

The changes to incorporate additional VicSmart application classes are described in detail in Appendix 1 - Amendment Documentation.

**2. Introducing planning permit exemptions for buildings and outbuildings in the Farming Zone and Low Density Residential Zone.**

This initiative is expected to benefit over 25 customers per year and will save customers between \$192 and \$412.40 per application. It may also result in additional customers and investment being attracted to the Shire through the offering of lower permits costs.

The proposed changes to the Farming Zone and Low Density Residential Zone are described in detail in Appendix 1 - Amendment Documentation.

### **3. Making corrections to zone and overlay maps.**

This initiative will allow public authorities to use and develop public land more expeditiously. It will also remove impediments to the improvement of private land caused by the current zoning regime.

The changes to land affected by zoning and overlay anomalies are described in detail in Appendix 1 - Amendment Documentation.

#### **Issues**

##### ***Submissions***

Five (5) submissions were received during the exhibition period. All submissions are in support of the Amendment. Only one (1) submission (Department of Environment, Land, Water and Planning) has resulted in requested changes to the exhibited amendment. The changes pertain to two land parcels which were erroneously identified as public land in the exhibited amendment documentation.

A summary of all submissions and Council Officer responses is outlined in Appendix 2 - Summary of Submissions.

##### ***Amendment VC148***

On 31 July 2018, the Minister for Planning implemented reforms to all planning schemes in Victoria. These reforms introduced a new Planning Policy Framework (previously referred to as the State Planning Policy Framework), new structure for the Municipal Planning Strategy (previously referred to as the Municipal Strategic Statement) and a number of changes to zones, overlays and particular provisions (including 'VicSmart' provisions).

Administrative changes are recommended to Amendment C44 to align with the recent implementation of VC148. The amendment (Appendix 1 - Amendment Documentation) has been redrafted to conform with VC148.

##### **Policy and Legislative Context**

Amendment C44 helps to implement the objectives under section 4 of the *Planning and Environment Act 1987*, which specifically provide for the orderly development of land and protection of natural and man-made resources.

##### **Internal / External Consultation**

Individual notification was given to prescribed Ministers, landowners and occupiers of affected land. Notice of the Amendment appeared in the State Government Gazette and local newspapers. The amendment documentation was also placed on Council's website, Council offices, and the website of the Department of Environment, Land, Water and Planning.

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

All statutory fees to undertake Amendment C44 are covered by the 2018-2019 operational budget. The amendment will provide a more accurate and agile planning scheme and will reduce administrative resources spent on assessing planning permit applications.

### Options

The options open to Council are to:

1. Abandon Amendment C44 (not recommended).
2. Adopt Amendment C44 with changes (as requested in submissions) and request the Minister for Planning approve the amendment (recommended option).
3. Refer submissions to a panel appointed by the Minister for Planning (not recommended).

### Conclusion

Amendment C44 to the Corangamite Planning Scheme seeks to reduce planning “red tape”, where the planning permit process adds little value to the use and development of land, or where the process can be simplified or streamlined. On this basis, it is recommended that Council adopts Amendment C44 with changes and resolve to submit the amendment documentation to the Minister for Planning for approval.

### RECOMMENDATION

That Council:

1. **Having considered submissions, pursuant to Section 23 (1) of the Planning and Environment Act 1987, changes Corangamite Planning Scheme Amendment C44 to:**
  - (a) **Makes administrative changes to reflect recent approval of VC148;**
  - (b) **Removes Parish of Cooriejong, Section 2 Crown Allotment 7 Title Plan 901123; and**
  - (c) **Removes Parish of Cooriejong, Section 2 Crown Allotment 6 Title Plan 708851P.**
2. **Adopts Amendment C44 to the Corangamite Planning Scheme with changes, in accordance with Section 29 of the Planning and Environment Act 1987.**
3. **Submits adopted Amendment C44 to the Minister for Planning for approval in accordance with Section 31 of the Planning and Environment Act 1987.**

### COUNCIL RESOLUTION

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

**That the recommendation be adopted.**

**CARRIED**

### Attachments

1. Amendment Documentation C44 - Under Separate Cover
2. Summary of Submissions C44

## ATTACHMENT 2 - SUMMARY OF SUBMISSIONS

TABLE 1. SUMMARY OF SUBMISSIONS

Submission No.	Submitter	Subject Land	Submission Summary	Officer Recommendation/Response
1	<b>Victorian Commission for Gambling and Liquor Regulation</b>	Not applicable.	The Victorian Commission for Gambling and Liquor Regulation submission offers no objection or comment on Planning Scheme Amendment C44.	Submission acknowledged. No changes are required to the amendment in response to this submission.
2	<b>Country Fire Authority</b>	Not applicable.	The Country Fire Authority (CFA) assessed the amendment as having no implications on bushfire and/or service delivery for the CFA.	Submission acknowledged. No changes are required to the amendment in response to this submission.
3	<b>Department of Environment, Land, Water and Planning</b>	Various crown land parcels.	The Department of Environment, Land, Water and Planning (DELWP) commented on the submission as follows: <ul style="list-style-type: none"> <li>- supported fifteen (15) of the sixteen (16) crown land correctional rezonings to planning scheme maps.</li> <li>- partially supported the remaining one (1) crown land correctional rezoning to planning scheme maps. On this matter, the department did not support the rezoning of private land identified within this correctional rezoning from the Farming Zone to the Public Park and Recreation Zone. The private lands are identified by their relevant title details, below: <ul style="list-style-type: none"> <li>• Parish of Corriejong, Section 2 Crown Allotment 7 Title Plan 901123; and</li> <li>• Parish of Cooriejong, Section 2 Crown Allotment 6 Title Plan 708851P.</li> </ul> </li> <li>- supported changes to planning scheme maps to align the Vegetation Protection Overlay (Schedule 2) mapping with the extent of land in the Road Zone Category 1.</li> </ul>	The following properties will be removed from rezoning maps to be lodged with DELWP for approval by the Minister for Planning: <ul style="list-style-type: none"> <li>- Parish of Cooriejong, Section 2 Crown Allotment 7 Title Plan 901123; and</li> <li>- Parish of Cooriejong, Section 2 Crown Allotment 6 Title Plan 708851P.</li> </ul> The above parcels should remain in the Farming Zone to reflect their status as privately owned land in 'fee simple'.
4	<b>Wannon Water</b>	Land within the Low Density Residential Zone.	Wannon Water offered no objection to the amendment and sought to clarify whether Council had other mechanisms to ensure that new buildings would not encroach on existing waste water envelopes.  Following consultation with Wannon Water representatives, Wannon Water acknowledged that there were other suitable mechanisms to manage the risk of buildings encroaching on existing waste water envelopes.	Officers engaged directly with Wannon Water representatives to resolve their concerns regarding the potential for new buildings not requiring a planning permit to encroach on waste water envelopes.  No changes are required to the amendment in response to this submission.
5	<b>VicRoads</b>	Not applicable.	The VicRoads submission offers no objection or comment on Planning Scheme Amendment C44.	Submission acknowledged. No changes are required to the amendment in response to this submission.



## 8. OFFICERS' REPORTS

### 8.1 Procurement Policy Review 2018-2019

**Author:** Adam Taylor, Manager Finance

**File No:** D18/377

**Previous Council Reference:**

#### **Declaration**

Acting Chief Executive Officer – David Rae

In providing this advice to Council as the Acting 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**

Council is required to annually review its Procurement Policy under the *Local Government Act 1989* (the Act). The Policy has been reviewed and is recommended for approval.

#### **Introduction**

Council's Procurement Policy is an important control for ensuring procurement practices are delivered consistently and in a manner that demonstrates good practice and accountability. The Policy is also important for establishing the standards required for operating in an ethical manner free of conflicts of interests and is binding on Councillors, Council officers, contractors and others involved in procurement activities undertaken by Council.

#### **Issues**

Section 186A of the *Local Government Act 1989* (the Act) requires Council, at least once in each financial year, to review its procurement policy and amend it if appropriate. The Act also requires Council to comply with its procurement policy.

A procurement policy defines the principles, processes and procedures that will apply to all purchases of goods, services and works by Council. The purpose of Council's Procurement Policy is to:

- Provide policy and guidance to Council to allow consistency and control over procurement activities
- Demonstrate accountability to rate payers
- Provide guidance on ethical behaviour in public sector purchasing
- Demonstrate the application of elements of best practice in purchasing
- Increase the probability of obtaining the best value outcome when purchasing goods and services.

The Policy also defines the delegation limitations within which Council staff are permitted to undertake procurement activities. Delegation of procurement authority allows Council staff to approve purchases, quotation, tender and contractual processes without prior referral to Council. This enables Council to conduct procurement activities in an efficient manner whilst maintaining transparency and integrity. The Policy also provides minimum spend thresholds for obtaining quotations and reflects the relevant tender thresholds according to the *Local Government Act 1989*.

Last financial year Council made significant changes to the policy after a comprehensive review by Council's internal auditor Crowe Horwath. Accordingly there are only minor changes being proposed to the delegation limits (Attachment 2) which are a result of staff restructures and fire recovery positions.

As a result of the review by the audit committee it was decided to amend section 3.5, Support for Local Business, to clarify the process in applying the 5% weighting.

### **Policy and Legislative Context**

The annual review of the Procurement Policy is in accordance with the following 2017-2021 Council Plan commitments:

We are committed to ensuring the ethical behaviour of Councillors and staff, maintaining good governance and remaining financially sustainable.

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

Council will make budgetary decisions that ensures Council remains in a strong financial position now and into the future.

Council will deliver value for money by ensuring that services are required and delivered efficiently and sustainably.

Achieve improved efficiencies through shared services, innovative practices and joint procurement.

Under the *Local Government Act 1989* Council is also required to review its Procurement Policy at least once every financial year. It requires approval of Council.

The Audit Committee, in accordance with its Annual Work Plan, considered the draft revised policy on 13 September 2018.

### **Internal/External Consultation**

The Manager Finance and Contracts Administration Co-ordinator have reviewed the Policy. Council's Leadership Group was also engaged and contributed to the review. The revised Policy and proposed changes were discussed with Council at a briefing in September 2018, where additional input was also received. The draft Policy was considered by Council's Audit Committee on 13 September 2018.

### **Financial and Resource Implications**

The proposed amendments will not have any significant financial or resource implications.

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**Conclusion**

Council made significant changes to the Procurement Policy in the last financial year following a review from the internal auditor. There are only minor changes proposed in the updated policy. Council is required to approve the revised Policy.

**RECOMMENDATION**

**That Council:**

- 1. Revokes the previous Procurement Policy dated February 2018.**
- 2. Adopts the Procurement Policy dated September 2018.**

**COUNCIL RESOLUTION**

***MOVED: Cr Trotter***  
***SECONDED: Cr Durant***

**That the recommendation be adopted.**

**CARRIED**

**Attachments**

1. Policy Procurement Policy September 2018 DRAFT (tracked changes) - Under Separate Cover
2. Council Policy Procurement - September 2018



**CORANGAMITE  
SHIRE**

# Procurement Policy

**Corangamite Shire**

September 2018

# Council Policy



## Procurement Policy

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## 1 Principles

### 1.1 Background

Corangamite Shire Council recognises that developing a procurement policy and adopting appropriate best practice contracting and procurement principles, policies, processes and procedures for all goods, services and works by Council, will enhance achievement of Council objectives such as bottom-line cost savings, giving the opportunity to support local economies, achieving innovation, better services for communities and sustainable procurement.

The elements of best practice applicable to local government procurement incorporate:

- broad principles covering ethics, value for money, responsibilities and accountabilities;
- guidelines giving effect to those principles;
- a system of delegations (i.e. the authorisation of officers to approve and undertake a range of functions in the procurement process);
- procurement processes, with appropriate procedures covering minor, simple procurement to high value, more complex procurement; and,
- a professional approach.

Best practice procurement requires that Council's contracting, purchasing and contract management activities:

- support Council's corporate strategies, aims and objectives including, but not limited to those related to sustainability, protection of the environment, and corporate social responsibility;
- span the whole life cycle of an acquisition from initial concept to the end of the useful life of an asset, including its disposal, or the end of a service contract;
- achieve value for money and quality in the acquisition of goods, services and works by Council;
- can demonstrate that public money has been well spent;
- are conducted, and are seen to be conducted, in an impartial, fair and ethical manner;
- seek continual improvement including the embrace of innovative and technological initiatives such as electronic tendering processes to reduce activity cost; and,
- generate and support business in the local community.

### 1.2 Scope

This Procurement Policy is made under Section 186a of the Local Government Act 1989.

This section of the Act requires Council to prepare, approve and comply with a Procurement policy encompassing the principles, processes and procedures applied to all purchases of goods, services and works by Council.

This policy applies to all contracting and procurement activities at Council and is binding upon Councillors, Council officers and temporary employees, contractors and consultants whilst engaged by Council.

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This policy does not apply to investment of Council funds which are not considered to be purchases of “goods, services or works” pursuant to Section 186A of the Act. Investments are made under Council’s Investment Policy and comply with Section 143 of the Act.

### 1.3 Purpose

The purpose of this Policy is to:

- provide policy and guidance to Council to allow consistency and control over procurement activities;
- demonstrate accountability to rate payers;
- provide guidance on ethical behaviour in public sector purchasing;
- demonstrate the application of elements of best practice in purchasing; and,
- increase the probability of obtaining the best value outcome when purchasing goods and services.

### 1.4 Treatment of GST

All monetary values stated in this policy include GST.

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## 1.5 Definitions and Abbreviations

Term	Definition
<b>Act</b>	<b>Local Government Act 1989.</b>
<b>Commercial in Confidence</b>	Information that, if released, may prejudice the business dealings of a party. For example, prices, discounts, rebates, profits, methodologies or process information.
<b>Contract Management</b>	The process that ensures both parties to a contract fully meet their respective obligations as efficiently and effectively as possible, in order to deliver the business and operational objectives required from the contract and in particular to provide value for money.
<b>Council Staff</b>	Includes full-time and part-time Council officers, and temporary employees, contractors and consultants while engaged by Council.
<b>Probity</b>	A Procurement process that conforms to the expected standards of probity is one in which clear procedures that are consistent with Council's policies and legislation are established, understood and followed from the outset. These procedures need to consider the legitimate interests of suppliers and ensure that all potential suppliers are treated equitably.
<b>Standing Offer Arrangements (SOA)</b>	A contract that sets out rates for goods and services which are available for the term of the agreement. However, no commitment is made under the agreement to purchase a specified value or quantity of goods or services.
<b>Sustainability</b>	Activities that meet the needs of the present without compromising the ability of future generations to meet their needs.

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<b>Procurement</b>	Procurement is the whole process of acquisition of external goods, services and works. This process spans the whole life cycle from initial concept through to the end of the useful life of an asset (including disposal) or the end of a service contract.
<b>Tender Process</b>	The process of inviting parties to submit a quotation by tender using public advertisement, followed by evaluation of submissions and selection of a successful bidder or tenderer.
<b>Value for money</b>	Value for money in Procurement is about selecting the supply of goods, services and works taking into account both cost and non-cost factors including: <ul style="list-style-type: none"><li>- contribution to the advancement of Council's priorities;</li><li>- non-cost factors such as fitness for purpose, quality, service and support; and</li><li>- cost-related factors including whole-of-life costs and transaction costs associated with acquiring, using, holding, maintaining and disposing of the goods, services or works.</li></ul>

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## 2 Effective Legislation and Policy Compliance and Control

### 2.1 Ethics and Probity

#### 2.1.1 Requirement

Council's procurement activities shall be performed with integrity and in a manner able to withstand the closest possible scrutiny.

#### 2.1.2 Conduct of Councillors and Staff

##### 2.1.2.1 General

Councillors and Council staff shall at all times conduct themselves in ways that are, and are seen to be, ethical and of the highest integrity and will:

- treat potential and existing suppliers with equality and fairness;
- not seek or receive personal gain;
- maintain confidentiality of Commercial in Confidence information;
- present the highest standards of professionalism and probity;
- deal with suppliers in an honest and impartial manner;
- provide all suppliers and tenderers with the same information and equal opportunity;
- and,
- be able to account for all decisions.

Council staff who are accountable for, responsible for managing or supervising contracts are prohibited from performing any works under the contract they are supervising.

##### 2.1.2.2 Members of Professional Bodies

Councillors and Council staff belonging to professional organisations shall, in addition to the obligations detailed in this policy, ensure that they adhere to any code of ethics or professional standards required by that body.

#### 2.1.3 Tender Processes

All tender processes shall be conducted in accordance with the requirements of this policy, applicable procedures and guidelines, relevant Australian Standards and the Act. Late tenders will not be considered and will be disqualified.

#### 2.1.4 Conflict of Interest

Councillors and Council staff shall at all times avoid situations in which private interests conflict, or might reasonably be thought to conflict, or have the potential to conflict, with their Council duties.

Councillors and Council staff are subject to conflict of interest provisions in:

- The Act: [Division 1A - Conduct and Interests](#);
- [Conflict of Interest in Local Government – October 2011](#) guidelines;
- Councillor Code of Conduct; and,
- Staff Code of Conduct.

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Councillors and Council staff must refrain from procurement activities where they have a conflict of interest. Where a conflict exists this must be declared to the Chief Executive Officer and the Councillor and/or Council staff member must excuse themselves from participating in the associated procurement activity.

Councillors, Council staff and third party individuals involved in the evaluation of technical assessments, whether or not as part of an evaluation panel, associated with Quotations or Tenders must declare they do not have a conflict of interest. This must be certified by the Chief Executive Officer or Director Corporate and Community Services.

**2.1.5 Fair and Honest Dealing**

All prospective contractors and suppliers must be afforded an equal opportunity to tender or quote.

Impartiality must be maintained throughout the procurement process so it can withstand public scrutiny.

The commercial interests of existing and potential suppliers must be protected.

Confidentiality of information provided by existing and prospective suppliers must be maintained at all times, particularly commercially sensitive material such as, but not limited to prices, discounts, rebates, profit, manufacturing and product information.

In-house bids (tenders) are not permitted for tenders.

**2.1.6 Accountability and Transparency**

Accountability in procurement means being able to explain and provide evidence of the process followed. The test of accountability is that an independent third party must be able to see clearly that a process has been followed and that the process is fair and reasonable.

The processes by which all procurement activities are conducted will be in accordance with Council's procurement policies and procedures as set out in this policy and related, relevant Council policies and procedures.

Additionally:

- all Council staff must be able to account for all procurement decisions made over the lifecycle of all goods, services and works purchased by Council and provide feedback on them; and,
- all procurement activities are to provide for an audit trail for monitoring and reporting purposes.

**2.1.7 Disclosure of Information**

Commercial in-confidence information received by Council must not be disclosed and is to be stored in a secure location.

Councillors and Council staff are to protect, by refusing to release or discuss the following:

- information disclosed by organisations in tenders, quotation or during tender negotiations;

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- all information that is Commercial in Confidence information; and
- pre-contract information including but not limited to information provided in quotes and tenders or subsequently provided in pre-contract negotiations.
- Councillors and Council staff are to avoid references to current or proposed contracts in discussion with acquaintances or outside interests.

Details of the winning price will be released to improve the tender and quotation process and value for money. This will be done with the following conditions:

winning price will only be disclosed to unsuccessful tenderers upon request. Discussion with potential suppliers during tender evaluations should not go beyond the extent necessary to resolve doubt on what is being offered by that supplier.

At no stage should any discussion be entered into which could have potential contractual implications prior to the contract approval process being finalised other than authorized pre-contract negotiations.

## 2.2 Governance

### 2.2.1 Structure

The CEO is accountable for organisational procurement.

Management of the procurement policy is the responsibility of the Director of Corporate and Community Services.

Implementation of the policy throughout departments is the responsibility of the respective Director.

The Contracts Administration Officer is responsible for ensuring probity in procurement and monitoring and reporting against the procurement policy.

Council's procurement structure:

- is flexible enough to purchase in a timely manner the diverse range of material, goods, works and services required by Council;
- ensures that prospective contractors and suppliers are afforded an equal opportunity to tender/quote;
- encourages competition; and,
- is communicated to and implemented by all Councillors and Council staff.

Delegated officers are responsible for application of the policy in their respective areas.

### 2.2.2 Standards

Council's procurement activities shall be carried out to the professional standards required by best practice and in compliance with:

- The Local Government Act 1989;
- Council's Credit Card Policy;
- Contract Management Manual;
- Councillor Code of Conduct

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- Code of Conduct for Staff; and,
- Other relevant legislative requirements such as but not limited to the Trade Practices Act, Goods Act and the Environmental Protection Act.

### 2.2.3 Methods

Council's standard methods for purchasing goods, services and works shall be by:

- corporate credit card;
- purchase order following a quotation process from suppliers for goods or services that represent best value for money under directed quotation thresholds;
- under contract following a tender process; or,
- using aggregated purchasing arrangements with other Councils, MAV Procurement, Victorian Government, or other bodies.

### 2.2.4 Exemptions from purchases requiring a purchase order

Some purchases do not require a purchase order to be provided. These exceptions are contained within attachment three.

Other arrangements can only be authorised by Council or the CEO under emergency circumstances, as defined in the Act.

Council may, at its discretion and based on the complexity and cost of the project, conduct one stage or multi-stage tenders.

Typically a multi-stage tender process will commence with a registration of interest stage followed by a tender process involving the organisations selected as a consequence of the registration of interest stage.

Registrations of interest (ROI) may be appropriate where:

- the requirement is complex, difficult to define, unknown or unclear;
- the requirement is capable of several technical solutions;
- Council wishes to consider ahead of a formal tender processes such issues as whether those tendering possess the necessary technical, managerial and financial resources to successfully complete the project;
- tendering costs are likely to be high and Council seeks to ensure that companies incapable of supplying the requirement don't incur unnecessary expense;
- it is necessary to pre-qualify suppliers and goods to meet defined standards; or,
- the requirement is generally known but there is still considerable analysis, evaluation and clarification required (both of the objective and the solution).

Additionally, Council may run sequential tenders, the first to solicit solutions, the second to compete to provide the solution selected by Council. Such sequential tenders may or may not be preceded by the registration of interest phase as required by Council based on the actual needs of the project.

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**2.2.5 Responsible Financial Management**

The principle of responsible financial management shall be applied to all procurement activities.

Accordingly, to give effect to this principle, the availability of existing funds within an approved budget, or source of funds, shall be established prior to the commencement of any procurement action for the supply of goods, services or works.

This policy applies to all Council expenditure, with the exception of grant monies for and on behalf of community groups (refer to section 2.3.2.5).

Self-authorized purchase orders within delegation and to maximum value of \$5,000, including GST, is permissible. Amounts exceeding \$5,000, including GST, will need to be referred to a higher authority for authorisation.

**2.3 Procurement Thresholds and Competition**

**2.3.1 Requirement**

Council will publish in this policy clear guidelines for minimum spend competition thresholds. These will be decided by Council by analysing the historical size and complexity of the procurement activity and of proposed procurement activities.

**2.3.2 Minimum Spend Competition Thresholds**

**2.3.2.1 Tenders**

Purchase of all goods and services for which the estimated expenditure exceeds the following amounts must be undertaken by public tender as per the thresholds contained in the Act:

- \$150,000 for all purchases, except building and construction works; and,
- \$200,000 for building and construction works.

Should the CEO, or their delegate, consider that the nature of the requirement and the characteristics of the market are such that the public tender process would lead to a better result for Council, public tenders may be called for purchase of goods, services and works for which the estimated expenditure is below these thresholds, having regard to best value principles.

The tendering process should comprise the following:

Obtain appropriate approval to tender for Goods/Services from Director
Develop a service specification that accurately and clearly defines the service requirements. This also needs to include the criteria by which tenders will be evaluated, including weightings. A strategic procurement plan, based on the Local Government Victoria template, must be completed for procurement amounts, excluding Schedule of Rates contracts, expected to be equal to or greater than \$500,000 prior to advertisement.

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<p>Prepare tender documentation that includes:</p> <ul style="list-style-type: none"> <li>• Invitation to tender;</li> <li>• Information to tenderers;</li> <li>• Schedules for the tenderers to complete;</li> <li>• Specification;</li> <li>• Contract Documentation, including drawings maps etc</li> </ul>
<p>Advertise inviting tenders in newspapers circulating throughout the municipality</p>
<p>If necessary conduct a pre-tender briefing</p>
<p>Close tenders on advertised date</p>
<p>Arrange a meeting of the Technical Evaluation Panel (at least 3 people), with at least one independent member to the Department undertaking the procurement and preferably a representative from the Finance Department. Where the panel does not contain representation from the Finance Department the technical evaluation must be independently reviewed by the Finance Department.</p>
<p>Assess against evaluation criteria</p>
<p>Prepare Technical Evaluation Report recording evaluation of tenders received; date and time of Technical Evaluation Panel Meeting. Members of the Panel should sign off on the final report. The Technical Evaluation Report is also a minuted record of the evaluation panel and should contained additional information as appropriate.</p>
<p>Select preferred tenderer and commence negotiations to clarify any uncertainties. Prepare appropriate Council report, attaching Technical Evaluation Report.</p>
<p>Formalize and award contract with service provider, once approved by Council.</p>

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### 2.3.2.2 Quotation and Tender Thresholds

Purchase of goods, services having a total \$150,000 or less (building and construction works having a total of \$200,000 or less) may be undertaken using the procurement by quotation method as described below. A purchase order should be raised and forwarded to the supplier at the time of purchase/award of the works/services unless exempted by this Policy.

- **Items with a value up to \$5,000.00**

A quotation may be obtained before placing an order.

If more than one supplier has quoted all quotations should be documented.

- **Items with a value of \$5,001 up to \$10,000**

One written quotation must be obtained before placing an order.

Verbal quotations are not acceptable.

- **Items with a value of \$10,001 up to \$150,000 (\$200,000 building and construction works)**

Council's Officer must seek minimum of three written quotations before placing an order.

The quotation offering the best value for money must be confirmed by the supplier in writing and the order placed with that firm. If there is a difference of more than 10% between the lowest quotation and the recommended quotation, this procurement must be approved by a Director/CEO.

Once the three quotation process is undertaken, the Officer will then enter the quotation information into TechOne and then seek approval in accordance with the relevant Officer's purchasing limits under delegation.

Verbal quotations are not acceptable.

- **Items with a value of \$150,000 and over (\$200,000 and over for building and construction works).**

A full public tender must be conducted before placing an order.

Public advertising of works is required.

The use of public advertising may be applied to items with a value up to \$150,000 (\$200,000 building and construction works) at the CEO's, or delegated officer's, discretion. This may occur when a field of potential tenderers has not been established, or an innovative approach is required, or the project has broad appeal that may attract keen prices.

Where Council appoints a tendering agent in accordance with Section 186 of the Local Government Act, when the tendering process is completed on behalf of Council, that matter needs to be awarded in accordance with this policy.

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### 2.3.2.3 Procedural Exceptions

The situation may arise where the officer is unable to seek 3 quotations to satisfy the above requirements.

This may occur for a number of reasons. It may include where there are few suppliers for the goods, services or works being sought or the work is highly specialised or of an urgent nature.

In this case, approval from the CEO or relevant Director is required, prior to proceeding with the purchase. Records and supporting evidence must be kept for procedural exceptions.

A copy of approved procedural exceptions memos will be provided to Contracts Administration Officer for storing in Council's Enterprise Resource System.

Refer to Attachment 1 for Procedural Exceptions Memo.

### 2.3.2.4 Determining Value of Procurement

In order to determine whether a procurement exceeds the relevant procurement threshold, its value must be estimated at the start of the procurement process.

The value of a procurement must include:

- all forms of remuneration, including any premiums, fees, commissions, interest and other revenue streams that may be provided for in the final contract;
- all taxes and charges, including GST;
- the total maximum value of the property or services being procured, including the value of any options or extensions that may be provided for in the proposed contract; and,
- the total value of the proposed contract over the contracted term.

If it is anticipated that a procurement will be close to the relevant threshold, or if it is likely that the final value of a procurement may exceed the relevant threshold, it should be treated as if it exceeds the threshold

It is not permissible to divide a contract into separate smaller procurements to avoid the procurement thresholds. There shall be no splitting of purchase orders to avoid thresholds.

### 2.3.2.5 Dealing with Grant Monies

Where Council is disbursing grant monies directly to a Club or Community Group:

- There is no requirement to follow Council's procurement process or delegation limits. Compliance with good governance regarding purchasing is the responsibility of the Club or Community Group.
- The Club or Community Group will be required to provide an acquittal to account for the funds at the completion of the project.
- If a third party organisation is providing the funds and requiring Council to manage funds on behalf of Club or Community Group they be made aware of this section of Council's procurement policy.

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Where Council is paying for goods and services on behalf of a Club or Community Group:

- Council's procurement policy will apply in all circumstances.

#### **2.3.2.6 Collaborative Procurement**

Under Section 186 of the Local Government Act 1989, Council has the ability to authorise procurement agencies to act on its behalf to undertake collaborative procurement by way of public tender. There are two agencies that offer this service to Council, those being the Municipal Association of Victoria and Procurement Australia. Those agencies undertake the collaborative process to achieve the best outcomes for Councils, as its appointed agent.

The Minister for Local Government has granted an exemption to allow Councils to access all MAV and Procurement Australia contracts. When utilising Collaborative Procurement, all contracts must be awarded in accordance with Council's procurement thresholds and delegation of authority

#### **2.3.3 Requirement**

Delegations define the limitations within which Council staff are permitted to undertake procurement activities. Delegation of procurement authority allows Council staff to approve purchases, quotation, tender and contractual processes without prior referral to Council. This enables Council to conduct procurement activities in an efficient manner whilst maintaining transparency and integrity.

Procurement delegations ensure accountability and provide confidence to Council and the public that purchasing activities are dealt with at the appropriate level.

As such, Council has delegated responsibilities as detailed below relating to:

- the expenditure of funds for the purchase of goods, services and works;
- the acceptance of quotes and tenders; and,
- for Contract Management activities.

Refer to Attachment 2.

#### **2.3.4 Delegations**

##### **2.3.4.1 Council Staff**

Council shall maintain a documented scheme of procurement delegations, identifying Council staff authorised to make such procurement commitments in respect of goods, services and works on behalf of Council and their respective delegations contained in Financial Delegations policies:

- Acceptance of tenders
- Acceptance of quotes
- Contract term extensions (within authorised budget)
- Contract amendment (non-financial)
- Contract amendment (financial)
- Register of pre-qualified suppliers
- Credit Card purchases

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- Procedural exceptions

Staff may seek reimbursement for minor out of pocket expenses, including licenses, memberships, subscriptions, material expenses and pre- approved study and travel expenses. All approvals must be by their Manager or Director.

#### **2.3.4.2 Delegations Reserved for Council**

Commitments and processes which exceed the CEO's delegation and which must be approved by Council are:

- Signing and sealing of contract documents.
- Tender recommendations and contract approval for all expenditure over \$150,000 for goods and services (\$200,000 for building and construction works and which exceeds the CEO's delegation).
- Contract term extensions requiring additional budget.

### **2.4 Internal Controls**

Delegated officers involved in procurement will adhere to a framework of internal controls over procurement processes that will ensure:

- transparency in the procurement process;
- a clearly documented audit trail exists for procurement activities;
- appropriate authorisations are obtained and documented; and,
- systems are in place for appropriate monitoring and performance measurement.

### **2.5 Commercial Information**

Procurement activities will be carried out in a way that supports Council staff in meeting their obligations - to ensure information of a commercially sensitive or confidential nature is obtained, stored, processed, published (where applicable) in an appropriate manner in accordance with the relevant Council guidelines.

### **2.6 Risk Management**

#### **2.6.1 General**

Risk Management is to be appropriately applied at all stages of procurement activities which will be properly planned and carried out in a manner that will protect and enhance Council's capability to prevent, withstand and recover from interruption to the supply of goods, services and works.

#### **2.6.2 Occupational Health and Safety**

Health & Safety requirements throughout the lifecycle of the product or service being purchased shall be addressed prior to procurement in accordance with the Council Health & Safety Management System. Lifecycle includes usage of the plant/equipment or substance including maintenance and disposal. Reference should also be made to Council's Health & Safety Management System for additional requirements.

#### **2.6.3 Supply by Contract**

The provision of goods, services and works by contract or quotation potentially exposes Council to risk.

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Council will minimise its risk exposure by measures such as:

- standardising contracts to include current, relevant clauses;
- requiring security deposits where appropriate;
- referring specifications to relevant experts;
- requiring contractual agreement before allowing the commencement of work;
- use of or reference to relevant Australian Standards (or equivalent);
- effectively managing the contract including monitoring and enforcing performance;
- undertaking relevant financial checks of companies to ensure they are viable to undertake the contract; and,
- and obtaining copies of certificates of currency for relevant insurances.

## 2.7 Contract Terms

All contractual relationships must be documented in writing based on standard terms and conditions.

Where this is not possible, approval must be obtained from the appropriate member of Council staff listed in Council Delegations. A request for such an approval should be supported with procurement and legal advice as relevant.

Terms and conditions with a supplier must be settled in advance of any commitment being made. Any exceptions to doing this must be authorised by the appropriate member of Council staff listed in Council Delegations.

## 2.8 Endorsement

Council staff must not endorse any products or services. Individual requests received for endorsement must be referred to CEO or relevant Director.

## 2.9 Dispute Resolution

All Council contracts shall incorporate dispute management and alternative dispute resolution provisions, to minimise the risk to both parties of disputes leading to legal action.

## 2.10 Contract Management

The purpose of contract management is to ensure that Council, and where applicable its clients, receive the goods, services or works provided to the required standards of quality and quantity as intended by the contract by:

- establishing a system monitoring and achieving the responsibilities and obligations of both parties' under the contract;
- providing a means for the early recognition of issues and performance problems and the identification of solutions; and,
- adhering to Council's Risk Management Framework and adhering to relevant Occupational Health and Safety Contractor Compliance Procedures.

All Council contracts are to include contract management requirements in accordance with the Contract Management Manual. Furthermore, contracts are to be proactively managed by the member of Council staff responsible for the delivery of the contracted goods, services or works to ensure Council receives value for money.

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### **2.11 Purchase Order Variations**

Purchase order variations are permissible. However, the variation should be disclosed as a separate item on the purchase order.

### **2.12 Contract Variations**

Contract Variations should be pre-approved by Council at the time of awarding the original Contract, with CEO being authorised to approve amounts up to \$250,000. When awarding a variation, this should be approved according to officer delegation. Contract variations greater than \$250,000 will need to be approved by Council.

Where variations are awarded that are greater than 20% of the original contract sum, these will need to be reported to the Audit Committee annually.

### **2.13 CEO Additional Procurement Delegation**

The Chief Executive Officer has an additional delegation up to an amount of \$500,000 in relation to the following procurement activities:

- Payment of all Council insurances;
- Purchase of heavy fleet that has been approved through the annual budget and procured in accordance with this policy;
- Schedule of Rates contracts up to an anticipated amount not exceeding \$500,000 for the term of the contract. Prior to approving a Schedule of Rates contract the Director of Corporate and Community Services or Manager Finance must review the associated financial costings before consideration by the Chief Executive Officer.

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### **3 Demonstrated Sustained Value**

#### **3.1 Integration with Council Strategy**

Council procurement strategy shall support the Council Plan, aims and objectives, meeting the needs of the local community in the areas of:

- governance;
- prosperity;
- environment;
- community wellbeing;
- lifestyle; and,
- infrastructure.

#### **3.2 Achieving value for money**

##### **3.2.1 Requirement**

Council's procurement activities will be carried out on the basis of obtaining value for money.

This means minimising the total cost of ownership over the lifetime of the requirement consistent with acceptable quality, reliability and delivery considerations.

Lowest price is not the sole determinate of value for money.

In practice this means weighing up the benefits of the purchase against the cost of the purchase. Value for money factors needs to be specifically included in evaluation criteria and may include:

- fitness for purpose;
- maintenance and running costs over the lifetime of the product;
- the advantages of buying locally:
  - shorter delivery times;
  - local backup and servicing;
  - the availability of spare parts;
  - the contribution to the achievement of other government policy objectives, such as industry development and employment creation;
  - the potential for creating strategic partnerships and cooperative product development;
- quality assurance;
- risks;
- the capacity of the supplier;
- environmental considerations;
- energy conservation;
- ability to meet specified timelines; and,
- disposal value.

##### **3.2.2 Approach**

This will be facilitated by:

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- developing, implementing and managing procurement strategies that support the co-ordination and streamlining of activities throughout the lifecycle;
- effective use of competition;
- using aggregated contracts and SOA where appropriate;
- identifying and rectifying inefficiencies in procurement processes;
- developing cost efficient tender processes including appropriate use of e-solutions; and,
- Council staff responsible for providing procurement being acquired.

### 3.2.3 Role of Specifications

Specifications used in quotations, tenders and contracts are to support and contribute to Council's value for money objectives through being written in a manner that:

- ensures impartiality and objectivity;
- encourages the use of standard products;
- encourages sustainability;
- provides a clear understanding of the works required or goods to be supplied; and,
- eliminates unnecessarily stringent requirements.

## 3.3 Sustainability

### 3.3.1 General

Council is committed to achieving sustainability and ensuring it monitors and reports on Council activities and programs that have an impact on or contribute to the environment including but not limited to the following:

- waste management;
- recycling;
- energy management;
- emission management;
- water conservation;
- green building design; and,
- procurement.

### 3.3.2 Sustainable Procurement

Council is committed to adopting a Green Procurement approach by supporting the principles of sustainable procurement within the context of purchasing on a value for money basis.

Value for money purchasing decisions made by Council are made on the basis of whole-of-life cost and non-price factors including contribution to Council's sustainability objectives

Council prefers to purchase environmentally preferred products whenever they achieve the same function and value for money outcomes.

Council will therefore consider the following environmental sustainability criteria:

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- **Reduce, Reuse, and Recycle:**  
Council is committed to reduce resources, consumption and minimise waste during the procurement life cycle including:
  - Council shall encourage and prefer Eco-friendly products which are more power efficient.
  - Selecting energy, fuel and water efficient products (ideally Energy and Water Star Ratings of 4 Star and above, and the highest Green Vehicle Guide star rating)
  - Council shall prefer to purchase from a source which is less polluting or uses clean technology
  - Council's procurement projects should automatically consider the provision of re-usable products and recycling as part of the project planning process, including the consideration of whole-life costs and disposal considerations.
- **Buy Recycled:**  
Council is committed to buy recycled/part recycled products to optimise consumption and stimulate demand for recycled products, promoting the collection and reprocessing of waste and working towards zero discharge to landfill.
- **Green the Supply Chain:**  
Council will encourage suppliers to adopt good environmental practices. Council will promote green procurement throughout its supply chain and will give preference to selection which has minimum environmental impact.

### 3.4 Diversity

Promoting equality through procurement can improve competition, value for money, the quality of public services, satisfaction among users, and community relations.

Diversity should be a consideration in every procurement project and reflect corporate commitment to diversity and equal opportunities.

The Victorian Charter of Human Rights will be considered as part of the procurement process. Successful suppliers will be asked to show compliance with the Charter.

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### **3.5 Support of Local Business**

Council is committed to buying from local business where such purchases may be justified on value for money grounds.

In the evaluation of all public tenders a 5% weighting shall be given to suppliers who demonstrate how they intend to support local suppliers, contractors and services.

This condition is mandatory for all public tenders. It should be considered as a criterion for quotes.

Local is defined as within the Corangamite Shire.

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## **4 Apply a Consistent and Sustained Approach**

### **4.1 Standard Processes**

Council will provide effective commercial arrangements covering standard products and provision of standard services across Council to enable employees to source requirements in an efficient manner.

This will be achieved via establishing the following:

- pricing where relevant;
- processes, procedures and techniques;
- tools and business systems (e.g. implementing appropriate e-tendering, e-evaluation; e-catalogue or e-sourcing arrangements);
- reporting requirements; and,
- application of standard contract terms and conditions.

### **4.2 Management Information**

Council seeks to improve its' performance by capturing and analysing procurement management information in a variety of areas, including:

- volume of spend;
- number of transactions per supplier;
- supplier performance;
- user satisfaction;
- category management; and,
- green spend.

The Contracts Administration Officer will complete desktop audits of organisational purchasing. Reports will be provided to the Senior Officer Group monthly including information on:

- dollar value by supplier;
- if purchasing process is compliant , requires investigation, non-compliant or is a procedural exemption;
- purchases without purchase orders; and
- purchases from suppliers approaching tender thresholds,
- all approved procedural exemptions.

An annual compliance report will be provided to Council's Audit Committee on the following matters:

- the value of total procurement by Council; and
- The number of non-compliant purchases including:
  - the number of purchases with and without purchase orders;
  - purchases from suppliers that exceeded tender thresholds; and
  - the number of approved procedural exemptions.

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## **5 Build and Maintain Supply Relationships**

### **5.1 Developing and Managing Suppliers**

Council recognises that in order to achieve value for money, a strategic assessment of the appropriate 'channel to market' should be undertaken – whether to go to market on its own, participate in regional or sector aggregated projects or panels, access State Government panel agreements or other means.

Council will consider supply arrangements that deliver the best value outcomes in terms of time, expertise, cost, value and outcome.

Council recognises the importance of effective and open working relationships with its suppliers and is committed to:

- managing existing suppliers, via the appropriate development programmes and performance measurements;
- developing new suppliers and improving the capability of existing suppliers where appropriate.

### **5.2 Supply Market Development**

A wide range of suppliers should be encouraged to compete for Council work. The focus for new work need not always be with the larger more familiar businesses. Other types of organisations offering business diversity include:

- Local businesses
- Green suppliers
- Small to medium sized enterprises (SME's)
- Social enterprises
- Ethnic and minority business

### **5.3 Relationship Management**

Council is committed to developing constructive long-term relationships with suppliers.

It is important that Council identifies its key suppliers so that its efforts are focused to best effect. Such areas may include:

- size of spend across Council;
- criticality of goods / services, to the delivery of Council's services;
- availability of substitutes; and,
- market share and strategic share of suppliers

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## **6 Continual Improvement**

Council is committed to continuous improvement and will review the procurement policy on an annual basis in line with the Act and to ensure that it continues to meet its wider strategic objectives.

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## **7 Policy Owner**

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

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Corangamite Shire Council Policy - Procurement

## Attachment 1- Procedural Exceptions Memo

Part of the goals of Corangamite's procurement policy is to:

- Achieve value for money and quality in the acquisition of goods, services and works by Council;
- demonstrate that public money has been well spent;
- procurements are conducted, and are seen to be conducted, in an impartial, fair and ethical manner.

There are limited circumstances in which there may be legitimate reasons compliance with the minimum spend competition thresholds are not met. This manifests itself by negotiation directly with suppliers without the prescribed competitive quotations or tender process.

The following factors provide guidance in identifying and documenting such circumstances:

1. Emergency – applies when there is extreme urgency brought about by events unforeseen by the organisation and the property or services cannot be obtained in time through an open tender or quotation process.
2. Sole Supplier / Insufficient Quotes – when it is clear beyond doubt that there are not sufficient suppliers to provide requisite quotes. Documentation of recent market testing and well defined specifications of the goods and services sought is required.
3. Scope Change – when there is unforeseen need to alter the scope of the project in a minor way and the cost of obtaining further quotations or retendering will outweigh the potential benefits.
4. Exceptionally Advantageous Time-limited Conditions – this includes unusual disposals by suppliers, unsolicited innovative proposals, liquidation, bankruptcy, or receivership and which are not routine purchases from regular suppliers.
5. Intellectual Property – where the property or services can only be supplied by a particular business and no other reasonable alternative or substitute exists, namely for a work of art; or to protect patent, copyright, or other exclusive right, proprietary information, software as some examples.
6. Absence of Competition – for technical reasons where products are limited by patents or licences. To be supported by comprehensive market research and demonstrated organisational benefits.
7. Support From Original Supplier – for additional property or services by the original supplier or authorised representative where a change in supplier would compel the agency to procure property or services that do not meet the requirements of compatibility with existing services. For example spare parts for vehicles and plant.

The following factors are not reasons that justify seeking a procedural exception:

- Completion of projects prior to end of financial year. Projects should be well planned to avoid end of year deadlines.
- Use of the "emergency" category should not substitute for good project planning.
- Desire to include only certain suppliers because of previous relationships.
- Working with and expending Council funds through a community group.

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Corangamite Shire Council Policy - Procurement



CORANGAMITE  
SHIRE

<b>To:</b>	Choose an item.
<b>From:</b>	Click here to enter Name, Title.
<b>CC:</b>	Contracts Administration Officer
<b>Date:</b>	Click here to enter a date.
<b>Topic:</b>	Click here to enter text.

Purpose

To seek an exemption from the Procurement Policy on the following grounds:

- 1. Emergency
- 2. Sole Supplier / Insufficient Quotes (document market testing)
- 3. Scope Change
- 4. Exceptionally Advantageous Time-limited Conditions
- 5. Intellectual Property
- 6. Absence of Competition
- 7. Support From Original Supplier

**Supplier:** Click here to enter text.

**Value:** Click here to enter text.

Approval for this exemption must be gained prior to the procurement being undertaken.

Background

Issue

Recommendation

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Prepared by:

Click here to enter Name, Title.

Click here to enter a date.

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Signature:

Approved by:

Choose an item.

Click here to enter a date.

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Signature:

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**Attachment 2 – Delegations**

Position Title	Purchasing Limit	Acceptance of Tenders	Acceptance of Quotes	Extensions Works Within Budget	Amendment - Non-financial	Amendment - Financial	Procedural Exceptions	Comments
Accountant	\$1,000	No	Yes	No	No	No	No	Term Deposits & EFT transfer authorisation up to \$2 million with a 2 <sup>nd</sup> authorisation
Accounting Officer	\$1,000	No	Yes	No	No	No	No	EFT transfer authorisation up to \$2 million with a 2nd authorisation.
Accounts Receivable Officer	\$1,000	No	Yes	No	No	No	No	Debt collection charges & EFT transfer authorisation up to \$2 million with a 2nd authorisation.
Administration Officer – Building and Planning	\$1,000	No	Yes	No	No	No	No	
Administration Officer – Community Services	\$1,000	No	Yes	No	No	No	No	
Administration Officer – Governance	\$2,000	No	Yes	No	No	No	No	
Administration Coordinator – Home and Community Care	\$1,000	No	Yes	No	No	No	No	
Administration Officer – Environment and Emergency	\$1,000	No	Yes	No	No	No	No	
Administration Coordinator - Works	\$10,000	No	Yes	No	No	No	No	\$50K for works awarded under tender and relevant to Works area
Administration Officer – Works	\$10,000	No	Yes	No	No	No	No	

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Administration Officer – Sustainable Development	\$1,000	No	No	No	No	No	No	No	No	No	
Aged and Disabled Services Coordinator	\$10,000	No	Yes	No	No	No	No	No	No	No	
Assessment Officer	\$1,000	No	Yes	No	No	No	No	No	No	No	
Assets Field Officer	\$1,000	No	Yes	No	No	No	No	No	No	No	
Assets/GIS Officer	\$1,000	No	Yes	No	No	No	No	No	No	No	
Carpenters	\$1,000	No	No	No	No	No	No	No	No	No	
Chief Executive Officer	\$250,000 or \$500,000	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Unlimited if approved by Council or in an emergency. Up to \$500,000 for procurement activity in accordance with clause 2.13 of this policy.
Communications Officer	\$10,000	No	Yes	No	No	No	No	No	No	No	
Community Care Respite Worker – Respite	\$1,000	No	No	No	No	No	No	No	No	No	
Contracts Administration Coordinator	\$10,000	No	Yes	Yes	Yes	Yes	No	No	No	No	
Community Relations Officer	\$1,000	No	Yes	No	No	No	No	No	No	No	
Community Development Officer	\$10,000	No	Yes	Yes	Yes	Yes	No	No	No	No	
Director Corporate and Community Services	\$75,000	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Term deposits & EFT transfer authorisation up to \$2 million with a 2nd authorisation
Director Sustainable Development	\$75,000	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Director Works and Services	\$75,000	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	

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Early Years Coordinator	\$10,000	No	Yes	No	No	No	No	No	No
Economic Development Officer	\$5,000	No	Yes	No	No	No	No	No	No
Emergency Management Officer	\$10,000	No	No	No	No	No	No	No	No
Engineer – Assets and Design	\$1,000	No	Yes	No	No	No	No	No	No
Engineer – Works	\$10,000	Yes	Yes	Yes	Yes	No	No	No	\$50K for works awarded under tender and relevant to Works Area
Environment Coordinator	\$10,000	No	Yes	Yes	Yes	No	No	No	
Environmental Health Officer	\$1,000	No	No	No	No	No	No	No	
Environment Officer	\$10,000	No	Yes	Yes	No	No	No	No	
Environment Project Officer	\$10,000	No	Yes	Yes	Yes	No	No	No	
Executive Services and Governance Co-ordinator	\$10,000	No	Yes	No	No	No	No	No	
Family Day Care Coordinator	\$5,000	No	Yes	Yes	Yes	No	No	No	
Fire Recovery Communications Officer	\$5,000	No	Yes	Yes	Yes	No	No	No	
Fire Recovery Project Officer	\$5,000	No	Yes	No	No	No	No	No	
Human Resource Officer	\$1,000	No	Yes	No	No	No	No	No	
Immunisation and Maternal & Child Health Coordinator	\$10,000	No	Yes	No	No	No	No	No	
Infrastructure Projects Officer	\$10,000	No	Yes	Yes	No	No	No	No	
IT Network Support Officer	\$10,000	No	Yes	Yes	Yes	No	No	No	
IT Officer	\$10,000	No	Yes	Yes	No	No	No	No	

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Kindergarten Educator	\$1,000	No	Yes	No	No	No	No	No	No	
Local Laws Officer	\$1,000	No	Yes	No	No	No	No	No	No	
Manager – Assets Planning	\$25,000	Yes	Yes	Yes	Yes	Yes	Yes	No	No	
Manager – Growth and Engagement	\$25,000	Yes	Yes	Yes	Yes	Yes	Yes	No	No	
Manager – Finance	\$25,000	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Term deposits & EFT transfer authorisation up to \$2 million with a 2nd authorisation. Payment of Fire Services Levies for all amounts due to the State Government are permitted.
Manager – Fire Recovery	\$25,000	Yes	Yes	Yes	Yes	Yes	Yes	No	No	
Manager – Human Resources and Risk	\$25,000	Yes	Yes	Yes	Yes	Yes	Yes	No	No	
Manager – Community Services	\$25,000	Yes	Yes	Yes	Yes	Yes	Yes	No	No	
Manager – Information	\$25,000	Yes	Yes	Yes	Yes	Yes	Yes	No	No	
Manager – Environment and Emergency	\$25,000	Yes	Yes	Yes	Yes	Yes	Yes	No	No	
Manager – Facilities and Recreation	\$25,000	Yes	Yes	Yes	Yes	Yes	Yes	No	No	
Manager – Planning and Building	\$25,000	Yes	Yes	Yes	Yes	Yes	Yes	No	No	
Manager – Works	\$25,000	Yes	Yes	Yes	Yes	Yes	Yes	No	No	
Manager – Works (Vehicle Purchases Only)	\$50,000	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Vehicle Purchases Only
Mechanic Plant Maintenance	\$2,000	No	No	No	No	No	No	No	No	

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Mobile Child Care Coordinator	\$10,000	No	Yes	No	No	No	No	No	No	
Municipal Building Surveyor	\$1,000	No	No	No	No	No	No	No	No	
Occupational Health and Safety Officer	\$1,000	No	Yes	No	No	No	No	No	No	
Parks and Gardens Co-ordinator	\$10,000	No	No	No	No	No	No	No	No	
Payroll Officer	\$2,000	No	Yes	Yes	Yes	No	No	No	No	Payroll related issues only & EFT transfer authorisation up to \$2 million with a 2nd authorisation
Plant Maintenance Co-ordinator	\$5,000	No	Yes	No	No	No	No	No	No	
Projects Support Officer	\$1,000	No	Yes	No	No	No	No	No	No	
Property Officer	\$10,000	No	Yes	No	No	No	No	No	No	
Rates Revenue Coordinator	\$10,000	No	Yes	No	No	No	No	No	No	Payment of Fire Services Levies for all amounts due to the State Government are permitted.
Records Coordinator	\$1,000	No	Yes	No	No	No	No	No	No	
Recreation Development Officer	\$5,000	No	Yes	Yes	Yes	No	No	No	No	
Risk Management Coordinator	\$1,000	No	Yes	No	No	No	No	No	No	
Statutory Planner	\$1,000	No	Yes	No	No	No	No	No	No	
Strategic System Analyst	\$5,000	No	Yes	No	No	No	No	No	No	
Store Clerk	\$10,000	No	Yes	Yes	Yes	No	No	No	No	
Team Leader – Building Works Officer	\$10,000	No	Yes	Yes	Yes	No	No	No	No	
Team Leader – Landfill	\$10,000	No	Yes	Yes	Yes	No	No	No	No	

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Team Leader – Parks and Gardens	\$10,000	No	Yes	Yes	Yes	No	No	
Team Leader – Plant Maintenance	\$10,000	No	Yes	Yes	Yes	No	No	
Team Leader – Plant Maintenance	\$50,000	No	Yes	Yes	Yes	No	No	Spare parts
Team Leader – Works	\$10,000	No	Yes	Yes	Yes	No	No	
Team Leader Assistant – Works	\$1,000	No	Yes	Yes	Yes	No	No	
Works Technical Support Officer	\$1,000	No	Yes	Yes	Yes	No	No	
Visitor Information Centre Coordinator	\$1,000	No	No	No	No	No	No	
Youth Development Officer	\$5,000	No	Yes	Yes	Yes	No	No	

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**Attachment 3 – Exemptions from purchase orders requirements.**

- Legal advice or legal services.
- Grants approved by Council.
- Sundry items for staff amenities, including water, milk and newspapers.
- Utility accounts such as power, gas and water.
- Audit services under contract
- Statutory payments such as EPA Levy and Fire Services Property Levy.
- Lease payments for equipment.
- Insurance Payments
- Fuel (on account)
- Australia Post
- Bank fees
- Annual subscriptions
- Memberships
- Waste collected from Council Landfill and to be disposed of by third parties

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## 8.2 Rates and Charges Collection and Hardship Policy

**Author:** Adam Taylor, Manager Finance

**File No:** D18/379

**Previous Council Reference:**

### **Declaration**

Acting Chief Executive Officer – David Rae

In providing this advice to Council as the Acting 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 recommends Council adopt the Rates and Charges Collection and Hardship Policy dated September 2018 (attached).

### **Introduction**

The Rates and Charges Collection and Hardship Policy is an existing policy.

The Rates and Charges Collection and Hardship Policy has been reviewed by Council officers to ensure that the policy still provides appropriate guidance to staff and ratepayers. Proposed amendments to the policy are discussed below.

### **Issues**

The Rates and Charges Collection and Hardship Policy contains administrative provisions for the collection of rates and charges and recovery of money owing to Council using efficient and effective methods of collection.

Council recognises there are cases of genuine financial hardship requiring respect and compassion in special circumstances. The Policy provides the guidelines for assessment of hardship application based on the principles of fairness, integrity, confidentiality and compliance with statutory requirements. It applies to all applications for waiving or deferring interest on debts raised through rates and charges, but not to waiving the whole or part of any rate or charge imposed annually.

Amendments to the policy include

- An interest waiver for an administrative error would be available only where this error is caused by Council (for example an interest waiver would not be available where a ratepayer pays to an incorrect BPay Account).
- Ensuring that CEO has the discretion to extend due dates and waive interest during a natural disaster (fire, flood etc).



### **Policy and Legislative Context**

Consideration of this report is in accordance with the following commitments in the 2017-2021 Council Plan:

We are committed to ensuring the ethical behaviour of Councillors and staff, maintaining good governance and remaining financially sustainable.

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

### **Internal / External Consultation**

The Rates and Charges Collection and Hardship Policy has been reviewed by the Finance Manager in conjunction with the Rate Revenue Coordinator.

### **Financial and Resource Implications**

Rates and Charges represent the majority of revenue for the Corangamite Shire and as such the timing of payments and granting of deferred payment or waivers has the ability to have large financial implications for Council. The Rates and Charges Collection and Hardship Policy will ensure Council's financial position and cashflow are not adversely affected by entering into arrangements with ratepayers who are not able to sufficiently prove hardship. The cost to administer the Policy will be undertaken with existing resources.

### **Options**

Councillors may choose to adopt the Rates and Charges Collection and Hardship Policy as presented with or without amendment. Alternately, Council may choose to not adopt the Policy.

### **Conclusion**

The Rates and Charges Collection and Hardship Policy is attached for Council's consideration and approval

## **RECOMMENDATION**

**That Council:**

- 1. Revokes the Rates and Charges Collection and Hardship Policy dated August 2016.**
- 2. Adopts the Rates and Charges Collection and Hardship Policy dated September 2018.**

### **COUNCIL RESOLUTION**

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

**That the recommendation be adopted.**

**CARRIED**

### **Attachments**

- 1. Council Policy Rates and Charges Collection and Hardship Sept 2018 - tracked changes - Under Separate Cover**
- 2. Council Policy Rates and Charges Collection and Hardship - September 2018**



**CORANGAMITE  
SHIRE**

# **Rates and Charges Collection and Hardship Policy**

**Corangamite Shire**

September 2018

# Council Policy



## Rates and Charges Collection and Hardship Policy

### Introduction

This policy contains administrative provisions for the collection of rates and charges and recovery of money owing to Council using efficient and effective methods of collection

Council recognises there are cases of genuine financial hardship requiring respect and compassion in special circumstances. This policy establishes the guidelines for assessment of hardship application based on the principles of fairness, integrity, confidentiality and compliance with statutory requirements. It applies to all applications for waiving or deferring interest on debts raised through rates and charges, but not to waiving the whole or part of any rate or charge imposed annually.

### Purpose

The purpose of this policy is to provide a framework for the efficient and effective administration and collection of outstanding rates and charges (including Fire Services Property Levy) whilst treating all ratepayers respectfully, fairly and consistently, and to fulfil statutory requirements in relation to the collection of rates and charge. In this regard the Policy provides:

- Guidance to ratepayers suffering financial hardship.
- Clearly defined options for decisions to be made in accordance with Sections 170 and 171A of the Local Government Act 1989

### Scope

This policy applies to Council employees authorised with the responsibility of raising and collecting Council's rates and charges.

### Definitions

In this Policy the definition of terms used has the same meaning as that defined in the *Local Government Act 1989 (the Act)*.

- Payment Plan – A 'payment plan' is a schedule of payments agreed to by both the Council and ratepayer which provides for flexible payment of debts after their due date has lapsed. The payment plan option would generally apply to medium term cases of financial hardship, for example periods of more than three or four months, but less than one year.
- Deferral of Rates –Deferral of Rates is the placing on hold of rates and charges payments for an indefinite period. Rates and charges are deferred until such time as the ratepayer's circumstances improve or the property is sold or transferred to another entity. Interest continues to accrue on deferred rates and charges.

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Corangamite Shire Council Policy – Rates and Charges Collection and Hardship Policy

- Waiver of Rates – A Waiver of Rates is a one-off “abandonment (write-off), which removes the liability to pay, and may be offered to include the whole or part of any rate, charge or interest.
- Financial Hardship – The simplest description of hardship is ‘a ratepayer who wants to pay but cannot’.

**References**

- Local Government Act 1989
- Penalty Interest Act 1983
- Rate Strategy 2013-2017
- Municipal Association of Victoria Hardship Policy Guidelines (November 2013)

**Policy Detail**

**1. Administrative Provisions**

Billing

Council’s rates billing system will record financial information on a transactional basis and maintain debtor information in accordance with established principles of rating in Local Government.

Annual rate notices will be issued in accordance with, and comply with, the provisions of the Act and applicable Regulations which are in force from time to time. Notices will also be issued in accordance with the Act prior to the due date of the first instalment. Subsequent instalment reminder notices will also be issued in accordance with the Act. The onus rests with the ratepayer to ensure a current postal address is held by Council.

Interest on overdue rates

Interest will be charged on overdue rates and charges in accordance with the Act (Section 172).

Payment of rates and charges

Council allows the payment of rates and charges in accordance with the Act:

- Annually by a lump sum payment on or before the date gazetted by the Minister; or
- By four (4) instalments due and payable on the dates fixed by the Minister by notice published in the Government Gazette.

Overdue amounts

Amounts (debts) outstanding after the lump sum due date will be issued with a final notice which contains sufficient information regarding the original debt, any interest penalties imposed, and proposed action to be taken by Council, should the account remain unpaid after a further fourteen days.

The ratepayer will be given the opportunity to make alternative arrangements for payments within that fourteen day period.

Amounts outstanding after the final notice period may be submitted to a collection agency for recovery of the debt. The collection agency will issue a “seven day letter of demand”. Amounts outstanding after the expiry of the “seven day letter of demand” may be proceeded against in the legal system (Courts) for the recovery of the debt.

All legal costs incurred as a result of instigation of recovery by legal means will be allocated to the ratepayer’s assessment and remain a charge on the property until settled.

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Corangamite Shire Council Policy – Rates and Charges Collection and Hardship Policy

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Should recovery proceedings culminate in “judgement” against a ratepayer Council may exercise its rights under the Act to sell the land to recover unpaid rates and/or charges. Refer Part 4 Sale of land.

## 2. Alternative Payment Arrangements

Council will consider all requests for alternative payment arrangements.

Council will not reject any reasonable arrangement request, however, attempts should be made to negotiate full payment of overdue debts by the end of the current financial year, or prior to the next issue of annual rate and valuation notices. Amounts in arrears at the date of a subsequent issue of annual rate and valuation notices may result in overdue amounts being collected in accordance with Part 1 if payment arrangements are not adhered to.

Council will not unnecessarily invade the privacy of a ratepayer’s financial and personal circumstances except where previous arrangements have not been adhered to or the Council is of the opinion the arrangement requested is insufficient or unsatisfactory.

Payment arrangements only apply to pre-existing outstanding amounts. Payment arrangements will not extend to future annual rate and valuation notices. Ratepayers will be required to enter into a separate arrangement at that time.

The granting of alternate payment arrangements will be in accordance with guidelines and procedures established by the Chief Executive Officer.

## 3. Financial Hardship

### Deferred Payment of Rates and Charges – Section 170 Local Government Act 1989

The intent of providing a deferral for payment of rates or other charge will be to assist a ratepayer who owns and occupies a single rateable property and who can demonstrate, via a completed application form, that payment of rates will cause hardship.

Council will consider an application for the deferred payment of outstanding rates and charges for a period not exceeding 12 months following the due date for lump sum payment for the applicable financial year. If granted the deferred payment arrangement will be subject to the following conditions:

- That the ratepayer pays interest on the amount affected by the deferral at the interest rate applicable to Council for the rating year.
- The deferral ceases and the deferred rates and accrued interest are immediately payable if the ratepayer ceases to own or occupy the property on which the rates are imposed.
- The deferral ceases if Council in its discretion revokes the deferral. In such cases, Council will notify the ratepayer in writing and request full payment of the deferred rates and accrued interest within 30 days.
- If the deferred rates and charges remain unpaid after the agreed due date Council may enter into a subsequent deferred payment arrangement or initiate recovery proceedings.
- Deferred payment arrangements do not apply to future rates and charges. A separate application must be made.
- An increase in the valuation of a property and a subsequent increase in rates cannot be considered grounds for a deferred payment of rates.

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The deferral of rates will also be granted in accordance with guidelines and procedures established by the Chief Executive Officer.

Waiver of Rates and Charges – Section 171A of the *Local Government Act 1989*.

Under Section 171A of the Act a person suffering financial hardship may make application to Council for a waiver of the whole or part of any rate, charge or interest. Council will consider applications to waive interest imposed on overdue rates and charges only.

Where a ratepayer is unable to make payments and the charging of interest would cause undue financial hardship, an application under section 171A will be considered against the following waivers:

1. Administrative Waiver – Ratepayers may have interest only waived in the event of an administrative error or omissions which caused or significantly contributed to the failure to pay rates.
  - a. An example of an administrative error includes:
    - i. Failure to process a change of address notified to Council in writing and the rate notice was sent to the wrong address.
    - ii. Processing of a payment to an incorrect assessment causing interest to be charged incorrectly, where the error has been caused by Council.
    - iii. Small balance write offs where the cost to recover the debt would be higher than the debt itself. The maximum small balance write off in any one account will be \$100.
  - b. Applications for waiver under this section will be considered under delegation by the Rate Revenue Coordinator. Applications for waiver for a greater amount may be consider by the Chief Executive Officer and/or Director Corporate and Community Services.
2. Waiver on Compassionate Grounds – Ratepayers may have interest only waived where they have demonstrated compassionate grounds for a payment being late.
  - a. Acceptable compassionate grounds would generally relate to family illness or death.
  - b. Applications for waiver up to \$100 under this section will be considered under delegation by the Rate Revenue Coordinator. Applications for waiver for a greater amount may be consider by the Chief Executive Officer and/or Director Corporate and Community Services.
3. Waiver due to Natural Disaster – Where a natural disaster has occurred (e.g. flood, fire), rates lump sum or instalment payment due dates (or both) may be extended for affected ratepayers interest free at the discretion of the Chief Executive Officer.
4. Financial Hardship:
  - a. Ratepayers may have interest, or part thereof, waived subject to the following conditions:
    - i. The ratepayer must be experiencing financial hardship.
    - ii. The ratepayer must make application in accordance with clause 3b below.
    - iii. In the case of a family or individual, the ratepayer may be directed to an independent Financial Counsellor for assistance.
    - iv. Where a ratepayer has complied with clauses a) and b) the interest or part thereof may be waived.

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- v. Where practicable, the ratepayer must enter into an agreement with Council on a payment schedule and perform against such agreement.
- vi. Applications under this section will be considered under delegation by the Chief Executive Officer and Director Corporate and Community Services.
- b. Applications for waiver of interest on overdue rates and charges due to Financial Hardship will be considered subject to the following circumstances:
  - i. A Waiver will only be granted:
    - To a person for a property or part of a property used exclusively for residential purposes and is the sole or principal place of residence of the person
    - For land classified as farm land and is the sole or principal place of residence of the applicant
    - For land classified as commercial/industrial and is owned and operated by the applicant.
  - ii. The applicant must complete an application form.
  - iii. The applicant may be requested to provide:
    - A Certified Statement of Financial Position signed by a qualified accountant or financial counsellor.
    - A Financial Plan to ensure future rates and charges can be paid.
    - Any other information deemed necessary to assist with assessing an application.
  - iv. That an application will only apply for the current rating financial year after which a new application will be required.

The waiver of interest on overdue rates and charges will also be granted in accordance with guidelines and procedures established by the Chief Executive Officer.

#### 4. Sale of Land

In accordance with the Act, Council may sell land, or cause land to be transferred to itself, for an amount equal to or more than the estimated value of the land in order to recover overdue amounts in respect of rateable land

Council will apply the provisions of Section 181 of the Act in the following circumstances:

- a. Where all other recovery attempts have failed; and
- b. Where at least three full years of rates and/or charges remain unpaid; and
- c. The rates and/or charges have not been deferred for the period for which they are unpaid; and
- d. The ratepayer does not permanently reside at the property for residential purposes; and
- e. Council has resolved to sell, or transfer, the rateable land subject to Section 181.

The Council will not enter into any arrangements for payment of overdue rates and/or charges after notices have been served pursuant to the provisions of the Act. Only full payment of all rates, charges, interest and costs will avoid a sale.

#### 5. Other

Notwithstanding the provisions above, the Chief Executive Officer may from time to time defer rates and charges, waive interest or cease any hardship arrangements at their discretion.

#### Reference to linked Procedure or Guidelines, if applicable

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Adopted at Council on:  
Agenda Item:  
Responsibility: Manager Finance  
File Number:

Department: Finance  
To be reviewed by: September 2021

Page Number: 6

Corangamite Shire Council Policy – Rates and Charges Collection and Hardship Policy

- Guidelines for assessment of Deferral of Rates and/or Waiver of Interest due to financial hardship.
- Application form for Deferral of Rates and/or Waiver of Interest due to financial hardship.

**Review Date**

September 2021

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

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Adopted at Council on:  
Agenda Item:  
Responsibility: Manager Finance  
File Number:

Department: Finance  
To be reviewed by: September 2021

Page Number: 7



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## 8.3 Rating Strategy 2018-2021

**Author:** David Rae, Acting Chief Executive Officer

**File No:** D18/409

**Previous Council Reference:** Nil

### Declaration

Acting Chief Executive Officer – David Rae

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

### Summary

The purpose of this report is for Council to consider and adopt the Rating Strategy 2018-2021.

### Introduction

The draft Rating Strategy 2018-2021 was considered by Council and made available for public comment at the July 2018 Council meeting. The public comment period closed on 7 September 2018 with one submission received. Corangamite Shire last completed a comprehensive review of its Rating Strategy in 2013-2014.

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

### Issues

Corangamite Shire is projected to generate 51% of its total revenue by way of property-based rates and charges in 2017-2019. The development of strategies in respect of the rating base is therefore of critical importance to both Council and its community.

The principles of good governance further require Council to provide ongoing or periodic monitoring and review of the impact of major decisions. Over time knowledge, issues and the membership of Council may alter. Council policies are also subject to refinement and change. It is therefore incumbent upon Council to evaluate whether the current rating system best satisfies the legislative objectives to which it must have regard and those other objectives which Council believes are relevant.

### ***Rating Strategy Recommendations***

The Rating Strategy 2018-2021 (Strategy) includes 18 recommendations (Section 3), most of which are administrative. Two of the recommendations are in respect to differential rates:

1. That Council raises the municipal rates by the application of four differential rates:
  - General
  - Farm;
  - Cultural and Recreational;
  - Vacant Industrial Land.

2. That Council applies the following differential percentages to ensure the equitable imposition of rates and charges:
- General rate from Financial Year 2018-2019: – 100%;
  - Farm rate reduced to 87.5% through annual reduction of 0.5%:
    - Financial Year 2018-2019: 90.0% of General Rate;
    - Financial Year 2019-2020: 89.5% of General Rate;
    - Financial Year 2020-2021: 89.0% of General Rate;
    - Financial Year 2021-2022: 88.5% of General Rate;
    - Financial Year 2022-2023: 88.0% of General Rate;
    - Financial Year 2023-2024: 87.5% of General Rate
  - Cultural and Recreational Land rate from Financial Year 2018-2019: – 50% of General Rate; and
  - Vacant Industrial Land rate from Financial Year 2018-2019: – 120% of General Rate.

Modelling was undertaken on various differential rating options which are summarised in the Strategy (attached under separate cover). The impact of each modelled option considered, has been provided. Option A, as recommended above, will result in an average reduction of 1.3% in rates for farm land differential over five years. Conversely, there will be an increase of up to 1.6% for other differentials. It is important to note the modelling is based on information contained within Council's recently adopted budget for 2018-2019 and does not include the impact of future rate rises or outcomes of future General Revaluations.

#### ***Rate Burden***

For the 2018-2019 financial year, Council will derive approximately 55.9% (five-year average also being 55.9%) of its rate income from farm rates and 41.1% from other classes. However, farm based assessment only make up 30.3% of total ratepayers and could be considered to be carrying an excessive burden. A favourable variation to the current differential farm rate will benefit farm ratepayers, however, it will result in a shift in the rate burden to other classes. It is important that Council considers the stability requirements of the Act when varying differentials. It is for this reason the 87.5% Farm Land differential is proposed to be phased in over a five year period through an annual reduction of 0.5% commencing from 2019-2020

#### ***Submissions***

One submission has been received and is attached under separate cover, including officer responses to the matters raised. The submitter contends the Strategy does not sufficiently address the rating burden imposed on farm ratepayers. Similarly, the submitter also contends the Strategy fails to adequately deal with the adverse fluctuations of revaluations.

Councillors may wish to reduce the farm differential lower than that recommended by the Strategy or introduction new differentials. The implications of this are detailed in the Strategy on pages 31 and 32.

The effect of annual revaluations establishes the value of a property relative to all other properties i.e. its market relativity. A revaluation does not result in additional rate income for Council – some ratepayers will pay more in rates and others will pay less, depending on the percentage change in the value of the individual properties. Ratepayers are able to object to valuations within 60 days of receiving their rate notice.

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### **Policy and Legislative Context**

Consideration of this report is in accordance with the commitment in the Council Plan 2017-2021 that:

We are committed to ensuring the ethical behaviour of Councillors and staff, maintaining good governance and remaining financially sustainable.

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

Council will make budgetary decisions that ensures Council remains in a strong financial position now and into the future.

Council will deliver value for money by ensuring that services are required and delivered efficiently and sustainably.

The Rating Strategy 2018-2021 is consistent with the *Local Government Act (1989)*, the Victorian Ministerial Guidelines for Differential Rating and the Local Government Victoria Better Practice Guide "Revenue and Rating Strategy".

### **Internal / External Consultation**

The draft Rating Strategy 2018-2021 was developed internally in consultation with Council's Senior Officer Group, Manager Finance and Rate Revenue Coordinator.

Council was briefed in February 2018 on the current rating differentials and provided appropriate benchmarking information. At the briefing Council was also provided with the opportunity to explore various differential rating options.

The draft Rating Strategy was considered by Council in July 2018 and exhibited for public comment between 11 August 2018 and 7 September 2018. Submissions were invited through advertisements in local newspapers and notice on Council's website. One submission was received.

### **Financial and Resource Implications**

There are no financial and resource implications as a consequence of adopting the Rating Strategy 2018-2021.

### **Options**

Council may adopt the Rating Strategy 2018-2021 as presented with or without amendment.

### **Conclusion**

Good governance requires Council to provide ongoing or periodic monitoring and review of its rating strategy. The Rating Strategy 2018-2021 will provide the rating framework for Council for the next three financial years and will be used to inform annual budgets over this period. The Rating Strategy 2018-2021 contains 18 recommendations, including a reduction of the farm rate differential from the current 90% to 87.5%, and is recommended for adoption by Council.

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## RECOMMENDATION

That Council adopts the Rating Strategy 2018-2021.

### COUNCIL RESOLUTION

**MOVED:** *Cr Illingworth*

**SECONDED:** *Cr Trotter*

That the recommendation be adopted.

**CARRIED**

### Attachments

1. Corangamite Shire Council Rating Strategy 2018-2021 - Under Separate Cover
2. Officer Responses to Submission to draft Rating Strategy 2018-2021 - Under Separate Cover
3. Submission to draft Rating Strategy 2018-2021 Part A - Under Separate Cover
4. Submission to draft Rating Strategy 2018-2021 Part B - Under Separate Cover

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## 8.4 Retail Area Facade Improvement Program

**Author:** Rory Neeson, Manager Growth and Engagement

**File No:** D18/367

**Previous Council Reference:** Nil

### Declaration

Acting Chief Executive Officer – David Rae

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

Author - Rory Neeson

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

### Summary

The purpose of this report is to allocate funds for Council's 2018-2019 Retail Area Façade Improvement Program (RAFIP).

### Introduction

The aim of the RAFIP is to encourage businesses located in the retail areas of towns within the Corangamite Shire to complete improvement works to their façades to help improve the overall presentation of streetscapes within the Shire.

The program was open to any business located in the commercial area of a town in the Shire that has street frontage. Home based businesses with no street frontage were not eligible.

### Issues

The RAFIP opened for applications on 1 July 2018 and closed on 31 August 2018.

Businesses from all towns in the Shire were eligible to apply to the program.

To apply for funding as part of the program, applicants were required to complete an application form and provide all required documentation, as well as have an understanding of the program guidelines to ensure they were aware of what information was required by Council to be completed.

The criteria for works that could be considered for funding as part of the program include:

- painting of the façade
- cleaning the existing façade
- removal of redundant signage, air conditioning units and hoardings
- minor repair, maintenance or reinstatement of missing elements
- minor repairs to existing façade tile or stone accents
- minor repairs to structural façade elements and awnings
- new, repairs or replacements of verandahs
- installation of new business signage
- installation of store lighting visible from the street.

Following the application period, 26 applications to the program were received requesting \$61,360.97 (exc. GST) of funding with the total value of works proposed totalling \$184,118.78.

The applications to the program were evaluated based on the program's assessment criteria. Results of these evaluations were then ranked from highest to lowest to provide the recommendation for businesses to be funded (see attached).

As the value of applications for funding exceed the budgeted amount of \$50,000, Council has the option to fund additional businesses.

This proposed additional allocation would allow the two businesses who have met the programs criteria and who don't have multiple applications in the program to be funded. The total cost of this additional allocation would be \$1,500.21

The businesses that have not been recommended for funding were unsuccessful due to missing or a lack of information in their grant applications or their applications not meeting the requirements of the program leading to lower scores when evaluated against the RAFIP criteria.

#### **Policy and Legislative Context**

The RAFIP is compliant with the RAFIP Policy that was adopted by Council in June 2018 as well as meeting all the requirements of Council's Grants Policy.

The program is consistent with the following Council Plan 2017-2021 strategies as part of the Vibrant Economy, Agriculture and Tourism theme:

We value the importance of local business to our economy and the overall prosperity of Corangamite Shire.

Maintain our competitive advantage as an "investment friendly" council and a leader in local economic development.

The program is also supported by numerous community plans that have been completed in the Shire which list improvements to business façades as one of their top priorities.

#### **Internal / External Consultation**

Following the adoption of the 2018-2019 Budget, extensive external consultation about the program has occurred across the Shire.

The program has been subject to three media releases, been advertised in Council's Noticeboard in the Warrnambool Standard and all three Western District Newspapers, been included in the weekly Mayoral radio interview on two occasions, had radio interviews completed on ABC Radio, 3CS and 3YB, been featured on WIN News and has been communicated to progress association meetings occurring during the application period in towns throughout the Shire.

The program has also been advertised through Council's social media channels including Facebook and Twitter, with Facebook posts attracting over 7000 views.

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

The Retail Area Façade Improvement Program has a \$50,000 budget allocation in the 2018-2019 budget to create a fund for businesses to apply to as part of the program.

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Businesses have applied on a minimum \$1:\$1 basis to complete improvements to their façades with the amount capped at \$3,000 per business.

Planning fees for 17 planning permits will be waived by Council as part of the program to encourage participation, at a cost of approximately \$10,426.30 however any relevant building permit fees will apply.

### **Options**

Council may consider the following options for the allocation of funds under the Retail Area Façade Improvement Program:

1. Allocate funds of \$51,500.21 to 22 Retail Area Façade Improvement Program applicants.
2. Allocate funds of \$48,954.81 to 20 Retail Area Façade Improvement Program applicants.
3. Re-evaluate grant applications and consider funding alternative applications.
4. Not allocate funding through the program.

### **Conclusion**

The Retail Area Façade Improvement Program provides businesses from across the Shire with an incentive to complete works to improve the appearance of their façades.

The program aims to improve the appearances of town streetscapes throughout the Shire, providing an incentive for businesses to complete these works while making the process of applying to the program as simple as possible.

The program is innovative and helps address a funding gap that has been identified regarding the funding of improvements to businesses' façades.

## RECOMMENDATION

That Council:

1. Allocates a further \$1,500.21 to the Retail Area Façade Improvement Program to cover the shortfall through the mid-year budget review.
2. Allocates funds of \$51,500.21 (excl. GST) to Retail Area Façade Improvement Program applicants as below:

Business Name	Town	Funding
Camperdown Country Roasts & Salads	Camperdown	\$3,000.00
Camperdown Meats	Camperdown	\$3,000.00
Hello World Travel	Camperdown	\$3,000.00
Port O Call Motel	Port Campbell	\$3,000.00
Derrinallum Newsagent	Derrinallum	\$3,000.00
Timboon Distillery	Timboon	\$2,284.00
Alderwood Speakers	Cobden	\$2,299.50
Nick Hose Fitness	Camperdown	\$2,435.00
Home Hardware	Cobden	\$3,000.00
Home Hardware	Timboon	\$3,000.00
Simpson Hotel Motel	Simpson	\$3,000.00
Little Bit of Sweet	Timboon	\$1,169.31
Former Cobden Garden Centre	Cobden	\$2,300.00
Timboon Newsagent	Timboon	\$2,714.25
Timboon Post Office	Timboon	\$2,665.76
Jokers Fancy Dress	Camperdown	\$2,718.43
Cobden Tools and Trailers	Cobden	\$2,091.00
Timboon Laundrette	Timboon	\$1,155.40
Timboon Fuel	Timboon	\$1,853.50
Derrinallum Supermarket and Hardware	Derrinallum	\$1,268.66
8 Main Street Derrinallum	Derrinallum	\$1,505.90
B & S Tyres	Camperdown	\$1,039.50
<b>Total</b>		<b>\$51,500.21</b>

### COUNCIL RESOLUTION

**MOVED:** *Cr Brown*

**SECONDED:** *Cr Gstrein*

That the recommendation be adopted.

**CARRIED**

### Attachments

1. Retail Area Façade Improvement Program - Applications Evaluation 2018-2019



CORANGAMITE  
SHIRE

## Retail Area Façade Improvement Program - Applications Evaluation

## Successful Applications

No.	Business Name	Town	Amount	Total Works	Works
1	Camperdown Country Roasts & Salads	Camperdown	\$3,000.00	\$18,889.00	New verandah
2	Camperdown Meats	Camperdown	\$3,000.00	\$15,552.00	New verandah
3	Hello World Travel	Camperdown	\$3,000.00	\$9,150.00	Painting, new signage installation, cleaning façade
4	Port O Call Motel	Port Campbell	\$3,000.00	\$11,635.46	Painting and new signage
5	Derrinallum Newsagent	Derrinallum	\$3,000.00	\$21,882.40	Clean up shop front, paint façade, replace windows
6	Timboon Distillery	Timboon	\$3,000.00	\$6,000.00	New Signage
7	Alderwood Speakers	Cobden	\$2,299.50	\$4,599.00	Cleaning and painting of façade
8	Nick Hose Fitness	Camperdown	\$2,435.00	\$4,870.00	Painting of façade and installation of wood panelling along front of shop
9	Home Hardware	Cobden	\$3,000.00	\$22,205.00	Painting and cleaning of facade and new signage
10	Home Hardware	Timboon	\$3,000.00	\$7,175.00	Painting and cleaning of facade and new signage
11	Simpson Hotel Motel	Simpson	\$3,000.00	\$14,850.00	Painting of façade
12	Little Bit of Sweet	Timboon	\$1,169.31	\$2,338.61	Painting, new signage installation and cleaning façade
13	Former Cobden Garden Centre	Cobden	\$2,300.00	\$4,660.00	Painting and cleaning of façade
14	Timboon Newsagent	Timboon	\$2,714.25	\$5,428.50	Install cladding and paint façade
15	Timboon Post Office	Timboon	\$2,665.76	\$5,331.52	Install cladding and paint façade
16	Jokers Fancy Dress	Camperdown	\$2,718.43	\$5,436.86	New signage and lighting
17	Cobden Tools and Trailers	Cobden	\$2,091.00	\$4,182.00	Painting façade and repair building eaves
18	Timboon Laundrette	Timboon	\$1,155.40	\$2,310.80	New signage
19	Timboon Fuel	Timboon	\$1,853.50	\$3,707.00	New signage
20	Derrinallum Supermarket and Hardware	Derrinallum	\$1,268.66	\$2,537.32	Painting, cleaning and minor repairs
21	8 Main Street Derrinallum	Derrinallum	\$1,505.90	\$3,011.79	Painting, cleaning and minor repairs
22	B & S Tyres	Camperdown	\$1,039.50	\$2,078.00	New signage
	<b>Total</b>		<b>\$52,216.21</b>	<b>\$177,830.26</b>	

## Unsuccessful Applications

No.	Business Name	Town	Amount	Total Works	Works
1	Derrinallum Newsagent	Derrinallum	\$3,000.00		Clean up shop front, paint façade, replace windows
2	Derrinallum Newsagent	Derrinallum	\$3,000.00		Clean up shop front, paint façade, replace windows
3	Charles Stewart Real Estate	Timboon	\$2,665.76	\$5,331.52	Clad shopfront and remove old fascia
4	Timboon Ice Creamery	Timboon	\$1,195.00	\$2,390.00	Bike racks
	<b>Total</b>		<b>\$9,860.76</b>	<b>\$7,721.52</b>	

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## 8.5 Swimming Pool Committees of Management 2018-2019

**Author:** Jane Hinds, Acting Manager Facilities and Recreation

**File No:** D18/340

**Previous Council Reference:** Nil

### Declaration

Acting Chief Executive Officer – David Rae

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

Author - Jane Hinds

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

### Summary

This report recommends Council endorse the nominated members for the Committees of Management for the Camperdown, Cobden, Lismore, Skipton, Terang and Timboon swimming pools for season 2018-2019.

### Introduction

Each of Corangamite Shire's six swimming pools has a Committee of Management delegated as a Special Committee under Section 86 of the *Local Government Act 1989*. The committees are responsible for:

- acting as a local contact for feedback about pool operations
- providing local input into programming
- planning minor capital improvements approved by Council.

The committees comprise representation from various areas of the community including:

- one representative from the swimming club (where in operation)
- one representative from the local school(s)
- at least two community representatives
- the facility manager or a representative of the management contractor.

The Instruments of Delegation specify that the committees shall hold an Annual General Meeting to elect from amongst their members, persons to act as Chairperson, Secretary and Treasurer to the committee. Membership of the committees, including any additions, deletions or replacements shall be subject to approval by Council.

The contractor representative is usually the appointed pool manager for each of the swimming pools. These positions are still to be appointed, thus the contractor representative will be determined at a later date.

### Issues

Swimming pool committees play an important role in ensuring the service Council delivers is consistent with community needs.

Each swimming pool committee has recently conducted their Annual General Meeting. The following members have been nominated to their respective swimming pool committees for Council endorsement.

<b>Pool</b>	<b>Camperdown Swimming Pool</b>
<b>Meeting Date</b>	16 August 2018
<b>Committee Members</b>	
Community	Kassi Bernaldo
Community	Melissa Donnelly
Community	Kelly Hollingsworth
Community	Benjamin Miller
Community	Kylie Spokes
Community	Sam Tobias
Community	Kellie Wilson
School	Paul Kingston
Contractor Representative	Yet to be confirmed
<b>Office Bearers</b>	
President	Kassi Bernaldo
Secretary	Kelly Hollingsworth
Treasurer	Benjamin Miller

**Table 1: Camperdown Swimming Pool Committee**

The Camperdown Swimming Pool Committee welcomed Ben to the committee and thanked Louise Barfoot, Kirsty Bredin, Hanna Fleming and Nikita Wheaton for their contribution to the committee.

<b>Pool</b>	<b>Cobden Swimming Pool</b>
<b>Meeting Date</b>	1 August 2018
<b>Committee Members</b>	
Community	Anita Chivell
Community	Rikki-Lee Henderson
Community	Jessica Macintosh
Community	Rebecca Mahoney
Community	Sheralee Murdie
Community	Belinda Steel
Community	Anthony Van Bemmei
Community	Jenni Wason
Swimming Club	Matthew Coverdale
Contractor Representative	Yet to be confirmed
<b>Office Bearers</b>	
President	Rebecca Mahoney
Secretary	Matthew Coverdale
Treasurer	Jenni Wason

**Table 2: Cobden Swimming Pool Committee**

Rikki-Lee Henderson was welcomed as a new member of the committee.

<b>Pool</b>	<b>Lismore Swimming Pool</b>
<b>Meeting Date</b>	15 August 2018
<b>Committee Members</b>	
Community	Michelle Deane
Community	Sarah Dennis
Community	Monica Dennis
Community	Sandy Gibson
Community	Bonita Hood
Community	Shari McConachy
Community	Renea McDonald
Community	Laura Mitchell
Community	Loris Shannon
Community	Susan White
Contractor Representative	Nigel Hooker
<b>Office Bearers</b>	
President	Laura Mitchell
Vice President	Sarah Dennis
Secretary	Renea McDonald
Treasurer	Bonnie Hood

**Table 3: Lismore Swimming Pool Committee**

The Lismore Pool Committee welcomed new members Michelle Deane, Sarah Dennis, Renea McDonald and Laura Mitchell. The committee thanked outgoing members April White, Barry White, Gaynor Marquand, Helena Walsh, Kathy Bell, Jenny Barr, Neville Reading and Val Lang.

<b>Pool</b>	<b>Skipton Swimming Pool</b>
<b>Meeting Date</b>	7 August 2018
<b>Committee Members</b>	
Community	Peta Byrne
Community	Natalie Clarke
Community	Fiona Collins
Community	Erin Fletcher
Community	Dione Gardiner
Community	Fiona Meek
Community	Tracey Miller
Community	Rebecca Scott
Contractor Representative	Yet to be confirmed
<b>Office Bearers</b>	
President	Fiona Collins
Vice President	Peta Byrne
Secretary	Erin Fletcher
Treasurer	Fiona Meek

**Table 4: Skipton Swimming Pool Committee**

The committee welcomed Peta Byrne and Tracey Miller to the committee and thanked outgoing committee member Kate Dunne for her contribution to the pool committee.

<b>Pool</b>	<b>Terang Swimming Pool</b>
<b>Meeting Date</b>	14 August 2018
<b>Committee Members</b>	
Community	Jo Crawley
Community	Ebony Duffield
Community	Fiona Gee
Community	Brooke Hoare
Community	Joanne Roberts
Community	Lyn Wickenton
Contractor Representative	Kate Gay
School	Alison Kenna
School	Cathy Bell
Swimming Club	Lisa Chesshire
Swimming Club	Narelle Cavarsan
<b>Office Bearers</b>	
President	Fiona Gee
Vice President	Ebony Duffield
Secretary	Joanne Roberts
Treasurer	Lisa Chesshire

**Table 5: Terang Swimming Pool Committee**

Terang Swimming Pool Committee welcomed Brooke Hoare to the committee for season 2019-2020 and thanked outgoing committee member Ashleigh Hunger for her contribution to the pool committee.

<b>Pool</b>	<b>Timboon Swimming Pool</b>
<b>Meeting Date</b>	14 June 2018
<b>Committee Members</b>	
Community	Todd Baxter
Community	Sharon Cotton
Community	Lee Edge
Community	Chris Hibburt
Community	Kate Makin
School	Matt Haugh
Swimming Club	Stewart Howland
Contractor Representative	Angelique Cangelis
<b>Office Bearers</b>	
President / Secretary	Chris Hibburt
Treasurer	Kate Makin

**Table 6: Timboon Swimming Pool Committee**

The Timboon Swimming Pool Committee welcomes Sharon Cotton as a new member to the committee.

The role of the committee member is completely voluntary. A number of new, enthusiastic community members and users of Council's aquatic facilities have joined the pool committees for season 2018-2019, whilst some committees remain relatively unchanged. Each should be acknowledged for their continued effort and commitment to the swimming pools.

### Policy and Legislative Context

Each of Corangamite Shire's six swimming pools has a committee of management delegated as a special committee under Section 86 of the *Local Government Act 1989*.

The establishment of the committees aligns with the following Council Plan 2017-2021 commitments:

Deliver high quality, optimally used, sustainable community facilities.

We are committed to working towards ensuring the safety, health and wellbeing of our communities.

Council will provide and support a range of opportunities that support people to engage in healthy and active lifestyles, the arts, recreation and sport.

Improve the health and wellbeing of our community.

### Internal / External Consultation

Each Annual General Meeting was advertised two weeks prior to the meetings in the local newspaper. Advertising was also undertaken through the Corangamite Shire Swimming Pools' Facebook page. Committees were encouraged to actively seek members from the local community.

### Financial and Resource Implications

The swimming pool committees do not impact on Council's financial position. Council staff provide assistance with facilitation of meetings.

### Options

Council can accept the recommendation to endorse the nominated members for the forthcoming year or reject the recommendation and request an alternate committee membership.

### Conclusion

The proposed membership of the swimming pool committees reflects a cross section of enthusiastic and committed local community members and users of Council's aquatic facilities. The committee memberships should see the continued effective supervision of the operations of each of the Corangamite swimming pools.

## RECOMMENDATION

That Council endorses the proposed Committees of Management for the Camperdown, Cobden, Lismore, Skipton, Terang and Timboon swimming pools as follows:

Pool	Camperdown Swimming Pool
<b>Committee Members</b>	
Community	Kassi Bernaldo
Community	Melissa Donnelly
Community	Kelly Hollingsworth
Community	Benjamin Miller
Community	Kylie Spokes

<b>Community</b>	<b>Sam Tobias</b>
<b>Community</b>	<b>Kellie Wilson</b>
<b>School</b>	<b>Paul Kingston</b>
<b>Contractor Representative</b>	<b>Yet to be confirmed</b>
<b>Office Bearers</b>	
<b>President</b>	<b>Kassi Bernaldo</b>
<b>Secretary</b>	<b>Kelly Hollingsworth</b>
<b>Treasurer</b>	<b>Benjamin Miller</b>

<b>Pool</b>	<b>Cobden Swimming Pool</b>
<b>Committee Members</b>	
<b>Community</b>	<b>Anita Chivell</b>
<b>Community</b>	<b>Rikki-Lee Henderson</b>
<b>Community</b>	<b>Jessica Macintosh</b>
<b>Community</b>	<b>Rebecca Mahoney</b>
<b>Community</b>	<b>Sheralee Murdie</b>
<b>Community</b>	<b>Belinda Steel</b>
<b>Community</b>	<b>Anthony Van Bemmei</b>
<b>Community</b>	<b>Jenni Wason</b>
<b>Swimming Club</b>	<b>Matthew Coverdale</b>
<b>Contractor Representative</b>	<b>Yet to be confirmed</b>
<b>Office Bearers</b>	
<b>President</b>	<b>Rebecca Mahoney</b>
<b>Secretary</b>	<b>Matthew Coverdale</b>
<b>Treasurer</b>	<b>Jenni Wason</b>

<b>Pool</b>	<b>Lismore Swimming Pool</b>
<b>Committee Members</b>	
<b>Community</b>	<b>Michelle Deane</b>
<b>Community</b>	<b>Sarah Dennis</b>
<b>Community</b>	<b>Monica Dennis</b>
<b>Community</b>	<b>Sandy Gibson</b>
<b>Community</b>	<b>Bonita Hood</b>
<b>Community</b>	<b>Shari McConachy</b>
<b>Community</b>	<b>Renea McDonald</b>
<b>Community</b>	<b>Laura Mitchell</b>
<b>Community</b>	<b>Loris Shannon</b>
<b>Community</b>	<b>Susan White</b>
<b>Contractor Representative</b>	<b>Nigel Hooker</b>
<b>Office Bearers</b>	
<b>President</b>	<b>Laura Mitchell</b>
<b>Vice President</b>	<b>Sarah Dennis</b>
<b>Secretary</b>	<b>Renea McDonald</b>
<b>Treasurer</b>	<b>Bonnie Hood</b>

<b>Pool</b>	<b>Skipton Swimming Pool</b>
<b>Committee Members</b>	
<b>Community</b>	<b>Peta Byrne</b>
<b>Community</b>	<b>Natalie Clarke</b>
<b>Community</b>	<b>Fiona Collins</b>
<b>Community</b>	<b>Erin Fletcher</b>
<b>Community</b>	<b>Dione Gardiner</b>
<b>Community</b>	<b>Fiona Meek</b>
<b>Community</b>	<b>Tracey Miller</b>
<b>Community</b>	<b>Rebecca Scott</b>
<b>Contractor Representative</b>	<b>Yet to be confirmed</b>
<b>Office Bearers</b>	
<b>President</b>	<b>Fiona Collins</b>
<b>Vice President</b>	<b>Peta Byrne</b>
<b>Secretary</b>	<b>Erin Fletcher</b>
<b>Treasurer</b>	<b>Fiona Meek</b>

<b>Pool</b>	<b>Terang Swimming Pool</b>
<b>Committee Members</b>	
<b>Community</b>	<b>Jo Crawley</b>
<b>Community</b>	<b>Ebony Duffield</b>
<b>Community</b>	<b>Fiona Gee</b>
<b>Community</b>	<b>Brooke Hoare</b>
<b>Community</b>	<b>Joanne Roberts</b>
<b>Community</b>	<b>Lyn Wickenton</b>
<b>Contractor Representative</b>	<b>Kate Gay</b>
<b>School</b>	<b>Alison Kenna</b>
<b>School</b>	<b>Cathy Bell</b>
<b>Swimming Club</b>	<b>Lisa Chesshire</b>
<b>Swimming Club</b>	<b>Narelle Cavarsan</b>
<b>Office Bearers</b>	
<b>President</b>	<b>Fiona Gee</b>
<b>Vice President</b>	<b>Ebony Duffield</b>
<b>Secretary</b>	<b>Joanne Roberts</b>
<b>Treasurer</b>	<b>Lisa Chesshire</b>



<b>Pool</b>	<b>Timboon Swimming Pool</b>
<b>Committee Members</b>	
<b>Community</b>	<b>Todd Baxter</b>
<b>Community</b>	<b>Sharon Cotton</b>
<b>Community</b>	<b>Lee Edge</b>
<b>Community</b>	<b>Chris Hibburt</b>
<b>Community</b>	<b>Kate Makin</b>
<b>School</b>	<b>Matt Haugh</b>
<b>Swimming Club</b>	<b>Stewart Howland</b>
<b>Contractor Representative</b>	<b>Angelique Cangelis</b>
<b>Office Bearers</b>	
<b>President / Secretary</b>	<b>Chris Hibburt</b>
<b>Treasurer</b>	<b>Kate Makin</b>

**COUNCIL RESOLUTION**

***MOVED:***            *Cr Durant*

***SECONDED:***      *Cr Brown*

That the recommendation be adopted.

**CARRIED**

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## 8.6 Intention to Consider Sale - 19F Curdie Street, Cobden

**Author:** Jane Hinds, Acting Manager Facilities and Recreation

**File No:** D18/401

**Previous Council Reference:** 23 May 2017, Item 10.8

### Declaration

Acting Chief Executive Officer – David Rae

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

Author - Jane Hinds

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

### Summary

This report is for Council to consider the future use of the Cobden Street Stall located at 19F Curdie Street, Cobden, which is owned by Council.

### Introduction

In March 2017, Council advertised its intention to sell 19F Curdie Street, Cobden, and seek public submissions regarding the proposed sale. In accordance with Section 189 and Section 223 of the Local Government Act 1989, a public submission process occurred, along with an on-site meeting, allowing community members and groups to comment on the proposed sale. One submission was received during this process.

At the May 2017 Council Meeting, Council resolved to defer the sale of the Cobden Street Stall for 12 months in order for the community to generate increased use of the facility.

Following the May 2017 Council Meeting, Council entered into a licence agreement with Progressing Cobden for use of the Cobden Street Stall for the period 1 July 2017 to 30 June 2018. Council agreed to maintain the property holding costs of the facility for the 12 month term (e.g. insurance, electricity, water) should Progressing Cobden pay a nominal rental fee in accordance with Council's Property Leasing Policy, for use of the facility.

In conjunction with the licence agreement, Council outlined key measures of success, which would be assessed by Council following 12 months use of the facility.

An assessment of these key measures of success and a review of the property in line with Council's Sale of Land Policy is detailed below.

### Issues

The key measures of success included:

1. The number of hiring's across the year should average two per week
2. Economic benefit/ investment back into the local community of \$5,000
3. Cost to Progressing Cobden is to break even.

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***Number of Hirings***

The first key measure was that the number of hirings across the year should average two per week, thus being used 104 times for the year. Council set this measure as a baseline in order to increase the use of the facility. Progressing Cobden have reported that this measure has not been achieved and the measure of two uses per week, in their opinion was set too high.

At the beginning of the licence agreement period, Progressing Cobden established a schedule of charges that sought to encourage groups to use the stall at an attractive rate. Charitable organisations like the RSL, Quota Club, Rotary Club and the Cancer Foundation were allowed to use the stall free-of-charge. This offer was taken up more often when the weather was not suited to sellers sitting in rain and cold wind next to the Newsagency's door – an estimated 10 times for the year.

Community barbecues on a Saturday morning were consistently conducted by Cobden organisations on 41 occasions (by agreement with the sponsor, they were not held over the summer vacation period).

The CWA also used the street stall for a very successful old-fashioned cake stall over two days before Christmas.

Progressing Cobden itself used the stall as an information point and office on two occasions for the Cobden Spring Festival weekend and for the Christmas on Curdie event. Progressing Cobden also used the stall as part of the review of the Cobden Twenty20 Vision community planning process, when members of the community were encouraged to spend time reading and contributing to big review documents. This was a continuous process over ten days.

In summary the number of hiring across the year totalled 65. This was made up of 41 hirings for community barbecues where the barbeque was held in the court yard area located in front of the Street Stall, 10 hirings by charitable organisations, two paid hirings and 12 occasions of use by Progressing Cobden.

***Economic Benefit***

The second key measure was economic benefit or investment back into the local community of \$5,000. Each barbecue which was held raised \$150 for the local organisation that was prepared to host the barbeque. The sausages were provided by the local butcher and the bread by the bakery, which meant that all goods were provided to any community organisation wanting to host the barbeque on a Saturday morning. At \$150 per barbeque held, \$6,150 was generated and invested back into the local community to local community organisations. The cake stall raised \$600 for the CWA. Thus the economic benefit/investment back into the local community has exceeded the key measure of \$5,000 for the 12 months.

***Cost Neutral***

The third key measure was for Progressing Cobden to break even. Progressing Cobden generated \$5 from each of the barbecues which were held, totalling \$210 and \$10 was paid for the hire for use of the cake stall. Thus income generated by Progressing Cobden was \$220 for the one year term. The licence fee payable to Council for the term of the licence was \$114.40 (inc. GST), thus meeting the requirements of this measure.

The property holding cost to Council was not looked at in this measure, as this was a measure implemented by Progressing Cobden. Council's property holding costs in relation to the Street Stall, is in excess of \$1,000 annually, therefore the rental of \$104 generated equates to a net cost of \$900 to Council.

### ***Property Review***

Council's policy for Sale of Council Land and Building provides criteria for identification of surplus land and buildings assets. The criteria includes history of the land, size and location, demonstrated past and current usage, surrounding usage, community or Council plans, strategic relevance, access to the property, demonstrated community need and future foreseeable use.

### History of the land

The Cobden Street Stall was built in 1989 as part of the construction of the rest of the arcade situated in Curdie Street, Cobden. Documents outline that Council and the community had requested the Street Stall be included in the development of the complex and paid \$12,000 for its construction.



***Figure 1 & 2: Property plan site 6 and photo of 19F Curdie Street, Cobden***

### Size and location of the property

The Street Stall building or small kiosk is located in a prime position, at the front of the premises, with six buildings in total making up the body corporate arrangement of this facility. The building is 20 square meters and comprises three rooms, a main counter/serving area, toilet and powder room.

The property is located within the commercial planning zone with water and power being connected. The Street Stall is included as part of the Body Corporate arrangement at this arcade. There appears to be no easements on the property title. If Council were to sell the land, any planning restrictions specific to that zone would apply.



*Figure 3 & 4: Internal Photo of 19F Curdie Street, Cobden*

#### Demonstrated past and current usage

The Cobden Street Stall is currently under-utilised and has been used for storage purposes in the past. It occasionally gets used for ad-hoc or special events. Under a licence agreement, Progressing Cobden have utilised the facility 65 times over the last 12 months.

#### Surrounding usage

The Street Stall building is located in the main street of Cobden at 19F Curdie Street. There are six shops located within this body corporate arrangement including the Cobden Newsagent, SLM Law (two shops), Cobden Dinner and Creating Praxis Consulting Rooms.

#### Community or Council plans

The Building Stronger Corangamite Communities project has completed the preparation of community plans for the Shire's 12 townships. Cobden Twenty20 Vision Community Plan was prepared in March 2011 and a review of this community plan was carried out in 2014, the Street Stall was not mentioned within the community plan. Although one issue, identified for most improvement, was to fill empty shops with businesses and services.

#### Strategic relevance

Considering the land was originally purchased to be used as a community facility, there may be some interest from community associations and clubs, given its location in the town centre. The Street Stall is rated separately and as it is used as a community facility, no rates are currently being incurred.

#### Access to the property

The Street Stall is located at the front of the arcade and has direct access from the footpath.

#### Demonstrated community need

Currently the Cobden Street Stall is used less than two times per week and also for storage purposes. The Cobden Football Netball Club sells raffle tickets three to four days per week from a table and chair located on the footpath. The football club stores the table and chair in the building for this purpose. The actual shop front/ kiosk was used by charitable organisations on 10 occasions over the last 12 months.

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Projected Capital Works

Council's building condition assessment of the Cobden Street Stall indicates the building is overall in good condition. There is minimal projected capital works required within the next 10-15 years.

Community Consultation

Community consultation in the form of an on-site meeting, Facebook posting and public notice advertising Council's intention to sell the land occurred in 2017, which allowed the opportunity for community members and groups to make public submissions regarding the sale of the land.

Should Council choose to proceed with the intention to sell the Cobden Street Stall, further consultation would be required to inform community members.

***Future foreseeable use. This may include Council, community, amenities, environmental and infrastructure usage***

Council has a number of options when considering the future arrangements for the Cobden Street Stall located at 19F Curdie Street, Cobden.

Enter into a Licence Agreement

Council could enter into a nominal licence agreement with Progressing Cobden. The agreement would need to be in accordance with the *Local Government Act 1989* and Council's Property Leasing Policy. Progressing Cobden have expressed their intention to continue the current arrangements with Council for use of the facility, but cannot justify the expense of the property holding costs, should they be passed onto the group.

Council would therefore need to budget for annual recurrent operating and capital costs at this facility, whilst Progressing Cobden would provide a rental fee of \$114.40 (inc. GST).

Sale

The Street Stall was designed for use by the community, essentially for selling goods, with the inclusion of a servery. The design of the building is limited as to what functions can be performed in order to maximise the utilisation of the building.

The building is currently under-utilised and attempts have been made by Progressing Cobden to grow community use. Council could dispose of this asset which would realise some minor savings on recurrent operating costs (\$1,000), and potentially generate a financial return for Council. Given the size and shape of the building it is difficult to foresee what commercial interest there would be in purchasing this building.

Expressions of Interest for Commercial

In an attempt to help boost the local economy, Council could advertise for expressions of interest for use of the facility from commercial operators wishing to utilise the Street Stall. Council could look at subsidising the use of facility in exchange for a business operation (for instance a business incubator or pop up shop) to help strengthen and boost the local economy. This was done in Terang at the old Maternal Child Health Centre a café which transitioned to full commercial rent. Submissions would outline their proposed future use of the facility and their suggested terms and conditions of use.

Gift the facility

Council could look at gifting the facility to Progressing Cobden, however all operating costs would then be absorbed by Progressing Cobden, which they have indicated cannot be maintained.

In looking at the future use of this facility, Progressing Cobden tried to secure a commercial tenant to sub-let the Street Stall, however these arrangements have since fallen through. Community barbeques which were popular over the last 12 months, have now been relocated to outside the Cobden Home Timber and Hardware. With the relocation of this program, it is expected to have a negative impact on the use of the street stall.

### **Policy and Legislative Context**

The Local Government Act 1989 must be adhered to when selling Council land.

Under Section 5(2)(d) of the Local Government Act 1989, Council is capable of acquiring, holding, dealing with or disposing of property for the purpose of performing its functions and exercising its powers.

In accordance with Section 189 of the Local Government Act 1989, a property valuation will need to be obtained for the valuation of the land which is not more than six months prior to the sale. In the instance that Council chooses to proceed with the sale of this property, the valuation amount needs to remain confidential, as the reserve price will be set according to the valuation determined.

The Sale of Council Land and Building Policy and procedures outline the way in which Council administers its real estate assets in accordance with Council strategies, plans and legislative requirements.

The sale of Council land aligns with the following key themes in the Council Plan 2017-2021:

- Council will demonstrate high levels of ethical behaviour and governance standards.
- Council will make budgetary decisions that ensures Council remains in a strong financial
- Deliver high quality, optimally used, sustainable community facilities.

### **Internal / External Consultation**

A property review has been completed on Council owned land and buildings in consultation with Council's Planning, Environment, Parks and Gardens, and Rating departments.

A licence agreement has been in place with Progressing Cobden for the last 12 months. Key performance indicators were set by Council at the start of the licence agreement. Progressing Cobden have reported that two of the three indicators have been achieved.

Progressing Cobden have advised Council that they would like to continue the same arrangements with Council for use of the facility, but cannot justify the expense of the property holding costs totally \$1,000, should they be passed onto the group.

More recently Progressing Cobden have advised Council, they are negotiating with a prospective tenant for the use of the Street Stall, under a commercial arrangement. Should a commercial tenant be secured under an arrangement with Progressing Cobden, Council could pass on all expenses and ongoing maintenance of the facility to Progressing Cobden, or an alternate agreement could be negotiated between Council and the tenant directly.

### **Financial and Resource Implications**

There has only been administration costs to date associated with the review of this property.

The Street Stall is included as part of the Body Corporate arrangement at this arcade. If Council were to resolve to sell the property, Council would need to include an Owners Corporation Certificate as part of the Section 32, which would attract a small fee payable by Council.

There will be some costs incurred by Council should it proceed with the sale of this property. This will include a property valuation and legal fees. These costs can be offset by the sale proceeds.

Council may generate a financial return from the sale of this land. According to Council policy, all profits from the sale of land are treated as general revenue in the year in which they are received and considered as part of Council's annual budget.

In the instance that Council chooses not to sell the land, ongoing costs will be associated with the land, such as the fire services property levy, body corporate fees and electricity, which is in excess of \$1,000 annually. A community arrangement will currently generate \$104 per annum to offset these costs (net cost \$900 to Council). A commercial arrangement would offset all Council costs and is likely to generate revenue for Council.

### **Options**

Council has a number of options when considering the future arrangements for the Cobden Street Stall located at 19F Curdie Street, Cobden.

Council can consider the following options:

1. Enter into a community licence agreement with Progressing Cobden
2. Proceed with the sale of the Cobden Street Stall
3. Advertise for Expression of Interest for commercial lease
4. Gift the facility to Cobden community
5. Advertise for expressions of interest for commercial/ community interest to lease or purchase the Street Stall.

### **Conclusion**

The Cobden Street Stall located at 19F Curdie Street, Cobden has been identified as surplus to Council's requirements and therefore it is proposed that it be considered as a possibility for sale. The stall was built in 1989 as part of the construction of the rest of the arcade situated in Curdie Street, Cobden. The Cobden Street Stall is currently under-utilised and has seen only 65 hirings in the last 12 months.

The purpose for which the Cobden Street Stall was designed is no longer a part of today's community culture. The changes in food regulations, community involvement, lack of utilisation and reduced volunteerism, have allowed this asset to be considered as surplus to requirement.

Progressing Cobden have expressed their interest to Council in continuing with the use of the facility under a community leasing arrangement.



## RECOMMENDATION

That Council:

1. Proceeds with advertising for expressions of interest for commercial/ community interest to lease or purchase the Cobden Street Stall.
2. Delegates authority to the CEO to determine the reserve price for sale or annual rental fee of 19F Curdie Street, Cobden being the Cobden Street Stall.
3. Delegates authority to the CEO to negotiate the sale or lease of 19F Curdie Street, Cobden being the Cobden Street Stall, should one expression of interest be received which is consistent with the reserve price for sale or annual rental fee.
4. Receives a future report, if more than one expression of interest is received through the expression of interest for commercial/ community interest, to lease or purchase the Cobden Street Stall.
5. Affixes the Common Seal of Council to documents relating to the sale of land or the lease of 19F Curdie Street, Cobden being the Cobden Street Stall should this proceed.

### COUNCIL RESOLUTION

**MOVED:** *Cr Trotter*

**SECONDED:** *Cr Gstrein*

That the recommendation be adopted.

**CARRIED**

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## 8.7 Road Sealing Contract 2018-2019

**Author:** John Kelly, Manager Assets Planning

**File No:** D18/385

**Previous Council Reference:** Nil

### **Declaration**

Acting Chief Executive Officer – David Rae

In providing this advice to Council as the Acting 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 seeks to award the contract for sealing of various local roads throughout Corangamite Shire and Warrnambool City in 2018-2019 which is a collaborative tender between the two municipalities.

### **Introduction**

Council maintains 913 km of sealed roads. These roads require periodic sealing to maintain surface condition and preserve the underlying road pavement.

Following on from a successful collaboration between Corangamite Shire and Warrnambool City Council over the last three years, a collaborative approach has again been undertaken in 2018-2019 to share resources and have the annual sealing programs for both municipalities done under one contract for the purpose of improving efficiencies and reducing costs.

### **Issues**

Corangamite Shire's resealing program this year covers 85km of roads, which is approximately 9% of the sealed road network. This amount of sealing is necessary to ensure Council's roads are maintained in their present condition and is in line with strategic asset management modelling.

Nomination of the roads for the sealing contract has been based on the data collected from road surface condition assessments undertaken throughout the Shire. Recent on-site inspections have taken place to confirm that the nominated roads for the sealing program are still appropriate and to prepare a default sealing design for each road for the tender documents.

Three tenders have been received for the 2018-2019 road sealing program on various roads throughout Corangamite Shire and Warrnambool City Council. It is considered that the best overall value for the municipalities is provided from the tender submitted by Inroads at a price of \$2,860,920 (plus GST).

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A Technical Evaluation Report which provides further detail on the assessment of tenderers is attached under separate cover.

### **Policy and Legislative Context**

The contract for the sealing of various local roads in 2018-2019 was advertised for public tender, as required under the *Local Government Act* and Council policy, as it is a purchase greater than \$150,000.

Corangamite Shire's Council Plan 2017-2021 emphasises our commitment to maintaining our local roads. Relevant objectives in our Plan are:

Maintain our local road network at current or improved standards.

Council will focus on the provision of high quality roads.

### **Internal / External Consultation**

An agreement has been made between Warrnambool City Council and Corangamite Shire for the 2018-2019 sealing works in these municipalities to be done under one contract. Warrnambool City Council has agreed to Corangamite Shire engaging a contractor to carry out both municipalities' sealing works. Further approval is not required from Warrnambool City Council prior to the award of the sealing contract.

Tenders were invited for these works by way of newspaper advertisements in August 2018. A set of tender documents was sent to four prospective tenderers on request.

### **Financial and Resource Implications**

The current available budget for the sealing works in Corangamite Shire this financial year is \$2,143,000.

Based on the tender price from Inroads, the cost to complete the Corangamite Shire component of the 2018-2019 sealing contract is \$2,180,634 which is a \$37,634 increase on budget. Council has the financial capacity to meet the additional expenditure. The cost for the Warrnambool City Council component of the works is within that municipality's budget.

An increase in sealing prices obtained in 2018-2019 compared with 2017-2018 correlates with the 20% increase observed in the price of bitumen/tonne in the last 12 months based on the Australian Bureau of Statistics price index for bitumen.

The contract would be awarded on the basis of a two year defects liability period.

It is recommended that the 2018-2019 sealing program be completed as planned with no sealing works removed from the program and that additional funds be sought following Council's mid year budget to cover the shortfall.

Council's sealed road network remains in a stable condition in line with its overall strategy of maintaining the network at current or improved standards. Council can have confidence that a program of sealing of 85 km, or approximately 9% of the network, will continue to maintain the sealed road network condition. Should Council wish to maintain the sealing program in line with the allocated budget this will result on 2km of roads to be referred to the 2019-20 sealing program. This will result in a minor reduction in service levels based on Council's preferred intervention levels identified in its Road Asset Management Plan.

The lowest priced tenderer, Inroads, is a recognised sealing contractor in the market and is based in Horsham. Inroads successfully delivered the 2017-2018 joint sealing program as well as Corangamite Shire's sealing programs for seven consecutive years prior to 2016 and Warrnambool City Council's sealing program for five years consecutively up until 2014-2015. Inroads has had a good working relationship previously with Council and has delivered a quality product with minimal rework required.

### Options

Council has the option to award the tender to Inroads as recommended or to select an alternate tenderer.

Should Council opt to proceed with awarding the contract to Inroads, Council can choose to either increase the budget allocation to cover the funds shortfall or remove several sealing jobs from the program to keep costs within the current available budget.

### Conclusion

The sealing contract has been tendered and evaluated in accordance with Council policy and the evaluation criteria. It is considered that the best overall value for Council is provided from the tender submitted by Inroads. Warrnambool City Council has been involved with the tender evaluation process and supports this recommendation. Based on the tender price from Inroads, the cost to complete the proposed 2018-2019 works in Corangamite Shire requires a further \$37,634 budget allocation for road sealing.

## RECOMMENDATION

### That Council:

1. **Awards Contract No. 2019005 - Sealing of Various Local Roads throughout Corangamite Shire and Warrnambool City in 2018-2019 to Inroads for the contract sum of \$2,826,920 plus GST.**
2. **Affixes the Common Seal of Council to the contract.**
3. **Allocates a further \$37,634 budget allocation to the sealing program to cover the shortfall.**
4. **Approves that any variations to the contract sum within the existing budget can be approved under the delegation of the relevant Council officer up to CEO delegation level.**
5. **Delegates to the CEO, authority to approve any variations to the contract requested by Warrnambool City Council.**

### COUNCIL RESOLUTION

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

**That the recommendation be adopted.**

**CARRIED**

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**Attachments**

1. List of Tender Prices - 2018-2019 Sealing Contract - Under Separate Cover
2. Signed Formal Instrument of Agreement between Warrnambool City Council and Corangamite Shire for 2018 - 2019 Bitumen Sealing Works - Under Separate Cover
3. Copies of Tender Evaluation Panel Declarations - Under Separate Cover
4. Technical Evaluation Report - 2018 -2019 Sealing Contract - Under Separate Cover - Confidential

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## 8.8 Special Charge Scheme - Installation of Kerb and Channel and Road Widening in Barkly Street, Camperdown

**Author:** John Kelly, Manager Assets Planning

**File No:** D18/403

**Previous Council Reference:** Nil

### Declaration

Acting Chief Executive Officer – David Rae

In providing this advice to Council as the Acting 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 not be declared for the installation of kerb and channel and road widening in Barkly Street, from Leura Street to Curdie Street, Camperdown, as the majority of owners have indicated that they do not support the proposal.

### Introduction

Council's current budget provides for the construction of a kerb and channel, road widening, nature strip reinstatement and associated works in Barkly Street from Leura Street to Curdie Street. The new kerb and channel would connect to existing kerb and channel in Leura and Curdie Streets.

The works would 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 allowed for defraying a portion of the cost of the construction of kerb and channel and road widening in Barkly Street from Leura Street to Curdie Street, Camperdown.

The original budgeted works and initial designs for kerb and channel and drainage improvements in Barkly Street were based on the current width of the street. This provides

room for one vehicle to travel between cars parked on both sides of the street. Following requests from property owners at an on-site meeting, Council revised the design so that there would be adequate width for two vehicles side by side to travel between parked cars. However, this proposal, which requires tree removal, has not been supported by the majority of property owners.

### **Policy and Legislative Context**

Section 163 Special Rate and Special Charge 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.

Council's Special Rate and Charges 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.
- Details the objections process.

The proposed kerb and channel and proposed widening is consistent with the following objectives in Theme 2 Roads in the Council Plan 2017-2021:

Maintain our local roads network at current or improved standards

Council will focus on the provision of high quality roads

### **Internal / External Consultation**

A preliminary letter and survey form were sent on 1 March 2018 to affected property owners to gauge initial support for the proposal which included the installation of kerb and channel with a road width of 7.6m which maintained the current sealed road width of road. The preliminary letter advised that there was to be further opportunity for owners at a later stage to comment on the proposal. Of the 16 owners, three owners indicated support for the proposal whilst three owners did not support it.

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A subsequent on-site meeting was held on 8 March 2018 between the property owners, Councillors Ruth Gstrein and Bev McArthur and Council officers Brooke Love and John Kelly, to give the owners further opportunity to ask questions of the proposal. The majority of owners at the meeting sought that the proposal be revised so that:

- The road is widened to cater for two way traffic as well as parking on both sides of the road. Residents advised at the meeting that through traffic uses this section of Barkly Street to access the football ground in Adeney Street. Council officers advised residents that they would incur greater expense as part of the Special Charge Scheme with the further upgrade of widening the road. Residents were also advised that the widening of the road would necessitate the removal of street trees on both sides of the road. There were no objections to this from those at the meeting.

Other changes to the proposal requested by residents at the meeting included:

- Installation of barrier type kerbing rather than semi mountable kerbing
- Increased drainage to reduce the risk of stormwater runoff entering the low lying properties in the street during a rain event.

It was agreed that Council would revise the concept of the design for the road upgrade based on the above comments and resubmit to residents for further comments.

A further letter and survey form were sent on 17 May 2018 to affected property owners to gauge support for the proposal which included the installation of kerb and channel with a widened sealed road width of 10.4m and tree removal to accommodate the road widening. Of the 16 owners, four owners indicated support for the proposal whilst two owners did not support it.

A subsequent on-site meeting was held on 4 July 2018 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 revised proposal.

Based on general support from owners to proceed with the process, a statutory public notice was placed in the Camperdown Chronicle on 27 July 2018 and a letter was sent out to the benefitting property owners on 27 July 2018 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 24 August 2018. There has been eleven written objections to the scheme submitted by property owners in addition to the previously submitted comments from owners from the initial survey. A matrix of the various objections is summarised below.



Landowner	Objection to Tree Removal	Objection to Road Widening	Objection to Paying Charge	Objection to Kerb & Channel	Objection to Council / Landowner Costing Ratio	Objection to Landowner Cost Apportionment
A	Yes	Yes				
B	Yes	Yes				
C	Yes	Yes				
D	Yes	Yes	Yes	Yes		
E	Yes	Yes	Yes			
F	Yes					
G	Yes	Yes		Yes	Yes	Yes
H			Yes			Yes
I	Yes	Yes				Yes
J	Yes					
K					Yes	

In accordance with Council's Special Rates and Charges Policy, as the majority of landowners have objected to the scheme and Council proposed to contribute an amount less than 50% to the scheme's total cost, Council may not declare the scheme.

#### Financial and Resource Implications

Installation of kerb and channel in Barkly Street from Leura Street to Curdie Street would be of specific benefit to property owners in the street. Benefits to the community from these works would be negligible.

The design code referenced by Victorian Councils, the *Infrastructure Design Manual*, advises that for a street with traffic volumes of up to 1000 vehicles per day (vpd) a carriageway width of 7.3m is satisfactory. A traffic count on Barkly Street between Leura Street and Curdie Street over two weeks from 24 August to 7 September 2018 recorded traffic volumes averaging 200vpd with the exception on Saturday 25 August when 365 vpd were recorded when a football match was on in Camperdown. With this in mind the benefits to the community in widening Barkly Street to cater for two way traffic and parallel parked cars on both sides of the road are also negligible.

Taking into consideration the above, Council's contribution to this special charge scheme would be the 35% minimum in accordance with its Special Rates and Charges policy. The estimated cost to Council of \$27,000 for replacing the existing concrete spoon drain in the street if the scheme did not take place has been deducted from the costs of the scheme. Also the costs for improvements to drainage and for the removal of trees in the street are not included in the costs of the scheme.

The estimated costs of the works and cost recovery from abutting property owners for the scheme is as follows:

Total Cost of Works	\$71,928
Property Owner contribution	\$46,753
Council contribution	\$25,175

The Council 2018-2019 budget allocation for the works in Barkly Street is \$120,000.

#### Options

Council may proceed with, vary or abandon the proposed Special Charge Scheme.

### **Conclusion**

Since the majority of abutting owners have advised that they do not support the proposal it is recommended that in accordance with Council Policy that the Special Charge Scheme for the construction of kerb and channel and road widening in Barkly Street between Leura Street and Curdie Street, Camperdown not be declared.

### **RECOMMENDATION**

**That Council does not declare the Special Charge Scheme for the installation of kerb and channel and road widening in Barkly Street, Camperdown.**

### **COUNCIL RESOLUTION**

***MOVED: Cr Gstrein***

***SECONDED: Cr Durant***

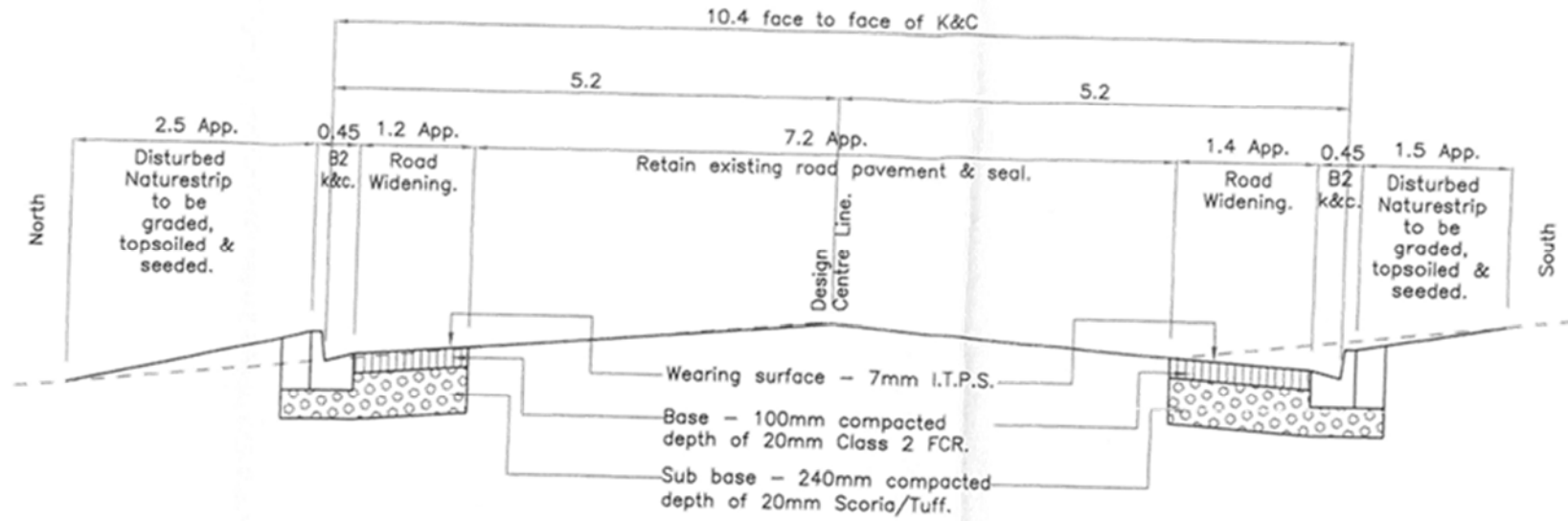
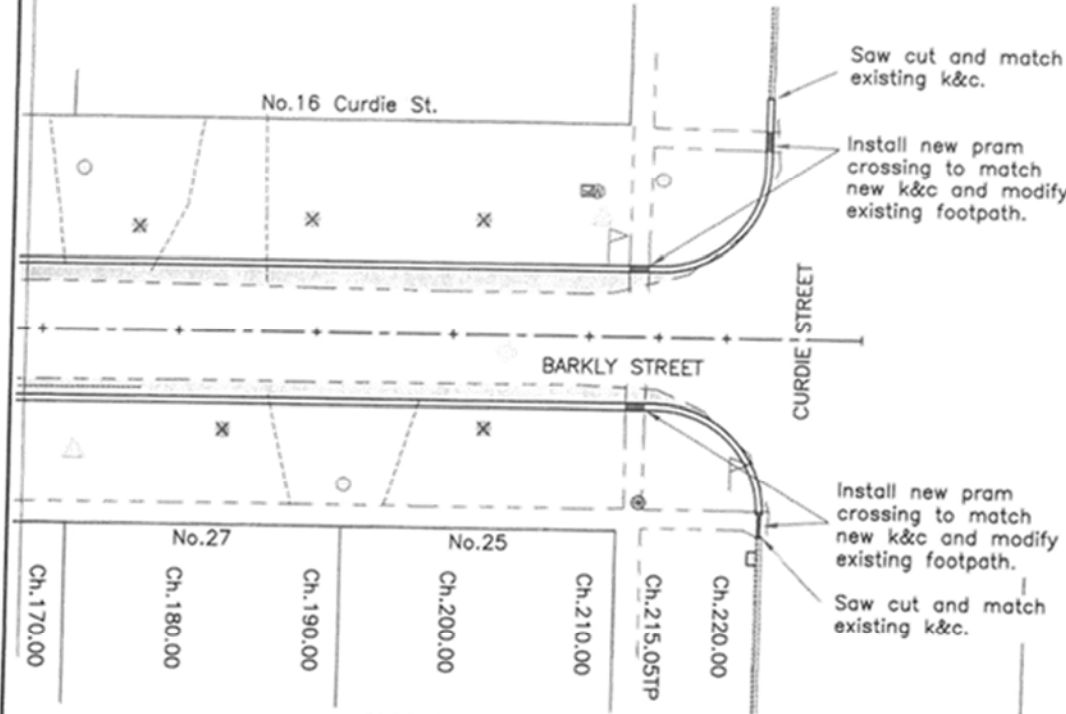
**That Council defers consideration of the Special Charge Scheme for Barkly Street, Camperdown, until after further options can be explored with residents and that this report comes back to Council by no later than the November 2018 meeting.**

**CARRIED**

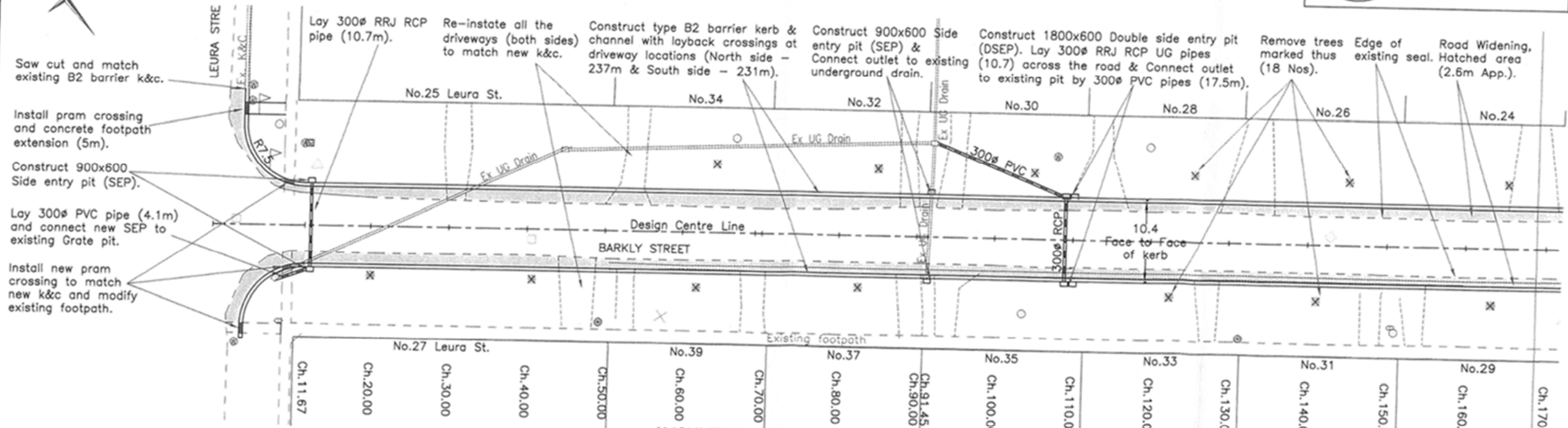
### **Attachments**

1. Attachment 1 - Plan for the Barkly Street Special Charge Scheme
2. Attachment 2 - Apportionment Barkly Street Camperdown Kerb & Channel and Road Widening Special Charge Scheme
3. Proposed Declaration of Special Charge Scheme Barkly Street Kerb and Channel Camperdown - Under Separate Cover
4. Public Notice - Barkly Street Special Charge Scheme - Under Separate Cover
5. Letter to Property Owners Re Proposed Declaration of the Barkly Street Special Charge Scheme - Under Separate Cover
6. Comments from Property owners on Initial Kerb & Channel Proposal and Special Charge Scheme in Barkly Street, Camperdown - Under Separate Cover
7. Comments from Property Owners on Revised Kerb & Channel and Road Widening Proposal and Special Charge Scheme in Barkly Street, Camperdown - Under Separate Cover
8. Submissions to Council Re Proposed Special Charge Scheme Barkly Street, Camperdown - Under Separate Cover
9. Determination of Maximum Total Levy - Barkly Street Kerb and Channel and Road Widening Special Charge Scheme

ATTACHMENT 1



**BEWARE OF UNDERGROUND SERVICES**  
 The existence and location of underground services as shown are indicative only and shall be checked and proven on site.



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**

**BARKLY ST., CAMPERDOWN (FROM LEURA ST. TO CURDIE ST.)  
 CONSTRUCTION OF K&C, ROAD WIDENING & DRAINAGE WORKS  
 CONCEPT PLAN**

Survey	HKWR & BB	Level Datum	ARBITRARY	A3	Est. Bk. No.
Design	HKWR				
File	XXXX				
L.B.	-				
Scale	AS SHOWN				
Checked	Date				
	Mar. 18				

PLAN NUMBER  
**3241**

**ATTACHMENT 2**

**SCHEDULE OF PROPERTIES & SPECIAL CHARGE APPORTIONMENTS**

SPECIAL CHARGE APPORTIONMENT FOR CONSTRUCTION OF KERB AND CHANNEL & ROAD WIDENING  
 BARKLY ST, LEURA ST TO CURDIE ST, CAMPERDOWN  
 65% 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: \$71,928  
 ESTIMATED COST OF WORKS TO BE RECOVERED BY PROPERTY OWNERS: \$46,753  
 FRONTAGE UNIT OF APPORTIONMENT: 46,753/338.82 = \$137.99

DESCRIPTION OF WORKS AND SPECIFICATIONS	QUANTITY	ESTIMATED COST		PROPERTY NUMBER	DESCRIPTION OF PROPERTY	LOT FRONTAGE TO FOOTPATH(m)	SIDE FRONTAGE (m)	CHARGEABLE FRONTAGE (m)	Estimated Owners Cost			
		RATE	AMOUNT									
CONSTRUCTION OF KERB & CHANNEL ON BOTH SIDES OF ROAD (m)	403	200	\$80,600	4428	16 CURDIE STREET							
				4040	LOT 1 TP 209501B	40.61	20.12	20.12	\$2,776			
				4042	24 BARKLY STREET LOT 8 PS015785	20.12		20.12	\$2,776			
ROAD WIDENING BARKLY ST 201.5M X 1.2M (m <sup>2</sup> )	242	55	\$13,310	4044	26 BARKLY STREET LOT 1 TP086560N	20.12		20.12	\$2,776			
				4046	28 BARKLY STREET LOT 10 PS015785	20.19		20.19	\$2,786			
				4048	30 BARKLY STREET LOT 11 PS015785	20.19		20.19	\$2,786			
				4050	32 BARKLY STREET LOT 1 TP118112U	20.12		20.12	\$2,776			
				4908	34 BARKLY STREET LOT 1 TP 832522Q	20.12		20.12	\$2,776			
				4041	25 LEURA STREET LOT 1 TP544154Y	40.23	16.76	16.76	\$2,313			
				4043	25 BARKLY STREET LOT 1 TP942876N	20.12	50.29	20.12	\$2,776			
LESS COST TO REPLACE EXISTING SPOON DRAIN (m)	135	200	\$27,000	4045	27 BARKLY STREET LOT 1 TP841760W	20.12		20.12	\$2,776			
				4047	29 BARKLY STREET LOT 1 TP39066S	20.12		20.12	\$2,776			
				4049	31 BARKLY STREET LOT 1 TP174723V	20.12		20.12	\$2,776			
				4051	33 BARKLY STREET LOT 1 TP344812B	20.12		20.12	\$2,776			
				4053	35 BARKLY STREET LOT 1 TP515480Y	20.12		20.12	\$2,776			
				4055	37 BARKLY STREET LOT 1 TP220597U	20.12		20.12	\$2,776			
				4911	39 BARKLY STREET LOTS 1&2 TP223083M	20.12		20.12	\$2,776			
				SUB TOTAL			\$66,910					
				7.5% ADMINISTRATION			\$5,018					
				<b>TOTAL</b>			<b>\$71,928</b>			<b>402.90</b>		<b>338.82</b>

**Special Charge Scheme**

**Construction of Kerb and Channel and Road Widening**

**Barkly Street from Leura Street to Curdie Street, Camperdown**

**A Purpose**

To construct kerb and channel and road widening in Barkly Street from Leura Street to Curdie Street, Camperdown

**B Coherence**

All of the properties abutting the road in this section of Barkly Street are considered to receive a special benefit.

**C Total Cost**

Rate for construction of kerb and channel on both sides of the road based on previous works is \$200/m. There is 403m length of kerb and channel.

The rate for a net widening of 1.2m over a length of 201.5m in Barkly is \$55/m<sup>2</sup>.

The cost of replacing an existing 135m concrete spoon drain if the special charge scheme does not take place will be deducted from the cost of works

Therefore, the Total Estimated Cost is

Kerb and Channel	\$403 x 200	= \$80,600
Road Widening	\$242 x 55	= \$13,310
Less Cost of Spoon Drain Replacement	\$135 x 200	= \$27,000
7.5% admin costs		= \$ 5,018
<b>Total</b>		<b>= \$71,928</b>

**D Identify Special Beneficiaries**

17 properties in Barkly Street will abut the kerb and channel and road widening and are considered to be receiving special benefits.

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

All 17 properties abutting the footpath are considered to be subject to the scheme.

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

**F Estimate Total Special Benefits**

Installation of kerb and channel in Barkly Street from Leura Street to Curdie Street would be of specific benefit of property owners in the street. Benefits to the community with these works would be negligible.

The design code for Victorian Councils, the Infrastructure Design Manual, advises that for a street with traffic volumes of up to 1000 vehicles per day (vpd) a carriageway width of 7.3m is satisfactory. A traffic count on Barkly Street between Leura Street and Curdie Street over 2 weeks from 24 August to 7 September 2018 recorded traffic volumes averaging 200vpd with the exception on Saturday 25 August when 365 vpd were recorded when a football match was on in Camperdown. With this in mind the benefits to the community in widening Barkly Street to cater for 2 way traffic and parallel parked cars on both sides of the road are also negligible.

Taking into consideration the above, the estimated total special benefits for the property owners is 100%.

**G Estimate Total Community Benefits (TCB)**

Estimated community benefit is 0%.

**H Calculate "Benefit Ratio"**

Contribution to the scheme from abutting owners is estimated at 100%. Ratio R = 1.

**I Calculate Maximum Total Levy**

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

$$1.0 \times \$71,928 = \$71,928$$

However Council's contribution to this special charge scheme would be the 35% minimum in accordance with its Special Rates and Charges policy. Therefore the maximum total levy is

$$0.65 \times \$71,928 = \$46,753.$$

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## 8.9 2017-2018 Financial Statements and Performance Report

**Author:** Adam Taylor, Manager Finance

**File No:** D18/376

**Previous Council Reference:**

### Declaration

Acting Chief Executive Officer – David Rae

In providing this advice to Council as the Acting 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 proposes Council give in-principle approval to the Financial Statements and Performance Statement for the year ended 30 June 2018 and authorise two Councillors to certify the statements.

The financial result for the year ended 30 June 2018 was a \$7.61 million surplus which was higher than our adopted budget surplus of \$5.24 million. However, after removing transactions related to fire and flood recovery (\$4.08m), grants paid in advance for 2018-2019 (\$3.85m) and expenses related to carry forward projects (\$4.54m) the result was in line with budget and all key financial indicators remain generally strong.

### Introduction

Pursuant to Section 132 (2) and (5) of the *Local Government Act 1989*, Council is required to give 'in-principle' approval of the 2017-2018 Financial Statements and Performance Statement and authorise two Councillors to approve the statements in their final form. The statements must be in the form and contain the content specified by the *Local Government (Finance and Reporting) Regulations 2014*.

Council must not submit the statements to its Auditor or the Minister unless it has passed a resolution giving its in-principle approval to the statements. Legislation also recognises that further changes may be made to the statements, and therefore Council must authorise two Councillors to certify the Financial Statements and the Performance Statement in their final form after any changes recommended or agreed to by the auditor have been made.

### Issues

The Victorian Auditor General's Office (VAGO) is responsible under the *Audit Act 1994* for the audit of Council's Financial Statements and Performance Statement. Auditors from McLaren Hunt, agents on behalf of VAGO, were in attendance on 9 and 10 August 2018 and the draft set of statements prepared are attached under separate cover.

For 2017-2018, an operating surplus of \$7.61 million was achieved compared to an adopted budgeted surplus of \$5.24 million. Explanatory commentary on major variations against Council's 2017-2018 Adopted Budget is included in the notes to the Financial Statements (note 1.1), and provided below.

Revenue	Variance Favourable / (Unfavourable)	Comment
Statutory fees and fines	\$193,000	Additional EPA Levies (\$100,000) and Planning Fees (\$54,000) collected throughout year due to higher than anticipated activity.
Grants - operating	\$1,721,000	Unbudgeted Grants from 2016 flood event (\$860,000), Additional Victorian Grants Commission (\$380,000) and Heritage Grants (\$105,000).
Contributions - monetary	(\$96,000)	Delays in completion of Special Charge Schemes (\$96,000) for Footpath and Kerb and Channel projects.
Fair Value Adjustments	\$2,128,000	As a result of the increase in expected life of the Naroghid landfill site the Net Present Value for rehabilitation has decreased.
Share of net profits (or loss) of associates and joint ventures	\$5,000	This item is in relation to the Corangamite Regional Library and is not budgeted for due to its uncertainty.
Other income	\$583,000	Additional interest income (\$195,000), Insurance reimbursements (\$80,000) and Fuel Tax Credits (\$70,000) received in excess of budget.

**Table 1: Major variances to adopted budget - Revenue**

Expense	Variance Favourable / (Unfavourable)	Comment
Materials and Services	(\$932,000)	Additional expenditure related to the South West Complex Fires in March 2018 which is expected to be recouped through Disaster Recovery funding in 2018-2019 (\$1,985,000).
Depreciation and amortisation	(\$2,197,000)	Additional depreciation on roads (\$800,000) due to revaluation of road network in 2016-2017 and a change in accounting policy requiring landfill cell construction to be depreciated (\$1,257,000).
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	\$116,000	Proceeds from the disposal of Light Fleet, Heavy Plant and Buildings (\$857,000) offset by the written-down value of plant and infrastructure assets disposed (\$973,000).
Finance costs	\$72,000	Savings in interest expense (\$72,000) due to loans being paid out early in July 2017.

**Table 2: Major variances to adopted budget - Expenses**



The Performance Statement is attached and includes sustainable capacity indicators, service performance indicators from across the organisation and financial performance indicators as prescribed in the *Local Government (Finance and Reporting) Regulations 2014*. The Performance Statement includes the actual results achieved in 2017-2018 for all of the prescribed indicators, as well as, the forecast estimates for the years 2019-2022 for each of the performance indicators.

Key financial performance indicators for 2017-2018 are summarised below.

Performance Measure	Actual Performance		Forecast Performance			
	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Working capital	296%	366%	302%	264%	274%	305%
Indebtedness	21%	12%	20%	20%	20%	20%
Asset renewal	92%	75%	95%	135%	133%	125%

**Table 3: Local Government Performance Report Framework – Key financial indicators**

The major factor driving the high working capital ratio is the large amount of cash held at 30 June 2018, primarily due to 50% of the 2018-2019 Financial Assistance Grants being paid in 2017-2018 and carried forward capital works and non-recurrent project expenditure. Indebtedness is planned to remain low as loans have been fully repaid in 2017-2018. The asset renewal has fallen due to a number of large scale multiyear projects that are not yet capitalised, the average will remain above 100% over the forecast period.

The Financial Statements have been prepared in accordance with the requirements of the *Local Government Act 1989*, *Local Government (Finance and Reporting) Regulations 2014* and Australian Accounting Standards. No major differences in accounting treatment were identified by the auditors in reviewing the draft statements and it is anticipated that certification by the Auditor-General as to the fairness of the final statements will be received.

### Policy and Legislative Context

The report is in accordance with the requirements of the *Local Government Act 1989* and supports the commitments in the Council Plan 2017-2021 that:

We are committed to ensuring the ethical behaviour of Councillors and staff, maintaining good governance and remaining financially sustainable.

Council will make budgetary decisions that ensures Council remains in a strong financial position now and into the future.

Council will deliver value for money by ensuring that services are required and delivered efficiently and sustainably.

### Internal / External Consultation

The various statements are subject to audit by the Victorian Auditor General's Office. A draft set of statements was referred to a meeting of Council's Audit Committee on 13 September 2018. Auditors from McLaren Hunt, as agents for VAGO, were in attendance to discuss the statements and their observations from the audit. The Audit Committee has recommended that Council give in-principle approval to the statements.

Once the final statements have been prepared and certified by the nominated Councillors, they will form part of Council's Annual Report which will be forwarded to the Minister by 30 September 2018 and be available on Council's website and at Council offices.

### **Financial and Resource Implications**

There are no direct financial and resource consequences as a result of this report.

### **Options**

In-principle approval of the statements by Council is required to ensure that Council meets the requirements of the *Local Government Act 1989*. Council may choose which Councillors are authorised to certify them.

### **Conclusion**

In-principle approval of the statements at this meeting, and authorisation of two Councillors to certify the final copy, will ensure that they are lodged with the Minister within the required timeframe. Council practice has been to nominate the members of the Audit Committee to certify the statements.

## **RECOMMENDATION**

**That:**

- 1. Pursuant to Section 132(2) of the *Local Government Act 1989*, Council gives in-principle approval to the Financial Statements and Performance Statement for the year ended 30 June 2018.**
- 2. Pursuant to Section 132(5) of the *Local Government Act 1989*, Council authorises Councillors Durant and Brown to certify the 2017-2018 Financial Statements and Performance Statement in their final form after any changes recommended, or agreed to by the auditors have been made.**

### **COUNCIL RESOLUTION**

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

**That the recommendation be adopted.**

**CARRIED**

### **Attachments**

1. Performance Statement 2017-2018 - UNSIGNED
2. 2017-2018 Annual Financial Statements - UNSIGNED



**CORANGAMITE  
SHIRE**

Corangamite Shire Council  
Performance Statement  
For the year ended 30 June 2018

## Performance Statement

For the year ended 30 June 2018

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### Description of municipality

Corangamite Shire is located 180 kilometres south-west of Melbourne in the Great South Coast. The municipality is approximately 4,600 square kilometres and stretches from the Great Ocean Road in the south to the pastoral area of Skipton to the north.

The topography of the Shire is diverse, including flat plains in the north with large numbers of lakes of international significance and volcanic cones in the centre of the Shire. Highly productive agricultural land also characterises the north of the Shire with sheep and cattle grazing prevalent. The coastline along the southern border includes a section of the Great Ocean Road tourist route, attracting a large number of tourists annually. Numerous offshore rock formations, including the Twelve Apostles, are a major tourist attraction.

Geographically, Corangamite Shire comprises twelve townships that act as service centres for the surrounding areas, namely Camperdown, Terang, Timboon, Port Campbell, Cobden, Lismore, Derrinallum, Skipton, Princetown, Simpson, Noorat and Darlington. The townships of Camperdown, Terang and Cobden have the largest populations. The coastal townships of Princetown and Port Campbell predominantly service the tourism industry.

In 2018, the estimated resident population of Corangamite Shire was 16,086 with 3.6 people per square kilometre. The population remains relatively stable with a projected average annual growth rate of 0.2%.

## Sustainable Capacity Indicators

For the year ended 30 June 2018

### PERFORMANCE STATEMENT

#### Sustainable Capacity Indicators

Indicator /measure	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
<b>Population</b>					
Expenses per head of municipal population [Total expenses / Municipal population]	\$2,554.70	\$2,536.92	\$2,516.70	\$2,420.05	
Infrastructure per head of municipal population [Value of infrastructure / Municipal population]	\$22,402.91	\$22,982.58	\$26,293.06	\$28,014.73	The increase reflects the positive impact of a revaluation of Council's property, plant and equipment.
Population density per length of road [Municipal population / Kilometres of local roads]	6.75	6.61	6.82	6.79	
<b>Own-source revenue</b>					
Own-source revenue per head of municipal population	\$1,642.97	\$1,687.70	\$1,675.39	\$1,787.27	The favourable result generally reflects a combination of higher user fees generated from increased activity associated with the landfill and saleyards, and improved trade-in value of plant and equipment including vehicles.
<b>Recurrent grants</b>					
[Own-source revenue / Municipal population]					
Recurrent grants per head of municipal population	\$983.68	\$565.18	\$951.65	\$763.83	The unfavourable result reflects the variability of the Victorian Grants Commission allocations. Two quarters of the 2017-2018 grant were received in 2016-2017.
<b>Disadvantage</b>					
[Recurrent grants / Municipal population]					
Relative Socio-Economic Disadvantage	5.00	5.00	5.00	5.00	
[Index of Relative Socio-Economic Disadvantage by decile]					

#### Definitions

"adjusted underlying revenue" means total income other than:

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to above

"infrastructure" means non-current property, plant and equipment excluding land

"local road" means a sealed or unsealed road for which the council is the responsible road authority under the Road Management Act 2004

"population" means the resident population estimated by council

"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)

"relative socio-economic disadvantage", in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of SEIFA

"SEIFA" means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet website

"Unrestricted cash" means all cash and cash equivalents other than restricted cash.

## Service Performance Indicators

For the year ended 30 June 2018

Service/indicator /measure	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
<b>Aquatic Facilities Utilisation</b>					
Utilisation of aquatic facilities	2.34	3.46	3.15	2.90	Utilisation was lower than the previous year due to poorer weather and earlier than scheduled closures across some facilities due to the St Patrick's Day Fire.
[Number of visits to aquatic facilities / Municipal population]					
<b>Animal Management Health and safety</b>					
Animal management prosecutions	14.00	4.00	18.00	12.00	The result from 2016-2017 included prosecutions from proceedings commenced in 2015-2016. The 2017-2018 result is consistent with the average of the three previous reporting periods.
[Number of successful animal management prosecutions]					
<b>Food Safety Health and safety</b>					
Critical and major non-compliance outcome notifications	100.00%	100.00%	100.00%	95.45%	The result is not unexpected as two non-compliances were received towards the end of the reporting period. Investigations commenced prior to June 30 and finalised in July 2018.
[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100					
<b>Governance Satisfaction</b>					
Satisfaction with council decisions	64.00	61.00	61.00	64.00	Some controversial planning decisions may have impacted the level of satisfaction in the previous year.
[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]					

<b>Home and Community Care (HACC) Participation</b>					
Participation in HACC service	29.00%	25.80%	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
[Number of people that received a HACC service / Municipal target population for HACC services] x100					
<b>Participation</b>					
Participation in HACC service by CALD people	23.00%	7.69%	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100					
<b>Libraries Participation</b>					
Active library members	14.00%	14.03%	13.39%	12.91%	
[Number of active library members / Municipal population] x100					
<b>Maternal and Child Health (MCH) Participation</b>					
Participation in the MCH service	79.00%	82.92%	78.61%	84.78%	Participation rates are higher than the previous three years' average and reflects ongoing efforts by Council to ensure the community is aware of the importance of the service.
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100					
<b>Participation</b>					
Participation in the MCH service by Aboriginal children	80.00%	93.33%	66.67%	88.24%	Council's M&CH service continues to improve its cultural awareness. This has contributed to increased participation from Aboriginal children. A very small number of children participate so small numerical changes lead to large variations in percentage.
[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100					

<b>Roads Satisfaction</b>						
Satisfaction with sealed local roads		38.00	36.00	37.00	37.00	Council's research indicates the continuing low level of satisfaction with local roads reflects the community's high level of dissatisfaction associated with State owned roads.
[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]						
<b>Statutory Planning Decision making</b>						
Council planning decisions upheld at VCAT		0.00%	0.00%	0.00%	0.00%	
[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100						
<b>Waste Collection Waste diversion</b>						
Kerbside collection waste diverted from landfill		59.00%	60.92%	63.94%	64.65%	
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100						
<b>Economic Development (optional)</b>						
<b>Economic activity</b>						
Change in number of businesses		0.00%	-2.43%	-0.40%	7.02%	
[Number of businesses with an ABN in the municipality at the end of the financial year less the number of businesses at the start of the financial year / Number of businesses with an ABN in the municipality at the start of the financial year] x100						



Definitions

- "Aboriginal child" means a child who is an Aboriginal person
- "Aboriginal person" has the same meaning as in the Aboriginal Heritage Act 2006
- "active library member" means a member of a library who has borrowed a book from the library
- "annual report" means an annual report prepared by a council under sections 131, 132 and 133 of the Act
- "CALD" means culturally and linguistically diverse and refers to persons born outside Australia in a country whose national language is not English
- "class 1 food premises" means food premises, within the meaning of the Food Act 1984, that have been declared as class 1 food premises under section 19C of that Act
- "class 2 food premises" means food premises, within the meaning of the Food Act 1984, that have been declared as class 2 food premises under section 19C of that Act
- "Community Care Common Standards" means the Community Care Common Standards for the delivery of HAACC services, published from time to time by the Commonwealth
- "critical non-compliance outcome notification" means a notification received by council under section 19N(3) or (4) of the Food Act 1984, or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
- "food premises" has the same meaning as in the Food Act 1984
- "HAACC program" means the Home and Community Care program established under the Agreement entered into for the purpose of the Home and Community Care Act 1985 of the Commonwealth
- "HAACC service" means home help, personal care or community respite provided under the HAACC program
- "local road" means a sealed or unsealed road for which the council is the responsible road authority under the Road Management Act 2004
- "major non-compliance outcome notification" means a notification received by a council under section 19N(3) or (4) of the Food Act 1984, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken
- "MCH" means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age
- "population" means the resident population estimated by council
- "target population" has the same meaning as in the Agreement entered into for the purposes of the Home and Community Care Act 1985 of the Commonwealth
- "WorkSafe reportable aquatic facility safety incident" means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the Occupational Health and Safety Act 2004.

## Financial Performance Indicators

### For the year ended 30 June 2018

Financial Performance Indicators		Results	Results	Results	Results	Forecasts			Material Variations and Comments
Dimension/Indicator/measure	2015	2016	2017	2018	2019	2020	2021	2022	
<b>Efficiency</b>									
<b>Revenue level</b>									
Average residential rate per residential property assessment [Residential rate revenue / Number of residential property assessments]	\$1,115.75	\$1,177.46	\$1,204.00	\$1,242.47	\$1,289.47	\$1,320.43	\$1,352.11	\$1,384.57	
<b>Expenditure level</b>									
Expenses per property assessment [Total expenses / Number of property assessments]	\$4,212.89	\$4,099.40	\$4,175.44	\$3,995.59	\$4,135.67	\$4,020.10	\$4,097.88	\$4,177.74	
<b>Workforce turnover</b>									
Resignations and terminations compared to average staff	6.46%	9.45%	8.71%	11.16%	8.16%	8.16%	8.16%	8.16%	Council continues to experience difficulties associated with attracting applicants and retain existing staff in a competitive employment market, as the Shire's unemployment rate is low. For example, at the end of the reporting period there were three unfilled positions. During the reporting period there were also four redundancies.
<b>Liquidity</b>									
<b>Working capital</b>									
[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100									
<b>Current assets compared to current liabilities</b>									
Current assets compared to current liabilities	283.54%	276.53%	296.41%	366.45%	302.49%	263.55%	274.05%	305.69%	The favourable result reflects (1) the impact of two quarters of the 2018-2019 Victorian Grants Commission allocation received in advance, prior to the end of the financial year, (2) Some capital works which had not been completed and (3) a favourable financial result compared to budget.
<b>Unrestricted cash</b>									
[Current assets / Current liabilities] x100									
Unrestricted cash compared to current liabilities	154.32%	218.32%	253.49%	316.35%	249.59%	210.84%	221.57%	253.25%	The favourable result reflects (1) the impact of two quarters of the 2018-2019 Victorian Grants Commission allocation received in advance prior to the end of the financial year, (2) Some capital works which had not been completed and (3) a favourable financial result compared to budget.
<b>[Unrestricted cash / Current liabilities] x100</b>									

<b>Obligations</b>									
<b>Asset renewal</b>									
Asset renewal compared to depreciation	104.71%	117.44%	91.79%	74.78%	95.04%	135.45%	132.61%	124.59%	The result reflects the impact of \$5.7 million of capital work in progress to be completed in 2018-2019. This is primarily due to the impact of adverse weather conditions on road construction, delays associated with the St Patrick's Day Fires and a multi-year upgrade to be completed in 2018-2019. The result also includes the adverse impact of a new accounting policy. In the absence of this policy impact, the underlying renewal ratio is 83.3%
[Asset renewal expense / Asset depreciation] x100									
<b>Loans and borrowings</b>									
Loans and borrowings compared to rates	24.57%	16.32%	11.03%	0.00%	0.00%	0.00%	0.00%	0.00%	The result reflects the impact of Council's decision to repay all borrowings during the financial year. This was an initiative of the 2017-2018 Budget.
[Interest bearing loans and borrowings / Rate revenue] x100									
Loans and borrowings repayments compared to rates	8.31%	8.06%	5.51%	11.22%	0.00%	0.00%	0.00%	0.00%	The result reflects the impact of Council's decision to repay all borrowings during the financial year. This was an initiative of the 2017-2018 Budget.
[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100									
<b>Indebtedness</b>									The result reflects the impact of Council's decision to repay all borrowings during the financial year. This was an initiative of the 2017-2018 Budget.
Non-current liabilities compared to own source revenue	32.13%	28.71%	21.06%	12.38%	20.09%	20.10%	20.11%	20.12%	
[Non-current liabilities / Own source revenue] x100									

<b>Operating position</b>		<b>Adjusted underlying result</b>									
Adjusted underlying surplus (or deficit)		4.49%	-11.85%	5.55%	8.43%	5.27%	21.96%	15.13%	14.50%	The favourable result reflects the impact of two quarters of the 2018-2019 Victorian Grants Commission allocation received in advance, prior to the end of the financial year.	
[Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100											
<b>Stability</b>											
<b>Rates concentration</b>											
Rates compared to adjusted underlying revenue		43.46%	55.06%	46.89%	48.80%	51.35%	44.57%	48.69%	49.26%		
[Rate revenue / Adjusted underlying revenue] x100											
<b>Rates effort</b>											
Rates compared to property values		0.39%	0.41%	0.43%	0.43%	0.43%	0.44%	0.45%	0.46%	The 2017-2018 result reflects the increase in rates during the year and supplementary valuations.	
[Rate revenue / Capital improved value of rateable properties in the municipality] x100											
<b>Definitions</b>											
"adjusted underlying revenue" means total income other than:											
(a) non-recurrent grants used to fund capital expenditure; and											
(b) non-monetary asset contributions; and											
(c) contributions to fund capital expenditure from sources other than those referred to above											
"adjusted underlying surplus (or deficit)" means adjusted underlying revenue less total expenditure											
"asset renewal expenditure" means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability											
"current assets" has the same meaning as in the AAS											
"current liabilities" has the same meaning as in the AAS											
"non-current assets" means all assets other than current assets											
"non-current liabilities" means all liabilities other than current liabilities											
"non-recurrent grant" means a grant obtained on the condition that it be expended in a specified manner and is not expected to be received again during the period covered by a council's Strategic Resource Plan											
"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants											
"population" means the resident population estimated by council											
"rate revenue" means revenue from general rates, municipal charges, service rates and service charges											
"recurrent grant" means a grant other than a non-recurrent grant											
"residential rates" means revenue from general rates, municipal charges, service rates and service charges levied on residential properties											
"restricted cash" means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year											
"unrestricted cash" means all cash and cash equivalents other than restricted cash.											

## Other Information

For the year ended 30 June 2018

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### 1. Basis of preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the Local Government Act 1989 and Local Government (Planning and Reporting) Regulations 2014.

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics).

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 12 June 2018 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.

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## Certification of the Performance Statement

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In my opinion, the accompanying performance statement has been prepared in accordance with the Local Government Act 1989 and the Local Government (Planning and Reporting) Regulations 2014.

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Adam Taylor, CPA  
**Principal Accounting Officer**  
**Dated:** 25 September 2018

In our opinion, the accompanying performance statement of the Corangamite Shire for the year ended 30 June 2018 presents fairly the results of council's performance in accordance with the Local Government Act 1989 and the Local Government (Planning and Reporting) Regulations 2014.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the council and by the Local Government (Planning and Reporting) Regulations 2014 to certify this performance statement in its final form.

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Cr Lesley Brown  
**Councillor**  
**Dated:** 25 September 2018

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Cr Helen Durant  
**Councillor**  
**Dated:** 25 September 2018

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David Rae  
**Acting Chief Executive Officer**  
**Dated:** 25 September 2018

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**Corangamite Shire Council  
ANNUAL FINANCIAL REPORT**

*For the Year Ended 30 June 2018*

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*Corangamite Shire Council*  
*2017-2018 Financial Report*

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### Certification of the Financial Statements

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

*Adam Taylor, CPA Australia*  
**Principal Accounting Officer**  
**Date :**  
*Camperdown*

In our opinion the accompanying financial statements present fairly the financial transactions of Corangamite Shire Council for the year ended 30 June 2018 and the financial position of the Council as at that date.

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

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

*Lesley Brown*  
**Councillor**  
**Date :**  
*Camperdown*

*Helen Durant*  
**Councillor**  
**Date :**  
*Camperdown*

*David Rae*  
**Acting Chief Executive Officer**  
**Date :**  
*Camperdown*

*Corangamite Shire Council  
2017-2018 Financial Report*

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*Corangamite Shire Council*  
*2017-2018 Financial Report*

**Comprehensive Income Statement**  
**As at 30 June 2018**

	Note	2018 \$'000	2017 \$'000
<b>Income</b>			
Rates and charges	2.1	20,747	20,158
Statutory fees and fines	2.2	431	373
User fees	2.3	6,512	6,450
Grants - operating	2.4	12,013	14,188
Grants - capital	2.4	5,623	4,544
Contributions	2.5	157	153
Fair Value Adjustments	5.3	2,128	(295)
Share of net profits (or loss) of associates and joint ventures	5.2	5	22
Other revenue	2.7	1,055	1,022
<b>Total income</b>		<b>48,671</b>	<b>46,615</b>
<b>Expenses</b>			
Employee Benefits	3.1	(14,630)	(14,542)
Materials and services	3.2	(11,105)	(12,433)
Depreciation	3.3	(12,329)	(10,324)
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	2.6	(116)	(1,010)
Bad and doubtful debts	3.4	(2)	(7)
Finance costs	3.5	(104)	(141)
Other expenses	3.6	(2,770)	(2,847)
<b>Total expenses</b>		<b>(41,057)</b>	<b>(41,305)</b>
<b>Surplus/(deficit) for the year</b>		<b>7,614</b>	<b>5,310</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to surplus or deficit in future periods</b>			
Net asset revaluation increment/(decrement)	5.1	23,548	23,913
<b>Total comprehensive result</b>		<b>31,161</b>	<b>29,223</b>

*Corangamite Shire Council*  
*2017-2018 Financial Report*

**Balance Sheet**  
**As at 30 June 2018**

	Note	2018 \$'000	2017 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4.1	4,540	13,969
Trade and other receivables	4.1	2,619	2,664
Other financial assets	4.1	19,101	8,180
Inventories	4.2	78	83
Other assets	4.2	585	483
<b>Total current assets</b>		<b>26,923</b>	<b>25,379</b>
<b>Non-current assets</b>			
Trade and other receivables	4.1	42	45
Investments in associates, joint arrangements and subsidiaries	5.2	265	260
Property, infrastructure, plant and equipment	5.1	460,616	434,346
<b>Total non-current assets</b>		<b>460,922</b>	<b>434,652</b>
<b>Total assets</b>		<b>487,846</b>	<b>460,031</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	4.3	3,261	2,290
Trust funds and deposits	4.3	236	203
Provisions	4.5	3,851	3,845
Interest-bearing liabilities	4.4	-	2,224
<b>Total current liabilities</b>		<b>7,347</b>	<b>8,562</b>
<b>Non-current liabilities</b>			
Provisions	4.5	3,560	5,693
<b>Total non-current liabilities</b>		<b>3,560</b>	<b>5,693</b>
<b>Total liabilities</b>		<b>10,907</b>	<b>14,256</b>
<b>Net assets</b>		<b>476,939</b>	<b>445,775</b>
<b>Equity</b>			
Accumulated surplus		184,171	175,847
Reserves	8.1	292,768	269,929
<b>Total Equity</b>		<b>476,939</b>	<b>445,775</b>

*Corangamite Shire Council*  
*2017-2018 Financial Report*

**Statement of Changes in Equity**  
**For the Year Ended 30 June 2018**

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2018</b>					
Balance at beginning of the financial year		445,775	175,847	267,201	2,727
Surplus/(deficit) for the year		7,614	7,614	-	-
Net asset revaluation increment/(decrement)		23,551	3	23,548	-
Transfers to other reserves		-	(328)		328
Transfers from other reserves		-	1,036		(1,036)
<b>Balance at end of the financial year</b>		<b>476,940</b>	<b>184,171</b>	<b>290,749</b>	<b>2,020</b>

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2017</b>				
Balance at beginning of the financial year	416,552	212,066	203,162	1,324
Surplus/(deficit) for the year	5,310	5,310	-	-
Net asset revaluation increment/(decrement)	23,913	(40,126)	64,039	-
Transfers to other reserves	-	(1,494)	-	1,494
Transfers from other reserves	-	91	-	(91)
<b>Balance at end of the financial year</b>	<b>445,775</b>	<b>175,847</b>	<b>267,201</b>	<b>2,727</b>

*Corangamite Shire Council*  
*2017-2018 Financial Report*

**Statement of Cash Flows**  
**For the Year Ended 30 June 2018**

	Note	2018 Inflows/ (Outflows) \$'000	2017 Inflows/ (Outflows) \$'000
<b>Cash flows from operating activities</b>			
Rates and charges		20,747	20,018
Statutory fees and fines		431	373
User fees		6,559	6,450
Grants - operating		12,013	14,188
Grants - capital		5,623	4,544
Contributions - monetary		157	153
Interest received		472	537
Reimbursements		180	383
Other receipts		403	102
Net GST refund		24	74
Employee costs		(14,630)	(14,471)
Materials and services		(10,231)	(11,257)
Trust funds and deposits repaid		(45)	(204)
Fire service property levy		77	(23)
Other payments		(2,794)	(3,739)
<b>Net cash provided by/(used in) operating activities</b>		<b>18,985</b>	<b>17,128</b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment	5.1	(16,022)	(11,265)
Proceeds from sale of property, infrastructure, plant and equipment		857	628
Payments for investments		(11,000)	(4,500)
Payments of loans and advances		79	287
<b>Net cash provided by/(used in) investing activities</b>		<b>(26,086)</b>	<b>(14,850)</b>
<b>Cash flows from financing activities</b>			
Finance costs		(104)	(141)
Repayment of borrowings		(2,224)	(970)
<b>Net cash provided by/(used in) financing activities</b>		<b>(2,328)</b>	<b>(1,111)</b>
Net increase (decrease) in cash and cash equivalents		(9,429)	1,167
Cash and cash equivalents at the beginning of the financial year		13,969	12,802
<b>Cash and cash equivalents at the end of the financial year</b>		<b>4,540</b>	<b>13,969</b>
Financing arrangements	4.6	960	960
Restrictions on cash assets	4.1	236	3,196

*Corangamite Shire Council*  
*2017-2018 Financial Report*

**Statement of Capital Works**  
**For the Year Ended 30 June 2018**

	Note	2018 \$'000	2017 \$'000
<b>Property</b>			
Land		-	47
<b>Total land</b>		-	47
Buildings		427	140
Heritage buildings		81	35
Leasehold improvements		-	31
<b>Total buildings</b>		508	206
<b>Total property</b>		508	253
<b>Plant and equipment</b>			
Plant, machinery and equipment		1,957	2,640
Computers and telecommunications		192	9
<b>Total plant and equipment</b>		2,149	2,649
<b>Infrastructure</b>			
Roads		6,443	5,801
Footpaths and cycleways		175	400
Drainage		29	74
Recreational, leisure and community facilities		-	31
Parks, open space and streetscapes		-	259
Kerb and channel		218	519
Retaining walls and small culverts		46	-
Waste Management		2,187	-
Other infrastructure		-	6
<b>Total infrastructure</b>		9,098	7,090
<b>Total capital works expenditure</b>		11,755	9,992
<b>Represented by:</b>			
New asset expenditure		2,456	392
Asset renewal expenditure		9,220	9,476
Asset upgrade expenditure		79	124
<b>Total capital works expenditure</b>		11,755	9,992



**OVERVIEW****Introduction**

The Corangamite Shire Council was established by an Order of the Governor in Council on 23 September 1994 and is a body corporate.

The Council's main office is located at 181 Manifold Street, Camperdown, Victoria 3260.

**Statement of compliance**

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with the Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1989, and the Local Government (Planning and Reporting) Regulations 2014.

**Significant accounting policies****(a) Basis of accounting**

The accrual basis of accounting has been used in the preparation of these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 5.1)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 5.1)
- the determination of employee provisions (refer to Note 4.5)
- the determination of landfill provisions (refer to Note 4.5)

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

**Note 1 Performance against budget**

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$500,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 13 June 2017. The budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for income and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

These notes are prepared to meet the requirements of the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

**1.1 Income and expenditure**

	Budget 2018 \$'000	Actual 2018 \$'000	Variance 2018 \$'000	Ref
<b>Income</b>				
Rates and charges	20,578	20,747	169	
Statutory fees and fines	238	431	193	1
User fees	6,067	6,512	445	
Grants - operating	10,292	12,013	1,721	2
Grants - capital	5,824	5,623	(201)	
Contributions	253	157	(96)	3
Fair Value Adjustments	-	2,128	2,128	4
Share of net profits (or loss) of associates and joint ventures	-	5	5	5
Other revenue	472	1,055	583	6
<b>Total income</b>	<b>43,724</b>	<b>48,671</b>	<b>4,947</b>	
<b>Expenses</b>				
Employee Benefits	14,982	14,630	352	
Materials and services	10,173	11,105	(932)	7
Depreciation	10,132	12,329	(2,197)	8
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	-	116	116	9
Bad and doubtful debts	2	2	-	
Finance costs	176	104	72	10
Other expenses	3,023	2,770	253	
<b>Total expenses</b>	<b>38,488</b>	<b>41,057</b>	<b>(2,337)</b>	
<b>Surplus(deficit) for the year</b>	<b>5,236</b>	<b>7,614</b>	<b>2,378</b>	

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Statutory fees and fines	Additional EPA Levies (\$100,000) and Planning Fees (\$54,000) collected throughout year due to higher than anticipated activity.
2	Grants - operating	Unbudgeted Grants from 2016 flood event (\$860,000), Additional Victorian Grants Commission (\$380,000) and Heritage Grants (\$105,000).
3	Contributions	Delays in completion of Special Charge Schemes (\$96,000) for Footpath and Kerb and Channel projects.
4	Fair Value Adjustments	As a result of the increase in expected life of the Naroghid landfill site the Net Present Value for rehabilitation has decreased.
5	Share of net profits (or loss) of associates and joint ventures	This item is in relation to the Corangamite Regional Library and is not budgeted for due to its uncertainty.
6	Other revenue	Additional interest income (\$195,000), Insurance reimbursements (\$80,000) and Fuel Tax Credits (\$70,000) received in excess of budget.
7	Materials and services	Additional expenditure related to the South West Complex Fires in March 2018 which is expected to be recouped through Disaster Recovery funding in 2018-2019 (\$1,985,000)
8	Depreciation	Additional depreciation on roads (\$800,000) due to revaluation of road network in 2016-2017 and a change in accounting policy requiring landfill cell construction to be depreciated (\$1,257,000)
9	Net gain (or loss) on disposal of property, infrastructure, plant and equipment	Proceeds from the disposal of Light Fleet, Heavy Plant and Buildings (\$857,000) offset by the written-down value of plant and infrastructure assets disposed (\$973,000)
10	Finance costs	Savings in interest expense (\$72,000) due to loans being paid out early in July 2017.

Note 1 Performance against budget (cont'd)

1.2 Capital works

	Budget 2018 \$'000	Actual 2018 \$'000	Variance 2018 \$'000	Ref
<b>Property</b>				
Land	-	-	-	
<b>Total Land</b>	-	-	-	
Buildings	521	427	(94)	
Heritage buildings	192	81	(111)	1
<b>Total Buildings</b>	713	508	(205)	
<b>Total Property</b>	713	508	(205)	
<b>Plant and Equipment</b>				
Plant, machinery and equipment	2,449	1,957	(492)	2
Computers and telecommunications	318	192	(126)	3
<b>Total Plant and Equipment</b>	2,767	2,149	(618)	
<b>Infrastructure</b>				
Roads	7,300	6,443	(857)	
Bridges	2,165	-	(2,165)	4
Footpaths and cycleways	114	175	61	5
Drainage	253	29	(224)	6
Parks, open space and streetscapes	1,279	-	(1,279)	7
Kerb and channel	317	218	(99)	8
Retaining walls and small culverts	-	46	46	9
Waste Management	80	2,187	2,107	10
Other infrastructure	10	-	(10)	11
<b>Total Infrastructure</b>	11,518	9,098	(2,420)	
<b>Total Capital Works Expenditure</b>	14,998	11,755	(3,243)	
<b>Represented by:</b>				
New asset expenditure	554	2,456	1,902	
Asset renewal expenditure	11,485	9,220	(2,265)	
Asset upgrade expenditure	2,959	79	79	
<b>Total Capital Works Expenditure</b>	14,998	11,755	(284)	

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Heritage buildings	A number of projects remained incomplete at the end of the financial year and will be carried forward to the future years. Some smaller projects (\$23,000) have been transferred to operating expenses as they were not able to be recognised as assets.

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Variance Ref	Item	Explanation
2	Plant, machinery and equipment	Savings were achieved in Light Fleet (\$150,000), Heavy Plant (\$327,000) and Minor Plant (\$15,000)
3	Computers and telecommunications	Some smaller purchases have been transferred to operating expenses as they were not able to be recognised as assets (\$109,000) and some incomplete projects were carried forward to 2018-2019 (\$179,000).
4	Bridges	The majority of this expenditure is for Castle Carrey Bridge works which will be undertaken over multiple years. The amount spent will be part of work in progress until the project is finalised.
5	Footpaths and cycleways	Work completed in prior years was capitalised (\$152,000) in the current year offset by of carry forward projects (\$90,000)
6	Drainage	Projects not completed at end of year and will be carried forward to 2018-2019 (\$249,000)
7	Parks, open space and streetscapes	Budget included Port Campbell Streetscape Urban Design and construction. The design work is ongoing and included in work in progress whilst the construction has been deferred until the planning and consultation is completed.
8	Kerb and channel	Some retaining wall and small culvert projects were originally budgeted as kerb and channel (\$46,000) and projects to be carried forward (\$85,000).
9	Retaining walls and small culverts	Some retaining wall and small culvert projects were originally budgeted as kerb and channel (\$46,000)
10	Waste Management	Landfill cell construction costs (\$2,187,000) were capitalised in the current year due to a change in accounting policy
11	Other infrastructure	One project was not completed during the year (\$10,000) and will be carried forward to be completed in a future year.

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Note 2 Funding for the delivery of our services	2018	2017
2.1 Rates and charges	\$'000	\$'000

Council uses capital improved value as the basis of valuation of all properties within the municipal district. The capital improved value of a property is its market value.

The valuation base used to calculate general rates for 2017-2018 was \$4.771 billion (2016-2017 \$4.737 billion).

General Rates	7,720	7,462
Municipal charge	1,629	1,591
Waste management charge	1,577	1,514
Farm/Rural	9,631	9,474
Vacant Industrial Land rates	15	13
Supplementary rates and rate adjustments	169	98
Cultural and recreational land rates	6	6
<b>Total rates and charges</b>	<b>20,747</b>	<b>20,158</b>

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2018, and the valuation will be first applied in the rating year commencing 1 July 2018.

Annual rates and charges are recognised as revenues when Council issues annual rates notices. Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

**2.2 Statutory fees and fines**

Landfill Levy	116	115
Town Planning fees	177	133
Health Registrations	103	91
Permits	21	20
Infringements and costs	14	14
<b>Total statutory fees and fines</b>	<b>431</b>	<b>373</b>

Statutory fees and fines are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

**2.3 User fees**

Landfill	2,473	2,459
Family Day Care	863	809
Saleyards	505	624
Aged & Disability Services	549	401
Kindergartens	229	283
Building services	245	185
Other fees and charges	1,648	1,689
<b>Total user fees</b>	<b>6,512</b>	<b>6,450</b>

User fees are recognised as revenue when the service has been provided or council has otherwise earned the income.

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2.4 Funding from other levels of government	2018	2017
Grants were received in respect of the following :	\$'000	\$'000
<b>Summary of grants</b>		
Commonwealth funded grants	12,153	15,782
State funded grants	5,483	2,950
<b>Total grants received</b>	<b>17,636</b>	<b>18,731</b>
<b>(a) Operating Grants</b>		
<b>Recurrent - Commonwealth Government</b>		
Financial Assistance Grants	7,616	10,778
Family and children	587	542
Aged Services	752	763
<b>Recurrent - State Government</b>		
Aged & Disability Services	293	342
Community health	38	28
Economic development	-	10
Environment	67	63
Families and children	1,054	934
Maternal and child health	206	200
School Crossings	23	16
Youth Services	60	59
<b>Total recurrent operating grants</b>	<b>10,696</b>	<b>13,735</b>
	<b>2,018</b>	<b>2,017</b>
<b>Non-recurrent - Commonwealth Government</b>	<b>\$'000</b>	<b>\$'000</b>
Nil	-	-
<b>Non-recurrent - State Government</b>		
Aged Services	-	100
Corporate Services	-	77
Economic Development	54	123
Environment	30	-
Facilities Management	25	-
Family and children	-	35
Kindergartens	24	14
Natural Disaster	934	-
Other Council Buildings	80	-
Recreation Projects	10	13
Recycling Grant	16	-
Tourism	-	90
Works & Services Management	70	-
Youth	75	-
<b>Total non-recurrent operating grants</b>	<b>1,317</b>	<b>452</b>
<b>Total operating grants</b>	<b>12,013</b>	<b>14,187</b>

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	2018	2017
	\$'000	\$'000
<b>(b) Capital Grants</b>		
<b>Recurrent - Commonwealth Government</b>		
Roads to recovery	1,591	1,600
<b>Recurrent - State Government</b>		
Aged Services	-	18
<b>Total recurrent capital grants</b>	<b>1,591</b>	<b>1,618</b>
<b>Non-recurrent - Commonwealth Government</b>		
Roads to recovery	1,608	2,092
Tourism	-	6
<b>Non-recurrent - State Government</b>		
Bridges	2,050	-
Family and children	-	5
Roads	184	189
Recreation	-	230
Streetscapes	90	249
Camperdown Clock Tower	100	-
Waste Management	-	155
<b>Total non-recurrent capital grants</b>	<b>4,032</b>	<b>2,926</b>
<b>Total capital grants</b>	<b>5,623</b>	<b>4,544</b>
<b>(c) Unspent grants received on condition that they be spent in a specific manner</b>		
Balance at start of year	266	197
Received during the financial year and remained unspent at balance date	138	266
Received in prior years and spent during the financial year	266	197
<b>Balance at year end</b>	<b>138</b>	<b>266</b>

Grant income is recognised when Council obtains control of the contribution. Control is normally obtained upon receipt (or acquittal) or upon earlier notification that a grant has been secured.



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	2018 \$'000	2017 \$'000
<b>2.5 Contributions</b>		
Community Services	48	2
Contributions - Special Charge Schemes	27	-
Works and Services	20	45
Footpaths	19	13
Council Buildings	10	-
Community Planning	9	9
Environmental Health	5	12
Environment	3	8
Community Centres	2	-
Recreation Projects	-	44
Other monetary contributions	14	20
<b>Total contributions</b>	<b>157</b>	<b>153</b>

Monetary and non monetary contributions are recognised as revenue when Council obtains control over the contributed asset.

**2.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment**

Proceeds of sale	857	628
Written down value of assets disposed	(973)	(1,638)
<b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	<b>(116)</b>	<b>(1,010)</b>

The profit or loss on sale of an asset is determined when control of the asset has passed to the buyer.

**2.7 Other income**

Interest	472	464
Insurance Reimbursement	142	142
Legal costs recovered	38	41
Fuel Tax Credits	167	200
Interest on Rates	83	73
Other Revenue	153	102
<b>Total other income</b>	<b>1,055</b>	<b>1,022</b>

Interest is recognised as it is earned.

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.

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Note 3 The cost of delivering services	2018	2017
3.1 Employee costs	\$'000	\$'000
Wages and Salaries	11,214	10,945
Annual leave and long service leave	1,349	1,507
Superannuation	1,432	1,466
Workcover	300	315
Employee Benefits	159	142
Fringe Benefits Tax	176	167
<b>Total employee costs</b>	<b>14,630</b>	<b>14,542</b>

**(b) Superannuation**

Council made contributions to the following funds:

**Defined benefit fund**

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	182	202
Employer contributions payable at reporting date.	-	-

**Accumulation funds**

Employer contributions to Local Authorities Superannuation Fund (Vision Sup	1,032	998
Employer contributions - other funds	449	488
Employer contributions payable at reporting date.	56	56

Refer to note 8.3 for further information relating to Council's superannuation obligations.

**3.2 Materials and services**

Contracts	6,157	7,291
Internal Recoveries	2,648	2,828
Fleet Costs	1,085	1,121
Utilities	644	616
Telephone and Internet	301	293
Subscriptions, Publicaitons, Memberships	101	116
Printing and Stationery	65	61
Postage	51	52
Bank Charges	53	55
<b>Total materials and services</b>	<b>11,105</b>	<b>12,433</b>

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	2018	2017
	\$'000	\$'000
<b>3.3 Depreciation and amortisation</b>		
Property	(938)	(937)
Plant	(1,098)	(1,289)
Infrastructure	(10,293)	(8,098)
<b>Total depreciation</b>	<b>(12,329)</b>	<b>(10,324)</b>

Refer to note 4.2( c ) and 5.1 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

**3.4 Bad and doubtful debts**

Other debtors	(2)	(7)
<b>Total bad and doubtful debts</b>	<b>(2)</b>	<b>(7)</b>

**Movement in provisions for doubtful debts**

Balance at the beginning of the year	21	16
New Provisions recognised during the year	3	9
Amounts already provided for and written off as uncollectible	(6)	(4)
Amounts provided for but recovered during the year	(1)	-
Balance at end of year	17	21

Provision for doubtful debt is recognised when there is objective evidence that an impairment loss has occurred. Bad debts are written off when identified.

**3.5 Finance costs**

Interest - Borrowings	(104)	(141)
<b>Total borrowing costs</b>	<b>(104)</b>	<b>(141)</b>

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council.

**3.6 Other expenses**

Council Contributions	1,215	1,431
Insurance	537	493
Councillor Allowances	270	250
Advertising	176	164
Rent, Rates and Charges	181	178
Legal Costs	108	74
Audit Expenses	75	65
Meals and Accomodation	54	60
Levies	24	23
Other expenses	130	109
<b>Total other expenses</b>	<b>2,770</b>	<b>2,847</b>

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Note 4 Our financial position	2018	2017
4.1 Financial assets	\$'000	\$'000
<b>(a) Cash and cash equivalents</b>		
Cash on hand	2	3
Cash at bank	4,538	3,965
Term deposits	-	10,000
<b>Total cash and cash equivalents</b>	<b>4,540</b>	<b>13,969</b>
<b>(b) Other financial assets</b>		
Term deposits - current	19,000	8,000
Economic Development Loans	101	180
<b>Total other financial assets</b>	<b>19,101</b>	<b>8,180</b>
<b>Total financial assets</b>	<b>23,641</b>	<b>22,149</b>

Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:

- Trust funds and deposits (Note 4.3)	236	203
Total restricted funds	236	203
Total unrestricted cash and cash equivalents	4,305	13,766

**Intended allocations**

Although not externally restricted the following amounts have been allocated for specific future purposes by Council:

Resort and Recreation Reserve	67	62
Trust funds and deposits	75	43
Grants received but not acquitted	138	266
Total funds subject to intended allocations	280	371

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.

Other financial assets are valued at fair value, at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

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	2018 \$'000	2017 \$'000
<b>(c) Trade and other receivables</b>		
<b>Current</b>		
<i>Statutory receivables</i>		
Rates debtors	841	825
Net GST Receivable	359	383
Provision for doubtful debts - infringements	(17)	(21)
<i>Non statutory receivables</i>		
Loans and advances to community organisations	9	36
Other debtors	1,427	1,441
<b>Total current trade and other receivables</b>	<b>2,619</b>	<b>2,664</b>
<b>Non-current</b>		
<i>Statutory receivables</i>		
Special rate scheme	31	25
<i>Non statutory receivables</i>		
Loans and advances to community organisations	11	20
<b>Total non-current trade and other receivables</b>	<b>42</b>	<b>45</b>
<b>Total trade and other receivables</b>	<b>2,661</b>	<b>2,709</b>

Short term receivables are carried at invoice amount. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Long term receivables are carried at amortised cost using the effective interest rate method.

**(a) Ageing of Receivables**

The ageing of the Council's trade & other receivables (excluding statutory receivables) that are not impaired was:

Current (not yet due)	1,099	1,226
Past due by up to 30 days	145	112
Past due between 31 and 180 days	103	113
Past due between 181 and 365 days	4	6
Past due by more than 1 year	97	-
<b>Total trade &amp; other receivables</b>	<b>1,447</b>	<b>1,457</b>

**(b) Ageing of individually impaired Receivables**

At balance date, other debtors representing financial assets with a nominal value of \$17,126 (2017: \$21,210) were impaired. The amount of the provision raised against these debtors was \$17,126 (2017: \$21,210). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of receivables that have been individually determined as impaired at reporting date was:

Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 180 days	-	-
Past due between 181 and 365 days	-	-
Past due by more than 1 year	17	21
<b>Total trade &amp; other receivables</b>	<b>17</b>	<b>21</b>

4.2 Non-financial assets	2018	2017
(a) Inventories	\$'000	\$'000
Inventories held for distribution	61	65
Inventories held for sale	17	17
<b>Total inventories</b>	<u>78</u>	<u>83</u>
<p>Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.</p>		
<b>(b) Other assets</b>		
Prepayments	350	268
Accrued income	196	195
<b>Total other assets</b>	<u>546</u>	<u>463</u>
<b>(c) Intangible assets</b>		
Landfill air space	39	-
<b>Total intangible assets</b>	<u>39</u>	<u>-</u>
	<b>Landfill</b>	
	<b>\$'000</b>	
<b>Gross carrying amount</b>		
Balance at 1 July 2017	-	
Additions from internal developments	-	
Other Additions	39	
Balance at 1 July 2018	<u>39</u>	
<b>Accumulated amortisation and impairment</b>		
Balance at 1 July 2017	-	
Amortisation expense	-	
Balance at 1 July 2018	-	
Net book value at 30 June 2017	-	
Net book value at 30 June 2018	<u>39</u>	

Intangible assets with finite lives are amortised as an expense on a systematic basis over the asset's useful life. Amortisation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and amortisation method are reviewed at least annually, and adjustments made where appropriate.

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4.3 Payables	2018	2017
(a) Trade and other payables	\$'000	\$'000
Trade payables	2,592	1,745
Accrued expenses	679	545
<b>Total trade and other payables</b>	<b>3,261</b>	<b>2,290</b>
<b>(b) Trust funds and deposits</b>		
Refundable deposits	48	43
Fire services levy	77	86
Amounts held in trust	111	75
<b>Total trust funds and deposits</b>	<b>236</b>	<b>203</b>

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

*Purpose and nature of items*

Refundable deposits - Deposits are taken by council as a form of surety in a number of circumstances, including in relation to building works, tender deposits, contract deposits and the use of civic facilities.

Fire Services Property Levy - Council is the collection agent for fire services property levy on behalf of the State Government. Council remits amounts four times each financial year, within 28 days after the due date of each rates instalment. Amounts disclosed here will be remitted to the state government in line with that process.

**4.4 Interest-bearing liabilities**

Current		
Borrowings - secured	-	2,224
	-	2,224

4.5 Provisions

	Employee	Landfill restoration	Other	Total
	\$ '000	\$ '000	\$ '000	\$ '000
<b>2018</b>				
Balance at beginning of the financial year	4,159	5,379	-	9,538
Additional provisions	1,392	-	-	1,392
Amounts used	(1,430)	-	-	(1,430)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	-	(2,069)	-	(2,069)
Balance at the end of the financial year	4,121	3,290	-	7,411
<b>2017</b>				
Balance at beginning of the financial year	4,009	5,004	79	9,092
Additional provisions	1,644	147	-	1,791
Amounts used	(1,492)	-	(79)	(1,571)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(2)	228	-	226
Balance at the end of the financial year	4,159	5,379	-	9,538

	2018 \$'000	2017 \$'000
<b>(a) Employee provisions</b>		
<b>Current provisions expected to be wholly settled within 12 months</b>		
Annual leave	1,013	957
Rostered Days Off	101	82
Long service leave	316	377
	1,430	1,416
<b>Current provisions expected to be wholly settled after 12 months</b>		
Annual leave	68	69
Long service leave	2,353	2,360
	2,420	2,429
Total current employee provisions	3,851	3,845
<b>Non-current</b>		
Long service leave	269	314
Annual leave	-	-
Total non-current employee provisions	269	314
Aggregate carrying amount of employee provisions:		
Current	1,430	3,845
Non-current	269	314
Total aggregate carrying amount of employee provisions	1,699	4,159

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

*Wages and salaries and annual leave*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulated sick leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

*Long service leave*

Liability for long service leave (LSL) is recognised in the provision for employee benefits. LSL is measured at present value. Unconditional LSL is disclosed as a current liability. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability.

Key assumptions:

- discount rate	2.65%	2.61%
- oncost rate	11.50%	11.50%
- inflation rate	3.00%	3.81%



	2018 \$'000	2017 \$'000
<b>(b) Landfill restoration</b>		
Current	-	-
Non-current	3,290	5,379
	<u>3,290</u>	<u>5,379</u>

Council is obligated to restore Naroghid Landfill and Noorat Landfill site to a particular standard. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Key assumptions:

- discount rate	3.0%	3.0%
- inflation rate	2.1%	1.9%
- estimated cost to rehabilitate	7,043	5,950

**(c) Other provisions**

Current	-	-
Non-current	-	-
	<u>-</u>	<u>-</u>

**4.6 Financing arrangements**

The Council has the following funding arrangements in place as at 30 June 2018.

Bank overdraft	960	960
Credit card facilities	1,000	1,000
Total facilities	<u>1,960</u>	<u>1,960</u>
Used facilities	36	1
Unused facilities	<u>1,924</u>	<u>1,959</u>

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For the Year Ended 30 June 2018

4.7 Commitments

The Council has entered into the following commitments. Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

2018	Not later than	Later than 1	Later than 2	Later than 5	Total
	1 year	year and not later than 2 years	years and not later than 5 years		
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating</b>					
Recycling	227	231	-	-	458
Garbage collection	266	271	-	-	537
Green waste collection	180	184	-	-	363
Street litter bins	48	49	-	-	96
Skip bin transfer	95	97	-	-	193
Maintenance of Council buildings	82	83	-	-	165
Cleaning of Council buildings	125	-	-	-	125
Recreation facility management	423	-	-	-	423
Banking	54	55	5	-	113
Home care services	146	-	-	-	146
Water quality monitoring	43	44	138	48	273
Landfill Geosynthetics	283	-	-	-	283
Photocopiers	17	18	45	-	80
<b>Total</b>	<b>1,989</b>	<b>1,032</b>	<b>188</b>	<b>48</b>	<b>3,257</b>
<b>Capital</b>					
Buildings	226	-	-	-	226
Bridges	1,242	-	-	-	1,242
Streetscapes	346	-	-	-	346
<b>Total</b>	<b>1,814</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,814</b>
<b>2017</b>					
	Not later than	Later than 1	Later than 2	Later than 5	Total
	1 year	year and not later than 2 years	years and not later than 5 years		
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating</b>					
Recycling	146	151	156	-	453
Garbage collection	262	271	281	-	814
Organics collection	182	188	195	-	565
Street litter bins	62	64	66	-	192
Transfer station skips	87	87	261	-	435
Recreation facility maintenance	81	82	83	-	246
Recreation facility management	-	-	-	-	-
Banking	-	-	-	-	-
Water quality monitoring	42	42	127	85	296
Landfill Geosynthetics	151	182	48	-	381
Landfill design audit	129	80	-	-	209
Landfill Earthworks	35	-	-	-	35
Home care services	135	135	-	-	270
Cleaning contracts for council buildings	15	-	-	-	15
Meals for delivery	23	-	-	-	23
<b>Total</b>	<b>1,350</b>	<b>1,262</b>	<b>1,217</b>	<b>85</b>	<b>3,934</b>
<b>Capital</b>					
Bridges	2,654	1,634	-	-	4,288
<b>Total</b>	<b>2,654</b>	<b>1,634</b>	<b>-</b>	<b>-</b>	<b>4,288</b>

Corangamite Shire Council  
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For the Year Ended 30 June 2018

	2018 \$'000	2017 \$'000
<i>Operating lease commitments</i>		
At the reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities):		
Not later than one year	145	142
Later than one year and not later than five years	508	524
Later than five years	4,161	4,065
	4,814	4,751

Lease payments for operating leases are required by the accounting standard to be recognised on a straight line basis, rather than expensed in the years in which they are incurred.

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For the Year Ended 30 June 2018

5.1 Property, infrastructure, plant and equipment  
Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2017 \$'000	Additions \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Write-off \$'000	Transfers \$'000	At Fair Value 30 June 2018 \$'000
Property	96,216	204	20,984	(1,016)	(187)	-	304	55,405
Plant and equipment	9,601	2,096	-	(1,088)	(635)	-	113	10,017
Infrastructure	388,198	7,326	2,983	(10,220)	(151)	-	1,772	388,528
Work in progress	1,361	6,504	-	-	-	(41)	(2,189)	5,685
	434,346	16,070	23,548	(12,334)	(873)	(41)	-	460,615

Summary of Work In Progress

	Opening WIP \$'000	Additions \$'000	Write-off \$'000	Transfers \$'000	Closing WIP \$'000
Property	68	372	(6)	(804)	128
Plant and equipment	165	229	(35)	(113)	246
Infrastructure	1,160	5,902	-	(1,772)	5,290
Total	1,391	6,504	(41)	(2,189)	5,685

Asset recognition thresholds and depreciation periods

	Depreciation Period	Threshold Limit \$'000
Land & land improvements	-	10
land improvements	25 years	10
Buildings		
buildings	100 years	10
building improvements	10 years	10
leasehold improvements	25 years	10
Plant and Equipment		
plant, machinery and equipment	10 years	10
fixtures, fittings and furniture	10 years	10
computers and telecommunications	3-5 years	10
motor vehicles	2-5 years	10
Infrastructure		
road pavements and seals	12- 100 years	10
road formation and earthworks	100 years	10
road kerb, channel and minor culverts	79 years	10
bridges	80- 100 years	10
footpaths and cycleways	8-47 years	10
drainage	100 years	10
recreational, leisure and community facilities	25 years	10
waste management	25 years	10
parks, open space and streetscapes	25 years	10

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	Land - specialised		Total Land & Improvements	Heritage buildings	Buildings - specialised		Leasehold Buildings		Leasehold Waste		Total Buildings	Work in Progress	Total Property
	\$'000	\$'000			\$'000	\$'000	\$'000	\$'000	\$'000	\$'000			
At fair value 1 July 2017	1,983	8,277	10,160	17,327	38,168	1,469	1,578	36	(1,361)	59,543	88	69,789	
Accumulated depreciation at 1 July 2017	-	-	-	(12,106)	(20,964)	1,433	217	-	-	(34,487)	88	(34,487)	
	1,983	8,277	10,160	5,221	18,185	1,433	217	-	-	25,056	88	35,282	
<b>Movements in fair value</b>													
Additions	-	-	-	58	146	-	-	-	-	204	372	576	
Revaluation	-	(177)	(177)	(140)	2,228	(832)	-	-	-	1,156	-	979	
Disposal	-	(12)	(12)	(59)	(321)	-	-	-	-	(379)	-	(390)	
Write-off	-	-	-	-	-	-	-	-	-	-	(6)	(6)	
Transfers	-	-	-	23	281	-	-	-	-	304	(304)	-	
	-	(189)	(189)	(117)	2,334	(832)	-	-	-	1,285	82	1,158	
<b>Movements in accumulated depreciation</b>													
Depreciation and amortisation	-	-	-	(132)	(776)	(29)	(78)	-	-	(1,016)	-	(1,016)	
Accumulated depreciation of disposals	-	-	-	43	160	-	-	-	-	203	-	203	
Accumulated depreciation revaluation increments/	-	-	-	8,088	11,795	42	-	-	-	19,905	-	19,905	
	-	-	-	7,979	11,178	13	(78)	-	-	19,093	-	19,093	
At fair value 30 June 2018	1,983	8,088	9,971	17,211	41,502	637	1,578	(23)	(1,439)	60,828	128	70,927	
Accumulated depreciation at 30 June 2018	-	-	-	(4,127)	(9,905)	(23)	-	-	-	(15,394)	-	(15,394)	
	1,983	8,088	9,971	13,083	31,607	514	139	-	-	45,434	128	55,533	

(b) Plant and Equipment

	Plant machinery and equipment \$'000	Fixtures fittings and furniture \$'000	Computers and telecomms \$'000	Other \$'000	Work in Progress \$'000	Total plant and equipment \$'000
At fair value 1 July 2017	15,901	726	1,342	111	165	18,245
Accumulated depreciation at 1 July 2017	(6,925)	(362)	(1,160)	-	-	(8,479)
	8,975	364	182	111	165	9,767
<b>Movements in fair value</b>						
Additions	1,993	-	89	-	229	2,285
Disposal	(2,089)	-	-	-	-	(2,089)
Write-off	-	-	-	-	(35)	(35)
Transfers	4	-	109	-	(113)	-
	(132)	-	182	-	81	141
<b>Movements in accumulated depreciation</b>						
Depreciation and amortisation	(916)	(80)	(123)	-	-	(1,098)
Accumulated depreciation of disposals	1,454	-	-	-	-	1,454
	538	(80)	(123)	-	-	356
At fair value 30 June 2018	15,789	726	1,534	111	246	18,386
Accumulated depreciation at 30 June 2018	(6,397)	(452)	(1,289)	-	-	(8,123)
	9,391	274	251	111	246	10,263

<b>(c) Infrastructure</b>												
	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and community	Parks open spaces and streetscapes	Keel and Channel	Culverts and Retaining Walls	Waste Management	Other Infrastructure	Work in Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2017	366,499	99,275	16,302	36,917	2,326	2,910	33,828	21,462	-	71	1,160	509,628
Accumulated depreciation at 1 July 2017	(72,875)	(3,980)	(1,678)	(16,398)	(854)	(1,451)	(9,732)	(13,434)	-	(10)	-	(120,329)
	283,624	54,315	14,716	20,481	1,472	1,355	24,096	8,099	-	61	1,160	389,299
<b>Movements in fair value</b>												
Additions	4,824	-	22	29	-	-	218	46	2,187	-	5,902	13,228
Revaluation	-	-	-	-	-	-	4,721	-	-	-	-	4,721
Disposal	(246)	-	-	-	-	-	(161)	-	-	-	-	(407)
Transfers	1,619	-	153	-	-	-	-	-	-	-	(1,772)	-
	6,197	-	175	29	-	-	4,778	46	2,187	-	4,130	17,543
<b>Movements in accumulated depreciation</b>												
Depreciation and amortisation	(6,834)	(545)	(346)	(328)	(84)	(138)	(369)	(286)	(1,257)	(3)	-	(10,220)
Accumulated depreciation of disposals	137	-	-	-	-	-	119	-	-	-	-	256
Accumulated depreciation revaluation increments/	(6,697)	(545)	(346)	(328)	(84)	(138)	(2,059)	(286)	(1,257)	(3)	-	(12,059)
At fair value 30 June 2018	342,655	99,275	16,967	36,846	2,326	2,810	38,607	21,538	2,187	71	5,290	527,172
Accumulated depreciation at 30 June 2018	(79,571)	(4,505)	(2,022)	(16,669)	(837)	(1,391)	(12,070)	(13,729)	(1,257)	(13)	-	(132,353)
	263,084	53,770	14,545	20,182	1,399	1,219	26,537	7,815	930	59	5,290	394,819



*Acquisition*

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

In accordance with Council's policy, the threshold limits have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

*Land under roads*

Council recognises land under roads it controls at fair value.

*Depreciation and amortisation*

Buildings, land improvements, plant and equipment, infrastructure, and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

Straight line depreciation is charged based on the residual useful life as determined each year.

Depreciation periods used are listed below and are consistent with the prior year unless otherwise stated.

*Finance leases*

Leases of assets where substantially all the risks and rewards incidental to ownership of the asset are transferred to the Council are classified as finance leases. Finance leases are capitalised, recording an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the interest expense. Leased assets are depreciated on a straight line basis over their estimated useful lives to the Council where it is likely that the Council will obtain ownership of the asset or over the term of the lease, whichever is the shorter. Council currently holds no finance leases

*Repairs and maintenance*

Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

*Leasehold improvements*

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter.

*Valuation of land and buildings*

Valuation of land and buildings were undertaken by a qualified independent valuer Bruce Phillips (Assetic Pty Ltd). The valuation of buildings is based on Level 2 building condition data. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation.

Specialised land is valued at fair value using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets.

The date of the current valuation is detailed in the following table. A full revaluation of these assets was undertaken in 2017-2018.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2018 are as follows:

	Level 1	Level2	Level 3	Date of Valuation
Specialised land under roads	-	-	1,883	Jun-18
Land	-	-	8,088	Jun-18
Heritage Buildings	-	-	17,211	Jun-18
Buildings - specialised	-	-	41,502	Jun-18
Leasehold Improvements	-	-	2,115	Jun-18
Total	-	-	70,799	

*Valuation of infrastructure*

Valuation of infrastructure assets has been determined in accordance with an independent valuation undertaken by Mr Ashay Prabhu CPEng of The date of the current valuation is detailed in the following table.

The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2018 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation
Roads	-	-	342,655	Jun-17
Bridges	-	-	58,275	Jun-17
Footpaths and cycleways	-	-	16,567	Jun-17
Drainage	-	-	36,846	Jun-14
Recreational, leisure and community facilities	-	-	2,326	Jun-14
Waste management	-	-	2,187	Jun-14
Parks, open space and streetscapes	-	-	2,810	Jun-14
Culverts and Retaining Walls	-	-	21,538	Jun-17
Kerb and Channel	-	-	38,607	Jun-18
Other infrastructure	-	-	71	Jun-14
<b>Total</b>	-	-	<b>521,882</b>	

*Description of significant unobservable inputs into level 3 valuations*

**Specialised land and land under roads** is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values of 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$7 and \$80 per square metre.

**Specialised buildings** are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$2250 to \$2600 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 10 years to 50 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

**Infrastructure assets** are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 10 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2018	2017
	\$'000	\$'000
<b>Reconciliation of specialised land</b>		
Land under roads	1,883	1,883
<b>Total specialised land</b>	<b>1,883</b>	<b>1,883</b>

	2018	2017
	\$'000	\$'000
<b>5.2 Investments in associates, joint arrangements and subsidiaries</b>		
<b>(a) Investments in associates</b>		
Investments in associates accounted for by the equity method are:		
Corangamite Library Corporation	265	260
<b>Corangamite Regional Library Corporation</b>		
<i>Background</i>		
Council shares an interest in the Corangamite regional library corporation with the Colac Otway Shire, Moyne Shire and Warrambool City Council. Council's share of the investment in the library is based on the census estimates of the Corangamite Shire's population as percentage of the total populations of the four Councils. The equity share is based on the audited accounts for the year ended 30 June 2018. Corangamite's share as at 30 June 2018 is 18.63% (2016-2017 18.5%)		
<b>Fair value of Council's investment in Corangamite Regional Library Corporation</b>	265	260
<b>Council's share of accumulated surplus/(deficit)</b>		
Council's share of accumulated surplus/(deficit) at start of year	199	166
Reported surplus/(deficit) for year	5	22
Council's share of accumulated surplus/(deficit) at end of year	204	188
<b>Council's share of reserves</b>		
Council's share of reserves at start of year	61	72
Transfers (to) from reserves	(6)	(11)
Council's share of reserves at end of year	55	61
<b>Movement in carrying value of specific investment</b>		
Carrying value of investment at start of year	260	237
Share of surplus/(deficit) for year	5	22
Carrying value of investment at end of year	265	260
Associates are all entities over which Council has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.		
<b>5.3 Fair Value Adjustments</b>		
<b>(a) Landfill closure costs</b>		
Balance at beginning of financial year	- 5,379	- 5,005
Additions	-	79
Fair value adjustments	2,089	295
Balance at end of financial year	- 3,290	- 5,379
<b>(a) Landfill airspace asset</b>		
Balance at beginning of financial year	-	-
Fair value adjustments	39	-
Balance at end of financial year	39	-

	2018	2017
	No.	No.
<b>Note 6 People and relationships</b>		
<b>6.1 Council and key management remuneration</b>		
<b>(a) Related Parties</b>		
<i>Parent entity</i>		
Corangamite Shire Council is the parent entity.		
<i>Subsidiaries and Associates</i>		
Interests in subsidiaries and associates are detailed in Note 5.3.		
<b>(b) Key Management Personnel</b>		
Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:		
<b>Councillors</b>		
Mayor Jo Beard (Mayor)		
Councillor Ruth Gstrein		
Councillor Neil Trotter		
Councillor Lesley Brown		
Councillor Helen Durant		
Councillor Simon Illingworth		
Councillor Beverley McArthur		
<b>Total Number of Councillors</b>	7	11
<b>Chief Executive Officer and other Key Management Personnel</b>		
Andrew Mason, Chief Executive Officer		
David Rae, Director Corporate and Community Services		
Ian Gibb, Director Sustainable Development		
Brooke Love, Director Works and Services		
<b>Chief Executive Officer and other Key Management Personnel</b>	4	4
<b>Total Key Management Personnel</b>	11	15
<b>(c) Remuneration of Key Management Personnel</b>		
	<b>2018</b>	<b>2017</b>
Total remuneration of key management personnel was as follows:	<b>\$'000</b>	<b>\$'000</b>
Short-term benefits	919	886
Post Employment Benefits	87	90
Long-term benefits	(9)	20
<b>Total</b>	997	996
The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:		
\$1 - \$9,999	-	4
\$20,000 - \$29,999	1	5
\$30,000 - \$39,999	5	1
\$90,000 - \$99,999	-	1
\$100,000 - \$109,999	1	-
\$160,000 - \$169,999	1	1
\$170,000 - \$179,999	1	2
\$180,000 - \$189,999	1	-
\$240,000 - \$249,999	-	1
\$250,000 - \$259,999	1	-
	11	15

(d) Senior Officer Remuneration

A Senior Officer is an officer of Council, other than Key Management Personnel, who:  
a) has management responsibilities and reports directly to the Chief Executive; or  
b) whose total annual remuneration exceeds \$145,000

The number of Senior Officers are shown below in their relevant income bands:

Income Range:	2018 No.	2017 No.
<\$145,000	-	1
	-	1

Total Remuneration for the reporting year for Senior Officers included above, amounted to

-	121
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6.2 Related party disclosure

(a) Transactions with related parties

During the period Council entered into the following transactions with related parties.  
*Cr Durant has a daughter who was an employee of Council and employed under Council's Enterprise Agreement for part of the 2017-2018 financial year.*

(b) Outstanding balances with related parties

The following balances are outstanding at the end of the reporting period in relation to  
*Nil*

(c) Loans to/from related parties

The aggregate amount of loans in existence at balance date that have been made, guaranteed or secured by the council to a related party as follows:  
*Nil*

(d) Commitments to/from related parties

The aggregate amount of commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party are as follows:  
*Nil*

**Note 7 Managing uncertainties**

**7.1 Contingent assets and liabilities**

**(a) Contingent assets**

Nil

**Operating lease receivables**

The Council has entered into commercial property leases on its investment property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a CPI based revision of the rental charge annually.

Future minimum rentals receivable under non-cancellable operating leases are as follows:

	2018	2017
	\$'000	\$'000
Not later than one year	145	142
Later than one year and not later than five years	508	524
Later than five years	4,161	4,085
	<u>4,814</u>	<u>4,751</u>

**(b) Contingent liabilities**

**Superannuation**

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

**Future superannuation contributions**

In addition to the disclosed contributions, Corangamite Shire Council has paid unfunded liability payments to Vision Super totalling \$Nil (2016-2017 \$Nil) There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2018. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2019 are \$182,000

**Landfill**

Council operates a landfill at Naroghid. Council will have to carry out further site rehabilitation works in the future, however rehabilitates to current EPA requirements each cell as it is completed. A provision is made for ongoing site rehabilitation provision is maintained to current EPA requirements.

**(c) Guarantees for loans to other entities**

Guarantee - Camperdown Football Netball Club - Original Loan \$300,000

The amount outstanding as at 30 June 2018 is \$Nil (2017 \$Nil)

Guarantee is in respect of a loan from the ANZ bank

Security Deposit Guarantee - National Australia Bank

This guarantee has been in place since 9 February 1996 for \$45,000

Contract Performance Guarantee - Department of Natural Resources and Environment

This guarantee has been in place since 24 March 1999 for \$42,500

Contract Performance Guarantee - State of Victoria - Environment Protection Authority

This guarantee has been in place since 30 April 2008 for \$728,000. The guarantee is in respect of remedial action for the Corangamite Regional Landfill at Naroghid

The amount disclosed for financial guarantee in this note is the nominal amount of the underlying loan that is guaranteed by the Council, not the fair value of the financial guarantee.

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised.

**7.2 Change in accounting standards**

The following new AAS's have been issued that are not mandatory for the 30 June 2018 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

*Financial Instruments - Disclosures (AASB 7) (applies 2018/19)*

This Standard requires entities to provide disclosures in their financial statements that enable users to evaluate: (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed.

*Financial Instruments (AASB 9) (applies 2018/19)*

The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.

*Revenue from contracts with customers (AASB 15) (applies 2019/20 for LG sector)*

The standard shifts the focus from the transaction-level to a contract-based approach. Recognition is determined based on what the customer expects to be entitled to (rights and obligations), while measurement encompasses estimation by the entity of the amount expected to be entitled for performing under the contract. The full impact of this standard is not known however it is most likely to impact where contracts extend over time, where there are rights and obligations that may vary the timing or amount of the consideration, or where there are multiple performance elements. This has the potential to impact on the recognition of certain grant income.

*Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities (AASB 2016-7) (applies 2019/20)*

This Standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019.

*Leases (AASB 16) (applies 2019/20)*

The classification of leases as either finance leases or operating leases is eliminated for lessees. Leases will be recognised in the Balance Sheet by capitalising the present value of the minimum lease payments and showing a 'right-of-use' asset, while future lease payments will be recognised as a financial liability. The nature of the expense recognised in the profit or loss will change. Rather than being shown as rent, or as leasing costs, it will be recognised as depreciation on the 'right-of-use' asset, and an interest charge on the lease liability. The interest charge will be calculated using the effective interest method, which will result in a gradual reduction of interest expense over the lease term.

*Income of Not-for-Profit Entities (AASB 1058) (applies 2019/20)*

This standard replaces AASB 1004 Contributions and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable to not-for-profit entity to further its objectives.

**7.3 Financial instruments****(a) Objectives and policies**

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the Notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

**(b) Market risk**

Market risk is the risk that the fair value or future cash flows of council financial instruments will fluctuate because of changes in market prices. The Council's exposure to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

**Interest rate risk**

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes council to fair value interest rate risk / Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1989*. Council manages interest rate risk by adopting an investment policy that ensures:

- diversification of investment product;
- monitoring of return on investment; and
- benchmarking of returns and comparison with budget.

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

**(c) Credit risk**

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in the balance sheet. To help manage this risk:

- council have a policy for establishing credit limits for the entities Council deal with;
- council may require collateral where appropriate; and
- council only invest surplus funds with financial institutions which have a recognised credit rating specified in council's investment policy.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 7.1(b).

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

**(d) Liquidity risk**

Liquidity risk includes the risk that, as a result of council's operational liquidity requirements it will not have sufficient funds to settle a transaction when required or will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 7.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 4.4.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

**(e) Sensitivity disclosure analysis**

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of + 1% and -1% in market interest rates (AUD) from year-end rates of 2.5%.

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.



**7.4 Fair value measurement***Fair value hierarchy*

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy, Council's financial assets and liabilities are measured at amortised cost.

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. AASB 13 Fair value measurement, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

*Revaluation*

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 2 to 5 years. The valuation is performed either by experienced council officers or independent experts.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

*Impairment of assets*

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

**7.5 Events occurring after balance date**

No matters have occurred after balance date that require disclosure in the financial report.

Note 8 Other matters

8.1 Reserves	Balance at beginning of reporting period	Increment (decrement)	Share of increment (decrement) on revaluation of library books by Associate	Balance at end of reporting period
(a) Asset revaluation reserves	\$'000	\$'000	\$'000	\$'000
<b>2018</b>				
<b>Property</b>				
Land & land improvements	6,223	(177)	-	6,046
Buildings	10,963	21,061	-	32,024
	<u>17,186</u>	<u>20,884</u>	<u>-</u>	<u>38,070</u>
<b>Infrastructure</b>				
Roads	146,853	-	-	146,853
Bridges	46,303	-	-	46,303
Footpaths and cycleways	14,788	-	-	14,788
Drainage	16,323	-	-	16,323
Kerb and channel	20,234	2,663	-	22,897
Recreational, leisure and community facilities	58	-	-	58
Parks, open space and streetscapes	26	-	-	26
Culverts and retaining walls	5,288	-	-	5,288
Furniture and equipment	141	-	-	141
Library	-	-	-	-
Bus shelters	1	-	-	1
Other infrastructure	-	-	-	-
	<u>250,015</u>	<u>2,663</u>	<u>-</u>	<u>252,678</u>
<b>Total asset revaluation reserves</b>	<u>267,201</u>	<u>23,548</u>	<u>-</u>	<u>290,749</u>
<b>2017</b>				
<b>Property</b>				
Land & land improvements	6,223	-	-	6,223
Buildings	10,963	-	-	10,963
	<u>17,186</u>	<u>-</u>	<u>-</u>	<u>17,186</u>
<b>Infrastructure</b>				
Roads	96,751	50,102	-	146,853
Bridges	34,910	11,393	-	46,303
Footpaths and cycleways	12,244	2,544	-	14,788
Drainage	16,323	-	-	16,323
Kerb and channel	20,234	-	-	20,234
Recreational, leisure and community facilities	58	-	-	58
Parks, open space and streetscapes	26	-	-	26
Culverts and retaining walls	5,288	-	-	5,288
Furniture and equipment	141	-	-	141
Library	-	-	-	-
Bus shelters	1	-	-	1
Other infrastructure	-	-	-	-
	<u>185,976</u>	<u>64,039</u>	<u>-</u>	<u>250,015</u>
<b>Total asset revaluation reserves</b>	<u>203,162</u>	<u>64,039</u>	<u>-</u>	<u>267,201</u>

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

Corangamite Shire Council  
2017-2018 Financial Report

Notes to the Financial Report  
For the Year Ended 30 June 2018

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
<b>(b) Other reserves</b>				
<b>2018</b>				
Resort and recreation reserve	62	5	-	67
Landfill rehabilitation reserve	293	-	-	293
Superannuation reserve	1,200	89	-	1,289
Infrastructure Reserve	1,000	48	(1,000)	48
Other reserves	172	188	(38)	323
<b>Total Other reserves</b>	<b>2,727</b>	<b>328</b>	<b>(1,036)</b>	<b>2,020</b>
<b>2017</b>				
Resort and recreation reserve	62	-	-	62
Landfill rehabilitation reserve	201	92	-	293
Superannuation reserve	800	400	-	1,200
Infrastructure Reserve	-	1,000	-	1,000
Other reserves	261	2	(91)	172
<b>Total Other reserves</b>	<b>1,324</b>	<b>1,494</b>	<b>(91)</b>	<b>2,727</b>

	2018	2017
	\$'000	\$'000
<b>8.2 Reconciliation of cash flows from operating activities to surplus(deficit)</b>		
Surplus/(deficit) for the year	7,614	5,310
Depreciation/amortisation	12,329	10,324
Profit/(loss) on disposal of property, infrastructure, plant and equipment	116	1,010
Borrowing costs in finance activities	104	141
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	48	(838)
(Increase)/decrease in other assets	(101)	791
Increase/(decrease) in trade and other payables	971	102
Increase/(decrease) in trust fund and deposits	32	(119)
(Increase)/decrease in inventories	4	(16)
Increase/(Decrease) in provisions	(2,128)	445
(Increase)/Decrease in Library Corporation	(5)	(22)
Net cash provided by/(used in) operating activities	18,985	17,128

### 8.3 Superannuation

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in the Comprehensive Income Statement when they are made or due.

#### Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2018, this was 9.5% as required under Superannuation Guarantee legislation).

#### Defined Benefit

Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

#### Funding arrangements

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary.

As at 30 June 2017, a full triennial actuarial investigation was completed. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 103.1%. To determine the VBI, the Fund Actuary used the following long-term assumptions:

Net investment returns 6.5% pa  
Salary information 3.5% pa  
Price inflation (CPI) 2.5% pa.

Vision Super has advised that the estimated VBI at 30 June 2018 was 106%.

The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2017 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

**Employer contributions****Regular contributions**

On the basis of the results of the 2017 triennial actuarial investigation conducted by the Fund Actuary, Corangamite Shire Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2018, this rate was 9.5% of members' salaries (9.5% in 2016-2017). This rate will increase in line with any increases in the SG contribution rate. In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

**Funding calls**

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall. Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up. If there is a surplus in the Fund, the surplus cannot be returned to the participating employers. In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

**2017 triennial actuarial investigation surplus amounts**

The Fund's triennial investigation as at 30 June 2017 identified the following in the defined benefit category of which Council is a contributing employer:

A VBI surplus of \$69.8 million

A total service liability surplus of \$193.5 million.

A discounted accrued benefits surplus of \$228.8 million.

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2017.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2017.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2017.

Corangamite Shire Council was notified of the 30 June 2017 VBI during August 2017

**2018 interim actuarial investigation**

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2018 as the fund provides lifetime pensions in the Defined Benefit category. It is anticipated that the actuarial investigation will be completed by October 2018.

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## 8.10 Quick Response Grants Allocation September 2018

**Author:** David Rae, Acting Chief Executive Officer

**File No:** D18/410

**Previous Council Reference:** Nil

### Declaration

Acting Chief Executive Officer – David Rae

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

### Summary

The purpose of this report is to approve the September 2018 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, Events and Festivals, Facilities or Environmental Grants Program. Applications for Quick Response Grants are considered by Council as they are received.

### Issues

The Quick Response Grants Program has 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 2017-2021 Council Plan commitments:

We are committed to working towards ensuring the safety, health and wellbeing of our communities.

Council will continue to provide and support a range of community and social support services.

Council will provide and support a range of opportunities that support people to engage in healthy and active lifestyles, the arts, recreation and sport.

Improved educational outcomes in Corangamite Shire.

Support our small towns and dispersed population.

Improve the health and wellbeing of our 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 of unexpended amounts.

### Financial and Resource Implications

The 2018-2019 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	\$500.00	\$1,500.00
North	\$2,000.00	\$0.00	\$500.00	\$1,500.00
South Central	\$2,000.00	\$959.78	\$0.00	\$1,040.22
South West	\$2,000.00	\$500.00	\$0.00	\$1,500.00
Central	\$6,000.00	\$973.00	\$00.00	\$5,027.00
	<b>\$14,000.00</b>	<b>\$2,432.78</b>	<b>\$1,000.00</b>	<b>\$10,567.22</b>

### 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 September 2018:

Applicant	Purpose	Ward	Amount
Simpson and District Community Centre	Costs associated with excursion to thank and recognise community volunteers who assisted with South West Fires community response in March 2018.	Coastal	\$500.00
Lismore Angling Club Committee of Management	Assistance with capital works costs for improvements at Lake Tooliorook.	North	\$500.00

## COUNCIL RESOLUTION

**MOVED:** *Cr Gstrein*

**SECONDED:** *Cr Brown*

That the recommendation be adopted.

**CARRIED**

## Attachments

1. Quick Response Grants Assessment - September 2018 Allocation - Under Separate Cover
2. Application Quick Response Grant - Simpson and District Community Centre - Part A - Under Separate Cover
3. Application Quick Response Grant - Simpson and District Community Centre - Part B - Under Separate Cover
4. Application Quick Response Grants - Lismore Angling Club Committee of Management - Under Separate Cover
5. Application Quick Response Grants - Guzzlers Car Club Inc. - Part A - Under Separate Cover
6. Application Quick Response Grants - Guzzlers Car Club Inc. - Part B - Under Separate Cover
7. Application Quick Response Grants - Guzzlers Car Club Inc. - Part C - Under Separate Cover
8. Application Quick Response Grants - Guzzlers Car Club Inc. - Part D - Under Separate Cover



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## 8.11 Gender Equality Bill Exposure Draft Submission

**Author:** Penny MacDonald, Executive Services and Governance Coordinator

**File No:** D18/407

**Previous Council Reference:** Nil

### Declaration

Acting Chief Executive Officer – David Rae

In providing this advice to Council as the Acting 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 authorise the Acting Chief Executive Officer to make a submission on the *Gender Equality Bill Exposure Draft*. A copy of the *Gender Equality Bill Exposure Draft* is attached under separate cover.

### Introduction

The Victorian Government has undertaken a commitment to promote gender equality within Victorian Government departments, certain public sector entities and local government. As part of this process the Government developed a framework entitled *Safe and Strong: A Victorian Gender Equality Strategy*. The framework outlines key actions the Government intends to take to address inequality, sexism and violence against women, including the introduction of new legislation to improve gender equality. The *Gender Equality Bill Exposure Draft* (Exposure Draft) has been released and submissions invited on the proposals it contains.

### Issues

Although legislation exists to prevent discrimination based on gender, the Exposure Draft seeks to establish overarching Gender Equality Principles and required actions for prescribed entities to achieve gender equality. The Exposure Draft contains seven principles which are supported by officers. However, some elements of the Exposure Draft are problematic in a practical sense. These are discussed below.

### *Gender Equality Action Plan and Equality Targets*

Under the new legislation, Council may be required to establish a Gender Equality Action Plan for the purpose of achieving gender equality, which is defined as “equality of rights, opportunities, responsibilities and outcomes between people of different genders”.

If a Gender Equality Action Plan is required, because Council does not have another report or document that the Secretary believes satisfies the requirements, then the plan must be produced within 12 months of commencement and include:

- How Council will further the Gender Equality Principles and take action to achieve gender equity.
- Particular strategies and initiatives to promote gender equality with consideration given to prescribed workplace gender equality indicators.
- A statement as to whether Council has implemented a gender impact analysis, including analysis outcomes and how operations will be strengthened.

A copy of the Gender Equality Action Plan (or alternate report or document) must be provided to the Secretary, and a new plan prepared every four years.

Regulations under the new legislation are likely to provide for prescribed gender equality targets, and Council will be required to report on progress towards the targets, and on the Gender Equality Action Plan, in its annual report.

### ***Guidelines***

The Exposure Draft permits the Finance Minister to issue procurement guidelines for the promotion and advancement of gender equality. The Secretary will also be able to issue guidelines for the purposes of assisting entities to meet their obligations in relation to the Gender Equality Action Plan and gender equality targets.

### ***Submission***

Proposed changes to local government legislation will require Council to develop a Workforce Plan that includes measures to ensure gender equity, diversity and inclusiveness. The *Local Government Bill 2018* also provides for the Local Government Regulations to contain prescribed processes and requirements relating to gender equity. Should the new local government legislation come into force, there is a potential for duplication of gender equality requirements to develop a Gender Equality Action Plan. As such, it is recommended that any submission by Council includes a request for the Government to remedy the potential duplication.

Regulations under the Exposure Draft will likely include prescribed gender equality targets. In addition to a duplication with the proposed local government legislation, targets may be difficult to achieve for rural councils due to a shortage of suitably qualified applicants for positions. The Exposure Draft should have regard to rural councils and the difficulties they experience with recruitment. Council has previously indicated it supports merits based appointments.

The Exposure Draft's provision for procurement guidelines by the Finance Minister is also likely to be problematic for rural councils. Compliance costs are likely to increase for both councils and suppliers. Where possible Council supports local suppliers, however they may not be equipped to deal with gender equality requirements. The Exposure Draft should set financial thresholds for rural councils (or allow rural councils to determine the threshold) for procurement activities that must comply with the gender equality guidelines.

### **Policy and Legislative Context**

Considering the *Gender Equality Bill Exposure Draft* and preparing a submission is consistent with the following commitments and objectives in the 2017-2021 Council Plan:

---

We are committed to ensuring the ethical behaviour of Councillors and staff, maintaining good governance and remaining financially sustainable.

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

Council will advocate strongly in relation to roads, cost shifting, and other Council and community priorities.

Council will build strong and effective partnerships with key stakeholders including peak organisations and the State and Federal Governments.

### **Internal / External Consultation**

Consultation on the Exposure Draft closes on 28 September 2018. As part of the consultation process the Government has met with stakeholders, including a consultation session on 5 August and a forum on 12 September attended by Director Corporate and Community Services.

A citizens' jury will also be held by the Government to discuss the Exposure Draft, before the findings are reported to the Minister for Women.

Senior officers have discussed the Exposure Draft and advised Council during a Councillor briefing.

### **Financial and Resource Implications**

There are no financial and resource implications associated with making a submission on the *Gender Equality Bill Exposure Draft*.

It is expected that if enacted the new legislation will increase the reporting and compliance burden on Council if the matters raised in this report are not resolved.

### **Options**

Council may choose to authorise the Acting Chief Executive Officer to make a submission to Government on the *Gender Equality Bill Exposure Draft*, or choose not to make a submission.

### **Conclusion**

The Victorian Government has invited submissions on the *Gender Equality Bill Exposure Draft*. The Exposure Draft aims to proactively progress gender equality in Victorian Government departments, the public sector and local government.

It is recommended that any submission to the State Government regarding the *Gender Equality Bill Exposure Draft* includes discussion of potential duplication with the new local government legislation, as well as the need for consideration of rural councils in relation gender equality targets and procurement requirements.

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## RECOMMENDATION

That Council:

1. Authorises the Acting Chief Executive Officer to make a submission on its behalf on the Gender Equality Bill Exposure Draft in accordance with this report.
2. Provides a copy of the submission to the Municipal Association of Victoria, Rural Councils Victoria and the Member for Polwarth.

## COUNCIL RESOLUTION

**MOVED:**            *Cr Trotter*

**SECONDED:**      *Cr Durant*

That the recommendation be adopted.

**CARRIED**

## Attachments

1. Gender Equality Bill Exposure Draft - Under Separate Cover

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## 8.12 Planning and Environment Act 1987 - Instrument of Appointment and Authorisation

**Author:** Penny MacDonald, Executive Services and Governance Coordinator

**File No:** D18/405

**Previous Council Reference:** Nil

### Declaration

Acting Chief Executive Officer – David Rae

In providing this advice to Council as the Acting 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 provides advice and information on the preparation of a revised Instrument of Appointment and Authorisation for the exercise of powers under the *Planning and Environment Act 1987* and the *Local Government Act 1989*.

### Introduction

Council authorises a range of officers to act on its behalf in the enforcement of various State laws that are specific to their roles.

The Instrument of Appointment and Authorisation covers the roles of Planning Officers and Environmental Health Officers in the administration and enforcement of the *Planning and Environment Act 1987*.

### Issues

The Instrument of Appointment and Authorisation, dated 4 December 2017, requires updating due to personnel changes in the Planning department.

The new Instrument of Appointment and Authorisation would apply to the following officers who are appointed as Planning Officers or Environmental Health Officers with responsibilities under the *Planning and Environment Act 1987*:

- Andrew John Mason
- Ian William Gibb
- Aaron Gerard Moyne
- Sophia Emogene MacRae
- Darren Stanley Frost
- Lyall Robert Bond
- Mark Robert Handby
- Emily Kate Lanman
- William Albert Fidler.

---

### **Policy and Legislative Context**

The authorisation of officers using this Instrument is consistent with legal advice provided by Maddocks Lawyers. The authorisation is also consistent with the Council Plan 2017-2021 commitment that 'Council will demonstrate high levels of ethical behaviour and governance standards'.

The Instrument ensures officers are authorised for the purposes of the *Planning and Environment Act 1987*, the regulations made under that Act, and under Section 232 of the *Local Government Act 1989*, which allows officers to institute proceedings for offences against the acts and regulations described in the Instrument.

### **Internal / External Consultation**

Relevant managers and directors have been consulted in the preparation of this report.

### **Options**

Council is required to update the Instrument of Appointment and Authorisation for functions under the *Planning and Environment Act* to ensure officers are appropriately authorised to carry out their roles.

### **Conclusion**

Personnel changes within the Planning department requires Council to update the Instrument of Appointment and Authorisation for functions under *Planning and Environment Act* for the 1987. Adoption of the Instrument of Appointment and Authorisation fulfils Council's requirement to ensure its officers are appropriately authorised.

## RECOMMENDATION

That:

1. In exercise of the powers conferred by Section 224 of the Local Government Act 1989 (the Act) and the other legislation referred to in the attached Instrument of Appointment and Authorisation, Council resolves that the members of Council staff:
  - a) Andrew John Mason
  - b) Ian William Gibb
  - c) Aaron Gerard Moyne
  - d) Sophia Emogene MacRae
  - e) Darren Stanley Frost
  - f) Lyall Robert Bond
  - g) Mark Robert Handby
  - h) Emily Kate Lanman
  - i) William Albert Fidleras referred to in the Instrument, be appointed and authorised as set out in the Instrument.
2. The Instrument comes into force immediately the common seal of the Council is affixed to the Instrument, and remains in force until Council determines to vary or revoke it.
3. The Instrument of Appointment and Authorisation (Planning and Environment Act 1987) dated 4 December 2017 be revoked.
4. The common seal of Council be affixed to the Instrument.

### COUNCIL RESOLUTION

**MOVED:** *Cr Brown*  
**SECONDED:** *Cr Gstrein*

That the recommendation be adopted.

**CARRIED**

### Attachments

1. S11A Instrument of Appointment (Planning and Environment Act)

*S11A. Instrument of Appointment and Authorisation  
(Planning and Environment Act 1987)*



CORANGAMITE  
SHIRE

**Corangamite Shire Council**

**Instrument of Appointment and Authorisation**

***(Planning and Environment Act 1987 only)***





**Instrument of Appointment and Authorisation  
(*Planning and Environment Act 1987*)**

In this instrument "**officer**" means -

- Andrew John Mason
- Ian William Gibb
- Aaron Gerard Moyne
- Sophia Emogene MacRae
- Darren Stanley Frost
- Lyall Robert Bond
- Mark Robert Handby
- Emily Kate Lanman
- William Albert Fidler

**By this instrument of appointment and authorisation** Corangamite Shire Council -

1. under section 147(4) of the *Planning and Environment Act 1987* - appoints the officers to be authorised officer for the purposes of the *Planning and Environment Act 1987* and the regulations made under that Act; and
2. under section 232 of the *Local Government Act 1989* authorises the officers generally to institute proceedings for offences against the Acts and regulations described in this instrument.

**It is declared that** this instrument -

- (a) comes into force immediately upon its execution;
- (b) remains in force until varied or revoked.

This instrument is authorised by a resolution of the Corangamite Shire Council on [Date]

The Common Seal of )  
**CORANGAMITE SHIRE COUNCIL** )  
was affixed in the presence of : )

.....  
*Chief Executive Officer*

.....  
*Date*

---

## 8.13 Records of Assembly of Councillors

**Author:** Andrew Mason, Chief Executive Officer

**File No:** D18/406

**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 28 August 2018.

### 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 be 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 classed as 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.

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### **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 2017-2021 objective that “Council will demonstrate high levels of ethical behaviour and governance standards”.

### **Conclusion**

The records documenting the below Assembly of Councillors are attached:

- Councillor Briefing 28 August 2018
- Councillor Briefing 11 September 2018
- Planning Inspection 11 September 2018
- Planning Inspection – meeting with submitters 11 September 2018.

### **RECOMMENDATION**

**That Council accepts the attached Records of Assembly of Councillors.**

#### **COUNCIL RESOLUTION**

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

**That the recommendation be adopted.**

**CARRIED**

#### **Attachments**

1. Record of an Assembly of Councillors 28 August 2018
2. Record of an Assembly of Councillors 11 September 2018
3. Record of Assembly of Councillors Planning Site Inspection 11 September 2018  
PP2018/060 1403P
4. Record of Assembly of Councillors Planning Briefing with Submitters 11 September  
2018 PP2018/060 1403P

# Council

## Record of an Assembly of Councillors

**Councillor Briefing****Date:** 28 August 2018**Time:** 2.00 pm**Place:** Killara Centre**Present:**

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

**Officers:**

Ian Gibb                       Brooke Love                       Andrew Mason                       David Rae

*Ian Gibb was an apology.*

Jane Hinds (Item 1)

Jarrod Woff (Item 4)

**Guests:**

The Hon. Peter Walsh MP and Richard Riordan MP (Item 3)

**Issues Discussed:**

Item	Discussion Topic
1	Intention to Consider Sale – 19F Curdie Street, Cobden
2	2018-2019 Project Delivery Review and Recommendations
3	Meeting with the Hon. Peter Walsh MP and Richard Riordan MP
4	South West Complex Fires Recovery Update
5	<b>Hot Topics</b> <i>Agenda Items, Australia Day Nominations, 12 Apostles Visitor Centre, MAV Forum, Lismore Croquet, HR Update, Bookaar Solar Farm, Gender Equity Bill, Port Campbell Streetscape, Princetown Eco Resort, Simpson Community Meeting, Princes Highway Strategy &amp; Campaign.</i>
6	<b>Councillor Items</b> <i>Youth Council, Café at Lismore Golf Club, Skipton Doctor, Hampden Specialist School, Disabled Parking in Terang, Country Racing Awards, MAV President.</i>

**Conflict(s) of Interest declared:** Cr McArthur declared a direct conflict of interest in a matter discussed at Item 5.

**Councillor(s) left the meeting at:** Cr McArthur left the meeting at 5.05 pm and returned at 5.25 pm.

**Councillor Conflict of Interest Form(s) Completed:** Yes

**Meeting close:** 6.05 pm**Note taker:** Andrew Mason

# Council

## Record of an Assembly of Councillors

**Councillor Briefing****Date:** 11 September 2018**Time:** 10.00 am – 12.00 pm; 3.30 pm – 5.00 pm**Place:** Killara Centre

The Assembly was suspended for the purposes of a Planning Site Inspection and Planning Briefing with Submitters.

**Present:** Cr Beard Cr Brown Cr Durant Cr Gstrein Cr Illingworth Cr McArthur Cr Trotter

*Cr McArthur is on a leave of absence.*

**Officers:** Ian Gibb Brooke Love Andrew Mason David Rae

*Ian Gibb was an apology.*

Rory Neeson, Samantha Fox, Tammy Young (Item 1)

John Kelly (Item 2)

Adam Taylor (Item 4)

**Guests:****Issues Discussed:**

Item	Discussion Topic
1	<b>Façade Grants – Review of Applications</b>
2	<b>Camperdown Streetscape Stage 2</b>
3	<b>ICT ERP Shared Service Business Case and rural Councils Transformation Program Funding Opportunity</b>
4	<b>Annual Review of Procurement Policy</b>
5	<b>Hot Topics</b> <i>Acting CEO, Naroghid Wind Farm VCAT Appeal, Stronger Communities Funding, Princetown Bridge, Port Campbell Town Centre Update, Staff Update, Stronger Regions, Rates Strategy, Victoria's Renewable Energy Targets, Bookaar Solar Farm Issues.</i>
6	<b>Councillor Items</b> <i>Castle Carey Bridge, Botanic Gardens, MAV Update, Timboon Action, Princetown Bridge, Terang Progress Association, Terang Garden Supplies, Skipton Hospital Update, Community BBQs for Fire Affected Communities, Community Relations Award.</i>

**Conflict(s) of Interest declared:** Nil.

**Councillor(s) left the meeting at:** NA.

**Councillor Conflict of Interest Form(s) Completed:** NA

**Meeting close:** 5.00 pm

**Note taker:** Andrew Mason

# Planning Inspection

## Record of an Assembly of Councillors



**Date:** 11 September 2018

**Time:** 12.30 pm

**Location:** 520 Meningoort Road Meningoort

**Application No:** PP2018/060

**Present:**

- |  |  |  |  |
|--|--|--|--|
| <input checked="" type="checkbox"/> Cr Beard       | <input checked="" type="checkbox"/> Cr Brown | <input checked="" type="checkbox"/> Cr Durant  | <input checked="" type="checkbox"/> Cr Gstrein |
| <input checked="" type="checkbox"/> Cr Illingworth | <input type="checkbox"/> Cr McArthur         | <input checked="" type="checkbox"/> Cr Trotter |  |
- Cr McArthur on leave of absence*

**Officers:**

- |  |   |
|--|---|
| <ul style="list-style-type: none"><li>• Andrew Mason</li><li>• David Rae</li></ul> | <ul style="list-style-type: none"><li>• Sophia MacRae</li></ul> |
|--|---|

**Applicant:**

- Richard Seymour, Infinergy Pacific
- Stewart and Jock McArthur (owner)
- Simon Wilton (Farm Manager)

**Submitters:**

- |  |   |
|--|---|
| <ul style="list-style-type: none"><li>• Andrew Wilson</li><li>• Sophie Wilson</li><li>• Jack Wilson</li><li>• Jo Pocklington</li><li>• Rodney Johnson</li><li>• Andrew Duynhoven</li><li>• Fiona Dean</li><li>• Simon Dean</li></ul> | <ul style="list-style-type: none"><li>• Fiona Cole</li><li>• Stephen Cole</li><li>• Joan Mahony</li><li>• Ian Urquhart</li><li>• Clive Jamieson</li><li>• Margaret Hallyburton</li><li>• Justin Kempton</li></ul> |
|--|---|

**Observers:**

- |   |  |
|---|--|
| <ul style="list-style-type: none"><li>• Anthony Tabart</li><li>• Sharon Johnson</li></ul> | <ul style="list-style-type: none"><li>• Christine Peterson</li></ul> |
|---|--|

**Issues Discussed:**

- Application
- Objectors concerns
- Assessment criteria

**Conflicts of Interest declared:** Nil

**Meeting close:** 1.30 pm

**Note taker:** Sophia MacRae

# Planning Meeting

## Record of an Assembly of Councillors



### Briefing with Submitters

**Date:** 11 September 2018

**Time:** 1.45pm

**Location:** Killara Centre

**Application No:** PP2018/060

### Present:

- |  |  |  |  |
|--|--|--|--|
| <input checked="" type="checkbox"/> Cr Beard       | <input checked="" type="checkbox"/> Cr Brown | <input checked="" type="checkbox"/> Cr Durant  | <input checked="" type="checkbox"/> Cr Gstrein |
| <input checked="" type="checkbox"/> Cr Illingworth | <input type="checkbox"/> Cr McArthur         | <input checked="" type="checkbox"/> Cr Trotter |  |
- Cr McArthur on leave of absence*

### Officers:

- |  |   |   |
|--|---|---|
| <input checked="" type="checkbox"/> Andrew Mason | <input checked="" type="checkbox"/> David Rae | <input checked="" type="checkbox"/> Sophia MacRae |
|--|---|---|

### Applicant:

- Richard Seymour, Infinergy Pacific
- Jane Ross, Infinergy Pacific
- Jacqui Kirby, Tract Consultants
- Andrew Warnock, Ecology & Heritage Partners

### Submitters:

- |  |  |  |
|--|--|--|
| <ul style="list-style-type: none"><li>• Andrew Wilson</li><li>• Sophie Wilson</li><li>• Jack Wilson</li><li>• Jo Pocklington</li><li>• Rodney Johnson</li><li>• Glenda McIntyre</li><li>• Andrew Duynhoven</li><li>• Fiona Dean</li><li>• Simon Dean</li></ul> | <ul style="list-style-type: none"><li>• Fiona Cole</li><li>• Stephen Cole</li><li>• Geoff Smith</li><li>• Joan Mahony</li><li>• Evie Duyhoven</li><li>• Jillian Deane</li><li>• David Deane</li><li>• Ian Urquhart</li><li>• Roger Tolland</li></ul> | <ul style="list-style-type: none"><li>• Clive Jamieson</li><li>• Marie Thornton</li><li>• Kellie Kempton</li><li>• Amanda Heath</li><li>• Roger Heath</li><li>• Janice Heath</li><li>• Laurie Hickey</li></ul> |
|--|--|--|

### Observers:

- |   |  |
|---|--|
| <ul style="list-style-type: none"><li>• Anthony Tabart</li><li>• Sharon Johnson</li></ul> | <ul style="list-style-type: none"><li>• Christine Peterson</li><li>• Fred Sadler</li></ul> |
|---|--|

### Issues Discussed:

- Application
- Objectors concerns
- Assessment criteria

**Conflicts of Interest declared:** Nil

**Meeting close:** 3.15 pm

**Note taker:** Sophia MacRae

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## 9. OTHER BUSINESS

The Mayor, Cr J. Beard, invited Councillors to raise items of other business.

The following item was submitted:

- Cr Ruth Gstrein expressed concern regarding the lack of State Government policy and framework for supporting decision making on solar farms.

### **COUNCIL RESOLUTION**

***MOVED:***            *Cr Gstrein*

***SECONDED:***      *Cr Illingworth*

**That Council writes to the Minister and Shadow Minister for Planning and to the local member for Polwarth, requesting guidelines around the establishment of solar farms be drafted as a matter of urgency.**

**CARRIED**



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## 10. OPEN FORUM

The Mayor, Cr J. Beard, invited members of the public to ask a question or make a statement.

The following item was submitted:

- Mrs Wendy Ward spoke about her concerns regarding the perceived lack of coordination with three recent mailouts from Council received in quick succession, namely the rates notice, rates pamphlet and Corangamite News. She stated that the rates pamphlet could have been mailed with the rates notice. The Manager Growth and Engagement, Mr Rory Neeson, responded.

## 11. CONFIDENTIAL ITEMS

Nil.

**Meeting Closed: 9.38 pm**

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

**CONFIRMED:**

\_\_\_\_\_  
**(Chairperson)**

**DATE:**

\_\_\_\_\_