

minutes



CORANGAMITE
SHIRE

CORANGAMITE SHIRE

MEETING OF COUNCIL TUESDAY 15 DECEMBER 2020

Held at the Theatre Royal
Manifold Street, Camperdown commencing at 7.00 pm
and livestreamed on the internet

COUNCIL:

Cr Ruth Gstrein (Central Ward)
MAYOR

Cr Jo Beard (South Central Ward)
DEPUTY MAYOR

Cr Geraldine Conheady (Central Ward)

Cr Laurie Hickey (Central Ward)

Cr Kate Makin (South West Ward)

Cr Jamie Vogels (Coastal Ward)

Cr Nick Cole (North Ward)

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**MINUTES OF THE MEETING OF THE CORANGAMITE SHIRE
COUNCIL HELD AT THE THEATRE ROYAL MANIFOLD STREET,
CAMPERDOWN 7.00 PM ON 15 DECEMBER 2020**

PRESENT

Councillors	R. Gstrein (Chairperson), J. Beard, N. Cole, G. Conheady, L. Hickey, K Makin, J Vogels
Officers	Andrew Mason, Chief Executive Officer Justine Linley, Director Sustainable Development Brooke Love, Director Works and Services David Rae, Director Corporate and Community Services Aaron Moyne, Manager Planning and Building

1. PRAYER

The prayer was read by the Mayor, Cr R. Gstrein.

“We ask for guidance and blessing on this Council. May the true needs and wellbeing of our communities be our concern. Help us, who serve as leaders, to remember that all our decisions are made in the best interests of the people, culture and the environment of the Corangamite Shire.

Amen.”

2. ACKNOWLEDGEMENT OF COUNTRY

An Acknowledgement of Country was made by the Mayor, Cr R. Gstrein

“We acknowledge the Traditional Owners of the land around Corangamite Shire, the Eastern Maar and Wadawurrung people.

We pay our respects to all Aboriginal Elders and peoples past and present.”

3. APOLOGIES

Nil.

DISCLAIMER

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4. DECLARATIONS OF CONFLICT OF INTEREST

The Mayor, Cr R. Gstrein, declared a general interest in Agenda Item 8.1 PP2020/103 68 Manifold St, Camperdown, and Agenda Item 8.3 PP2019/117 81 Cross Forest Rd, Camperdown, and left the meeting before any discussion or vote on the matter.

5. CONFIRMATION OF MINUTES

RECOMMENDATION

That the Minutes of the Corangamite Shire Council meeting held on Tuesday 24 November 2020 be confirmed.

COUNCIL RESOLUTION

MOVED: Cr Conheady

SECONDED: Cr Makin

That the recommendation be adopted.

CARRIED

6. DEPUTATIONS & PRESENTATIONS

The following deputations were received:

- Agenda Item 8.2 PP2020/108 Erection and Display of Floodlit Double Sided Major Promotional Sign – 1232 Camperdown-Cobden Rd, Cobden
 - A written deputation has been received by Mr James Course of Gawk. A copy of this deputation has been provided to Councillors prior to the meeting.

Having declared a general conflict of interest in Agenda Items 8.1 and 8.3, the Mayor, Cr R. Gstrein, left the meeting at 7.05 pm for related deputations.

Deputy Mayor, Cr J. Beard, assumed the Chair.

- Agenda Item 8.1 PP2019/117 – Use and Development of Land for a Dwelling and Outbuilding at 81 Cross Forest Road, Camperdown.
 - Mr Charles and Mrs Sophia Palmer.
- Agenda Item 8.3 PP2020/103 – Demolition of Building (George Cain's Cottage) and Construction of a Single Swelling – 68 Manifold St, Camperdown.
 - Mr Eric Gstrein.

The Mayor, Cr R. Gstrein, returned at 7.19 pm and assumed the Chair.

7. COMMITTEE REPORTS

7.1 Youth Council Feedback to Draft Victorian Youth Strategy 2020

Author: Katie Hearn, Manager Community Services

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

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

Author - Katie Hearn

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

Summary

The Victorian Government has invited feedback from young people and the broader community from across the state to help inform its future Youth Strategy. Youth Council resolved at its November 2020 meeting to submit the Corangamite Shire's Youth Strategy 2020-2025, SYNC, by way of a rural contribution to the new strategy, as well as highlighting its advocacy agenda that has been informed by over 250 young people in the Shire. Council is requested to endorse the draft Youth Council feedback (attached) as part of a formal submission to Victorian Government's Youth Strategy.

Introduction

At the November 2020 Youth Council meeting, the opportunity to contribute to the Victorian Government's engagement of young people to inform their new Youth Strategy was discussed. Youth Council have resolved to make a submission by way of sharing the SYNC Corangamite Shire Youth Strategy 2020-2025, as well as highlighting its Advocacy Agenda. Youth Council feedback has prepared as a letter pending Council endorsement. The feedback is due 15 December 2020 and a one day extension has been provided.

Issues

SYNC Youth Strategy 2020-2025 provides a comprehensive account of the issues, views and aspirations of the youth community of Corangamite. Areas as described in SYNC's Advocacy Agenda for feedback to the State Government include:

- Greater access to services for young people
- Improved public transport connections
- More things to do that are free and available closer to where young people are living
- Ways to help young people connect with community life to support mental health and wellbeing and community connectivity
- Improved mobile and internet services
- Greater support for FREEZA that would enable the program to operate more than 1 day each week.

- Pop up and mobile activity hubs so young people living in rural areas can experience services, support and learning opportunities in an equitable way to their metro counterparts.

Policy and Legislative Context

The SYNC Strategy and Advocacy Agenda brings to life a number of Council's current Strategic Directions (Council Plan 2017-2021), and Municipal Health and Wellbeing Plan 2017-2021 that seeks to increase social engagement, protective factors and opportunities that encourage a more inclusive, engaged, connected youth community.

Council will continue to provide and support a range of community and social support services.

Engage with and listen to 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.

Improved educational outcomes in Corangamite Shire.

Improve the health and wellbeing of our community.

The 2020 Local Government Act requires a Council and CEO to set out measures that seek to ensure gender equality, diversity and inclusion. Additionally, the Charter of Human Rights and Responsibilities Act 2006 (the Charter) also seeks to empower, include and provide equitable opportunities. This approach underpins Council's strategy which seeks to genuinely value young people.

Council as a Child Safe organisation seeks to support children and young people to have a legitimate voice in Council's programming, policy making and processes and as a rightful contributor to decision making for issues relevant to young people. SYNC is evidence of Council's alignment with the Victorian Standards and many of the National Child Safe principals including the co-design process that works in partnership with young people

Internal / External Consultation

The feedback has been gathered from the youth community engagement undertaken this year to help inform the Youth Strategy, SYNC 2020-2025. Further discussion occurred at the November 2020 Youth Council meeting where feedback was confirmed to contribute to the State Government's next youth strategy.

Financial and Resource Implications

There are no financial implications for Council endorsing this submission. This report is presented for information and endorsement with recommendations for consideration by the State Government.

Conclusion

This report presents a submission from Youth Council to the State Government's call for feedback to contribute to a new state-wide Youth Strategy. Sharing feedback from Youth Council and the broader Corangamite youth community is a positive opportunity that supports young people's voice being heard and considered when decisions affecting their lives are being made.

RECOMMENDATION

That Council endorses the Corangamite Youth Council Feedback submission to the Victorian Youth Strategy 2020 to be provided to the Equality and Youth Branch, Department of Premier and Cabinet.

COUNCIL RESOLUTION

MOVED: Cr Beard

SECONDED: Cr Cole

That the recommendation be adopted.

CARRIED

Attachments

1. Submission from Youth Council to Vic State Gov for 2021 Youth Strategy development



15 December 2020

Department of Premier and Cabinet
Equality and Youth Branch
1 Treasury Place
Melbourne, VIC 3002
via youth@dpc.vic.gov.au

VICTORIAN YOUTH STRATEGY FEEDBACK

On behalf of Corangamite Shire Youth Council thank you for the opportunity to add some ideas to the new Victorian Youth Strategy. At the November 2020 Youth Council meeting we discussed the new Strategy and agreed it was important to share our rural perspective so our ideas may be included.

A copy of Corangamite Shire's new Youth Strategy, SYNC 2020-2025 is attached for your information. It provides a youth inspired framework to guide our work and efforts over the next five years and has captured the views and aspirations of our youth community. In summary, important issues for our youth community include:

- Greater access to services for young people as well as helping young people understand what services are and how to access them. If we have not used a 'service before', we don't necessarily know what it means and what will happen if we go to a service or agency, and at times we don't know if our issue is 'big enough' to ask for help.
- We need improved public transport connections right across our Shire. It's especially hard for young people who can't drive or who live on rurally. Almost 50% of us live rurally, meaning we do not live within a township.
- We would like more things to do that are free and available closer to where our young people are living.
- We would like to have ways to help young people connect with community life to support mental health and wellbeing.
- We need improved mobile and internet services. Covid19 really made having good access to the internet so important for school and just for connecting with our family and friends to help us feel less isolated.
- We have FReeZA running one day a week and it's grant funded every few years. It would be awesome if the FReeZA funding could be permanent and help us have a youth events officer to work with us full time.
- Adding more funding to FReeZA would help provide more youth inspired things to do that are created and delivered by young people for young people.

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- Pop up and mobile activity hubs so young people living in rural areas can experience services, support and learning opportunities in a way that is equal to young people in the city.
- Our Sync strategy thoroughly highlights the need for young people to connect with each other and community. This theme isn't a request just for fun events, it strongly represents the critical need for social interaction as an essential building block towards positive wellbeing and resilience, not just for today, but for life.

Thank you for taking time to consider our views. We are looking forward to reading the new Victorian Youth Strategy.

Yours sincerely



TESS LOUREY
YOUTH MAYOR

Councillors all agreed that Agenda items 8.1 and 8.3 be considered together and item 8.2 be considered afterward, due to the Mayor's conflict of interest.

Having declared a general conflict of interest in Agenda items 8.1 and 8.3, the Mayor, Cr R. Gstrein, left the meeting at 7.25 pm prior to any discussion or vote on the matter.

Deputy Mayor, Jo Beard, assumed the Chair.

8. PLANNING REPORTS

8.1 Planning Permit Application PP2019/117 - Use and development of land for a dwelling and outbuilding - 81 Cross Forest Road Camperdown

Author: Melanie Osborne, Planning Officer

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

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

Author - Melanie Osborne

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

Summary

Council must consider a planning permit application for the use and development of land for a dwelling and associated outbuilding at 81 Cross Forest Road, Camperdown.

The application has been assessed against the Corangamite Planning Scheme. It is considered that the proposed siting and design of the dwelling does not provide an acceptable response to the relevant planning controls and policy. Therefore, it is recommended that Council issue a Notice of Refusal to Grant a Permit.

Introduction

Planning Permit Application PP2019/117 was received by Council on 14 October 2019 and seeks the approval for the use and development of land for a dwelling and associated outbuilding.

Public notice of the application was given and one (1) submission was received objecting to the applicant's request to obtain vehicle access from Cross Forest Road across the rail reserve. This objection was withdrawn after further consultation.

This report provides a planning assessment of the application and considers key issues relating to the siting and design of the proposed dwelling on the Lake Gnotuk crater rim and within the Significant Landscape Overlay (Schedule 1).

History

Planning Scheme Amendment C8 was introduced into the Corangamite Planning Scheme on the 15 July 2004. The amendment applied to the land surrounding Lake Gnotuk and Lake Bullen Merri, affecting the internal and external crater slopes and crater rims of the two volcanic lakes. Through this amendment the subject site was split across two zones being the Environmental Rural Zone – Schedule 2 and the Rural Zone. In 2007, all land zoned Environmental Rural Zone was rezoned to Rural Conservation Zone and all land in the Rural Zone was rezoned to Farming Zone.

Amendment C8 also increased the extent of the Significant Landscape Overlay – Schedule 1 and Environmental Significance Overlay – Schedule 1. The changes made under Amendment C8 provide stronger protection for the environmental and landscape values of Lake Gnotuk and Lake Bullen Merri.

Planning Permit PP2017/011 was issued for a dwelling in 2017. The proposed dwelling approved under the permit was to be sited 90m from the west boundary in the Farming Zone and outside the area in the Rural Conservation Zone, Significant Landscape Overlay and Environmental Significance Overlay. This permit expired on the 16 May 2019 as the dwelling was never constructed.

Subject Land

The subject site is 18.68 ha and is currently used for animal grazing. The site forms part of the Lake Gnotuk crater slope and rim. Panoramic views of Lake Gnotuk and surrounds are available from the top of the crater rim.

Access to the site is via an informal driveway from Cross Forest Road over the rail reserve.

Surrounding Area

Land use characteristics within the surrounding area include:

- The site and surrounding land forming part of the Lake Gnotuk crater slopes are in the Rural Conservation Zone – Schedule 2, Environmental Significance Overlay - Schedule 1 and Significant Landscape Overlay – Schedule 1. See Figures 1 and 2.
- Landform rises steeply from the lake edge up to the crater rim, where the land flattens before sloping down towards Cross Forest Road (west).
- Properties surrounding Lake Gnotuk consist of rural residential uses with some lots used for agriculture by way of animal grazing.
- Properties west of the subject site are larger farming properties associated with dairy farming and grazing.
- Sited between Cross Forest Road and the subject site is a rail reserve (Crown land), which is the location of the former Camperdown-Timboon railway.

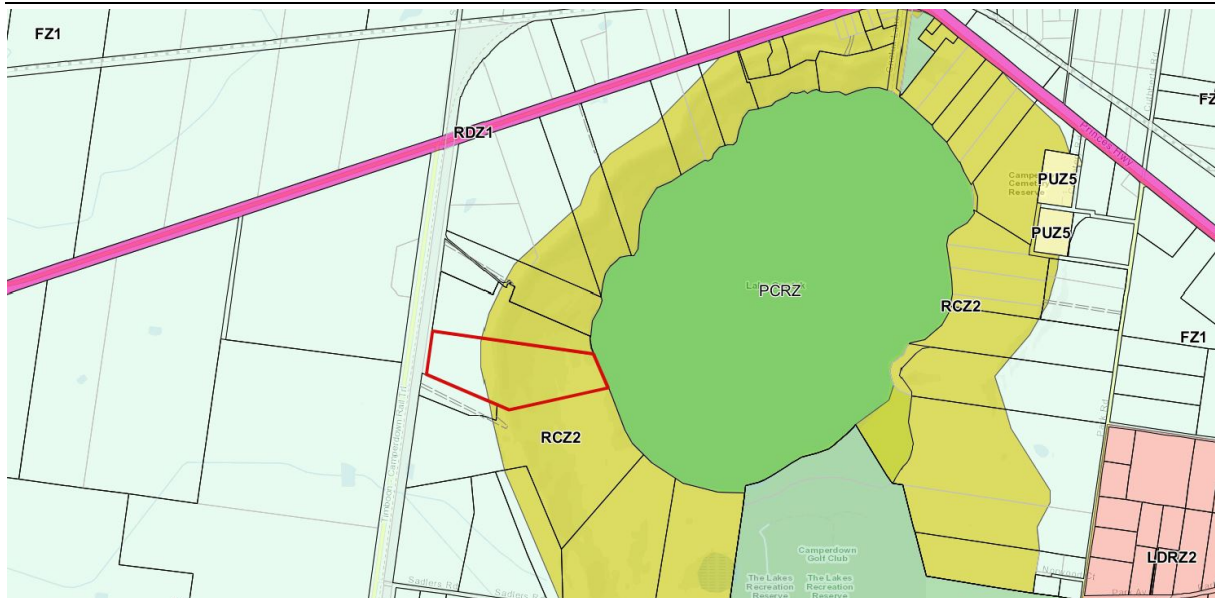


Figure 1: Planning Zone Map



Figure 2: Aerial image showing subject site; approximate location of dwelling (green rectangle); and RCZ and SLO boundary (blue line)

Proposal

The application seeks approval for the use and development of land for a dwelling and associated outbuilding. A description of the proposed development is provided below.

Siting

The proposed dwelling will be sited approximately 330 m from Cross Forest Road (western boundary), 96 m from the southern boundary and 16 m from the edge of the Lake Gnotuk volcanic crater rim.

The proposed outbuilding will consist of two shipping containers and be sited south-west of the dwelling on the western boundary and approximately 253 m from Cross Forest Road.

Design

The proposed dwelling will be a three-bedroom home plus a study with an open plan living, kitchen and dining area.

The dwelling will be a traditional design with high pitch roofs, wrap around verandah, decorative chimneys and timber eaves. External walls of the dwelling will be clad in limestone block-veneer and the roof will be Colorbond 'Windspray'. The building footprint will be approximately 27 m by 15 m. The dwelling height will be 6.95 m.

It is proposed to construct an arbour structure on the eastern side of the dwelling and use landscaping, including climbable species to soften the visual impact of the proposed dwelling on the landscape. The plant schedule includes exotic species in accordance with a meadow style garden design.

Services

The shipping containers will be used to accommodate a 10 KW solar system and battery storage facility which will service the dwelling rather than connecting to the reticulated electricity supply.

The dwelling will be connected to reticulated town water.

An EPA approved on-site wastewater management system will be required. The effluent disposal field is proposed to be located south west of the dwelling and approximately 54 m west of the crater rim on the external slope of the volcanic crater.

Access

Access to the dwelling is proposed from Cross Forest Road across the former rail reserve, with the driveway entrance to site at the north west corner.

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

Policy and Legislative Context

Zoning

The subject site is divided across two zones, being the Farming Zone - Schedule 1 (FZ1) and Rural Conversation Zone – Schedule 2 (RCZ2).

The dwelling is proposed to be located in the RCZ2. The outbuilding (shipping containers) will be located in the FZ1. A permit is required to use and develop land for a dwelling and associated outbuilding.

The purpose of the Rural Conservation Zone is to provide for agricultural land uses while protecting the natural environment in relation to the identified values and ensure use and development of land takes into account the conservation values and environmental sensitivity of the area.

Schedule 2 of the RCZ recognises the scientific, environmental and landscape values of the volcanic maar craters containing Lake Gnotuk and Lake Bullen Merri and their international significance.

Overlays

Environmental Significance Overlay - Schedule 1 (ESO1)

A permit is required to construct a building and carry out works under this overlay.

The overlay identifies areas where development of land may be affected by environmental constraints and seeks to ensure that development is compatible with identified environmental values.

Schedule 1 to the ESO provides environmental objectives which seek to protect significant water bodies, including Lake Gnotuk which must be considered when assessing applications for development.

Significant Landscape Overlay - Schedule 1 (SLO1)

A permit is required to construct a building and carry out works.

The purpose of the overlay is to identify significant landscapes and conserve and enhance the character of these landscapes. Lake Gnotuk and Lake Bullen Merri and their surrounds are both recognised for their scientific, environmental and landscape significance.

Schedule 1 to the SLO sets out landscape character objectives to be achieved when considering applications for development.

Municipal Planning Strategy and the Planning Policy Framework

The following clauses are considered relevant to this permit application:

Clause 02 Municipal Planning Strategy

- Clause 02.01 Context
- Clause 02.02 Vision
- Clause 02.03-2 Strategic Directions – Environmental and landscape values (Landscapes)

This strategy recognises that there is pressure to site dwellings and buildings around the slopes and crater rim of Lake Gnotuk and Lake Bullen Merri in order to take advantage of the significant views and seeks to protect these features from inappropriate development in order maintain the visual quality of the lakes and crater environment.

- Clause 02.03-4 Strategic Directions – Natural resource management (agriculture)

Clause 11 Settlement

- Clause 11.01-1S Victoria - Settlement
- Clause 11.01-1R Victoria - Settlement – Great South Coast
- Clause 11.03.5S Planning for Places - Distinctive areas and landscapes
- Clause 11.03-6S Regional and local places

Clause 12 Environmental and Landscape Values

- Clause 12.03-1S Water Bodies and Wetlands - River corridors, waterways, lakes and wetlands
- Clause 12.03-1L Water Bodies and Wetlands – Lake Gnotuk and Lake Bullen Merri

This policy seeks to avoid development which will adversely affect the landscape, environmental and scientific significance of the Lakes by encouraging development that is sited outside the crater rims and not visible from within the craters or from public land and roads.

- Clause 12.05-2S Significant Environments and Landscapes - Landscapes

Clause 13 Environmental Risks and Amenity

- Clause 13.02-1S Bushfire - Bushfire planning
- Clause 13.04-2S Soil Degradation – Erosion and landslip

Clause 14 Natural Resource Management

- Clause 14.01-1S Agriculture – Protection of agricultural land
- Clause 14.01-1L Agriculture – Protection of agricultural land

Clause 15 Built Environment and Heritage

- Clause 15.01-6S Built Environment - Design for rural areas
- Clause 15.02-1S Sustainable Development – Energy and resource efficiency

Clause 16 Housing

- Clause 16.01-3S Residential Development – Rural residential development
- Clause 16.01-3R Residential Development – Rural residential development – Great South Coast

Clause 65 Decision Guidelines

Must be considered in the assessment of the application.

Particular Provisions

Not applicable to this application.

Internal / External Consultation

Referrals

The following referrals and notices were carried out for the application.

Section 52 Notice	Response
Department of Environment, Land, Water and Planning (DELWP)	Does not object to Council issuing a permit subject to conditions relating to the creation of access across the rail reserve.

Internal Department	Response
Environmental Health	Provided comments on the application regarding on-site wastewater management.

Internal Department	Response
Environment	<p>Supportive of the landowner's proposal to revegetate the Lake Gnotuk crater escarpment with locally native species.</p> <p>Concerned that proposed landscape plan has no native plants included in the species list and that these plants have the potential to infiltrate the surrounding environment. Recommended a mix of native plants be used instead.</p>

Advertising

Notice of the application was given in accordance with Section 52 of the Planning and Environment Act 1987, including:

- letters to landowners and occupiers within 500 metres of the subject site; and
- notice on Council's website.

One (1) submission was received from the Camperdown Timboon Rail Trail Committee of Management, objecting to the applicant's request to gain vehicle access across the rail reserve.

The Rail Trail Committee of Management have since withdrawn their objection as a result of the response provided by DELWP as the public land manager of the rail reserve, consenting to the formalised access over the rail reserve. A copy of DELWP's response and Committee's correspondence is provided under separate cover.

As a late addition to the application, the applicant obtained 15 statements of support from surrounding landowners. A copy of the statements is provided under separate cover.

Consultation

Consultation for the application was undertaken and included:

- Further information was requested from the applicant 31 October 2019, including confirmation on how vehicular access was to be provided to the site. Through this process officers also identified concerns regarding the proposed siting and design of the dwelling and the need for the application to respond to the planning controls if the proposal was to be supported.
- Officers met with the applicant on-site on 6 November 2019 to discuss the matters raised in request for further information. It was highlighted that the main concerns with the application were:
 - the visual impact of the proposed development on the volcanic landscape.
 - the zone and overlay controls and local planning policy strongly discouraged new development on the crater rim and slopes.
 - for the application to be supported, appropriate vehicle access to the site must be provided.
- The applicant provided a response to the request for further information on 19 July 2020. The siting and design of the proposed dwelling remained unchanged.

- On the 6 November 2019, officers commenced discussions with the Department of Environment, Land, Water and Planning (DELWP) to discuss the potential to create formal access to the property from Cross Forest Road over the rail reserve. This has been an ongoing matter, with DELWP providing a decision on the issue 13 November 2020.
- On the 10 September 2020, the applicant was formally advised that Planning officers were unable to support the application based on the siting and design of the dwelling. The applicant was provided the option to amend the application to locate the dwelling in a different area, preferably outside the Rural Conservation Zone and overlays. The applicant chose not to amend the application and to proceed with the current application.
- An on-site Council planning site inspection was held on Tuesday 1 December 2020, attended by Councillors, Council officers and the applicant. Details of the application, key issues and considerations under the Corangamite Planning Scheme were discussed.

Assessment

The use of the land for a dwelling is considered acceptable and supported in-principle. The subject site is not a viable agriculture property due to its size and having regard to surrounding land use. The construction of a dwelling in an appropriate location can provide landowners the opportunity to improve the agricultural and environmental value of the land if they are able to live at the site.

Assessment of this planning permit application focuses on the proposed siting and design of the dwelling on the Lake Gnotuk crater rim and the impact on the significant landscape.

Municipal Planning Strategy and Planning Policy Framework

The application seeks approval for the development of a new dwelling on the Lake Gnotuk crater rim. The subject site is one of few remaining properties around the lake which remains undeveloped. Even though there are existing buildings around the lake crater, changes made to the planning scheme in 2004 via Amendment C8, were introduced to manage future development in order to retain the open visual and natural landscape setting around the lakes.

Lake Gnotuk and Lake Bullen Merri and their surrounds are recognised nationally and internationally for their scientific, environmental and landscape significance. The Municipal Planning Strategy's (MPS) vision seeks to protect places of natural significance and limit disturbance of lakes features by directing development outside the crater rim in order to protect the visual quality of the lakes and crater environment.

Landscape objectives under the Planning Policy Framework (PPF) also seek to protect and enhance significant landscapes that contribute to character and local identity. Local policy discourages development that will adversely affect the landscape and environmental significance of Lake Gnotuk and Lake Bullen Merri.

The current proposal is not supported under the MPS or PPF. This section of the lake crater is undisturbed and planning policy provides clear direction that the significant landscape should be protected from inappropriate development.

The proposed dwelling will alter the natural landscape and be clearly visible atop the crater rim and from public land due to its siting and design. There are alternative locations to site

the dwelling on the property in order to avoid adverse impacts on the significant landscape and respond to planning policy.

Rural Conservation Zone – Schedule 2 (RCZ2)

The RCZ2 recognises the internationally significant environmental and landscape values of the volcanic maar crater containing Lake Gnotuk. The zone requires consideration of how the proposal conserves the identified values and responds to environmental, design and siting issues provided in the decision guidelines of the zone.

The applicant has demonstrated their intention to enhance the environmental value of the subject site through the revegetation of the internal crater slope and it is accepted that the development of a new dwelling on site will assist with the ongoing management of the land. The site can accommodate the proposed dwelling, including wastewater management to limit any negative impact on the environment. However, the application does not provide an appropriate response to guidelines for design and siting issues.

The zone directs new development to be sited and designed to minimise any adverse visual impacts on the appearance of the identified significant landscape. The proposed dwelling is a traditional design with a high pitch roof, being 6.95m at the top of the pitch.

New buildings should be first located outside the crater slopes and crater rims. If not possible, then design should be low scale and appropriate materials and colours used to blend in with the surrounding environment. The siting and design of the proposed dwelling is not supported under the Rural Conservation Zone.

Environmental Significance Overlay – Schedule 1

The ESO1 seeks to protect important water bodies, including Lake Gnotuk from inappropriate land use and development. Consideration must be given to the statement of environmental significance and the environmental objectives contained in the schedule in deciding on the application.

The subject site can accommodate a proposed dwelling. Risks of waste discharge and other pollutants entering the lake can be managed through the appropriate design of wastewater and stormwater drainage systems, directing runoff away from the lake.

ESO1 also seeks to prevent erosion and conserve and enhance habitats adjacent to water bodies and encourages the regeneration of these areas. The applicant has indicated their intention to revegetate the internal slope of the crater lake and undertake weed control in order to improve habitat and erosion. This will be a positive outcome for the site.

However, a landscape plan provided with the application consists of exotic species and due to high winds in the area, there is an increased risk of these species being introduced into the surrounding environment and having a negative impact. Whilst there are no specific controls on the planting of non-native species in a home garden, a landscape plan using native and indigenous species to the area would provide a better environmental outcome.

Significant Landscape Overlay – Schedule 1

The SLO1 recognises the significance of Lake Gnotuk and Lake Bullen Merri and their surrounds and acknowledges that the unique landscape is attractive to both residents and visitors.

In assessing an application under the SLO1, consideration must be given to the landscape character objectives which seek to protect the visual and environmental quality and character

of the crater lakes and their environs by discouraging the introduction of additional buildings into the lakes' volcanic landscape, further removing it from its natural state.

SLO1 requires that all buildings on ridgelines and the slopes of scoria cones be avoided. An application must be able to demonstrate that there is no alternative site suitable for the proposed development.

The landscape character objective and planning requirements of SLO are clear in this case. New development around the lake crater rim which modifies the landscape and changes it from its natural state, should not be supported.

The proposed siting and design of the dwelling in a traditional homestead style and using colours inconsistent with surrounding landscape values, does not provide an acceptable outcome. The overlay requires alternative development locations to be pursued on properties outside of the ridgelines of the lakes. There are various opportunities for the proposed dwelling to be sited outside of SLO1 to manage landscape impacts and provide an acceptable planning outcome.

The applicant has been presented with opportunities to amend their dwelling plans to address the policy and SLO1 directions and instead has chosen to retain the dwelling in the proposed location. This is not an outcome that can be supported by officers.

The proposal does not provide an acceptable response to the landscape character objectives and requirements of SLO1 and therefore is not supported.

Options

Council has the following options:

1. Issue a Notice of Refusal to Grant a Permit based on the grounds set out within the recommendation. **(Recommended option)**
2. Issue a Planning Permit subject to conditions.

Conclusion

The application for the use and development of land for a dwelling and associated outbuilding is not supported.

Although there is no in-principle issue with a new dwelling on the property, the siting and design of the proposed dwelling on the crater rim of Lake Gnotuk does not provide an acceptable response to the Municipal Planning Strategy and Planning Policy Framework, Rural Conservation Zone and Significant Landscape Overlay (Schedule 1).

The applicant has been presented with an opportunity to amend plans to address these concerns, which has not been taken up. Since the introduction of the significant landscape controls in 2004 via Amendment C8, no new dwellings have been approved within or around the lake crater and rim.

It is therefore recommended Council issue a Notice of Refusal to Grant a Permit.

RECOMMENDATION

That Council having caused notice of Planning Permit Application No. PP2019/117 to be given under Section 52 of the *Planning and Environment Act 1987* and having considered all the matters required under Section 60 of the *Planning and Environment Act 1987*, decides to issue a Notice of Refusal to Grant a Permit under the provisions of the Corangamite Planning Scheme in respect of the land known and described as Lot 1 TP 91404Y, 81 Cross Forest Road, Camperdown for the *Use and Development of Land for a Dwelling and Outbuilding* based on the following grounds:

1. The use and development does not provide an acceptable outcome or net community benefit in terms of the Planning Policy Framework.
2. The use and development does not provide an acceptable response to Municipal Planning Strategy Clause 02.03-2 Environmental and landscape values (Landscapes) which seeks to protect Lake Gnotuk and maintain the visual quality of the lakes and crater environment.
3. The use and development does not provide an acceptable response to Local Planning Policy Clause 12.03-1L Lake Gnotuk and Lake Bullen Merri, which recognises the significance of Lake Gnotuk and its surrounds and seeks to protect the landscape by ensuring new development is sited outside the crater rim.
4. The proposal does not provide an acceptable response to the Rural Conservation Zone - Schedule 2.
5. The use and development is inconsistent with the landscape character objectives and permit requirements of the Significant Landscape Overlay - Schedule 1 (Volcanic Landscape Area).
6. The use and development will not result in the proper and orderly planning of the area.

COUNCIL RESOLUTION

MOVED: *Cr Conheady*

SECONDED: *Cr Makin*

That the recommendation be adopted.

CARRIED

Attachments

1. Copy of Planning Permit Application PP2019/117 - Under Separate Cover
2. S52 Notice Responses (DELWP and Camperdown Timboon Rail Trail Committee of Management) - Under Separate Cover
3. Statements of Support - Under Separate Cover

The Mayor, Cr R. Gstrein, remained out of the meeting due to a general conflict of interest in Agenda items 8.1 and 8.3. As agreed by all Councillors, this matter was considered immediately following item 8.1.

8.3 Planning Permit Application PP2020/103 - Demolition of Building (George Cain's Cottage) and Construction of Single Dwelling - 68 Manifold Street, Camperdown

Author: Aaron Moyne, Manager Planning and Building Services

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

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

Author - 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

Council must consider a planning permit application which proposes the demolition of George Cain's Cottage and construction of a single dwelling at 68 Manifold Street, Camperdown.

George Cain's Cottage is identified within the Camperdown Heritage Study and included on the local heritage register through Heritage Overlay (Schedule 173).

Seven (7) submissions have been received for the application – one (1) objection and six (6) submissions in support.

The assessment of this planning application principally relates to the proposed demolition of the heritage building. If demolished, the heritage significance of the site will be lost and a dwelling construction can proceed.

Following assessment of the application, it is recommended that Council issues a Notice of Decision to Refuse to Grant a Permit.

Introduction

Planning Permit Application PP2020/103 was received by Council on 20 August 2020 and seeks approval for the Demolition of Building (George Cain's Cottage) and Construction of Single Dwelling.

Public notice of the application was given and six (7) submissions have been received – one (1) objection and six (6) submissions in support.

Key issues raised in the objections can be summarised as:

- Loss of heritage value and external building retention

Submissions in support of the application refer to:

- Amenity impacts
- Site management and appearance
- Building deterioration and loss of heritage value

This report provides a planning assessment of the application.

History

George Cain's Cottage was identified in the Camperdown Heritage Study (1995 & 1998) and included under Heritage Overlay (Schedule 173) on 31 May 2007 via planning scheme amendment C3.

Since inclusion on the local heritage register, limited work has been undertaken at the property.

Planning Permit PP2015/128 was approved on 20 November 2015 for Development of a Second Dwelling and Works to the Existing Cottage. The permit was never acted upon and expired on 20 November 2017.

Planning Permit PP2018/109 was approved on 7 February 2019 for Buildings and Works for the Construction of Two (2) Dwellings, Demolition and External Alterations and Extension of the Existing Dwelling and Three (3) Lot Subdivision. The permit is still valid and is due to expire on 7 February 2021.

Subject Land

The site has a total area of approximately 1012m² and contains:

- George Cain's Cottage in the south-east corner on the property frontage.
- The cottage is only approximately 98m² - less than 10% of the site area. The remainder of the site is largely vacant.

The site is located within the General Residential Zone and subject to Heritage Overlay (Schedule 173).

Surrounding Area

Land within the locality includes:

- Residential properties containing single dwellings to the east, north and west of the site. These properties are not under heritage control.
- The property fronts the Manifold Street service road. The Manifold Street road reserve incorporates the Finlay Avenue of Elms, which is included on the Victorian Heritage Register.
- The opposite side of Manifold Street is also under heritage control as part of the Manifold Street precinct and two locally significant timber cottages.

A planning zone and aerial map are provided at Figures 1 and 2.

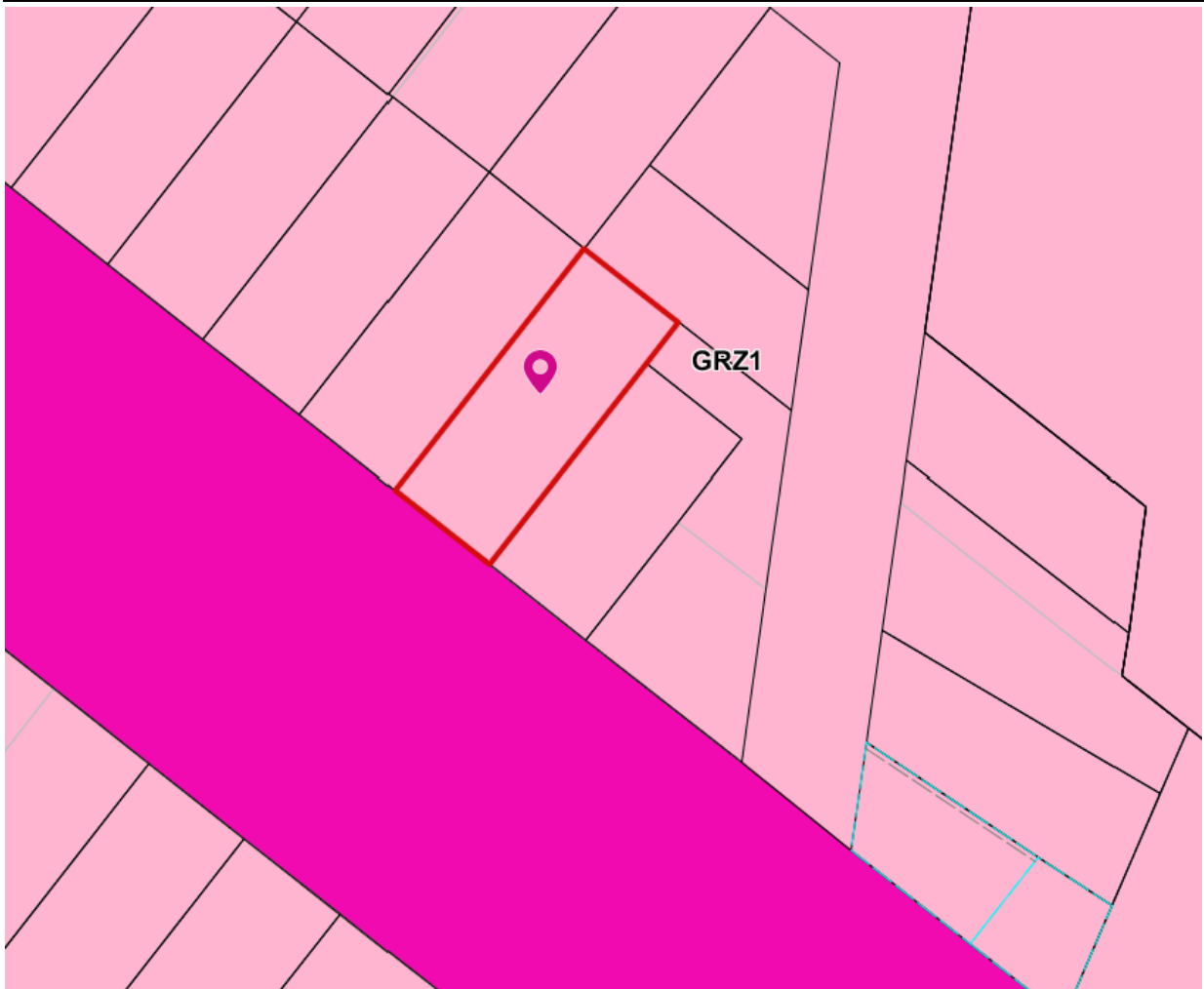


Figure 1. Planning Zone Map



Figure 2. Aerial Map

Proposal

The application proposes to demolish an existing building (George Cain's Cottage) and construct a new single storey dwelling on-site.

Although in a dilapidated condition and requiring repair, George Cain's Cottage has local heritage protection under the Heritage Overlay as a good example of a labourer's cottage, built without architectural design in the period 1861-1869, when Camperdown was a primitive settlement.

In place of the demolished dwelling, the applicant proposes to install a plaque in recognition of the former cottage and history of the site.

Siting

The proposed new dwelling will be sited with a minimum 6 metre setback from the front boundary, 1.5 metres from the western side boundary and 2.85 metres from the eastern side boundary.

Design

The dwelling will incorporate a standard residential design with four (4) bedrooms including ensuite, an open plan kitchen, meals and family area, bathroom, double garage and outdoor alfresco.

External design of the dwelling includes a mix of cladding and brick work. The dwelling will have a maximum height of 2.7 metres to the eaves with a pitched Colorbond roof.

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

Policy and Legislative Context

The site is located within the General Residential Zone (GRZ) and subject to Heritage Overlay (Schedule 173). A planning permit is required by the Heritage Overlay to demolish the existing building and construct a new dwelling.

Heritage Overlay (Schedule 173)

The Heritage Overlay seeks to conserve and enhance heritage places, elements of heritage significance and ensure that development does not adversely affect heritage places.

Heritage Overlay (Schedule 173) refers to George Cain's Cottage and includes the building and whole of the site on the local heritage register. The citation from the Camperdown Heritage Study states:

'Cain's Cottage is primarily of historic interest as a good specimen of a labourer's cottage, built without architectural pretension in the period 1861-1869 and at a time when Camperdown was a primitive settlement. George and Ann Cain were early settlers at Camperdown and the surviving fabric is witness to their life in the town.'

Municipal Planning Strategy and Planning Policy Framework

The following clauses are considered relevant to this permit application:

Clause 02 Municipal Planning Strategy

Clause 02.02 Vision

Clause 02.03 Strategic Directions

Clause 02.03-1 Settlement – Camperdown – seeks to encourage the conservation and restoration of all heritage buildings in the township.

Clause 11 Settlement

Clause 11.03-6L Camperdown – to protect the township's collection of heritage buildings and historic building stock.

Clause 15 Built Environment and Heritage

Clause 15.01-1S Urban Design

Clause 15.01-1L Urban Design

Clause 15.01-2S Building Design

Clause 15.03-1S Heritage Conservation

Clause 15.03-1L Heritage Conservation – aims to preserve the historical attributes of townships and discourage the demolition of significant and contributory heritage buildings.

Clause 72.08 Background Documents

Camperdown Heritage Study – *Assessment of Places of Cultural Significance in the Town of Camperdown, Study Findings and Final Report, Volumes 1 & 2 (A Willingham, 1995 & 1998)*

Internal / External Consultation

Referrals

No external referrals were required for the application.

Internal referral was provided to Council's Heritage advisor for specialist comment with the response provided under separate cover and outlined below.

Internal Referrals	Response
Heritage Advisor	<p>Does not support demolition of the heritage building, as summarised:</p> <ul style="list-style-type: none"> • Although the dwelling is in poor condition, it still retains much of its original features and therefore its local heritage significance. • The condition of a building is not considered a factor in the assessment of significance, especially if a building has not lost its original features and can be restored. • Being a timber framed building of simple construction, repair back to good condition is achievable and with previously approved alterations, it can be renovated for use as a one-bedroom dwelling. • There are simple and inexpensive measures available to secure and stabilise the building until further restoration works are undertaken. The simple timber framed construction means it will be easier to restore.

Advertising

Public notice of the application was given in accordance with Section 52 of the *Planning and Environment Act 1987* by:

- Letters to adjoining landowners and occupiers
- Notice on Council's website

Seven (7) submissions have been received in total – comprising one (1) objection and six (6) submissions in support.

Key issues raised in the objections can be summarised as:

- Loss of heritage value and external building retention

Submissions in support of the application refer to:

- Amenity impacts
- Site management and appearance
- Building deterioration and loss of heritage value

Copies of the submissions are provided under separate cover.

Consultation

Consultation for the application was undertaken and included:

- Pre-application discussions with the applicant in which officers raised an application for demolition of the identified heritage building was unlikely to be supported.
- Heritage advice was sought from Council's Heritage Advisor, with these comments provided to the applicant to explain the basis of Council officer concerns with the proposed demolition.

- An on-site Council planning site inspection was held on Tuesday 1 December 2020, attended by Councillors, Council officers and the applicant. Details of the application, key issues and considerations under the Corangamite Planning Scheme were discussed.

Planning Assessment

Assessment of this application focuses principally on the proposed demolition of George Cain's Cottage and does not cover the dwelling construction and design in any detail. Should the building be demolished, the site will lose its heritage significance and residential development can proceed on the property unencumbered.

Municipal Planning Strategy and Planning Policy Framework

The Municipal Planning Strategy (MPS) has vision to protect and enhance places of cultural heritage. Strategic direction for Camperdown seeks to encourage the conservation and restoration of heritage buildings within the township.

The Planning Policy Framework (PPF) advances the municipal strategic direction with planning policy that aims to ensure the conservation of places of heritage significance. Local policy discourages the demolition of significant and contributory buildings unless all the following apply:

- The building is structurally unsound.
- The original fabric of the building has deteriorated to such an extent that a substantial reconstruction of the building would be required to make the building habitable.
- The proposed replacement building will make an equal or greater contribution to the streetscape than the building to be demolished.

George Cain's Cottage is identified within the Camperdown Heritage Study as a locally significant example of an early dwelling without architectural design in Camperdown. There is no doubt that the building has deteriorated to poor condition. However, whilst it may appear visually beyond repair, there are works and treatments that can be done to secure and then restore the building in the future.

The proposal to demolish the building and construct a new single dwelling on the land will result in removal of the site's heritage significance. As evidenced by previous planning permits and advice from Council's Heritage Advisor, the building can be restored in a sympathetic way to retain key heritage elements and enable its future use as a dwelling. This will take the right person to invest in the property. Alternate residential development options also exist at the rear of the site.

The proposal is not supported by planning policy and makes no genuine attempt to conserve and restore this modest yet significant building within Camperdown. The application therefore cannot be supported on a policy basis.

Heritage Overlay (Schedule 173)

The Heritage Overlay specifically seeks to conserve and enhance heritage places identified to have natural or cultural significance. George Cain's Cottage was included within the Camperdown Heritage Study as having local significance and the Heritage Overlay was applied via planning scheme amendment C3 in May 2007.

In assessment of the proposed demolition, the comments of Council's Heritage Advisor have been sought. Whilst the Heritage Advisor acknowledges the condition of the building, it is stated that the condition of a building itself does not determine the significance of a place or

site. In this case, George Cain’s Cottage still retains its main external features of its original construction.

Whilst grander buildings, houses and homestead of early settlers are also protected, humble buildings such as the George Cain Cottage tell a very important story for Camperdown and the district that can often be lost. The cottage is important in demonstrating Camperdown’s early beginnings through its simplicity and size. It is rare to have a surviving example of a circa 1861 cottage within a township and an important part of Camperdown’s early history.

The building is a timber-framed modest structure. There are simple measures which can be undertaken to secure and restore the building in the short-term, whilst work can be undertaken, and the building can even be extended with a modern extension in the future to become a habitable dwelling. Examples can be provided from other locations of similar restoration being undertaken, including Ballarat and Cressy.

Demolition of the dwelling and construction of a new single dwelling will not just adversely affect the heritage significance of the site, it will remove any tangible link it has to George Cain’s Cottage. The proposal by the applicant to install a memorial plaque is not an acceptable compromise.

Having regard to the purpose and decision guidelines of the Heritage Overlay, the proposed demolition is not supported and will not provide an acceptable outcome. No attempt has been made to design the proposed new dwelling in a way which retains George Cain’s Cottage on-site or integrates with the existing building.

Response to Objections

Seven (7) submissions have been received for the application – comprising one (1) objection and six (6) submissions in support.

The key issues raised in the objection and an officer response is provided below:

Objection	Officer response
Loss of heritage value and external building retention	<p><u><i>Objection supported</i></u> As outlined within the assessment, demolition of George Cain’s Cottage is not supported on a planning and heritage basis, and there are available options for residential development or an integrated design outcome. The Heritage Overlay has been applied to the site to prevent full demolition of a locally significant building and planning policy encourages conservation and restoration.</p>

Options

Council has the following options:

1. Issue a Notice of Refusal to Grant a Permit on the grounds set out within the recommendation. **(Recommended option)**
2. Issue a Notice of Decision to Grant a Planning Permit, subject to condition.

Conclusion

The application proposes demolition of George Cain’s Cottage, as a building individually included on the local heritage register within the Heritage Overlay, and construct a new single dwelling in its place on-site.

The proposal does not support the conservation, retention or restoration of this locally significant heritage building, and will result in the removal of any tangible heritage significance the site and building have in the future.

The Camperdown Heritage Study specifically identifies and refers to the local significance of George Cain's Cottage as a good example of a labourer's cottage, built without architectural design in the period 1861-1869, when Camperdown was a primitive settlement.

The demolition is not supported by the strategic and policy direction of the Municipal Planning Strategy and Planning Policy Framework, along with the provisions of the Heritage Overlay (Schedule 173).

Issues raised by the objecting submission has been covered, whilst submissions in support are addressed within the assessment.

It is therefore recommended that Council issue a Notice of Refusal to Grant a Permit.

RECOMMENDATION

That Council having caused notice of Planning Application No. PP2020/103 to be given under Section 52 of the *Planning and Environment Act 1987* and having considered all the matters required under Section 60 of the *Planning and Environment Act 1987*, decides to issue a Notice of Refusal to Grant a Permit under the provisions of the Corangamite Planning Scheme in respect of the land known and described as 68 Manifold Street, Camperdown (Crown Allotment 11 Section 22 Township of Camperdown) for Demolition of Building (George Cain's Cottage) and Construction of Single Dwelling, based on the following grounds:

- 1. The development does not provide an acceptable outcome or net community benefit in terms of the Municipal Planning Strategy and Planning Policy Framework.**
- 2. The development is contrary to the vision and strategic direction within the Municipal Planning Strategy for heritage within Camperdown.**
- 3. The development is contrary to the policy direction for heritage conservation at Clause 15.03 (Heritage) of the Planning Policy Framework.**
- 4. The development does provide an acceptable response to the purpose and decision guidelines of Heritage Overlay (Schedule 173).**
- 5. The development would not result in the proper and orderly planning of the area.**

COUNCIL RESOLUTION

MOVED: Cr Conheady

SECONDED: Cr Hickey

That the recommendation be adopted.

CARRIED

Attachments

1. Planning Permit Application PP2020/103 - Under Separate Cover
2. Combined Submissions and Objection - Under Separate Cover

Cr Gstrein returned to the meeting at 7.51 pm and assumed the Chair.

8.2 Planning Permit Application PP2020/108 - Erection and Display of Floodlit Double Sided Major Promotional Sign - 1232 Camperdown-Cobden Road, Cobden

Author: Melanie Osborne, Planning Officer

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

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

Author - Melanie Osborne

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

Summary

Council must consider a planning permit application PP2020/108 for the erection and display of a floodlit double sided major promotional sign. The proposed sign is to be located on commercially zoned land in Cobden, with the advertising space available for lease by third parties.

Public notice of the application was given and one (1) objection was received for the application.

The key issues raised in the objection have been considered and the application has been assessed against the relevant provisions of the Corangamite Planning Scheme.

Following assessment of the application it is recommended that Council issue a Notice of Refusal to Grant a Permit.

Introduction

Planning Permit Application PP2020/108 was received by Council on 26 August 2020. The application seeks approval for Erection and Display of Floodlit Double Sided Major Promotional Sign.

One (1) objection was received during notice of the application. Key issues raised in the objection can be summarised as follows:

- Sign will dominate the streetscape and detract from character of the local area.
- Impact the operations of the adjoining truck stop.
- Impact on road safety.

This report provides a planning assessment of the application.

History

There is no planning permit history for the subject site.

Subject Land

The subject site has a total area of 4047m² and currently contains:

- A building with an attached office used for a motor repairs business.
- Existing business identification sign located at the front of the property at the entrance to the site.

Surrounding Area

The main site/locality characteristics are:

- The subject site and the property directly south west containing the Cobden Service Station and Roadhouse Motel are in the Commercial 1 Zone.
- Surrounding properties are residentially zoned, with a mix of General Residential and Low Density Residential zoned land.
- Development consists mostly of single residential dwellings of varying sizes and designs.



Figure 1: Planning Zone Map



Figure 2: Aerial of subject site and surrounding area

Proposal

The applicant proposes to erect and display a floodlit double-sided major promotional sign.

The proposed sign will be located in the south west corner of the subject site. Setbacks proposed are 1m from the Camperdown-Cobden Road property boundary and 610mm from the south west boundary.

The sign and structure will have a total height of 5.15m, consisting of a display face on both the north-east and south-west elevation and be 8.3m long by 2.2m high. A skirting board will be located under each display face and contain a logo box with the applicant's business name. The total display area for all signs will be 37.68m².

Billboard lights will be attached to a mounting arm which extend from the under each display face, allowing the lights to illuminate the display face. The signs will not be reflective, animated or flashing.

The main display area will be available to third parties to lease for their own advertising needs.

A copy of the planning permit application has been provided under separate cover.

Policy and Legislative Context

Zoning

The subject site is in the Commercial 1 Zone. Sign controls in the zone are specified as Category 1 – Commercial areas under Clause 52.05. This category provides minimum limitations and seeks to provide for promotion signs and signs that add vitality and colour to commercial areas.

The application will be assessed against the decision guidelines provided under the particular provision for signs, Clause 52.05.

Municipal Planning Strategy and the Planning Policy Framework

The following clauses are considered relevant to this permit application:

Clause 02 Municipal Planning Strategy

Clause 02.01 Context

Clause 02.02 Vision

Clause 02.03-1 Strategic Directions – Settlement (Cobden); seeks to protect and enhance the heritage features of the built and natural landscape.

Clause 11 Settlement

Clause 11.03-6S Regional and local places

Clause 11.03-6L Regional and local places – Cobden; seeks to maintain the generous street layout and vistas to rural aspects.

Clause 15 Built Environment and Heritage

Clause 15.01-5S Built Environment – Neighbourhood Character

Clause 17 Economic Development

Clause 17.02-1S Commercial - Business

Particular Provisions

Clause 52.05 – Signs

The purpose of this clause is to regulate the development of signs and ensure new signs are compatible with the visual appearance of an area including the existing character and do not contribute to visual clutter or have an adverse impact on amenity and safety.

Internal / External Consultation

Referrals

The following referrals and notices were carried out for the application.

Section 52 Notice	Response
Department of Transport (DoT)	No objection to the issue of permit subject to conditions. A copy of the DoT response is provided under separate cover.

Advertising

Notice of the application was given in accordance with Section 52 of the Planning and Environment Act 1987, including:

- letters to landowners and occupiers within 100 metres of the subject site;
- a sign on site; and
- notice on Council’s website.

One (1) objection was received. Key issues raised in the objection can be summarised as follows:

- Sign will dominate the streetscape and detract from character of the local area.
- Impact the operations of the adjoining truck stop.
- Impact on road safety.

A copy of the objection was provided to the applicant. The applicant prepared a response to the objection which has been forwarded to the submitter (objector) for review.

A copy of the objection and the applicant's response are provided under separate cover.

Consultation

Consultation for the application was undertaken and included:

- An on-site Council planning site inspection was held on Tuesday 1 December 2020, attended by Councillors, Council officers and applicant representatives. Details of the application, key issues and matters raised by submissions were discussed.

Assessment

Assessment of the permit application will consider how the proposal responds to policy direction outlined in Municipal Planning Strategy and the Planning Policy Framework and the purpose and decision guidelines of Clause 52.05 Signs. A key aspect will be whether the proposed sign is consistent with the existing and future character of the area. Consideration will also be given to the issues raised in the objection.

Municipal Planning Strategy and the Planning Policy Framework

The Planning Policy Framework (PPF) seeks to ensure new development responds to its context and reinforces a sense of place by respecting the neighbourhood character and community identity. Planning decisions need to take into consideration the distinctive characteristics and needs of regional and local places. The Municipal Planning Strategy (MPS) also seeks to enhance the unique characteristics of towns and smaller settlements.

The Cobden township is elevated above the rural hinterland and has an open character with wide tree lined streets, recreation reserves, parks and an attractive lake. The subject site is located at the northern entrance to the township. Local planning policy seeks to protect the rural aspect of the Cobden town entry.

The site is commercially zoned; however, the surrounding area and entrance into Cobden is predominately residential in nature with areas of wide-open spaces adding to the rural character of the town. The introduction of a double sided major promotional sign at the entrance to the town is not in keeping with the rural character of the area. The scale and nature of the sign will detract from the area rather enhance the existing rural township character.

The proposed sign offering commercial advertising space will have limited community benefit to Cobden. It would be ultra vires (beyond the power) of Council to include a condition requiring advertising space to only be made available for businesses within Corangamite Shire or adjoining municipalities.

The suggested benefits of the sign in this case are not considered sufficient to outweigh the need to maintain and improve the character of entry into Cobden.

Clause 52.05 – Signs

Clause 52.05 seeks to regulate the development of land for signs and ensure new signs are compatible with the amenity and visual appearance of an area. When considering an application for a major promotion sign the following locational principles must be taken into account:

- Signs are encouraged in commercial and industrial locations in a manner that complements or enhances the character of the area.
- Signs are discouraged where they will form a dominant visual element from residential areas.

The subject site is in the Commercial 1 Zone and the surrounding land is residentially zoned except for the adjoining service station site. It is considered the erection of a standalone major promotion sign close to the roadside will be a dominate visual element and not in keeping with the rural character identified for the Cobden township.

The proposed sign will create an unacceptable level of visual clutter along the Cobden gateway, with a number of existing business signs already located within close proximity on the two commercial sites. The major promotion sign is not suitable in the proposed location on the Camperdown-Cobden Road and does not provide an acceptable response to the purpose and decision guidelines of Clause 52.05.

Response to Objections

The key issues raised in the objection and an officer response are provided below:

Objection	Officer response
Sign will dominate the streetscape and detract from character of the local area.	<u><i>Objection supported</i></u> The proposed signage is not in keeping with the rural character for Cobden and the size and location of the major promotion sign is likely to be visually dominant and detrimental to the existing local character.
Impact the operations of the adjoining truck stop.	<u><i>Objection not supported</i></u> Commercial impacts to adjoining businesses are not a relevant planning consideration.
Impact on road safety.	<u><i>Objection not supported</i></u> Department of Transport (DoT) were notified of the application as the responsible authority for the management of Camperdown-Cobden Road. DoT did not object to the proposal subject to conditions relating to the placement of the sign and safety measures.

Options

Council has the following options:

1. Issue a Notice of Refusal to Grant a Permit on the grounds set out within the recommendation. **(Recommended option)**
2. Issue a Notice of Decision to Grant a Permit subject to conditions.

Conclusion

The application for the erection and display of a floodlit double-sided major promotion sign, in close proximity to residential land is not supported. The proposal does not present an acceptable response to the objectives and outcomes of the Municipal Planning Strategy, Planning Policy Framework and Clause 52.05 Signs.

Whilst signs of this nature can only be erected in commercial and industrial zones, in this case, as an entry into the Cobden township with its surrounding open residential character, the sign will not improve or enhance the area in a way which warrants its support.

It is therefore recommended that Council issues a Notice of Refusal to Grant a Permit.

RECOMMENDATION

That Council having caused notice of Planning Permit Application No. PP2020/108 to be given under Section 52 of the *Planning and Environment Act 1987* and having considered all the matters required under Section 60 of the *Planning and Environment Act 1987*, decides to issue a Notice of Refusal to Grant a Permit under the provisions of the Corangamite Planning Scheme in respect of the land known and described as Lot 1 TP 189704R, 1232 Camperdown-Cobden Road, Cobden for the *Erection and Display of Floodlit Double Sided Major Promotional Sign* based on the following grounds:

- 1. The development does not provide an acceptable outcome or net community benefit in terms of the Municipal Planning Strategy and Planning Policy Framework.**
- 2. The development does not provide an acceptable response to the Municipal Planning Strategy which seeks to protect the rural character and township entrance to Cobden.**
- 3. The development does not provide an acceptable response to the Clause 11.03-6L Regional and local places – Cobden which seeks to maintain the rural aspect.**
- 4. The development does not provide an acceptable response to the purpose and decision guidelines to Clause 52.05 Signs.**
- 5. The development will not result in the proper and orderly planning of the area.**

COUNCIL MOTION

MOVED: *Cr Conheady*

SECONDED: *Cr Vogels*

That Council issue a notice of decision to grant a permit under the provision of the Corangamite Planning Scheme with amended conditions as follows:

- 1. Increase setback of 2.5m from the South Eastern boundary of the site.**
- 2. Deletion of the lighting.**

LOST

COUNCIL RESOLUTION

MOVED: Cr Beard

SECONDED: Cr Makin

That the recommendation be adopted.

CARRIED

Attachments

1. Copy of Planning Permit Application PP2020/108 - Under Separate Cover
2. Copy of Objection and Application Response - Under Separate Cover
3. S52 Response (Department of Transport) - Under Separate Cover

9. OFFICERS' REPORTS

9.1 Contract 2021013 Construction of 12 Apostles Trail Stage 1 – Package B Along North South Road and Timboon – Peterborough Road from Curdievale – Port Campbell Road to Haywards Road, Timboon

Author: Brooke Love, Director Works and Services

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

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

Author - Brooke Love

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

Summary

This report is to award the contract for the Construction of 12 Apostles Trail Stage 1 – Package B Along North South Road and Timboon – Peterborough Road from Curdievale – Port Campbell Road to Haywards Road, Timboon.

Introduction

Council has undertaken a competitive tender process to recruit a suitably qualified and experienced contractor to construct a 2.5m wide unsealed path and associated works as a part of the Twelve Apostles Trail Stage 1 Timboon to Port Campbell. The trail construction will extend along North South Road and Timboon – Peterborough Road from Curdievale – Port Campbell Road to Haywards Road, Timboon.

The works include:

- Supply and installation of drainage culverts and end-walls;
- Filling of low-lying areas;
- Preparation of path subgrade;
- Construction of a 2.5m wide gravel path;
- Supply and installation of signage;
- Supply and installation of fencing, chicanes and bollards; and
- Associated works.

Six submissions were received from five tenderers. An evaluation of the tenders was undertaken in accordance with Council's Procurement Policy and the *Twelve Apostles Stage 1 Strategic Procurement Plan*. A strategic procurement plan was developed due to the high value of procurement activity (i.e. equal to or greater than \$500,000), risk and complexity of the project to define the specific evaluation process. A summary of issues is provided in the

section below with further details provided in the technical evaluation report attached under separate cover.

Issues

A panel of suitably qualified and experienced Council staff and an independent consultant undertook an evaluation of the submissions in accordance with the strategic procurement plan and the specified criteria. A panel meeting was held to validate the evaluations, aggregate the scores and provide a recommendation of award for Council's resolution.

An assessment of Conformance and mandatory requirements deemed one tenderer non-conforming as they failed to provide test results for the proposed material which was not being sourced from a quarry specified by Council.

Tendered price (30%) and Local Content (20%) make up 50% of the evaluation weighting for the procurement of works. An assessment on Tendered Price and Local Content was conducted in order to shortlist tenderers to proceed to the Technical Evaluation. Three tenderers were considered for further evaluation.

The evaluation was undertaken in two stages including primary evaluation of submissions and evaluation following request for additional information as identified by the evaluation panel.

An aggregate of the scores for each of the conforming tender submissions, against the criteria and with the applied weighting, following the secondary evaluation is provided in Table 1 below.

Tenderer	Tendered Amount (exc. GST)	Weighting	Price	Local Content	Performance Capability	Time Management	Contractor Systems	TOTAL SCORE
			30%	20%	15%	15%	20%	
1	\$1,494,754.05	Score out of 5	0	2	Not evaluated			8
2	\$994,265.36		1	2	Not evaluated			14
3	\$643,485.00		4	0	Not evaluated			24
4	\$668,676.00		5.0	3.0	4.3	5.0	4.7	89
5	\$761,382.39		3.3	5.0	4.7	5.0	4.7	88
6	\$724,718.69		4.2	5.0	4.7	4.7	3.7	88

Table 1: Aggregate Submission Assessment

All shortlisted tenderers demonstrated capacity and capability to deliver on the project and an ability to meet the specified timelines. All contractors are experienced and familiar with the local area. All contractors specified use of material consistent with the specification and from quarries identified by Council. There was variation between the tenderers in the level of documentation and evidenced management systems.

Lump sum tendered prices were competitive in the range of \$668,676 to \$761,382. Local content and internal quality assurance systems and processes were key points of difference between the submissions and significant influencers in the overall results.

Civilnow Pty Ltd were considered to provide the best value to Council having regard to:

- The capacity and capability to deliver the project
- Previous experience with civil infrastructure projects
- Resourcing and experience of personnel responsible for delivery of key tasks
- Ability to meet the required timeframes
- Comprehensive internal quality assurance systems and processes
- Low tendered lump sum
- High local content with material purchased locally and majority of labour and plant to be sourced from local contractor

Policy and Legislative Context

The contract for Construction of 12 Apostles Trail Stage 1 – Package B Along North South Road and Timboon – Peterborough Road from Curdievale – Port Campbell Road to Haywards Road, Timboon, was advertised and assessed in accordance with Council's Procurement Policy and the Strategic Procurement Plan for the project.

The awarding of this contract is in keeping with Council's Plan 2017-2021 under several key themes:

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

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

Support and facilitate the development of the visitor economy.

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

In accordance with Section 186 of the *Local Government Act 1989*, the tender was advertised in the Herald Sun and Warrnambool Standard. The contract was also advertised on Council's website.

An evaluation panel was established to assess the submissions against the evaluation criteria. Each member of the panel who conducted the evaluation was considered to have appropriate experience to undertake the evaluation and indicated they had no conflict of interest to declare.

Financial and Resource Implications

Council has \$6.2million in its 2020-2021 budget to deliver on the Twelve Apostles Trail Stage 1 Timboon to Port Campbell. Council has received \$4.5million towards the project from the State Government's Crisis Committee of Cabinet – Infrastructure Stimulus Fund. The lump sum rate for this contract is within the current available budget.

Procurement will be staged to deliver on designated sections of the trail construction. Council's COVID19 Economic Stimulus and Support Package stipulates, whilst in force, a 20% weighting will be applied to all procurement undertaken by Council in support of suppliers, contractors and service providers located in Corangamite Shire. Whilst located outside of Corangamite Shire, Civilnow Pty Ltd will be procuring all materials from a local

quarry and utilising plant and labour from within the Corangamite Shire. The estimated percentage of local content spend from this contract is 70%.

Any variations will be considered in accordance with Council officer delegations as per the Procurement Policy.

Options

Council may choose to award the contract or may choose not to award the contract.

Conclusion

The tender has sought suitably qualified and experienced contractors to construct a 2.5m wide unsealed path and associated works as a part of the Twelve Apostles Trail Stage 1 Timboon to Port Campbell. Five submissions were considered eligible for evaluation, three of which were shortlisted for technical evaluation. Following an evaluation of the shortlisted submissions, it is considered that the best value and most satisfactory outcome for Council will be achieved by awarding the contract to Civilnow Pty Ltd.

RECOMMENDATION

That Council:

1. **Awards Contract 2021013 12 Apostles Trail Stage 1 – Package B Along North South Road and Timboon – Peterborough Road from Curdievale – Port Campbell Road to Haywards Road, Timboon to Civilnow Pty Ltd for the amount of \$668,676 (exc. GST)**
2. **Enters into a contract agreement with Civilnow Pty Ltd and provide a Letter of Award (subject to satisfactory agreement between the parties).**
3. **Delegates to the Chief Executive Officer authority to approve any variations to the contract sum.**
4. **Affixes the common seal of Council to the Contract.**

COUNCIL RESOLUTION

MOVED: *Cr Makin*

SECONDED: *Cr Vogels*

That the recommendation be adopted.

CARRIED

Attachments

1. 2021013 Technical Evaluation Report - Under Separate Cover - Confidential
2. 2021013 Evaluation Panel Declaration of Interest - Under Separate Cover

9.2 Terang Battery Energy Storage System - Corangamite Shire Submission

Author: Aaron Moyne, Manager Planning and Building Services

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

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

Author - 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

ACEnergy proposes to develop a Terang Battery Energy Storage System (BESS) at 70 Littles Lane, Terang, directly adjoining the Terang Terminal Station (TTS).

Following a request received by ACEnergy, the Minister for Planning (Minister) is currently undertaking consultation on the BESS before determining whether to intervene and amend the Corangamite Planning Scheme to facilitate the development.

Following gazettal of Amendment VC192 on 16 November 2020, the Minister is now responsible authority for all utility-scale battery storage projects in Victoria.

This report presents Council with a draft submission for consideration which it may resolve to submit to the Minister.

Introduction

Council was first briefed on the proposed ACEnergy BESS in February 2020 and then again in May 2020 regarding options for the planning approval process.

A public consultation process was undertaken in June 2020 to obtain community comments and feedback on the proposed BESS, and to help inform Council's approach to the planning approval process the project should go through.

At its 23 June 2020 Ordinary Council Meeting, Council resolved to not support intervention by the Minister and request that ACEnergy submit a planning permit application to Council for assessment of the BESS.

Following Council's resolution, ACEnergy separately made a request to the Minister to use his powers under Section 20(4) of the *Planning and Environment Act 1987* and undertake a planning scheme amendment to facilitate approval of the BESS.

VC192 was approved by the Minister on 16 November 2020 and amended the Victoria Planning Provisions (VPP) to designate the Minister as responsible authority for utility-scale battery energy storage proposals greater than 1 megawatt (MW) capacity within Victoria. The result of this amendment is that Council is no longer decision maker for the BESS.

Issues

ACEnergy seeks to develop a BESS on land directly adjoining the TTS. The BESS would comprise the installation of 78 purpose-built 40' shipping containers on land of approximately 1.5 hectares in area.

The BESS built form includes:

- 58 x 40' battery containers
- 20 x 40' inverter and transformer containers
- 1 x grid switching station
- 1 x control room.

Each shipping container will measure 12.2m (length) x 2.4m (width) x 2.6m (height) and would be supported on concrete strips measuring 100mm thick. The containers are proposed to be painted matte grey and each will be fitted with natural ventilation and residential type air conditioners for cooling.

Development plans of the BESS and supporting reports and management plans are provided under separate cover.

The proposed BESS would be connected directly into the TTS with an installed capacity of 150MW input (charging) and 150MW output (discharging), totalling 220MWh. The purpose of the BESS is to store surplus electricity not being used and during low demand periods within the National Electricity Market (NEM), for it to be dispatched at times of high demand or grid unreliability.

The estimated total cost of the project will be \$100 million, which presents a significant infrastructure investment within Corangamite Shire.

A review of the application and draft planning scheme amendment documentation has been undertaken and a draft Council submission prepared.

The submission has been prepared taking a neutral position for Council on the BESS, neither in support or opposed to the proposal, instead it aims to convey key issues and matter requiring further consideration.

Importantly, the submission notes that Council is not responsible authority for a decision, which has now been passed to the Minister.

A copy of the draft Council submission is provided under separate cover, with a summary of the key themes and issues outlined as follows:

Public Consultation

The submission highlights the complete lack of public consultation and genuine engagement with the Terang community for the BESS. For a project submitted as being of State and regional significance, to only send notices to directly adjoining landowners of the BESS and exclude any other form of notice to engage with the broader Terang community is inappropriate.

The lack of genuine engagement by DELWP and the proponent has limited the opportunity for community input and analysis of the project details and merits.

Planning Approval Process

The submission raises that even following Amendment VC192 which made the Minister responsible authority for new BESS projects, this proposal should go through a normal planning application process instead of using Ministerial intervention and planning scheme amendment.

A planning application would require public notice of the use and development to be given and enable submissions to be received by potentially affected and interested parties. This would provide for greater public input into the BESS, with an opportunity for further review of submissions by VCAT or a Panel.

BESS Co-location and Utility Zone

Council has recently received information of a second proposed BESS directly adjoining this proposal by a separate proponent. That project is currently going through its feasibility analysis and scoping stage.

The submission requests that before a decision is made on the BESS and a planning scheme amendment undertaken, broader consideration should be given to the suitability for multiple utility-scale battery energy storage projects.

This strategic planning process led by DELWP should involve engagement with the Australian Electricity Market Operator (AEMO) on whether Terang presents a strategically appropriate location and aligns with the Integrated Systems Plan (ISP).

Projects such as the BESS should not be considered and approved in isolation to broader National Electricity Market (NEM) and grid planning, something which has occurred previously in the region with renewable energy projects for wind and solar.

Terang Residential Growth

The submission outlines that the proposal has not adequately considered land identified for future Terang residential growth, located south of McCrae Street within Development Plan Overlay (Schedule 6).

The location of a terminal station within the area does not necessarily mean that the site is a suitable location for a BESS. Council is already concerned about declining residential land supply within its townships, including Terang, and this presents an important area for future residential growth. The planning assessment must ensure future residential development of this GRZ land is not prejudiced as a result of the BESS.

Noise Impacts

The submission raises concern about the need for 7 metre and 6 metre high acoustic walls around the BESS to mitigate any potential noise impact on adjoining land.

The need for such noise attenuation measures questions the appropriateness of the site for the BESS. Furthermore, the acoustic walls at such a height cannot be covered by landscaping and will be out of character with the surrounding area.

Further noise mitigation measures are proposed for the BESS to meet relevant criteria, such

as shielding around air conditioning units, air conditioners to operate at 70% capacity during night periods and further acoustic barriers around internal inverter units.

Landscape and Visual Impact

The submission raises that no actual analysis of the visual impact the BESS will have has been undertaken, instead the application relies on a series of photomontages to quantify visual effect.

The photomontages provide no clear or quantifiable distinction of the scale of the BESS infrastructure and how it will sit within the landscape.

The assessment also lacks any detailed analysis of the cumulative impact the BESS will have within the site and surrounding area, accounting for cumulative impacts follow the recent utility and transmission installations connecting into the TTS.

Bushfire Risk Assessment and Management

The submission notes that the BESS has been supported by a detailed Bushfire Risk Assessment and raises that bushfire is a priority issue for Council and its community in wake of the 2018 St Patrick's Day Fires, in which one of the fires arose from the nearby Terang Substation.

Although the assessment concludes that bushfire risk is low, given the surrounding site and landscape condition of the BESS, it is essential that the BESS is both designed and built in a way that adequately manages bushfire risk to best-practice standards and at the lowest practical risk level. Bushfire risk must also be considered arising both internally and externally to the site and applying relevant mitigation and management measures.

Traffic Impacts

The BESS proposes to access the development site using Littles Lane, a local road managed by Council. A Traffic Impact Assessment has been undertaken which outlines the condition of Littles Lane and an average daily traffic volume during Week 12 of the construction period of 21 vehicle trips per day.

Although the construction window is relatively short (approximately 20 weeks) and Littles Lane is a minor local road, it is imperative that Council is involved in the preparation and review of the Traffic Management Plan. The Traffic Management Plan must also include provision for repair work and rehabilitation of the road back to a standard either consistent or better than its current condition.

Community Benefit

The submission notes that whilst community benefits cannot be directly linked to a planning approval, it questions the delivery of 50 local jobs during the approximate 20-week construction period and 5 local jobs during operation, and how this can tangibly linked back to community benefits the project will deliver.

Separate to any planning approval, a mechanism should be established by DELWP using its Victorian Renewable Energy Target (VRET) commitments to ensure that direct community benefits are delivered by ACenergy back to Corangamite Shire and the Terang community. This would help support a higher level of social licence for the BESS, which is likely to start at a low base given the lack of public consultation and engagement for the project.

Policy and Legislative Context

Corangamite Shire Council Plan 2017-2021 commits to:

Council will advocate strongly in relation to roads, cost shifting, and other Council priorities.

Maintain our competitive advantage as an “investment friendly” Council and a leader in local economic development.

Ensure the Corangamite Planning Scheme provides for the fair, orderly, economic and sustainable use and development of land.

Preserve the natural environment of Corangamite Shire.

Internal / External Consultation

Targeted public notice to directly adjoining landowners of the proposed BESS development and planning scheme amendment is being undertaken by the Minister. This is not a process which Council administers or is responsible for any decision.

Before public consultation was undertaken, Council made a direct request that the Minister expand the level of notice to enable broader consultation and engagement within Terang. This request was not supported.

To complement the limited notice being undertaken by the Minister, a media release was issued by Council on 1 December 2020 to inform the public about the consultation process and to direct interested members to review the information.

Following this public consultation process, it is unlikely there will be any further public notice or engagement on the BESS before a planning decision is made by the Minister.

Financial and Resource Implications

The Ministerial planning approval process enables a fast-track planning decision and outcome for the BESS.

The BESS is a significant new project with investment estimated at \$100 million. Streamlined approval will bring forward construction and economic stimulus (direct/indirect), both within Terang and Corangamite Shire.

Should the BESS be approved, Council will continue to work with the proponent to develop and implement a community benefits funding program, along with creation of local employment opportunities, training and upskilling programs.

Options

Council has the following options available in relation to the BESS:

1. Resolve to adopt the draft submission as prepared and authorise the Chief Executive Officer to submit it to the Minister for Planning. **(Recommended option)**
2. Amend the draft submission before adoption and authorise the Chief Executive Officer to submit it to the Minister for Planning.
3. Not proceed in making a submission.

Conclusion

The Minister for Planning is currently undertaking public consultation on BESS proposed by ACenergy before determining whether to intervene and amend the Corangamite Planning Scheme to facilitate the development.

This report presents a draft Council submission for adoption before it is submitted to the Minister.

RECOMMENDATION

That Council authorise the Chief Executive Officer to make a submission on the proposed ACenergy Terang Battery Energy Storage System in accordance with the draft submission attached to this report.

COUNCIL RESOLUTION

MOVED: *Cr Conheady*

SECONDED: *Cr Hickey*

That the recommendation be adopted.

CARRIED

Attachments

1. Draft Submission to Minister Terang BESS
2. C54Cora-Terang-BESS-Incorporated-Document_Consultation-Final - Under Separate Cover
3. C54Cora-Terang-BESS-Explanatory-Report_Consultation-Final - Under Separate Cover
4. C54Cora-Terang-BESS-Instruction-Sheet - Under Separate Cover
5. Corangamite-C54cora-001scoMap15-Exhibition - Under Separate Cover
6. SCHEDULE-TO-CLAUSE-45.12-SPECIFIC-CONTROLS-OVERLAY- - Under Separate Cover
7. SCHEDULE-TO-CLAUSE-72.04-DOCUMENTS-INCORPORATED-IN-THIS-PLANNING-SCHEME - Under Separate Cover
8. Terang-BESS-Letter-from-Spiire-requesting-planning-support - Under Separate Cover
9. Terang-BESS-Planning-Assessment - Under Separate Cover
10. Terang-BESS-Development-Plans - Under Separate Cover
11. Terang-BESS-Bushfire-Risk-Assessment-and-Fire-Management-Plan - Under Separate Cover
12. Terang-BESS-Cultural-Heritage-Management-Plan - Under Separate Cover
13. Terang-BESS-Drainage-Management-Plan - Under Separate Cover
14. Terang-BESS-Noise-Assessment - Under Separate Cover
15. Terang-BESS-Traffic-Impact-Assessment - Under Separate Cover
16. Terang-BESS-Vegetation-Assessment - Under Separate Cover
17. Terang-BESS-Visual-Impact-Assessment_Part1 - Under Separate Cover
18. Terang-BESS-Visual-Impact-Assessment_Part2 - Under Separate Cover
19. Terang-BESS-Certificate-of-Title - Under Separate Cover



xx December 2020

The Honourable Richard Wynne
Minister for Planning
PO Box 500
EAST MELBOURNE VIC 8002

Sent by email: development.approvals@delwp.vic.gov.au

Dear Minister

**Terang Battery Energy Storage System (BESS)
70 Littles Lane, Terang**

Corangamite Shire Council (Council) provides this submission in relation to the proposed Terang Battery Energy Storage System (BESS) by ACEnergy at 70 Littles Lane, Terang.

Council notes the limited consultation currently being undertaken for the project and further recognises the very recent gazettal of VC192 on 16 November 2020 where you as Minister became the responsible authority for utility-scale battery energy storage proposals, such as the facility proposed for Terang, throughout Victoria.

Prior to the changes introduced by VC192, Council did resolve at its 23 June 2020 Ordinary Council Meeting to request that ACEnergy submit a planning permit application to Council for assessment for the Terang BESS proposal. While this is clearly no longer an option, Council makes this submission in order to convey issues raised by the community and to ensure as far as possible that community views are taken into consideration.

In relation to the proposed BESS itself, Council has taken a neutral position, neither in support or against the use and development. There are however key issues and matters requiring consideration and the following comments are made.

Public Consultation

Council wishes to raise that the public consultation process undertaken for the BESS is by no means reflective of the scale and significance of the project.

ACEnergy initially made a request for Ministerial intervention on the basis that the project is of State and Regional significance. To only send notices to directly adjoining landowners of the BESS and exclude any other form of notice to engage with the broader Terang community, is both a disappointment and of concern.

This process involves minimal engagement by either DELWP or the proponent and it would be difficult to argue that it has elicited meaningful community interest or provided any opportunity for the community to understand project details and merits.

Council did request that DELWP consider a broader extent of notice, a request which

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was subsequently dismissed.

Planning Approval Process

Based upon the changes made by VC192, Council submits that instead of the BESS being approved through a planning scheme amendment with Ministerial intervention, the proposal should instead go through a normal planning application process managed by DELWP.

This would require notice of the use and development to be given and enable submissions to be received by potentially affected and interested parties. This would provide for greater public input into the project together with a thorough planning assessment, with an opportunity for further review of submissions by VCAT or a Panel.

The proposed planning scheme amendment to apply the Special Controls Overlay (SCO) linked to an Incorporated Document within the Scheme, in place of a planning permit, is not considered necessary and would add no further specific benefit should the development proceed.

BESS Co-location and Utility Zone

Council has recently received information of a second proposed BESS directly adjoining the subject land in Terang by a separate proponent. This project is going through its feasibility analysis and scoping stage.

Before a decision is made on the AC Energy project and a planning scheme amendment undertaken, broader consideration should be given to the suitability of Terang for multiple utility-scale battery energy storage projects. This strategic planning process led by DELWP should involve engagement with the Australian Electricity Market Operator (AEMO) on whether Terang presents a strategically appropriate location and aligns with the Integrated Systems Plan (ISP).

Projects such as the BESS should not be considered and approved in isolation to broader National Electricity Market (NEM) and grid planning, something which has occurred previously in the region with renewable energy projects for wind and solar.

Terang Residential Growth

The proposal has not adequately considered the existing undeveloped residential land along McRae Street located south-west of the site. This area is zoned General Residential Zone (GRZ) and included within the Development Plan Overlay (Schedule 6). A development plan was approved by Council in November 2009 for future residential development of this area.

The location of a terminal station within the area does not necessarily mean that the site is a suitable location for a BESS. Council is already concerned about dwindling residential land supply within its townships, including Terang, and this presents an important area for future residential growth. The planning assessment must ensure future residential development of this GRZ land is not prejudiced as a result of the BESS.

Noise Impacts

The Acoustic Report prepared for the BESS finds that without noise attenuation measures, there is potential for noise emissions to exceed relevant noise criteria at sensitive residential receptors. The BESS subsequently includes proposed 7 metre and 6 metre high acoustic walls to mitigate any potential noise impact.

The need for such noise attenuation measures questions the appropriateness of the site for the BESS. Furthermore, the acoustic walls at such a height cannot be covered by landscaping and will be out of character with the surrounding area.

It is also noted that further noise mitigation measures are proposed for the BESS to meet relevant criteria, such as shielding around air conditioning units, air conditioners to operate at 70% capacity during night periods and further acoustic barriers around internal inverter units.

Landscape and Visual Impact

A Visual Impact Assessment (VIA) has been prepared as part of the application package. This assessment provides no actual analysis of the visual impact the BESS will have and instead relies on a series of photomontages to quantify the visual effect of the proposal.

Firstly, Council raises that the photomontages have only been presented at a small-scale and are nearly illegible. They provide no clear or quantifiable distinction of the scale of the BESS infrastructure and how it will sit within the landscape.

Secondly, the VIA lacks any detailed analysis of the cumulative impact the BESS will have within the site and surrounding area. As a result of recent wind energy development, a large-scale above ground transmission line was built to connect into the TTS, having a significant adverse landscape impact.

Council submits this assessment should consider the cumulative effects of additional utility infrastructure within this area given that the land also presents as an entrance/exit gateway to the town of Terang.

Bushfire Risk Assessment and Management

Council is pleased to see that ACEnergy have commissioned a Bushfire Risk Assessment for the BESS. Bushfire is a priority issue for Council and its community in wake of the devastating impacts of the 2018 St Patrick's Day Fires, in which one of the fires arose from the nearby Terang Substation.

Although the assessment concludes that bushfire risk is low, given the surrounding site and landscape condition of the BESS, it is essential that the BESS is both designed and built in a way that adequately manages bushfire risk to best-practice standards and at the lowest practical risk level. Bushfire risk must also be considered arising both internally and externally to the site and applying relevant mitigation and management measures.

Council notes that specific conditions are included within the draft Incorporated Document which address bushfire risk and emergency management.

Traffic Impacts

The BESS proposes to access the development site using Littles Lane, a local road managed by Council. A Traffic Impact Assessment has been undertaken which outlines the condition of Littles Lane and an average daily traffic volume during Week 12 of the construction period of 21 vehicle trips per day.

Although the construction window is relatively short (approximately 20 weeks) and Littles Lane is a minor local road, it is imperative that Council is involved in the preparation and review of the Traffic Management Plan. The Traffic Management

Plan must also include provision for repair work and rehabilitation of the road back to a standard equal to or better than its current condition.

Community Benefit

An argument made by ACEnergy for the BESS to be approved with intervention by the Minister through a planning scheme amendment focuses on the community benefits the project will deliver.

Whilst Council notes that community benefits cannot be directly linked to planning approval, we question the delivery of 50 local jobs during the approximate 20-week construction period and 5 local jobs during operation, and how this can tangibly be linked back to provide direct community benefit.

ACEnergy also indicate they will run educational sessions and develop a community investment program for the project.

Council submits that separate to any planning approval, a mechanism should be established by DELWP using its Victorian Renewable Energy Target (VRET) commitments to ensure that direct community benefits are delivered by ACEnergy back to Corangamite Shire and the Terang community. Such an outcome would help support a higher level of social licence for the BESS, which is likely to start at a low base given the lack of public consultation and engagement for the project.

We trust this submission will be given due consideration in the review and decision making of the proposed BESS.

Please contact Aaron Moyne, Manager Planning and Building Services, on (03) 5593 7144 or by email aaron.moyne@corangamite.vic.gov.au should you have any questions or require further information.

Yours faithfully

Andrew Mason
Chief Executive Officer

9.3 Naroghid Landfill Gas Management Agreement

Author: Lyall Bond, Manager Environment and Emergency

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

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

Author - Lyall Bond

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

Summary

This report seeks Council approval to enter into a contract with LMS Energy for the ownership and extraction of landfill gas from Naroghid Landfill for a period of 20 years.

Introduction

Council is required under EPA Licence 12192 to take all practicable measures to prevent emissions of landfill gas from exceeding the action levels specified in the EPA Best Practice Environmental Management, Siting, Design, Operation and Rehabilitation of Landfills (EPA Publication 788.3) guidelines.

Naroghid Landfill has a history of minor landfill gas volumes venting to the environment, which have been reported to the EPA, as part of the ongoing operation of the site. The gas exceedances have then been treated and mitigated with passive gas management treatments including bio-piles and improved maintenance and re-forming of old landfill cells.

The EPA has identified in recent landfill cell approvals that active landfill gas management will be required at the site prior to further cell developments being approved.

Issues

Due to the ongoing nature of landfill gas production and the EPA requirement to manage landfill gas, Council commenced the investigation of active landfill gas management for Naroghid Landfill in 2017. Active landfill gas management options include treatments such as flaring and energy production via mechanical extraction systems.

Council's initial modelling identified the type and cost of infrastructure required if Council were to install and manage the landfill gas infrastructure without a third party. These costs were forecast in Council's long-term financial plan and were in the order of \$250,000 every three to four years, once the initial flare and pipe infrastructure was installed at a cost of approximately \$500,000.

Due to the high capital and operating cost, the technical skills required to manage landfill gas extraction systems and the ability to trade green (carbon) credits, Council commenced the

investigation of alternative options to reduce costs, while ensuring management of landfill gas occurs and landfill licence compliance is achieved.

In late 2019 Council advertised an Expression of Interest (EoI) process for the management of Landfill Gas at Naroghid Regional Landfill.

In early 2020 an assessment panel, comprised of the then Director Sustainable Development and two managers (Manager Environment and Emergency and Manager Assets), assessed five landfill gas management submissions for compliance with the EoI scope and overall objective of managing landfill gas to achieve compliance with future EPA landfill licence requirements. After considering the proposals, LMS Energy were considered the preferred provider for a landfill gas solution and contract negotiations were initiated.

The contract negotiation process has taken some time with both parties experiencing delays due to COVID-19. The draft contract (under separate cover) is now ready for Council consideration and if approved will provide a landfill gas solution for Naroghid Landfill and increase Council's ability to continue to operate the landfill into the future.

The key features of the contract agreement include:

- Council will sub-let to LMS closed landfill areas (as nominated by Council) to enable landfill gas extraction and the sale of green credits.
- Contract term is for 20 years and has an option for a further 15 years subject to agreement by both parties.
- Council is not able to allocate landfill gas rights to another party during the contract term.
- Council may take action to manage landfill gas to achieve EPA compliance with the licence.
- There is an ability for the contract to be terminated if either party does not meet its contract obligations
- Requires LMS Energy and Council to maintain their own insurances for the activities the parties undertake on the site
- LMS must commence development of the landfill gas field and flaring within 2 years of the agreement being signed
- LMS will be responsible for all capital and operating costs associated with the extraction of landfill gas
- Council may receive a royalty payment in accordance with the contract based on the net profit of LMS Energy from the Naroghid site
- LMS Energy may develop power generation after initial flaring has occurred.
- There is a sub-lease agreement included with pre-designated sites for locating power generation equipment if/when required.

By establishing the Contract, Council will ensure landfill gas is managed at Naroghid Landfill to meet EPA Licence requirements. The contract has been established to ensure both parties can access the site to undertake their respective roles with minimal impact.

If Council were to cease landfilling at the site, the aftercare period in the existing lease is set as a minimum of 20 years and would allow this contract to continue until the completion date, to ensure EPA compliance.

Policy and Legislative Context

The EoI process was advertised in accordance with Council's Procurement Policy and assessed in accordance with the evaluation criteria.

The awarding of this contract is in keeping with Council's Plan 2017-2021 under the following themes:

Provide cost effective and high-quality waste management services.

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

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

We are committed to improving the liveability of Corangamite Shire through the management of our facilities, town planning and environmental sustainability.

Internal / External Consultation

An evaluation panel was established to assess the EoI submissions against the evaluation criteria.

Each member of the panel who conducted the evaluation was considered to have appropriate experience to undertake the evaluation and indicated they had no conflict of interest to declare.

In accordance with the Local Government Act, the EoI was publicly advertised from 29 May to 3 July 2019.

Council officers have considered submissions through an EoI process and selected LMS Energy to develop a landfill gas management agreement for the future management of landfill gas. The assessment panel's recommendation was supported by Senior Officer Group and further work has been completed over the past 10 months to develop a contract with LMS Energy.

The contract has been developed and legally reviewed by Maddocks and although it is different to a standard contract or license, it enables shared use of the landfill site for both continued landfilling and landfill gas extraction.

In accordance with the *Local Government Act 2020* and Councils Community Engagement Plan, Council will advertise its intention to enter into a Contract with LMS for a period of 20 years.

Financial and Resource Implications

Council identified that approximately \$1m will need to be spent on landfill gas infrastructure and management over the next ten years to achieve EPA compliance. As further landfilling occurs additional infrastructure costs will be incurred every three to four years until landfilling is completed.

A third-party model was identified as a way for Council to achieve EPA compliance without the requirement for Council to contribute to capital investment and the need to source skills related to this field.

Under the proposed contract Council would be entitled to royalties. It is difficult to determine the potential royalties available to Council under the contract as there is no existing gas extraction system in place or gas bores to test the amount of gas available. Officer estimations indicate that in addition to the landfill not being required to outlay the \$1m for capital works, the royalties paid to Council could conservatively range from between \$5,000 to \$10,000 per annum. Therefore, changing landfill gas management from a liability to an asset.

Options

Council may choose to enter into a contract with LMS Energy, with or without alterations.

Alternatively, Council may choose not to enter into the contract with LMS Energy and return to the market for landfill gas management services.

Conclusion

Council is required under EPA Licence 12192 to take all practicable measures to prevent emissions of landfill gas from exceeding identified levels.

LMS Energy were selected from the Expressions of Interest process as providing the most suitable option for Council to manage landfill gas and achieve EPA compliance.

A contract has been developed with legal support from Maddocks, which will ensure both parties can operate on the landfill site with minimal interference to normal landfilling activities. It is considered that the most satisfactory outcome for Council is to enter into the contract with LMS energy for a period of 20 years.

RECOMMENDATION

That Council:

1. **Advertises its intention to enter into a twenty (20) year contract agreement with LMS Energy for the management of landfill gas at Naroghid Landfill.**
2. **Notes the contract contains an option of a further term of fifteen (15) years.**
3. **Delegates to the Chief Executive Officer authority to finalise and sign the Contract with LMS Energy for the management of landfill gas at Naroghid Landfill, if no opposing submissions are received.**
4. **Affixes the Common Seal of Council to the contract.**

COUNCIL RESOLUTION

MOVED: Cr Beard
SECONDED: Cr Conheady

That the recommendation be adopted.

CARRIED

Attachments

1. Contract Landfill Gas Management LMS Energy - Under Separate Cover

9.4 Quick Response Grants Allocation December 2020

Author: Garry Moorfield, Community Development Officer

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

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

Author – Garry Moorfield

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

Summary

The purpose of this report is to approve the December 2020 allocation of funds under the Quick Response Grants Program.

Introduction

The Quick Response Grants Program is beneficial in supporting instances of community need that are not readily able to be considered under the Community, Events and Festivals, Facilities or Environmental Grants Programs. 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 is 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 can also contact Council's Community Development Officer 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 any unexpended amounts.

Financial and Resource Implications

The 2020-2021 Quick Response Grants Program budget allocation is \$17,500. 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 outlined in the table below.

Ward	Annual Allocation \$	Previous Allocations \$	This Allocation \$	Remaining Allocation \$
Coastal*	2,500.00	0.00	0.00	2,500.00
North*	2,500.00	805.00	0.00	1,695.00
South Central	2,500.00	0.00	0.00	2,500.00
South West	2,500.00	0.00	0.00	2,500.00
Central	7,500.00	2,468.00	500.00	4,532.00
	17,500.00	3,273.00	500.00	13,727.00

Options

Council can consider:

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

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 November 2020:

Applicant	Purpose	Ward	Amount
Bookaar Recreation Reserve Committee of Management Incorporated	Restoration of mural at Bookaar School	Central	\$500.00

COUNCIL RESOLUTION

MOVED: Cr Hickey

SECONDED: Cr Cole

That the recommendation be adopted.

CARRIED

Attachments

1. Quick Response Grants December 2020 - Under Separate Cover
2. Application Quick Response Grant Restore Bookaar Mural at Bookaar School - Under Separate Cover

9.5 Borrowing Policy Review 2020

Author: David Rae, Director Corporate and Community Services

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

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

Author - David Rae

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

Summary

This report recommends Council adopts the Borrowing Policy 2020 as attached to this report.

Introduction

Council first adopted a Borrowing Policy in July 2018, which has recently been reviewed. The Borrowing Policy 2020 establishes the objectives and principles that outline when it is appropriate for Council to undertake borrowings within a sound financial management framework which is compliant with the *Local Government Act 2020*.

Historically, Council has primarily undertaken borrowings as a funding source for the construction or purchase of assets which will be used by present and future ratepayers. Although Council is currently debt free it is proposed a revised Policy be adopted to ensure future decisions on the use of debt are consistent with the aspirations of Council.

Council's Audit Committee considered the revised Policy at its September 2020 meeting and has recommended Council adopt it as presented without amendment. The amendments proposed are in respect of updating references to the *Local Government Act 2020*.

Issues

The Policy provides for the effective and responsible utilisation of borrowings by Council within the legislative framework. Borrowing funds is a legitimate and responsible financial management tool. Policy emphasis is directed towards prudent borrowing decisions to limit unnecessary exposure to debt whilst ensuring sufficient liquidity to finance major projects over an appropriate term.

The *Local Government Act 2020* (the Act) provides councils with the power to borrow. A Council cannot borrow money unless the proposed borrowings are included in the budget or a revised budget. Nor can Council delegate the power to borrow to a member of staff. The review of the Policy ensures it remains consistent with the Act.

The purpose of the Policy is to:

- Establish objectives and principles that outline when it is appropriate for Council to undertake borrowings within financial management framework consistent with the *Local Government Act 2020*, and
- To ensure borrowings:
 - Are sustainable and comply with legislative requirements.
 - Are considered on a case by case basis to optimise Council's loan portfolio.
 - Facilitate cash flow (liquidity) requirements, particularly where there are large scale projects.
 - Do not adversely impact Council's low-to-medium risk rating of indebtedness as defined by the Victorian Auditor-General's Office financial sustainability risk indicators and risk assessment criteria.

The Policy proposes the following principles for Council to adhere to, when considering any borrowing decision:

- Council will not borrow to fund operating expenditure as this type of expenditure is to be funded from operating revenue streams. The exception to this principle is where 'defined benefit' Superannuation Fund reserves are not sufficient to fund 'calls'.
- Council will not borrow to fund "recurrent" capital works which is inclusive of acquisition, replacement or renewal of assets (e.g. road resurfacing). This type of expenditure is to be funded from operating revenue streams.

The Policy must also be adhered to in developing the annual budget and long term financial plan.

Policy and Legislative Context

In addition to the Borrowing Policy 2020 all Council borrowings must comply with the *Local Government Act 2020*, relevant regulations and Ministerial guidelines. The Borrowing Policy 2020 is also consistent with the following Council Plan 2017-2021 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.

Internal / External Consultation

Director Corporate and Community Services and Manager Finance have reviewed the Policy, along with other members of the Senior Officer Group. The Policy was considered by Council's Audit Committee in September 2020 and Council was briefed on the Policy and proposed amendments on 8 December 2020.

Financial and Resource Implications

The Policy has been developed with existing resources. Whilst there are no immediate financial implications for Council adopting the Policy, these will become evident through future budget cycles should Council resolve to borrow funds. However, the Policy is unlikely to be detrimental to Council's long-term financial sustainability by exposing it to unnecessary debt. Regular reviews of the Policy will also ensure the prudent use of debt will assist Council in achieving its objectives, both financial and non-financial.

Options

Council may resolve to adopt the Borrowing Policy 2020 with or without amendment.

Conclusion

The principles of sound financial management require Council to use debt appropriately. A borrowing policy will ensure any future decision by Council to borrow is consistent with its aspirations and that the use of debt is appropriate, affordable and will not result in adverse financial consequences. It is recommended Council adopt the Borrowing Policy 2020 as attached to this report.

RECOMMENDATION**That Council:**

1. **Revokes the Borrowing Policy dated July 2018.**
2. **Adopts the Borrowing Policy dated December 2020.**

COUNCIL RESOLUTION

MOVED: *Cr Conheady*

SECONDED: *Cr Makin*

That the recommendation be adopted.

CARRIED

Attachments

1. Policy Borrowing December 2020
2. Policy Borrowing December 2020 - Tracked Changes - Under Separate Cover



**CORANGAMITE
SHIRE**

Borrowing Policy

Corangamite Shire
December 2020

Council Policy



Borrowing

Introduction

This policy provides for the effective and responsible utilisation of borrowings by Council within the government legislative framework.

Borrowing funds is a legitimate and responsible financial management tool. Emphasis is directed towards prudent borrowing decisions to limit unnecessary exposure to debt whilst ensuring sufficient liquidity to finance major projects, as it spreads the cost for such assets across the generations who benefit.

Purpose

The purpose of this Borrowing Policy is to:

- Establish objectives and principles that outline when it is appropriate for Council to undertake borrowings within a sound financial management framework consistent with the *Local Government Act 2020*;
- To ensure borrowings:
 - Are sustainable and comply with legislative requirements.
 - Are considered on a case by case basis to optimise Council's loan portfolio.
 - Facilitate cash flow (liquidity) requirements, particularly where there are large scale projects.
 - Do not adversely impact Council's low risk rating of indebtedness as defined by the Victorian Auditor-General's Office financial sustainability risk indicators and risk assessment criteria.

The Policy will be adhered to in developing the annual Budget and long term financial plan.

Scope

This policy applies to all Councillors, and Council employees who make decisions or provide advice regarding borrowings and those involved in the development and adopting of budgets and long term financial plans.

Definitions

- Borrowing: Indebtedness in respect of money borrowed (loaned) or raised including a lease.
- Indebtedness: Comparison of non-current liabilities (mainly comprising borrowings) to own-sourced revenue. The higher the percentage, the less the entity is able to cover non-current liabilities from the revenues the entity generates itself.
- Lease:
 - An operating lease is where Council hires the asset for a set fee per period and at the end of the agreed time ownership of the asset remains with the lessor or the hire company. Council can terminate the lease at any time without incurring a penalty. This has been used previously by Council for photocopiers and equipment hire.

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

Department: Finance
To be reviewed by: June 2022

Page Number: 2

Corangamite Shire Council Policy – Borrowing

- A finance lease is where Council agrees to a series of payments and a residual value for the asset. There is a penalty for terminating the agreement prior to the finishing date. At the end of the period it is expected that Council purchase the asset for the agreed residual value.

LGPRF: Local Government Performance Reporting Framework.

References

- *Local Government Act 2020*;
- Victorian Auditor General's Office financial sustainability risk indicators and risk assessment criteria.

Policy Detail

The *Local Government Act 2020* (the Act) provides Councils the power to borrow. The Act states 'A council cannot borrow money unless the proposed borrowings were included in the budget or a revised budget.'

1. Principles

- Council will not borrow to fund operating expenditure. This type of expenditure is to be funded from operating revenue streams. The exception to this principle is where 'defined benefit' Superannuation Fund reserves are not sufficient to fund 'calls'. In this circumstance a separate report to Council which will include a recommended method of funding, including the use of working capital, operational savings, capital deferral and/or borrowings.
- Council will not borrow to fund "recurrent" capital works which is inclusive of acquisition, replacement or renewal of assets (e.g. road resurfacing). This type of expenditure is to be funded from operating revenue streams.

2. Borrowing Arrangements

- When entering into borrowing arrangements, Council will seek to minimise interest costs and maximise the best value for the community over the long term without introducing undue volatility in annual interest costs.
- In determining a lending institution Council will use either bank debt and/or the Local Government Funding Vehicle as sources of debt funding. If bank debt is chosen as the appropriate source of funding, requests to appropriate lending institutions will be made in accordance with Council's Procurement Policy inviting written quotations on Council's borrowing requirements.
- Written quotations must include the:
 - Interest rate
 - Term of loan
 - Repayment intervals (monthly, quarterly, etc.)
 - Repayment instalment amount
 - Any applicable fees
 - Loan break costs
- Council will consider the appropriateness of the various types of debt products available (including savings offset arrangements).
- The tenor of a loan will not be greater than twenty-five (25) years or the expected useful life of the asset being funded and will be managed strategically to stagger Council's debt maturity profile and reduce financial risk.

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

Department: Finance
To be reviewed by: June 2022

Page Number: 3

Corangamite Shire Council Policy – Borrowing

- Borrowings will be either “principal and interest” or “interest” only. Where an “interest” only loan is proposed it must be supported by a business case, incorporating a cost benefit analysis, which has been reviewed by Council’s Audit Committee.
- Loan repayments (principal and interest) will be at least quarterly and determined at the time of entering the loan agreement. Consideration should be given to efficiency of payment while minimising interest costs.
- The nature of any borrowings (short or long term) and the interest rate (fixed or variable) will take into account the purpose of the loan and seek to balance interest rate exposure with refinancing flexibility.
- When undertaking borrowing decisions, Council’s ongoing funding requirements will be considered, and borrowings will be aggregated into a single loan where practical.

3. Leasing

Leasing as a funding option should be considered where appropriate. Prior to considering a lease, appropriate analysis (buy/borrow/lease) should be undertaken. Leasing will be for a maximum period of five years for assets:

- Which diminish in value quickly (e.g. photocopiers and telecommunications equipment);
- Where assets will be disposed of in a short timeframe; and/or
- Where the lease option transfers responsibilities to the asset owner for maintenance and disposal.

4. Lending Institution

- In determining a lending institution Council will use either bank debt or the Local Government Funding Vehicle as sources of debt funding. If bank debt is chosen as the appropriate source of funding, requests to appropriate lending institutions will be made in accordance with Council’s Procurement Policy inviting written quotations on Council’s borrowing requirements. Written quotations must include the:
 - Interest rate
 - Term of loan
 - Repayment intervals
 - Repayment instalment amount
 - Any applicable fees, including loan break costs

5. Reporting and Monitoring

- Council will report aggregated borrowings in its annual financial statements including financial sustainability risk indicators in accordance with applicable accounting standards and the Act.
- Annually, Council’s Audit Committee will receive a report on the financial risk profile, including the level of indebtedness.
- The LGPRF will also be used to measure and report borrowings, including financial sustainability risk indicators, and results published on the Know Your Council website.

Legislative compliance

In addition to this Policy all borrowings must comply with the *Local Government Act 1989*, relevant regulations and Ministerial guidelines.

Review Date

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

Department: Finance
To be reviewed by: June 2022

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Corangamite Shire Council Policy – Borrowing

The Policy will be reviewed in June 2022 or as required by changed circumstances, including changes to legislation and policies.

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

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

Department: Finance
To be reviewed by: June 2022

Page Number: 5

9.6 Review of Mayoral and Councillor Allowances

Author: Penny MacDonald, Executive Services and Governance Coordinator

Previous Council Reference: Nil

Declaration

Chief Executive Officer – Andrew Mason

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

Author - Penny MacDonald

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

Summary

The purpose of this report is for Council to review the Mayoral and Councillor allowances, and approve advertising of the proposed allowances for public consultation prior to formal adoption.

Introduction

Under the *Local Government Act 2020* (the 2020 Act), Mayoral and Councillor allowances will be set by Victorian Independent Remuneration Tribunal (the Tribunal). However, until the Tribunal makes its first determination of allowances, councils are required to review and set Mayoral and Councillor allowances in accordance with the *Local Government Act 1989* (the 1989 Act). The 1989 Act requires the review of Mayoral and Councillor allowances within six months after a general election or by 30 June, whichever is later. Council is required to give public notice of the proposed allowances, and invite public submissions before the allowances are formally adopted at a later Council meeting.

Issues

Councillors are entitled to receive an allowance while performing their duty as an elected official. Allowances are provided in recognition of the time and commitment required of councillors, often resulting in a loss of earnings. Payment of allowances also encourages diversity amongst people nominating for council elections.

Although councillors are not considered to be employees of a council, and do not receive employment benefits, they are entitled to an allowance and an additional payment equivalent to the superannuation guarantee contribution (9.5%).

In accordance with the 1989 Act, the Victorian Government sets the limits and ranges for Councillor and Mayoral allowances. The limits and ranges are based on a council's category and are reviewed each year by the Minister for Local Government. The category status is based on a council's population and income/revenue figures. The current ranges (excluding the superannuation equivalent payment) are outlined in Table 1 below.

	Councillors	Mayors
Category 1	\$8,833-\$21,049 per annum	Up to \$62,884 per annum
Category 2	\$10,914-26,245 per annum	Up to \$81,204 per annum
Category 3	\$13,123-\$31,444 per annum	Up to \$100,434 per annum

Table 1: Mayoral and Councillor Allowances Limits and Ranges

Corangamite is classed as a Category 1 council with a current permitted range of \$8,833-\$21,049 per annum for Councillors and up to \$62,884 per annum for Mayors (as at November 2020). These amounts exclude the 9.5% equivalent superannuation contribution payment.

The current allowance for Corangamite Shire Councillors is \$21,049 per annum, and the Mayoral allowance is \$62,884, excluding the superannuation equivalent payment. The total cost to Council for councillor allowances with the superannuation equivalent is outlined in Table 2 below.

	Allowance including equivalent superannuation	Total
Councillor	\$23,048.66	\$138,291.96
Mayor	\$68,857.98	\$68,857.98
Total		\$207,149.94

Table 2: Total Cost to Council for Mayoral and Councillor Allowances (including equivalent superannuation contribution)

The allowances determined by Council will remain in place until the Tribunal makes its first determination of allowances, within six months of the Minister for Local Government requesting a determination. The Minister for Local Government has recently announced a zero percent increase.

The new allowances will be payable from the date of Council's resolution adopting the allowances, which will be following the period for public submissions. The Mayoral allowance will apply until the end of the Mayoral term.

Under the 2020 Act, an individual Councillor can choose to receive the entire allowance adopted by Council or set by the Tribunal, or a specified part of the allowance, or no allowance.

Policy and Legislative Context

Under section 39(6) of the 2020 Act, provisions relating to Councillor allowances under the 1989 Act continue to apply until the first allowance determination by the Tribunal. As such, this review of the Mayoral and Councillor allowances is in accordance with sections 74 and 223 of the 1989 Act.

Councillors are entitled to receive an allowance under section 39 of the 2020 Act, and may choose to receive all of the allowance, or a specified part, or no allowance at all in accordance with section 39(5).

Under section 129(g) of the Act and regulation 7(g) of the *Local Government (Governance and Integrity) Regulations 2020*, a Councillor is taken to not have a conflict of interest if the matter pertains to a decision relating to the payment of allowances to the Mayor or Councillors.

Review of the allowances ensures Council's compliance with local government legislation and is consistent with the following commitment and objective 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

Council is required by the 1989 Act to invite submissions regarding the review of councillor allowances. In accordance with section 223 of the 1989 Act, public notice will be provided about the proposed allowances, and a minimum of 28 days provided for submissions. Council will consider any submissions received prior to adopting the new allowances at a later Council meeting.

Should the Tribunal make an allowance determination prior to the adoption of the new allowances by Council, the process will not proceed.

Financial and Resource Implications

Council's 2020-2021 Budget provides for the current allowances. Future budgets will be revised following Council's final decision and any allowance determinations made by the Tribunal.

Options

Council is required to review and determine the level of the Mayoral and Councillor allowances following the general election, as the Tribunal has yet to make its first determination of allowances.

Council may propose payment of an amount for Councillors and the Mayor within the range specified for Category 1 councils. The proposed allowances will be advertised and public submissions invited.

An individual Councillor may later request an allowance less than the amount set by Council or the Tribunal, or choose to receive no allowance.

Conclusion

Until the Victorian Independent Remuneration Tribunal makes its first determination of Mayoral and Councillor allowances, Council is required to review and determine the allowances within six months of the general election or 30 June, whichever is later. As a Category 1 council, Council may set the allowances within the permitted range of \$8,833-\$21,049 per annum for Councillors and up to \$62,884 per annum for Mayors (excluding equivalent 9.5% superannuation).

Council is required to determine a proposed allowance to be paid to Councillors and the Mayor from the Category 1 range, give public notice of the proposed allowances, and invite public submissions, before the allowances are formally adopted at a later Council meeting.

RECOMMENDATION

That Council advertises for public submissions its intention to adopt the following annual Councillor and Mayoral allowances:

1. \$21,049 Councillor allowance, plus the superannuation equivalent.
2. \$62,884 Mayoral allowance, plus the superannuation equivalent.

COUNCIL RESOLUTION

MOVED: Cr Beard

SECONDED: Cr Makin

That the recommendation be adopted.

CARRIED

10. OTHER BUSINESS

Nil.

11. OPEN FORUM

The Mayor, Cr R Gstrein, invited members of the public to ask a question or make a statement.

The following item was submitted:

- Mr Les Mullholland congratulated all of the new Councillors and hope that they enjoy their chosen portfolios. Mr Mulholland also offered the Councillors an invitation to tour Naroghid landfill with him.

COUNCIL RESOLUTION

MOVED: Cr Makin

SECONDED: Cr Cole

That standing orders be suspended at 8.30 pm.

CARRIED

Recording and livestreaming of the meeting concluded at 8.30 pm.

Mr Aaron Moyne left the meeting at 8.30 pm.

COUNCIL RESOLUTION

MOVED: Cr Beard

SECONDED: Cr Hickey

That standing orders be resumed at 8.46 pm.

CARRIED

12. CONFIDENTIAL ITEMS

RECOMMENDATION

That pursuant to the provisions of Section 66(2)(a) of the *Local Government Act 2020* the meeting be closed to the public to enable consideration of the following confidential report as it relates to Council business information.

COUNCIL RESOLUTION

MOVED: Cr Makin
SECONDED: Cr Conheady

That the recommendation be adopted.

CARRIED

The meeting moved into confidential items at 8.47 pm.

12.1 Australia Day 2021 Awards

COUNCIL RESOLUTION

MOVED: Cr Makin
SECONDED: Cr Cole

That the meeting move out of confidential items.

CARRIED

The meeting moved out of confidential items at 8.50 pm.

Meeting Closed: 8.50 pm

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

CONFIRMED:

(Chairperson)

DATE:
