



Notice is given that an Ordinary Meeting of Council will be held on:

Date: Tuesday, 26 June 2018
Time: 3pm
Location: Council Chambers, Serpentine

AGENDA

Ordinary Council Meeting

26 June 2018

Order Of Business

1	OPENING PRAYER	3
2	ACKNOWLEDGEMENT OF COUNTRY	3
3	APOLOGIES	3
4	DECLARATIONS OF CONFLICT OF INTEREST	3
5	PREVIOUS MINUTES	4
	5.1 CONFIRMATION OF MINUTES.....	4
6	REVIEW OF ACTION SHEET	5
	6.1 REVIEW OF ACTIONS	5
7	MAYORAL REPORT	18
	7.1 MAYORAL REPORT.....	18
8	COUNCILLORS' REPORT	19
	8.1 COUNCILLORS' REPORTS	19
9	DECISION REPORTS	20
	9.1 PLANNING APPLICATION 5342- USE AND DEVELOPMENT OF THE LAND FOR GOLD MINING.....	20
	9.2 PLANNING APPLICATION 5331 - USE AND DEVELOPMENT OF THE LAND AS A DOG BREEDING FACILITY.....	31
	9.3 ROADSIDE MANAGEMENT PLAN 2018.....	38
	9.4 ADOPTION OF THE 2018/19 BUDGET	88
	9.5 RECOGNITION OF LAND UNDER ROADS	156
	9.6 DOMESTIC ANIMAL MANAGEMENT PLAN 2018-2021.....	158
	9.7 TITLES RECONCILIATION PROJECT	189
	9.8 TRANSFER OF STANDPIPE OWNERSHIP AND MANAGEMENT RESPONSIBILITIES	191
	9.9 TRANSFER OF PROVIDER UNDER CONTRACT NO. 345 - MUNICIPAL VALUATION SERVICES.....	193
	9.10 FINANCE REPORT FOR THE PERIOD ENDING 31 MAY 2018	195
	9.11 REVISED VALUES STATEMENTS FOR ADOPTION.....	212
	9.12 REACTIVATION OF LODDON SHIRE YOUTH COUNCIL.....	214
	9.13 GENERATOR FOR WEDDERBURN OFFICE	218
10	INFORMATION REPORTS	222
	10.1 2018/19 FIRE SERVICES PROPERTY LEVY.....	222
11	COMPLIANCE REPORTS	224
	Nil	
12	GENERAL BUSINESS	224
13	CONFIDENTIAL ITEMS	225
	13.1 REVIEW OF CONFIDENTIAL ACTIONS	225
	13.2 CONTRACT 415 CONSTRUCTION OF CONCRETE FOOTPATHS AND ASSOCIATED WORKS AT VARIOUS LOCATIONS.....	225

1 OPENING PRAYER

“Almighty God, we humbly ask you to bless this Council, direct and prosper its deliberations towards the true welfare of your people of the Shire of Loddon.”

2 ACKNOWLEDGEMENT OF COUNTRY

“The Loddon Shire Council acknowledges the Traditional Custodians of the land on which we are gathered and pays its respects to their Elders both past and present.”

3 APOLOGIES

4 DECLARATIONS OF CONFLICT OF INTEREST

5 PREVIOUS MINUTES**5.1 CONFIRMATION OF MINUTES**

File Number: 02/01/001

Author: Lynne Habner, Manager Executive and Commercial Services

Authoriser: Phil Pinyon, Chief Executive Officer

Attachments: Nil

RECOMMENDATION

That Council confirm:

1. The minutes of the Council Briefing of 22 May 2018
2. The minutes of the Ordinary Council Meeting of 22 May 2018
3. The minutes of the Council Forum of 12 June 2018

REPORT

Seeking approval of the unconfirmed minutes of the previous meetings.

6 REVIEW OF ACTION SHEET

6.1 REVIEW OF ACTIONS

File Number: 02/01/002
Author: Lynne Habner, Manager Executive and Commercial Services
Authoriser: Phil Pinyon, Chief Executive Officer
Attachments: 1. Action sheet

RECOMMENDATION

That Council receive and note the action sheet.

REPORT

Refer attachment.

Outstanding	Division: Committee: Officer:	Date From: Date To:
Action Sheets Report		Printed: Thursday, 14 June 2018 8:50:59 AM

Outstanding actions from previous meetings

ACTION NUMBER	COUNCIL MEETING	REF	DIRECTORATE	OFFICER
9	28/5/12	9.2	Operations	Manager Technical Services

ACTION

That Council:

1. Develop a process for the identification and prioritisation of minor community infrastructure projects which will allow for a structured approach in providing in-principle or financial support for external funding applications.

COMMENTS

12/11/14: Action item has been amended following completion of the BRIC gymnasium development project utilising "Putting Local's First" funding. Elements of this action have been simplified to exclude those relating to the BRIC project and focusing now on the remaining action element being the development of operational guidelines for receiving, prioritising and applying for external funding in respect to minor community infrastructure projects.

11/6/2015: Manager Infrastructure has commenced development of a draft project identification template and scoping document along with associated prioritisation criteria and explanatory notes.

11/09/2015: Progress on development of assessment and prioritisation criteria for minor community Infrastructure projects has been delayed due to competing operational priorities. Delivery of this action item shall be raised with the Manager of Infrastructure as a matter of urgency.

11/02/2016: Matter has been raised with the responsible officer however no further progress has been made on development of the required process and guideline.

12/05/2016: Development of minor community infrastructure project assessment and prioritisation guidelines has been incorporated into the 2016/17 performance objectives of the new Manager Technical Services.

10/6/2016: No progress to date - will be considered with review of building assets

11/08/2016: Review of methodology for identification and prioritisation of community infrastructure projects has commenced. Consideration is currently being given to frameworks which have been adopted by other LGA's (i.e. City of Greater Bendigo Capital Investment Assessment Framework).

20/02/2017: Progress on developing community infrastructure project prioritisation guideline has been delayed due to competing priorities and resource constraints. Project is being handed over to the recently appointed Project/Contract Officer for further progression.

19/04/2017: The Manager Technical Services and Project/Contract Officer are working together to progress the establishment of an Assessment Framework based upon the 2017/18 projects.

13/07/2017: No further action has been taken due to staff resource constraints.

02/08/2017: No further action. Benchmarking with other neighbouring Councils will be undertaken subject to successful recruitment of Assets and Buildings Coordinator.

11/09/2017: New Assets and Building Co-ordinator has commenced and will prioritise as matter of urgency.

17/10/2017: Process for evaluation and prioritising of minor community projects is being developed and a draft is planned to be reported early in 2018.

14/11/2017: Work has commenced and is continuing in developing this process.

Outstanding	Division: Committee: Officer:	Date From: Date To:
Action Sheets Report		Printed: Thursday, 14 June 2018 8:50:59 AM

06/12/2017: Manager Technical Services is developing project identification and prioritisation process.

10/01/2018: No further progress has been made since the last update due to competing priorities. Officers are currently working towards the development of Annual Infrastructure Program and the action will resume upon completion of Annual Infrastructure Program.

09/02/2018: Project identification and assessment flowchart is being developed and will be progressed as a priority following the development of the 2018 – 2019 Annual Infrastructure Program.

19/03/2018: Due to a recent staff departure, this action will be delayed.

03/05/2018: Recruitment of the Assets and Buildings Coordinator is in progress and the action will be progressed as a priority following the adoption of 2018-2019 Annual Infrastructure Program.

04/06/2018: Assets and Buildings Coordinator recruitment process is now complete and expected to start on 10 July 2018. This action will be addressed as a priority.

ACTION NUMBER	COUNCIL MEETING	REF	DIRECTORATE	OFFICER
66	25/2/14	7.4	Operations	Manager Technical Services

ACTION

That Council look at the future needs of buildings under Council control but 'not currently covered by the Building Asset Management Plan and report to Council.

COMMENTS

8/4/14: All buildings identified within the shire are currently covered in the BAMP. Council have requested that the BAMP be reviewed in relation to the buildings that receive no financial support. A review of the BAMP is scheduled to be undertaken later this calendar year. At this time a review of all provisions will be undertaken with a subsequent report provided for Council consideration.

11/11/14: Review of the BAMP has been rescheduled to later this financial year due to commitments of staff in preparing the Road Asset Management and Stormwater Asset management Plans as a matter of priority. Preliminary discussions and consideration on service levels for various building categories has commenced however e.g. public toilets.

11/6/15: Review of the BAMP has been rescheduled following completion of the annual asset valuation data. It is expected that commencement of the BAMP review will occur following the completion of the Stormwater Asset Management Plan in September 2015.

11/09/15: Manager Policy & Strategy is finalising both the Urban Drainage Asset Management and Road Asset Management Plans. Following completion of these strategies focus shall be placed upon the revision of the Building Asset management Plan. Due to delays in progress with the development of the UDAMP and RAMP, work on the BAMP is now scheduled to commence in November 2015.

11/02/16: Draft RAMP and UDAMP have been prepared. Final review of draft documents is occurring in preparation for discussion with Council in March. Enquiries are being made with appropriately qualified consultants to gather necessary building asset data in preparation of commencement on the BAMP review later this year.

10/6/2016: Consultants are currently being interviewed regarding building asset system and data capture. Consultant should be engaged July/August with data capture due by end of 2016.

5/7/2016: Consultants from Assetic has been engaged to perform condition assessment of all the Council owned/managed buildings. Additionally, Assetic system has been purchased as a new corporate asset management system for building assets with future inclusion of roads and drainage assets.

Outstanding	Division: Committee: Officer:	Date From: Date To:
Action Sheets Report		Printed: Thursday, 14 June 2018 8:50:59 AM

11/08/2016: Register of buildings for inspection has been finalised and consultants will be commencing on site inspections and data capture by the end of August. It is expected that the data capture process could take up to 60 days after which time processing and analysis will commence to inform investment scenario modelling within the revised BAMP

31/08/2016: Building audits have now commenced. A total of 178 Council buildings have been identified for audit. In addition to data capture on structure details, inspections will also identify immediate works required where building element conditions are below service level intervention standards. These works will then form the basis of future building capital works programs and inform preparation of the future investment demand for the LTFP and BAMP.

4/10/16: Building audits are approximately 80% complete. It is anticipated that full audit details and population of the Asset Management System which has been procured, will be complete by the end of October 2016. Data modelling within the Asset Management package will then be used to inform development of the new draft Asset Management Plan.

10/11/16: Audit of Council buildings has been completed. Condition profiles for building stock are now being compiled to inform preparation of draft BAMP. It is anticipated that presentation of initial audit results to Council will occur in either December or January.

20/2/17: Post audit processing of building data has been slightly delayed due to resource constraints. Officers are in the process of finalising to produce renewal gap modelling prior to presentation of audit findings to Council. Outputs from audit process are also being utilised in the preparation of a building component of the 2017-2017 Annual Infrastructure Program.

20/03/2017: Preliminary modelling of long term investment requirements across the portfolio of Council buildings has now been completed. Summary report for Council is being prepared to convey initial findings however detailed analysis and adjustment is still required to take into consideration the current policies contained within the BAMP as well as preparation of various scenarios if service levels are changed. Scenario models will be presented to Council as part of developing the revised BAMP.

19/04/2017: First Draft of BAMP is expected in the first quarter of 2017/18.

13/07/2017: Due to delay in successful recruitment to the vacant position of Assets and Buildings Coordinator, it is very likely that the first draft of BAMP will be delayed.

02/08/2017: No further action.

11/09/2017: New Assets and Building Co-ordinator has commenced and will prioritise as matter of urgency.

17/10/2017: A draft of the Building Asset Management Plan is planned to be presented to Council December meeting.

14/11/2017: With the successful recruitment of Assets and Buildings Coordinator, revision of Council's Building Asset Management Plan is underway as per the recommendation of review undertaken in 2016/17. Financial information on Council owned buildings has been finalised and officers are currently working on the level of service for building assets. Once finalised, the data will be uploaded into the Asset Management system to identify Council's annual liability and renewal need and as such the draft BAMP will then be presented to Loddon Leaders and MEG for endorsement before presenting to Council for public comments.

06/12/2017: Draft preparation in progress.

10/01/2018: Preparation of draft BAMP is in progress.

09/02/2018: Council's Assets and Buildings Coordinator is currently working on the draft Building Asset Management Plan and Manager Technical Services and Director Operations will subsequently review the plan and then forward it to Loddon Leaders, MEG and with the intention of presenting it to Council at the May 2018 Forum .

19/03/2018: Due to a recent staff departure, this action will be delayed.

Outstanding	Division: Committee: Officer:	Date From: Date To:
Action Sheets Report		Printed: Thursday, 14 June 2018 8:50:59 AM

03/05/2018: Recruitment of the Assets and Buildings Coordinator is in progress and the action will be progressed as a priority.
04/06/2018: An update on progress of BAMP is being presented at the June 2018 Council forum.

Meeting	Officer/Director	Section	Subject
Council 27/03/2018	Stephenson, Carolyn Phillips, Steven	Decision Reports	Serpentine Industrial Estate - Rezoning
RESOLUTION 2018/9			
Moved: Cr Geoff Curnow Seconded: Cr Colleen Condliffe			
That Council			
<ol style="list-style-type: none"> Request authorisation from the Minister for Planning to prepare an amendment to the Loddon Planning Scheme to rezone Lots 1, 2, 3, PS 608853 (Treloar St, Serpentine) to Industrial 3 Zone; Should authorisation be provided, prepare the amendment and place the amendment on exhibition. 			
CARRIED			
<i>10/04/2018 12:24:00 PM - Carolyn Stephenson</i>			
Draft submission submitted to DELWP for consideration			
<i>7/05/2018 11:56:00 AM - Carolyn Stephenson</i>			
Draft documents being amended following DELWP feedback			
<i>14/05/2018 2:16:00 PM - Carolyn Stephenson</i>			
Amendment submitted to Minister for authorisation to exhibit			
<i>4/06/2018 11:15:00 AM - Carolyn Stephenson</i>			
Still waiting on Minister / DELWP for advice re authorisation			

Meeting	Officer/Director	Section	Subject
Council 27/03/2018	Phillips, Steven Pinyon, Phil	Decision Reports	Petition to Loddon Shire for the appointment of an Officer for Environmental Sustainability
RESOLUTION 2018/17			
Moved: Cr Gavan Holt Seconded: Cr Colleen Condliffe			
That Council:			

Outstanding	Division: Committee: Officer:	Date From: Date To:
Action Sheets Report		Printed: Thursday, 14 June 2018 8:50:59 AM

1. provide a response to the Wedderburn Conservation Management Network informing them of Council's current efforts to address environmental and sustainability issues within Loddon Shire.
 2. note the information contained in this report, and provide further consideration to the appointment of a dedicated Environmental Sustainability officer as a joint position with the Environment Officer position as referenced in action 3.1 (page 22) of the Roadside Management Plan in the event of that plan being adopted by Council.
- CARRIED**
- 11/04/2018 7:49:00 PM - Steven Phillips*
1. A response to the Wedderburn Conservation Management Network informing them of Council's current efforts to address environmental and sustainability issues will be prepared.
 2. The draft Roadside Management Plan is currently out for community comment, written responses will close 11 May 2018.
- 14/05/2018 2:17:00 PM - Steven Phillips*
1. The response to the Wedderburn Conservation Management Network addressing Council's current efforts to address environmental and sustainability issues is still being prepared.
 2. The draft Roadside Management Plan has been advertised for community comment, one submission was received. Following consideration of the submission the draft Roadside Management Plan will be presented to Council for adoption at the June Council Meeting.
- 1/06/2018 8:30:00 AM - Steven Phillips*
1. A response to the Wedderburn Conservation Management Network addressing Council's current efforts in environmental and sustainability has been prepared and was mailed on the 30 May 2018.
 2. The draft Roadside Management Plan will be presented to Council for adoption at the June Council meeting.

Meeting	Officer/Director	Section	Subject
Council 22/05/2018	Gladman, Wendy Gladman, Wendy	Decision Reports	LEASE AGREEMENT - STATE EMERGENCY SERVICE

RESOLUTION 2018/53

Moved: Cr Colleen Condliffe
 Seconded: Cr Gavan Holt

That Council:

1. enter into a long term lease agreement of 40 years with the Wedderburn VICSES unit for Lot 2 Nardoo Court, Wedderburn, at a rental cost per annum of \$1.00 plus GST.
2. align the entering of this agreement with the removal of the subsidy provided to the Wedderburn SES Unit (currently \$2,500) from the 2018/19 budget and beyond
3. pass on all related costs stipulated in the lease agreement to the Wedderburn SES Unit

<p>Outstanding</p> <p>Action Sheets Report</p>	<p>Division:</p> <p>Committee:</p> <p>Officer:</p>	<p>Date From:</p> <p>Date To:</p> <p>Printed: Thursday, 14 June 2018 8:50:59 AM</p>
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4. authorise the Chief Executive Officer to sign and affix the common seal of Loddon Shire Council on the lease agreement. **CARRIED**

5/06/2018 8:08:00 AM - Wendy Gladman
 This action has not yet been finalised, still awaiting contact with SES to initiate timing of lease agreement.

Meeting	Officer/Director	Section	Subject
Council 22/05/2018	Dhakal, Indivar Phillips, Steven	New Item	KORONG VALE GUTTER AND FOOTPATH

RESOLUTION 2018/64

Moved: Cr Neil Beattie
 Seconded: Cr Colleen Condliffe

Noting that the Korong Vale gutter infrastructure on the east side of Allen Street adjacent to Borella Park is the responsibility of VicRoads, and considering the protracted time in having the required work undertaken by VicRoads, that staff assess the kerb repairs/rehabilitation and provide a cost for rectification via a report to Council with a view to Council undertaking this work. **CARRIED**

6/06/2018 10:31:12 PM - Indivar Dhakal
 Council Officers are undertaking a preliminary investigation to identify key details of the proposed works. Once complete, Officers will report to Council potentially during July 2018 Council meeting. A meeting has been scheduled with VicRoads on 2 July 2018 and this matter will also be raised in that forum.

Actions completed since last meeting

Meeting	Officer/Director	Section	Subject
Council 24/04/2018	Price, David Phillips, Steven	Decision Reports	Draft Domestic Animal Management Plan for public comment

RESOLUTION 2018/26

Moved: Cr Colleen Condliffe
 Seconded: Cr Gavan Holt

That Council resolve to advertise the draft Domestic Animal Management Plan 2018-2021 for public comment. **CARRIED**

8/05/2018 4:57:00 PM - David Price
 The Domestic Animal Management Plan 2018-2021 was advertised for public comment in the Bendigo Advertiser, the Loddon Times, Council's website and Facebook page. Submissions close Friday 18 May 2018.

Outstanding	Division: Committee: Officer:	Date From: Date To:
Action Sheets Report		Printed: Thursday, 14 June 2018 8:50:59 AM

13/06/2018 1:33:49 PM - David Price
 Council report will be presented to June 2018 Ordinary Meeting, recommending adoption by Council.
 14/06/2018 8:23:57 AM - David Price
 Action completed by: Coombes, Christine
 Complete

Meeting	Officer/Director	Section	Subject
Council 24/04/2018	Dhakal, Indivar Phillips, Steven	New Item	REQUEST FROM LANDOWNER TO BUILD NEW COUNCIL ROAD
RESOLUTION 2018/36			
Moved: Cr Neil Beattie Seconded: Cr Gavan Holt			
That Council staff prepare a report to Council addressing a request by Robert Rollinson to discontinue maintenance on the section of Salathiels Road that accesses his property and develop a shorter section of road, which is Crown Land and not on Council's road register, on the basis that he is prepared to co-fund the building of the alternative access road.			
CARRIED			
7/05/2018 12:53:00 PM - Indivar Dhakal Director Operations and Manager Technical Services investigated the existing and proposed access road and had a brief discussion with the property owner. Manager Technical Services will prepare a forum paper to be discussed at the June 2018 Council Forum to discuss Council's position and recommended contribution from the property owner.			
28/05/2018 1:31:00 PM - Indivar Dhakal A Council Forum Paper has been drafted to present at the June 2018 Council Forum. The road maintenance has been included in the Annual Infrastructure Program to be reported to the July 2018 Council meeting.			

Meeting	Officer/Director	Section	Subject
Council 24/04/2018	Phillips, Steven Pinyon, Phil	New Item	SAND IN BULLOCK CREEK
RESOLUTION 2018/37			
Moved: Cr Geoff Curnow Seconded: Cr Gavan Holt			
That Council write to the Catchment Management Authority requesting that sand be cleared out of Bullock Creek near the Bridgewater Raywood Road.			
CARRIED			

Outstanding	Division: Committee: Officer:	Date From: Date To:
Action Sheets Report		Printed: Thursday, 14 June 2018 8:50:59 AM

14/05/2018 2:00:00 PM - Steven Phillips
 A site visit to investigate the matter was undertaken on Monday 14 May 2018. A letter is being prepared requesting the North Central Catchment Management Authority participate in a site meeting with local landholders to discuss the potential for the removal of sand and silt from the Bullock Creek south of the Bridgewater Raywood Road Bridge.

12/06/2018 5:41:44 PM - Steven Phillips
 A Letter was sent to the CMA on Monday 4 June 2018 to the requesting a site meeting with local landholders to discuss the potential for the removal of sand and silt from the Bullock Creek south of the Bridgewater Raywood Road Bridge.

14/06/2018 10:17:02 AM - Steven Phillips
 Action completed by: Coombes, Christine
 Complete

Meeting	Officer/Director	Section	Subject
Council 8/05/2018	Caserta, Deanne Morrison, Sharon	Decision Reports	Advertisement of the 2018/19 Draft Budget
RESOLUTION 2018/41			
Moved: Cr Neil Beattie			
Seconded: Cr Gavan Holt			
That Council:			
<ol style="list-style-type: none"> 1. advertise the Draft Budget in accordance with Section 129 of the Local Government Act 1989 2. adopt the proportion of rates raised within various valuation categories as follows: <ul style="list-style-type: none"> Rural Production to have a differential rate 11% lower than the General (Residential, Commercial and Other) differential rate 3. agree that the above distribution of rates raised demonstrates fairness and equity across the municipality 4. implement a differential rate to be struck between categories of Rural Production and General as follows: <ul style="list-style-type: none"> • General (Residential, Commercial and Other) - 0.004283 Cents in the Dollar of Capital Improved Value • Rural Production - 0.003813 Cents in the Dollar of Capital Improved Value 5. Apply a Municipal Charge of \$212 to all properties, except where an exemption has been granted for a Single Farm Enterprise under the Local Government Act 1989 6. Apply a Garbage Charge of \$273 per Residential Garbage Service (140 Litre Bin) and \$370 per Commercial Garbage Service (240 Litre Bin) 7. Apply a Kerbside Recycling Service Charge of \$103 per service (240 Litre Bin) 8. Update the Strategic Resource Plan for the Council Plan 2017-21 with the current information contained in the Budget, in line with the Local Government 			

<p>Outstanding</p> <p>Action Sheets Report</p>	<p>Division:</p> <p>Committee:</p> <p>Officer:</p>	<p>Date From:</p> <p>Date To:</p> <p>Printed: Thursday, 14 June 2018 8:50:59 AM</p>
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Act 1989 and the Local Government (Planning and Reporting) Regulations 2014 requirements.

CARRIED

28/05/2018 11:50:00 AM - Deanne Caserta
 Action completed by: Deanne Caserta
 Placed on advertisement as per resolution

Meeting	Officer/Director	Section	Subject
Council 22/05/2018	Morrison, Sharon Morrison, Sharon	Decision Reports	Annual Review of Council Plan
<p>RESOLUTION 2018/46</p> <p>Moved: Cr Colleen Condliffe Seconded: Cr Neil Beattie</p> <p>That Council confirms that:</p> <ol style="list-style-type: none"> 1. it has considered whether the current Council Plan requires any adjustment 2. there were no adjustments required to the current Council Plan. <p style="text-align: right;">CARRIED</p> <p><i>4/06/2018 9:26:00 AM - Sharon Morrison</i> Action completed by: Sharon Morrison A review of the Council Plan will be considered prior to the development of the next budget.</p>			

Meeting	Officer/Director	Section	Subject
Council 22/05/2018	Morrison, Sharon Morrison, Sharon	Decision Reports	Proposed Privacy Policy version 1
<p>RESOLUTION 2018/47</p> <p>Moved: Cr Geoff Curnow Seconded: Cr Colleen Condliffe</p> <p>That Council adopt the Privacy Policy version 1.</p> <p style="text-align: right;">CARRIED</p> <p><i>4/06/2018 9:28:00 AM - Sharon Morrison</i> Action completed by: Sharon Morrison</p>			

Outstanding	Division: Committee: Officer:	Date From: Date To:
Action Sheets Report		Printed: Thursday, 14 June 2018 8:50:59 AM

Privacy Policy will now be promoted internally to ensure staff have awareness of their obligations.

Meeting	Officer/Director	Section	Subject
Council 22/05/2018	Caserta, Deanne Morrison, Sharon	Decision Reports	Finance Report for the period ending 30 April 2018
RESOLUTION 2018/48			
Moved: Cr Neil Beattie			
Seconded: Cr Geoff Curnow			
That Council:			
<ol style="list-style-type: none"> 1. receives and notes the 'Finance report for the period ending 30 April 2018' 2. approves budget revisions included in the report for internal reporting purposes only. 			
CARRIED			
28/05/2018 11:50:00 AM - Deanne Caserta			
Action completed by: Deanne Caserta			
No further action required			

Meeting	Officer/Director	Section	Subject
Council 22/05/2018	Morrison, Sharon Morrison, Sharon	Decision Reports	Committee of Management Inglewood Public Recreation Reserve - Crown Allotment 1A, Section 21, Township of Inglewood
RESOLUTION 2018/49			
Moved: Cr Colleen Condliffe			
Seconded: Cr Geoff Curnow			
That Council reply to the Department of Environment, Land, Water and Planning advising that Council agrees to becoming the Committee of Management over the area shown in blue on plan I/5-4-16 on Crown Allotment 1A, Section 21, Township of Inglewood, or such other area as is negotiated between the parties.			
CARRIED			
4/06/2018 9:29:00 AM - Sharon Morrison			
Action completed by: Sharon Morrison			
DELWP have been advised of Council's decision and new plans are being prepared in line with further discussions regarding water tanks.			

Outstanding	Division: Committee: Officer:	Date From: Date To:
Action Sheets Report		Printed: Thursday, 14 June 2018 8:50:59 AM

Meeting	Officer/Director	Section	Subject
Council 22/05/2018	Morrison, Sharon Morrison, Sharon	Decision Reports	Committee of Management Laanecoorie and Boort
RESOLUTION 2018/50			
Moved: Cr Geoff Curnow Seconded: Cr Neil Beattie			
That Council reply to the Department of Environment, Land, Water and Planning advising that Council is willing to become the Committee of Management over:			
<ol style="list-style-type: none"> 1. Crown Allotment 5C, Section 1, Township of Boort (P128390) 2. Crown Allotments 1A, 1B and 1C, Parish of Laanecoorie (P129970, P129971 & P129972). 			
CARRIED			
4/06/2018 9:29:00 AM - Sharon Morrison Action completed by: Sharon Morrison DELWP have been advised of Council's decision and appropriate paperwork is being prepared.			

Meeting	Officer/Director	Section	Subject
Council 22/05/2018	Morrison, Sharon Morrison, Sharon	Decision Reports	Investment Policy v4 for adoption
RESOLUTION 2018/51			
Moved: Cr Gavan Holt Seconded: Cr Geoff Curnow			
That Council adopts the Investment Policy v4.			
CARRIED			
4/06/2018 9:30:00 AM - Sharon Morrison Action completed by: Sharon Morrison NAB and Bendigo Bank have been advised of revised policy. Staff will commence applying new policy to investments coming due for renewal.			

Meeting	Officer/Director	Section	Subject
Council 22/05/2018	Gladman, Wendy Gladman, Wendy	Decision Reports	LODDON HEALTHY MINDS NETWORK STRATEGIC PLAN 2017-2022

<p>Outstanding</p> <p>Action Sheets Report</p>	<p>Division:</p> <p>Committee:</p> <p>Officer:</p>	<p>Date From:</p> <p>Date To:</p> <p>Printed: Thursday, 14 June 2018 8:50:59 AM</p>
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RESOLUTION 2018/52

Moved: Cr Geoff Curnow
 Seconded: Cr Colleen Condliffe

That Council endorse the goals and objectives outlined in the Loddon Healthy Minds Network Strategic Plan 2017-2022.

CARRIED

5/06/2018 8:08:00 AM - Wendy Gladman
 Action completed by: Wendy Gladman
 The Loddon Healthy Minds Network plan has been provided for signing and uploading to Council's website.

Meeting	Officer/Director	Section	Subject
Council 22/05/2018	Morrison, Sharon Morrison, Sharon	Decision Reports	May 2018 Audit Committee Meeting Overview

RESOLUTION 2018/54

Moved: Cr Gavan Holt
 Seconded: Cr Geoff Curnow

That Council:

1. receives and notes the May 2018 Audit Committee Meeting Report
2. endorses the performance improvement recommendations documented in the Review of Whole of Life Costing
3. receives and notes the draft Internal Audit Plan 2015-2019 (2018-19 focus)
4. receives and notes the Outstanding Audit Actions Report
5. receives and notes the Loddon Performance Framework Half Year Report
6. adopts the Loddon Performance Framework version 3.

CARRIED

4/06/2018 9:33:00 AM - Sharon Morrison
 Action completed by: Sharon Morrison
 Loddon Performance Framework is being implemented in accordance with the revised version.

7 MAYORAL REPORT

7.1 MAYORAL REPORT

File Number: 02/01/001

Author: Lynne Habner, Manager Executive and Commercial Services

Authoriser: Phil Pinyon, Chief Executive Officer

Attachments: Nil

RECOMMENDATION

That Council receive and note the Mayoral Report

REPORT

The Mayor will present a report at the meeting.

8 COUNCILLORS' REPORT

8.1 COUNCILLORS' REPORTS

File Number: 02/01/001

Author: Lynne Habner, Manager Executive and Commercial Services

Authoriser: Phil Pinyon, Chief Executive Officer

Attachments: Nil

RECOMMENDATION

That Council receive and note the Councillors' reports

REPORT

Each Councillor will present a report at the meeting.

9 DECISION REPORTS**9.1 PLANNING APPLICATION 5342- USE AND DEVELOPMENT OF THE LAND FOR GOLD MINING.**

File Number: 5342
Author: Alexandra Jefferies, Planning Officer
Authoriser: Glenn Harvey, Manager Development and Compliance
Attachments: 1. MIN5510
2. P Lee objection
3. Q & A response

RECOMMENDATION

That Council issue a notice of decision to approve planning application 5342.

CONFLICT OF INTEREST

There is no conflict of interest for any council staff member involved in writing this report, or involved in the subject matter of the report.

PREVIOUS COUNCIL DISCUSSION

There have been no previous Council discussions on this matter.

BACKGROUND**Applicant details**

Keith Whitehouse

14 Brodie Street, Quarry Hill, Bendigo VIC

Fiddlers Creek Mining Company PL in association with Truelight Mining PL and GMB Gold Ltd

Application summary

Planning application 5342 was lodged 9 February 2018 proposing the use and development of a 3.25 ha area within the area of MIN (mining license) 5510 for an open pit gold mining operation (see attachment: MIN5510), located within the Harvest Home State Forrest. The operation is proposed to last between 5 - 6 months, initial rehabilitation inclusive. The open pit's foot print is proposed to be 1.017 ha at a maximum depth of 35 metres.

The pit will be established via drill and blast method, the work plans indicate that blasting will be done in 'campaigns' of 5 - 10 metres with maximum depth being achieved with "ideally less than eight blasts" (Fiddlers Mining Company Pty Ltd, MIN5510 Work Plan, p.12, 2017). The proposed hours of operation will be between 7 am and 6 pm weekdays.

Min 5510 is a mining license area located within the Harvest Home State Forest (see photo: 1). MIN 5510 has a total of 312 ha. Planning application 5342 is proposing to mine a 3.25 ha area within Min 5510; future mining works outside of Min 5510 Work Plan are not within the scope of this application. Works other than what is being assessed by planning application 5342 and contained within Min 5510 Work Plan will require further planning approval.

The site will be accessed via Harvest Home Road (Council road) and then Harvest Home Track (within State Forrest). Approximately 885 metres of Council's road network (Harvest Home Road) will be accessed for the lifespan of the project. The vehicle movements are listed as:

- up to six vehicles entering/exit the site daily at peak time

- an approximate additional 4 light vehicle movements throughout the day.

During ore cartage a number of trucks will be required to access the site. This will be the operation's peak time for traffic volumes. These are listed as:

- approximately 16 trucks per day over a 58 day period
- vehicle configuration will be truck only or truck-and-dog.

Vehicles associated with the project will then access the VicRoads network via the Dunolly-Moliagul Road.

The development will include 1.2 ha of native vegetation clearance which is exempt under Clause 56.16-6:

Native vegetation that is to be removed, destroyed or lopped to the minimum extent necessary by the holder of an exploration, mining, prospecting, or retention license issued under the Mineral Resources (Sustainable Development) Act 1990:

- *in accordance with a work plan approved under Part 3 of the Mineral Resources (Sustainable Development) Act 1990.*

As a part of the work plan approval process, the work plan will be sent to and discussed by a number of authorities. This plan has received statutory endorsement by the following authorities:

- Department of Environment, Land, water and Planning
- Goulburn Murray Water
- Environmental Protection Authority
- North central Catchment Management Authority
- Country Fire Authority
- Loddon Shire Council

As such Councils planning officer does not have the power to refer a planning application to these authorities but is able to consider the comments provided as a result of this purpose.

The applicant has not provided details where the materials will be processed and has only indicated it is likely to be within Central Goldfields Shire.

Subject Site and locality

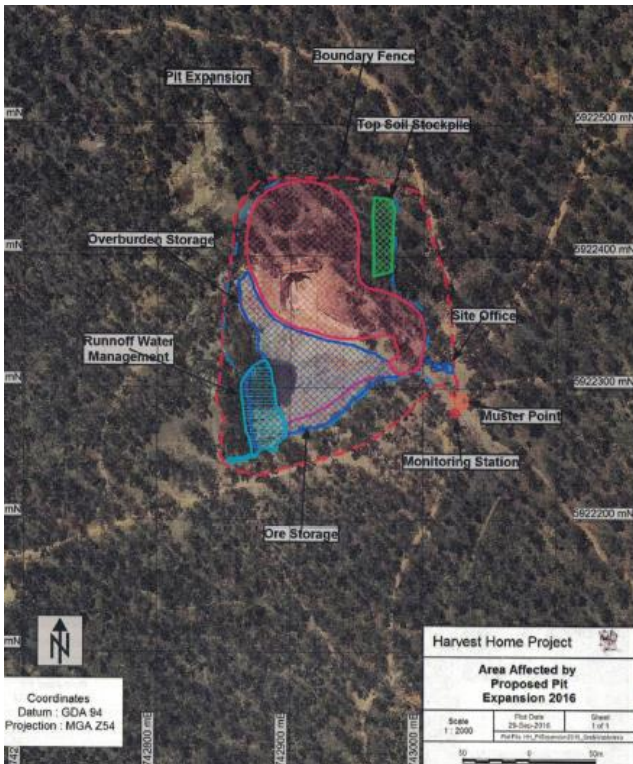
The subject site (see figure 1 & figure 2) is zoned Public Use and Conservation Zone (PCRZ) and is covered by the Bushfire Management Overlay, Erosion Management Overlay, and the Environmental Significance Overlay 2. The area within the proposed works site has been historically used for mining purposes with a cleared area and existing open cut area.

The nearest residential dwellings are located along Harvest Home Road approximately 1.36 km to the south west of the area proposed to be mined.

Figure 1 *Locality air photograph*



Figure 2 Site photo (MIN 5510 Work Plan, p.g 31)



Loddon Planning Scheme

36.03 Public Conservation and Resource Zone

The subject site is within the PCRZ, the purpose of which is to:

- Implement the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.
- To protect and conserve the natural environment and natural processes for their historic, scientific, landscape, habitat or cultural values.
- To provide facilities which assist in public education and interpretation of the natural environment with minimal degradation of the natural environment or natural processes.

- To provide for appropriate resource based uses.

44.01- Erosion Management Overlay

The subject site is covered by the EMO, of which the purpose is:

- Implement the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.
- To protect areas prone to erosion, landslip or other land degradation processes, by minimising land disturbance and inappropriate development.

44.06 Bushfire Management Overlay

A planning permit is not required under the BMO as there are no buildings and works associated with the uses listed in 44.06-2 of the Loddon Planning Scheme.

42.01- Environmental Significance Overlay 2

The subject site is covered by the ESO2, of which the purpose is:

- Implement the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.
- To identify areas where the development of land may be affected by environmental constraints.
- To ensure that development is compatible with identified environmental values.

52.08 Earth and Energy Resource Industry

The proposal triggers a planning permit under particular provision 52.08 of the Loddon Planning Scheme, of which the purpose is:

- To encourage land to be used and developed for exploration and extraction of earth and energy resources in accordance with acceptable environmental standards.
- To ensure that mineral extraction, geothermal energy extraction, greenhouse gas sequestration and petroleum extraction are not prohibited land uses.
- To ensure that planning controls for the use and development of land for the exploration and extraction of earth and energy resources are consistent with other legislation governing these land uses.

ISSUES/DISCUSSION

Notification

The application was advertised to the nearest residents along Harvest Home Road and two residents within the adjoining shire of Central Goldfields. Council received 1 written objection to the proposal (see attachment: P. Lee objection). The objection was based on the following grounds:

- The leaching/run off of dangerous chemicals and other pollutants directly into the dam which services the private property.
- The negative impact the proposal will have on the natural environment and the public's use of the state forest for walking and other activities.
- The impact that the proposal will have on the amenity of the area through heavy vehicle movements and presents within the area.

- The impact on Harvest Home Road that vehicles associated with the development accessing the state forest.

The applicant prepared a document in response to the objection (see attachment: Q & A response)

Discussion

The applicant has stated that no chemicals will be used and that material containing gold will be processed off site at another location.

It is considered that the proposed mining development will result in some environmental impacts; this is the nature of mining proposals. Rehabilitation of the site will be undertaken as per the approved work plan. The site will be re-vegetated with suitable species including Red Ironbark, Red Stringy Bark. Top soils from the area will be stockpiled to be used in the rehabilitation process. Plants will be propagated from the immediate area for use in rehabilitation where possible.

Rehabilitation also includes the re-stabilisation of the pit area (including the bulk sample pit). This includes the back filling of the pit; the applicant has stated that it is anticipated that the final landform will aim to reflect what existed pre disturbance. A bond amount is required to be provided by the applicant to the Department of Economic Development, Jobs, Transport and Resources (DEDJTR) which is held until the site is suitably rehabilitated, this includes consultation with Council. The bond amount is determined by DEDJTR and involves an Inspector of Mines consultation with Council's Planning Officer to ensure the amount is satisfactory.

It is considered that when suitably rehabilitated the proposed activity will have little impact on public use of the area. During the operation the mined area will be closed to the public for safety reasons. The applicant has also disclosed that some forest track closure may be required at certain times, however overall public access to the forest is not likely to be significantly disturbed.

Proposed truck movements have been indicated as follows:

Peak traffic movements at the start/end of each day- 6 vehicles entering/exiting the site with an additional 4 light vehicle movements may take place throughout the day.

Maximum vehicle movements will be during the ore cartage period; this will result in approximately 16 truck movements per day over a 58 day period.

Trucks will consist of truck only or truck and dog configuration.

The applicant will be required via permit condition to reinstate the road to its original condition as well as undertake routine maintenance as required by Council.

The proposed peak vehicle movements are proposed to be limited to a 2 month period and the mining activity itself is estimated to last approximately 6 months rehabilitation inclusive. It is considered that the issues raised can be suitably managed via the enforcement of the work plan and planning permit conditions. Ensuring that a mining site is compliant involves a joint effort between an Inspector of Mines (DEDJTR), who is responsible for enforcing the work plan conditions and Council's Planning Enforcement Officer who is responsible for enforcing Council's planning permit conditions.

COST/BENEFITS

The cost of the Planning Officer's assessment of this application is approximately \$7,000. This figure includes:

- site inspection
- communication with the applicant, objector and external authorities
- writing of council report.

It is recognised that there will be some economic benefits to the Loddon Shire however these are expected to be limited due to the following:

- the proposed location of the mine
- the applicant has indicated materials will be processed within Central Goldfields Shire

- the mines proximity to Dunolly township
- the relatively short nature of the project.

RISK ANALYSIS

The main risk associated with this application, if Council is to overturn the officer's recommendation is the applicant challenging Council at VCAT for refusal of the application.

Council also faces the risk of objector(s) challenging a notice of decision to approve an application. In the circumstance of application 5342 it is considered, as stated in the report, that the matters raised by the objector can be adequately managed via planning permit conditions and are unlikely in the opinion of the Planning Officer to result in a refusal by VCAT.

CONSULTATION AND ENGAGEMENT

There has been no formal consultation undertaken. An applicant/objector meeting was requested by the applicant however due to the objector residing outside of the Shire this was considered difficult to arrange. Instead the applicant responded to the objector's concerns in writing and this was passed onto the objector to review (see attachment: Q & A response).

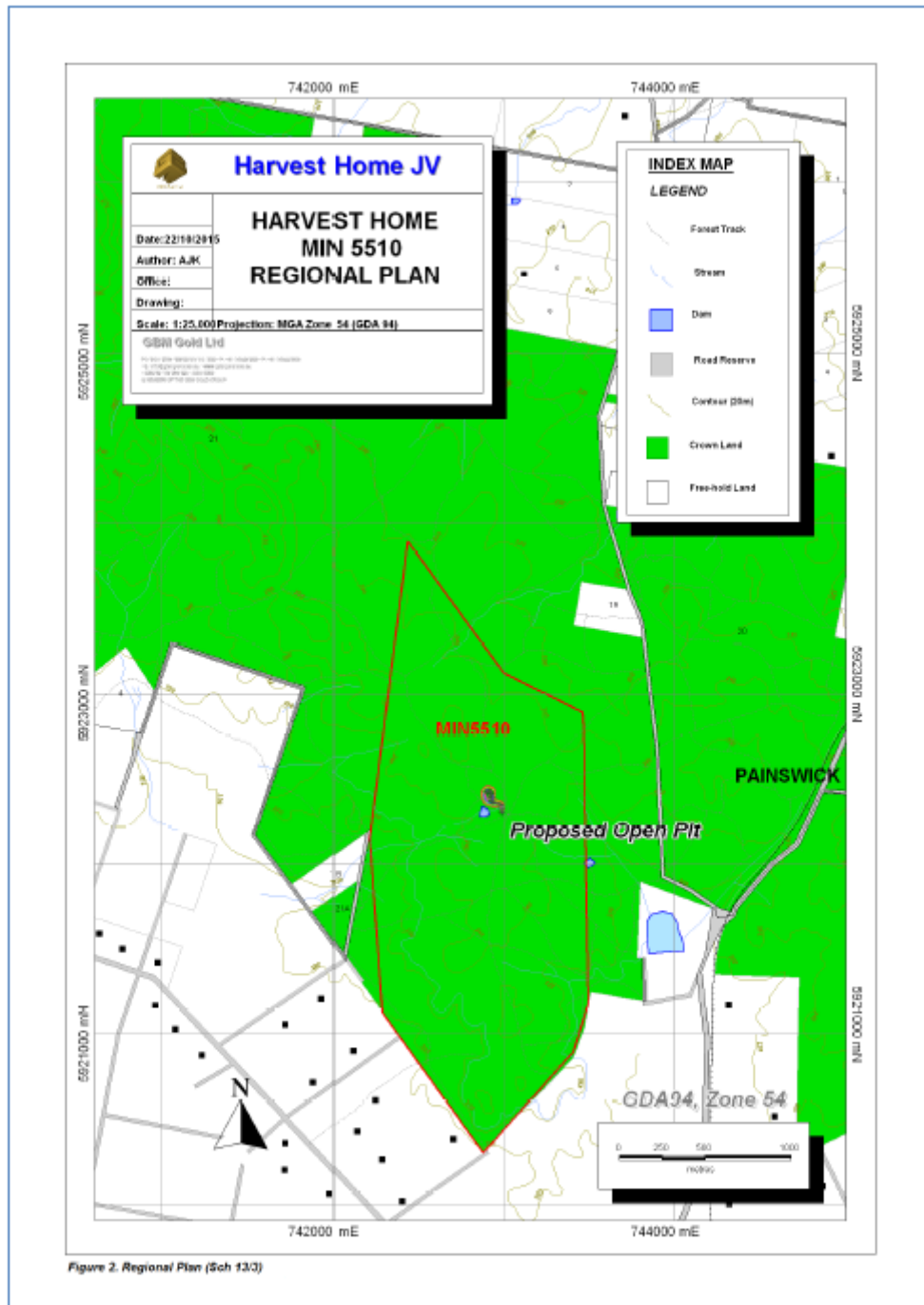


Figure 2. Regional Plan (Sch 13/3)

Figure 2: Plan showing extent of Crown Land, Private Land, Residential Development, Public Assets and Watercourses within the vicinity of the Project area.

Attention: Planning Dept

To whom it may concern,

On 26/4/18, I have received a letter from Loddon Shire dated 24/4/18 advising of a Planning Permit Application 5342 has been lodged with Loddon Shire

Please be aware that I am now the land owner at 71 Harvest Home Rd, Dunolly, following the passing of my father, Wolfgang Seemann, in November 2017. The property at this address has just come out of probate and no doubt council will be notified by my solicitor in due course of the change of ownership, into my name.

Further to my telephone conversation with Alexandra Jefferies today with regards to the Planning Permit Application 5342 for a proposed "Use & Development of the land for mineral extraction (gold mining) in Harvest Home State Forest, Dunolly

It is my understanding that the proposed location of this gold mine is within the Harvest Home State Forest approx. 1.2km in an approx. ENE direction of my property

This places the location of this proposed gold mine directly uphill to my property and this concerns me greatly. On these and other grounds, I would like to formally object to this Planning Permit Application and the reasons for my objection are as follows.

- Due to the possible water contamination risks which may ensue, if this gold mine application is successful - This gold mine could leach out dangerous chemicals, and other unwanted refuse, directly into my only dam, as the state forest is the catchment area of my dam.
- My dam services my entire property, it is used to water my fruit trees, vineyard, livestock and vegetable gardens. This dam is my ONLY water source for the servicing of my property. Please be aware that this 24 acre property has been designed and developed over the past 30+ years to be a chemical free property, it is used to grow natural and organically grown, chemical free produce.
- In addition, I also have grave concerns for the impact of this gold mine on the surrounding natural environment, if this application was to go ahead. The Harvest Home State Forest is littered with previous holes left by previous miners from the past. It makes walking through this environment quite hazardous and dangerous, not to mention the blight it leaves on the landscape. The State Forest is there to be enjoyed by ALL of the public, not just a few gold miners.
- Also, one of the greatest pleasure of being at my property in Dunolly, is the peace and tranquillity. Having heavy equipment in the area to service a gold mine, would be damn nuisance to myself and my guests and it would be an aural insult, which would greatly affect my enjoyment of my own property.

This would not be acceptable to me, or my family.

Thank you for accepting my objections to this proposed Planning Permit Application. I trust that the reasons for my objections are clearly understood and I hope that council will find this objection significant enough to deny permission for this proposed development to go ahead.

Thanks & Regards

Peggy Lee

71 Harvest Home Road

Attention Planning Dept

Further to my letter yesterday outlining my objections to the proposed gold mine in Harvest Home State Forest.

I have given this matter some further thought, and I would like to add to my objections to this Planning Permit for the proposed gold mining activities.

I question that if this project goes ahead how would the developers access their mine site. There is currently little direct access to this Harvest Home State Forest area, so I am assuming, it would be planned to have any mine traffic, heavy machinery and trucks etc, enter the State Forest via Harvest Home Rd.

This causes me great concern, as Harvest Home Rd is a minor dirt track at best. Access to my property is already difficult due to the track erosion caused indirectly from the last gold mining activity carried out in this area, a few years ago. At that time, the road surface "upgraded" as promised by the mine operators (in fact I believe council did it). Unfortunately, the road surface was only "upgraded" to a location just before my driveway entrance and this "road surface upgrade" has altered the road surface level enough to cause my driveway to get washed out & eroded in every subsequent rainfall - as the rainfall & water run-off now has nowhere to go, except into my driveway entrance and along my driveway. In fact, this erosion was so bad I have been unable to access my premises without a 4WD and as a consequence I have recently had to fix & reinstate my own driveway entrance, at my own expense.

If this development was to go ahead, this would place even further pressure on this minor dirt track, called Harvest Home Rd.

This reason and the other reasons which I outlined yesterday email makes this proposed planning permit completely unacceptable to myself & my family and the other landowner living on this road.

Please consider the my objections to this proposed Planning Permit Application. I trust that the reasons for my objections are clearly understood and I hope that council will find these objections significant enough to deny permission for this proposed development to go ahead.

Thanks & Regards

Peggy Lee Property: 71 Harvest Home Rd, Dunolly VIC 3472

Fiddlers Creek
Mining Company
Pty Ltd
 ABN : 32 099 215 648



Planning Application 5342 : Min 5510 : Harvest Home

Questions and Answers

- Q. Where is Harvest Home?
 A. The Harvest Home mine site is located in the Harvest Home State Forest approximately 5km north-west of Dunolly.
- Q. Why Harvest Home?
 A. The Harvest Home area has produced gold since the earliest days of the gold rush era in Dunolly. The current proposal for Harvest Home is the culmination of 30 years of exploration in the area.
- Q. Who is going to mine at Harvest Home?
 A. The Harvest Home Project is a joint venture. GBM Gold will be responsible for the day-to-day activities proposed for the Harvest Home site. GBM Gold is a Bendigo based company that has been active in the gold mining sector since 1989.
- Q. Where can I find more information on GBM Gold
 A. Visit the GBM Gold Ltd website: gbmgold.com.au
- Q. Will the mine be underground?
 A. No. The proposal at Harvest Home is for an open pit.
- Q. How big will the mine be?
 A. An open-pit no bigger than 120m long by 83m wide by 35m deep is proposed. The total area occupied by the pit void, waste dump and stockpiles will be no more than 3.25Ha.
- Q. Will explosives be used?
 A. Yes. The proposal calls for the number of blasts, these will be kept to a minimum. It is expected that there will be no more than ten blasts in total over the life of the mine. Local residents will be informed prior to blasting taking place.
- Q. How long will it take to mine the pit?
 A. The actual mining of the pit is expected to take no more than 6 months. However, site preparation before mining commences and site rehabilitation after mining concludes may take an additional 4 months.
- Q. Will chemicals be used?
 A. No. Rock material containing the gold will be taken in trucks to another location for treatment.
- Q. How many truck movements will there be?
 A. A small number of truck movements will be needed at the commencement and conclusion of the project to move earthmoving machinery. The movement of gold-bearing rock offsite for treatment will occur on a campaign basis when sufficient material has been stockpiled. It is estimated that there will be no more than 16 truck movements per day over a two-month period.
- Q. Will water be contained on site?
 A. No. Rainfall runoff from the site will be filtered to remove entrained sediment before discharge to local ephemeral streams that feed the decommissioned Old Lead Reservoir. The groundwater level is below the bottom of the planned pit and no ground water will be discharged.
- Q. What time of the day will mining be happening?
 A. Operating hours at the site will be 7am to 6pm Monday to Friday. There will be no blasting and no mining on weekends and public holidays.

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Fiddlers Creek
Mining Company
Pty Ltd
ABN : 32 099 215 648



-
- Q. Will there be permanent facilities on site?
A. Temporary facilities will be provided and removed at the conclusion of the project.
- Q. Will access to the Harvest Home State Forest be restricted?
A. Public access to the mine-site (3.25Ha) will be prohibited during the period of operation. There may be periodic interruption to road traffic on nearby forestry tracks when blasting is in progress. The majority of the Harvest Home State Forest will be unaffected.
- Q. What happens when the mining is finished?
A. The pit void will be backfilled and contoured to a shape similar to the current landform.
- Q. Will the area be revegetated?
A. The area will be replanted using the types of trees and shrubs typically seen in the Harvest Home State Forest.
- Q. Will the Harvest Home dam remain?
A. The dam wall will remain intact. All spoil will be removed from the dam during the rehabilitation process.
- Q. Will the rehabilitated area be maintained?
A. There will be a number of years of maintenance until the vegetation is established.
- Q. Will there be further exploration?
A. Exploration on other prospective areas of the mining tenement will continue. There is no guarantee that further mineable areas will be discovered.
-

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9.2 PLANNING APPLICATION 5331 - USE AND DEVELOPMENT OF THE LAND AS A DOG BREEDING FACILITY

File Number: 5331
Author: Alexandra Jefferies, Planning Officer
Authoriser: Glenn Harvey, Manager Development and Compliance
Attachments: 1. Local Laws referral response

RECOMMENDATION

That a Notice of Refusal be issued for the use of the land for animal keeping (dog breeding and keeping of up to 30 dogs) and associated buildings and works at Lot 1 TP 345311 on the following grounds:

1. The application documentation does not clearly demonstrate compliance with the Code of Practice for the Operation of Breeding and Rearing Businesses.
2. The proposal is likely to have significant amenity impacts as a result of poor siting, lack of adequate separation distances and appropriate screening.
3. The application material provided is not considered to be of adequate quality and is considered to lack information required for an application of this scale.

CONFLICT OF INTEREST

There is no conflict of interest for any council staff member involved in writing this report, or involved in the subject matter of the report.

PREVIOUS COUNCIL DISCUSSION

There have been no previous Council discussions on this matter.

BACKGROUND

The subject property currently contains infrastructure related to the use of dog breeding/keeping including dog pens and whelping room. The site currently houses approximately 45 dogs. Council's Local Law Officer and the RSPCA have undertaken a number of site inspections and had contact with the applicant for approximately 10 months.

A request for further information was issued on the 5 December 2017 listing 10 items still required in order to assess the application; to date this information has only been partly provided. A site inspection was undertaken on the 19 March 2018.

Proposal/application details

Planning application 5331 was lodged on 21 November 2017 for the use and development of the land as a dog breeding facility (retrospective). The breed of dogs proposed to be kept includes pugs, pugaliers and cavaliers.

The application proposes that 25 entire female and 5 male entire male dogs are kept for the purpose of breeding, as well as proposing buildings and works in order for the facility to achieve compliance with the Code of Practice for the Operation of Breeding and Rearing Businesses (the Code).

The proposed works to the site include:

- Concreting/laying of grass to existing pens

- Extension of current pen heights
- Roofing of some pen areas
- Installation of drains & waste water management system

Subject site and locality

The subject site is located along the Loddon Shire/Central Goldfields border within the Dunolly area. The site is within the Farming Zone and partly covered by the Bushfire Management Overlay. The site is approximately 13.25 ha in size and slopes gently to the south-east.

An existing dwelling and existing dog related facilities are located within the north- western corner of the site (see figure 1 and 2).

Figure 1

Locality of subject site

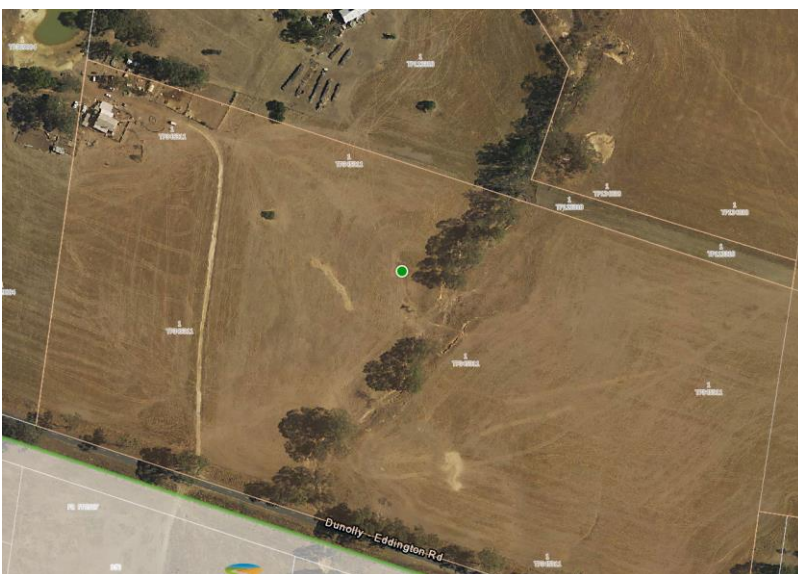


Figure 2

Existing dwelling & infrastructure



Loddon Planning Scheme

35.07-Farming Zone

The subject site is within the Farming Zone, of which the purpose is:

- To implement the State Planning Policy Framework and the Local Planning Policy Framework, including the Municipal Strategic Statement and local planning policies.
- To provide for the use of land for agriculture.
- To encourage the retention of productive agricultural land.
- To ensure that non-agricultural uses, including dwellings, do not adversely affect the use of land for agriculture.
- To encourage the retention of employment and population to support rural communities.
- To encourage use and development of land based on comprehensive and sustainable land management practices and infrastructure provision.

44.04 Bushfire Management Overlay

A planning permit is not required under the Bushfire Management Overlay and the proposed buildings and works are not associated with a use listed in 44.06-2.

ISSUES/DISCUSSION

Notification

The application did not proceed to the public notification stage as the application is being put forward for refusal. Section 52 1A of the Planning & Environment Act 1987 states:

The responsible authority may refuse an application and, if it does so, it does not have to comply with subsections (1) and (1AA).

In this circumstance the Planning Officer chose to exercise the above exemption.

Referrals/referral responses

The application was referred to Animal Welfare section of Agriculture Victoria (Department of Economic Development, Jobs, Transport and Resources) as the 'author' of the Code, however the Department was unable to comment on individual applications.

The application was internally referred to the Local Laws Officer as the delegated officer under the Domestic Animal Act 1994. The proposal is not supported by the Local Laws officer for the following reasons (see attachment: Local Laws referral response):

- outstanding concerns about waste water management and treatment
- the current standards of the facility
- unacceptable buffer distances from neighbouring properties
- lack of the proposal's ability to comply with the Code and the Domestic Animal Act 1994.

Current legislation does not allow Council to grant approval for a Domestic Animal Business (DAB) to a facility with more than 10 dogs. Facilities who want to increase numbers above 10 must first be a registered DAB, with only 10 dogs, and then apply to the Minister for Agriculture for a commercial dog breeding approval. This cannot be done in a retrospective manner.

Reasons for refusal

The planning officer is recommending refusal of the application for the following reasons:

- 1) The proposal does not clearly demonstrate compliance with the Code of Practice for the Operation of Breeding and Rearing Businesses.

It is considered that a substantial amount of work is required to 'upgrade' the facility and achieve code compliance. Although some of these works have been labelled on the site plan e.g. concrete flooring, waste management system, no further detail has been provided. Some aspects on the code including appropriate screening via landscaping have not addressed.

The applicant was also requested to provide an estimated cost of the proposed works in order to establish the correct application fee. This information was not provided as the applicant remained unsure of the costs. This indicates that no quotes/costing have been obtained for the works or materials required to undertake the proposed works.

- 2) The proposal is likely to have significant amenity impacts as a result of poor siting, lack of adequate separation distances and appropriate screening.

The proposed development is not considered to be sited appropriately within the subject site. The current and proposed facility located within 1 metre of the northern boundary and the nearest dwelling is located approximately 150 metres from the infrastructure. This is likely to result in issues such as noise and land use tensions e.g. grazing stock (section 1 use) is likely to be difficult within the close proximity to the dogs. No screening along the nearest adjoining boundary is proposed in order to help manage these issues.

- 3) The application material provided is not considered to be of adequate quality and lacks the information considered acceptable for an animal keeping (dog breeding facility) of this scale.

The proposed use of the land for a 30 dog breeding business is considered to be a large operation. The planning applicant should contain a number of documents which clearly demonstrate how relevant aspects of the proposal will be managed to the satisfaction of the Responsible Authority as well as the Code.

The application documents fail to address the matters raised by the Planning Officer and the Code. The outstanding items are as follows:

- a) A written agreement with sufficient veterinary practitioner(s) which states prompt and sufficient medical treatment is able to be given when required. This must include the provision of 24 hour service provision.
- b) A copy of a health management plan as required by the Code of Practice for the Operation of Breeding and Rearing Businesses 2014
- c) A sufficient waste management plan which details how waste will be managed.
- d) A written response to the Code of Practice for the Operation of Breeding and Rearing Businesses 2014 which demonstrates how the facility will achieve compliance with the Code.

The Code of Practice for the Operation of Breeding and Rearing Businesses (The Code)

The Code of Practice for the Operation of Breeding and Rearing Businesses is enforced under the Domestic Animal Act. Compliance with the Code is assessed and enforced by Council's Local Law Office during the registration and inspections of a Domestic Animal Businesses.

The code is not an incorporated document under the Loddon Planning Scheme, however its use as a guide to achieve good planning outcomes for domestic animal breeding facilities is generally accepted. This is demonstrated in *Robinson v Casey CC* [2009] VCAT 1566 in which the tribunal stated:

“I would be surprised if Dr Robinson (applicant) were not prepared to meet the minimum standards of the Code of Practice for the Operation of Breeding and Rearing Establishments (April 2008) and in my view the permit should require compliance with the standards.” (Paragraph 62)

This comment was in response to an application under Section 80 of the Planning and Environment Act 1987 in response to the applicant challenging a planning permit condition which required compliance with The Code.

Council’s Local Laws Officer as the delegated officer under the Domestic Animals Act has reviewed the application documents and undertaken a number of site visits and does not consider the proposal to be adequate.

COST/BENEFITS

The cost of the Planning Officer’s time for assessing the application is approximately \$7,488; this cost is considered to be non-recoverable through the planning application process. This figure includes:

- undertaking site inspection
- assessing of application material
- written and verbal communication with applicant and internal/external authorities
- writing of Council report.

RISK ANALYSIS

The risk to Council if the proposal is considered and approved is considered as follows:

- reputational risk for allowing below par dog breeding facilities to operate with the Shire
- breach of the Domestic Animal Act 1994
- setting a precedent for future enforcement actions involving dog breeding facilities.

CONSULTATION AND ENGAGEMENT

Consultation and engagement with the applicant included:

- site inspection
- verbal and written communication.

Hi Alexandra

Thank you for your referral. The application is not supported and the following response is provided.

As Council's Local Laws/Planning Compliance Officer, I am a delegated officer to administer Council's responsibilities under the Domestic Animals Act 1994 ("the Act"). This type of business needs to register as a Domestic Animal Business in accordance with this legislation. Currently the business is trading without appropriate registration and is in contravention of the Act.

I have been in discussion with the business operators for the past 10 months (since my commencement with the Shire in August 2017) about ways to improve the standard of facilities and achieve compliance with the Code of Practice for the operation of breeding and rearing businesses. This has included several site visits together with officers from the RSPCA. The current standard of facilities and conditions the dogs are being housed in do not comply with the code of practice and therefore the premises cannot be considered for registration.

During these discussions, it was identified that the applicant's use of the land was in contravention of the Loddon Planning Scheme as there was no appropriate planning permit held for this type of land use. This prompted the applicant to submit an application for retrospective planning approval (application 5331). It was anticipated that such an application may also help to establish new and compliant facilities for the site that would comply with the code of practice. The applicant (who leases the property) subsequently advises that the land owner does not consent to any new facilities being built on another 'greenfield' part of the land. Concerns about the standard of facilities, set back distances from the property boundary for the satisfactory management of wastewater/effluent and buffer distances from neighbours therefore remain. Constructing new facilities or improvements to existing facilities in the same location would therefore not necessarily satisfy the code of practice requirements. The applicant has not been able to show how the proposal will comply.

Note for reference that EPA guidelines (publication 1254) for 'dog kennels' provide that the kennels should be at least 500 metres from residential areas. Whilst it is noted that the land is in the farm zone, the dwelling of the nearest neighbour is located approximately 130 metres from the kennels.

Wastewater and effluent needs to be contained, treated and managed on site to the satisfaction of Council. The facilities are close to the property boundary and land in the general vicinity is also used for horse yards (the applicant also trains race horses). With the general fall of the land and use of land for other purposes, the applicant has not been able to show how wastewater and effluent can be properly managed on the site.

It is also noted that the applicant proposes to keep up to 30 dogs on the property. Currently however, 45 dogs over 12 months of age are being kept on the property (13 are desexed and 32 are entire). It is therefore deemed that 32 dogs are part of the breeding business (28 dogs are fertile females and 4 are fertile males). Recent changes to the Act came into effect via the Domestic Animals Amendment (Puppy Farms and Pet Shops) Act 2017 as part of the state government reforms to puppy farms. Under these recent changes, businesses wishing to register as a domestic animal business cannot have more than 10 fertile females. This business is not currently registered as a domestic animal business with Council, so they must initially satisfy the code of practice requirements and obtain a certificate of registration from Council. The business may then apply to the Minister for Agriculture for commercial dog breeding approval (permission to keep more than 10 fertile females). Under the current

legislation, Council cannot consider any new application for registration based on the current number of dogs being kept at this property. The applicant must therefore reduce their dog numbers significantly. RSPCA officers and myself have provided several options to the business operators to achieve compliance with the reforms.

I trust that this email response outlines the current status and reasons why the proposal cannot be supported at this time.

Please contact me if you have any queries.

Regards

David Price Local Laws / Planning Compliance Officer | Loddon Shire Council
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9.3 ROADSIDE MANAGEMENT PLAN 2018

File Number:	21/02/001
Author:	Indivar Dhakal, Manager Technical Services
Authoriser:	Steven Phillips, Director Operations
Attachments:	1. Roadside Management Plan 2018
	2. Submission 1 - Nigel & Jenny Elston
	3. Submission 2 - Peter Shadwick on behalf of Department of Environment, Land, Water and Planning

RECOMMENDATION

That Council resolve to adopt the Roadside Management Plan 2018.

CONFLICT OF INTEREST

There is no conflict of interest for any Council staff member involved in the preparation of this report, or involved in the subject matter of the report.

PREVIOUS COUNCIL DISCUSSION

The draft Roadside Management Plan (the Plan) was presented to Council to at the March 2018 Ordinary Council meeting seeking approval to publicly advertise the draft Plan for public comment.

BACKGROUND

The Loddon Shire Council is responsible for the management of roadsides to support the safe and efficient function of roads, whilst also maintaining other values and uses such as:

- providing environmental and cultural values
- supporting adjacent land uses, such as agriculture
- fire prevention and emergency management
- providing for utility construction and maintenance.

The development of the Plan is identified as an action in the Loddon Shire Council Plan 2017-2021 under the following strategic objective:

Provide leadership which contributes to the sustainability of our region.

The Plan will be Council's main guiding document to set the direction for roadside management in the municipality. It identifies goals for roadside management in the context of Council's statutory obligations and outlines strategic actions to help achieve these goals.

Council recognises the importance of working with all community, agency and organisational stakeholders with an interest in roadside management to implement the actions and achieve the goals of this Plan. Monitoring the progress and effectiveness of the Plan over time will also be important.

This plan will replace the Loddon Shire Roadside Management Plan that was prepared in December 2000.

ISSUES/DISCUSSION

Following the Council resolution to advertise the Plan seeking public submission, the Plan was advertised in Council's website and Council's office from 14 April 2018 to 11 May 2018. Council received a submission during this period and one additional submission on 22 May 2018. The submissions are discussed below:

Submission 1 – Nigel and Jenny Elston

The submission was received by Council on 3 May 2018. The issue raised in the submission is in relation to removal of fallen trees following a storm event and collection of firewood from the removed fallen trees following the road clearance. The plan outlines Council's position of not issuing firewood collection permits (Table 14). As far as removal of fallen trees is concerned, pursuant to Section 63 of the Road Management Act 2004, a person must not conduct any works in, on, under or over a road without the written consent of the coordinating road authority. Council is committed to act according to the provisions stipulated in the Road Management Act 2004 for any works conducted in road reserve without a permit. Council officers have responded to the submission.

Submission 2 – Peter Shadwick on behalf of Department of Environment, Land, Water and Planning (DELWP)

DELWP put in a submission past the submission date, however, the admission of the submission was deemed suitable given the longevity of the plan and Council's working relation with DELWP. The comments on the submission are mainly in relation to DELWP's support to a number of actions and guidelines proposed in the Plan (attachment 1). The other issue raised in the submission is relevant to Table 16 of the plan in relation to referring seed collection and revegetation permit to government agencies. The general conditions of the Works Within Road Reserve Permit for the aforementioned activities and any other activities requires the applicant to obtain other necessary permits from Council and other government agencies. Council will include a provision within special condition of the permit requiring the consent from DELWP for any works conducted in road reserve in relation to seed collection and revegetation. I

DELWP's comments in relation to relevant acts and spelling error has been considered and appropriately changed in the plan.

COST/BENEFITS

Costing and funding of actions forms Part D of the attached draft Plan 2018. Where possible, costs within existing resources have been identified and Council commits to actively seek funding for any unfunded actions through State and/or Federal Government.

One of the key benefits of the proposed plan is that the plan will be able to inform the community and stakeholders about the responsibilities and provisions within the existing legislative framework in relation to roadside management. A community handbook is proposed to be prepared for distribution throughout the Shire to inform responsibilities and guidelines around roadside management.

RISK ANALYSIS

One of the key risks identified with the proposed plan is costing of actions not being sufficient to complete the task. The likelihood of the risk is possible and the consequence is insignificant, and as such is considered a low risk as per Council's risk matrix.

The costing of actions identified in the plan (attachment 1) is based on past experience and industry standard guidelines.

On the contrary, not adopting the draft plan could increase the risk in non-compliance with the existing legislative requirements in relation to native vegetation and environmental protection.

CONSULTATION AND ENGAGEMENT

The draft plan has been developed after a series of consultations between multiple stakeholders. An issues and opportunities paper was drafted as a result of a stakeholder engagement session

held at Inglewood in May 2017. Subsequently, open house sessions were held at five towns namely Boort, Pyramid Hill, Wedderburn, Inglewood and Newbridge to receive community feedback on the issues and opportunities paper.

In addition, the draft plan was made available for public consultation from 14 April 2018 to 11 May 2018.

LODDON SHIRE COUNCIL

Roadside Management Plan 2018



DOCUMENT INFORMATION

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EVIDENCE OF APPROVAL:	

Signed by Chief Executive Officer

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Strategic documents are amended from time to time, therefore you should not rely on a printed copy being the current version. Please consult the Loddon Shire website to ensure that the version you are using is up to date.

This document is available in alternative formats (e.g. larger font) if requested.

CONTENTS

PART A: THE PLAN	1
1 INTRODUCTION	1
1.1 Structure of the plan	1
1.2 Purpose and scope.....	2
1.3 Development of the plan.....	3
1.4 Users of the plan	3
PART B: ROADSIDE MANAGEMENT IN LODDON SHIRE	4
2 ROADSIDE MANAGEMENT	4
2.1 What is a roadside?.....	4
2.2 Roles and responsibilities	5
2.3 Achieving a balance in roadside management.....	5
2.4 Goals of roadside management in Loddon Shire	7
PART C: GOALS OF ROADSIDE MANAGEMENT	8
3 GOAL 1: MAINTAIN A SAFE ROAD NETWORK	8
3.1 Introduction.....	8
3.2 Native vegetation clearance.....	9
3.2.1 Context	9
3.2.2 Action plan and guidelines	10
3.3 Drainage maintenance.....	10
3.3.1 Context	10
3.3.2 Action plan and guidelines	11
3.4 Fire risk management	11
3.4.1 Context	11
3.4.2 Action plan and guidelines	12
3.5 Routine maintenance.....	13
3.5.1 Context	13
3.5.2 Action plan and guidelines	13
4 GOAL 2: ACCESS FOR ALL ROAD USERS	15
4.1 Introduction.....	15
4.2 Landholder use of roadsides.....	16
4.2.1 Context	16
4.2.2 Action plan and guidelines	17
4.3 Utility and service providers	18
4.3.1 Context	18
4.3.2 Action plan and guidelines	18
4.4 Other uses	19
4.4.1 Context	19
4.4.2 Action plan and guidelines	19
5 GOAL 3: PROTECT BIODIVERSITY AND HERITAGE ASSETS	20
20	
5.1 Introduction.....	20
5.2 Biodiversity protection.....	21

5.2.1	Context	21
5.2.2	Action plan and guidelines	22
5.3	Invasive plant and animal control.....	23
5.3.1	Context	23
5.3.2	Action plan and guidelines	24
5.4	ABORIGINAL AND EUROPEAN HERITAGE PROTECTION	25
5.4.1	Context	25
5.4.2	Action plan and guidelines	26
6	GOAL 4: INCREASE AWARENESS OF ROADSIDE MANAGEMENT AND VALUES..	27
6.1	Introduction.....	27
6.2	Improved community awareness	28
6.2.1	Context	28
6.2.2	Action plan and guidelines	28
6.3	Working cooperatively with stakeholders	29
6.3.1	Context	29
6.3.2	Action plan and guidelines	29
	PART D: IMPLEMENTATION	31
7	THE ACTION PLAN	31
7.1	Costing and funding of actions.....	31
7.2	Monitoring the effectiveness of the plan.....	37
	REFERENCES	38

DRAFT

LIST OF TABLES

Figure 1: Structure of the Loddon Shire Roadside Management Plan.....	1
Figure 3: The components of a roadside: road reserve, road formation, road drainage system, roadside verge, vegetation and adjoining property	4
Figure 4: Strategic context of the Roadside Management Plan	7
Table 1: Strategic actions for vegetation clearance	10
Table 2: Guidelines for native vegetation clearance	10
Table 3: Strategic actions for drainage maintenance.....	11
Table 4: Guidelines for drainage maintenance	11
Table 5: Strategic actions for fire risk management	12
Table 6: Guidelines for fire risk management.....	12
Table 7: Strategic actions for routine maintenance.....	13
Table 8: Guidelines for routine maintenance.....	14
Table 9: Strategic actions for landholder use of roadsides	17
Table 10: Guidelines for landholder use of roadsides	17
Table 11: Strategic actions for utility and service providers	18
Table 12: Guidelines for utility and service providers	18
Table 13: Strategic actions for other users.....	19
Table 14: Guidelines for other users	19
Table 15: Strategic actions for biodiversity protection.....	22
Table 16: Guidelines for biodiversity protection	22
Table 17: Strategic actions for invasive plant and animal control	24
Table 18: Guidelines for invasive plant and animal control.....	24
Table 19: Strategic actions for Aboriginal and European heritage protection	26
Table 20: Guidelines for Aboriginal and European heritage protection	26
Table 21: Strategic actions for improved community awareness	28
Table 22: Guidelines for improved community awareness.....	28
Table 23: Strategic actions to working cooperatively with stakeholders	29
Table 24: Guidelines for working cooperatively with stakeholders	30

PART A: THE PLAN

1 INTRODUCTION

The Loddon Shire Council is charged with managing roadsides to support the safe and efficient function of roads, whilst also maintaining other values and uses such as:

- Providing environmental and cultural values
- Supporting adjacent land uses, such as agriculture
- Fire prevention and emergency management
- Providing for utility construction and maintenance.

The development of the Roadside Management Plan is identified as an action in the Loddon Shire Council Plan 2017-2021 under the following strategic objective:

Provide leadership which contributes to the sustainability of our region.

The Roadside Management Plan will be Council’s main guiding document to set the direction for roadside management in the municipality. It identifies goals for roadside management in the context of Council’s statutory obligations and outlines strategic actions to help achieve these goals.

Council recognises the importance of working with all community, agency and organisational stakeholders with an interest in roadside management to implement the actions and achieve the goals of this Plan. Monitoring the progress and effectiveness of the Plan over time will also be important.

This plan will replace the Loddon Shire Roadside Management Plan that was prepared in December 2000.

1.1 Structure of the plan

There are four parts to this plan, which is described in Figure 1.



Figure 1: Structure of the Loddon Shire Roadside Management Plan

1.2 Purpose and scope

This Roadside Management Plan relates to Loddon Shire Council managed or local roads only. Within the Shire, there are approximately 4,800km of local roads and road reserves that are managed by Loddon Shire Council.

Main arterial roads managed by VicRoads, unused road reserves, and public roads managed by state government (Department of Environment, Land, Water and Planning) are not covered by this plan.

Council road assets are classified according to their function and surface type. Maintenance intervention levels and response times are set according to road hierarchy. The road hierarchy in the Loddon Shire Council is explained in Figure 2.

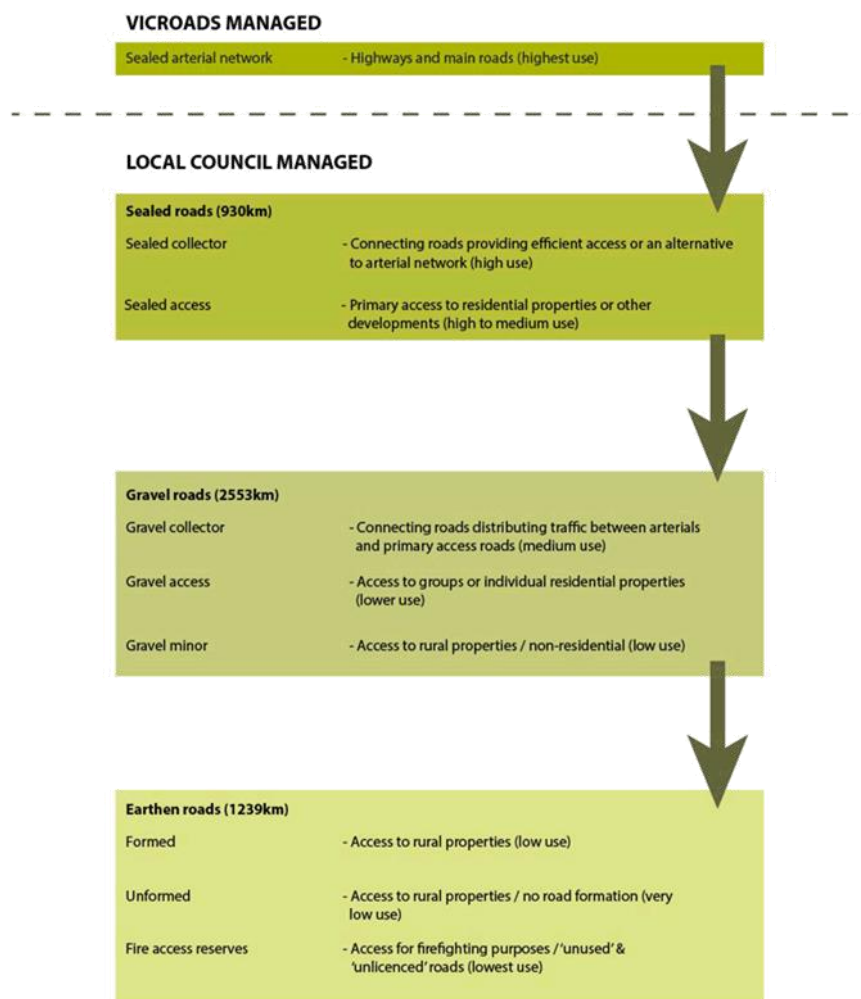


Figure 2: Loddon Council road hierarchy grouping (highest to lowest)

Source: Loddon Shire Council Road Management Plan 2017

The purpose of this plan is to provide Council with the strategic direction to manage roadside reserves under Council's jurisdiction. The plan needs to integrate existing legislation, policies and

programs relevant to roadside management in a format that is easily understood and workable for Council staff and the community.

The plan will aim to guide the management of roadsides to:

- Protect and enhance the safe and efficient function of roads
- Protect and enhance the function and values of roadsides
- Manage risks on roadsides
- Meet Council's legislative responsibilities
- Promote the value and function of roadsides to the community.

1.3 Development of the plan

Community and stakeholder engagement has been central to the development of a plan that is locally relevant and practical, and addresses the range of values and threats associated with road reserves in Loddon Shire.

An initial stakeholder workshop held during May 2017 identified and talked through important issues and opportunities for roadside management and resulted in the development of an Issues and Opportunities Paper. The Issues and Opportunities Paper was made available for public comment during July and August 2017.

Five community open house sessions were conducted across the Shire during August 2017, providing an opportunity for community members to contribute their concerns and ideas on roadside management. Collectively, the feedback received from community, stakeholders and Council staff has contributed to the development of this Roadside Management Plan.

1.4 Users of the plan

The plan will be used by a wide range of stakeholders with an interest in roadside management. This will include but not be limited to, Council staff as well as service and utility providers, CFA personnel and community members, including adjoining landholders.

PART B: ROADSIDE MANAGEMENT IN LODDON SHIRE

2 ROADSIDE MANAGEMENT

2.1 What is a roadside?

The road reserve comprises the land from fence line to fence line. The road formation and the roadside are within the reserve, as indicated in Figure 3. The road formation consists of formed pavement layers, a wearing course (either sealed or unsealed) and its drainage system, usually a table drain on either side of the formation. The roadside is the land from the upside of the table drain to the adjacent fence line.

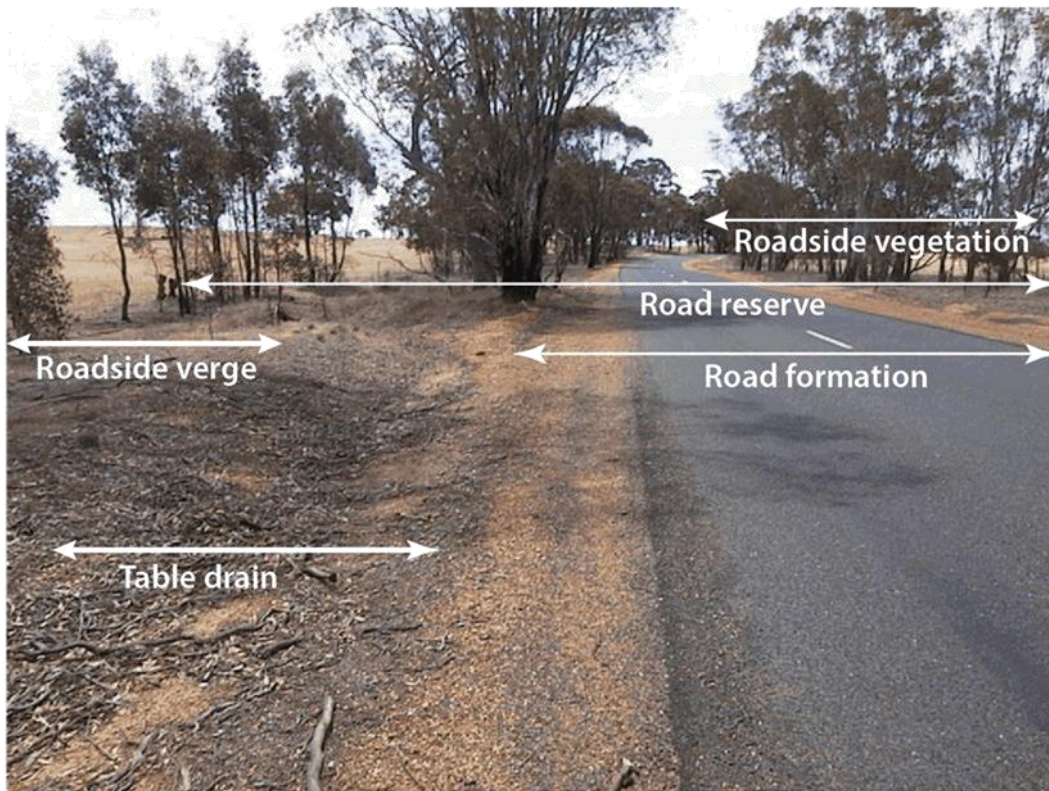


Figure 3: The components of a roadside: road reserve, road formation, road drainage system, roadside verge, vegetation and adjoining property

It should be noted that this is just one representation of a road reserve and across the rural road network many of these elements will vary according to terrain and other natural environmental features.

For example:

- Table drains are not always readily defined, especially in very flat terrain
- There could be either cut or fill batters and/or embankments in close proximity to the road formation
- The roadside will support combinations of exotic and native vegetation, of varying structure, including different heights and densities of plant communities
- The boundary of the road reserve may also be difficult to define, particularly where it adjoins public land such as National Parks or other reserves.

These factors in conjunction with road classification (and desired maintenance standards) will affect decisions about appropriate management of the road formation and roadside.

2.2 Roles and responsibilities

Responsibilities for roadside management vary according to road classification. The Loddon Shire Council has responsibility for the management of local roads and roadsides, whereas the management of main roads and highways is the responsibility of VicRoads. The Department of Environment, Land, Water and Planning (DELWP) manages particular forest roads within the Shire.

This Plan is focussed on Council managed roadsides only.

In managing roadsides, Council also needs to also consider the legislative responsibilities of various other agencies, organisations and individuals under many different Acts and Regulations (State and Commonwealth). These include but are not limited to the Dja Dja Wurrung Corporation, Country Fire Authority (CFA), Department of Economic Development, Jobs, Transport and Resources (DEDJTR), service providers (e.g. Telstra, Powercor) and landholders.

The federal and state policy frameworks that have relevance to roadside management include:

- *Catchment and Land Protection Act 1994*
- *Road Management Act 2004*
- *Environment Protection and Biodiversity Act 1999*
- *Flora and Fauna Guarantee Act 1988*
- *Planning and Environment Act 1987*
- *Bushfire Royal Commission Final Report Recommendations 2009*
- *Aboriginal Heritage Act 2006*
- *Heritage Act 1995*

2.3 Achieving a balance in roadside management

Proper management of roadsides demands multiple objectives to be fulfilled. There are tensions between often competing objectives of road and roadside management and stakeholders have different views on how best to manage these conflicts.

Council's Roadside Management Plan will provide direction on how to achieve a balance between stakeholder perspectives.

Roadside management aims to:

- **Protect and enhance the safe and efficient function of rural roads** – with attention to drainage and sight lines
- **Protect and enhance the function and values of rural roadsides** – with attention to preserving environmental and heritage values

- **Manage risks on roadsides** – with attention to weed invasion, pest animals, utility and services provision, fire prevention and road maintenance
- **Meet Council’s legislative responsibilities** – with attention to multiple Acts of Parliament to do with a range of matters, for example, native vegetation protection, fire prevention, emergency management and road safety
- **Promote the value and function of roadsides to the community** – through education on matters including timber removal for firewood, grazing and droving of livestock.

2.4 Goals of roadside management in Loddon Shire

Figure 4 outlines the strategic context of the Roadside Management Plan. This includes the four goals for roadside management and the associated actions areas, as well as alignment to the sustainability strategic objective documented in the Loddon Shire Council Plan 2017-2021.

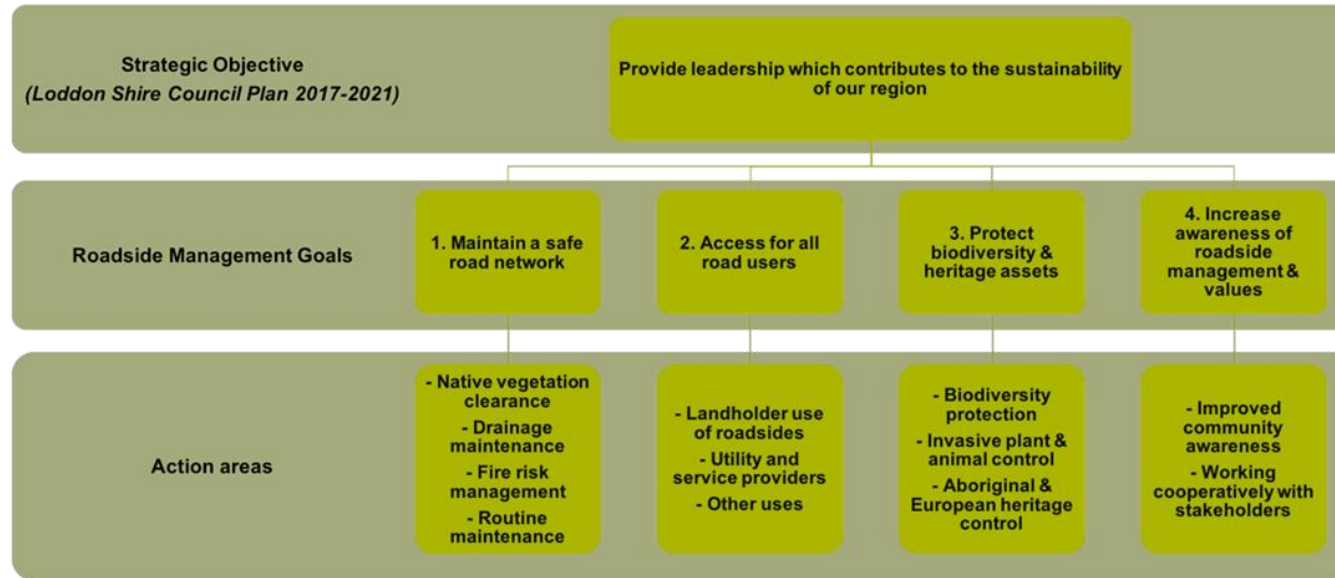


Figure 4: Strategic context of the Roadside Management Plan

PART C: GOALS OF ROADSIDE MANAGEMENT

3 GOAL 1: MAINTAIN A SAFE ROAD NETWORK



Goal: Roadsides are well maintained and safe for all road users, while retaining and enhancing conservation, cultural heritage and other values.

Above: There is an extensive network of un-sheeted low hierarchy roads in the shire

Right: Best practice unsealed road grading is essential to maintain a safe and functional network.



3.1 Introduction

The Loddon Shire Council is committed to ensuring that local roads meet designated quality and performance standards and provides service levels (in terms of safety and efficiency) that meet the needs of the community. Road maintenance standards vary across the network according to risk and design factors including: nature and volume of traffic, operating speed, susceptibility of assets to deterioration, cost effectiveness of repairs, and competing priorities for funding. Such standards are outlined in the Council's Road Management Plan.

Council's Road Management Plan defines the road hierarchy, categorising the local road network into five road types: unformed roads; formed roads; gravel minor; access roads and collector roads. This categorisation helps to further prioritise the frequency of works on roads. For example, high use roads such as access and collector roads are inspected for maintenance twice annually, compared to once a year on gravel minor roads.

To continue and improve the maintenance of a safe road network, Council has identified the following four focus areas:

1. Native vegetation clearance
2. Drainage maintenance
3. Fire risk management
4. Routine maintenance

The following sections present the context and action plan for each focus area. Council has also identified a list of guidelines that will direct Council, agency stakeholders and the community in the delivery of the actions and assist to minimise the overall risk to maintaining a safe road network.

3.2 Native vegetation clearance

3.2.1 Context

Native vegetation removal to maintain a safe road network is regulated through Councils local planning scheme. Section 12.01 of the Victorian Planning Provisions provides an overarching policy framework for native vegetation management. Conservation of biodiversity across Victoria is 'tenure blind' making it relevant and of concern for all levels of government, and private individuals and organisations. The objectives for local planning authorities include:

- Avoid and minimise significant impacts, including cumulative impacts, of land use and development on Victoria's biodiversity.
- Consider the impacts of any change in land-use or development that may affect biodiversity value of adjoining national parks, conservation reserves or nationally and internationally significant sites.
- Assist in the protection and management of sites containing high value biodiversity.
- Assist in the re-establishment of links between isolated habitat remnants that contain high value biodiversity.
- Avoid the removal of native vegetation that makes a significant contribution to Victoria's biodiversity.
- Where native vegetation is permitted to be removed, consider providing an offset in a manner that contributes to Victoria's biodiversity that is equivalent to the contribution made by the native vegetation removed.

Under section 52.17 of the Victorian Planning Provisions, a planning permit is required to remove, destroy or lop native vegetation, unless a relevant exemption applies. Refer to Loddon Shire's planning scheme for guidance:

<http://planningschemes.dpcd.vic.gov.au/schemes/loddon>

Adjoining landholders and others working on the roadside must contact Council to determine permit requirements before removing or trimming native vegetation on the roadside.

Council also manages native vegetation removal on roadsides in accordance with the planning permit process for major capital works projects that involve native vegetation removal. Currently there is no agreement between Loddon Shire Council and the DELWP for Council to access the 'Local government Public Road Exemptions'. This agreement allows municipalities to undertake limited clearing of native vegetation for defined maintenance and safety treatments.

There are two main areas of roadside maintenance where native vegetation removal is periodically required to maintain a safe road network. This includes drainage maintenance and the maintenance of sight lines.

One of the main issues in Loddon Shire is the interpretation of the exemption relating to the removal of native vegetation to accommodate the construction or maintenance of a fence line. There is a role for Council to establish a consistent approach to the interpretation of this exemption. At the time of writing this Plan, the Victorian government is undertaking a native vegetation regulatory review which should provide clarity around exemptions from permit requirements.

3.2.2 Action plan and guidelines

Table 1: Strategic actions for vegetation clearance

No.	Action
1.1	Council will establish a clear and consistent approach to the interpretation and communication of legislation relating to native vegetation removal and exemptions for the construction and maintenance of fences.
1.2	Council will consider the appropriateness of entering into a written agreement with DELWP for access the 'Local Government Public Road Exemptions' for permitted native vegetation clearing for the purposes of maintenance and safety works.

Table 2: Guidelines for native vegetation clearance

Guidelines	Who is responsible?
The Loddon Planning Scheme (Clause 52.17 of the Victorian Planning Provisions) requires a permit to be obtained for the removal of native vegetation from a roadside (unless an exemption applies as listed in Clause 52.17.7 of the Victorian Planning Provisions).	All
In addition to the native vegetation retention controls in the Planning Scheme, Vegetation Protection Overlay 2 (VPO2) applies to significant roadside and corridor vegetation in the Shire. For details of where VPO2 applies, check the Loddon Planning Scheme. The purpose of the overlay is to protect and enhance roadside native vegetation and corridors of native vegetation. Under VPO2 a permit is required to remove any native vegetation.	All
Where significant native vegetation has been identified as presenting safety concerns, treatment options taking to account risk management approaches and budgetary factors are to be considered	Council
Council staff will apply the concepts of asset value and risk to determine the most appropriate means of controlling vegetation in drains.	Council

3.3 Drainage maintenance

3.3.1 Context

The growth of native and exotic vegetation in table drains is impacting the proper drainage function along some roads in the Shire. This issue has become more pronounced in the years since the prolonged drought, where previously the need for drainage maintenance was reduced due to the suppressed growth of vegetation. Since that time both exotic and native vegetation has re-established in table drains, requiring a higher level of maintenance in order to remain operable.

The main drainage maintenance issues are:

- **Blocked drains and outlets due to excessive vegetative growth (mostly exotic grasses)** – leading to poor function, ponding of water and impact to sightlines.
- **Native vegetation in drains** – the removal of native vegetation is subject to State government native vegetation controls.
- **Road safety** – is compromised when roads deteriorate due to poor drainage (potholes in the surface, steep edge breaks and shoulder damage).
- **Draining onto roadsides** – from adjoining land cannot be accommodated when drains are not operating effectively.
- **Impact to private land** – associated with drainage into adjoining properties which is impeded due to farming activities or inadequate maintenance.

3.3.2 Action plan and guidelines

Table 3: Strategic actions for drainage maintenance

No.	Action
1.3	Council will work with the key agencies and within the relevant legislation to prioritise and seek to fund roadside drainage works.
1.4	Council will regularly review the road hierarchy and acceptable maintenance levels in accordance with the Road Management Act 2004
1.5	Council will work with landholders to minimise any negative impacts of road drainage.

Table 4: Guidelines for drainage maintenance

Guidelines	Who is responsible?
Design road drainage systems to maximise pavement life and minimise environmental impact. Ensure that suitably qualified or experienced staffs undertake design of road drainage systems.	Council
Develop and extend education programs for improved works practices to those designing, constructing and maintaining road drainage systems. Training road and civil engineers in hydrological processes may also be of advantage to road managing authorities.	Council
Initiate discussions with local landholders to develop a cooperative approach to management of runoff from road surfaces and associated drainage systems.	Council

3.4 Fire risk management

3.4.1 Context

Increased fire risk is associated with persistent low rainfall and the occurrence of hot dry conditions, coupled with depleted water supplies in communities. These conditions are known to occur in the Loddon Shire, particularly during the summer and autumn months.

Under Section 43 of the *Country Fire Authority Act 1958* it is Council's responsibility to 'take all practicable steps to prevent the occurrence of fires on, and minimise the danger of the spread of fires on any road under its care and management'.

It is a legislative requirement that Council prepares and maintains a Municipal Fire Management Plan. The current Plan outlines areas of responsibility between stakeholders and documents a fire risk strategy for the municipality.

Following the hearings at the 2009 Victorian Bush Fires Royal Commission, new guidelines were developed namely, *Roadside Fire Management Works: CFA guidelines and procedures (CFA 2010)* provide a process for brigades and CFA Areas to follow when planning non-emergency roadside fire management works. They are intended to assist those with a legal responsibility to maintain roads, by providing advice and information on planning effective roadside fire management.

A draft *Strategic Fire Control Lines (SFCLs)* report is being prepared by the Loddon-Mallee Regional Fire Management Planning Committee (CFA) and identifies a series of roads that provide the greatest opportunities for fuel modification on roadsides and provide a strategic opportunity to slow the spread of a bushfire. The roads have been designated as primary or secondary SFCLs. Within Loddon Shire, one primary SFCL and 17 secondary SFCLs have been identified, covering a total distance of 395km. The report provides standards for the maintenance of primary and secondary SFCLs.

The main issues relating to fire risk management include:

- **Increased fuel load** – on roadsides contributes to an increased risk of fire ignition. Grassy weeds are typically the cause of increased fuel loads.
- **Native vegetation** – such as grassland species benefit from low intensity burning to maintain biodiversity.
- **Fire prevention is a shared responsibility** – that requires cooperation between Council, all roadside users, the CFA and adjoining land managers/owners.
- **Fire prevention works** – such as grazing, slashing, spraying, maintaining fire breaks and cleaning up fallen timber, can negatively impact on native vegetation and habitat values.
- **Differences in opinion** – about how to best maintain roads as 'relatively safe corridors' in the event of wildfire (e.g. to reduce fuel loads, burning is preferable over spraying which adversely impacts on native species and can lead to weed infestations which can subsequently increase fuel loads).

3.4.2 Action plan and guidelines

Table 5: Strategic actions for fire risk management

No.	Action
1.6	Council will review its roadside slashing program to consider appropriate timing and frequency to reduce the fuel load.
1.7	Council will work with the relevant agencies to identify opportunities for strategic fuel management, such as fuel reduction burning that caters for environmental values.
1.8	Council will work with all interested parties, especially landowners, CFA and DELWP to develop a more cooperative approach to fire prevention.
1.9	Council will review the need for strategic firebreaks and where suitable, considered controlled arrangements for landholders to reduce fuel loads on some low conservation value roadsides.

Table 6: Guidelines for fire risk management

Guidelines	Who is responsible?
Strategic fire preparedness	
Roads designated as primary and secondary Strategic Fire Control Lines are to be managed in accordance with the standards identified in the draft <i>Strategic Fire Control Lines</i> report (2017).	Council, CFA
Other roads across the shire have works carried out by council, agencies and brigades, which relate to fire suppression activities and various road management	Council, CFA

Guidelines	Who is responsible?
functions. Works are contained within the council or agencies road management maintenance program schedules.	
Adjoining landholder preparedness	
Mowing or slashing of grasses on roadsides in a safe manner not less than 10 centimetres does not require statutory approvals	All
Earthworks including ploughing and grading is not permitted on roadsides without the required statutory approvals	All
It is Councils preferred option that ploughed or graded fire breaks along fence lines be constructed on the adjacent private land and not on the road reserve.	All
Unauthorised fuel reduction burns are not permitted on road reserves	All

3.5 Routine maintenance

3.5.1 Context

Unsealed road grading, maintaining drainage and the maintenance of sight lines along roadsides is a routine practice. During high rainfall years there are high growth rates in roadside vegetation that require additional maintenance to restore sight distances and clearance to ensure the safety of road users. For example, prolific exotic grass growth and a need for trimming and removal of overhanging branches.

It is important that routine road works have a minimal impact on roadsides. In particular, the use of heavy machinery and the importation and storage of road materials can have a serious effect on native roadside vegetation.

The main issues relating to routine maintenance include:

- **Damage to native vegetation** – from spoil (from grading or drainage maintenance) pushed over native vegetation
- **Excessive vegetative growth** – in table drains and along roadsides, particularly following high rainfall, can inhibit sight lines.
- **Road safety across the local network** – is compromised when design sight distances and safe clearance are not maintained through timely trimming or removal of roadside vegetation.
- **Driveway and other access points** – need to be maintained to ensure safe entry and exit from the carriageway.

3.5.2 Action plan and guidelines

Table 7. Strategic actions for routine maintenance

No.	Action
1.10	Council will undertake routine maintenance and construction with minimal impact to roadside values, including native roadside vegetation.
1.11	Council will make training available to road maintenance crews on best practice unsealed road grading techniques.

Table 8: Guidelines for routine maintenance

Guidelines	Who is responsible?
All works programs on roadsides are to be conducted in accordance with best practices outlined in the VicRoads Roadside Management Strategy (2011) and the Loddon Road Management Plan for inspection, maintenance and repair of roads and road related infrastructure.	Council
The storage of road materials should not adversely affect roadside vegetation and pest plants or pathogens are not to be imported and spread.	Council
Guidelines for vehicle hygiene and importation and storage of road materials are included in works specifications.	Council
Excess materials from road excavation should only be stockpiled in designated stack sites.	Council

4 GOAL 2: ACCESS FOR ALL ROAD USERS



Goal: Access is provided for all road users in accordance with relevant legislative requirements and with minimal impact to conservation and other values.

4.1 Introduction

There are several groups of stakeholders (other than Council) that access and use local roadsides. These include:

- Landholders – livestock droving, machinery movement, access to properties, cattle underpasses.
- Utility service providers and their contractors – installation and maintenance of services (electricity, telecommunications, water, sewage and gas).
- Other transport providers – passenger and freight rail infrastructure, school bus operators.
- Fire and other emergency services – access to properties and front line control.
- Other users – roadside trails (designated or not) used by walkers, cyclists, horse riders.

Unauthorised and uncontrolled works in road reserves can have serious risks. Some of the risks that require managing include:

- Safety issues – for example, utility providers, fire and other emergency personnel, road works crews need a safe working environment, risks can be mitigated by appropriate signage and following other protocols.

- Native vegetation disturbance – for example, clearing and soil disturbance by utility providers and farmers maintaining boundary fences; risks can be minimised by issuing of relevant permits and working within codes of practices.
- Ease of access – for example, utility providers will need to maintain assets routinely, provide access to emergency services and farmers need to be able to move increasingly large machinery.
- Bushfire preparedness – for example, roadside works conducted by CFA and property owners to reduce fuel loads on roadsides to minimise risk to life and property.
- Roadside revegetation activities – for example, guidelines need to be followed on appropriate species being planted or direct seeded and setback to preserve sightlines.

Effective communication and consultation with all roadside users and Council will minimise risks and the frequency of unauthorised works. Third party users need to obtain planning permission and/or consent from Council and comply with a range of state and federal government laws when working on roadsides.

Council has identified the following focus areas to help ensure access is provided for all road users in accordance with relevant legislative requirements and with minimal impact to conservation and other values:

1. Landholder use of roadsides
2. Utility and service providers
3. Other transport providers
4. Other users

The following sections present the context and action plan for each focus area. Council has identified a list of guidelines that will direct Council, agency stakeholders and the community in the delivery of the actions and assist to minimise the overall risk to providing access for all users.

4.2 Landholder use of roadsides

4.2.1 Context

Roadsides across Loddon Shire traverse rural agricultural land, and are often highly valued by landholders to support the movement of stock, grazing, cropping, to move machinery and allow access to maintain fence lines. This in turn places pressure on roadsides and exposes them to threats such as the spread of weeds, removal and damage of native vegetation and soil disturbance.

The main issues relating to landholder use of roadsides include:

- **Stock movement or grazing** – when poorly timed or managed, grazing can cause ground disturbance and compaction, weed, pathogen and disease spread, increased nutrient levels, and loss or damage to native vegetation.
- **Cropping** – conducted by private landholders or as a community fund raising activity along Council managed roadsides.
- **Machinery movement** – trimming and removal of native vegetation/trees on some roadsides to allow heavy vehicle and farm machinery access.
- **Maintenance of fence lines** – works to construct or repair fence lines can present a high risk of damage to native vegetation, in particular where there is clearing required, dumping of slashed material occurs or there is use of machinery on the roadside.

4.2.2 Action plan and guidelines**Table 9: Strategic actions for landholder use of roadsides**

No.	Action
2.1	Council will work to ensure that landholders are aware that State planning provisions apply to activities that remove, lop or destroy native vegetation on roadsides and that landholders must contact Council and access relevant approvals prior to undertaking any removals.
2.2	Council will work with local landholders and the relevant stakeholders to determine the suitability of cropping to occur on Council managed five chain roadsides within low conservation areas for the purpose of fund raising for community groups and sporting clubs.
2.3	In consultation with farmers, Council will consider developing strategic routes for machinery movement that will: <ul style="list-style-type: none"> • Avoid high conservation status roadsides • Allow for the least vegetation destruction on a local basis.

Table 10: Guidelines for landholder use of roadsides

Guidelines	Who is responsible?
Livestock in roadsides	
All livestock on roadsides are governed by Loddon Shire Local Law No 5 Livestock Local Law. http://www.loddon.vic.gov.au/Our-documents/Local-laws/Local-Law-5-Livestock	All
Cropping	
Council recognises that in a limited number of situations cropping may be an appropriate use of the roadside reserve on five chain (100m) roads. Any cropping of roadsides will only be undertaken subject to environmental impact assessment and development of a robust governance framework, and where there is economic benefit that flows to Shire based community groups and sporting clubs. Cropping is not permitted on other Council managed roads outside of the above requirements and conditions.	Council, landholders
Machinery movement	
Landholders are permitted to move machinery from one paddock to another, without a permit in a safe manner.	Landholders
Fencing construction and maintenance	
Landholders must consult with their neighbour prior to removing any native vegetation for fence line maintenance or construction. A neighbour may include Council, State government or a private landholder.	Landholders
Vegetation clearance can be undertaken to construct or maintain fences along roadsides provided it does not exceed a combined total width of 4m (DELWP 2017). https://www.environment.vic.gov.au/data/assets/pdf_file/0018/91251/Exemptions-from-requiring-a-planning-permit-to-remove,-destroy-or-lop-native-vegetation-Guidance.pdf	All
Works and machinery operation must be conducted from the property owner's side of the fence.	Landholders
Landholders only require a permit from Council if they need to work directly within the road reserve.	
Any fencing construction and maintenance waste generated from the works must not be left on the roadside reserve.	All

4.3 Utility and service providers

4.3.1 Context

Service providers include all utility companies that distribute communications, water sewer, electricity and gas services. Consultation with Council is required before undertaking any works related to installation or maintenance of services (except in an emergency). Wherever practical, utilities are encouraged to locate services on low conservation value rural roadsides or cleared land adjacent to roadsides. Under the Victorian *Flora and Fauna Guarantee Act 1988*, the *Planning and Environment Act* and the Australian government's *Environment Protection and Biodiversity Conservation Act*, public authorities must have regard to fauna and flora conservation and management objectives, attain the necessary approvals including native vegetation offsets if required.

Communication between service providers and Council must be clear and effective to ensure the objectives of good roadside management are met. Utility companies are required to obtain a planning permit when undertaking new works. Some exemptions are permissible under Clause 52.17 of the Victorian Planning Provisions in relation to the removal of native vegetation to maintain or construct utility services.

The main utility and service provision issues are:

- **Impact to biodiversity** – caused by soil disturbance and native vegetation clearing from the maintenance and installation of utility services.
- **Communication between Council and service providers** – to ensure the best outcomes for protection of natural and heritage assets on roadsides.
- **Working within an identified code of practice** – that is followed by all service providers, with Council notified of planned works on local roadsides.

4.3.2 Action plan and guidelines

Table 11: Strategic actions for utility and service providers

No.	Action
2.4	Council will encourage utility and service providers to adopt route selection that avoids the road reserve wherever possible, in particular significant flora and fauna, and sites of cultural or heritage significance.
2.5	Council will investigate the opportunity to preferentially engage contractors that have appropriate environmental training and will provide contractors access to information on roadside conservation values where available.

Table 12: Guidelines for utility and service providers

Guidelines	Who is responsible?
All utility service providers must receive written consent from Council to conduct routine and capital works in Council roadside reserves. A planning permit may also be required for removal of native vegetation.	Utility and service providers
Collaboration between Council and utility providers to ensure that all works are undertaken in accordance with their relevant codes of practice.	Council, utility and service providers
Contractors to have appropriate environmental training and given access to mapping information on roadside conservation values where available.	Council
In high conservation value areas or areas with special management requirements, site specific management plans must be prepared in consultation with all interested parties. These management plans may include alteration to the standard pruning cycle.	All

It is Council's expectation that roadside reserves are left in the condition in which they were found and if damage occurs, rehabilitation works will be required at the utility service provider's expense.	Utility and service providers
Use pruning material from vegetation removal appropriately: wood chips and mulch can be spread on the roadside to a depth up to 50mm.	Contractors

4.4 Other uses

4.4.1 Context

Roadsides are valued and used for a range of other activities, including recreation by walkers, cyclists, horse riders and others. This includes the use of both formal and informal trails. The main issues associated with recreational use of roadsides include:

- **Safety** – visibility of users and separation from vehicle movements, as well as safety from hidden obstacles e.g. rocks in tall grass, holes left by road or utility maintenance crews.
- **Improved access** – roadsides provide an underutilised resource, which could be better developed and incorporated into existing trail networks.

Roadsides have been used as a source of firewood, soil and gravel for road works and other activities. These activities, in some instances, have resulted in disturbance to roadside vegetation and removal of earthen resources can create erosion problems.

4.4.2 Action plan and guidelines

Table 13: Strategic actions for other users

No.	Action
2.6	Council will support new and existing recreational opportunities on roadside reserves that do not negatively impact on roadside values, and ensure user safety.
2.7	Council will make information available to the community of any other permitted third party uses on the roadside.

Table 14: Guidelines for other users

Guidelines	Who is responsible?
Firewood	
Council does not currently issue permits for the collection of firewood on roadside reserves.	All
Sand, soil and gravel extraction	
Extraction of soil, sand or gravel from roadsides by individuals other than local council is not permitted.	All
Council should not establish a borrow pit by extraction of sand, soil and gravel on roadsides of high conservation value.	Council
Council staff responsible for gravel, sand and soil extraction must take precautions to minimise the spread of noxious weeds. For example, adopting appropriate vehicle hygiene practices.	Council

5 GOAL 3: PROTECT BIODIVERSITY AND HERITAGE ASSETS



Goal: Roadside reserves with high biodiversity and/or cultural heritage significance are valued, protected and enhanced.



5.1 Introduction

Loddon Shire Council recognises the important biodiversity and heritage values that occur on roadsides across the municipality, and are committed to their protection. Protecting biodiversity and cultural heritage values on roadsides is important because:

- Some of the last remaining examples of high quality remnant native vegetation can only be found on roadsides.
- Roadsides can contain significant Aboriginal and non-Aboriginal sites and artefacts.
- Many rare and threatened flora and fauna species rely on the habitat provided in roadside reserves.
- Roadsides provide vegetated corridors which support the movement of fauna species.
- There are opportunities to connect isolated patches of remnant vegetation (such as stands on private land and in public reserves) with roadsides, thus increase the critical mass and connectedness of native vegetation across the landscape.
- Roadside vegetation provides significant amenity and rural landscape values.

To protect biodiversity and heritage assets on roadsides, Council has identified three areas of focus:

1. Biodiversity protection
2. Invasive plant and animal control
3. Aboriginal and European Heritage protection

The following sections present the context and action plan for each focus area. In addition, Council has also identified a list of guidelines that will direct Council, agency stakeholders and the community in the delivery of the actions and assist to minimise the overall risk to biodiversity and heritage values on roadsides.

5.2 Biodiversity protection

5.2.1 Context

Biodiversity collectively refers to the variety of plants, animals and micro-organisms and the ecosystems of which they are a part. Biodiversity is largely underpinned by the quality and extent of native vegetation, which supports healthy land and water, diverse flora and fauna and fosters community health and well-being.

Importantly, native vegetation provides critical habitat for many listed rare and threatened species known to occur in the Shire. This includes species and ecological communities listed under the Commonwealth *Environment Protection and Biodiversity Conservation (EPBC) Act 1999*. For example, Plains Grassland and Plains Grassy Woodland ecological communities are listed as critically endangered and a matter of national environmental significance under the *EPBC Act 1999*.

Today, the North Central region of Victoria is one of Australia's most highly cleared and fragmented landscapes (NCCMA 2013). The legacy of past actions such as vegetation removal and overgrazing, has led to a rapid and significant decline in the extent and condition of native vegetation, and the loss of biodiversity. Outside larger State managed public land areas, the last remaining patches of intact remnant native vegetation exist on roadsides.

Threatening processes continue to compromise the extent and integrity of the remaining areas of native vegetation in the Shire, and include weed and pest animal invasion, vegetation clearance, changes in natural fire regimes, altered hydrology, soil disturbance and climate change. In addition to these processes, there are other activities that have a specific impact on roadside vegetation and include:

- Spraying herbicides
- Ploughing and grading firebreaks
- Spreading weeds by machinery
- Installation and maintenance of services
- Grazing by livestock
- Road upgrade and realignment
- Unauthorised firewood collection
- Rubbish dumping
- Cropping and ploughing, particularly in remnant grassland areas.

Significant attention and effort is therefore required to protect and enhance the remaining areas of high quality, intact native vegetation including that found along roadsides. This is in line with the

North Central CMA’s regional objective to “maintain current extent and condition of remnant habitat (NCCMA, 2013)”.

In 2008 the North Central CMA mapped the conservation value of roadside vegetation across the region, including Loddon Shire. High conservation value roadsides feature species that are endangered, rare, vulnerable or depleted. The roadside condition is near natural or has moderate disturbance, and the majority of the roadside is of high conservation value. The roadsides are of significant value because they often contain the only remaining example of these vegetation and habitat types in an otherwise cleared landscape. They can also contain very high numbers of threatened flora and fauna species, and provide vital linkages and networks for species movement (NCCMA 2010).

THE MAIN BIODIVERSITY PROTECTION ISSUES ARE:

- Roadsides support biodiversity values – including threatened species and ecological communities that are protected under various State and Commonwealth legislation.
- Conservation values are mapped – but the mapping is coarse and not in a useable format for all roadside users. Condition changes are not monitored.
- Intrusion of weeds and rabbits – onto roadsides from adjoining private and public reserves.
- Poor communication of biodiversity values – to Council staff, stakeholders and the community.
- Roadside maintenance practices – need to be undertaken in a manner that minimises disturbance to indigenous vegetation and spread of weeds.
- Utility and service provision – can cause incremental damage due to excessive soil disturbance and vegetation clearing.
- Roadside use by adjoining landholders – for example, for grazing, moving stock, vehicles and machinery can adversely impact biodiversity values.

5.2.2 Action plan and guidelines

Table 15: Strategic actions for biodiversity protection

No.	Action
3.1	Council will investigate opportunities to employ an Environment Officer dedicated to the management of biodiversity assets in the Shire, including roadside reserves.
3.2	Council will investigate opportunities to update the roadside conservation mapping in consultation with the relevant agencies and will make it accessible to all Council staff.
3.3	Council will take steps to ensure the adoption of best practices by works crews and contractors to avoid and/or minimise disturbance to native vegetation, and identify opportunities for field staff training such as native vegetation and weed identification.
3.4	Council will work with adjoining landholders and Landcare to support appropriate revegetation/regeneration on roadsides or on adjoining properties, and where it enhances existing roadside corridors.

Table 16: Guidelines for biodiversity protection

Guidelines	Who is responsible?
Landholders, community groups, contractors and others planning to conduct works on a road reserve (e.g. seed collection and revegetation) must attain a permit from Council as the land manager unless exempted by relevant Act.	All
For revegetation projects, use only indigenous species of the appropriate vegetation type (Ecological Vegetation Class) for roadside revegetation, except on low conservation value roadsides where written consent is provided by Council officers.	All

Guidelines		Who is responsible?
Preference should be given to those projects that enhance the quality of remnant vegetation, provide linkages with other remnants or enhance threatened species habitat.		All
Revegetation works on roadsides must not compromise public safety or road and utility assets. Appropriate setback distances need to be applied from both the road formation, fence line and utilities.		All

5.3 Invasive plant and animal control

5.3.1 Context

Invasive plants and animals threaten biodiversity by competing for natural resources and the loss of habitat for native species. Invasive plants can also displace native species and provide harbor for invasive animals (NCCMA 2013). They also present threats to primary production, recreation and amenity in Loddon Shire.

All land managers and members of the community have a role to play in controlling weeds in the Shire. DEDJTR (Agriculture Victoria) takes the lead role for invasive plant and animal management on most private land in the state, while DELWP has the lead role on public land, particularly for the management of parks and reserves in Victoria through Parks Victoria. Under the *Catchment and Land Protection Act 1994 (CaLP Act)*, Council as a land manager has a legal responsibility to take all reasonable steps to eradicate regionally prohibited weeds and prevent the growth and spread of regionally controlled weeds in its own parks and reserves, and this includes roadsides.

In 2013, the *CaLP Act 1994* was amended to require Councils to develop Roadside Weed and Rabbit Control Plans in accordance with the then Department of Primary Industries (DPI) guidelines. The Plan identifies control measures for target species on roadsides, including rabbits, Wheel Cactus (*Opuntia robusta*) and Paterson’s Curse (*Echium plantagineum*). The extent to which Council has been able to continue its involvement in this area has been significantly reliant on State funding, and this remains a key constraint at present.

The North Central CMA *Invasive Plants and Animals Strategy (2010)* identifies roadsides as being particularly susceptible to impacts from invasive plants and animals, which can directly threaten the quality and viability of roadside vegetation.

When an invasive species is abundant and widespread, the most cost effective approach is to protect priority assets. Assets include things like recreational parkland, water frontages, wetlands, areas of agricultural land, parks with high cultural or historical significance or stands of intact native vegetation. Adopting an asset protection approach means that priorities can be set among the many Council managed assets threatened by invasive plants and animals.

THE MAIN INVASIVE PLANT AND ANIMAL ISSUES ARE:

- Spread of weeds – which occurs through several processes including Council maintenance works, quarry materials and movement of vehicles and machinery.
- Management of weeds (control and prevention) is a shared responsibility – that requires cooperation between all roadside users, roadside managers and adjoining land managers.
- Roadsides are high risk – due to their exposure to adjoining land use practices and infestation from passing road transport and construction vehicles.
- Pest plant and animal control practices – need to be undertaken in a manner that minimises disturbance to indigenous vegetation and spread of weeds.
- Weeds posing road management risks – the spread of weeds can lead to higher maintenance requirements and a heightened fire and road safety risk.
- Developing a more strategic approach to weed control – according to a risk and asset value rating; firstly targeting new and emerging high risk weeds and then the protection of high value assets such as high conservation value roadsides.

5.3.2 Action plan and guidelines

Table 17: Strategic actions for invasive plant and animal control

No.	Action
3.5	Council will seek opportunities to form partnerships with the Landcare networks and other landholder groups and agencies (e.g. Parks Victoria and DELWP) to develop a more prioritised and cooperative approach to weed control and prevention.
3.6	Council will seek funding to map roadside weed infestations and use this data to inform weed management treatment in partnership with community groups and relevant agencies (e.g. Parks Victoria and DELWP)
3.7	Council maintenance crews will be trained in weed identification and best management techniques that prevent the spread of weeds.
3.8	Council will collaborate with utility providers to ensure that all works are undertaken in accordance with their relevant codes of practice, especially in relation to vehicle hygiene practices to minimise the spread of weeds.
3.9	Council will investigate the opportunity to review the existing <i>Works within a Road Reserve</i> permit process to encourage landholder participation in best practice weed management on roadsides.
3.10	Council will maintain their participation in the Loddon Weed Management Committee.

Table 18. Guidelines for invasive plant and animal control

Guidelines	Who is responsible?
Isolated pest plant control measures with the use of chemical application using rope-wick and spot spraying does not require <i>Works within a Road Reserve</i> permit on Council managed roads and is the preferred method when controlling weeds on roadsides.	All
Use of boom spray is only permitted after seeking advice from DELWP and obtaining any statutory approvals that may be required.	
Only approved chemicals used in accordance with their label are to be used along with the inclusion of dye to identify sprayed areas.	All
To reduce off-target damage, spot spraying of grasses and herbs and cut and paint, or drill and fill woody weeds, should be undertaken wherever practicable.	All
Weeds to be sprayed during the right season such as prior to seed set and at appropriate growing times whenever possible.	All
Maintain records of chemicals sprayed, location and date of spraying, weather conditions, target species and monitor success.	All

5.4 ABORIGINAL AND EUROPEAN HERITAGE PROTECTION

5.4.1 Context

Roadsides can contain sites or artefacts with significant cultural value for either Aboriginal or non-Aboriginal communities. Registered Aboriginal Parties must be advised of any proposed works that may affect Aboriginal sites, and under certain circumstances a Cultural Heritage Management Plan may be required under the *Aboriginal Heritage Act 2006*.

Dja Dja Wurrung Clans Aboriginal Corporation (DDWCAC) is the Registered Aboriginal Party that covers the majority of the Loddon Shire. In 2013, DDWCAC entered into a Recognition and Settlement Agreement with the Victorian Government, which formally recognises the Dja Dja Wurrung people as the traditional owners for part of Central Victoria. The agreement applies to all Crown Land in the agreement area, including roadside reserves. It includes the first Land Use Activity Agreement (LUAA) which creates a new and simplified process for managing activities on public land that may have an impact on the rights of the Dja Dja Wurrung people. It also allows the Dja Dja Wurrung the opportunity to have a say or consent to certain activities on Crown land (Victorian State Government, 2016).

Additionally, all significant non-Aboriginal historical sites are protected under the Victorian *Heritage Act 1995*. Examples of European historical sites along roadsides in Loddon Shire include significant trees, monuments or built relics that provide an important connection to the past.

The Loddon Shire Council Planning Scheme includes a Heritage Overlay that applies to some, but not all, significant Aboriginal and European sites, places and objects.

An understanding of the legislative and reporting requirements, consultation, planning and risk assessment must be undertaken to avoid harm to heritage assets and values.

THE MAIN ABORIGINAL AND EUROPEAN HERITAGE PROTECTION ISSUES ARE:

- Roadsides include significant cultural heritage sites – that are protected under State and Commonwealth legislation.
- Need for a permit or a management plan – an Aboriginal cultural heritage permit is required if an activity will, or is likely to, harm Aboriginal cultural heritage. An Aboriginal cultural heritage management plan is required if the roadside work is in an area of cultural heritage sensitivity and is a high impact activity that is not an exempt activity. Consultation with the Dja Dja Wurrung Clans Aboriginal Corporation may be required for roadside activities in accordance with the Land Use Activity Agreement.
- Routine maintenance – may impact on known registered or previously unknown and unregistered heritage sites and places
- Utility and service provision and maintenance – may also harm heritage sites and places
- An absence of protocols and effective communication – on appropriate management of heritage sites and Aboriginal places by various stakeholders.

5.4.2 Action plan and guidelines**Table 19: Strategic actions for Aboriginal and European heritage protection**

No.	Action
3.11	Council will encourage staff, contractors and all roadside users to consult the Aboriginal and non-Aboriginal heritage registers (the Victorian Aboriginal Heritage Register and the Victorian Heritage Register) for information about any on-site cultural heritage prior to working on the roadside to avoid harm to sites of heritage significance.
3.12	Council will work with Dja Dja Wurrung Clans Aboriginal Corporation to determine the most appropriate implementation of the Land Use Activity Agreement as it applies to roadsides.
3.13	Council will increase awareness on established processes for the identification, reporting and management of Aboriginal places, in accordance with relevant legislation on roadsides in the Shire.
3.14	Council will fully implement established processes for the identification, reporting and management of Aboriginal places, in accordance with relevant legislation on roadsides in the Shire (e.g. Cultural Heritage Management Plan and Land Use Activity Agreement)

Table 20: Guidelines for Aboriginal and European heritage protection

Guidelines	Who is responsible?
Contact Aboriginal Victoria and/or Heritage Victoria if a potential new archaeological site is identified.	All
Contact Aboriginal Victoria and Heritage Victoria if any construction, maintenance or other activity will impact sites of cultural heritage.	All

6 GOAL 4: INCREASE AWARENESS OF ROADSIDE MANAGEMENT AND VALUES



Goal: Better educated stakeholders and community will improve understanding and appreciation of roadside management.



6.1 Introduction

There are many different views and experiences around the value of roadsides and their management, both amongst stakeholder groups and between them. These views typically reflect the interest of stakeholder groups, as well as the experience and training they've had with roadside management.

Differences in the language used by various stakeholders (DELWP, CMA, utility services personnel, CFA, Council staff in different roles, landholders) further complicate the problem and can lead to misunderstandings and confusion.

By implementing education programs to inform stakeholders on different issues relevant to roadside management (for example native species conservation, cultural heritage protection, fire prevention) improved community engagement and understanding of roadside management issues and increased communication between stakeholders can be achieved.

The following sections present the context and action plan for improving community awareness and working cooperatively with stakeholders. Council has also identified guidelines for the implementation of the actions.

6.2 Improved community awareness

6.2.1 Context

Unauthorised and damaging activities can often occur in roadside reserves due to a lack of awareness by third party users and community. Wider promotion of the value of roadsides will discourage damaging practices. Providing accessible information and clear direction will be central to encouraging community involvement and acceptance of best practice roadside management.

The main issues relating to community awareness include:

- **Lack of awareness** – by third party users and community of roadside values can lead to unauthorised works and damaging activities on roadsides.
- **Provision of accessible information** – relating to the management issues, values and roles and responsibilities surrounding roadside management, made available for community.
- **Third party permits** – parties need to be aware of those activities that require a permit e.g. consent for works, livestock permits, and systems need to be in place to issue them.

6.2.2 Action plan and guidelines

Table 21: Strategic actions for improved community awareness

No.	Action
4.1	Council will prepare a communication strategy to raise awareness of acceptable and unacceptable practices on roadsides e.g. media campaigns, Roadside Community Handbook, make existing information available.
4.2	Council will identify and advertise a first point of contact for landholders, community members or utility and service providers planning to undertake works on roadsides.

Table 22: Guidelines for improved community awareness

Guidelines	Who is responsible?
Council will support, and work with local community particularly Landcare networks and groups, to increase community awareness of the value of roadside reserves.	Council
A Works Within Road Reserve (WWRR) permit must be obtained prior to any works being undertaken on Loddon Shire Council controlled road reserves with the following exceptions: <ul style="list-style-type: none"> • Isolated pest plant control measures with the use of chemical spot spraying or using rope-wick control methods. • Mowing or slashing of grasses on roadsides to a height not less than 10 centimetres. <p>http://www.loddon.vic.gov.au/Live/Foothpaths-roads-and-drains/Working-within-Council-road-reserve</p>	All

6.3 Working cooperatively with stakeholders

6.3.1 Context

The implementation of this Plan will require coordination and engagement with regional agencies and authorities that have corresponding areas of responsibility. This includes:

Country Fire Authority (CFA)

The CFA is a volunteer and community based organisation that responds to a variety of fire and emergency incidents including wildfires, structure fires and transport related fires. They require access to the local road network at all times and plan and instigate fire prevention works in consultation with Councils' Municipal Fire Prevention officer.

Dja Dja Wurrung Clans Aboriginal Corporation (DDWCAC)

The Dja Dja Wurrung Clans Aboriginal Corporation is the Registered Aboriginal Party that covers the majority of the Loddon Shire.

North Central Catchment Management Authority (NCCMA)

NCCMA is a statutory authority established by the Victorian Government and has a lead role in working with community and Government to enhance land and biodiversity across all land tenure.

Landcare

Landcare is a community-based volunteer organisation focussed on increasing biodiversity and promoting sustainable land management. There is an active and engaged community of Landcare volunteers working across the Loddon Shire.

Department of Environment, Land, Water and Planning (DELWP)

DELWP has responsibility to enhance land, water and biodiversity of State owned land and is Victoria's lead government department for sustainable management of land, water and biodiversity resources, as well as local government planning.

Department of Economic Development, Jobs, Transport and Resources (DEDJTR)

DEDJTR encompasses Agriculture Victoria and is responsible for biosecurity including pest plant and animal planning control.

Service providers e.g. Telstra, Powercor and Water Authorities

Service providers include all utility companies that distribute communications, water, electricity and gas services. Consultation with Council is required before undertaking any works related to installation or maintenance of services (except in an emergency).

6.3.2 Action plan and guidelines

Table 23: Strategic actions to working cooperatively with stakeholders

No.	Action
4.3	Council will work with stakeholders e.g. Landcare, DELWP, CMA, CFA and Dja Dja Wurrung to improve understanding of roadside values across the shire and agree on best management practices.

Table 24: Guidelines for working cooperatively with stakeholders

Guidelines		Who is responsible?
Council will support the development of relationships with stakeholders to improve the understanding of roadside values and implement best management practices.		Council

PART D: IMPLEMENTATION

7 THE ACTION PLAN

7.1 Costing and funding of actions

No.	Action	Cost of project	Total expected funding	Net cost to Council	Proposed funding source	Completion timeframe
GOAL 1: MAINTAIN A SAFE ROAD NETWORK						
Native vegetation clearance						
1.1	Council will establish a clear and consistent approach to the interpretation and communication of legislation relating to native vegetation removal and exemptions for the construction and maintenance of fences.	N/A	N/A	Within existing resources	N/A	Ongoing
1.2	Council will consider the appropriateness of entering into a written agreement with DELWP for access the 'Local Government Public Road Exemptions' for permitted native vegetation clearing for the purposes of maintenance and safety works.	N/A	N/A	Within existing resources	N/A	Ongoing
Drainage maintenance						
1.3	Council will work with the key agencies and within the relevant legislation to prioritise and seek to fund roadside drainage works.	N/A	N/A	Within existing resources	N/A	Ongoing
1.4	Council will regularly review the road hierarchy and acceptable maintenance levels in accordance with the Road Management Act 2004	Within existing resources	\$0	Within existing resources	Council	Ongoing every 4 years pursuant to the Road Management Act 2004
1.5	Council will work with landholders to minimise any negative impacts of road drainage.	N/A	N/A	Within existing resources	N/A	Ongoing
Fire risk management						
1.6	Council will review its roadside slashing program to consider appropriate timing and frequency to reduce the fuel load.	N/A	N/A	Within existing resources	N/A	Ongoing

Page 31 of 39

No.	Action	Cost of project	Total expected funding	Net cost to Council	Proposed funding source	Completion timeframe
1.7	Council will work with the relevant agencies to identify opportunities for strategic fuel management, such as fuel reduction burning that caters for environmental values.	\$3,000.00	\$3,000.00	Within existing resources	State Government Grant	Ongoing until 30 June 2020
1.8	Council will work with all interested parties, especially landowners, CFA and DELWP to develop a more cooperative approach to fire prevention.	\$3,000.00	\$3,000.00	Within existing resources	State Government Grant	Ongoing until 30 June 2020
1.9	Council will review the need for strategic firebreaks and where suitable, considered controlled arrangements for landholders to reduce fuel loads on some low conservation value roadsides.	\$4,000.00	\$4,000.00	Within existing resources	State Government Grant	Ongoing until 30 June 2020
Routine maintenance						
1.10	Council will undertake routine maintenance and construction with minimal impact to roadside values, including native roadside vegetation.	N/A	N/A	Within existing resources	N/A	Ongoing
1.11	Council will make training available to road maintenance crews on best practice unsealed road grading techniques	\$10,000.00	\$0	\$10,000.00	Council annual training budget	2019 - 2023
GOAL 2: ACCESS TO ALL ROAD USERS						
Landholder use of roadsides						
2.1	Council will work to ensure that landholders are aware that State planning provisions apply to activities that remove, lop or destroy native vegetation on roadsides and that landholders must contact Council and access relevant approvals prior to undertaking any removals.	N/A	N/A	Within existing resources	N/A	Ongoing
2.2	Council will work with local landholders and the relevant stakeholders to determine the suitability of cropping to occur on Council managed five chain roadsides within low conservation areas for the purpose of fund raising for community groups and sporting clubs.	N/A	N/A	Within existing resources	N/A	Ongoing

No.	Action	Cost of project	Total expected funding	Net cost to Council	Proposed funding source	Completion timeframe
2.3	In consultation with farmers, Council will consider developing strategic routes for machinery movement that will: <ul style="list-style-type: none"> Avoid high conservation status roadsides Allow for the least vegetation destruction on a local basis. 	\$55,000.00	\$55,000.00	\$0	State/Federal Government	Subject to funding
Utility and service providers						
2.4	Council will encourage utility and service providers to adopt route selection that avoids the road reserve wherever possible, in particular significant flora and fauna, and sites of cultural or heritage significance.	N/A	N/A	Within existing resources	N/A	Ongoing
2.5	Council will investigate the opportunity to preferentially engage contractors that have appropriate environmental training and will provide contractors access to information on roadside conservation values where available.	N/A	N/A	Within existing resources	N/A	Ongoing
Other uses						
2.6	Council will support new and existing recreational opportunities on roadside reserves that do not negatively impact on roadside values, and ensure user safety.	N/A	N/A	Within existing resources	N/A	Ongoing
2.7	Council will make information available to the community of any other permitted third party uses on the roadside.	N/A	N/A	Within existing resources	N/A	June 2018
GOAL 3: PROTECT BIODIVERSITY AND HERITAGE ASSETS						
Biodiversity protection						
3.1	Council will investigate opportunities to employ an Environment Officer dedicated to the management of biodiversity assets in the Shire, including roadside reserves.	\$120,000.00 p.a.	\$120,000.00 p.a.	\$0	State/Federal Government Grants	Subject to funding
3.2	Council will investigate opportunities to update the roadside conservation mapping in consultation with the relevant agencies and will make it accessible to all Council staff.	\$55,000.00	\$55,000.00	\$0	State Government Grant	Subject to funding

No.	Action	Cost of project	Total expected funding	Net cost to Council	Proposed funding source	Completion timeframe
3.3	Council will take steps to ensure the adoption of best practices by works crews and contractors to avoid and/or minimise disturbance to native vegetation, and identify opportunities for field staff training such as native vegetation and weed identification.	\$10,000.00	\$10,000.00	\$0	State Government Grant (Roadside weeds and pest management program)	2019/2020
3.4	Council will work with adjoining landholders and Landcare to support appropriate revegetation/regeneration on roadsides or on adjoining properties, and where it enhances existing roadside corridors.	N/A	N/A	Within existing resources	N/A	Ongoing
Invasive plant and animal control						
3.5	Council will seek opportunities to form partnerships with the Landcare networks and other landholder groups and agencies (e.g. Parks Victoria and DELWP) to develop a more prioritised and cooperative approach to weed control and prevention.	\$75,000.00	\$75,000.00	\$0	State Government Grant	Subject to funding
3.6	Council will seek funding to map roadside weed infestations and use this data to inform weed management treatment in partnership with community groups and relevant agencies (e.g. Parks Victoria and DELWP)	\$60,000.00	\$60,000.00	\$0	State Government Grant (Roadside weed and pest management program)	2018/2019
3.7	Council maintenance crews will be trained in weed identification and best management techniques that prevent the spread of weeds.	\$10,000.00	\$10,000.00	\$0	State Government Grant (Roadside weed and pest management program)	2019/2020
3.8	Council will collaborate with utility providers to ensure that all works are undertaken in accordance with their relevant codes of practice, especially in relation to vehicle hygiene practices to minimise the spread of weeds.	N/A	N/A	Within existing resources	N/A	Ongoing

No.	Action	Cost of project	Total expected funding	Net cost to Council	Proposed funding source	Completion timeframe
3.9	Council will investigate the opportunity to review the existing <i>Works within a Road Reserve</i> permit process to encourage landholder participation in best practice weed management on roadsides.	N/A	N/A	Within existing resources	N/A	As opportunity arise
3.10	Council will maintain their participation in the Loddon Weed Management Committee.	N/A	N/A	Within existing resources	N/A	Ongoing
Aboriginal and European heritage protection						
3.11	Council will encourage staff, contractors and all roadside users to consult the Aboriginal and non-Aboriginal heritage registers (the Victorian Aboriginal Heritage Register and the Victorian Heritage Register) for information about any on-site cultural heritage prior to working on the roadside to avoid harm to sites of heritage significance.	N/A	N/A	Within existing resources	N/A	Ongoing
3.12	Council will work with Dja Dja Wurrung Clans Aboriginal Corporation to determine the most appropriate implementation of the Land Use Activity Agreement as it applies to roadsides.	N/A	N/A	Within existing resources	N/A	Ongoing
3.13	Council will increase awareness on established processes for the identification, reporting and management of Aboriginal places, in accordance with relevant legislation on roadsides in the Shire.	\$20,000.00	\$20,000.00	\$0	Federal Government Grant	Subject to funding
3.14	Council will fully implement established processes for the identification, reporting and management of Aboriginal places, in accordance with relevant legislation on roadsides in the Shire (e.g. Cultural Heritage Management Plan and Land Use Activity Agreement)	N/A	N/A	Within existing resources	N/A	Ongoing
GOAL 4: INCREASE AWARENESS OF ROADSIDE MANAGEMENT & VALUES						
Improved community awareness						
4.1	Council will prepare a communication strategy to raise awareness of acceptable and unacceptable practices on roadsides e.g.	N/A	N/A	Within existing resources	N/A	June 2018

No.	Action	Cost of project	Total expected funding	Net cost to Council	Proposed funding source	Completion timeframe
	media campaigns, Roadside Community Handbook, make existing information available.					
4.2	Council will identify and advertise a first point of contact for landholders, community members or utility and service providers planning to undertake works on roadsides.	N/A	N/A	Within existing resources	N/A	Ongoing
Working cooperatively with stakeholders						
4.3	Council will work with stakeholders e.g. Landcare, DELWP, CMA, CFA and Dja Dja Wurrung to improve understanding of roadside values across the shire and agree on best management practices.	N/A	N/A	Within existing resources	N/A	Ongoing

7.2 Monitoring the effectiveness of the plan

The Loddon Shire Council will oversee the implementation of the Roadside Management Plan but will need to work with all stakeholders including government agencies, utility providers and local landholders in the delivery of many of the actions.

Council also have a responsibility to monitor the progress of the actions over time. This will include identifying if the actions are completed on time and within budget, as well their overall effectiveness in contributing to the intended goal. Over time, some actions may no longer be relevant or may need to be adapted to suit new conditions. It is important that a review process is undertaken to allow a level of adaptive management to occur.

It is intended that the Plan will be reviewed regularly, with a more comprehensive review occurring in five years' time (during 2022).

REFERENCES

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Document review and authorisation

Job Number: 54-L-01

Doc Version	Final/Draft	Date	Author	Reviewed by	Quality checked	Release approved by	Issued to
1.0	Draft	2.11.17	J. Scally J. McRobert	J. McRobert	H. Buck	J. McRobert	I. Dhakal
2.0	Draft	1.2.18	J. Scally J. McRobert	J. McRobert	P. Mawson	J. McRobert	I. Dhakal
3.0	Draft	28.2.18	J. Scally J. McRobert			J. McRobert	I. Dhakal
4.0	Draft	11.4.18	S. Phillips	A. Cooper		S. Phillips	I. Dhakal

57 Kingower – Old Inglewood Road

Inglewood

Vic 3517

To whom it may concern, we wish to make a submission to the Loddon Shire Roadside management plan.

Would it be allowable for residents to clear fallen trees from roads adjacent to their property after a severe storm event? EG. The one that occurred just before Christmas 2017. This would allow access for emergency services. We are only concerned with council roads not major highways. In such events council crews cannot hope to clear all roads immediately. We realise major roads take precedence over side roads, which is unfortunate for those residents.

After the road clearance where trees are piled on the roadside could residents be allowed to collect that fallen timber for firewood? Thus removing fire / accident hazards. Also it looks unsightly to visitors.

Yours faithfully

Nigel & Jenny Elston J. N. Elston

Nigel & Jenny Elston

Tried website 6x
2/5/18 not
successful

6 digits at bottom
did not work at
end of submission

LODDON SHIRE COUNCIL	
File No.	ID
Return to Records <input type="checkbox"/>	
PCD	03 MAY 2018
Author:	
Council <input type="checkbox"/>	
Disposal - <input type="checkbox"/> Permanent	____ Years



Department of Environment,
Land, Water and Planning

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Ref: SP463816 / L6-10279-49 (20180522 tn)

Mr Phil Pinyon
Chief Executive Officer
Loddon Shire
PO Box 21
Wedderburn Vic 3518

Dear Mr Pinyon,

**DRAFT ROADSIDE MANAGEMENT PLAN
LODDON SHIRE COUNCIL**

Thank you for your letter dated and received on 17 April 2018 about the above plan.

I provide this response under delegation from the Minister of Energy, Environment, Climate Change, as the 'Owner' of Crown land.

Comments

The department is supportive of the work being undertaken by council to update the roadside management plan and seeks to make the following submission:

- The Department of Environment, Land, Water and Planning encourages Loddon Shire Council to investigate entering into a Local Government Public Road Exemption with the department in order to undertake minor maintenance and safety works. (Page 10, Table 1, Number 1.2)
- The department supports Loddon Shire Council in its statement of preferring that fuel breaks are to be created on private land, not the roadside. This will need to be communicated to the public regularly and early. (Page 13)
- Page 17 – The department is supportive of ensuring that no additional cropping occurs on roadsides.
- Page 18 – The relevant act in this instance is the *Flora and Fauna Guarantee Act 1988*.
- Page 20 (points 1 and 5) – The word remnant has been incorrectly spelled.
- Page 22 – Seed collection of roadsides may require a *Flora and Fauna Guarantee Act 1988* 'Taking of protected flora' permit, as well as any other council issued permits. The department suggests that this paragraph should read:
"Landholders, community groups, contractors and others planning to conduct works on a road reserve (e.g. seed collection and revegetation) must attain a permit from Council as the land manager, (and possibly other government departments) unless exempted by relevant Act. "

Privacy Statement

Any personal information about you or a third party in your correspondence will be protected under the provisions of the Privacy and Data Protection Act 2000. It will only be used or disclosed to appropriate Ministerial, Statutory Authority, or departmental staff in regard to the purpose for which it was provided, unless required or authorised by law. Enquiries about access to information about you held by the Department should be directed to the Privacy Coordinator, Department of Environment, Land, Water and Planning, PO Box 500, East Melbourne, Victoria 8002



If you have any questions regarding this matter, please contact Tim Norden on telephone (03) 5430 4727.

Yours sincerely



Peter Shadwick
Planning and Approvals Program Officer
Planning and Approvals

22/05/2018

9.4 ADOPTION OF THE 2018/19 BUDGET

File Number: 07/01/001
Author: Deanne Caserta, Manager Financial Services
Authoriser: Sharon Morrison, Director Corporate Services
Attachments: 1. Loddon Shire Council Budget 2018/19

RECOMMENDATION

1. That Council:
 - (a) having advertised the Draft Budget and having received no submissions, adopt the 2018/19 Budget.
 - (b) update the Strategic Resource Plan in the Council Plan 2017-2021 to reflect figures included in the 2018/19 Budget.

CONFLICT OF INTEREST

There is no conflict of interest for any Council staff member involved in the preparation of this report, or involved in the subject matter of the report.

PREVIOUS COUNCIL DISCUSSION

Council was presented with the 2018/19 Draft Budget at a Council Forum on Tuesday 10 April 2018.

Council resolved to advertise the Draft Budget at a Special Council Meeting on Tuesday 8 May 2018.

BACKGROUND

The Draft Budget was placed on public display for 28 days from Monday 14 May 2018 until Friday 8 June 2018, in accordance with the requirements of Section 223 of the Local Government Act 1989 (the Act).

During this period, copies of the Draft Budget were made available for public inspection at the Wedderburn and Serpentine Council Offices, at post offices, neighbourhood houses and resource centres across the municipality, and on Council's website.

Advertisements were placed in the Bendigo Advertiser on Saturday 12 May 2018 and Saturday 19 May 2018 and in the Loddon Times on Tuesday 15 May 2018.

ISSUES/DISCUSSION

No submissions were received during the public display period.

However, during the submission period Council were advised that the Victoria Grants Commission intends to pay 50% of the 2018/19 allocation in June 2018 (within the 2017/18 financial year).

There was also an adjustment necessary to allow for the April 2018 Council Resolution to purchase the Wedderburn and Bridgewater Caravan Parks. As a result, changes were required to the 2017/18 Revised and 2018/19 Draft Budget, with the summary results on the following page.

Comprehensive Income Statement

Version 1 Draft Budget - as advertised

Version 2 Draft Budget – with proposed changes

	NOTES	Forecast Actual 2017/18 \$	Budget 2018/19 \$		NOTES	Forecast Actual 2017/18 \$	Budget 2018/19 \$
Income				Income			
Rates and charges	4.1.1	10,446,656	10,723,126	Rates and charges	4.1.1	10,446,656	10,723,126
Statutory fees and fines	4.1.2	235,954	224,592	Statutory fees and fines	4.1.2	235,954	224,592
User fees	4.1.3	1,613,156	1,509,947	User fees	4.1.3	1,613,156	1,509,947
Grants - operating	4.1.4	6,466,381	10,469,468	Grants - operating	4.1.4	10,705,537	6,230,312
Grants - capital	4.1.4	4,269,478	5,150,945	Grants - capital	4.1.4	4,269,478	5,150,945
Contributions - monetary	4.1.5	85,000	310,000	Contributions - monetary	4.1.5	85,000	310,000
Reimbursements	4.1.6	428,632	333,801	Reimbursements	4.1.6	428,632	333,801
Vic Roads	4.1.7	521,681	534,064	Vic Roads	4.1.7	521,681	534,064
Net gain/(loss) on disposal of property, infrastructure, plant and equipment		-	-	Net gain/(loss) on disposal of property, infrastructure, plant and equipment		-	-
Other income	4.1.8	431,879	375,000	Other income	4.1.8	431,879	375,000
Total income		24,498,815	29,630,943	Total income		28,737,971	25,391,787
Expenses				Expenses			
Employee costs	4.1.9	11,149,293	11,809,431	Employee costs	4.1.9	11,149,293	11,809,431
Materials and services	4.1.10	11,060,536	8,799,238	Materials and services	4.1.10	11,060,536	8,799,238
Bad and doubtful debts		-	-	Bad and doubtful debts		-	-
Depreciation and amortisation	4.1.11	8,976,575	9,200,989	Depreciation and amortisation	4.1.11	8,976,575	9,200,989
Borrowing costs		-	-	Borrowing costs		-	-
Other expenses	4.1.12	304,738	306,172	Other expenses	4.1.12	304,738	306,172
Total expenses		31,491,142	30,115,830	Total expenses		31,491,142	30,115,830
Surplus/(deficit) for the year		(6,992,327)	(484,887)	Surplus/(deficit) for the year		(2,753,171)	(4,724,043)
Other comprehensive income				Other comprehensive income			
Other comprehensive income		-	-	Other comprehensive income		-	-
Total comprehensive result		(6,992,327)	(484,887)	Total comprehensive result		(2,753,171)	(4,724,043)

Although there have been changes to the document in both years, there has been no overall impact to the cash surplus / (deficit) as the forecast actual deficit plus the budgeted deficit in both version 1 and version 2 total \$7,477,214.

These changes to the 2018/19 Draft Budget will also be reflected in the Strategic Resource Plan in the 2017-2021 Council Plan.

COST/BENEFITS

The benefits to Council and the community are that a consultative budget process complies with the Local Government Act 1989, and allows the community to provide feedback to Council on the budget's content.

The budget provides a measure for accurate planning, and ensures that Council can deliver services and projects included in the document.

RISK ANALYSIS

The risk to Council of not discussing and advertising the annual budget is that it will not comply with requirements under the Local Government Act 1989.

CONSULTATION AND ENGAGEMENT

The Local Government Act 1989 requires that the Draft Budget be available for public comment from a period of 28 days after Council advertisement. After the lapsing of 28 days all submissions received must be provided to Council when deliberating on adoption of the 2018/19 Budget.

LODDON SHIRE COUNCIL

BUDGET FOR YEAR ENDED 30 JUNE 2019





**LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019**

CONTENTS

	Page
Mayor introduction	3
CEO introduction	4
1 Linkage to the Council Plan	5
2 Services, initiatives, and service performance indicators	9
3 Financial statements	18
4 Financial performance indicators	25
4.1 Comprehensive income statement	27
4.2 Balance sheet	36
4.3 Statement of changes in equity	38
4.4 Statement of cash flows	49
4.5 Capital works program	40
5 Financial performance indicators	55
A Fees and charges schedule	57
B Budget processes	58
C Capital works program	59
D Audit committee financials	63



LODDON SHIRE COUNCIL BUDGET FOR THE YEAR ENDED 30 JUNE 2019

MAYOR INTRODUCTION

The Councillors and I are pleased to present the 2018/19 Budget to the community. This budget continues with our Council Plan 2017-21 vision of "A prosperous, vibrant and engaged community" and focuses on the following five key themes:

- Population;
- Economic prosperity;
- Liveability;
- Sustainability;
- High performance organisation.

The Council Plan 2017-21 (Year 2), sets out our strategic plan to deliver our vision over the full term of the Council. As this is the second year of the current Council term, part of the focus over the next year will be on the planning and design activities required to deliver current commitments, along with delivery of key identified projects.

The budget details the resources required over the next year to fund a large range of services we provide to the community. It also includes details of proposed capital expenditure allocations to improve and renew our Shire's road infrastructure, buildings and operational assets as well as funding for a range of projects.

As Councillors, it is our job to listen to community opinions and understand your priorities. During and following the Council elections in 2016 we have consistently heard that Council's services are valued by the community, and that Council also needs to be financially responsible. In response, Council has continued an organisation wide approach to identify savings that don't impact on its services, to provide increased value for money to ratepayers. Council will continue to focus on identifying sustainable cost savings that will enable it to deliver on our Council Plan to deliver high quality, responsive and accessible services to the community.

The budget includes a rate increase of 2.25 per cent. This is in line with the Fair Go Rates System which has capped rate increases by Victorian Councils. Council has also identified a number of significant cost and revenue impacts during the budget process which it has had to take into consideration. These include:

- the changes in financial support provided by the Victorian Government within the Home and Community Care area;
- the increasing demand for services from the community and an expectation that at least all services will be maintained at their present standard;
- Council's desire to continue to support Community Planning to drive strategic outcomes from a community level.

Some of the highlights contained in the 2018/19 Budget include:

- full funding of Council's ongoing commitment of community planning of \$750K;
- an increased commitment to investment in information technology;
- strong investment in local road and related infrastructure maintenance;
- \$290K allocation for works associated with the Building Asset Management Plan;
- continued support for the aged services and early years programs;
- capital expenditure program of \$11.76 million;
- no loan repayments with Council remaining debt free;
- continuation of a strong cash position.

This budget was developed through a rigorous process of consultation and review and Council endorses it as financially responsible. I encourage the community to read through this document, in conjunction with the Council Plan 2017-21.

Cr. Cheryl McKinnon
Mayor



LODDON SHIRE COUNCIL BUDGET FOR THE YEAR ENDED 30 JUNE 2019

CEO INTRODUCTION

Council has prepared a budget for 2018/19 which is aligned to the vision in the Council Plan 2017-21. It seeks to maintain and improve services and infrastructure as well as deliver projects and services that are valued by our community, and do this within rate increases mandated by the State Government.

This budget projects a cash surplus of \$135K for 2018/19, however, it should be noted that the adjusted underlying result is a surplus of \$3.3 million after adjusting for capital grants and contributions (refer to Section 4.1.13).

1 Key things we are funding

- ongoing delivery of services to the Loddon Shire Council community
- continued investment in capital projects (\$11.76M). This includes roads (\$3.66M); urban and road drainage (\$0.35M); footpaths (\$0.24M); recreational, leisure and community facilities (\$4.1M) and parks, open space and streetscapes (\$0.85M).

2 Rates and charges increase

- the average rate will rise by 2.25% in line with the order by the Minister for Local Government on 19 December 2017 under the Fair Go Rates System
- this year is a revaluation year, therefore, valuations will be as per the General Revaluation dated 1 January 2018
- the waste service charges will increase by 5.0% per collection item
- refer to Section 4.1.1 for further details.

3 Key statistics

Total revenue is \$25.39 million (2017/18 \$28.74 million)

Total operating expenditure is \$30.12 million (2017/18 \$31.49 million)

Accounting result is \$4.72 million deficit (2017/18 \$2.75 million deficit)

Underlying operating result is \$0.94 million deficit (\$2.06 million deficit in 2017/18)

Note: Underlying operating result is an important measure of financial sustainability as it excludes income which is to be used for capital.

Cash result is \$0.14 million surplus (\$1.79 million surplus in 2017/18)

(Refer Capital Expenditure Statement in Appendix D)

Note: This is the net funding result after considering the funding requirements to meet reserve transfers.

Capital works program of \$11.76 million (\$14.83 million in 2017/18)

\$3.65 million from Council operations

\$2.57 million from reserves

No borrowings

\$0.38 million from asset sales

\$5.15 million from external grants.

Phil Pinyon

Chief Executive Officer



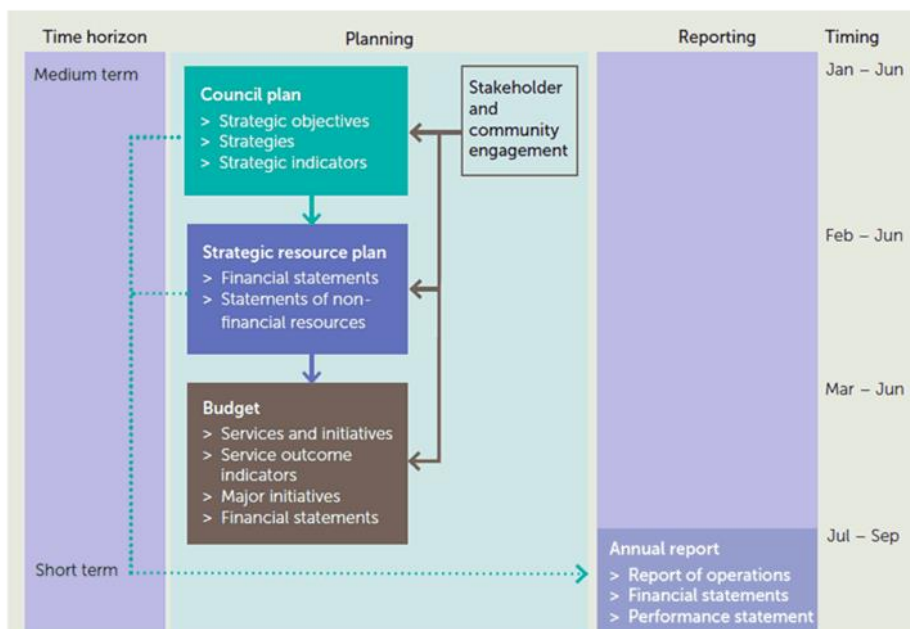
**LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019**

1 LINKAGE TO THE COUNCIL PLAN

This section describes how the Budget links to the achievement of the Council Plan within an overall planning and reporting framework. This framework guides the Council in identifying community needs and aspirations over the long term (Long Term Financial Plan 2018/19 to 2027/28), medium term (Council Plan) and short term (Budget) and then holding itself accountable (Annual Report).

1.1 Planning and accountability framework

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



Source: Department of Environment, Land, Water and Planning

The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes.



LODDON SHIRE COUNCIL BUDGET FOR THE YEAR ENDED 30 JUNE 2019

1. LINKAGE TO THE COUNCIL PLAN (Continued)

1.2 Our purpose

Our vision

"Loddon Shire Council's vision is to be a prosperous, vibrant and engaged community"

Our mission

"Its mission is to enhance the sustainability and liveability of Loddon Shire"

Our values

Leadership

Means acting ethically, dealing with suspected wrongdoing, doing the right thing even in the face of adversity, giving proper advice fearlessly, taking initiative, being innovative and acting strategically.

Integrity

Means obeying the law, following the intention of policies and procedures, fully disclosing actual or potential conflicts of interest, acting honestly and responsibly and observing organisational values and codes of conduct.

Accountability

Means having justifiable reasons for decision and actions, obtaining value for money, continuously improving, keeping proper records, and submitting to scrutiny.

Impartiality

Means being fair by being fully informed, considering only relevant matters, and dispassionately assessing without fear, favour or bias.

Respect

Means being open to feedback and other views, communicating with clarity and sensitivity, giving all relevant information, providing reasons for decisions, collaborating and working effectively in teams, being courteous and being punctual.



LODDON SHIRE COUNCIL BUDGET FOR THE YEAR ENDED 30 JUNE 2019

1. LINKAGE TO THE COUNCIL PLAN (Continued)

1.3 Core business of Council

In preparing the Council Plan, the Council has articulated the scope of its role in:

1 - Leadership

Providing vision and leadership in planning for our community's longer term future.

2 - Provision of well being services

Cost effectively providing for the basic needs of our communities.

3 - Planning for future needs

Anticipating and planning for demographic and economic shifts.

4 - Economic development

Supporting the growth and diversification of our economy, based on areas of competitive advantage.

5 - Providing quality infrastructure

Developing and maintaining both built and natural assets appropriate to community priorities.

6 - Financial stability

Planning and managing for long-term financial needs and keeping our rate payers informed about the financial situation.

7 - Education and life-long learning

Advocating for better youth engagement and life-long learning outcomes.

8 - Compliance

Ensuring we are compliant with all legislative reporting requirements.

9 - Regulation

Ensuring community compliance with local regulations.

10 - Advocacy and partnerships

Collaborating internally and externally to achieve our region's goals and promoting the interests and position of our Council.

1.4 Strategic themes

In addition Council has identified five high level strategic themes which are priority activities for the Council over the next four years. These are:

Population - Grow and invigorate Loddon's population

Economic prosperity - Support development of a prosperous and diverse economy

Liveability - Develop attractive, vibrant and well- serviced communities

Sustainability - Provide leadership which contributes to the sustainability of our region

High performance organisation - Implement frameworks which enable sound decision making and support a high performing and customer-focused organisation.

The Budget includes major initiatives that sit under the strategic themes that will be delivered in 2018/19. They are considered high priority projects towards achieving the strategic platform objectives.



LODDON SHIRE COUNCIL BUDGET FOR THE YEAR ENDED 30 JUNE 2019

1. LINKAGE TO THE COUNCIL PLAN (Continued)

1.6 Reporting framework

Council has retained its current reporting structure, which includes six key direction areas, as follows:

1 - Economic development and tourism

To promote economic growth through the retention and development of agriculture and business, and the development and promotion of tourism.

2 - Leadership

To provide Loddon Shire with strategic direction, representation and advocacy to promote good government, realisation of opportunities and to build confidence, pride and unity within the community.

3 - Works and infrastructure

Infrastructure to be provided in an efficient manner that meets the needs of the community.

4 - Good management

Ensure best practice management of human, physical and financial resources.

5 - Environment

To promote and enhance the natural and built environment for the enjoyment of future generations.

6 - Community services and recreation

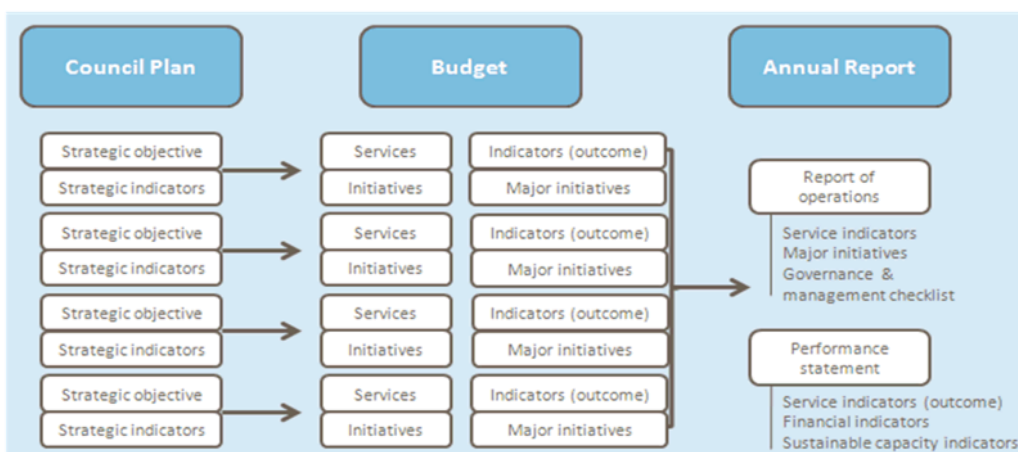
To enhance the quality of life of all ages through the provision of community services and support of community organisations.



**LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019**

2 SERVICES, INITIATIVES AND SERVICE PERFORMANCE INDICATORS

This section provides a description of the services and initiatives to be funded in the Budget for the 2018/19 year and how these will contribute to achieving the strategic platforms specified in the Council Plan. It also describes several initiatives and service performance outcome indicators for key areas of Council's operations. Council is required by legislation to identify major initiatives and service performance outcome indicators in the Budget and report against them in their Annual Report to support transparency and accountability. The relationship between these accountability requirements in the Council Plan, the Budget and the Annual Report is shown below.



Source: Department of Environment, Land, Water and Planning

2.1 Strategic themes

The following provides a brief outline of the strategic themes outlined within the Council Plan.

2.1.1 Strategic theme 1 - Population

Objective:

Grow and invigorate Loddon's population

Key priorities:

- a) population growth and diversity - develop a more balanced and sustainable demographic profile
- b) quality childcare services - optimise the potential for all residents to pursue employment opportunities and lifestyle choices
- c) infrastructure, amenities and services - support community needs with high standard infrastructure, facilities, services and programs
- d) attractive housing policies - encourage population growth by improving the ease of transition for new residents
- e) public transport services - improve the mobility and accessibility of residents to lifestyle needs and choices.



LODDON SHIRE COUNCIL BUDGET FOR THE YEAR ENDED 30 JUNE 2019

2 SERVICES, INITIATIVES AND SERVICE PERFORMANCE INDICATORS (Continued)

2.1 Strategic themes (continued)

2.1.2 Strategic theme 2 - Economic prosperity

Objective:

Support development of a prosperous and diverse economy

Key priorities:

- a) tourism - realise Loddon's tourism potential by supporting and promoting our natural, historical and cultural assets
- b) economic development - encourage economic development by providing support which facilitates business initiatives and growth
- c) water security - secure adequate water access to maintain the viability of diverse economic activities
- d) economic infrastructure - support the delivery of key public infrastructure that facilitates improved economic returns
- e) business capability - facilitate improvement in the business capabilities of Loddon traders and entrepreneurs.

2.1.3 Strategic theme 3 - Liveability

Objective:

Develop attractive, vibrant and well-serviced communities

Key priorities:

- a) township appearance - ensure our townships are presented to a high standard
- b) community engagement - build relationships and foster community engagement, pride and resilience
- c) lifestyle infrastructure - provide quality infrastructure which supports the desired lifestyles of our residents
- d) water security - secure adequate water access with supports lifestyle needs and recreational choices.

2.1.4 Strategic theme 4 - Sustainability

Objective:

Provide leadership which contributes to the sustainability of our region

Key priorities:

- a) economic sustainability - ensure the ongoing economic viability of Loddon Shire Council operations
- b) environmental sustainability - deliver adequate, efficient and sustainable environment and waste management services
- c) social sustainability - actively promote policies and activities which facilitate community health, harmony and engagement.



LODDON SHIRE COUNCIL BUDGET FOR THE YEAR ENDED 30 JUNE 2019

2 SERVICES, INITIATIVES AND SERVICE PERFORMANCE INDICATORS (Continued)

2.1 Strategic themes (continued)

2.1.5 Strategic theme 5 - High performance organisation

Objective:

Implement frameworks which enable sound decision making and support a high performing and customer-focused organisation

Key priorities:

- a) financial management - practise responsible and sustainable financial behaviours
- b) quality customer service - improve communication with community and customers
- c) IT infrastructure - improve internal and external service delivery
- d) leadership and representation - deliver results in line with the direction of Council
- e) organisational development - develop the necessary culture and capabilities to achieve Council's strategic and operational objectives
- f) compliance and reporting - meet our legislative requirements and improve internal efficiencies.

2.2 Major initiatives

This section provides a description of the individual key activities and initiatives to be funded in the Budget for 2018/19.

2.2.1 Strategic theme 1

Key priority

Develop a feasibility study, business case and advocacy strategy for required level of childcare services.

Major initiatives

Complete feasibility study for childcare services.
Complete business case for childcare services.

2.2.2 Strategic theme 2

Key priority

Provide support to existing business to encourage take up of self-improvement opportunities.

Major initiative

Develop and implement a policy to provide a framework to access Council's heritage loans scheme.

2.2.2 Strategic theme 3

Key priority

Support and promote initiatives which encourage community inclusion and engagement.

Major initiative

Develop a volunteer strategy.



**LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019**

**2 SERVICES, INITIATIVES AND SERVICE PERFORMANCE
INDICATORS (Continued)**

2.2 Major initiatives (continued)

2.2.4 Strategic theme 4

Key priority

Ensure appropriate levels of support for smaller communities.

Major initiative

Review the Community Support Policy.

2.2.6 Strategic theme 5

Key priority

Continue to develop a high-performance culture.

Major initiative

Adopt a Child Safe Standards Framework and associated policies.

2.3 Service performance outcome indicators

These service performance outcome indicators are those prescribed in accordance with the Regulations and are reported within Council's Performance Statement.

Indicator	Performance measure	Computation
Governance		
Satisfaction	Satisfaction with Council Decisions (Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community)	Community satisfaction rating out of 100 with the performance of Council in making decisions in the interest of the community
Statutory planning		
Decision making	Council planning decisions upheld at VCAT (Percentage of planning application decisions subject to review by VCAT and that were not set aside)	[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100
Roads		
Satisfaction	Satisfaction with sealed local roads (Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads)	Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads
Libraries		
Participation	Active library members (Percentage of the municipal population that are active library members)	[Number of active library members / municipal population] x100



**LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019**

**2 SERVICES, INITIATIVES AND SERVICE PERFORMANCE
INDICATORS (Continued)**

2.3 Service performance outcome indicators

Indicator	Performance measure	Computation
Waste collection		
Waste diversion	Kerbside collection waste diverted from landfill (Percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill)	[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100
Aquatic facilities		
Utilisation	Utilisation of aquatic facilities (The number of visits to aquatic facilities per head of municipal population)	Number of visits to aquatic facilities / Municipal population
Animal management		
Health and safety	Animal management prosecutions (Number of successful animal management prosecutions)	Number of successful animal management prosecutions
Food safety		
Health and safety	Critical and major non-compliance notifications (Percentage of critical and major non-compliance outcome notifications that are followed up by Council)	[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100
Maternal and child health		
Participation	Participation in the MCH service (percentage of children enrolled who participate in the MCH service)	[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x 100
Participation	Participation in MCH service by Aboriginal children (Percentage of Aboriginal children enrolled who participate in the MCH service)	[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

2 SERVICES, INITIATIVES AND SERVICE PERFORMANCE INDICATORS (Continued)

2.4 Services

Section 127(2)(b) and (c) of the Act required the budget to contain a description of the services funded in the budget. This is in further detail below:

Activity	Net cost of activity \$	Income \$	Expenditure \$
110. ECO DEV & TOURISM STRATEGIES	153,000	-	153,000
111. ECONOMIC DEVELOPMENT	281,805		281,805
121. TOURISM	217,090		217,090
122. TOURISM INITIATIVES	105,117	(43,720)	148,837
123. CARAVAN PARKS	540,863	(871,490)	1,412,353
125. LODDON DISCOVERY TOURS	-	(23,916)	23,916
131. PROMOTIONAL INITIATIVES	10,000	-	10,000
132. INDUSTRIAL SITES	(6,190)	(15,000)	8,810
141. CONTRIBUTIONS	4,400		4,400
142. ECONOMIC DEVELOPMENT	(10,946)	(18,738)	7,792
151. BUILDING CONTROL	19,898	(107,754)	127,652
161. COUNCIL RESIDENCES	13,437	(2,500)	15,937
181. STANDPIPES & TRUCKWASHES	(1,000)	(45,037)	44,037
191. ACQUISITION & DISPOSAL	-	-	-
211. COUNCILLOR COSTS	353,010	-	353,010
212. EXECUTIVE	869,061	-	869,061
221. LOCAL LAWS	79,630	(934)	80,564
230. DEVELOPMENT SERVICES	214,870		214,870
232. COMMUNITY LEADERSHIP	17,598	(50,743)	68,341
251. RECORDS MANAGEMENT	102,185		102,185
281. MUN EMERGENCY MAN	10,190	(346,802)	356,992
311. STAFF ONCOSTS	(169,385)	(1,554,204)	1,384,819
320. TECHNICAL SERVICES	934,837	-	934,837
321. PLANT OPERATING	(1,974,522)	(3,893,795)	1,919,273
322. FLEET	(331,718)	(522,000)	190,282
331. LOCAL ROADS MAINT	5,523,902	-	5,523,902
333. RESEALS	603,725		603,725
339. ROADS TO RECOVERY	(1,676,275)	(1,676,275)	-
341. MAIN RDS ROUTINE PAVEMENT MAINT	292,319	-	292,319
349. LOCAL RD AMENITY PROGRAM	(74,194)	(534,064)	459,870
350. LOCAL ROAD SAFETY PROGRAM	45,000		45,000
351. LOCAL RD CONSTRUCTION	1,350,000	-	1,350,000
352. LOCAL RD GRAVEL RESHEETS	380,000		380,000
353. LOCAL RD SHOULDER SHEETS	315,000		315,000
354. LOCAL BRIDGES/CULVERTS	600,700	(350,000)	950,700
356. TOWNSHIP/STREETS IMP	237,000	-	237,000
371. URBAN DRAINAGE WORKS	499,007	-	499,007
381. GRAVEL PITS	(73,620)	(123,654)	50,034
383. DEPOTS	3,867	(137,000)	140,867
384. ROAD OPENINGS ETC	(1,915)	(9,763)	7,848
385. TRAFFIC CONTROL	33,075	-	33,075



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

2 SERVICES, INITIATIVES AND SERVICE PERFORMANCE INDICATORS (Continued)

2.4 Services (continued)

Activity	Net cost of activity \$	Income \$	Expenditure \$
386. PRIVATE WORKS	(3,749)	(37,970)	34,221
391. ACQUISITION & DISPOSAL	1,082,865	(379,423)	1,462,288
410. GOOD MANAGEMENT STRATEGIES	356,000	-	356,000
411. RATES INCOME	(9,369,422)	(9,369,422)	-
421. VGC INCOME	(4,239,157)	(4,239,157)	-
431. INTEREST INCOME	(375,000)	(375,000)	-
432. OTHER INCOME	(12,308)	(17,630)	5,322
434. INFORMATION TECHNOLOGY	897,045	-	897,045
435. PRINTING & STATIONERY	29,000	-	29,000
436. ADMINISTRATION	605,526	(10,000)	615,526
437. INSURANCE	220,810	(9,467)	230,277
439. CUSTOMER SERVICE	209,298	-	209,298
440. FINANCE	663,342	-	663,342
441. CORPORATE SERVICES	484,923	-	484,923
442. OPERATIONS	378,188	-	378,188
443. OCC HEALTH & SAFETY	30,326	-	30,326
444. ORGANISATIONAL DEVELOPMENT	377,359	-	377,359
450. BUILDING MAINTENANCE	-	-	-
451. WEDDERBURN OFFICE	84,495	-	84,495
452. SERPENTINE OFFICE	45,349	(1,307)	46,656
453. BRIC	6,240	-	6,240
454. TELEPHONE CHARGES	45,689	-	45,689
461. RESERVE TRANSFERS	(5,249,845)	(7,401,594)	2,151,749
462. LONG SERVICE LEAVE PROV	273,922	-	273,922
471. SUBSCRIPTIONS, DONATIONS, & MEMBERSHIPS	63,900	-	63,900
491. ACQUISITION & DISPOSAL	730,600	-	730,600
510. ENVIRONMENT STRATEGIES	7,700	-	7,700
511. TIPS	713,378	(103,427)	816,806
512. GARBAGE COLLECTION	(546,073)	(1,353,704)	807,631
532. TOWN PLANNING	133,323	(70,000)	203,323
541. HERITAGE & CULTURE	2,040	-	2,040
561. FIRE PROTECTION	61,187	(16,055)	77,242
582. ENVIRONMENT	-	-	-
592. CONSTRUCTION/IMPROVE	-	-	-
610. COMM SERVICES & REC STRATEGIES	198,584	-	198,584
611. INFANT WELFARE CENTRES	118,230	(137,039)	255,269
614. PRE-SCHOOL MAINTENANCE	26,731	-	26,731
615. EDUCATION	141,826	(72,090)	213,916
616. BOORT PRE-SCHOOL	-	(114,808)	114,808
617. DINGEE PRE-SCHOOL	-	(127,790)	127,790
618. INGLEWOOD PRE-SCHOOL	-	(107,504)	107,504
619. WEDDERBURN PRE-SCHOOL	-	(111,622)	111,623



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

2 SERVICES, INITIATIVES AND SERVICE PERFORMANCE INDICATORS (Continued)

2.4 Services (continued)

Activity	Net cost of activity \$	Income \$	Expenditure \$
620. DISABILITY ACCESS PROGRAMS	84,565	-	84,565
621. HEALTH CONTROL	89,218	(52,229)	141,447
622. PYRAMID HILL PRE-SCHOOL	-	(111,917)	111,917
623. OTHER HEALTH	5,000	-	5,000
624. MUNICIPAL PUBLIC HEALTH WELLBEING	-	(500)	500
625. OCCASIONAL CARE PROGRAM	-	(38,402)	38,402
631. HACC SERVICES	70,359	(991,773)	1,062,133
632. COMMUNITY SERVICES	117,959	(36,761)	154,720
633. SENIOR CITIZENS CENTRES	32,668	(60,547)	93,215
634. ELDERLY PERSONS UNITS	(15,669)	(63,716)	48,047
635. HACC ONCOSTS	(2,211)	(225,836)	223,625
636. EXTERNALLY BROKERED SERVICES	(25,463)	(269,660)	244,197
637. LSC PACKAGED CARE PROGRAM	-	-	-
641. RECREATION & COMMUNITY DEVELOPMENT	414,908	-	414,908
642. RECREATION RESERVES	174,137	-	174,137
643. SWIMMING POOLS	452,242	-	452,242
644. BEACHES	45,837	-	45,837
645. TOWNSCAPE SERVICES	1,052,690	-	1,052,690
649. OTHER RECREATION	-	-	-
650. MAJOR EVENTS GRANTS	25,000	-	25,000
651. COMMUNITY GRANTS	200,000	-	200,000
652. REGIONAL LIBRARY	206,070	-	206,070
653. PUBLIC HALLS	47,228	-	47,228
655. YOUTH INITIATIVES	6,000	(53,000)	59,000
661. DOMESTIC ANIMALS	35,780	(45,677)	81,457
662. LIVESTOCK	54,676	(235)	54,911
670. COMMUNITY PLAN STRATEGY	500,000	-	500,000
671. BOORT COMMUNITY PLANS	50,000	-	50,000
676. WEDDERBURN COMMUNITY PLANS	50,000	-	50,000
677. INGLEWOOD COMMUNITY PLANS	50,000	-	50,000
678. TERRICK COMMUNITY PLANS	50,000	-	50,000
679. TARNAGULLA COMMUNITY PLANS	50,000	-	50,000
681. COMMUNITY PROTECTION	16,614	(9,650)	26,264
682. OTHER COMMUNITY	63,871	(5,000)	68,871
691. ACQUISITION & DISPOSAL	15,000	-	15,000
692. CONSTRUCTION/IMPROVE	50,000	(2,934,670)	2,984,670
998. (SURPLUS)/DEFICIT C/F	(1,785,085)	(1,785,085)	-
Total	(135,465)	(41,067,057)	40,931,593



**LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019**

**2 SERVICES, INITIATIVES AND SERVICE PERFORMANCE
INDICATORS (Continued)**

2.5 Performance Statement

The service performance indicators details in the preceding pages will be reported on in the Performance Statement which is prepared at the end of the year as required by Section 132 of the Act and included in the 2017/18 Annual Report. The Performance Statement will also include reporting on prescribed indicators of financial performance (outlined in Section 5) and sustainable capacity, which are not included in this budget report. The prescribed performance indicators contained in the Performance Statement are audited each year by the Victorian Auditor General who issues an audit opinion on the Performance Statement. The major initiatives detailed in the preceding pages will be reported in the Annual Report in the form of a statement of progress in the Report of Operations.

2.6 Reconciliation with budgeted operating result

Activity	Net cost of activity \$	Income \$	Expenditure \$
Economic development and tourism	1,327,473	(1,128,155)	2,455,629
Leadership	1,646,544	(398,479)	2,045,023
Works and Infrastructure	7,595,919	(9,218,149)	16,814,067
Good management	(13,743,721)	(21,423,576)	7,679,855
Environment	371,556	(1,543,186)	1,914,742
Community services and recreation	4,451,851	(5,570,426)	10,022,277
Deficit before funding sources	1,649,621	(39,281,972)	40,931,593
Carried forward surplus	(1,785,085)	(1,785,085)	-
Total funding sources	(1,785,085)	(1,785,085)	-
Surplus for the year	(135,464)	(41,067,057)	40,931,593



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

3 FINANCIAL STATEMENTS

This section presents information in regard to the Financial Statements and Statement of Human Resources. The budget information for the year 2018/19 has been supplemented with projections to 2021/22 extracted from the Strategic Resource Plan.

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

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

3.1 COMPREHENSIVE INCOME STATEMENT FOR THE FOUR YEARS ENDED 30 JUNE 2022

	NOTES	Forecast	Budget	Strategic Resource Plan Projections		
		Actual 2017/18 \$	2018/19 \$	2019/20 \$	2020/21 \$	2021/22 \$
Income						
Rates and charges	4.1.1	10,446,656	10,723,126	10,906,795	11,167,269	11,435,071
Statutory fees and fines	4.1.2	235,954	224,592	223,743	227,191	230,787
User fees	4.1.3	1,613,156	1,509,947	1,497,358	1,520,434	1,544,494
Grants - operating	4.1.4	10,705,537	6,230,312	10,264,922	10,445,762	10,630,061
Grants - capital	4.1.4	4,269,476	5,150,945	2,933,422	2,246,756	2,093,422
Contributions - monetary	4.1.5	85,000	310,000	10,000	50,000	10,000
Reimbursements	4.1.6	428,632	333,801	308,373	309,930	311,487
Vic Roads	4.1.7	521,681	534,064	739,357	754,139	769,204
Net gain/(loss) on disposal of property, infrastructure, plant and equipment		-	-	-	-	-
Other income	4.1.8	431,879	375,000	381,780	383,707	385,636
Total income		28,737,971	25,391,787	27,265,750	27,105,188	27,410,162
Expenses						
Employee costs	4.1.9	11,149,293	11,809,431	11,452,440	11,909,533	12,266,884
Materials and services	4.1.10	11,060,536	8,799,238	7,937,139	8,148,554	8,052,618
Bad and doubtful debts		-	-	-	-	-
Depreciation and amortisation	4.1.11	8,976,575	9,200,989	9,430,789	9,666,873	9,908,343
Borrowing costs		-	-	-	-	-
Other expenses	4.1.12	304,738	306,172	307,606	309,068	310,531
Total expenses		31,491,142	30,115,830	29,127,974	30,034,028	30,538,376
Surplus/(deficit) for the year		(2,753,171)	(4,724,043)	(1,862,224)	(2,928,840)	(3,128,214)
Other comprehensive income						
Other comprehensive income		-	-	-	-	-
Total comprehensive result		(2,753,171)	(4,724,043)	(1,862,224)	(2,928,840)	(3,128,214)



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

3 BUDGETED FINANCIAL STATEMENTS (Continued)

3.2 BALANCE SHEET
FOR THE FOUR YEARS ENDED 30 JUNE 2022

	NOTES	Forecast	Budget	Strategic Resource Plan		
		Actual 2017/18 \$	2018/19 \$	2019/20 \$	2020/21 \$	2021/22 \$
Assets						
Current assets						
Cash and cash equivalents		15,457,675	8,828,226	7,760,592	6,279,757	5,952,206
Trade and other receivables		629,316	565,178	517,925	513,735	518,877
Other financial assets		1,668,430	1,668,430	1,668,430	1,668,430	1,668,430
Inventories		51,268	48,704	46,269	43,956	41,758
Non-current assets classified as held for sale		865,424	865,424	865,424	865,424	865,424
Total current assets	4.2.1	18,672,113	11,975,962	10,858,640	9,371,302	9,046,695
Non-current assets						
Trade and other receivables		83,987	1,787	587	-	-
Property, infrastructure, plant and equipment		324,589,968	336,529,055	346,071,719	355,246,398	363,334,551
Intangible assets		274,045	274,045	274,045	274,045	274,045
Total non-current assets	4.2.1	324,948,000	336,804,887	346,346,351	355,520,443	363,608,596
Total assets		343,620,113	348,780,849	357,204,991	364,891,745	372,655,291
Liabilities						
Current liabilities						
Trade and other payables		366,947	300,134	274,778	282,446	280,773
Trust funds and deposits		384,216	365,005	346,755	329,418	312,946
Provisions		2,127,856	2,056,635	1,986,532	1,913,623	1,837,798
Interest bearing loans and borrowings	4.2.4	-	-	-	-	-
Total current liabilities	4.2.2	2,879,019	2,721,774	2,608,065	2,525,487	2,431,517
Non-current liabilities						
Provisions		1,900,410	2,178,772	2,457,013	2,747,070	3,049,444
Interest bearing loans and borrowings	4.2.4	-	-	-	-	-
Total non-current liabilities	4.2.2	1,900,410	2,178,772	2,457,013	2,747,070	3,049,444
Total liabilities		4,779,429	4,900,546	5,065,078	5,272,557	5,480,961
NET ASSETS		338,840,684	343,880,303	352,139,913	359,619,188	367,174,330
Equity						
Accumulated surplus		104,787,990	102,384,429	99,254,901	95,999,061	92,721,524
Asset revaluation reserve		226,482,367	236,246,029	246,367,863	256,775,977	267,459,332
Other reserves		7,570,327	5,249,845	6,517,149	6,844,150	6,993,474
TOTAL EQUITY	4.2.4	338,840,684	343,880,303	352,139,913	359,619,188	367,174,330



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

3 BUDGETED FINANCIAL STATEMENTS (Continued)

3.3 STATEMENT OF CHANGES IN EQUITY
FOR THE FOUR YEARS ENDED 30 JUNE 2022

2018 Forecast Actual	Total	Accumulated surplus	Revaluation reserve	Other reserves
	\$	\$	\$	\$
Balance at beginning of the financial year	332,280,012	95,531,675	217,168,524	19,579,813
Surplus/ (deficit) for the year	(2,753,171)	(2,753,171)	-	-
Net asset revaluation increment / (decrement)	9,313,843	-	9,313,843	-
Transfer to other reserves	-	(8,023,030)	-	8,023,030
Transfer from other reserves	-	15,593,357	-	(15,593,357)
Balance at end of financial year	338,840,684	100,348,831	226,482,367	12,009,486

2019 Budget	Total	Accumulated surplus	Revaluation reserve	Other reserves
	\$	\$	\$	\$
Balance at beginning of the financial year	338,840,684	104,787,990	226,482,367	7,570,327
Surplus/ (deficit) for the year	(4,724,043)	(4,724,043)	-	-
Net asset revaluation increment / (decrement)	9,763,662	-	9,763,662	-
Transfer to other reserves	-	(2,151,749)	-	2,151,749
Transfer from other reserves	-	7,401,593	-	(7,401,593)
Balance at end of financial year	343,880,303	105,313,791	236,246,029	2,320,483

2020 SRP	Total	Accumulated surplus	Revaluation reserve	Other reserves
	\$	\$	\$	\$
Balance at beginning of the financial year	343,880,303	105,313,791	236,246,029	2,320,483
Surplus/ (deficit) for the year	(1,862,224)	(1,862,224)	-	-
Net asset revaluation increment / (decrement)	10,121,834	-	10,121,834	-
Transfer to other reserves	-	(2,229,224)	-	2,229,224
Transfer from other reserves	-	2,470,734	-	(2,470,734)
Balance at end of financial year	352,139,913	103,693,077	246,367,863	2,078,973

2021 SRP	Total	Accumulated surplus	Revaluation reserve	Other reserves
	\$	\$	\$	\$
Balance at beginning of the financial year	352,139,913	103,693,077	246,367,863	2,078,973
Surplus/ (deficit) for the year	(2,928,840)	(2,928,840)	-	-
Net asset revaluation increment / (decrement)	10,408,114	-	10,408,114	-
Transfer to other reserves	-	(2,125,629)	-	2,125,629
Transfer from other reserves	-	1,798,628	-	(1,798,628)
Balance at end of financial year	359,619,188	100,437,237	256,775,977	2,405,974

2022 SRP	Total	Accumulated surplus	Revaluation reserve	Other reserves
	\$	\$	\$	\$
Balance at beginning of the financial year	359,619,188	100,437,237	256,775,977	2,405,974
Surplus/ (deficit) for the year	(3,128,214)	(3,128,214)	-	-
Net asset revaluation increment / (decrement)	10,683,355	-	10,683,355	-
Transfer to other reserves	-	(2,046,311)	-	2,046,311
Transfer from other reserves	-	1,896,987	-	(1,896,987)
Balance at end of financial year	367,174,330	97,159,700	267,459,332	2,555,298



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

3 BUDGETED FINANCIAL STATEMENTS (Continued)

3.4 STATEMENT OF CASH FLOWS
FOR THE FOUR YEARS ENDED 30 JUNE 2022

	NOTES	Forecast	Budget	Strategic Resource Plan		
		Actual 2017/18 \$	2018/19 \$	Projections		
				2019/20 \$	2020/21 \$	2021/22 \$
Cash flows from operating activities						
Receipts						
Rates and charges		10,796,551	10,826,352	10,907,945	11,196,210	11,454,027
Statutory fees and fines		342,040	235,498	224,843	232,093	234,830
User fees		2,072,025	2,113,753	2,266,263	2,321,674	2,357,394
Grants - operating		10,959,401	6,354,918	10,470,220	10,654,677	10,842,662
Grants - capital		5,164,431	5,253,964	2,992,090	2,291,691	2,135,290
Contributions - monetary		86,700	316,200	10,200	51,000	10,200
Interest received		747,299	375,000	381,780	383,707	385,636
Trust funds and deposits taken		-	-	-	-	-
Other receipts		741,865	340,476	314,539	316,129	317,717
Net GST refund/payment		(165,007)	(140,256)	(137,451)	(134,702)	(132,008)
Operating receipts		30,745,305	25,675,905	27,430,429	27,312,479	27,605,748
Payments						
Employee costs		(11,181,947)	(11,628,544)	(11,271,081)	(11,719,699)	(12,068,196)
Materials and services		(11,200,212)	(9,057,213)	(8,131,709)	(8,314,972)	(8,225,547)
Trust funds and deposits repaid		(20,222)	(19,211)	(18,250)	(17,337)	(16,472)
Other payments		(306,178)	(306,172)	(307,606)	(309,068)	(310,531)
Operating payments		(22,708,559)	(21,011,140)	(19,728,646)	(20,361,076)	(20,620,746)
Net cash provided by/(used in) operating activities	4.4.1	8,036,746	4,664,765	7,701,783	6,951,403	6,985,002
Cash flows from investing activities						
Payments for property, infrastructure, plant and equipment		(14,656,688)	(11,376,414)	(8,851,617)	(8,433,438)	(7,313,140)
Decrease in term deposits		12,404,153	-	-	-	-
Loans and advances made		6,000	6,000	6,000	6,000	6,000
Payments of loans and advances		(4,774)	76,200	76,200	(4,800)	(5,413)
Net cash provided by/(used in) investing activities	4.4.2	(2,251,309)	(11,294,214)	(8,769,417)	(8,432,238)	(7,312,553)
Cash flows from financing activities						
Finance costs		-	-	-	-	-
Net cash provided by (used in) financing activities	4.4.3	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents		5,785,437	(6,629,449)	(1,067,634)	(1,480,835)	(327,551)
Cash and cash equivalents at the beginning of the year		9,672,238	15,457,675	8,828,226	7,760,592	6,279,757
Cash and cash equivalents at the end of the year		15,457,675	8,828,226	7,760,592	6,279,757	5,952,206



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

3 BUDGETED FINANCIAL STATEMENTS (Continued)

3.5 STATEMENT OF CAPITAL WORKS
FOR THE FOUR YEARS ENDED 30 JUNE 2022

	NOTES	Forecast	Budget	Strategic Resource Plan		
		Actual 2017/18 \$	2018/19 \$	Projections		
				2019/20 \$	2020/21 \$	2021/22 \$
Capital works areas						
Carried forward works from previous years		-	391,747	-	-	-
Land and buildings		509,574	790,000	255,000	1,276,000	1,455,000
Office furniture and equipment		454,137	777,780	90,000	90,000	90,000
Plant and equipment		1,134,519	1,427,213	1,261,681	1,630,275	1,713,856
Footpaths		1,075,933	237,000	261,056	278,185	287,061
Roadworks		6,028,078	3,659,425	3,383,523	3,422,912	3,572,979
Urban and road drainage		1,042,596	350,000	350,000	350,000	550,000
Recreation, leisure and community facilities		2,388,874	3,772,670	600,000	400,000	-
Parks, open space and streetscapes		2,200,980	350,000	2,920,000	1,380,000	-
Other infrastructure		-	-	-	-	-
Total capital works	4.5.1	14,834,691	11,755,835	9,121,260	8,827,372	7,668,896
Represented by:						
New asset expenditure		1,526,223	2,092,213	1,351,681	1,770,275	2,503,856
Asset renewal expenditure		3,935,476	3,570,952	2,369,006	2,406,508	2,499,813
Asset expansion expenditure		3,843,332	2,864,670	3,220,000	1,380,000	-
Asset upgrade expenditure		5,529,660	3,228,000	2,180,573	3,270,589	2,665,227
Total capital works expenditure		14,834,691	11,755,835	9,121,260	8,827,372	7,668,896

	Forecast	Budget	Strategic Resource Plan		
	Actual 2017/18 \$	2018/19 \$	Projections		
			2019/20 \$	2020/21 \$	2021/22 \$
Expenditure type					
Labour	284,960	346,966	420,192	433,311	449,172
Oncost	156,853	206,901	238,320	245,653	254,718
Plant	527,017	581,302	668,468	681,761	709,513
Creditors	7,111,397	5,369,571	2,620,032	3,978,063	3,633,929
Contractors	6,754,464	5,251,095	5,174,248	3,488,584	2,621,564
Total capital works expenditure	14,834,691	11,755,835	9,121,260	8,827,372	7,668,896



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

3 BUDGETED FINANCIAL STATEMENTS (Continued)

3.6 STATEMENT OF HUMAN RESOURCES
FOR THE FOUR YEARS ENDED 30 JUNE 2022

	Forecast Actual 2017/18 \$	Budget 2018/19 \$	Strategic Resource Plan Projections		
			2019/20 \$	2020/21 \$	2021/22 \$
Staff expenditure					
Employee labour - operating	10,864,333	11,462,465	11,032,248	11,476,222	11,817,712
Employee labour - capital	284,960	346,966	420,192	433,311	449,172
Total staff expenditure*	11,149,293	11,809,431	11,452,440	11,909,533	12,266,884
Staff numbers EFT**	EFT	EFT	EFT	EFT	EFT
Employees	150.40	150.40	148.40	148.40	148.40
Total staff numbers EFT	150.40	150.40	148.40	148.40	148.40

* Excludes employee oncost

** Equivalent Full Time

A summary of human resources expenditure categories according to the organisation structure of Council is included below:

Department	Budget 2018/19	Permanent Full Time	Permanent Part Time
Staff cost			
Economic development and tourism	602,250	350,128	252,122
Leadership	340,699	287,735	52,964
Works and infrastructure	3,531,324	3,531,324	-
Good management	3,039,666	2,211,232	828,434
Environment	362,283	265,936	96,347
Community services and recreation	3,586,243	1,311,108	2,275,135
Total permanent staff expenditure	11,462,465	7,957,463	3,505,002
Casuals and other expenditure	-		
Capitalised labour costs	346,966		
Total expenditure	11,809,431		

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

Department	Budget 2018/19	Permanent Full Time	Permanent Part Time
Staff EFT			
Economic development and tourism	5.83	3.00	2.83
Leadership	7.20	3.00	4.20
Works and infrastructure	47.00	47.00	0.00
Good management	34.95	19.00	15.95
Environment	4.26	3.00	1.26
Community services and recreation	46.16	15.00	31.16
Total permanent staff EFT	145.40	90.00	55.40
Casuals and other	0.00		
Capitalised labour	5.00		
Total EFT	150.40		



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

3 BUDGETED FINANCIAL STATEMENTS (Continued)

**3.7 STATEMENT OF RESERVES
 FOR THE FOUR YEARS ENDED 30 JUNE 2022**

	NOTES	Forecast	Budget	Strategic Resource Plan		
		Actual 2017/18 \$	2018/19 \$	2019/20 \$	2020/21 \$	2021/22 \$
Discretionary						
Land and buildings reserve		1,274	1,274	36,274	(13,726)	(413,726)
Professional development reserve		5,882	13,882	21,882	29,882	37,882
Unspent grants reserve		4,349,156	110,000	110,000	110,000	110,000
Capital expenditure reserve		900,000	850,000	850,000	850,000	850,000
Information technology reserve		926,768	234,854	329,854	424,854	519,854
Valuations reserve		45,895	5,895	5,895	5,895	5,895
Units reserve		93,394	109,063	115,532	121,324	126,404
Economic development reserve		18,180	13,180	73,180	93,180	13,180
Skinner's flat reserve		12,908	12,908	12,908	12,908	12,908
Community planning reserve		500,000	500,000	-	-	-
Plant replacement reserve		2,244,190	2,175,285	1,955,210	1,929,271	2,435,649
Fleet replacement reserve		264,845	397,366	353,898	484,830	342,177
GSP restoration reserve		442,710	516,330	581,343	645,838	709,785
Urban drainage reserve		381,955	101,955	101,955	101,955	101,955
Landfill rehabilitation reserve		317,517	344,507	378,877	413,247	447,617
Lake Boort water reserve		20,303	20,303	20,303	20,303	20,303
Reserves improvement reserve		100,000	100,000	100,000	100,000	100,000
Caravan park development reserve		284,306	1,444	68,433	11,592	70,794
Superannuation liability reserve		696,424	797,616	898,808	1,000,000	1,000,000
Unspent contributions reserve		-	-	-	-	-
War memorial reserve		3,000	3,000	3,000	3,000	3,000
Heritage loan scheme reserve		100,000	100,000	100,000	100,000	100,000
Major projects reserve		99,796	99,796	99,796	99,796	99,796
Unightly premises enforcement provision reserve		100,000	100,000	100,000	100,000	100,000
Swimming pool major projects reserve		100,000	150,000	200,000	200,000	200,000
Total discretionary reserves	4.3.2	12,008,503	6,758,658	6,517,148	6,844,149	6,993,473



LODDON SHIRE COUNCIL BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS

This section presents detailed information on material components of the financial statements.

4.1 Comprehensive income statement

4.1.1 Rates and charges

Rates and charges are required by the Act and Regulations to be disclosed in Council's annual budget.

In developing the Strategic Resource Plan, rates and charges were identified as an important source of revenue. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process. The State Government have introduced the *Fair Go Rates System (FGRS)* which sets out the maximum amount councils may increase rates in a year. For 2018/19 the FGRS cap has been set at 2.25%. The cap applies to general rates and municipal charges and is calculated on the basis of Council's average rates and charges.

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

To achieve these objectives while maintaining service levels and a strong capital expenditure program, the average general rate and the municipal charge will increase by 2.25% in line with the rate cap. The kerbside and recycling collection charges will increase by 5.0% due to increases in the cost of landfill operations and the continuation of Council's decision for this activity to remain cost neutral.

This will raise total rates and charges for 2018/19 of \$10.72 million.

4.1.1 (a) The reconciliation of the total rates and charges to the Comprehensive Income Statement is as follows:

	Forecast Actual 2017/18 \$	Budget 2018/19 \$	Change \$	Change %
General rates*	8,000,999	8,172,682	171,683	2.1%
Municipal charge*	1,162,250	1,196,740	34,490	3.0%
Garbage charge	949,721	996,397	46,676	4.9%
Kerbside recycling charge	333,686	357,307	23,621	7.1%
Total rates and charges	10,446,656	10,723,126	276,470	2.6%
Interest on rates and charges	28,000	25,000	- 3,000	-10.7%

* These items are subject to the rate cap established under the FGRS.

4.1.1 (b) The rate in the dollar to be levied as general rates under Section 158 of the Act for each type or class of land compared with the previous financial year

Type or class of land	2017/18 cents/\$CIV	2018/19 cents/\$CIV	Change
General	0.4977	0.4283	-13.9%
Rural	0.4431	0.3813	-13.9%



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.1 Comprehensive income statement (continued)

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

Type or class of land	2017/18 \$	2018/19 \$	Change
General	2,558,205	2,409,093	-5.8%
Rural	5,408,554	5,763,589	6.6%
Total amount to be raised by rates	7,966,759	8,172,682	2.6%

4.1.1 (d) The number of assessments in relation to each type or class of land, and the total number of assessments, compared with the previous financial year

Type or class of land	2017/18 number	2018/19 number	Change
General	4,167	4,194	0.6%
Rural	3,570	3,575	0.1%
Total number of assessments	7,737	7,769	0.4%

4.1.1 (e) The basis of valuation is the Capital Improved Value (CIV).

4.1.1 (f) The estimated total value of each type or class of land, and the estimated total value of land, compared with the previous financial year

Type or class of land	2017/18 \$	2018/19 \$	Change
General	514,019,000	562,510,600	9.4%
Rural	1,220,740,500	1,511,709,700	23.8%
Total value of land	1,734,759,500	2,074,220,300	19.6%

4.1.1 (g) The municipal charge under Section 159 of the Act compared with the previous financial year

Type of charge	Per rateable property 2017/18 \$	Per rateable property 2018/19 \$	Change
Municipal	207	212	2.4%

4.1.1 (h) The estimated total amount to be raised by municipal charges compared with the previous financial year

Type of charge	2017/18 \$	2018/19 \$	Change
Municipal	1,160,028	1,196,740	3.2%



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.1 Comprehensive income statement (continued)

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

Type of charge	Per rateable property 2017/18 \$	Per rateable property 2018/19 \$	Change
Garbage collection 140 litre	260	273	5.0%
Garbage collection 240 litre	352	370	5.1%
Kerbside recycling 240 litre	98	103	5.1%

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

Type of charge	2017/18 \$	2018/19 \$	Change
Garbage charge	943,252	996,397	5.6%
Kerbside recycling charge	336,826	357,307	6.1%
Total	1,280,078	1,353,704	5.8%

4.1.1 (k) The estimated total amount to be raised by all rates and charges compared with the previous financial year

	2017/18 \$	2018/19 \$	Change
General rates	7,966,759	8,172,682	2.6%
Municipal charge	1,160,028	1,196,740	3.2%
Garbage and kerbside recycling charge	1,280,078	1,353,704	5.8%
Total rates and charges	10,406,865	10,723,126	3.0%

4.1.1 (l) Fair Go Rates System Compliance

Loddon Shire Council is fully compliant with the State Government's Fair Go Rates System.

	2017/18 \$	2018/19 \$
Total rates base	8,947,830	9,163,249
Number of rateable properties	7,737	7,769
Base average rate	1,156.50	1,179.46
Maximum rate increase (set by State Government)	2.00%	2.25%
Capped average rate	1,179.63	1,206.00
Maximum general rates and municipal charges revenue	9,126,787	9,369,422
Budgeted general rates and municipal charges revenue	9,126,787	9,369,422

4.1.1 (m) Any significant changes that may affect the estimated amounts to be raised by rates and charges

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

- the making of supplementary valuations
- the variation of returned levels of value (e.g. valuation objections)
- changes in use of land such that rateable land becomes non-rateable land and vice versa
- changes in use of land such that general rateable land becomes rural rateable land and vice versa.



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.1 Comprehensive income statement (continued)

4.1.1 (n) Differential rates

The existing rating structure comprises one differential rate (rural properties) and a rate for general properties (residential and commercial). These rates are structured in accordance with the requirements of Section 161 "Differential Rates" of the Local Government Act.

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

- a general rate of 0.4283 cents in the dollar of CIV for all rateable general properties
- a rural rate of 0.3813 cents in the dollar of CIV for all rateable rural properties.

Each differential rate will be determined by multiplying the Capital Improved Value of the rateable land by the relevant cents in the dollar indicated above.

Since 2014/15 Council has defined a differential rate split of 11%, with rural rates having a rate in the dollar of 89% of the general rate. Council considers this as a fair allocation of rates across property types.

Under the Cultural and Recreation Lands Act 1963, provision is made for a Council to grant a rating concession to any "recreational lands" which meet the test of being "rateable land" under the Local Government Act 1989. Council has exempted all rateable recreation land from the payment of rates.

4.1.2 Statutory fees and fines

	Forecast Actual 2017/18 \$	Budget 2018/19 \$	Change \$	Change %
Building services	88,627	92,754	4,127	4.7%
Health Act	46,439	46,454	15	0.0%
Local laws	8,717	2,384	(6,333)	-72.7%
Other	15,616	13,000	(2,616)	-16.8%
Town planning fees	76,555	70,000	(6,555)	-8.6%
Total statutory fees and fines	235,954	224,592	(11,362)	-4.8%

Statutory fees relate mainly to fees and fines levied in accordance with legislation and include Public Health and Wellbeing Act 2008 registrations, Planning and Environment Act 1987 registrations, Building Act 1993 registrations, the Country Fire Authority Act 1958 registrations, and Domestic (Feral and Nuisance) Animals Act 1994 registrations. Increases in statutory fees are made in accordance with legislative requirements.

Statutory fees are forecast to decrease by 4.8% or \$11K compared to 2017/18.



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.1 Comprehensive income statement (continued)

4.1.3 User fees

	Forecast Actual 2017/18 \$	Budget 2018/19 \$	Change \$	Change %
Aged services fees	505,476	476,420	(29,056)	-5.7%
Animal management	44,193	44,462	269	0.6%
Building services	10,000	15,000	5,000	50.0%
Caravan park fees	370,032	371,490	1,459	0.4%
Emergency service	30,000	6,604	(23,396)	-78.0%
Gravel pit fees	35,000	123,654	88,654	253.3%
Other	59,688	26,091	(33,597)	-56.3%
Pre-schools	116,570	133,120	16,550	14.2%
Private works	228,708	47,734	(180,974)	-79.1%
Rental income	99,921	100,150	229	0.2%
Standpipes and truckwashes	43,525	45,037	1,512	3.5%
Tips and recycling fees	42,621	96,268	53,647	125.9%
Tourism	27,422	23,916	(3,506)	-12.8%
Total user fees	1,613,156	1,509,947	(103,209)	-6.4%

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include home and community care services, caravan park fees, gravel pit fees and royalties, Loddon Discovery Tour fees, rental from Council owned properties, and private works. A detailed listing of statutory fees and Council charges is available on Council's web site and can also be inspected at Council's customer service centre. In setting the budget, the key principle for determining the level of user charges has been to ensure that increases do not exceed CPI increases or market levels. Council has many varied sources of user charges.

User charges are projected to decrease by 6.4% or \$103K from 2017/18. The main reductions include private works of \$181K, aged services of \$29K and emergency service fees of \$24K. The main increases include gravel pit fees of \$87K and tip and landfill fees of \$54K. Overall amongst other areas, Council plans to increase user charges for all areas by 2.0% in line with expected inflationary trends over the budget period to maintain parity between user charges and the costs of service delivery.

4.1.4 Grants

Grants are required by the Act and Regulations to be disclosed in Council's budget.

	Forecast Actual 2017/18 \$	Budget 2018/19 \$	Change \$	Change %
Grants were received in respect of the following:				
Summary of grants				
Commonwealth funded grants	12,478,124	6,255,630	(6,222,494)	-49.9%
State funded grants	2,496,889	5,125,627	2,628,738	105.3%
Total grants received	14,975,013	11,381,257	(3,593,756)	-24.0%



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.1 Comprehensive income statement (continued)

4.1.4 Grants (Continued)

	Forecast Actual 2017/18 \$	Budget 2018/19 \$	Change \$	Change %
(a) Operating grants				
Recurrent - Commonwealth Government				
Victoria Grants Commission - local roads	3,559,460	1,803,396	(1,756,064)	-49.3%
Victoria Grants Commission - general	4,871,786	2,435,761	(2,436,025)	-50.0%
Flood recovery	389,139	340,198	(48,941)	-12.6%
Recurrent - State Government				
Aged services	891,686	882,321	(9,365)	-1.1%
Community safety	5,775	15,425	9,650	167.1%
Environment management	50,000	-	(50,000)	-100.0%
Fire protection	-	5,000	5,000	100.0%
Fire Services Property Levy	41,615	-	(41,615)	-100.0%
Maternal and child health	138,572	137,039	(1,533)	-1.1%
Pre-schools	546,165	551,013	4,848	0.9%
Tips / landfills	7,018	7,159	141	2.0%
Youth initiatives	53,000	53,000	-	0.0%
Total recurrent grants	10,554,216	6,230,312	- 4,323,904	-41.0%
Non-recurrent State Government				
Community safety	20,000	-	(20,000)	-100.0%
Flood mitigation	29,750	-	(29,750)	-100.0%
Parks and streetscapes	70,279	-	(70,279)	-100.0%
Strategies and plans	3,000	-	(3,000)	-100.0%
Waterways	28,292	-	(28,292)	-100.0%
Total non-recurrent grants	151,321	-	(151,321)	-100.0%
Total operating grants	10,705,537	6,230,312	- 4,475,225	-41.8%



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.1 Comprehensive income statement (continued)

4.1.4 Grants (Continued)

	Forecast Actual 2017/18 \$	Budget 2018/19 \$	Change \$	Change %
(b) Capital grants				
Recurrent - Commonwealth Government				
Roads to Recovery	3,657,739	1,676,275	(1,981,464)	-54.2%
Recurrent - State Government				
Nil	-	-	-	0.0%
Total - recurrent capital grants	3,657,739	1,676,275	(1,981,464)	-54.2%
Non-recurrent - Commonwealth Government				
Nil	-	-	-	0.0%
Non-recurrent - State Government				
Caravan parks	-	500,000	500,000	100.0%
Community facilities	-	2,624,670	2,624,670	100.0%
Flood mitigation	333,333	-	(333,333)	-100.0%
Road projects	156,666	350,000	193,334	123.4%
Streetscape projects	50,000	-	(50,000)	-100.0%
Swimming pools	41,738	-	(41,738)	-100.0%
Waterways	30,000	-	(30,000)	-100.0%
Total - non-recurrent capital grants	611,737	3,474,670	2,862,933	468.0%
Total - capital grants	4,269,476	5,150,945	881,469	20.6%

Operating Grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers.

Capital Grants include all monies received from State and Federal sources for the purposes of funding the capital works program.

4.1.5 Contributions

	Forecast Actual 2017/18 \$	Budget 2018/19 \$	Change \$	Change %
Monetary	85,000	310,000	225,000	264.7%
Non-monetary	-	-	-	0.0%
Total contributions	85,000	310,000	225,000	264.7%

Contributions relate to monies paid by community groups and external parties towards capital and recurrent related projects.

Contributions are budgeted to decrease by \$225K from 2017/18 to 2018/19.



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.1 Comprehensive income statement (continued)

4.1.6 Reimbursements

	Forecast Actual 2017/18 \$	Budget 2018/19 \$	Change \$	Change %
Fuel rebate	135,000	137,000	2,000	1.5%
Insurance claims	72,062	-	(72,062)	-100.0%
Other	45,643	5,671	(39,972)	-87.6%
Staff reimbursement	79,741	94,463	14,722	18.5%
Workcover	96,186	96,667	481	0.5%
Total reimbursements	428,632	333,801	- 94,830	-22.1%

Reimbursements include diesel fuel rebates from the Taxation Office, insurance rebates, Workcover reimbursements, and training reimbursements. Reimbursements are projected to decrease by \$95K to just over \$0.33 million in 2018/19.

4.1.7 Vic Roads

	Forecast Actual 2017/18 \$	Budget 2018/19 \$	Change \$	Change %
Routine maintenance	489,064	489,064	-	0.0%
Approved maintenance	4,429	15,000	10,571	238.7%
Provisional sum items	28,188	30,000	1,812	6.4%
Total Vic Roads	521,681	534,064	12,383	2.4%

Council's contract with Vic Roads includes an "as of right" amount for routine maintenance works. Income from Vic Roads is projected to increase by 2.4% or \$12K in 2018/19 in line with expected CPI for this income source. This will be offset by an increase in expenditure in this area.

4.1.8 Other income

	Forecast Actual 2017/18 \$	Budget 2018/19 \$	Change \$	Change %
Interest	428,000	375,000	(53,000)	-12.4%
Reversal of impairment losses	3,879	-	(3,879)	-100.0%
Total other income	431,879	375,000	(56,879)	-13.2%

Other income relates to a range of items such as interest revenue on investments and rate arrears.

Other income is forecast to decrease by 13.2% or \$57K compared to 2017/18. This is mainly due to a forecast reduction in Council's available cash reserves during 2018/19 to fund major infrastructure projects.



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.1 Comprehensive income statement (continued)

4.1.9 Employee costs

	Forecast Actual 2017/18 \$	Budget 2018/19 \$	Change \$	Change %
Wages and salaries	9,978,253	10,604,210	625,957	6.3%
Workcover	118,737	117,766	(971)	-0.8%
Superannuation	950,813	980,655	29,842	3.1%
Fringe benefits tax	101,490	106,800	5,310	5.2%
Total other income	11,149,293	11,809,431	660,138	5.9%

Employee costs include all labour related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements, employee superannuation, rostered days off, Workcover premium and Fringe Benefits Tax for all salaries and wages. Salaries and wages that relate to capital works are not included in operating expenditure but is included in the tables below for full transparency.

Employee costs are projected to increase by approximately 5.9% or \$660K from 2017/18 to 2018/19.

4.1.10 Materials, services and contracts

	Forecast Actual 2017/18 \$	Budget 2018/19 \$	Change \$	Change %
Aged services	710,919	226,776	(484,143)	-68.1%
Animal management	52,613	18,172	(34,442)	-65.5%
Building control	16,855	11,512	(5,343)	-31.7%
Building maintenance	448,517	184,870	(263,647)	-58.8%
Caravan parks	339,375	293,791	(45,584)	-13.4%
Commercial and rental properties	65,560	64,215	(1,344)	-2.1%
Community support	406,139	376,134	(30,005)	-7.4%
Disability access	40,250	84,565	44,315	110.1%
Early years	215,551	241,274	25,723	11.9%
Economic development and tourism	320,878	232,622	(88,256)	-27.5%
Emergency management	113,047	10,715	(102,332)	-90.5%
Environment	266,866	14,500	(252,366)	-94.6%
Fire prevention	51,340	56,525	5,185	10.1%
Governance and administration	628,479	641,140	12,661	2.0%
Gravel pits	365,000	25,431	(339,569)	-93.0%
Halls and community centres	376,009	52,829	(323,179)	-85.9%
Health control	30,835	24,860	(5,975)	-19.4%
Heritage and culture	206,562	2,040	(204,522)	-99.0%
Information systems	428,833	491,499	62,666	14.6%
Library	203,491	206,070	2,579	1.3%
Local laws	8,246	7,025	(1,221)	-14.8%
Parks and streetscapes	539,168	494,016	(45,152)	-8.4%
Planning services	30,313	16,100	(14,213)	-46.9%
Plant operating	1,196,026	1,517,353	321,327	26.9%
Recreation support	141,809	144,305	2,496	1.8%
Road maintenance	604,607	446,313	(158,294)	-26.2%
Sporting reserves	154,499	-	(154,499)	-100.0%
Staff costs	388,703	288,058	(100,645)	-25.9%
Standpipes	38,550	39,924	1,374	3.6%



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.1 Comprehensive income statement (continued)

4.1.10 Materials, services and contracts (continued)

	Forecast Actual 2017/18 \$	Budget 2018/19 \$	Change \$	Change %
Strategies and plans	299,085	341,707	42,622	14.3%
Street lighting	31,500	33,075	1,575	5.0%
Swimming pools	463,897	384,649	(79,248)	-17.1%
Tips / transfer stations	319,139	665,946	346,807	108.7%
Valuations	361,002	177,944	(183,058)	-50.7%
Waste collection	670,684	762,269	91,585	13.7%
Waterways	373,053	79,733	(293,320)	-78.6%
Workshop and depots	85,359	82,279	(3,080)	-3.6%
Youth initiatives	67,777	59,000	(8,777)	-12.9%
Total materials, services and contracts	11,060,536	8,799,238	(2,261,298)	-20.4%

Materials, services and contracts include the purchase of consumables, payments to contractors for the provision of services and utility costs. Materials, services and contracts are forecast to decrease by 20.4% or \$2.26 million compared to 2017/18. They relate to operating expenditure only, **and do not include the purchase of goods, services, or consumables, or payments to contractors for capital works projects.**

The decrease is largely due reductions in the carry over amounts for packaged care services of \$484K, reduction in spending for the weed and pest program of \$250K and projected increases are expected in waste collection of \$92K and tips/landfill costs of \$347K.

4.1.11 Depreciation and amortisation

	Forecast Actual 2017/18 \$	Budget 2018/19 \$	Change \$	Change %
Roads	4,902,884	5,025,456	122,572	2.5%
Buildings	1,736,717	1,780,134	43,417	2.5%
Plant and equipment	1,204,205	1,234,310	30,105	2.5%
Bridges	325,414	333,549	8,135	2.5%
Urban drains	223,688	229,280	5,592	2.5%
Furniture and equipment	104,310	106,918	2,608	2.5%
Footpaths	176,615	181,030	4,415	2.5%
Kerb and channel	114,927	117,801	2,874	2.5%
Landfills	156,465	160,377	3,912	2.5%
Street furniture	29,032	29,758	726	2.5%
Quarries	2,318	2,376	58	2.5%
Total depreciation and amortisation	8,976,575	9,200,989	224,414	2.5%

Depreciation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains. The increase of 2.5% or \$224K for 2018/19 is due mainly to the completion of the 2017/18 capital works program and the full year effect of depreciation on the 2018/19 program.



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.1 Comprehensive income statement (continued)

4.1.12 Other expenses

	Forecast Actual 2017/18 \$	Budget 2018/19 \$	Change \$	Change %
Councillors' emoluments	220,078	221,089	1,011	0.5%
Internal audit remuneration	41,820	42,029	209	0.5%
External audit remuneration	42,840	43,054	214	0.5%
Impairment of interest free loans	-	-	-	0.0%
Total other expenses	304,738	306,172	1,434	0.5%

Other expenses include councillors' costs, auditors' remuneration and other minor expenses.

Other expenses are forecast to increase by 0.5% or \$1K compared to 2017/18.

4.1.13 Adjusted underlying surplus

This section analyses the operating budget including expected income and expenses of the Council for the 2018/19 year.

Details	Ref	Forecast 2017/18 \$	Budget 2018/19 \$	Variance \$
Total income		28,737,971	25,391,787	- 3,346,184
Total expenditure		(31,491,142)	(30,115,830)	1,375,312
Surplus (deficit) for the year		(2,753,171)	(4,724,043)	- 1,970,872
Grants - capital non-recurrent	4.1.4	611,737	3,474,670	2,862,933
Capital contributions	4.1.5	85,000	310,000	225,000
Adjusted underlying surplus (deficit)		(2,056,434)	(939,373)	1,117,061

The adjusted underlying result is the net surplus or deficit for the year adjusted for non-recurrent capital grants, non-monetary asset contributions and capital contributions from other sources. It is a measure of financial sustainability and Council's ability to achieve its service delivery objectives as it is not impacted by capital income items which can often mask the operating result. The underlying result for the 2018/19 year is a surplus of \$0.94 million which is a decrease of \$1.12 million from the 2017/18 year. In calculating the adjusted underlying result, Council has excluded grants received for capital purposes which are non-recurrent and capital contributions from other sources. Contributions of non-monetary assets are excluded as the value of assets assumed by Council is dependent on the level of development activity each year.



LODDON SHIRE COUNCIL BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.2 Balance sheet

4.2.1 Assets

Cash and cash equivalents include cash and investments such as cash held in the bank and in petty cash and the value of investments in deposits or other highly liquid investments with short term maturities of three months or less. These balances are projected to decrease by \$6.7 million during the year mainly due to the expectation to have most capital projects complete by 30 June and the 50% prepayment of the grants commission return in 2017/18.

Trade and other receivables are monies owed to Council by ratepayers and others. Short term debtors are not expected to change significantly in the budget. Long term debtors (non-current) relating to loans to community organisations will decrease slightly in accordance with agreed repayment terms.

Other assets includes items such as prepayments for expenses that Council has paid in advance of service delivery, inventories or stocks held for sale or consumption in Council's services and other revenues due to be received in the next 12 months.

Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the value of all land, buildings, roads, vehicles, equipment, etc. which has been built up by Council over many years. The \$11.94 million increase in this balance is attributable to the net result of the capital works program (\$14.83 million in 2017/18 and \$11.76 million in 2018/19), depreciation of assets (\$8.98 million in 2017/18 and \$9.20 million in 2018/19) and the income through sale of property, plant and equipment.

Investments in associates and joint ventures represents Council's equity in the North Central Regional Goldfields Library. The change in equity has been inconsistent in the past with some years increasing and other years decreasing, so for budgeting purposes, the equity has not been changed. Non-current assets held for resale is land and/or buildings that Council can confidently state will be sold within a short period of time.

4.2.2 Liabilities

Trade and other payables are those to whom Council owes money as at 30 June. These liabilities are budgeted to reduce by \$0.07 million in 2018/19 levels due to a reduction in material and services costs.

Employee benefit include accrued long service leave, annual leave and rostered days off owing to employees. These employee entitlements are expected to decrease by \$0.07 million (current liability) and increase by \$0.21 million (non current liability) due to increases in employee service years.

4.2.3 Equity

Total equity always equals net assets and is made up of the following components:

- asset revaluation reserve which represents the difference between the previously recorded value of assets and their current valuations
- other reserves that are funds that Council wishes to separately identify as being set aside to meet a specific purpose in the future and to which there is no existing liability. These amounts are transferred from the accumulated surplus of the Council to be separately disclosed
- accumulated surplus which is the value of all net assets less reserves that have accumulated over time. \$2.75 million of the \$2.40 million increase in accumulated surplus results directly from the surplus for the year. This is offset by an amount of \$5.25 million net is budgeted to be transferred to and from other reserves to accumulated surplus. This reflects the usage of Council's reserves to partly fund the capital works program and other specified projects. This is a transfer between equity balances and does no impact on the total balance of equity.



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.2 Balance sheet

4.2.4 Borrowings

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

	Forecast Actual 2017/18 \$	Budget 2018/19 \$
Total amount borrowed as at 30 June of the prior year	-	-
Total amount to be borrowed	-	-
Total amount projected to be redeemed	-	-
Total amount proposed to be borrowed as at 30 June	-	-

In developing the Strategic Resource Plan (SRP) borrowings may be identified as an important funding source for capital works programs. In the past Council has borrowed to finance large projects and since then has been in a phase of debt reduction. This has resulted in a reduction in debt servicing costs, but has meant that cash and investment reserves have been used as an alternate funding source to maintain robust capital works programs.

In general, Council has adopted a policy to remain debt free except for situations where funding was required to deliver significant capital projects. The Council has elected to not borrow any further funds at this time.

In 2015/16 final loan payments were made which finalises all of Council's borrowings.

For the 2018/19 year, Council has decided not to take out any new borrowings to fund the capital works program.



**LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019**

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.3 Statement of changes in equity

4.3.1 Reserves

Council undertakes reserves budgeting in order to provide for future expenditure while reducing the impact of purchases on the current year budget.

The following reserves are currently in use by Council:

Land and buildings reserve

The Land and Buildings Reserve is used to fund the acquisition of land and buildings. Funds received from the sale of Council owned land and buildings are transferred to the reserve.

Professional development reserve

The Professional Development Reserve is used to fund professional development undertaken by executive officers of Council. An annual allocation is provided to each officer and that amount is transferred to the reserve annually, while the cost of professional development undertaken during the year is transferred from the reserve.

Unspent grants reserve

The Unspent Grants Reserve has been established for situations where Council has received funding via an external party and those funds remain unspent at the end of the financial year.

Capital expenditure reserve

The Capital Expenditure Reserve is used to set aside funds that have been budgeted for capital works projects in one financial year but will not be fully expended by the end of that year. The funds will be transferred to the reserve in the budget year, and transferred from the reserve in the following financial year, or in the year that the funds are expended for the specific project.

Information technology reserve

The Information Technology Reserve is used to set aside monies for the purchase of information technology assets. The reserve outlines the annual cost of information technology for Council and the amounts required to be set aside in reserve for future asset purchases.

Valuations reserve

The Valuations Reserve is used to fund the cost of Council's bi-annual valuations for rating purposes. Council transfers from the reserve the net cost of valuations and transfers to the reserve an annual allocation to ensure the reserve remains high enough to fund future revaluations.

Units reserve

The Units Reserve is used to fund the purchase or improvement of Council owned elderly persons' units. The surplus generated from rental income is transferred to the reserve annually. The cost of major improvements is transferred from the reserve annually.

Economic development reserve

The Economic Development Reserve is used to set aside funds to assist with economic development initiatives that Council wishes to financially support. Council transfers to the reserve a set amount determined during the budget process and transfers from the reserve the cost of economic development initiatives within the year.

Skidders Flat water reserve

The Skidders Flat Water Reserve is used to fund major repairs and capital works at the Skidders Flat Water Supply. The surplus on operations of the water supply is transferred to reserve annually and the cost of major repairs and capital works is transferred from the reserve.



**LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019**

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.3 Statement of changes in equity (continued)

4.3.1 Reserves (continued)

Community planning reserve

The Community Planning Reserve has been established for situations where projects are budgeted in one year but for various reasons are unable to be delivered and are therefore deferred until the following year.

Plant replacement reserve

The Plant Replacement Reserve is used to fund plant purchases. Council transfers to the reserve a fixed amount annually and transfers from the reserve the net cost of plant purchases for the year.

Fleet replacement reserve

The Fleet Replacement Reserve is used to fund the replacement of office vehicles. Council transfers to the reserve a fixed amount annually and transfers from the reserve the net cost of fleet purchases for the year.

GSP reserve

The Gravel and Sand Pit (GSP) Reserve is used to fund land purchase, development and restoration of gravel and sand pits used by Council for the extraction of gravel. The budgeted surplus on operations of the pits is transferred to the reserve annually and the cost of purchasing new sites, development and restoration of the pits is transferred from the reserve.

Urban drainage reserve

The Urban Drainage Reserve is used to fund urban drainage works in the towns within the Shire. Council transfers to the reserve annually a budgeted amount, and transfers from the reserve the cost of urban drainage works for the year.

Waste management reserve

The Waste Management Reserve has been established to assist with the cost of strategic projects, compliance and long term planning for Council's landfills and transfer stations. Council transfers to the reserve annually \$10 per kerbside collection levy (or a pro-rata amount for a pro-rata collection). Council transfers from the reserve the cost of strategic projects, compliance and long term planning within Council landfills and transfer stations.

Reserves improvement reserve

The Reserves Improvement Reserve is an allocation of funds used to provide interest free loans to community groups. Usually there are no transfers to or from this reserve.

Lake Boort water reserve

The Lake Boort Water Reserve was established with funds generated from sale of water allocations not required for immediate use in Little Lake Boort. The reserve is used to purchase replacement water at an appropriate time, or may be used for other purposes specific to Lake Boort.

Caravan park development reserve

The Caravan Park Development Reserve has been established to assist with funding major projects at Council's caravan parks. Council transfers to the reserve annually the surplus on operations of its caravan parks, and transfers from the reserve the cost of major projects undertaken at Council's caravan parks during the year.

Unfunded superannuation liability reserve

The Unfunded Superannuation Liability Reserve is used to repay any potential unfunded superannuation liability arising from the LAS Defined Benefits Plan Scheme. Council transfers to the reserve amounts allocated in the budget, and transfers from the reserve payments made to Vision Super Pty. Ltd. for the unfunded superannuation liability.



**LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019**

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.3 Statement of changes in equity (continued)

4.3.1 Reserves (continued)

Unspent contributions reserve

The Unspent Contributions Reserve is used to set aside contributions received for a specific purpose in one financial year that will not be expended until a later financial year. The funds will be transferred to the reserve in the year the funds are received, and transferred from the reserve in the year that the funds are expended for that purpose.

War memorial reserve

The War Memorial Reserve is used to fund the cost of maintaining and renewing war memorials across the Shire. Council transfers funds to the reserve as required and transfers the cost of works to war memorials from reserve.

Heritage loan scheme reserve

The Heritage Loan Scheme Reserve is used to provide land owners of properties located in significant heritage precincts, heritage registered buildings or structures of local heritage significance, with loans to enable repair and maintenance of those buildings with the aims of quality appearance and public safety.

Major projects reserve

The Major Projects Reserve is used to assist with the funding of major projects identified by Council. Council transfers funds to the reserve annually an amount determined during the budget process as sufficient to fund the major projects program and transfers the funds required to finance major works undertaken at Council's discretion.

Unightly premises enforcement provision reserve

The Unightly Premises Enforcement Provision Reserve is used to provide funds to assist with the enforcement and rectification works on determined unightly premises with costs recouped via legal or other action.

Swimming pool major projects reserve

The Swimming Pool Major Projects Reserve is used to fund unplanned major repairs and capital works at the various swimming pool sites across the Shire.



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.3 Statement of changes in equity (continued)

4.3.2 Transfers to and from reserves

The following is a summary of the projected reserves position for the year ended 30 June 2018:

2017/18 reserves - as per projected forecast				
Name of reserve	Balance at 1 July 2017 \$	Transfers to reserves \$	Transfers from reserves \$	Balance at 30 June 2018 \$
Land and buildings reserve	280,354	505,000	784,080	1,274
Professional development reserve	(2,118)	8,000	-	5,882
Unspent grants reserve	7,683,212	4,349,156	7,683,212	4,349,156
Capital expenditure reserve	3,141,720	900,000	3,141,720	900,000
Information technology reserve	1,226,469	185,000	484,701	926,768
Valuation reserve	190,895	15,000	160,000	45,895
Units reserve	77,129	16,265	-	93,394
Economic development reserve	120,035	100,000	201,855	18,180
Skinner's Flat reserve	12,908	-	-	12,908
Community planning reserve	901,067	500,000	901,067	500,000
Plant replacement reserve	1,769,860	850,000	375,670	2,244,190
Fleet replacement reserve	676,845	150,000	562,000	264,845
GSP restoration reserve	773,703	35,000	365,993	442,710
Urban drainage reserve	704,551	250,000	572,596	381,955
Waste management reserve	283,147	34,370	-	317,517
Lake Boort water reserve	20,303	-	-	20,303
Reserves improvement reserve	100,000	-	-	100,000
Caravan park development reserve	264,967	75,239	55,900	284,306
Superannuation liability reserve	1,000,000	-	303,576	696,424
Unspent contributions reserve	987	-	987	-
War memorial reserve	3,000	-	-	3,000
Heritage loan scheme	100,000	-	-	100,000
Major projects reserve	99,796	-	-	99,796
Unightly premises enforcement	100,000	-	-	100,000
Swimming pool major projects	50,000	50,000	-	100,000
TOTAL	19,578,830	8,023,030	15,593,357	12,008,503



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.3 Statement of changes in equity (continued)

4.3.2 Transfers to and from reserves (continued)

The following is a summary of the budgeted reserves position for the year ended 30 June 2019:

2018/19 reserves - as per budget				
Name of reserve	Balance at 1 July 2018 \$	Transfers to reserves \$	Transfers from reserves \$	Balance at 30 June 2019 \$
Land and buildings reserve	1,274	-	-	1,274
Professional development reserve	5,882	8,000	-	13,882
Unspent grants reserve	4,349,156	-	4,239,156	110,000
Capital expenditure reserve	900,000	-	50,000	850,000
Information technology reserve	926,768	185,000	876,914	234,854
Valuation reserve	45,895	-	40,000	5,895
Units reserve	93,394	15,669	-	109,063
Economic development reserve	18,180	100,000	105,000	13,180
Skinner's Flat reserve	12,908	-	-	12,908
Community planning reserve	500,000	-	-	500,000
Plant replacement reserve	2,244,190	873,031	941,936	2,175,285
Fleet replacement reserve	264,845	218,375	85,854	397,366
GSP restoration reserve	442,710	123,654	50,034	516,330
Urban drainage reserve	381,955	370,000	650,000	101,955
Waste management reserve	317,517	34,690	7,700	344,507
Lake Boort water reserve	20,303	-	-	20,303
Reserves improvement reserve	100,000	-	-	100,000
Caravan park development reserve	284,306	72,138	355,000	1,444
Superannuation liability reserve	696,424	101,192	-	797,616
Unspent contributions reserve	-	-	-	-
War memorial reserve	3,000	-	-	3,000
Heritage loan scheme	100,000	-	-	100,000
Major projects reserve	99,796	-	-	99,796
Unightly premises enforcement	100,000	-	-	100,000
Swimming pool major projects	100,000	50,000	-	150,000
TOTAL	12,008,503	2,151,749	7,401,594	6,758,658

By including the above transfers from reserves it is expected that reserve levels decrease by approximately \$1.0 million, leaving a balance of \$7.44 million in the reserves account.

4.3.3 Details of reserves

The following schedule provides details of each of the reserve transfers for 2018/19:

Land and buildings reserve			
Opening balance			1,274
ADD transfer to reserve			
Nil	N/A	-	-
LESS transfer from reserve			
Nil	N/A		-
Closing balance			1,274



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.3 Statement of changes in equity (continued)

4.3.3 Details of reserves (continued)

Professional development reserve			
Opening balance			5,882
ADD transfer to reserve			
Annual allocation	Activity 461	8,000	8,000
LESS transfer from reserve			
Nil	N/A	-	-
Closing balance			13,882
Unspent grants reserve			
Opening balance			4,349,156
ADD transfer to reserve			
Nil	N/A	-	-
LESS transfer from reserve			
Grants Commission 50% upfront payment	Activity 421	(4,239,156)	(4,239,156)
Closing balance			110,000
Capital expenditure reserve			
Opening balance			900,000
ADD transfer to reserve			
Nil	N/A	-	-
LESS transfer from reserve			
Livestock pound	Activity 692	(50,000)	(50,000)
Closing balance			850,000
Information technology reserve			
Opening balance			926,768
ADD transfer to reserve			
Annual allocations for major purchases	Activity 461	185,000	185,000
LESS transfer from reserve			
Server Replacement	Activity 434	(50,000)	
IT strategy implementation - staff	Activity 434	(99,134)	
IT strategy implementation	Activity 434	(660,000)	
PC replacement	Activity 491	(53,500)	
Asset Edge devices	Activity 491	(14,280)	(876,914)
Closing balance			234,854
Valuation reserve			
Opening balance			45,895
ADD transfer to reserve			
Nil	N/A	-	-
LESS transfer from reserve			
Expenditure for 2018/19	Activity 436	(40,000)	(40,000)
Closing balance			5,895



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.3 Statement of changes in equity (continued)

4.3.3 Details of reserves (continued)

Units reserve			
Opening balance			93,394
ADD transfer to reserve	Activity 634	15,669	15,669
Surplus for 2018/19			
LESS transfer from reserve			
Nil	N/A	-	-
Closing balance			109,063
Economic development reserve			
Opening balance			18,180
ADD transfer to reserve	Activity 461	100,000	100,000
Yearly allocation			
LESS transfer from reserve			
Project scoping	Activity 110	(15,000)	
Agribusiness Forum	Activity 131	(10,000)	
Economic development strategy	Activity 131	(80,000)	(105,000)
Closing balance			13,180
Skinner's flat reserve			
Opening balance			12,908
ADD transfer to reserve			
Nil	N/A	-	-
LESS transfer from reserve			
Nil	N/A	-	-
Closing balance			12,908
Community planning reserve			
Opening balance			500,000
ADD transfer to reserve			
Nil	N/A	-	-
LESS transfer from reserve			
Nil	N/A	-	-
Closing balance			500,000
Plant replacement reserve			
Opening balance			2,244,190
ADD transfer to reserve			
Annual allocation to reserve	Activity 461	873,031	873,031
LESS transfer from reserve			
Net cost of plant replacement	Activity 391	(941,936)	(941,936)
Closing balance			2,175,285



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.3 Statement of changes in equity (continued)

4.3.3 Details of reserves (continued)

Fleet replacement reserve			
Opening balance			264,845
ADD transfer to reserve			
Annual allocation to reserve	Activity 461	218,375	218,375
LESS transfer from reserve			
Net cost of fleet replacement	Activity 391	(85,854)	(85,854)
Closing balance			397,366
GSP restoration reserve			
Opening balance			442,710
ADD transfer to reserve			
Income from gravel pits	Activity 380	123,654	123,654
LESS transfer from reserve			
Expenditure from gravel pits	Activity 380	(50,034)	(50,034)
Closing balance			516,330
Urban drainage reserve			
Opening balance			381,955
ADD transfer to reserve			
Annual allocation	Activity 461	370,000	370,000
LESS transfer from reserve			
Drainage program	Activity 371	(650,000)	(650,000)
Closing balance			101,955
Waste management reserve			
Opening balance			317,517
ADD transfer to reserve			
Kerbside collection	Activity 512	34,690	34,690
LESS transfer from reserve			
Waste management strategy	Activity 510	(7,700)	(7,700)
Closing balance			344,507
Reserves improvement reserve			
Opening balance			100,000
ADD transfer to reserve			
Nil	N/A	-	-
LESS transfer from reserve			
Nil	N/A	-	-
Closing balance			100,000



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.3 Statement of changes in equity (continued)

4.3.3 Details of reserves (continued)

Lake Boort water reserve			
Opening balance			20,303
ADD transfer to reserve			
Nil	N/A	-	-
LESS transfer from reserve			
Nil	N/A	-	-
Closing balance			20,303
Caravan park development reserve			
Opening balance			284,306
ADD transfer to reserve			
Surplus of caravan park operations	Activity 123	72,138	72,138
LESS transfer from reserve			
Capital works program	Activity 123	(325,000)	
Tree works	Activity 123	(15,000)	(15,000)
Wedderburn entrance works	Activity 123	(15,000)	(340,000)
Closing balance			1,444
Superannuation liability reserve			
Opening balance			696,424
ADD transfer to reserve			
Wedderburn streetscape return funds	Activity 461	101,192	101,192
LESS transfer from reserve			
Nil	N/A	-	-
Closing balance			797,616
Unspent contributions reserve			
Opening balance			-
ADD transfer to reserve			
Nil	N/A	-	-
LESS transfer from reserve			
Nil	N/A	-	-
Closing balance			-
War memorial reserve			
Opening balance			3,000
ADD transfer to reserve			
Nil	N/A	-	-
LESS transfer from reserve			
Nil	N/A	-	-
Closing balance			3,000



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.3 Statement of changes in equity (continued)

4.3.3 Details of reserves (continued)

Major projects reserve			
Opening balance			99,796
ADD transfer to reserve			
Nil	N/A	-	-
LESS transfer from reserve			
Nil	N/A	-	-
Closing balance			99,796
Unightly premises enforcement provision			
Opening balance			100,000
ADD transfer to reserve			
Nil	N/A	-	-
LESS transfer from reserve			
Nil	N/A	-	-
Closing balance			100,000
Swimming pool major projects reserve			
Opening balance			100,000
ADD transfer to reserve			
Annual allocation to reserve	Activity 461	50,000	50,000
LESS transfer from reserve			
Nil	N/A	-	-
Closing balance			150,000

4.3.4 Equity

Total equity always equals net assets and is made up of the asset revaluation reserve, other reserves and the accumulated surplus.



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.3 Statement of changes in equity (continued)

4.3.5 Working capital (\$5.59 million decrease)

Working capital is the excess of current assets above current liabilities. The calculation recognises that although Council has current assets, some of those assets are committed to the future settlement of liabilities and therefore are not available for discretionary spending.

Some of Council's cash assets are restricted in that they are required by legislation to be held in reserve for specific purposes or are held to fund carry forward capital works from the previous financial year.

	Forecast Actual 2017/18 \$	Budget 2018/19 \$	Variance \$
Current assets	18,672,113	11,975,962	6,696,151
Current liabilities	2,879,019	2,721,774	157,245
Working capital	15,793,094	9,254,188	6,538,906
Intended allocation assets			
- Discretionary reserves	(12,008,503)	(6,758,658)	(5,249,845)
- Long service leave	(1,809,316)	(1,909,316)	100,000
Restricted allocation assets			
- Trust funds and deposits	(384,216)	(365,005)	(19,211)
Unrestricted working capital	1,591,059	221,209	1,369,850

In addition to the restricted assets above, Council is also projected to hold \$7.44 million in discretionary reserves at 30 June 2019. Although not restricted by a statutory purpose, Council has made decisions regarding the future use of these funds and unless there is a Council resolution, these funds are to be used for those earmarked purposes.



LODDON SHIRE COUNCIL BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.4 Statement of cash flows

This section of the report analyses the expected cash flows from the operating, investing and financing activities of Council for the 2018/19 year. Budgeting cash flows for Council is a key factor in setting the level of rates and providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

4.4.1 Net cash flows provided by / (used in) operating activities

Operating activities - Refers to the cash generated or used in the normal service delivery functions of Council. Cash remaining after paying for the provision of services to the community may be available for investment in capital works, or repayment of debt.

The decrease in cash flows from operating activities is due mainly to a \$4.6 million decrease in operating grants and \$0.09 million increase in capital grants, which is partially offset by a slight increase in rates and charges, which includes an increase in rates of 2.25% and garbage related charges of 5.0%.

4.4.2 Net cash flows provided by / (used in) investing activities

Investing activities - Refers to cash generated or used in the enhancement or creation of infrastructure and other assets. These activities also include the acquisition and sale of other assets such as vehicles, property and equipment.

The large decrease in payments for investing activities represents a decrease in capital works expenditure. Term deposits are also expected to decrease by \$12.4 million.

4.4.3 Net cash flows provided by / (used in) financing activities

Financing activities - Refers to cash generated or used in the financing of Council functions and include borrowings from financial institutions and advancing of repayable loans to other organisations. These activities include repayment of the principle component of loan repayments for the year.

Council's borrowings were fully extinguished in the 2015/16 financial year. No new are borrowings are budgeted in 2018/19.

4.4.4 Cash and cash equivalents at the end of the year

Overall, total cash and investments is forecast to decrease by \$6.63 million to \$8.83 million as at 30 June 2019, although the cash position will be determined by a number of factors including collection of outstanding amounts during the year, payment cycle for Council's creditors and movement in trust funds.

Cash and cash equivalents held by Council are restricted in part, and not fully available for Council's operations. The budgeted cash flow statement above indicates that Council is estimating at 30 June 2019 it will have unrestricted cash and investments of \$0.2 million, which has been restricted as shown in the following table.



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.4 Statement of cash flows (continued)

4.4.4 Cash and cash equivalents at the end of the year (continued)

	Ref	Forecast Actual 2017/18 \$	Budget 2018/19 \$	Variance \$
Total cash and investments		15,457,675	8,828,226	(6,629,449)
Intended allocation assets				
Long service leave	4.4.5	(1,809,316)	(1,909,316)	(100,000)
Discretionary reserves	4.4.6	(12,008,503)	(6,758,658)	5,249,845
Restricted allocation assets				
Trust funds and deposits		(384,216)	(365,005)	19,211
Unrestricted cash adjusted for discretionary reserves	4.4.7	1,255,640	(204,753)	(1,460,393)

4.4.5 Long service leave

Council has continued to treat funds set aside for employees long service leave as restricted cash. The increase in the variance is due to increased years of service by employees and increases in wage rates through the enterprise bargaining agreement.

4.4.6 Discretionary reserves

These funds are shown as a discretionary reserve as, although not restricted by a statutory purpose, Council has made decision regarding the future use of these funds and unless there is a Council resolution these funds should be used for those earmarked purposes. The decisions about future use of these funds has been reflected in Council's Strategic Resource Plan and any changes in future use of the funds will be made in the context of the future funding requirements set out in the plan.

4.4.7 Unrestricted cash and investments

These funds are free of all specific Council commitments and represent funds available to meet daily cash flow requirements, unexpected short term needs and any budget commitments which will be expended in the following year such as grants and contributions. Council regards these funds as the minimum necessary to ensure that it can meet its commitments as and when they fall due without borrowing further funds.



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.5 Capital works program

This section presents a listing of the capital works projects that will be undertaken for the 2018/19 year.

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

- new works for 2018/19
- works carried forward from the 2017/18 year.

4.5.1 New works by asset expenditure type

Capital works area	Project cost	Asset expenditure types			
		New \$	Renewal \$	Upgrade \$	Expansion \$
Property					
Land	-	-	-	-	-
Land improvements	-	-	-	-	-
Total land	-	-	-	-	-
Buildings	500,000	-	500,000	-	-
Building improvements	290,000	-	290,000	-	-
Total buildings	790,000	-	790,000	-	-
Total property	790,000	-	790,000	-	-
Plant and equipment					
Plant, machinery and equipment	1,427,213	1,427,213	-	-	-
Computers and telecommunications	777,780	660,000	117,780	-	-
Fixtures fittings and furniture	-	-	-	-	-
Total plant and equipment	2,204,993	2,087,213	117,780	-	-
Infrastructure					
Roads	2,708,725	-	1,313,725	1,395,000	-
Bridges	950,700	-	950,700	-	-
Footpaths	237,000	-	237,000	-	-
Drainage	350,000	-	-	350,000	-
Recreation leisure and community facilities	3,772,670	-	-	1,218,000	2,554,670
Parks, open space and streetscapes	350,000	-	100,000	250,000	-
Other infrastructure	-	-	-	-	-
Total infrastructure	8,369,095	-	2,601,425	3,213,000	2,554,670
Total new works	11,364,088	2,087,213	3,509,205	3,213,000	2,554,670



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.5 Capital works program (continued)

4.5.2 New works by funding source

Capital works area	Project cost	Funding sources			
		Grants \$	Reserves \$	Council funded \$	Sale of assets \$
Property					
Land	-	-	-	-	-
Land improvements	-	-	-	-	-
Total land	-	-	-	-	-
Buildings	500,000	-	-	500,000	-
Building improvements	290,000	-	-	290,000	-
Total buildings	790,000	-	-	790,000	-
Total property	790,000	-	-	790,000	-
Plant and equipment					
Plant, machinery and equipment	1,427,213	-	1,027,790	20,000	379,423
Computers and telecommunications	777,780	-	777,780	-	-
Fixtures fittings and furniture	-	-	-	-	-
Total plant and equipment	2,204,993	-	1,805,570	20,000	379,423
Infrastructure					
Roads	2,708,725	1,676,275	-	1,032,450	-
Bridges	950,700	350,000	-	600,700	-
Footpaths	237,000	-	-	237,000	-
Drainage	350,000	-	350,000	-	-
Recreation leisure and community facilities	3,772,670	3,124,670	340,000	308,000	-
Parks, open space and streetscapes	350,000	-	-	350,000	-
Other infrastructure	-	-	-	-	-
Total infrastructure	8,369,095	5,150,945	690,000	2,528,150	-
Total new works	11,364,088	5,150,945	2,495,570	3,338,150	379,423



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.5 Capital works program (continued)

4.5.3 Works carried forward from the 2017/18 year by asset expenditure type

Capital works area	Project cost	Asset expenditure types			
		New \$	Renewal \$	Upgrade \$	Expansion \$
Property					
Land	-	-	-	-	-
Land improvements	66,747	5,000	61,747	-	-
Total land	66,747	5,000	61,747	-	-
Buildings	-	-	-	-	-
Building improvements	-	-	-	-	-
Total buildings	-	-	-	-	-
Total property	66,747	5,000	61,747	-	-
Plant and equipment					
Plant, machinery and equipment	-	-	-	-	-
Computers and telecommunications	-	-	-	-	-
Fixtures fittings and furniture	-	-	-	-	-
Total plant and equipment	-	-	-	-	-
Infrastructure					
Roads	-	-	-	-	-
Bridges	-	-	-	-	-
Footpaths	-	-	-	-	-
Drainage	-	-	-	-	-
Recreation leisure and community facilities	325,000	-	-	15,000	310,000
Parks, open space and streetscapes	-	-	-	-	-
Other infrastructure	-	-	-	-	-
Total infrastructure	325,000	-	-	15,000	310,000
Total carried forward works	391,747	5,000	61,747	15,000	310,000



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

4 NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.5 Capital works program (continued)

4.5.4 Works carried forward from the 2017/18 year by funding source

Capital works area	Project cost	Funding sources			
		Grants \$	Reserves \$	Council funded \$	Sale of assets \$
Property					
Land	-	-	-	-	-
Land improvements	66,747	-	61,747	5,000	-
Total land	66,747	-	61,747	5,000	-
Buildings	-	-	-	-	-
Building improvements	-	-	-	-	-
Total buildings	-	-	-	-	-
Total property	66,747	-	61,747	5,000	-
Plant and equipment					
Plant, machinery and equipment	-	-	-	-	-
Computers and telecommunications	-	-	-	-	-
Fixtures fittings and furniture	-	-	-	-	-
Total plant and equipment	-	-	-	-	-
Infrastructure					
Roads	-	-	-	-	-
Bridges	-	-	-	-	-
Footpaths	-	-	-	-	-
Drainage	-	-	-	-	-
Recreation leisure and community facilities	325,000	-	15,000	310,000	-
Parks, open space and streetscapes	-	-	-	-	-
Other infrastructure	-	-	-	-	-
Total infrastructure	325,000	-	15,000	310,000	-
Total carried forward works	391,747	-	76,747	315,000	-



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

5 FINANCIAL PERFORMANCE INDICATORS

Indicator	Measure	Notes	Actual	Forecast	Budget	Trend
			2016/17	2017/18	2018/19	+ / O / -
Operating position						
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	9.83%	-13.70%	-38.30%	-
Liquidity						
Working capital	Current assets / Current liabilities	2	790.25%	648.56%	440.01%	-
Unrestricted cash	Unrestricted cash / Current liabilities		-3.85%	43.61%	-7.52%	-
Obligations						
Loan and borrowings	Loans and borrowings / Rate revenue	3	0.00%	0.00%	0.00%	O
Loan and borrowings	Interest and principal repayments on interest bearing loans and borrowings / Rate revenue		0.00%	0.00%	0.00%	O
Indebtedness	Non-current liabilities / Own source revenue		12.52%	14.93%	16.98%	+
Asset renewal	Asset renewal expenses / Asset depreciation	4	33.93%	43.84%	38.81%	O
Stability						
Rates concentration	Rates revenue / Adjusted underlying revenue	5	32.05%	41.49%	48.26%	O
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.58%	0.60%	0.52%	O
Efficiency						
Expenditure level	Total expenses / No. of property assessments		\$3,670	\$4,070	\$3,876	O
Revenue level	Residential rate revenue / No. of residential property assessments		\$993	\$963	\$983	O
Workforce turnover	No. of permanent staff resignations and terminations / Average no. of permanent staff for the financial year		18.12	6.65	6.65	-



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

5 FINANCIAL PERFORMANCE INDICATORS (Continued)

Indicator	Measure	Notes	Strategic Resource Plan Projections			Trend
			2019/20	2020/21	2021/22	+ / O / -
Operating position						
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	-11.68%	-13.04%	-12.83%	O
Liquidity						
Working capital	Current assets / Current liabilities	2	416.35%	371.07%	372.06%	O
Unrestricted cash	Unrestricted cash / Current liabilities		-42.66%	-118.91%	-146.56%	-
Obligations						
Loan and borrowings	Loans and borrowings / Rate revenue	3	0.00%	0.00%	0.00%	O
Loan and borrowings	Interest and principal repayments on interest bearing loans and borrowings / Rate revenue		0.00%	0.00%	0.00%	O
Indebtedness	Non-current liabilities / Own source revenue		18.89%	20.66%	22.43%	+
Asset renewal	Asset renewal expenses / Asset depreciation	4	25.12%	24.89%	25.23%	O
Stability						
Rates concentration	Rates revenue / Adjusted underlying revenue	5	41.82%	42.03%	42.25%	+
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.52%	0.52%	0.52%	O
Efficiency						
Expenditure level	Total expenses / No. of property assessments		\$3,749	\$3,866	\$3,931	+
Revenue level	Residential rate revenue / No. of residential property assessments		\$999	\$1,023	\$1,048	+
Workforce turnover	No. of permanent staff resignations and terminations / Average no. of permanent staff for the financial year		6.74	6.74	6.74	O

Key to forecast trend:

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

Notes to indicators

1 *Adjusted underlying result* - An indicator of the sustainable operating result required to enable Council to continue provide core services and meet its objectives. Improvement in financial performance is expected over the period, although continued losses means reliance on Council's cash reserves or increased debt to maintain services.

2 *Working capital* - The proportion of current liabilities represented by current assets. Working capital is forecast to decrease in future years as cash and cash equivalents decrease.

3 *Debt compared to rates* - Council has repaid its final loan liability in 2015/16.

4 *Asset renewal* - This percentage indicates the extent of Council's renewal of assets against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates that Council is maintaining its existing assets, while a percentage less than 100 means its assets are deteriorating faster than they are being renewed and future capital expenditure will be required to renew assets.

5 *Rates concentration* - Reflects the extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates that Council will become more reliant on rate revenue compared to all other revenue sources.



**LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019**

APPENDIX A - FEES AND CHARGES SCHEDULE

Council's fees and charges schedule contains the fees and charges of a statutory and non-statutory nature which will be charged in respect to various goods and service provided during the 2018/19 year.

This document is located on Council's website and was adopted by Council on 27 March 2018.



LODDON SHIRE COUNCIL BUDGET FOR THE YEAR ENDED 30 JUNE 2019

APPENDIX B - BUDGET PROCESSES

This section lists the budget processes to be undertaken in order to adopt the Budget in accordance with the *Local Government Act 1989* (the Act) and *Local Government (Planning and Reporting) Regulations 2014* (the Regulations).

Under the Act, Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about rates and charges that Council intends to levy as well as a range of other information required by the Regulations which support the Act.

The 2018/19 Budget, which is included in this report, is for the year 1 July 2018 to 30 June 2019 and is prepared in accordance with the Act and Regulations. The Budget includes financial statements being a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and a Statement of Capital Works. These statements have been prepared for the year ended 30 June 2019 in accordance with the Act and Regulations, and consistent with the annual financial statements which are prepared in accordance with Australian Accounting Standards and the Local Government Model Accounts. The budget also includes information about the rates and charges to be levied, the capital works program to be undertaken, the human resources required, and other financial information which Council requires in order to make an informed decision about the adoption of the Budget.

A 'proposed' budget is prepared in accordance with the Act and submitted to Council in April for approval 'in principle'. Council is then required to give 28 days notice of its intention to adopt the proposed budget and make the budget available for inspection at its offices and on its website. Council also provides copies of the proposed budget at post offices and neighbourhood houses/community resource centres within the municipality. A person has the right to make a submission on any proposal contained in the Budget and any submission must be considered before adoption of the budget by Council.

With the introduction of the State Government's rate capping legislation in 2015, Councils are now unable to determine the level of rate increase and instead must use a maximum rate increase determined by the Minister for Local Government which is announced in December for application in the following year.

If Council wishes to seek a rate increase above the maximum allowable it must submit a rate variation submission to the Essential Services Commission (ESC). The ESC will determine whether the rate increase variation submission has been successful by 31 May. In many cases this will require Council to undertake 'public notice' on two separate proposed budgets simultaneously, i.e. the Minister's maximum rate increase and the Council's required rate increase.

The final step is for Council to adopt the budget after receiving and considering any submissions from interested parties. The budget is required to be adopted by 31 August and a copy submitted to the Minister within 28 days after adoption. The key dates for the budget process are summarised below:

Dec - Minister for Local Government announces maximum rate increase
Dec and Jan - Officers update Council's long term financial projections
Jan and Feb - Council to advise ESC if it intends to make a rate variation submission
April - Proposed budget distributed to Councillors
April - Council meets to consider the proposed budget
May - Council resolves to advertise the proposed budget
May - Council advertises "Draft Budget"
May and June - Proposed budget available for public inspection and comment
June - Council meets to consider public submissions and adopt the budget
June - Council gives public notice that the budget has been adopted
July - Council provides a copy of the 2018/19 Budget to the Minister



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

APPENDIX C - CAPITAL WORKS PROGRAM

This appendix presents a listing of the capital works projects that will be undertaken for the 2018/19 financial year.

C.1 Capital works by key direction area

The following table shows capital expenditure by key direction area, as per the Council Plan, and shows how the capital works have been funded.

Project	External funding			Internal funding			Total funding sources
	Grants and contrib. \$	Sale of assets \$	Loan funds \$	Reserves \$	Working capital \$	Operating activities \$	
Economic development and tourism							
Eucy Museum Road Access Study						50,000	50,000
Caravan park improvements	500,000			325,000		258,000	1,083,000
Caravan park trees				15,000			15,000
Wedderburn Caravan Park entrance				15,000			15,000
Council properties fencing						5,000	5,000
Works and infrastructure							
Local roads reseals	38,725					565,000	603,725
Local road safety program	45,000						45,000
Local road construction	1,350,000						1,350,000
Local road resheets	242,550					137,450	380,000
Local road shoulder sheets						315,000	315,000
Local bridges and culverts	350,000					600,700	950,700
Township street improvements						237,000	237,000
Urban drainage				350,000			350,000
Salathiels Pit clean up				11,747			11,747
Boundary entrance signage park and locality						15,000	15,000
Fleet replacement		168,606		85,854			254,460
Plant replacement		210,817		941,936			1,152,753
Minor plant and equipment						20,000	20,000



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

APPENDIX C - CAPITAL WORKS PROGRAM (Continued)

C.1 Capital works by key direction area (continued)

Project	External funding			Internal funding			Total funding sources
	Grants and contrib. \$	Sale of assets \$	Loan funds \$	Reserves \$	Working capital \$	Operating activities \$	
Good management							
Server replacement				50,000			50,000
Asset Edge devices				14,280			14,280
PC replacement				53,500			53,500
IT Strategy implementation				660,000			660,000
Building Asset Management Plan allocation						290,000	290,000
Community services and recreation							
Parks and gardens strategy						100,000	100,000
Pyramid Hill Community Centre	120,000						120,000
Donaldson Park pavilion	2,504,670					310,000	2,814,670
Livestock and domestic pound				50,000			50,000
Community planning allocations						750,000	750,000
Total	5,150,945	379,423	-	2,572,317	-	3,653,150	11,755,835


**LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019**
APPENDIX C - CAPITAL WORKS PROGRAM (Continued)
C.2 Capital expenditure by classification

This table shows the projects by classification, and shows whether the works are for asset renewal or provide Council with new assets.

Project	Asset renewal \$	New asset \$	Asset upgrade \$	Asset expansion \$	Carried forward \$	Total project \$
Land and buildings						
Council properties fencing					5,000	5,000
Building asset management plan	290,000					290,000
Livestock and domestic pound					50,000	50,000
Salathiels Pit clean up					11,747	11,747
Total land and buildings	290,000	-	-	-	66,747	356,747
Furniture and equipment						
Server replacement	50,000					50,000
PC replacement	53,500					53,500
Asset Edge devices	14,280					14,280
IT Strategy implementation		660,000				660,000
Total furniture and equipment	117,780	660,000	-	-	-	777,780
Plant and equipment						
Minor plant and equipment		20,000				20,000
Fleet replacement		254,460				254,460
Plant replacement		1,152,753				1,152,753
Total plant and equipment	-	1,427,213	-	-	-	1,427,213
Footpaths						
Township street improvements	237,000					237,000
Total footpaths	237,000	-	-	-	-	237,000
Roadworks						
Local road reseals	603,725					603,725
Local road safety			45,000			45,000
Local road construction			1,350,000			1,350,000
Local road resheets	380,000					380,000
Local road shoulder sheets	315,000					315,000
Local bridges and culverts	950,700					950,700
Boundary entrance signage parks and locality	15,000					15,000
Total roadworks	2,264,425	-	1,395,000	-	-	3,659,425



**LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019**

APPENDIX C - CAPITAL WORKS PROGRAM (Continued)

C.2 Capital expenditure by classification (continued)

Project	Asset renewal \$	New asset \$	Asset upgrade \$	Asset expansion \$	Carried forward \$	Total project \$
Urban and road drainage						
Urban drainage program			350,000			350,000
Total urban and road drainage	-	-	350,000	-	-	350,000
Recreation, leisure and community facilities						
Caravan park improvements			1,083,000			1,083,000
Wedderburn Caravan Park entrance					15,000	15,000
Caravan park trees			15,000			15,000
Eucy Museum road access				50,000		50,000
Pyramid Hill Community Centre			120,000			120,000
Donaldson Park pavilion upgrade				2,504,670	310,000	2,814,670
Total recreation, leisure and community facilities	-	-	1,218,000	2,554,670	325,000	4,097,670
Parks, open space and streetscapes						
Parks and gardens strategy	100,000					100,000
Community planning allocations			750,000			750,000
Total parks, open space and streetscapes	100,000	-	750,000	-	-	850,000
Total	3,009,205	2,087,213	3,713,000	2,554,670	391,747	11,755,835



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

APPENDIX D - AUDIT COMMITTEE FINANCIALS

In 2002 Council's Internal Audit Committee created a reporting format that it considered appropriate for reporting Council's results on a monthly basis. That format has been used by Council since then.

The following reports show the 2017/18 Forecast Actuals, the 2018/19 Budgets, and the variance between the two.

The reports include:

- Comprehensive Income Statement by expense type
- Comprehensive Income Statement by key direction area
- Capital Expenditure Statement

COMPREHENSIVE INCOME STATEMENT BY EXPENSE TYPE

	Forecast actual 2017/18 \$	Budget 2018/19 \$	Variance \$
Revenues from ordinary activities			
Rates and charges	10,446,656	10,723,126	276,470
Statutory and user fees	1,849,110	1,734,539	(114,571)
Operating grants	10,705,537	6,230,312	(4,475,225)
Capital grants	4,269,476	5,150,945	881,469
Operating contributions	85,000	310,000	225,000
Capital contributions	-	-	-
Vic Roads	521,681	534,064	12,383
Reversal of impairment losses	3,879	-	-
Reimbursements	428,632	333,801	(94,830)
Interest	428,000	375,000	(53,000)
Total revenues	28,737,971	25,391,787	(3,346,184)
Expenses from ordinary activities			
Labour	11,149,293	11,809,431	660,138
Materials and services	8,511,950	6,751,388	(1,760,562)
Contracts	2,093,754	1,581,347	(512,407)
Utilities	454,832	466,503	11,671
Depreciation	8,976,575	9,200,989	224,414
Interest expense	-	-	-
Other expenses	304,738	306,172	1,434
Total expenses	31,491,142	30,115,830	(1,375,312)
Net (gain) / loss on sale of assets	-	-	-
Surplus / (deficit) for the year	(2,753,171)	(4,724,043)	(1,970,872)



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

APPENDIX D - AUDIT COMMITTEE FINANCIALS (Continued)

COMPREHENSIVE INCOME STATEMENT BY KEY DIRECTION AREA

	Forecast actual 2017/18 \$	Budget 2018/19 \$	Variance \$
Revenues from ordinary activities			
Rates and charges	10,446,656	10,723,126	276,470
Operating grants	10,705,537	6,230,312	(4,475,225)
Capital grants	4,269,476	5,150,945	881,469
Operating contributions	85,000	310,000	225,000
Capital contributions	-	-	-
User fees	1,849,110	1,734,539	(114,571)
Reimbursements	428,632	333,801	(94,830)
Reversal of impairment losses	3,879	-	-
Vic Roads	521,681	534,064	12,383
Interest	428,000	375,000	(53,000)
Total revenues	28,737,971	25,391,787	(3,346,184)
Expenses from ordinary activities			
Economic development and tourism	1,500,964	1,436,315	(64,649)
Leadership	1,892,213	1,946,465	54,252
Works and infrastructure	12,853,741	13,421,963	568,222
Good management	5,073,164	4,274,482	(798,682)
Environment	2,114,734	2,396,268	281,534
Community services and recreation	8,056,326	6,640,337	(1,415,989)
Total expenses	31,491,142	30,115,830	(1,375,312)
Net (gain) / loss on sale of assets	-	-	-
Surplus / (deficit) for the year	(2,753,171)	(4,724,043)	(1,970,872)



LODDON SHIRE COUNCIL
BUDGET FOR THE YEAR ENDED 30 JUNE 2019

APPENDIX D - AUDIT COMMITTEE FINANCIALS (Continued)

CAPITAL EXPENDITURE STATEMENT

	Forecast actual 2017/18 \$	Budget 2018/19 \$	Variance \$
Surplus / (deficit) for the year-as per income statement	(2,753,171)	(4,724,043)	(1,970,872)
Less non-cash income			
Reversal of impairment losses	(3,879)	-	3,879
Add non-cash expenditure			
Net gain on sale of assets	-	-	-
Loan interest accrued	-	-	-
Depreciation	8,976,575	9,200,989	224,414
Total funds available for capital expenditure	6,219,525	4,476,946	- 1,742,579
Capital expenditure, transfers and loans			
Economic development and tourism	844,980	1,168,000	323,021
Leadership	-	-	-
Works and infrastructure	8,930,088	5,685,385	(3,244,703)
Good management	588,735	1,067,780	479,045
Environment	485,000	-	(485,000)
Community services and recreation	3,985,888	3,834,670	(151,218)
Total capital works	14,834,691	11,755,835	(3,078,856)
Transfers to reserves	8,023,030	2,151,749	(5,871,281)
Loan repayments	-	-	-
Total capital, transfers and loans	22,857,721	13,907,584	(8,950,137)
Capital expenditure, transfers and loans will be financed by:			
Asset sales	683,004	379,423	(303,581)
Transfers from reserves	15,593,357	7,401,594	(8,191,763)
Accumulated cash surplus brought forward from previous year	2,146,924	1,785,085	(361,839)
Total financing of capital, transfers, and loans	18,423,285	9,566,102	(8,857,183)
Total accumulated cash surplus	1,785,089	135,464	(1,649,625)

9.5 RECOGNITION OF LAND UNDER ROADS

File Number: 08/03/001
Author: Deanne Caserta, Manager Financial Services
Authoriser: Sharon Morrison, Director Corporate Services
Attachments: Nil

RECOMMENDATION

That Council elects to continue to not value Land Under Roads for Council controlled roads acquired before 1 July 2008.

CONFLICT OF INTEREST

There is no conflict of interest for any Council staff member involved in the preparation of this report, or involved in the subject matter of the report.

PREVIOUS COUNCIL DISCUSSION

In 2007 AASB1051 - *Land Under Roads* (the Standard) was introduced to gain some consistency in the way all Council's recognise and value land under roads.

This standard included four options for valuing these assets.

1. Recognise all roads using the cost method
2. Recognise all roads using the fair value method
3. Only recognise roads acquired after 1 July 2008 using the cost method
4. Only recognise roads acquired after 1 July 2008 using the fair value method.

In July 2007 and May 2008 Council was provided with an overview of the recently introduced requirement to recognise the value of Land Under Roads (LUR).

The May 2008 report included a recommendation from the Internal Audit Committee to Council *'that it elects not to value LUR for Council controlled roads acquired before 1 July 2008'*. This decision was endorsed by Council.

BACKGROUND

Further to the introduction of the Standard, Local Government Victoria (LGV) issued a circular (15/11) in 2011 which required all Councils to move to the recognition of all LUR and accounting for them at fair value to bring local governments reporting into alignment with State departments. The LGV requirement was expected that this would assist to achieve better integration of asset information, improve accountability and reliability in decision making. This was to be implemented as soon as practicable, but no later than the 2014/15 financial statements.

LGV issued a further circular (29/2014) in 2014 extending the date to 2017/18.

ISSUES/DISCUSSION

Since the introduction of the Standard, the Local Government Finance Professionals (FinPro) commenced an advocacy campaign to review the LGV requirement as it imposed potentially onerous and costly requirements on Councils, who were already under a cost and resource constrained environment.

After much debate within the industry, on 3 May 2018, the Victorian Auditor General's Office (VAGO) issued their own guidance note which stated *'although consistent and comparable financial reporting is highly desirable they have a view that if it is cost effective to do so, councils should give serious consideration to complying with the intent of the guidance note'*. It also stated

that as long as Council's continue to comply with the Standard (i.e. follow one of the four outlined options), their auditors will continue to issue clear audit opinions.

LGV issued a bulletin (15/2018) in late May in reply to VAGO's guidance note stating that LGV's preference to value LUR is a recommended position and is not mandatory. It further states that Councils should apply the 2011 guidance on LUR where it is possible and cost-effective to do so.

COST/BENEFITS

There would be a significant cost (ranging from \$40K to \$50K) plus extensive staff time to value LUR for Council controlled roads with very little benefit for Council derived.

The benefit of valuing all LUR assets at the fair value method as suggested would bring Council into line with State Government reporting.

To continue the Loddon endorsed approach (to only value those roads acquired after 1 July 2008) there is minimal work required only when these new assets are formed / acquired.

RISK ANALYSIS

With confirmation of position from both the Victorian Auditor General and Local Government Victoria and with guidance on the topic from FinPro, Council are able to ensure that it has the relevant information to make an informed decision around the current and future valuation of LUR. This advice confirms that Council's endorsed approach will not cause its financial statements to be qualified.

CONSULTATION AND ENGAGEMENT

Consultation has occurred with many professional bodies and internal departments since the introduction of the standard in 2011.

Consultation has also occurred with the Technical Services Department who agree with the recommendation provided to Council.

No consultation has been necessary with the community.

9.6 DOMESTIC ANIMAL MANAGEMENT PLAN 2018-2021

File Number: 04/02/004
Author: David Price, Local Laws \ Planning Compliance Officer
Authoriser: Glenn Harvey, Manager Development and Compliance
Attachments: 1. Public submissions received
2. Domestic Animal Management Plan 2018-2021

RECOMMENDATION

That Council resolve to adopt the Domestic Animal Management Plan 2018-2021

CONFLICT OF INTEREST

There is no conflict of interest for any Council staff member involved in the preparation of this report, or involved in the subject matter of the report.

PREVIOUS COUNCIL DISCUSSION

The draft Domestic Animal Management Plan 2018 – 2021 (“the Plan”) was discussed at the April 2018 Council Forum. A report was presented to its Ordinary meeting held on 24 April 2018, where Council resolved to advertise the Plan for public comment.

BACKGROUND

The *Domestic Animals Act 1994* (“the Act”) Section 68A (1) requires Council to prepare a domestic animal management plan at four year intervals. The existing plan has lapsed and a new/revised plan has been prepared.

Section 68A (2) of the Act describes the methodology and scope of requirements that the plan must address. The plan must:

- set out a methodology to evaluate whether Council’s animal control services are adequate to manage the requirements of the Act and regulations,
- outline programs for the training of authorised officers,
- outline the programs, services and strategies that Council intends to pursue to:
 - promote and encourage responsible pet ownership
 - ensure people comply with the Act and regulations
 - minimise the risk of attacks by dogs on people and animals
 - address any over-population and high euthanasia rates for dogs and cats
 - encourage dog and cat registration
 - minimise the potential for dogs and cats to create a nuisance
 - effectively identify all dangerous, menacing and restricted breed dogs.

The plan must also review any existing orders or local laws which deal with the management of dogs and cats, and undertake a periodic evaluation of the programs, services and strategies identified in the plan. An evaluation of the plan must also be included in Council’s annual report.

ISSUES/DISCUSSION

Following Council’s resolution to advertise the draft Domestic Animal Management Plan for public comment, advertisements were placed in the Bendigo Advertiser and Loddon Times newspapers, with an item also appearing in the Mayoral column. Comment about the Plan was sought through Council’s website and Facebook page, and copies of the Plan were available to view at Council’s

Wedderburn and Serpentine Offices. Submissions were invited up until Friday 18 May 2018. Three submissions were received and are discussed below.

Submission 1 – Carmel Pethick

This submission was received on 4 May 2018. Ms Pethick is an interested resident and is also Council's Community Development Officer.

Feedback suggested a need to develop local volunteer animal foster networks to support animal rehoming programs and to assist animal owners experiencing family violence. A question was also raised about similar support provided during emergency events such as bushfire and floods.

Submission 2 – RSPCA (Carmen Glanville, Community Support/Research Officer)

The RSPCA submission was received by Council on 14 May 2018 and outlined several potential partner project initiatives for inclusion in the Plan. The submission also undertook an assessment of local context and suggested the inclusion of statistical information and current data trends.

Submission 3 – Department of Economic Development, Jobs, Transport and Resources (Lucas Brown, Project Officer – Certification, Pets and Animal Welfare)

Comment was received from the Department of Economic Development, Jobs, Transport and Resources (DEDJTR) on 16 May 2018 which explained that generally only adopted versions of the Plan are assessed, with written feedback provided to assist Council's annual review of the Plan.

A brief overview of the Plan was undertaken and feedback included a suggestion to include statistical data and an analysis of trends. Comment was also provided to suggest inclusion of current and planned training programs for staff and to detail relevant policies, procedures, current education and promotion activities.

Author's response to submissions received

The Plan is an important strategic document of Council and the submissions received provide a worthy insight into the type of work that Council staff must undertake to meet stakeholder expectations and community needs.

As priorities listed in the Plan may change over time, it is important to ensure that the initiatives are responsive to these changes, are timed appropriately and are reviewed at least annually. A Work Program will be developed to in effect act as an evolving appendix to the Plan that drives each Action and reports progress for the annual review process.

The very need to properly capture and report meaningful data, develop programs that are responsive to community needs, and to review current procedures and protocols for service delivery are all key actions of the Plan. The Plan therefore remains strategic, whilst the Work Program contains the detail and shows how and when each of the Plan's actions are being implemented.

As some examples, specific community education programs or initiatives, the actual statistics and data trends, and staff training needs that are either identified or undertaken will all be reported annually from the Work Program. This will then drive the priority actions for the next twelve month period. The Work Program will contain the further details that have been suggested in each of the submissions received and it will ensure that staff resources and priorities remain relevant and meaningful.

As required in Section 68A (3)(c) of the Act, an evaluation of the Plan's implementation will be published in Council's Annual Report. This information will come directly from the Work Program.

With regard to Council's emergency response and recovery activities following events such as bushfire and floods (including any support programs/temporary arrangements in place for domestic animals etc.), to avoid any confusion or overlap, these arrangements will remain within the context of Council's Emergency Management Plan and its specific sub plan arrangements.

It is therefore recommended that Council adopt the Plan as presented.

COST/BENEFITS

Promoting and encouraging the benefits of responsible pet ownership enhances community wellbeing, and reduces potential harm to people, other animals and the environment.

Programs and actions identified in the Plan will be undertaken within existing budget allocations.

Any new initiative that may evolve from an action of the Plan must first be presented and considered within the annual Council budget preparation process.

RISK ANALYSIS

Council is required to develop a domestic animal management plan every four years, and provide a copy of the plan to the Secretary of the State Government Department of Economic Development, Jobs, Transport and Resources. Upon Council's resolution, a copy of the Plan will be provided to the Department.

Council would risk non-compliance with its statutory obligations and community responsibilities if it did not prepare and implement a domestic animal management plan within the necessary timeframe.

CONSULTATION AND ENGAGEMENT

The Plan was developed following a review of the existing plan, new state government initiatives and any emerging issues and trends that were identified within townships and communities during the previous plan's lifecycle.

Initial community consultation was drawn from feedback in recent community surveys undertaken across Council's customer services, early years, tourism and community health and wellbeing areas.

These areas all have important connections with domestic animal management, and it is this level of engagement and connection across Council's service delivery areas that can be seen in several of the plan's priorities and initiatives.

Following the resolution from Council's April Ordinary Council meeting, the Plan was advertised for public comment as described under "Issues/Discussion" and three submissions were received as outlined earlier in this report.

David Price

DAMP-SUBMISSION 1

From: Carmel Pethick
Sent: Friday, 4 May 2018 11:30 AM
To: David Price; Peter Ford
Subject: Feedback on DAMP

Hi guys

I have read through this and my only thoughts would be that I'd love to see the development of a volunteer foster network and community based welfare advocacy group for animals in Loddon. I'm sure there would be people in the community passionate about these sorts of things

In Mildura we had a foster network for dogs and cats called SARG <http://www.sarg.net.au/> (I believe this was initially developed and driven by animal loving staff at the council). This is now a pretty big group but when I worked at Mildura it was only in its infancy and from memory it linked in with bigger rehoming networks in Melbourne and dogs were taken down there to be rehomed. If numbers at the pound were too big SARG volunteers fostered dogs until a group in Melbourne could take them to ensure that none were euthanized. I don't think cats were part of it when I was at Mildura.

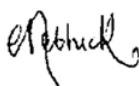
I'd also love to the development of a safety network for animals who's owners are in DV situations so that they don't have to leave their pets behind. Loddon Shire has a high rate of DV and I think this is important.

As community development officer I'd love to be involved with some consulting to see what interest there is in the community to create these sorts of networks/groups and then of course with assisting to establish them.

Also what planning is there around assisting animals in bushfire/flood situations? Are people able to take animals to safety zones or can we create areas for this or a list of people willing to take pets such as cats, dogs, horses etc. Some planning around this would be great to ensure better less reactive responses when these incidences do occur.

I'd love to hear what you think

Many Thanks



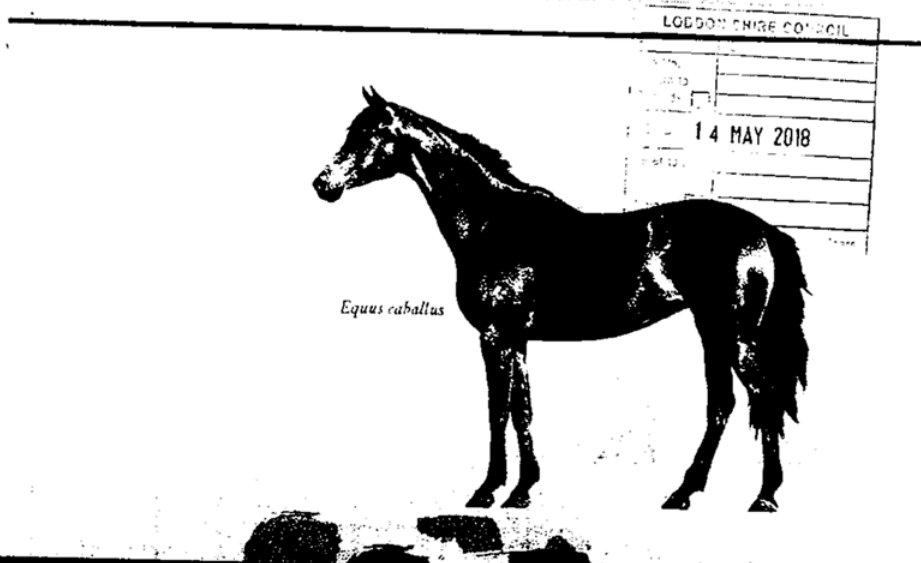
Carmel Pethick | Community Development Officer | Loddon Shire Council
PO Box 21 Wedderburn VIC 3518 | 41 High St Wedderburn VIC 3518
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DAMP-SUBMISSION 2



Equus caballus

RSPCA
Victoria
**Loddon Shire Council Draft
Domestic Animal Management
Plan 2018-2021**
10.05.18



Ovis aries



Canis lupus familiaris



Felis catus

rspcavic.org

RSPCA Victoria welcomes the opportunity to comment on the Loddon Shire Council draft Domestic Animal Management Plan (DAMP) 2018-2021. For the first time, RSPCA Victoria has joined forces with the *Australian Veterinary Association's Victorian Division* and the *Municipal Association of Victoria*, to develop a program of support for Victorian councils as they develop and implement their plans.

Our shared aim is to encourage and support every Victorian council to introduce at least one initiative to improve animal welfare, reduce the local cost of animal management and/or increase revenue over the next four years.

We have identified four initiatives, outlined in the attached appendix, that have been successful in achieving these aims here in Victoria and around the world. Each of the initiatives is flexible and scalable - we can work with you to identify how you might best adopt each one in your community, taking into account your resources and local needs.

We are happy to provide support to all councils that adopt and implement at least one of these initiatives in the 2017-21 DAMP cycle. We will be providing tools, resources and templates, as well as advice and guidance by phone, email and in person. If you would like to discuss this opportunity further, please contact the RSPCA Victoria Community Support Officer at communitysupportofficer@rspcavic.org.au.

Local context

The draft DAMP provides a good analysis of the local context within which the Loddon Shire Council animal management services must operate. The geographical distribution of the community, limited access to animal service providers, limited staffing and reduced community focus on companion animals, are all factors to be considered when developing initiatives to improve animal management services. We recognise that these factors, combined with the limited staff resourcing, means that any initiatives need to be pragmatic and targeted to the local context.

Current activities

While the DAMP provides excellent background to the various local issues in the 'What we understand' sections, it is difficult to ascertain what activities are currently taking place to address these. As the DAMP is an opportunity to highlight the work of the council any successes from the previous DAMP cycle should be included.

Statistics

It would be beneficial to include a table of key statistics either in the plan or as an appendix. This provides transparency, which is important for fostering trust and confidence, and allows the community to appreciate the scope of services that

Loddon Shire delivers. This can also be used as an opportunity to highlight the great work Loddon Shire does to reunite animals with their owners. The data can then serve as a basis for ongoing evaluation of the success of the plan and be used to track progress over time.

Table 1 Example animal management statistics for DAMP

	Dogs		Cats	
Population statistics				
Estimated pet population:				
	Number	% of est. pop	Number	% of est. pop
Registered				
Desexed				
Animal management				
Impounded				
Impound outcomes	Number	% of impounded	Number	% of impounded
Reclaimed				
Rehomed				
Transferred to rescue				
Euthanased				
Not registered when impounded				
Returned directly home (not impounded)				

Registration

It is recognised in the DAMP that there has been a disproportionate decline in pet registrations and that this is an area for improvement. Increasing pet registration rates requires a multifaceted approach that combines simplifying, incentivising and enforcing the requirements. We are pleased to see that initiatives have already been identified to achieve these goals.

Return animals directly home

It is unclear whether Loddon Shire already provides a service of returning animals directly home. Under section 6.2.1 it states that ‘accurate registration and microchipping records allows council to return pets to their owners without having to subject pets to the trauma of being unnecessarily impounded’. If officers are returning registered animals to their owners in the field, this should be highlighted as a great service the council provides and a benefit of registration.



Identified actions

Action 7. Develop a streamlined and integrated online registration process that enables all registration requirements to be completed online.

This is an excellent example of simplifying the registration process. Yarra Ranges Shire Council implemented this initiative in the last DAMP cycle and attributed a 12% increase in registrations to this action.

Action number 3: Consider strategies to increase the level of cat and dog registrations, including but not limited to

- media campaigns
- moratorium to allow non-registered pets to be registered
- school campaigns

This would be an excellent place to incorporate one of our identified initiatives: *promoting the benefits of registration*. While it was mentioned in your accompanying email that the DAMP would see 'a more proactive approach in promoting the benefit of animal registration', this is not acknowledged in the DAMP itself. Instead of simply listing 'media campaigns' the following wording could be used: 'communication with the community about animal management activities, including the benefits of registration'. This allows for a range of communication channels to be explored including, but not limited to, print media, social media, radio, community outreach (e.g. stalls at local events), information on registration forms, new resident welcome packs, and rates notices.

A simple and cost-effective option to achieve this is increasing social media presence. We note that the Loddon Shire Council Facebook page has 1,300 followers which is excellent considering the population of Loddon Shire is approximately 7,500. While this page is already being utilised for some lost and found posts, there is scope to expand the messaging to actively promote the benefits of registration. This may include posts about good news stories; a comparison of impound fees for registered versus non-registered animals; activities of animal management officers such as patrols, door knocking and returning animals directly home; responsible pet ownership programs; and other animal related services such as microchipping initiatives and dog park upgrades. RSPCA Victoria can provide example posts and guidance if this initiative is adopted.

Summary

The Loddon Shire Council DAMP 2018-2021 has been successful in identifying the issues specific to this community and assigning appropriate actions to address them. This has been done in a pragmatic way, recognising the limitations and barriers of the local context. RSPCA Victoria fully supports the proposed actions to increase

registrations and communicate more effectively with the community. We consider that simplifying the registration process and focussing on the benefits of registration will have a tangible impact on animal management in Loddon Shire. We would very much like to work with you further to bring about these positive outcomes.

Appendix 1 DAMP Project Partner Initiatives

Initiative	Description	Benefits	Support Provided	Suggested wording to include in DAM plan
84Y agreements with local veterinary practices	84Y agreements enable councils to work more closely with local vet practices to provide a community-based network of options for receiving and reuniting stray animals. These agreements can also enable local practices to act as agents of the council, registering animals and receiving payment for registration, often for a fee.	Reduce cost and resources involved in reuniting owners with registered, microchipped stray animals. Increase registrations and registration revenue by incentivising vet practices to register their client's unregistered animals as an agent of council.	Template 84Y agreements (stray only, stray & registration) and stray release forms, which can be adapted for local use. Advice and support that takes account of local context and community needs. Template communications materials to inform the community of the initiative, which can be adapted for local use.	Explore the feasibility of partnering with local vets to accept dogs and cats found at large in the community and/or accept dog and cat registrations on behalf of council
Return animals home	Registered, microchipped cats and dogs found at large by Council officers are returned home. In some cases, animals will only be returned home once, and subsequently be impounded. Some councils may still elect to charge a release fee even if returning animals home.	Reduce impoundment/accommodation costs for councils. Reduce impoundment costs for responsible pet owners whose animals are registered with council. Increase opportunities for council to provide education and guidance on responsible pet ownership. Improve local satisfaction with council services.	Advice and support that takes account of local context and community needs. Template draft policies and procedures to guide implementation, which can be adapted for local use. Template communications materials to inform the community of the initiative, which can be adapted for local use.	Investigate the benefits and costs of returning registered, microchipped animals home, rather than impounding pets the first time they are found at large
Communicating the benefits of registration	Regular communication with the community about animal management activities can include local online 'lost and found' updates, information about upgrades to dog parks and other facilities, responsible pet ownership messages and other 'good news' stories.	Improve understanding of how registration fees are used in the community. Increase local support for (and compliance with) registration requirements. Improve local satisfaction with council services.	Advice and support that takes account of local context and community needs. Template draft policies and procedures to guide implementation. Template communications materials to inform the community of the initiative.	Identify opportunities to communicate with the community about animal management activities, including the benefits of registration
Increasing registrations and renewals	Registration and renewal can be increased by simplifying, automating or improving access to registration and renewal, incentivising first registrations and renewals, or conducting blitzes or amnesties on registrations or renewals	Increase registration and renewal rates. Boost revenue and reduce costs associated with registration and renewal. Reduce the number of identified dogs and cats entering pounds.	Advice and support that takes account of local context - including current processes - and community needs. Multiple models, with associated implementation materials, which can be applied individually or together, and can be adapted for local use.	Research approaches to improving registration and renewal levels, and implement appropriate initiatives

David Price

DAMP-SUBMISSION 3

From: Lucas.Brown@ecodev.vic.gov.au
Sent: Wednesday, 16 May 2018 2:32 PM
To: David Price
Subject: RE: Domestic Animal Management Plan - request for an extension of time [SEC=UNCLASSIFIED]
Attachments: 2017 - Final-template-blank.doc; 2017 Template with examples.doc

Hi David

I apologise for the delay in responding, I have just returned to work this week after two weeks of unplanned leave.

Thank you for supplying a copy of the Loddon Shire Council draft Domestic Animal Management Plan (DAMP) and for providing an update on the proposed timeline for adoption of the DAMP.

For your reference, generally final adopted versions of Council DAMPs are assessed with a view to provide council with written feedback on the plan (which may potentially assist with Council's annual review of the plan).

Following a quick review of the draft DAMP, I advise of the following feedback for your consideration:

- To assist in determining the effectiveness of objectives and activities contained within the former and current plan, the DAMP could be improved by the inclusion of comparative data or trend analysis in each respective section of the plan. For example, consider adding statistical data for:
 - Cat and Dog Registrations
 - Nuisance Complaints by type
 - Dog Attacks by type
 - Impoundment, Reclaimed (returned to owner), Rehoused and Euthanasia
 - Number of Domestic Animal Businesses Registered and type.
 -
- Current and Planned Training for Authorised Officers should be included.
-
- Details of relevant Policies and Procedures, current education/promotion activities and compliance activities should be added to each 'What we Understand' (Current Situation section). - I note that this structure had been utilised in the former 2013-2016 DAMP.
-
- Actions should include a timeframe and indicate how the activities will be evaluated to determine the level of success.

As indicated, the above feedback has been derived following a quick review of the draft DAMP. A thorough assessment of the draft has not been undertaken at this stage.

Note: I am cognisant of the fact that your timelines for council adoption of the DAMP are short and that you may not have sufficient time available to incorporate the above suggested feedback. Should this be the case, please take the feedback into consideration as part of your DAMP annual review.

I have attached a copy of the DAMP templates supplied to all councils in early 2016, which may be of some assistance to you.

Please don't hesitate to contact me if you have any queries.

Kind Regards

Lucas Brown
Project Officer - Certification | Pets and Animal Welfare | Animal Welfare Victoria
Agriculture Victoria | Department of Economic Development,
Jobs, Transport and Resources

LODDON SHIRE COUNCIL

Domestic Animal Management Plan 2018 - 2021



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Signed by Chief Executive Officer

FILE LOCATION:

Strategic documents are amended from time to time, therefore you should not rely on a printed copy being the current version. Please consult the Loddon Shire website to ensure that the version you are using is up to date.

This document is available in alternative formats (e.g. larger font) if requested.

ACKNOWLEDGEMENT OF COUNTRY

Loddon Shire Council acknowledges the Traditional Custodians of the land comprising the Loddon Shire Council area. Council would like to pay respect to their Elders both past and present.

CONTENTS

1	PURPOSE	1
	1.1 What is the purpose of the Domestic Animal Management Plan?	1
	1.2 What are domestic animals for the purpose of the DAMP?	1
2	BUDGET IMPLICATIONS	1
3	RISK ANALYSIS	1
4	KEY PET OWNERSHIP TRENDS AND BENEFITS	2
	4.1 Trends	2
	4.2 The benefit of pets	2
5	ANIMAL MANAGEMENT SERVICES	3
	5.1 Focus of the service	3
	5.2 'Local Laws' and 'Orders'	3
6	ISSUES AND OPPORTUNITIES 2018-2021	3
	6.1 Training of 'Authorised Officers'	3
	6.1.1 What we understand	4
	6.1.2 Actions to address service priorities	4
	6.2 Pet ownership, registration and identification	5
	6.2.1 What we understand	5
	6.2.2 Actions to address service priorities	6
	6.3 Dealing with nuisance issues	6
	6.3.1 What we understand	6
	6.3.2 Actions to address service priorities	7
	6.4 Dog attacks	7
	6.4.1 What we understand	7
	6.4.2 Actions to address service priorities	8
	6.5 Managing dangerous, menacing and restricted breed dogs	8
	6.5.1 What we understand	8
	6.5.2 Actions to address service priorities	9
	6.6 Overpopulation (including euthanasia) and abandonment of pets	9
	6.6.1 What we understand	9
	6.6.2 Actions to address service priorities	10
	6.7 Domestic animal businesses (DAB)	10
	6.7.1 What we understand	10
	6.7.2 Actions to address service priorities	11
	6.8 Pet welfare	11

6.8.1	What we understand	11
6.8.2	Actions to address service priorities	12
6.9	People and pets tourism	12
6.9.1	What we understand	12
6.9.2	Actions to address service priorities	13
7	HOW WE PREPARED THE (DRAFT) DAMP	13
8	HOW WE WILL IMPLEMENT AND MONITOR THE DAMP	14
8.1	Setting priorities for the next four years.....	14
8.2	Council's role	14
9	COSTING AND FUNDING OF ACTIONS.....	15
	Appendix 1 – The Domestic Animals Act requirement of Council	16

1 PURPOSE

1.1 What is the purpose of the Domestic Animal Management Plan?

The Domestic Animal Management Plan (DAMP) provides Council with a decision-making framework for the planning and management of animal management services over the next four years. It establishes the principles that will guide the service, and actions that will help Council achieve its service objectives.

Section 68A of the Domestic Animals Act 1994 ("the Act") requires all councils to prepare an Animal Management Plan every four years to address a number of generic matters, as well as issues that may be specific to the Loddon Shire Council. In particular, the Act requires Council to detail new initiatives and show how it will:

- evaluate the effectiveness of its service
- undertake the annual review of the DAMP
- review and make policies, local laws and orders
- train Authorised Officers
- encourage responsible pet ownership
- minimise risk associated with domestic pets, and in particular dog attacks
- minimise the incidence of nuisance caused by cats and dogs
- ensure cats and dogs are registered and identified
- minimise the number of unwanted pets and high euthanasia rates, particularly in relation to cats, and
- provide for the needs of animals in times of emergency.

The DAMP also provides an outline of the ongoing compliance and education activities provided by Council's Animal Management Services.

1.2 What are domestic animals for the purpose of the DAMP?

The Act refers only to cats and dogs when it references the term 'domestic animals'. These cats and dogs can be:

- cats and dogs that reside primarily as pets or companion animals
- farm working dogs
- assistance and/or therapy dogs
- unowned and semi-owned cats and dogs, though generally these animals are cats.

Although residents have a large variety of other species of animals living with them as their pets, Council is not required under the Act to address management issues relating to them. Other animals kept as pets include birds, reptiles, horses, fish and various farming animal species are also kept as domestic pets.

2 BUDGET IMPLICATIONS

Programs and actions identified in the plan will be undertaken within existing budget allocations.

Any new initiatives that evolve from an action in the plan must first be presented and considered within the annual Council budget preparation process.

3 RISK ANALYSIS

Council would risk non-compliance with its statutory obligations and community responsibilities if it did not prepare and implement a DAMP within the necessary timeframes.

4 KEY PET OWNERSHIP TRENDS AND BENEFITS

4.1 Trends

The following provides an overview of pet ownership trends as identified in Pet Ownership in Australia¹:

- Since 2013 cat and dog ownership has increased in line with population growth by 6% and 3% respectively. This is likely to continue over the next five years.
- The primary deterrent to pet ownership is the cost and responsibility of care. Cost as a barrier to pet ownership has significantly increased since 2013. Other barriers include; restrictive body corporate regulations, cost of holiday care, and busy lifestyles.
- Dogs are the most popular pet with 38% of Australian households having at least one dog. There is an estimated 4.8 million dogs in Australia. 52% of which are pure breeds, 41% mixed breeds and 7% are designer breeds.
- Cats are the second most common type of pet, with 29% of Australian households owning a cat. There are an estimated 3.9 million cats in Australia, 75% of which are mixed breeds and 24% pure breeds.
- Pet owners are likely to be female (64%), 18-49 years of age, earning middle higher incomes, from an English-speaking background (64%), and living in a 'family group'.
- In Australia 62% of households are likely to have a pet, globally, around 57% of households own a pet. Only the USA and New Zealand have a higher penetration of pet ownership with 65% and 64% of households in those countries owning a pet.
- In Australia, 20% of Generation Y pet owners have pet insurance, compared to 12% of their baby boomer counterparts.
- There has been a marked change in the role dogs and cats play in the household since 2013. The relationship between humans and their pets has become much closer with a significant lift in the proportion of owners who consider their pets to be members of the family, not merely companions.
- In 2016 Australians are spending more on premium products, services and insurance for pets than they did in 2013.

4.2 The benefit of pets

There has been a marked change in the role dogs and cats play in Australian households since 2013 according to 'Pet Ownership in Australia'. The relationship between humans and their pets has become much closer with significantly more pet owners viewing their pets as members of the family rather than merely a companion.²

This is supported by research undertaken for a number of DAMPs in Melbourne's outer east where over 80% of survey respondents claimed their pets are an important part of their family, give them great comfort in times of need; and 89% said it was important for them to have a pet in their life.

The health and wellbeing benefits pet owners have over non-pet owners include higher self-esteem among children, a 3% reduced likelihood of a heart attack, and fewer visits to the doctor.

The economy has also benefited the shift in attitudes about pets. In line with a move towards more premium products, more pet owners are shopping at specialty stores for pet food. Pet owners who make the majority of their pet food purchased through pet or specialty stores has increased from 16% to 26% between 2013 and 2016. Australians now spend 35% more on their cats and 33% more on their dogs than they did in 2013, a spend of \$12.2 billion in 2016³.

¹ Pet Ownership in Australia, 2016; <https://www.petsecure.com.au/pet-care/a-guide-to-worldwide-pet-ownership>

² Pet Ownership in Australia, p10. 65% of pet owners consider their cat or dog a member of the family

³ Pet Ownership in Australia; 2016; p31

5 ANIMAL MANAGEMENT SERVICES

5.1 Focus of the service

Animal Management Services are delivered through the Development and Compliance Department, which is part of Council's Operations Directorate.

The equivalent of 1.0 Effective Full Time (EFT) position is dedicated to delivering the service, with support from Council's customer service staff, and has a focus on:

- enforcing state legislation and Council policies relating to cats and dogs
- attending to cats and dogs that have escaped their property
- management of the cat and dog registration database and the collection of registration fees (co-ordinated and maintained by customer service and finance staff in addition to the 1.0 EFT position)
- inspections of animal businesses and animals with special registration requirements, and
- attending to complaints, investigating of incidents, and attending to court proceedings.

5.2 'Local Laws' and 'Orders'

There are a number of ordinances that residents must comply with if they own or are responsible for the care of animals, or operate a domestic animal business.

Council has a number of Local Laws that regulate aspects of domestic animal ownership and will undertake a local law review to ensure the various requirements meet ongoing community needs and expectations.

The following provides a summary of existing ordinances:

Municipal Places Local Law - Clause 12

This Local Law requires dogs to be on a leash in built up areas unless in a designated off-leash area.

Municipal Places Local Law - Clause 13

This Local Law requires dog owners to remove their dog's faeces from a public place.

Environment Local Law – Clause 8

This Local Law restricts the number of dogs and cats in township and rural residential areas to a maximum of two dogs and/or two cats per property without a permit.

'Orders' or exemptions made under the Domestic Animals Act 1994

Council exempts farm working dogs from the requirement to be implanted with a permanent identification device (microchip).

6 ISSUES AND OPPORTUNITIES 2018-2021

This section provides an overview of the priorities for animal management services over the term of the DAMP. Each key component lists the strategic outcomes that are to be achieved. A separate Action Plan identifies the timing, stakeholders and criteria that will be used to achieve each strategic outcome.



6.1 Training of 'Authorised Officers'

Strategic outcomes:

- A four-year training program for staff
- A comprehensive list of existing policies and procedures, and those that need to be developed to address service needs

6.1.1 What we understand

- Staff need to be appropriately trained so they can address service requirements in line with best practice.
- Community expectations of a modern-day animal management service have changed, and the scope of the service needs to address these expectations when determining service priorities.
- The attitude towards domestic pets, particularly in relation to animal welfare, can be more polarised in rural areas than in most township areas.
- The physical location of many communities in the Shire means there is not the same opportunity to forge partnerships to address service issues as there is in urban communities. This distance challenge means there is not the access to veterinary networks, animal shelter and rehoming groups, community dog groups, and commercial providers of services such as dog obedience training.
- As a result, there is not a strong community network focused on domestic pets as there is in urban areas where pets are more integrated into domestic life than in more rural areas. This limits opportunities for community based initiatives around pets, such as pet therapy programs in schools, and to bring about behavioural and attitudinal change relating to pets.
- The lack of veterinary and animal welfare networks in particular means there is limited opportunity for Council to introduce local microchipping initiatives via this avenue.
- Training for animal management staff for the next four years will focus on formalising operational procedures, domestic violence response, microchip insertion, and identification of restricted breeds dogs.
- Educational and training requirements for animal management staff have significantly increased over recent years.

6.1.2 Actions to address service priorities

No.	ACTION
1.	Formalise a four-year training and education program for animal management staff to: <ul style="list-style-type: none"> ▪ attain the Certificate IV in Animal Control and Welfare ▪ explore the feasibility of being qualified to implant microchips ▪ have a current firearms licence, and ▪ have the opportunity to attend industry training and education programs relating to best industry practice.
2.	Document a list of policies and procedures that are in place and those that need to be developed.

6.2 Pet ownership, registration and identification

6.2.1 What we understand



Strategic outcomes:

- Increased registrations of cats and dogs as a proportion of the resident population
- Increased rates of microchipping of cats and dogs

- urban and rural communities, it is supposed that this decrease relates more to the non-registration of pets rather than a decline in actual pet numbers.
- However, there are 26 registered dogs for every 100 residents which compares to an estimated 20 dogs for every 100 residents Australia wide⁴. A significantly higher rate of dog ownership is to be expected given the prevalence of working dogs in rural communities.
 - Registrations in some areas are significantly lower than expected compared to industry benchmarks for comparable areas such as urban areas.
 - Poor access to microchipping services makes it difficult for dog owners to comply with the registration requirement for cats and dogs to be microchipped before they can be registered.
 - Industry feedback indicates that an online registration process, as opposed to a manual or in-person process, is likely to increase voluntary compliance with registration requirements. This option is not currently available for residents.
 - Accurate registration and microchipping records allows Council to return pets to their owners without having to subject pets to the trauma of being unnecessarily impounded; ensures that valued working dogs are reunited with owners; and allows for the verification of pets so they can be quickly rehomed if required.
 - Recent changes to the Domestic Animals Act further define the specifications for a 'farm working dog' for the purpose of registration. This is to ensure that reduced registration fees and Council's microchip exemptions apply only to legitimate farm working dogs.
 - Reduced registration fees are also available for desexed cats/dogs, cats/dogs over 10 years, cats/dogs kept for breeding at a domestic animal business, cats/dogs registered with an applicable organisation (as declared by the Minister for Agriculture), and dogs that have undergone obedience training. A reduced fee is also offered to owners with a valid pensioner concession.

Requirement for cats and dogs to be registered:

- All cats and dogs being registered with Council for the first time must be microchipped prior to registration. Fines can be applied if pets are not registered.
- Councils have the power to require compulsory microchipping of cats and dogs.

⁴ Pet Ownership in Australia 2016; Animal Medicines Australia

6.2.2 Actions to address service priorities

No.	ACTION
3.	Consider strategies to increase the level of cat and dog registrations, including but not limited to: <ul style="list-style-type: none"> ▪ media campaigns ▪ moratorium to allow non-registered pets to be registered ▪ school campaigns.
4.	Cross reference Council's registration database with microchip databases to identify cats and dogs that may not be on Council's registration database.
5.	Within existing resources, undertake random door knocks to identify pets that are not registered and/or microchipped.
6.	Investigate initiatives that provide cat and dog owners with access to microchipping services e.g. mobile microchipping service, training of Council staff, free microchipping days.
7.	Develop a streamlined and integrated online registration process that enables all registration requirements to be completed online.

6.3 Dealing with nuisance issues



Strategic outcomes:

- Greater community awareness of the process for reporting nuisance issues associated with domestic pets
- Information for pet owners on how they can minimise nuisance reports associated with their pets
- A better understanding of nuisance issues associated with pets that need to be addressed

6.3.1 What we understand

- In the 2016/17 financial year Council recorded 41 customer service requests or complaints relating to pets.
- The primary sources of complaint related to:
 - ❖ wandering dogs
 - ❖ stray or feral cats
 - ❖ dog attacks on livestock.
- The majority of complaints come from township and residential areas.
- Colonies of cats are prevalent in a number of areas throughout the Shire, particularly Tarnagulla and Wedderburn, which has significant implications. Many colony cats suffer poor health and live fearful lives; cat colonies tend to intensify negative attitudes towards cats and often attract inhumane treatment of cats; colony cats, including feral cats pose a threat to wildlife and can cause a local nuisance associated with cat fights and spraying.
- There is a need to ensure that the trapping of cats is carried out in a humane manner.

In township areas, the primary source of 'nuisance complaint' is likely to relate to:

- dog owners not picking up after their dog
- dogs barking
- cats not confined at night
- dog owners letting their dogs annoy other people / other dogs / not controlling their dogs in public places etc.
- cats trespassing.

Ref: Metro DAM Plan Surveys, LMH Consulting

- There is an opportunity to use the Geographic Information System (GIS) to plot complaints and to specifically target these areas with information and advice. Specifically targeted strategies are likely to have greater impact than widespread and generic strategies.
- Barking dog complaints is an issue that is best dealt with through education and awareness.

6.3.2 Actions to address service priorities

No.	ACTION
8.	Develop a process where different types of complaints are plotted using a GIS.
9.	Target information and advice strategies to specific areas/localities of complaint.
10.	Investigate the financial and public relations benefits of contracting an animal behaviourist as an intervention in relation to barking dog issues.
11.	Review cat trapping information and protocols.
12.	Consider the need for a dawn to dusk cat curfew as part of the review of Local Laws.

6.4 Dog attacks



Strategic outcomes:

- A decrease in the incidence of dog attacks on people and on other animals
- Efficient Council processes and protocols for dealing with dog attacks
- Greater community awareness about:
 - ❖ what constitutes a dog 'attack'
 - ❖ the process for reporting dog attacks/suspected dog attacks
 - ❖ how to avoid dog attacks

6.4.1 What we understand

- Reported dog attacks or rushes have remained an infrequent but recurring problem. Reports included attacks on livestock and rushing at people.
- The rate of Australians being attacked has increased by almost 60% from 2003 to 2013⁵.
- Data needs to differentiate dog 'attacks' from dog 'rushes' to better distinguish between acts of aggression resulting in bites and other incidents such as when a dog runs up to a person but does not make contact.
- Generally, dog attacks on people are most likely to occur in the home or immediate vicinity of the home rather than in public places with young children being the primary victim.
- Anecdotal industry information and hospital admissions data indicates there are likely to be a significant number of dog attacks that are not being reported. The full extent of these issues needs to be understood so that Council can respond with appropriate initiatives.

More accurate information relating to the location of dog attacks may assist Council target problem locations and dog owners.

⁵ University of Tasmania's Menzies Institute for Medical Research

- RSPCA data shows that larger working breeds are more likely than other breeds of dog to be seized by Council officers for menacing and/or dangerous behaviour. There are more Pitbull terriers in the community than other restricted breed dogs, however only 2 out of total of 110 dogs seized by councils were pitbulls. Further, 13 other breeds were more commonly seized than pitbulls⁶.
- Dog owners need to better understand that dogs can behave unexpectedly and even erratically given the right circumstance.

6.4.2 Actions to address service priorities

No.	ACTION
13.	Review Council’s procedures for documenting dog attack reports and dealing with incidents.
14.	Promote information that is available via the Department of Agriculture relating to: <ul style="list-style-type: none"> ▪ the appropriate selection of pets ▪ managing children around dogs.
15.	Undertake industry research to identify successful initiatives trialled by other councils to address dog attacks on stock.

6.5 Managing dangerous, menacing and restricted breed dogs



Strategic outcomes:

- Identification of restricted breed dogs
- Monitoring regimes for dangerous, menacing, and restricted breed dogs to ensure they are appropriately managed and housed

6.5.1 What we understand

- There are no restricted breed dogs, or dogs declared as menacing or dangerous, on Council’s dog registration database.
Council recognises that some of these dogs are likely to reside in the Shire and that owners may either not register their dog or register their dog as another breed in order to avoid the restrictions that come with a restricted breed dog.
- Ownership of a restricted breed dog is not allowed in Victoria, unless proof can be shown that the dog was owned before 1 September 2010. As of September 2017, these dogs must be registered with Council.
- Restricted breed dogs include Japanese Tosa, Fila Brasileiro, Dogo Argentino, Perro de Presa Canario / Presa Canario, and American Pit Bull Terrier / Pitbull Terrier.

‘Menacing Dog’ – A dog that has chased or rushed at a person, or has bitten an animal or person resulting in injury that is not deemed ‘serious’. If a dog incurs 2 menacing dog violations then it is declared a ‘dangerous dog’

‘Dangerous dog’ – A dog that has caused a serious injury to or death of another animal or person

‘Declared dog’ – A restricted breed, ‘menacing’ or ‘dangerous’ dog

⁶ Preventing dog attacks in the community; RSPCA Information Paper

- Residents must not assume that it is only 'restricted breed dogs' that may have a predisposition to aggressive behaviour. State legislation states that these dogs pose a greater risk because of the nature of the breed.
- Dogs that are not appropriately trained, socialised and controlled can develop behaviour that results in them being declared as a 'menacing' or 'dangerous' dog. Appropriate management and education of dogs will reduce anti-social behaviour.

6.5.2 Actions to address service priorities

No.	ACTION
16.	Review current procedures and protocols in relation to dogs that will be declared 'dangerous' or 'menacing' to ensure compliance with legislative requirements.
17.	Promote information that explains why it is best to avoid owning a restricted breed dog.

6.6 Overpopulation (including euthanasia) and abandonment of pets



Strategic outcomes:

- A reduction in the number of stray, abandoned and unwanted pets
- Enhanced rehoming opportunities for unwanted pets

Stray cats are pets that have become lost or been abandoned. These cats can often be rehabilitated into being pets. Semi wild cats have possibly once been pet cats which have not had socialisation with humans. They will live around rubbish dumps or a food source. They may be less inclined to hunt, but are opportunistic when it comes to food. Feral cats have never been domesticated, have nothing to do with humans and don't rely on humans. They live in the wild, killing wildlife and scavenging.
Ref: Animal Welfare League

6.6.1 What we understand

- Council proposes to build a new compliant animal pound that will accommodate lost or unowned cats and dogs. Animals can be held at the facility for up to eight days until they are reclaimed, rehomed, or relocated to an alternative rehoming facility/shelter.
- Abandoned and unwanted pets have limited opportunity to be rehomed locally. The lack of an integrated pound shelter service within the Shire further diminishes the opportunity for this to occur. Over the past four years there has been a slight increase in the number of animals being surrendered to Council.
- Council has agreements in place with agencies including Pets Haven (Woodend)⁷. This organisation takes animals from the pound that have been temperament tested and subsequently considered suitable for rehoming. There are not any rehabilitation services or programs that other animals can be referred to if they are considered unsuitable for rehabilitation.
- In the past, all stray cats, including those that may be semi-owned, were classified as 'feral'.⁸ This DAMP recognises a need to differentiate 'stray' or 'semi-wild' cats from 'feral' cats and put in place a more appropriate and humane management strategy for other than feral cats. The DAMP also recognises the need to address issues associated with cat colonies.

⁷ Agreement in line with Section 84Y of the Domestic Animals Act 1994;
⁸ Animal Welfare League;
awl.org.au/advice-education/pet-advice/cat-tips-advice/what-difference-between-feral-and-stray-cats

The RSPCA (Bendigo) and the organisation 'Getting2Zero (G2Z) have indicated an interest in exploring a pilot project to address animal welfare and nuisance issues associated with cat colonies. This would potentially result in an integrated and holistic approach to dealing with the issue.

6.6.2 Actions to address service priorities

No.	ACTION
18.	Establish an integrated animal pound facility.
19.	Review current procedures and protocols in relation to stray, abandoned and unwanted pets to ensure compliance with legislative requirements.
20.	Promote information that explains responsible pet ownership.
21.	Investigate the feasibility of conducting a pilot program in a nominated township to explore the issues of stray, semi wild and feral cat populations.

6.7 Domestic animal businesses (DAB)



6.7.1 What we understand

- All pet related businesses that are classified as a 'Domestic Animal Business' (DAB) under the Domestic Animals Act must be registered with Council.
- In November 2017, the Victorian State Government passed legislation that prohibits the sale of cats and dogs via pet shops unless they have come from an ethical source such as an animal shelter or pound, or registered foster carer.
Any person selling or giving away a cat or dog must be enrolled on the Pet Exchange Register, show where the animal has come from and ensure the animal is microchipped. The legislation has been introduced to ensure pets come from ethical sources and so pet owners can trace the history of their pet.
- In the past, there have been a number of unethical breeders operating in the Shire. Council, together with appropriate organisations, will continue to monitor for unethical breeders and where necessary, take action to ensure compliance with the Domestic Animals Act.
- Council will also work with all DABs and peak associations to identify opportunities to improve compliance with codes of practice.

Strategic outcomes:

- DABs enhance their operational practices
- DABs comply with legislative responsibilities and relevant codes of practice

DABs are establishments such as animal shelters, pet shops, animal breeding and/or rearing establishments, and boarding and/or training facilities that are run for profit.

In Loddon Shire, there is currently one registered domestic animal business, which is a defined breeding establishment.

Registration of a breeding establishment

The *Domestic Animals Act 1994* provides that a dog breeding business with three or more fertile female dogs must register as a domestic animal business with the local Council that it resides. If the breeder is a member of an 'applicable organisation' (such as Dogs Victoria), the proprietor must only register if they have more than nine fertile female dogs, OR if more than two are not registered with the 'applicable organisation'.

6.7.2 Actions to address service priorities

No.	ACTION
22.	Identify opportunities to work with Domestic Animal Businesses to improve compliance with legislation and codes of practice.
23.	Increase the number of inspections of previously non-compliant Domestic Animal Businesses.
24.	Review type and availability of information available for Domestic Animal Businesses to ensure information is easily accessible.

6.8 Pet welfare



Strategic outcome:

- A decrease in the incidence of pet abuse or mistreatment
- Enhanced opportunities for pets associated with people impacted by family violence

6.8.1 What we understand

Family violence

- Council’s Municipal Public Health and Wellbeing Plan has identified the need for a Family Violence Network and to optimise support networks for people experiencing family violence. Research identifies that women in rural, regional or remote areas are more likely to have experienced partner violence than women in metropolitan areas.
- In Loddon in the last four years there has been a 50% increase in family violence reports to police; a 33% increase in family violence police reports in the period October 2015-September 2016; and children were present at more than 30% of all reported family violence incidents. The Municipal Public Health and Wellbeing Plan⁹ highlights the need for greater awareness and training for personnel who may be involved in dealing with family violence related matters.
- Family violence has significant implications for family pets.
- National and international research shows that up to 60% of women choose to stay and keep their children in violent relationships because they do not want to leave their pet behind.¹⁰

Some statistics – Family Violence (FV)

- In around 70% of FV cases the perpetrator was also abusing pets, compared to 6% in households not experiencing FV
- 15% of respondents delayed reporting DV to police due to fears for their animals
- 15% of respondents returned to violent homes due to fears for their animals
- 42% of children in FV households witnessed abuse to animals within the home

Ref: Tong 2015 as cited in ‘The Link Between Animal Abuse and Domestic Violence’

Pet welfare

- The RSPCA received twenty eight reports of alleged cruelty to animals from within the Shire during the 2016/17 financial year. Fourteen involved dogs or puppies and one involved a cat or kitten. Other reports related to concerns for horses or farm animals. This ranks the Shire sixth in terms of the number of reports per capita, the equivalent of one report for every two hundred and sixty eight residents.¹¹

⁹ <http://www.loddon.vic.gov.au/Our-documents/Plans-and-strategies>

¹⁰ Tong 2015 as cited in presentation by Senior Constable Ingrid REILLY; ‘The Link Between Animal Abuse and Domestic Violence’

¹¹ www.bendigoadvertiser.com.au/story/4857013/dogs-top-animal-cruelty-reports-in-bendigo/

- It is not the responsibility of Council to investigate or prosecute incidents of pet abuse, these should be reported to the RSPCA. However, Council is committed to working with relevant authorities to eliminate incidents of pet abuse and ensure action is taken against perpetrators.
- Council recognises the need to better understand wider pet welfare issues that may be relevant in Loddon, and the need to work with relevant organisations to address these issues.
- Research undertaken for DAMPs in other municipalities indicates community concern about dogs not being restrained in vehicles, particularly in the back of utes.

The law in Victoria requires that dogs on utes are restrained either via a tether or cage, so that the dog cannot fall off or be injured when the vehicle moves. The only exception is for dogs that are actively working livestock.¹²

6.8.2 Actions to address service priorities

No.	ACTION
25.	Establish partnerships with other stakeholders / service providers to better understand the needs of pet owners and how these must be addressed in times of family violence.
26.	Develop protocols and procedures for animal management staff to ensure issues associated with family violence are handled appropriately.
27.	Ensure information about the safe and legal requirements relating to the restraint of dogs is available on Council's website.

6.9 People and pets tourism



Strategic outcomes:

- An enhanced understanding of:
 - ❖ the potential benefits associated with pet related tourism in the Shire
 - ❖ short and longer-term pet related tourism initiatives that might expand Loddon's tourism appeal

6.9.1 What we understand

- Discussions with local caravan park operators indicate the value of the pet-owner market to these businesses. All sites in Loddon Shire accommodate pets, some with restrictions during peak holiday periods, and state that there are further opportunities to capitalise on this market.

So significant is this market to the Bridgewater Caravan Park, that the operators have recently installed a dog wash facility and have a large partially fenced area where dogs can run off leash. Operators of the Boort Holiday Park believe there is significant potential and opportunities should consider pet friendly cabins.

The need for additional pet friendly accommodation is recognised by a number of peak associations interviewed for the DAMP including the Pet Industry Association of Australia and Tourism Accommodation Victoria.

¹² www.agriculture.vic.gov.au/pets/dogs/legal-requirements-for-dog-owners/dogs-on-moving-vehicles

- A survey of more than 1,100 travelers conducted by TripAdvisor found that 53% of respondents travel with their pets, and 52% will only stay at pet-friendly properties. The report also found that 35% of pet owners take shorter vacations than they otherwise would, and 25% take fewer vacations overall because of their pets.¹³
- A survey of 5,000 pet owners in an outer Melbourne council area indicates that up to 60% of pet owners will make holiday and recreation activity choices based on the availability of pet friendly accommodation or facilities.
- There is merit in Loddon tourism operators to consider further opportunities in the growing pet owner visitor market.

6.9.2 Actions to address service priorities

No.	ACTION
28.	In conjunction with Council's tourism staff, work with caravan park operators and camping ground managers to collect statistics relating to pet owner visitation demand.
29.	Work with caravan park operators and camping ground managers to identify opportunities to further capitalise on the pet owner visitor market, with a priority on accommodation and marketing opportunities.

7 HOW WE PREPARED THE (DRAFT) DAMP

The DAMP was developed following a review of; the 2013-2017 plan, new state government initiatives and emerging issues and trends that were identified within townships and communities during the previous plan's lifecycle.

LMH Consulting Group was appointed to assist in the development of the plan bringing strategic planning and policy skills and knowledge in domestic animal management to the project, which complemented the local knowledge and expertise of Council staff.

Information was drawn from recent community consultation and surveys conducted as part of service planning for Council's customer services, early years, tourism and community health and wellbeing portfolios.

The draft document was then released for final community comment and feedback before being presented to Council for adoption.

Council resolved to adopt the Domestic Animal Management Plan 2018-2021 at its Ordinary Meeting held on 26 June 2018.

¹³ <https://skift.com/2017/01/31/pet-friendly-travel-is-growing-yet-still-complicated/>

8 HOW WE WILL IMPLEMENT AND MONITOR THE DAMP

8.1 Setting priorities for the next four years

Priorities in the Domestic Animal Management Plan may change over the life of the plan depending on:

- changing animal management service demands and priorities
- other Council service delivery priorities
- partnership opportunities
- external funding opportunities.

In line with the requirements of the Act:

- Council will review the Domestic Animal Management Plan annually to ensure actions and priorities are still relevant and can be completed within available resources
- Council will undertake a major review of the plan in year four.

8.2 Council's role

The Local Government Act 1989 and Domestic Animals Act 1994 outline Council's role and responsibilities in domestic animal management.

Some of the services provided include:

- educate and promote responsible pet ownership
- maintain an annual dog and cat registration program
- identify the location of any unregistered dogs and cats
- investigation of dog attacks
- investigation of nuisance animal complaints
- maintain and manage an animal pound facility
- registration and inspection of domestic animal businesses
- maintain a 24-hour emergency service with regard to domestic animals
- collect lost or stray dogs and cats and reunite them with their owners
- facilitate rehoming of unclaimed dogs and cats.



9 COSTING AND FUNDING OF ACTIONS

As provided for in Section 2, programs and actions identified in the plan will be undertaken within existing budget allocations. Any new initiatives that evolve from an action of the plan must first be presented and considered within the annual Council budget preparation process.

Appendix 1 – The Domestic Animals Act requirement of Council

Under Section 68A of the Domestic Animals Act, every Council must prepare a Domestic Animal Management Plan, as follows:

68A Councils to prepare Domestic Animal Management Plans

(1) Every Council must, in consultation with the Secretary (of the Department of Primary Industries), prepare at 4 year intervals a Domestic Animal Management Plan.

(2) A Domestic Animal Management Plan prepared by a Council must—

- (a) set out a method for evaluating whether the animal control services provided by the Council in its municipal district are adequate to give effect to the requirements of this Act and the regulations; and
- (b) outline programs for the training of authorised officers to ensure that they can properly administer and enforce the requirements of this Act in the Council's municipal district; and
- (c) outline programs, services and strategies, which the Council intends to pursue in its municipal district—

- (i) to promote and encourage the responsible ownership of dogs and cats; and
- (ii) to ensure that people comply with this Act, the regulations and any related legislation; and
- (iii) to minimise the risk of attacks by dogs on people and animals; and
- (iv) to address any over-population and high euthanasia rates for dogs and cats; and
- (v) to encourage the registration and identification of dogs and cats; and
- (vi) to minimise the potential for dogs and cats to create a nuisance; and
- (vii) to effectively identify all dangerous dogs, menacing dogs and restricted breed dogs in that district and to ensure that those dogs are kept in compliance with this Act and the regulations; and

(d) provide for the review of existing orders made under this Act and local laws that relate to the Council's municipal district with a view to determining whether further orders or local laws dealing with the management of dogs and cats in the municipal district are desirable; and

(e) provide for the review of any other matters related to the management of dogs and cats in the Council's municipal district that it thinks necessary; and

(f) provide for the periodic evaluation of any program, service, strategy or review outlined under the plan.

(3) Every Council must—

- (a) review its Domestic Animal Management Plan annually and, if appropriate, amend the plan; and
- (b) provide the Secretary with a copy of the plan and any amendments to the plan; and
- (c) publish an evaluation of its implementation of the plan in its annual report.

9.7 TITLES RECONCILIATION PROJECT

File Number: 08/04/006
Author: Deanne Caserta, Manager Financial Services
Authoriser: Sharon Morrison, Director Corporate Services
Attachments: Nil

RECOMMENDATION

That Council:

- (a) authorise the Chief Executive Officer to sign any documentation required to correct current land title errors
- (b) authorise the Chief Executive Officer to affix the common seal of the Council to related documentation.

CONFLICT OF INTEREST

There is no conflict of interest for any Council staff member involved in the preparation of this report, or involved in the subject matter of the report.

PREVIOUS COUNCIL DISCUSSION

The titles reconciliation project was previously discussed at the June Council Briefing.

BACKGROUND

In 2015, a circular was produced by the Department of Environment, Land, Water and Planning (DELWP). This circular (15/2015) offered assistance to Councils within several project areas regarding the clean-up of Council's title records to current name and address for service of notices among other things. This project had already been completed by 27 Councils at that stage.

ISSUES/DISCUSSION

In early 2017, Council commenced the title clean-up process. Within this process Land Victoria agreed to:

- work with Council to bring all titles into current name (and address for service of notices) including dealing with missing titles
- convert any council General Law deeds to provisional Torrens title, and
- issue road and reserve titles in subdivisions 'direct' to council in future.

Loddon Shire Council needed to:

- agree to hold its titles electronically
- agree to General Law conversion of its deeds
- assist Land Victoria to make the same offer of General Law conversion to ratepayers, and
- reconcile any Crown Land holdings with Land Victoria records.

All titles were scanned and registered, and sent to Land Victoria for reconciliation in November 2017.

Since that time Land Victoria have been working through the process and have found that a large number of these titles (432) were still in previous Council names and require transfer via a Section 59A(2) application, stating that Council is now the successor in law to these parcels.

There has also been a circumstance where the transfer of land between owners had not been completed fully and a Section 59A(1) application is required to correct the details in the register.

COST/BENEFITS

It is expected that the cost to Council will be less than \$250 plus staff time to collate and administer the actions from the title clean-up process.

The benefits will include accurate and complete records, no misdirected notices, no adverse possession of General Law land, no further resources necessary in title security, storage and records management.

Therefore once this project is complete a physical title will no longer be required. The process of land sale / transfer will be completed electronically.

RISK ANALYSIS

Over the years, there have been numerous methods for retaining physical titles. Some were retained by Council, others have been held by Council appointed legal firms and during the amalgamation process some have been misplaced.

This process will ensure that all titles are correct and are able to be stored securely and sourced easily in the future.

CONSULTATION AND ENGAGEMENT

Approval was sought through the Management Executive Group to commence this project. Discussions were also held with the Rates and Records Departments to ensure that the process would be compliant with any necessary requirements within these departments.

9.8 TRANSFER OF STANDPIPE OWNERSHIP AND MANAGEMENT RESPONSIBILITIES

File Number: 15/08/008
Author: Indivar Dhakal, Manager Technical Services
Authoriser: Steven Phillips, Director Operations
Attachments: Nil

RECOMMENDATION

That Council :-

1. resolve to transfer the ownership and management of standpipes connected to Coliban Water's reticulated network to Coliban Water
2. authorise the Chief Executive Officer to affix the common seal of the Council to related agreement documentation.

CONFLICT OF INTEREST

There is no conflict of interest for any Council staff member involved in the preparation of this report, or involved in the subject matter of the report.

PREVIOUS COUNCIL DISCUSSION

During the February 2016 Council meeting, Council resolved to continue negotiation with Coliban Water regarding the potential handover of standpipe facilities.

BACKGROUND

Council have historically operated eight separate standpipe facilities across the Shire. Following the Council resolution, in June 2016 three of the eight standpipes were decommissioned. All of the remaining standpipes are connected to Coliban Water's reticulated water supply systems.

Council officers have been negotiating with Coliban Water in relation to potential handover of the asset and management responsibilities of the standpipes. In January 2017, Coliban Water notified Council officers that a business case was being prepared to be presented to Coliban Water's Board for transfer of ownership and management responsibilities of the standpipes within Loddon Shire Council and other local government areas.

In December 2017 Council received a draft Deed of Asset Transfer and Licence Agreement to formalise the transfer of ownership and management. After months of negotiation, in relation to ongoing maintenance, complaint handling and responsibility matrix, Council officers and Coliban Water officers have reached an agreement and a final draft of the agreement has been prepared.

ISSUES/DISCUSSION

In January 2016, Council officers did a cost benefit assessment based on consumption charges to the customers and operational costs of standpipes. This assessment justified the then current charge of \$5 per KL which hasn't changed till this date.

One of the major rationales behind Council's willingness to transfer the ownership and management of standpipe is because of the price difference between standpipes managed by Coliban and ones managed by Council. Coliban currently charges \$2.25 per KL to its customers and will charge the same rate if the proposed transfer of management is agreed upon. This will be a major cost saving for the local residents who rely on standpipe for water.

In addition, with the South West Loddon Pipeline Project currently under construction, it is expected that the usage of standpipes will decrease. With increasing fixed operational cost and

decreasing usage, Council would need to re-adjust the volumetric consumption charge, thus increasing costs to the customer, if Council was to continue managing the standpipes.

Currently, Council receives a number of complaints regarding the operation of the standpipes which draws on limited Council resources. The Licence Agreement proposed, stipulates that any complaint relating to the standpipe shall be referred to Coliban Water's delegated Complaints Resolution Officer.

COST/BENEFITS

There is no cost associated with the proposed transfer of assets and management responsibilities. If Council continues to manage the standpipes, the anticipated decreasing usage and increasing operational costs will incur significant additional costs to Council which either Council will need to bear or transfer to its customers.

One of the benefits of the proposed transfer is the reduction in volumetric charge to the users of the standpipes. The cost for 2018-2019 will be reduced to \$2.25 per KL from \$5 per KL. Another benefit of the proposed transfer is the opportunity to free limited Council resources towards other competing priorities.

RISK ANALYSIS

One of the risks identified with the proposed transfer of ownership and management responsibilities is the potential increase in price by Coliban Water to its customers using standpipes. However, observing the previous trends of increase in standpipe charges by Coliban Water, it unlikely that the increase will be significant compared to what Council currently charges.

CONSULTATION AND ENGAGEMENT

Robust conversation and negotiation has been undertaken between Coliban Water and Council to finalise the draft agreement. Beck Legal drafted the agreement on behalf of Coliban Water and Council sought legal advice from MCL Legal to get clarity on the provisions of the agreement.

9.9 TRANSFER OF PROVIDER UNDER CONTRACT NO. 345 - MUNICIPAL VALUATION SERVICES

File Number: 09/01/001
Author: Deanne Caserta, Manager Financial Services
Authoriser: Sharon Morrison, Director Corporate Services
Attachments: Nil

RECOMMENDATION

That Council, approve the authorisation of any documentation relating to the change in ownership of the revaluation process from Council to the Valuer-General and authorise the use of the seal on these documents where required.

CONFLICT OF INTEREST

There is no conflict of interest for any Council staff member involved in the preparation of this report, or involved in the subject matter of the report.

PREVIOUS COUNCIL DISCUSSION

At the Ordinary Meeting held on 24 January 2017, Council approved an extension of Contract No. 345 – Municipal Valuation Services to LG Valuation Services Pty. Ltd (LG) for the 2018 revaluation.

BACKGROUND

Historically a general valuation has been required to be undertaken by Council every even year. To give effect to this requirement of the Valuation of Land Act 1960, contractors have been used in the past to conduct the general valuation.

Council awarded Contract No. 345 – Municipal Valuation Services to LG at the In-Camera Meeting of Council held on 24 March 2015. This contract was to undertake the 2016 revaluation, and included options for the 2018 and 2020 revaluations. The option for 2018 was taken up through a Council resolution on 24 January 2017.

Commencing 1 July 2018, the State Government will centralise land valuation with the Valuer-General (VG) and introduce annual valuations for Land Tax, Fire Services Property Levy and council rate setting purposes from the 2019 revaluation year.

The changes recognise the VG as the sole valuation authority which will conduct valuations of all land in Victoria for rating and taxing purposes, with the valuations now to be conducted annually (annual centralised valuations).

ISSUES/DISCUSSION

To facilitate the transition to annual centralised valuations the VG requires Council to execute a Deed of Novation. This will enable a transfer of Council's previous valuation services contract to the VG. This will allow the VG to engage LG to undertake the 2019 revaluation on their behalf.

The State Revenue Office (SRO) requires Council to sign a Memorandum of Understanding in respect to the fees payable for the use and servicing of Valuations.

There may be further documents that require Council authorisation in the next few months as the process is finalised.

COST/BENEFITS

The revaluation of properties every two years was a legislative requirement; therefore the cost could not be avoided. The direct financial cost to Council was engagement of the contractor to undertake the revaluation on behalf of Council.

The future direct financial cost of the valuation process will be borne by the VG, with only the cost of supplementary valuations to be paid by Council.

There are also indirect benefits in maintaining LG as Council's contractor which include:

- a sound knowledge of the value of properties in the Shire, particularly specialist properties and the various types of rural production properties
- a willingness by LG staff to consult with property owners about their concerns in a timely manner to ensure that any concern they have can be addressed quickly.

RISK ANALYSIS

The most significant risks relating to the annual centralised valuation process is the reduced amount of control Council has over the data, process and timeframes. It is anticipated that there will be some additional work required by Council staff however this is offset by the State Government paying for the revaluations each year.

CONSULTATION AND ENGAGEMENT

There has been external consultation with the relevant government departments in relation to this change in process and this report.

9.10 FINANCE REPORT FOR THE PERIOD ENDING 31 MAY 2018

File Number: 08/06/001

Author: Deanne Caserta, Manager Financial Services

Authoriser: Sharon Morrison, Director Corporate Services

Attachments: 1. Finance report for period ending 31 May 2018

RECOMMENDATION

That Council:

1. receives and notes the 'Finance report for the period ending 31 May 2018'
2. approves budget revisions included in the report for internal reporting purposes only
3. approves the adjustments required to the provision for doubtful debts and the write off of any identified bad debts.

CONFLICT OF INTEREST

There is no conflict of interest for any Council staff member involved in the preparation of this report, or involved in the subject matter of the report.

PREVIOUS COUNCIL DISCUSSION

Council is provided with Finance Reports on a monthly basis with the exception of when changes to the Council meeting timetable result in the Council meeting occurring before the completion of the end of month finance procedures.

BACKGROUND

The Finance Report for the period ended 31 May 2018 includes standard monthly information about budget variations, cash, investments, interest, debtors and creditors, and provides a comparison of year-to-date actual results to year-to-date budget (by dollars and percentage) and total revised budget (by percentage).

The information is in the format provided in the adopted 2017/18 Budget, and includes operating results, capital expenditure and funding sources.

ISSUES/DISCUSSION

Budgeted Surplus - Council's budgeted cash surplus has remained at \$1.79M.

Income Statement (revenue) - Council's year to date (YTD) operating revenue is at 92% of YTD budget. Revenue brought to account for May was \$3.25M. Revenue grants and recurrent contributions are behind YTD budget with interest, capital grants and reimbursements currently ahead of YTD budget.

Income Statement (expenditure) - Council's operating expenditure is at 105% of YTD budget. Payments for this month totalled just over \$3.96M, compared to \$2.05M last month. Utilities and contractor payments are ahead of YTD budget. Labour is still slightly behind budget at 98% (97% last month) and is expected to finish below Council's 104% cap. Auditor costs are also behind YTD budget.

Capital Works - The revised budget for capital works is \$14.8M and is 52% complete in financial terms for the current financial year (41% at the end of April). Asset types with major variations (10% or \$10K) include furniture and equipment; land and buildings; plant and equipment; roadworks; urban and road drainage; recreation, leisure and community facilities; parks, open space and streetscapes and footpaths with many projects timed for quarter four yet to be commenced.

Balance Sheet - Council has a cash total of \$20.1M with \$2.1M in general accounts. Debtors are \$1.2M which is a decrease of \$362K in the month primarily due to the receipt of outstanding rates. Sundry debtors total \$472K with invoices outstanding for 60 or more days relating to community wellbeing debtors and local community groups totalling approximately \$73K.

There were no supplementary valuations updated in May. The total rateable CIV at the end of May remains at \$1.82B.

An update was also received from Vision Super in regards to the March 2018 VBI which is estimated at 106.2% which is higher than the 97.0% required of the fund.

COST/BENEFITS

The benefit to Council and the community is that accurate and regular financial reporting is being disclosed, along with an accurate representation of property valuations being reflected in Council's rating system and the distribution of rate notices for the year 2017/18.

Provision of financial reports on at least a quarterly basis is a requirement of the Local Government Act.

RISK ANALYSIS

The provision of regular and accurate finance reports to Council minimises the risk of Council not delivering projects within the approved budget. Council's risk exposure is also increased if the rating system does not reflect the valuation changes associated with supplementary valuations as Council will not be aware of the changes, which can alter the rate revenue in the current year and in future rating years.

CONSULTATION AND ENGAGEMENT

There has been considerable consultation internally with respective managers in understanding their budget responsibilities and keeping within budgetary constraints.

Consultation with ratepayers and authorities that act on behalf of ratepayers occurs when a change to a property is required or occurs by virtue of a sale.

External engagement with the community was undertaken during the submission period of the budget, and regular reporting provides a mechanism of monitoring the financial outcomes of Council against that expectation.

LODDON SHIRE COUNCIL

FINANCE REPORT FOR PERIOD ENDING 31 MAY 2018



CONTENTS

INTRODUCTION	3
1 CASH SURPLUS POSITION	3
1.1 Budget revisions	3
2 STANDARD INCOME STATEMENT	3
2.1 Operating revenue	3
2.1.1 Revenue grants	3
2.1.2 Capital grants	4
2.1.3 Recurrent contributions	4
2.1.4 Reimbursements	4
2.1.5 Interest income	4
2.2 Operating expenditure	5
2.2.1 Utilities	5
2.2.2 Contract payments	5
2.2.3 Auditor costs	5
2.2.4 Payments	5
2.3 Operating surplus	5
2.4 Capital expenditure	5
2.4.1 Furniture and office equipment	6
2.4.2 Land and buildings	6
2.4.3 Plant and equipment	6
2.4.4 Roadworks	6
2.4.5 Urban and road drainage	7
2.4.6 Recreation, leisure and community facilities	7
2.4.7 Parks, open space and streetscapes	7
2.4.8 Footpaths	7
3 STANDARD BALANCE SHEET	7
3.1 Cash	7
3.2 Receivables	8
3.2.1 Debtors	8
3.2.2 Rates debtors	8
3.2.3 Sundry debtors	8
3.2.4 Bad and doubtful debts	9
3.2.5 Supplementary valuations	9
3.3 Vision Super Defined Benefits Plan update	9
APPENDIX 1: STANDARD INCOME STATEMENT	10
APPENDIX 2: STANDARD CAPITAL WORKS STATEMENT	11
APPENDIX 3: STANDARD BALANCE SHEET	12
APPENDIX 4: INVESTMENTS	13
APPENDIX 5: COMMUNITY PLAN FINANCIALS BOORT	13
APPENDIX 5A: COMMUNITY PLAN FINANCIALS WEDDERBURN	14
APPENDIX 5B: COMMUNITY PLAN FINANCIALS INGLEWOOD	14
APPENDIX 5C: COMMUNITY PLAN FINANCIALS TERRICK	14
APPENDIX 5D: COMMUNITY PLAN FINANCIALS TARNAGULLA	15

INTRODUCTION

During May, the finance department has been working on the preparation of the end of year financial statements. External auditors were on site from 2 to 4 May 2018 with the final audit visit scheduled for 16 to 20 July 2018. The 2018/19 Draft Budget is also out for public comment. The submission period closes on Friday 8 June 2018.

1 CASH SURPLUS POSITION

1.1 Budget revisions

The overall budget cash surplus, which has been included in the attached financial reports has remained at \$1,785,090.

Even though the surplus remains the same there have been changes that have adjusted the revised budget in the following areas:

Item	April Finance Report	May Finance Report	Change \$
Operating revenue	\$24,498,814	\$28,737,970	\$4,239,156
Operating expenditure	(\$31,491,140)	(\$31,491,140)	\$0
Transfers from reserves	\$14,809,277	\$15,593,357	\$784,080
Transfers to reserves	(\$3,683,874)	(\$8,023,030)	(\$4,339,156)
Other funding decisions	\$583,004	\$683,004	\$100,000
Capital expenditure	(\$14,050,611)	(\$14,834,691)	(\$784,080)
Other non cash adjustments	\$8,972,696	\$8,972,696	\$0
Accumulated surplus carried forward	\$2,146,924	\$2,146,924	\$0
Closing surplus (deficit) as reported in Appendix 2	\$1,785,090	\$1,785,090	\$0

Major changes in the Revised Budget are due to two major adjustments.

The first is the upfront 50% payment of the 2018/19 Victoria Grants Commission funding. The impact is an increase to operating revenue and a transfer to the Unspent Grants Reserve. The impact for the 2018/19 Draft Budget is a decrease to operating revenue and a transfer from the Unspent Grants Reserve.

The second change is the Council resolution to purchase the Wedderburn and Bridgewater Caravan Parks. The impact is an increase in capital expenditure, allowance for additional land sales to assist in funding the purchase with the remainder to come via a transfer from the Land and Buildings Reserve. There is no adjustment necessary to the 2018/19 Draft Budget.

2 STANDARD INCOME STATEMENT

In the analysis of the statements only those areas which have a variance greater than 10% and \$10,000 will be reported. Variances have been explained in further detail below.

2.1 Operating revenue

Total revenue brought to account for the month of May 2018 was \$3.25M.

Revenue YTD is at 92% compared to YTD budget, or \$2.22M behind YTD budget.

2.1.1 Revenue grants

Revenue grants are currently \$4.1M or 41% behind YTD budget.

Main variation to YTD budget is funds that are expected to be received upfront from the Victoria Grants Commission. This will occur in June, not May as the timing suggests.

2.1.2 Capital grants

Capital grants are currently \$1.7M or 47% ahead of YTD budget.

Main variation to YTD budget is funds received in advance from Federal Government for flood restoration works.

2.1.3 Recurrent contributions

Recurrent contributions are currently \$30K or 52% behind YTD budget.

Main items behind YTD budget include:

- savings in valuations of \$11K with lower requests for supplementary valuations than expected for the year
- Serpentine Pavilion of \$15K with a final invoice still to be raised.

2.1.4 Reimbursements

Reimbursements are currently \$100K or 27% ahead of YTD budget.

Main items ahead of YTD budget include:

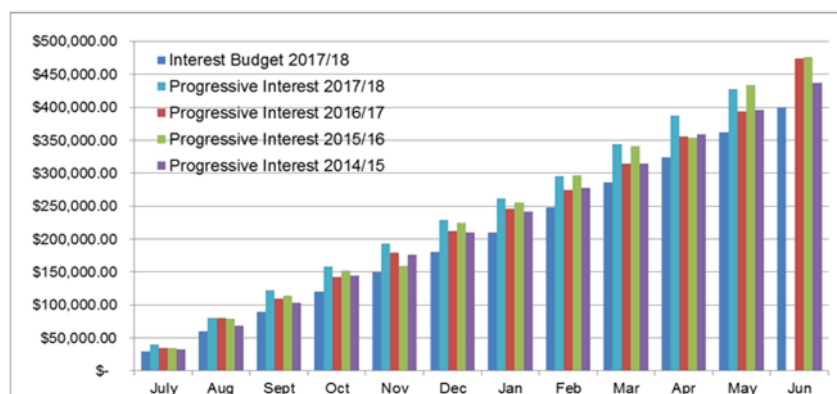
- outdoor work cover claims of \$26K with an increase in claims for the year
- HACC work cover claim of \$25K that was not budgeted
- insurance of \$36K has been paid for 2017 storm damage that was not originally budgeted.

2.1.5 Interest income

Interest received and accrued on investments and rates for the month of May 2018 was \$40K. Year to date income from interest is \$462K.

The total investment interest received and accrued to date is \$429K, and rates interest amounted to \$33K. Year to date represents 108% of the year revised budget amount of \$428K (\$400K for investments only).

Progressive interest from investments for the years 2014/15 to 2017/18 are:



The appendices of this report include a table that shows all investments for the financial year to date for 2017/18. All investments are term deposits are currently with National Australia

Bank or the Bendigo Bank. Due to the short term nature of the term deposits, those deposits which have not reached maturity are included as cash in the Balance Sheet. Interest realised, and interest accrued on non-matured deposits, are shown separately on the appendix. With the adoption by Council of the revised Investment Policy in May 2018 and the closure of the NAB Boort branch on 7 June 2018, Council's investments will move toward the new policy format from June 2018.

2.2 Operating expenditure

Total operating expenditure for May 2018 was \$3.96M.

Expenditure YTD is at 105% compared to YTD budget of \$27.85M or \$1.27M ahead of budget.

2.2.1 Utilities

Utilities are currently \$76K ahead of YTD budget.

Main items ahead of YTD budget include:

- Bridgewater caravan park of \$27K due to higher than expected utilities costs
- standpipes & truckwashes of \$11K with higher income expected to offset increase to expenditure

2.2.2 Contract payments

Contract payments are currently ahead of YTD budget by \$1.39M or 73%, the main variances relate to flood restoration works progressing ahead of expected timing.

2.2.3 Auditor costs

Auditor costs are currently \$49K behind YTD budget.

Main variance is due to timing with the external auditors due to commence the final stage audit in the coming weeks.

2.2.4 Payments

During the month the following payments were made:

Creditor payments - cheque	\$81,627.70
Creditor payments - electronic funds transfer	\$4,142,542.09
Payroll (3 pays)	\$898,618.13
TOTAL	<u>\$5,122,787.92</u>

2.3 Operating surplus

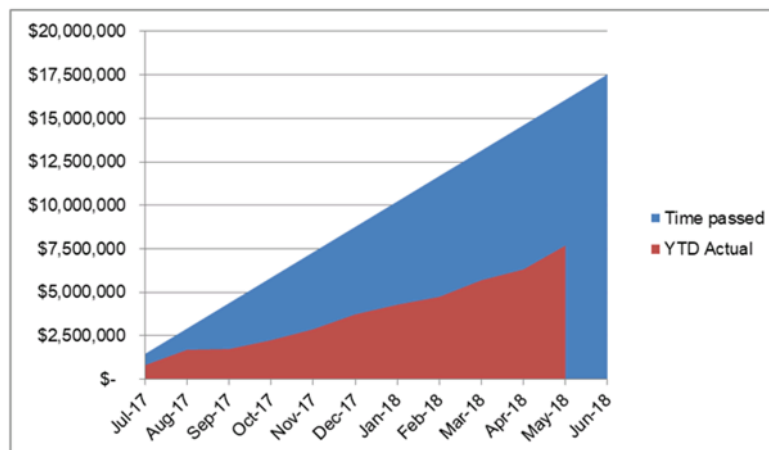
The operating surplus to date is \$4.16M which is \$3.49M or 524% ahead of YTD budget.

2.4 Capital expenditure

Total capital works expenditure for May was \$1.37M.

The total capital works expenditure is 52% complete in financial terms with 90% of the year elapsed.

YTD capital works is currently \$4.02M or 34% behind YTD budget.



Within the asset types the major variations to YTD budget are:

2.4.1 Furniture and office equipment

Furniture and office equipment are behind YTD budget by \$337K or 80%.

The main variation to budget is the IT strategy implementation works, which have commenced and are expected to progress as the year passes.

2.4.2 Land and buildings

Land and buildings are behind YTD budget by \$650K or 72%.

The main variations to budget relate to:

- upgrade of various public toilets with works in progress
- flood mitigation works in Boort which have commenced and works are progressing.

2.4.3 Plant and equipment

Plant and equipment are ahead of YTD budget by \$272K or 29%.

The main variation to budget is fleet replacement with the delivery of vehicles occurring earlier than expected.

2.4.4 Roadworks

Roadworks are behind YTD budget by \$1.05M or 21%.

Items behind budget include:

- construction works at Pyramid Hill - Yarraberb Road of \$72K with the project commenced and works progressing
- construction works at Cemetery Road, Bridgewater of \$78K with the project yet to commence
- construction works at Sebastian Road, Campbells Forest of \$675K with the project yet to commence
- construction works at Billings Road, Boort of \$236K with the project commenced and progressing.

2.4.5 Urban and road drainage

Urban and road drainage is behind YTD budget by \$149K or 29%.

The main variation to budget is works in Sugar Gum Drive and works at the old Inglewood reservoir with the projects commencing and progressing along.

2.4.6 Recreation, leisure and community facilities

Recreation, leisure and community facilities are behind YTD budget by \$89K or 19%.

Main variations include the purchase of mowers for the caravan parks along with the solar power project which is yet to be finalised at both the Inglewood and Boort swimming pools.

2.4.7 Parks, open space and streetscapes

Parks, open space and streetscapes are behind YTD budget by \$773K or 38%.

The main variations to budget are within the Wedderburn streetscape project, which is now complete and the Inglewood pool upgrade where works are underway. Further claims for both projects are expected to be submitted within the next few weeks.

2.4.8 Footpaths

Footpaths are currently behind YTD budget by \$696K or 52%.

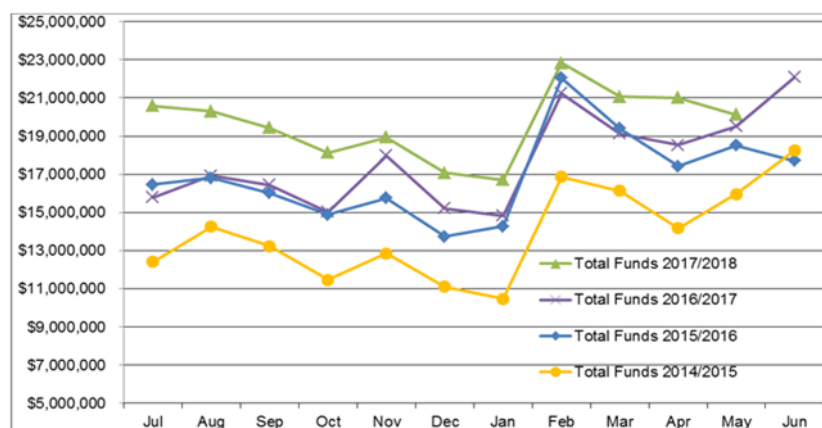
The main variations to budget relate to projects located in Railway Ave Pyramid Hill, Serpentine Office car park, Victoria Street Pyramid Hill, Hospital Street Wedderburn and the Janevale Bridge project with delays in the commencement of these projects.

3 STANDARD BALANCE SHEET

3.1 Cash

At the end of the month, Council's overall cash total was \$20.1M which includes a balance of \$2.1M in general accounts.

Month end balances for Council's cash, from July 2014 until the current month, are reflected in the graph that follows:



At a recent Council meeting, Cr Beattie asked “how much cash in the bank was spoken for”. Of the \$20.1M in cash and term deposits all but the surplus amount is spoken for. This is expected to be used to fund remaining operating and capital expenditure projects or to cash back Council’s financial reserve allocations. For May 2018 this amount is \$1,785,089.

3.2 Receivables

3.2.1 Debtors

Monthly balances of the various categories of debtors for the financial year are:

Category of debtor	May 2017	June 2017	Mar 2018	April 2018	May 2018
Rates	\$ 468,988	\$ 309,702	\$ 1,061,547	\$ 921,947	\$ 403,472
Fire Services Property Levy	\$ 61,094	\$ 42,826	\$ 154,500	\$ 135,395	\$ 68,543
<i>Total Rates & Fire Services Property Levy</i>	<i>\$ 530,081</i>	<i>\$ 352,528</i>	<i>\$ 1,216,047</i>	<i>\$ 1,057,342</i>	<i>\$ 472,015</i>
Sundry debtors	\$ 643,390	\$ 804,928	\$ 689,694	\$ 405,602	\$ 632,652
Community loans/advances	\$ 7,413	\$ 7,145	\$ 5,800	\$ 5,800	\$ 5,800
Long term loans/advances	\$ 160,000	\$ 160,000	\$ 80,000	\$ 80,000	\$ 80,000
Employee superannuation	\$ 3,455	\$ -	\$ (1,392)	\$ 5,500	\$ 2,660
Magistrates court fines	\$ 101,873	\$ 101,663	\$ 100,703	\$ 100,703	\$ 100,319
LESS provision for doubtful debts	\$ (76,298)	\$ (110,620)	\$ (92,370)	\$ (92,370)	\$ (92,370)
Total	\$ 1,369,915	\$ 1,315,642	\$ 1,998,482	\$ 1,562,577	\$ 1,201,075

3.2.2 Rates debtors

Outstanding rates and the Fire Services Property Levy at the end of selected months were:

	May 2017 (6/6/2017)	June 2017 (6/7/2017)	Feb 2018 (1/03/2018)	Mar 2018 (5/04/2018)	April 2018 (3/05/2018)	May 2018 (4/06/2018)
2005/06	\$ 357	\$ 357				
2006/07	\$ 953	\$ 953	\$ 256	\$ 257	\$ 261	\$ 261
2007/08	\$ 1,432	\$ 1,432	\$ 402	\$ 405	\$ 410	\$ 410
2008/09	\$ 1,661	\$ 1,661	\$ 420	\$ 423	\$ 428	\$ 428
2009/10	\$ 4,196	\$ 4,196	\$ 1,664	\$ 1,664	\$ 1,687	\$ 1,683
2010/11	\$ 8,351	\$ 8,351	\$ 3,114	\$ 3,064	\$ 3,105	\$ 3,096
2011/12	\$ 12,511	\$ 12,506	\$ 6,047	\$ 6,054	\$ 6,014	\$ 5,303
2012/13	\$ 14,508	\$ 14,341	\$ 6,528	\$ 6,988	\$ 7,051	\$ 6,253
2013/14	\$ 14,354	\$ 16,987	\$ 8,451	\$ 8,220	\$ 8,010	\$ 7,017
2013/14 Fire Services Property Levy	\$ 6,800	\$ 4,113	\$ 2,000	\$ 1,966	\$ 1,949	\$ 1,823
2014/15	\$ 46,160	\$ 45,994	\$ 19,306	\$ 19,432	\$ 19,519	\$ 18,129
2014/15 Fire Services Property Levy	\$ 6,135	\$ 6,112	\$ 4,212	\$ 3,474	\$ 3,521	\$ 3,221
2015/16	\$ 85,605	\$ 83,817	\$ 31,897	\$ 30,747	\$ 30,884	\$ 29,290
2015/16 Fire Services Property Levy	\$ 10,660	\$ 10,372	\$ 5,362	\$ 5,120	\$ 5,123	\$ 4,840
2016/2017	\$ 269,487	\$ 108,735	\$ 87,416	\$ 79,308	\$ 73,600	\$ 70,589
2016/2017 Fire Services Property Levy	\$ 46,934	\$ 32,600	\$ 12,305	\$ 11,347	\$ 10,652	\$ 10,023
2017/2018			\$ 763,679	\$ 305,847	\$ 222,030	\$ 261,012
2017/2018 Fire Services Property Levy			\$ 187,719	\$ 44,810	\$ 20,468	\$ 48,638
Sub-total: arrears	\$ 530,082	\$ 352,528	\$ 1,141,176	\$ 529,104	\$ 414,723	\$ 472,015
Current year (outstanding but not due)	\$ -	\$ -	\$ 680,595	\$ 599,160.00	\$ 548,538	\$ -
Fire Services Property Levy	\$ -	\$ -	\$ 15,789	\$ 87,783.00	\$ 93,681	\$ -
Total outstanding	\$ 530,082	\$ 352,528	\$ 1,853,540	\$ 1,216,047	\$ 1,057,342	\$ 472,015
Summary						
Rates in arrears	\$ 468,978	\$ 309,702	\$ 929,579	\$ 462,387	\$ 373,010	\$ 403,472
FSPL in arrears	\$ 61,104	\$ 42,826	\$ 211,597	\$ 66,717	\$ 41,713	\$ 68,543
Total arrears	\$ 530,082	\$ 352,528	\$ 1,141,176	\$ 529,104	\$ 414,723	\$ 472,015

All unpaid rates are in arrears with final reminder notices sent out.

3.2.3 Sundry debtors

Outstanding sundry debtors at the end of the month consist of:

Current	\$134,814	59%
30 days	\$20,473	8%
60 days	\$16,277	7%
90 + days	\$56,594	25%
Sub total routine debtors	\$228,158	100%
Government departments	\$71,348	
GST	\$333,145	
Total	\$632,652	
60 + days consists of:		
Community Wellbeing debtors	\$54,774	
Local community groups	\$5,132	
Others	\$12,965	
Total	\$72,871	

Total outstanding for sundry debtors as at 31 May 2018 is \$0.6M.

The mainstream sundry debtors of \$228K have been broken into the amount of time they have been outstanding. At present \$72K or 32% of that total has been outstanding for more than 60 days. All debtors are contacted as a matter of routine.

3.2.4 Bad and doubtful debts

A schedule of bad and doubtful debts has been submitted to the Chief Executive Officer, and has been approved.

Bad debts amounting to \$506.48 will be written off during June 2018. These are minor debts which are long overdue. The cost of pursuing the debts outweighs the potential amount which could be recovered. One reason for this is that those owing the amounts have left the district.

The Provision for Doubtful Debts will be increased to \$112,950.28 to cater for items which are believed to be collectable, but which are aged with no significant funds recently received. These include rates outstanding for 5 plus years and fines imposed by courts for which there has been little or no movement. A recent letter has been sent to the Court seeking prioritisation of the recovery of outstanding amounts.

3.2.5 Supplementary valuations

All rateable and non-rateable supplementary valuations are included in this report.

No supplementary valuations were completed in May 2018.

The current balances at end of May 2018 were:

Valuation type	Opening balances	Supplementary changes	Closing balances
Site value	\$ 1,125,747,600	\$ -	\$ 1,125,747,600
Capital improved value	\$ 1,817,578,800	\$ -	\$ 1,817,578,800
NAV	\$ 93,538,448	\$ -	\$ 93,538,448

The total rateable CIV at the end of May 2018 remains at \$1.82B.

Supplementary valuations will continue for 2017/18 but will not be updated into the file until the rates are raised in 2018/19.

3.3 Vision Super Defined Benefits Plan update

On 18 May 2018, Council received official notification of the 31 March 2018 estimated VBI for the sub-plan being 106.2%

Currently, under the superannuation prudential standards, VBI's must generally be kept above a fund's nominated shortfall, currently 97%. When an actuarial review/investigation is in progress the fund's VBI must be at least 100% as is at June.

Below is the sub-plan's recent VBI history:

As at	30 June 2015 (actual)	30 June 2016 (actual)	30 June 2017 (actual)	30 September 2017 (est.)	31 December 2017 (est.)	31 March 2018 (est.)
LASF DB	105.8%	102.0%	103.1%	103.8%	106.4%	106.2%

APPENDIX 1: STANDARD INCOME STATEMENT

	2017/18 Original Budget	2017/18 Revised Budget	YTD Budget	YTD Actual	Variance of YTD Actual & YTD Budget	% YTD Actual to YTD Budget	% YTD Actual to Revised Budget
REVENUE FROM ORDINARY ACTIVITIES							
Rates	\$10,406,865	\$10,446,656	\$10,380,273	\$10,379,667	(\$606)	100%	99%
Revenue grants	\$5,783,792	\$10,260,100	\$10,186,067	\$6,043,384	(\$4,142,683)	59%	59%
Capital grants	\$3,343,519	\$4,714,913	\$3,636,394	\$5,347,260	\$1,710,866	147%	113%
Vic Roads	\$710,647	\$521,681	\$478,203	\$510,390	\$32,187	107%	98%
User fees	\$1,681,277	\$1,849,110	\$1,682,415	\$1,721,221	\$38,806	102%	93%
Capital contributions	\$0	\$0	\$0	\$0	\$0	0%	0%
Recurrent contributions	\$15,000	\$85,000	\$63,337	\$33,139	(\$30,198)	52%	39%
Interest income	\$378,000	\$428,000	\$392,326	\$461,777	\$69,451	118%	108%
* Reversal of impairment losses	\$0	\$3,879	\$3,879	\$3,879	(\$0)	100%	100%
* Library equity	\$0	\$0	\$0	\$0	\$0	0%	0%
Reimbursements	\$305,320	\$428,632	\$365,626	\$465,246	\$99,620	127%	109%
Total revenue	\$22,624,420	\$28,737,970	\$27,188,520	\$24,965,963	(\$2,222,557)	92%	87%
EXPENDITURE FROM ORDINARY ACTIVITIES							
Labour	\$9,652,976	\$9,978,253	\$9,064,504	\$8,887,586	\$176,918	98%	89%
Materials & services	\$7,767,259	\$9,682,990	\$7,957,415	\$7,995,588	(\$38,173)	100%	83%
Depreciation	\$8,976,575	\$8,976,575	\$8,228,484	\$8,228,529	(\$45)	100%	92%
Utilities	\$430,439	\$454,832	\$411,026	\$487,436	(\$76,409)	119%	107%
Contract payments	\$1,565,480	\$2,093,754	\$1,909,765	\$3,299,225	(\$1,389,460)	173%	158%
Loan interest	\$0	\$0	\$0	\$0	\$0	0%	0%
Auditor costs	\$84,660	\$84,660	\$82,046	\$33,300	\$48,746	41%	39%
Councillor costs	\$220,078	\$220,078	\$201,740	\$195,421	\$6,319	97%	89%
Loss on sale of assets	\$0	\$0	\$0	\$0	\$0	0%	0%
* Impairment losses	\$0	\$0	\$0	\$0	\$0	0%	0%
Bad debts expense	\$0	\$0	\$0	\$0	\$0	0%	0%
Total expenditure	\$28,697,466	\$31,491,142	\$27,854,981	\$29,127,086	(\$1,272,105)	105%	92%
NET RESULT FOR THE PERIOD	(\$6,073,047)	(\$2,753,171)	(\$666,461)	(\$4,161,124)	\$3,494,663	624%	151%
The operating expenditure shown above is represented in Council's key direction areas as follows:							
	2017/18 Original Budget	2017/18 Revised Budget	YTD Budget	YTD Actual	Variance of YTD Actual & YTD Revised Budget	% YTD Actual to YTD Budget	% YTD Actual to Revised Budget
EXPENSES FROM ORDINARY ACTIVITIES							
Economic development & tourism	\$1,419,980	\$1,500,964	\$1,202,436	\$1,170,952	\$31,485	97%	78%
Leadership	\$1,218,296	\$1,892,213	\$1,587,872	\$4,167,722	(\$2,579,851)	262%	220%
Works & infrastructure	\$13,014,918	\$12,853,741	\$11,724,012	\$11,664,901	\$59,111	99%	91%
Good management	\$4,466,249	\$5,073,164	\$4,592,043	\$4,366,037	\$226,006	95%	86%
Environment	\$2,056,061	\$2,114,734	\$1,967,033	\$1,711,260	\$255,773	87%	81%
Community services & recreation	\$6,521,964	\$8,056,326	\$6,781,585	\$6,046,214	\$735,371	89%	75%
Loss on sale of assets	\$0	\$0	\$0	\$0	\$0	0%	0%
Total operating expenditure	\$28,697,466	\$31,491,142	\$27,854,981	\$29,127,086	(\$1,272,105)	105%	92%
NET RESULT FOR THE PERIOD	(\$6,073,047)	(\$2,753,171)	(\$666,461)	(\$4,161,124)	\$3,494,663	624%	151%

* Income and expense items required by Australian Accounting Standards (AAS)

APPENDIX 2: STANDARD CAPITAL WORKS STATEMENT

	2017/18 Original Budget	2017/18 Revised Budget	YTD Budget	YTD Actual	Variance of YTD Actual & YTD Budget	% YTD Actual to YTD Budget	% YTD Actual to Revised Budget
FUNDING DECISIONS							
Add loan interest accrued	\$0	\$0	\$0	\$0	\$0	0%	0%
Less loan repayments	\$0	\$0	\$0	\$0	\$0	0%	0%
Add transfer from reserves	\$6,557,088	\$15,593,357	\$0	\$3,318	(\$3,318)	0%	0%
Less transfer to reserves	(\$2,182,392)	(\$8,023,030)	\$0	\$0	\$0	0%	0%
Add proceeds from sale of assets	\$490,670	\$683,004	\$533,500	\$516,431	\$17,069	97%	76%
TOTAL FUNDING DECISIONS	\$4,865,366	\$8,253,331	\$533,500	\$519,749	\$13,751	97%	6%
NET FUNDS AVAILABLE FOR CAPITAL	(\$1,207,681)	\$5,500,159	(\$132,961)	(\$3,641,375)	\$3,508,413	2739%	-66%
CAPITAL EXPENDITURE BY ASSET TYPE							
Furniture and office equipment	\$312,000	\$452,683	\$423,037	\$85,660	\$337,377	20%	19%
Land and buildings	\$2,360,363	\$1,567,737	\$900,014	\$250,038	\$649,976	28%	16%
Plant and equipment	\$844,100	\$1,130,610	\$953,695	\$681,377	\$272,318	71%	60%
Roadworks	\$3,516,452	\$5,767,678	\$5,093,916	\$4,040,501	\$1,053,415	79%	70%
Urban and road drainage	\$308,000	\$557,596	\$520,181	\$370,893	\$149,288	71%	67%
Recreation, leisure and community facilities	\$1,124,000	\$1,347,931	\$456,126	\$367,454	\$88,672	81%	27%
Parks, open space and streetscapes	\$354,500	\$2,674,123	\$2,023,742	\$1,250,161	\$773,581	62%	47%
Footpaths	\$544,755	\$1,336,333	\$1,336,333	\$639,956	\$696,377	48%	48%
TOTAL CAPITAL EXPENDITURE PAYMENTS	\$9,364,170	\$14,834,690	\$11,707,044	\$7,686,040	\$4,021,005	66%	52%
NON CASH ADJUSTMENTS							
Less depreciation	\$8,976,575	\$8,976,575	\$8,228,484	\$8,228,529	(\$45)	100%	92%
Add reversal of impairment losses	\$0	(\$3,879)	(\$3,879)	(\$3,879)	(\$0)	100%	100%
Less loss on sale of assets	\$0	\$0	\$0	\$0	\$0	0%	0%
Less bad debts expense	\$0	\$0	\$0	\$0	\$0	0%	0%
TOTAL NON CASH ADJUSTMENTS	\$8,976,575	\$8,972,696	\$8,224,605	\$8,224,651	(\$46)	100%	92%
Accumulated surplus brought forward	(\$1,802,528)	(\$2,146,924)	\$0	\$0	\$0	0%	0%
NET CASH (SURPLUS)/DEFICIT	(\$207,252)	(\$1,785,089)	\$3,615,400	\$3,102,763	\$512,637	86%	-174%

APPENDIX 3: STANDARD BALANCE SHEET

	May 2018 As per trial balance	June 2017 As per financial statements	May 2017 As per trial balance
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$20,120,277	\$9,672,238	\$ 19,499,620
Trade and other receivables	\$1,039,075	\$1,232,111	\$ 1,207,915
Financial assets	\$37,884	\$13,776,284	\$ 97,434
Inventories	\$48,461	\$53,966	\$ 96,034
Non-current assets classified as held for sale	\$865,424	\$865,424	\$ 190,356
TOTAL CURRENT ASSETS	\$22,111,121	\$25,600,023	\$21,091,359
NON-CURRENT ASSETS			
Trade and other receivables	\$162,000	\$79,921	\$ 162,000
Financial assets	\$619,971	\$274,045	\$ 362,225
Intangible assets	\$1,668,430	\$1,668,430	\$ 1,654,362
Property, infrastructure, plant and equipment	\$308,537,092	\$309,596,011	\$ 301,668,363
TOTAL NON-CURRENT ASSETS	\$310,987,493	\$311,618,407	\$ 303,846,950
TOTAL ASSETS	\$333,098,614	\$337,218,430	\$324,938,312
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	\$293,999	\$642,364	\$ 219,955
Trust funds and deposits	\$556,734	\$404,438	\$ 476,944
Provisions	\$1,804,771	\$2,192,670	\$ 2,174,563
Interest bearing loans and borrowings	\$0	\$0	\$ -
TOTAL CURRENT LIABILITIES	\$2,655,504	\$3,239,472	\$ 2,871,462
NON-CURRENT LIABILITIES			
Provisions	\$2,324,221	\$1,698,946	\$ 2,324,221
Interest bearing loans & borrowings	\$0	\$0	\$ -
TOTAL NON-CURRENT LIABILITIES	\$2,324,221	\$1,698,946	\$2,324,221
TOTAL LIABILITIES	\$4,979,725	\$4,938,418	\$ 5,195,683
NET ASSETS	\$328,118,889	\$332,280,012	\$319,742,628
EQUITY			
Accumulated Surplus	\$91,374,853	\$37,161,521	\$ 96,259,472
Asset Revaluation Reserve	\$217,168,524	\$295,118,491	\$ 208,675,727
Other Reserves	\$19,575,512	\$0	\$ 14,807,429
TOTAL EQUITY	\$328,118,889	\$332,280,012	\$319,742,628

APPENDIX 4: INVESTMENTS

LODDON SHIRE COUNCIL INVESTMENT SCHEDULE											
	Establishment date	Status	Maturity date	Investment days	Interest rate	Investment amount	Interest last year (accrued)	Interest this year	Current investments	Interest received to date	Accrued Interest
NAB 44-452-1114	22/05/2017	Closed	21/07/2017	60	2.32%	\$ 2,000,000	\$ 4,958	\$ 2,669	\$ -	\$ 2,669	\$ -
NAB 70-700-8970	2/05/2017	Closed	31/07/2017	90	2.52%	\$ 2,000,000	\$ 8,147	\$ 4,290	\$ -	\$ 4,290	\$ -
NAB 44-452-1114	21/07/2017	Closed	21/08/2017	31	1.91%	\$ 1,000,000	\$ -	\$ 1,622	\$ -	\$ 1,622	\$ -
NAB 23-570-3368	22/06/2017	Closed	23/08/2017	62	2.29%	\$ 1,000,000	\$ 500	\$ 3,373	\$ -	\$ 3,373	\$ -
BGO 2294215	8/06/2017	Closed	6/09/2017	90	2.50%	\$ 2,000,000	\$ 3,014	\$ 9,315	\$ -	\$ 9,315	\$ -
BGO 2297208	13/06/2017	Closed	13/09/2017	92	2.55%	\$ 1,000,000	\$ 1,188	\$ 5,310	\$ -	\$ 5,310	\$ -
NAB 44-441-8766	30/05/2017	Closed	27/09/2017	120	2.47%	\$ 2,000,000	\$ 4,196	\$ 12,045	\$ -	\$ 12,045	\$ -
BGO 2294216	8/06/2017	Closed	9/10/2017	123	2.55%	\$ 2,000,000	\$ 3,074	\$ 14,112	\$ -	\$ 14,112	\$ -
BGO 2304969	20/06/2017	Closed	18/10/2017	120	2.55%	\$ 1,000,000	\$ 699	\$ 7,685	\$ -	\$ 7,685	\$ -
NAB 64-792-7106	22/06/2017	Closed	20/10/2017	120	2.50%	\$ 2,000,000	\$ 1,096	\$ 15,342	\$ -	\$ 15,342	\$ -
BGO 2294217	8/06/2017	Closed	16/11/2017	151	2.60%	\$ 500,000	\$ 784	\$ 4,594	\$ -	\$ 4,594	\$ -
NAB 70-082-6145	30/06/2017	Closed	14/11/2017	137	2.48%	\$ 2,000,000	\$ -	\$ 18,617	\$ -	\$ 18,617	\$ -
NAB 70-700-8970	31/07/2017	Closed	28/11/2017	120	2.45%	\$ 2,000,000	\$ -	\$ 16,110	\$ -	\$ 16,110	\$ -
NAB 64-792-7106	20/10/2017	Closed	20/12/2017	61	2.27%	\$ 2,000,000	\$ -	\$ 7,587	\$ -	\$ 7,587	\$ -
NAB 93-482-0424	6/09/2017	Closed	8/01/2018	124	2.55%	\$ 1,000,000	\$ -	\$ 8,663	\$ -	\$ 8,663	\$ -
NAB 55-839-5005 (LSL)	28/06/2017	Closed	16/01/2018	202	2.51%	\$ 1,709,316	\$ -	\$ 23,756	\$ -	\$ 23,756	\$ -
NAB 35-640-3396	13/09/2017	Closed	12/02/2018	152	2.56%	\$ 1,000,000	\$ -	\$ 10,661	\$ -	\$ 10,661	\$ -
NAB 44-452-1114	21/08/2017	Closed	19/02/2018	182	2.53%	\$ 1,000,000	\$ -	\$ 12,615	\$ -	\$ 12,615	\$ -
NAB 70-700-8970	28/11/2017	Closed	26/02/2018	90	2.50%	\$ 2,000,000	\$ -	\$ 12,330	\$ -	\$ 12,330	\$ -
NAB 44-441-8766	27/09/2017	Closed	26/03/2018	180	2.61%	\$ 2,000,000	\$ -	\$ 25,742	\$ -	\$ 25,742	\$ -
NAB 70-700-8970	26/02/2018	Closed	28/03/2018	30	2.01%	\$ 2,000,000	\$ -	\$ 3,304	\$ -	\$ 3,304	\$ -
NAB 42-487-7076	9/10/2017	Closed	9/04/2018	182	2.60%	\$ 2,000,000	\$ -	\$ 25,929	\$ -	\$ 25,929	\$ -
NAB 70-082-6145	14/11/2017	Closed	16/04/2018	153	2.54%	\$ 2,000,000	\$ -	\$ 21,294	\$ -	\$ 21,294	\$ -
11am Account BGO	at 31/3/2018	Open	N/A		1.50%	\$ 1,005,378	\$ -	\$ -	\$ 1,005,378	\$ -	\$ -
NAB 64-792-7106	20/12/2017	Open	21/05/2018	152	2.52%	\$ 2,000,000	\$ -	\$ 20,989	\$ 2,000,000	\$ -	\$ 18,089
NAB 44-452-1114	19/02/2018	Open	21/05/2018	90	2.47%	\$ 2,000,000	\$ -	\$ 12,316	\$ 2,000,000	\$ -	\$ 9,474
NAB 42-487-7076	9/04/2018	Open	8/06/2018	60	2.56%	\$ 2,000,000	\$ -	\$ 8,416	\$ 2,000,000	\$ -	\$ 2,945
NAB 33-583-0508	19/02/2018	Open	19/06/2018	120	2.48%	\$ 2,000,000	\$ -	\$ 16,307	\$ 2,000,000	\$ -	\$ 9,512
NAB 70-700-8970	28/03/2018	Open	26/06/2018	90	2.60%	\$ 1,000,000	\$ -	\$ 6,411	\$ 1,000,000	\$ -	\$ 2,350
NAB 55-839-5005 (LSL)	16/01/2018	Open	16/07/2018	181	2.54%	\$ 1,791,312	\$ -	\$ 22,563	\$ 1,791,312	\$ -	\$ 12,964
NAB 33-755-3209	19/02/2018	Open	19/07/2018	131	2.48%	\$ 2,000,000	17/18 only	\$ 17,802	\$ 2,000,000	\$ -	\$ 9,512
NAB 44-441-8766	26/03/2018	Open	24/07/2018	120	2.62%	\$ 2,000,000	17/18 only	\$ 13,782	\$ 2,000,000	\$ -	\$ 5,024
NAB 35-640-3396	12/02/2018	Open	13/08/2018	182	2.50%	\$ 1,000,000	17/18 only	\$ 9,452	\$ 1,000,000	\$ -	\$ 5,274
BGO	16/04/2018	Open	14/08/2018	75	2.66%	\$ 1,000,000	17/18 only	\$ 5,445	\$ 1,000,000	\$ -	\$ 1,016
NAB 84-459-3192(Wedderburn Kinder)	16/01/2018	Open	16/07/2018	181	2.54%	\$ 197,543	\$ -	\$ -	\$ 197,543	\$ -	\$ -
Interest on Kinder account						\$ 2,488	\$ -	\$ -	\$ -	\$ -	\$ -
Interest on general bank accounts							\$ -	\$ 44,413		\$ 44,413	\$ -
Totals						\$ 27,656	\$ 444,854	\$ 17,994,234	\$ 311,371	\$ 76,160	\$ 387,531
Interest earned											\$ 387,531
Interest transferred to/from externally funded projects											\$ -
Net interest on investments											\$ 387,531
National Australia Bank current investments									\$ 15,988,855		
Bendigo Bank current investments									\$ 2,005,378		
Totals									\$ 17,994,234		

APPENDIX 5: COMMUNITY PLAN FINANCIALS BOORT

YEAR	LEDGER	Boort Community Plans PROJECT	ACTUALS			BUDGET				
			2017/18 FINANCIAL YEAR			2017/18 FINANCIAL YEAR				
			INCOME	EXPENDITURE	NET COST	INCOME	EXPENDITURE	NET COST		
		Income								
		Unspent Allocation from Previous Years	\$40,538	\$0	\$40,538	\$40,538	\$0	\$40,538		
		This Year's Allocation	\$50,000	\$0	\$50,000	\$50,000	\$0	\$50,000		
		Equity Adjustment	\$0	\$0	\$0	\$0	\$0	\$0		
		Movement in Wards	\$0	\$0	\$0	\$0	\$0	\$0		
		Strategic Fund	\$0	\$0	\$0	\$0	\$0	\$0		
	26802	BRIC Gym Alloc 1	\$0	\$0	\$0	\$0	\$0	\$0		
	26813	BRIC Gym Alloc 2	\$0	\$0	\$0	\$0	\$0	\$0		
		Transfer from Reserve	\$0	\$0	\$0	\$0	\$0	\$0		
		Total Amount Available	\$90,538	\$0	\$90,538	\$90,538	\$0	\$90,538		
		LESS Expenditure for the Year								
2015/16	16905	Foreshore Master Plan Little Lake Boort	\$0	\$10,798	\$10,798	\$0	\$13,255	\$13,255		
2016/17	26840	Playground Install and Landscape Nolens Pk	\$0	\$23,232	\$23,232	\$0	\$23,232	\$23,232		
2017/18	26850	Lake Boort Outdoor Furniture	\$0	\$13,431	\$13,431	\$0	\$30,000	\$30,000		
2017/18	16920	Nolens Park Notice Board	\$0	\$2,288	\$2,288	\$0	\$2,500	\$2,500		
2017/18	16921	Lake Boort Sculptures	\$0	\$7,788	\$7,788	\$0	\$8,500	\$8,500		
		CURRENT Boort Community Plans Unallocated	\$0	\$0	\$0	\$0	\$13,051	\$13,051		
		Total Expenditure for the Year	\$0	\$57,537	\$57,537	\$0	\$90,538	\$90,538		
		Total Amount Not Spent at the End of the Year, and Available for Next Year			\$33,001			\$0		

APPENDIX 5A: COMMUNITY PLAN FINANCIALS WEDDERBURN

Wedderburn Community Plans			ACTUALS			BUDGET		
YEAR	LEDGER	PROJECT	2017/18 FINANCIAL YEAR			2017/18 FINANCIAL YEAR		
			INCOME	EXPENDITURE	NET COST	INCOME	EXPENDITURE	NET COST
		Income						
		Unspent Allocation from Previous Years	\$100,233	\$0	\$100,233	\$100,233	\$0	\$100,233
		This Year's Allocation	\$50,000	\$0	\$50,000	\$50,000	\$0	\$50,000
		Equity Adjustment	\$0	\$0	\$0	\$0	\$0	\$0
		Movement in Wards	\$0	\$0	\$0	\$0	\$0	\$0
		Strategic Fund	\$0	\$0	\$0	\$0	\$0	\$0
		Total Amount Available	\$150,233	\$0	\$150,233	\$150,233	\$0	\$150,233
		Expenditure						
2016/17	16912	Wedderburn Town Entry	\$0	\$0	\$0	\$0	\$40,000	\$40,000
2016/17	16913	Wedderburn Caravan Park	\$0	\$0	\$0	\$0	\$50,000	\$50,000
CURRENT		Wedderburn Community Plans Unallocated	\$0	\$0	\$0	\$0	\$60,233	\$60,233
		Total Expenditure for the Year	\$0	\$0	\$0	\$0	\$150,233	\$150,233
		Total Amount Not Spent at the End of the Year, and Available for Next Year			\$150,233			\$0

APPENDIX 5B: COMMUNITY PLAN FINANCIALS INGLEWOOD

Inglewood Community Plans			ACTUALS			BUDGET		
YEAR	LEDGER	PROJECT	2017/18 FINANCIAL YEAR			2017/18 FINANCIAL YEAR		
			INCOME	EXPENDITURE	NET COST	INCOME	EXPENDITURE	NET COST
		Income						
		Unspent Allocation from Previous Years	\$117,715	\$0	\$117,715	\$117,715	\$0	\$117,715
		This Year's Allocation	\$50,000	\$0	\$50,000	\$50,000	\$0	\$50,000
		Strategic Fund	\$0	\$0	\$0	\$0	\$0	\$0
		Movement in Wards	\$0	\$0	\$0	\$0	\$0	\$0
		Equity Adjustment	\$0	\$0	\$0	\$0	\$0	\$0
		Total Amount Available	\$167,715	\$0	\$167,715	\$167,715	\$0	\$167,715
		LESS Expenditure for the Year						
2011/12	24804	Bridgewater Streetscape	\$0	\$0	\$0	\$0	\$39,500	\$39,500
2013/14	26818	Inglewood Eucy Museum Annex	\$0	\$4,000	\$4,000	\$0	\$25,000	\$25,000
2015/16	26838	Heritage and Tourism Display IW Eucy Museum Alloc 2	\$0	\$0	\$0	\$0	\$20,000	\$20,000
2017/18	16915	Porters Van	\$0	\$4,545	\$4,545	\$0	\$5,000	\$5,000
2017/18	16916	Bridgewater Memorial Hall Power Upgrade	\$0	\$30,000	\$30,000	\$0	\$30,000	\$30,000
2017/18	26847	Inglewood Sports Centre Power Upgrade	\$0	\$0	\$0	\$0	\$20,000	\$20,000
2017/18	26848	Inglewood Eucy Museum Annex	\$0	\$0	\$0	\$0	\$20,000	\$20,000
CURRENT		Inglewood Community Plans Unallocated	\$0	\$500	\$500	\$0	\$8,215	\$8,215
		Total Expenditure for the Year	\$0	\$39,045	\$39,045	\$0	\$167,715	\$167,715
		Total Amount Not Spent at the End of the Year, and Available for Next Year			\$128,670			\$0

APPENDIX 5C: COMMUNITY PLAN FINANCIALS TERRICK

Terrick Community Plans			ACTUALS			BUDGET		
YEAR	LEDGER	PROJECT	2017/18 FINANCIAL YEAR			2017/18 FINANCIAL YEAR		
			INCOME	EXPENDITURE	NET COST	INCOME	EXPENDITURE	NET COST
		Income						
		Unspent Allocation from Previous Years	\$26,330	\$0	\$26,330	\$26,330	\$0	\$26,330
		This Year's Allocation	\$50,000	\$0	\$50,000	\$50,000	\$0	\$50,000
		Equity Adjustment	\$0	\$0	\$0	\$0	\$0	\$0
		Strategic Fund	\$0	\$0	\$0	\$0	\$0	\$0
		Total Amount Available	\$76,330	\$0	\$76,330	\$76,330	\$0	\$76,330
		LESS Expenditure for the Year						
2010/11	16279	Pyramid Hill Rural Water Community Areas	\$0	\$0	\$0	\$0	\$6,800	\$6,800
2014/15	26828	Pyramid Hill Caravan Park	\$0	\$0	\$0	\$0	\$16,330	\$16,330
2017/18	14930	PH Bowling Floor Repairs	\$0	\$2,909	\$2,909	\$0	\$3,200	\$3,200
2017/18	16917	Dingee Recreation Reserve Playground	\$0	\$0	\$0	\$0	\$5,000	\$5,000
2017/18	26849	Pyramid Hill Memorial Hall Power Upgrade	\$0	\$909	\$909	\$0	\$20,000	\$20,000
2017/18	16918	Dingee Hall Storage Container	\$0	\$5,000	\$5,000	\$0	\$10,000	\$10,000
2017/18	16919	Dingee Bowls/Tennis Storage Shed	\$0	\$0	\$0	\$0	\$15,000	\$15,000
CURRENT		Terricks Community Plans Unallocated	\$0	\$0	\$0	\$0	\$0	\$0
		Total Expenditure for the Year	\$0	\$8,818	\$8,818	\$0	\$76,330	\$76,330
		Total Amount Not Spent at the End of the Year, and Available for Next Year			\$67,512			\$0

APPENDIX 5D: COMMUNITY PLAN FINANCIALS TARNAGULLA

Tarnagulla Community Plans			ACTUALS			BUDGET		
YEAR	LEDGER	PROJECT	2017/18 FINANCIAL YEAR			2017/18 FINANCIAL YEAR		
			INCOME	EXPENDITURE	NET COST	INCOME	EXPENDITURE	NET COST
		Income						
		Unspent Allocation from Previous Years	\$116,251	\$0	\$116,251	\$116,251	\$0	\$116,251
		This Year's Allocation	\$50,000	\$0	\$50,000	\$50,000	\$0	\$50,000
		Strategic Fund	\$0	\$0	\$0	\$0	\$0	\$0
		Movement in Wards	\$0	\$0	\$0	\$0	\$0	\$0
		Equity Adjustment	\$0	\$0	\$0	\$0	\$0	\$0
		Total Amount Available	\$166,251	\$0	\$166,251	\$166,251	\$0	\$166,251
		LESS Expenditure for the Year						
2017/18	16922	Rheola Playground	\$0	\$0	\$0	\$0	\$10,000	\$10,000
2017/18	16923	Tarnagulla Recreation Reserve Seating	\$0	\$10,185	\$10,185	\$0	\$10,000	\$10,000
2017/18	26851	Laanecoorie Boat Ramp	\$0	\$720	\$720	\$0	\$100,000	\$100,000
2017/18	12924	Newbridge Solar Bollards	\$0	\$13,766	\$13,766	\$0	\$15,000	\$15,000
CURRENT		Tarnagulla Community Plans Unallocated	\$0	\$0	\$0	\$0	\$31,251	\$31,251
		Total Expenditure for the Year	\$0	\$24,671	\$24,671	\$0	\$166,251	\$166,251
		Total Amount Not Spent at the End of the Year, and Available for Next Year			\$141,580			\$0

9.11 REVISED VALUES STATEMENTS FOR ADOPTION

File Number: 18/01/001
Author: Sharon Morrison, Director Corporate Services
Authoriser: Phil Pinyon, Chief Executive Officer
Attachments: Nil

RECOMMENDATION

That Council adopt the revised supporting statements for the Council Values.

CONFLICT OF INTEREST

There is no conflict of interest for any Council staff member involved in the preparation of this report, or involved in the subject matter of the report.

PREVIOUS COUNCIL DISCUSSION

The current values and supporting statements first appeared in the Council Plan 2013-2017 which was adopted 24 June 2013. There was a discussion on this subject at the Council Forum held on 12 June 2018.

BACKGROUND

Council's current values and supporting statements are:

Integrity	means obeying the law, following the intention of policies and procedures, fully disclosing actual or potential conflicts of interest, acting honestly and responsibly and observing organisational values and codes of conduct.
Accountability	means having justifiable reasons for decisions and actions, obtaining value for money, continuously improving, keeping proper records, and submitting to scrutiny.
Impartiality	means being fair by being fully informed, considering only relevant matters, and dispassionately assessing without fear, favour or bias.
Respect	means being open to feedback and other views, communicating with clarity and sensitivity, giving all relevant information, providing reasons for decisions, collaborating and working effectively in teams, being courteous and being punctual.
Leadership	means acting ethically, dealing with suspected wrongdoing, doing the right thing even in the face of adversity, giving proper advice fearlessly, taking initiative, being innovative, and acting strategically.

In March 2017, Councillors, Managers, Directors and the CEO participated in workshops to review the Council values and supporting statements in line with the review of the Council Plan. The values and supporting statements remained unchanged.

In October 2017, the Managers, Directors and the CEO participated in an organisation culture survey which resulted in a desire to review the supporting statements. A small working group was established. The aim was to simplify the statements, making them more memorable, and use wording which was more reflective of the preferred culture.

ISSUES/DISCUSSION

Over the past eight months the working group has engaged with the broader leadership group to produce the following proposed supporting statements for the current values:

Integrity	We are open, honest and fair.
Accountability	We will be consistent and responsible in our actions
Impartiality	We make decisions based on being informed without fear, favour or bias.
Respect	We treat everyone with respect and dignity at all times.
Leadership	We work towards achieving our vision while demonstrating our values.

The detail previously in the supporting statements is in the Code of Conduct.

COST/BENEFITS

There are minimal costs involved in revising the supporting statements for the Council Values. The values and revised supporting statements will be incorporated into relevant documentation as they fall due for review.

RISK ANALYSIS

There is a risk that the supporting statements will be considered as the only expectations. However, this risk will be addressed by reviewing and promoting the more comprehensive Code of Conduct.

CONSULTATION AND ENGAGEMENT

Councillors, managers, directors and the CEO have been involved in revising the supporting statements.

9.12 REACTIVATION OF LODDON SHIRE YOUTH COUNCIL

File Number: 12/06/005
Author: Wendy Gladman, Director Community Wellbeing
Authoriser: Phil Pinyon, Chief Executive Officer
Attachments: Nil

RECOMMENDATION

That Council endorse the following engagement methods, as detailed in the report, to support the reactivation of the Loddon Youth Council:

1. Virtual Youth Council
2. Youth led peer consultation
3. Youth presentations at Council Forums biannually
4. SMS/Text Consultation
5. Youth Council Facebook group

CONFLICT OF INTEREST

There is no conflict of interest for any Council staff member involved in the preparation of this report, or involved in the subject matter of the report.

PREVIOUS COUNCIL DISCUSSION

A Youth Council discussion paper was provided to the June 2018 Council Forum.

BACKGROUND

As part of the Council Plan, one of the strategies under the theme Liveability is to explore opportunities to rejuvenate a Youth Council in partnership with 'Youth Building Places and Spaces'.

Council has recognised the importance of young people to the future of the Shire. It also understands the value of working with them to make the Shire a place where they feel important, supported and safe. Youth engagement ensures their voices are heard and acted upon in relation to their recreation, social, health and education aspirations.

It is noted that the introduction of new technologies now means that engagement with young people can occur through a variety of modes not previously available to Council.

This report puts forward various youth engagement models in order to empower young people by involving them in the decision making process of Council. The proposed models of engagement will ensure that young people are engaged and assist them to develop the skills, confidence and opportunities to be active citizens. It acknowledges that Council cannot engage young people in isolation; therefore a 'whole of community' approach is required. The assistance of other organisations and the community is important as this concept develops.

It is intended that the reactivation of the Loddon Youth Council will:

- provide Council with a range of models and mechanisms to engage young people, aged 12 to 18, to provide input into the decision making processes of Council
- engage young people to challenge Council in its thinking and policy making, particularly on issues that directly affect them

- ensure the models of youth engagement chosen provide a framework to ensure young people are not overlooked when developing services, policies and programs on issues that are important to them
- provide mechanisms for young people to approach Council and advocate on behalf of their peers
- create opportunities for working together to gain greater engagement, particularly for young people who are facing or experiencing disadvantage
- use a range of engagement methods to ensure many voices are heard
- ensure that the decisions made by Council on the models of Youth engagement are incorporated into Council Community Engagement guidelines that will be drafted in the near future.

It is not intended that the reactivation of the Loddon Youth Council will result in Council delivering youth services directly to young people.

ISSUES/DISCUSSION

In the approach to youth engagement it is understood that the needs of young people are diverse, particularly those who are vulnerable or experiencing disadvantaged. Effective engagement needs to be well-coordinated and integrated, with a range of methods used to achieve as diverse a range of views as possible.

By engaging through the proposed models, young people can feed into the development of multiple plans and policies of Council, in particular the upcoming development of the Loddon Youth Strategy 2018-2021 and can make recommendations to Council on issues impacting them.

Research into the various options in terms of youth engagement identified nine options that could be used to support engagement with young people.

The following table highlights all nine options with five recommendations. The five options being recommended have been assessed as having the greatest impact with the resources available.

Table 1: List of model options for youth engagement

Recommendation Options	Options not recommended
Option 1: Virtual Youth Council	Option 6 Traditional Youth Council
Option 2: Youth Led Peer Consultation	Option 7: Youth Citizens Jury
Option 3: Youth presenting to Council forums	Option 8: Youth Focus Groups
Option 4: SMS/Text Consultation	Option 9: Youth Vox Pops
Option 5: Youth Council Facebook group	

Option 1: Virtual Youth Council

Based on the traditional model of youth council approach, the virtual youth council uses a video conferencing platform instead of physically meeting in one place. The virtual youth council will have up to 15 elected young people aged between 12-18 years from across the municipality.

Geographic distance and potential Youth Council representatives' inability to get to regular meetings held in one venue makes this option very appealing. It also works in the space that young people are comfortable with.

Option 2: Youth Led Peer Consultation

Peer to peer consultations are where young people (Virtual Youth Council representatives) take the lead in facilitating consultations with other young people. Council staff will work with the Virtual Youth Council members to train them and give materials to do this. Youth led peer consultation can

be conducted through interviews, surveys and peer led focus groups. It is also envisaged that these peers could lead workshops at the biennial Loddon school conference.

This option assists in the development of leadership skills of our young people and assists Council to do more in-depth engagement of young people through their peers. The start of this process may be resource intensive however it is viewed as a worthwhile option.

Option 3: Youth presentations to Council – Biannually

Twice a year, young representatives would present at a Council forum on the issues they are facing or identifying and advocate on behalf of their peers. This enables young people a voice at Council's table and ensures their views are heard. It is envisaged young people from two schools could present on each occasion.

This approach gives young people a direct voice to the Councillors and allows them to experience how democracy works.

Option 4: SMS/Text Consultation

SMS/ Text consultation occurs by sending out single question surveys on a topic in which information can be gathered. Using an automated system, Council can potentially send out to a mobile database of young people, seeking feedback on issues or particular questions.

This option is independent of Options 1, 2 and 3. Council officers can pose questions and get a greater response to a particular issue.

Option 5: Youth Council Facebook group

Facebook is a common communication tool and could be used to provide an additional engagement option. Facebook consultation would allow Youth Council members to raise issues or opportunities or take part in Council initiated consultation on particular topics.

Further investigation on the required moderation of the page is needed to ensure that the content/use is appropriate.

Option 6: Traditional Youth Council

A group of elected young people regularly meet to provide and directly input into council strategies policies and programs. It is an approach used by many metropolitan and regional Councils.

Given Loddon Shire Council's geographic spread this option was not considered as a viable or sustainable option.

Option 7: Youth Citizens Jury

Youth citizen juries usually consist of medium to large group of randomly selected young people who come together over a predetermined period of time to explore and develop up recommendations on a particular issue.

This was not considered as a sustainable option due to the significant work load for the Community Support Officer and other departments to support a citizen jury format. This option also does not provide the opportunity for skill and leadership development of young people.

Option 8: Youth Focus Groups

Usually a small to medium size group of young people come together to explore and respond to an issue in a facilitated structure. This option could be covered as part of the youth peer consultation (Option 2).

Option 9: Youth Vox Pops

Vox pops involve approaching young people in public (street or at events) to speak briefly about a particular issue/s. These can be recorded via electronic means.

Vox pops are likely to be included in the wider community engagement option and can be used for specific purpose consultation. This option could be covered as part of the youth peer consultation (Option 2).

COST/BENEFITS

Young people have an integral part in keeping our communities alive and vibrant and they should have input into the future directions, particularly those that affect them. Engaging effectively with young people can provide benefits for various organisations and young people alike.

The benefits for Council include:

- more relevant and general acceptance of Council decisions by the community
- more considered and inclusive public policy
- more resilient, energetic and diverse communities
- young people feeling more engaged and wanting to stay.

There are also benefits for our young people, including:

- developing of leadership skills, self-confidence and increased networks
- feeling valued and respected members of the community
- having a say in decisions that involve and impact them
- being able to challenge stereotypes by being part of the solutions for common community issues.

Council currently allocates \$5,000 in its annual budget to support the Loddon Youth Council activities. It is envisaged that the proposed engagement methods can be delivered within this budget and existing staffing levels.

RISK ANALYSIS

Council officers have been unable to find any precedent for the use of online youth engagement or the development of an online virtual Youth Council. This brings some inherent risk of the unknown, which will be mitigated by:

- using Council's project management framework to further develop the methods proposed
- seeking external and professional advice as required
- operating in an environment of monitoring and reviewing to ensure that issues are identified and resolved.

CONSULTATION AND ENGAGEMENT

There has been some preliminary consultation with Council staff and organisations who work with youth in Loddon. Further consultation and engagement will continue when Council's preferred engagement methods are confirmed.

9.13 GENERATOR FOR WEDDERBURN OFFICE

File Number: 10/01/001
Author: Peter Williams, Manager Information and Business Transformation
Authoriser: Sharon Morrison, Director Corporate Services
Attachments: Nil

RECOMMENDATION

That Council approve:

1. the purchase and installation of a generator for the Wedderburn Office as outlined in Option 1 at a total cost (including installation, slab, diesel and first year's annual maintenance) of \$80,760 (ex GST)
2. a variation to the budget to fund the purchase and installation of the generator from surplus in 2017/18.

CONFLICT OF INTEREST

There is no conflict of interest for any Council staff member involved in the preparation of this report, or involved in the subject matter of the report.

PREVIOUS COUNCIL DISCUSSION

There was a discussion paper presented to the Council Forum on Tuesday 12 June 2018.

BACKGROUND

In May 2016 the Risk Management Committee reviewed the Business Continuity Policy, Framework and Plan. As a result of the review, it was recommended that Council investigate a generator for use during power outages.

By July 2016, an industrial electrician visited Wedderburn Office to test load bearing to determine the size and type of generator required.

By October 2016, an estimate was obtained for a generator to power the entire building with an automatic switch over when power is lost. The quote included a 150KVA, 350 litre diesel generator which could run for 10 hours plus installation for \$80,000.

Around this time Council experienced a number of power outages due to floods, maintenance work on power lines and other factors. These outages caused disruption to Council services and resulted in additional work and cost to hire a temporary generator to enable limited continuity of Council services.

As a result of the estimate for the generator being above the \$20,000 threshold for obtaining three quotes, work commenced on developing a specification for quotes for a generator to meet one of three different needs:

- Backup generator to power our whole office with automatic cutover
- Backup generator to power just the server room and 2 additional offices with automatic cutover
- Trailer mounted 20KVA generator which can be used for a manual cutover process

Quotes have been sought from three suitable vendors. Only one vendor chose to respond. The other two were followed up but chose not to respond to the request for quote.

ISSUES/DISCUSSION

At a recent meeting of the CEO, Directors and Managers, the pros and cons of each option (see below) were considered and it was agreed that option 1 is the preferred response.

The cost of the generator has not been included in the budget as the specifications had not been finalised at the time of budget preparation to enable an estimate of the replacement cost to be included in the budget. Purchase of the generator would therefore require either a budget variation this year or next year or a budget bid for 2019/20. It could potentially be funded from surplus as there is an additional \$300K more than budgeted in surplus due to a higher than expected percentage increase in Grants Commission funding.

Due to the number of power outages and lost productivity as a result of those outages in recent years, it is recommended that the purchase and installation occur sooner rather than later.

The quotes for the three different options are:

Option 1	Cost (Ex GST)
Backup generator to power our whole office with automatic cutover	\$73,260
Annual ongoing maintenance	\$4,800
Total	\$78,060
Option 2	
Backup generator to power just the server room and 2 additional offices with automatic cutover	\$46,878
Annual ongoing maintenance	\$4,800
Total	\$51,678
Option 3	
Trailer mounted 20KVA generator which can be used as a manual cutover process	\$32,400
Annual ongoing maintenance	\$4,800
Total	\$37,200
For all options: Servicing is annually and includes 4 quarterly visits by vendor to run and test onsite under load. LSC to provide the diesel (cost excluded from above).	
For options 1 & 2 LSC to provide concrete slab (cost excluded from above).	

Consideration was also given to leasing a generator however no costings were obtained as neither option 1 or option 2 have a leasing option due to the infrastructure works required to install the generator as a fixed asset.

OPTION 1 - Backup generator to power our whole office with automatic cutover**Pro:**

- The entire office will be automatically powered within a specified time from when the power goes off
- No downtime for the equipment located in the server room
- Customer Service can continue to operate with the front doors still working and systems available to support them delivering service
- Heating, cooling and lighting will continue to be provided, ensuring a safe and healthy workplace is maintained

- Diesel generator can be re-filled while running making run-time almost endless. (battery powered devices e.g. Tesla wall, were considered but we would need 15 @ \$14000 each and once fully discharged, they need a power source to recharge making them a time limited solution after which we would need a generator anyway
- Staff can continue to complete their day to day duties without additional support such as relocating staff equipment, setting up desks, running extension cord
- Ability to setup an emergency relief centre within the council office
- The risk can be removed from the risk register

Con:

- Minor power interruption of 30 to 60 seconds will be experienced when power goes off and the generator starts powering the office and when power comes back on again the same interruption applies
- Noise from running a diesel engine for long periods of time

OPTION 2 - Backup generator to power just the server room and 2 additional offices with automatic cutover**Pro:**

- Only Steve Phillips and Glenn Harvey's offices will be powered and available to be used as required
- No downtime for the equipment located in the server room
- Diesel generator can be re-filled while running making run-time almost endless
- Spare capacity available to power or recharge multiple devices
- The risk can be removed from the risk register

Con:

- Only certain staff can continue to complete their day to day duties. A large number of staff will not have access to a computer
- Customer Service has limited ability to continue to operate as computers and phones are either unavailable or compromised
- Heating, cooling and lighting will not be available to be provided potentially creating an unsafe workplace
- Additional support such as relocating staff equipment, setting up desks, running extension cords will be required
- Noise from running a diesel engine for long periods of time

OPTION 3 - Trailer mounted 20KVA generator which can be used as a manual cutover process**Pro:**

- A trailer mounted generator gives the ability to use the generator at the Serpentine office if required.
- Only Steve Phillips and Glenn Harvey's offices will be powered and available to be used as required.
- Spare capacity available to power or recharge multiple devices

Con:

- Manual cutover process which needs to be completed within 30 minutes of power outage
- Requires locally available staff to be on-call consistently after hours
- Customer Service **cannot** continue to operate with the front doors not working and computers unavailable to support them delivering service
- Heating, cooling and lighting will not be available to be provided potentially creating an unsafe workplace
- Safety can be an issue if the cutover procedure needs to be complete at night time and during a storm event
- Requires suitable security installed to stop theft of the generator from the office

- Noise from running a diesel engine for long periods of time

COST/BENEFITS

The quote for the generator (option 1) is \$73,260. Annual maintenance is \$4,800. The slab and diesel are a small cost to Council, in the order of \$2,000 for the slab and \$700 initially to fill the tank with diesel.

RISK ANALYSIS

Risk identified	Likelihood of occurrence	Potential impact	Risk rating and mitigating action
Generator breaks down/fails	E Rare	1 Insignificant	Low (1) Monthly testing and quarterly maintenance will ensure this risk is mitigated
Unexpected loss of power to the site during installation	E Rare	1 Insignificant	Low (1) UPS keeps the phone and server room running and controlled shutdown can occur and phone diversions put in place Installation can be scheduled for after hours
Position of generator could lead to vandalism	E Rare	1 Insignificant	Low (1) Ensure position of generator is secure and/or place in protective cage – contingent cost, depending on position of generator – cost to be advised at Forum
Noise complaints from neighbours	E Rare	2 Minor	Low (3) Consultation with neighbours to establish, monitor and respond to noise levels

CONSULTATION AND ENGAGEMENT

Relevant staff across the organisation have been involved in providing technical advice and input into the needs for a generator.

10 INFORMATION REPORTS**10.1 2018/19 FIRE SERVICES PROPERTY LEVY**

File Number: 09/04/008
Author: Deanne Caserta, Manager Financial Services
Authoriser: Sharon Morrison, Director Corporate Services
Attachments: Nil

RECOMMENDATION

That Council receives and notes the '2018/19 Fire Services Property Levy' Report.

CONFLICT OF INTEREST

There is no conflict of interest for any Council staff member involved in the preparation of this report, or involved in the subject matter of the report.

PREVIOUS COUNCIL DISCUSSION

Nil.

BACKGROUND

From 1 July 2013, the Fire Services Property Levy (FSPL) was removed from insurance premiums and replaced by the property based FSPL. Collection of the levy is managed by local Councils and collected with council rates, under the direction of the State Government. This means all property owners contribute a fair share to fire services, not just those with adequate insurance.

All revenue collected through the levy goes to supporting the State's fire services, including vital lifesaving equipment, firefighters, staff and volunteers, training, infrastructure and community education.

ISSUES/DISCUSSION

The Fire Services Property Levy is made up of two parts; a fixed charge and a variable charge based on the property's capital improved value (CIV) and is calculated as cents per \$1,000 of CIV.

Since 2013/14 the fixed charge has increased by 1.0% to 2.5% based on the consumer price index and other factors determined by the State Revenue Office (SRO).

The variable rates have fluctuated over the six years of the scheme.

The 2018/19 State Budget announced a freeze on the level of current revenues collected from the FSPL for two years. However it is anticipated that the total funding pool that Victorian Councils are expected to administer will increase from \$5.03 million in 2017/18 to \$5.29 million in 2018/19, due to the link to CIV.

The 2013/14 to 2018/19 rates are included in the table below:

Fixed Charge (\$)						
Rate	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Residential	\$ 100	\$ 102	\$ 104	\$ 105	\$ 107	\$ 109
Non-Residential	\$ 200	\$ 205	\$ 210	\$ 213	\$ 216	\$ 221
Variable Charge (Cents per \$1,000)						
Rate	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Residential	11.5	10.9	14.4	12.8	12.2	5.8
Commercial	109.2	88	99	104.7	99.9	69.1
Industrial	170.9	132	148.4	165	157.4	103.7
Primary Production	31.2	24.6	27.7	26	24.8	16.4
Public Benefit	11.5	10.9	14.4	13.2	12.6	5.8
Vacant	11.5	10.9	14.4	49	46.7	22

COST/BENEFITS

Council collects this levy on behalf of the State Revenue Office. Council is required to pay FSPL on all of its own properties as well. The total cost is made up of 84% for the fixed levy revenue and the remaining 16% is raised from the variable levy component.

In 2017/18 this was an amount of approximately \$36,000. In 2018/19 this is expected to decrease to around \$34,000.

Council has also recently been advised that the State Revenue Office will continue to provide Council with funding assistance of \$42,655 in 2018/19 and \$43,721 in 2019/20. This is provided to offset the administrative cost of collecting the FSPL on behalf of the State Government.

RISK ANALYSIS

This is an imposed levy from the State Revenue Office. Council staff are required to raise the rates and FSPL together during July / August and remit any FSPL funds received quarterly. A yearly reconciliation is also submitted late June / early July.

CONSULTATION AND ENGAGEMENT

When the FSPL was implemented there was a large publicity campaign at both the state and local government levy to ensure ratepayers understood this new scheme. Council have information available on its website along with the information contained on the website maintained by State Revenue Office.

11 COMPLIANCE REPORTS

Nil

12 GENERAL BUSINESS

13 CONFIDENTIAL ITEMS**RECOMMENDATION**

That Council considers the confidential report(s) listed below in a meeting closed to the public in accordance with Section 89(2) of the Local Government Act 1989:

13.1 Review of confidential actions

This matter is considered to be confidential under Section 89(2) - (h) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with Any other matter which the Council or special committee considers would prejudice the Council or any person.

13.2 Contract 415 Construction of concrete footpaths and associated works at various locations

This matter is considered to be confidential under Section 89(2) - (d) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with contractual matters.

Closing of Meeting to the Public

RECOMMENDATION

That the meeting be closed to the public.

NEXT MEETING

The next Ordinary Meeting of Council will be held on 24 July 2018 at Serpentine commencing at at 3pm.

There being no further business the meeting was closed at [enter time](#).

Confirmed this.....day of..... 2018

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