

ORDINARY COUNCIL MEETING AGENDA 22 FEBRUARY 2017

SECOND QUARTER FINANCIAL PERFORMANCE REPORT 2016-2017

The Council Plan and Budget were adopted by Council at its meeting held on 22 June, 2016 and implementation will occur during the financial year.

BUILDING BETTER REGIONS FUNDING APPLICATION

BACKGROUND

The Federal Government's \$297.7 million BBRF provides funding for infrastructure and community investment projects that will create jobs, drive economic growth and build stronger regional communities into the future. The program will fund projects in regional Australia outside the major capital cities of Sydney, Melbourne, Brisbane, Perth, Adelaide and Canberra.

The BBRF is in part the successor to the National Stronger Regions Fund (NSRF) for which Council applied for in 2014 for the Colac CBD & Entrances Project and was unsuccessful.

Two streams of funding are available under this new program:

- **Infrastructure Projects Stream** – minimum grant \$20,000 and maximum \$10 million. Submissions close 28 February 2017. Funding will only be provided for capital projects involving new infrastructure, the upgrade or an extension of existing infrastructure and the replacement of existing infrastructure where a significant increase in benefit can be demonstrated. To be eligible the project must be ready to commence within 12 weeks of executing the grant agreement. If the project is still in the planning or concept stage it may not be as competitive as projects that are further progressed in their planning.
- **Community Investments Stream** – minimum grant \$5,000 and maximum \$10 million but given the nature of eligible projects it is expected that most grants will be under \$100,000. Submissions close 31 March 2017. Funding will only be provided for community building activities including, but not limited to, new or expanded local events, strategic regional plans, and leadership and capability building activities. Projects under both streams must be completed by 31 December 2019.

Each organisation is limited to two (2) grant applications under each funding stream. Local Government and not for profit organisations are eligible to apply.

Within the context of the eligibility criteria, Colac Otway Shire's project remoteness classification is as 'Inner Regional Australia' and would be required to contribute co-funding of at least \$1 for every \$1 of grant funding requested unless:

- The total project value is less than \$20,000 in the Community Investment Stream

- We obtain a co-funding exemption due to exceptional circumstances from the Ministerial Panel. Exceptional circumstances could include, but are not limited to, drought and/or disaster declaration, limited financial capacity of the local council, impact of industry decline.

The program is administered by the Department of Infrastructure and Regional Development. A Ministerial Panel decides which grants will be approved in consultation with the Australian Government's National Infrastructure Committee of Cabinet.

ISSUES / OPTIONS

Following a detailed assessment of the funding guidelines, Council's executive and officers considered a number of projects that could potentially meet the BBRF criteria. **Three projects have subsequently been identified and are recommended to Council. Not for profit organisations are also eligible to apply for this funding. Council officers have distributed the funding guidelines to Shire stakeholders who may be interested. Colac Otway Shire may be contacted by community groups seeking letters of support.**

Proposal

That Council endorse seeking funding for the following three initiatives from the Building Better Regions Fund:

Infrastructure Projects Stream

Lake Colac Master Plan Implementation

Colac Otway Tourism Parking and Traffic Strategy

COMMUNITY INVESTMENTS STREAM

Colac Otway Economic Development Strategy

Prosperity is a key theme emerging from the consultation to date to develop the new Council Plan. One of the actions in response to this theme could be the development of an Economic Development Strategy. Such a strategy would articulate Council's vision, objectives and actions for economic development to plan for and facilitate economic growth and prosperity for the Shire.

Council has commenced background work on the development of the Strategy which has included preliminary research, the preparation of a Discussion Paper promoted on Council's website and through social media and contacting over 1000 businesses and inviting them to complete a survey based on the Discussion Paper.

Funding of \$25,000 would be sought from BBRF for further detailed analysis of the survey data collected to identify the key objectives, further targeted research to ensure an evidence based approach to the identification of actions, targeted consultation sessions with key stakeholder groups, preparation of and community wide consultation on the Draft Strategy, finalisation of the Strategy and preparation of an Implementation Plan.

The project would provide:

- A framework for the delivery of the actions required to plan for and facilitate economic growth and prosperity for the Shire

- An implementation Plan which identifies actions, responsibilities, resources and timeframes for the delivery of the Strategy
- An understanding of what Council can and cannot do to achieve its economic and strategic objectives within the context of jurisdictional and funding arrangements
- Economic growth and prosperity for the Shire.

Colac Otway Tourism Parking and Traffic Strategy The Great Ocean Road is the premier destination for tourists and locals in Victoria. However, the rapid growth in popularity of the Great Ocean Road has not been mirrored with a similar growth in infrastructure that supports tourism.

It is clear that tourism related parking and traffic management issues are increasing which is evident in community and business feedback from such locations as Apollo Bay, Wye River, Separation Creek, Kennett River, Skenes Creek, Marengo and Forrest. This is particularly the case for management of tourist buses, campervans and those towing caravans.

The matter is possibly most evident in Apollo Bay where at least 65 different bus companies travel through Apollo Bay, and at peak times this translates to peak volumes of over 50 buses per day. Even during quiet periods, buses can be seen overflowing on to residential streets as the existing infrastructure cannot cope. As tourism in the Shire continues to grow, the substantial lack of suitable large vehicle parking and traffic management infrastructure will result in bus companies and self-drive tourists in larger vehicles being forced to by-pass the Shire all together.

This strategy proposes to consider all key tourism townships along the GOR and inland, recognising that addressing an issue in one township has the potential for a flow on affect to the next town, and so forth.

The strategy would be informed by significant stakeholder engagement, traffic counts and studies to ensure there is evidence of the issues and reliable data to inform solutions. Information collected as part of this project to enhance parking and traffic management will also be valuable to inform future decisions regarding other tourism related infrastructure needs such as amenity blocks, picnic facilities, etc. **The strategy will be developed by independent consultants engaging with residents and tourism companies, and will be developed in partnership with VicRoads, Department of Environment Land Water and Planning (DELWP), the Otway Coast Committee and Council.**

FINANCIAL AND OTHER RESOURCE IMPLICATIONS

Council is required to contribute co-funding of at least \$1 for every \$1 requested. Lake Colac Masterplan - The proposed funding model is for Council to endorse a \$250,000 allocation at its 22 February 2017 Ordinary Council meeting from savings identified in the 2016-17 mid-year budget review process. Council's application would therefore seek \$250,000 matching funding from the BBRF program to fund the above works estimated at \$500,000.

Economic Development Strategy - The funding model for this proposed application is for Colac Otway Council to endorse inclusion of \$25,000 in the 2017-18 budget for the development of the Colac Otway Economic Development Strategy and Council apply for matching \$25,000 from the BBRF program.

Colac Otway Tourism Parking and Traffic Strategy - The funding model proposed for this project is to utilize \$75,000 of Council's 2016-17 Annual Strategic Road Improvement Program budget and apply from BBRF for matching \$75,000, for a total project value of \$150,000.

Recommendation

That Council: Endorse the following projects to be submitted to the Building Better Regions Fund:

Lake Colac Masterplan Implementation - \$250,000 sought from BBRF and \$250,000 be allocated from savings in the 2016-17 Council mid-year review process

Colac Otway Economic Development Strategy - \$25,000 sought from BBRF and \$25,000 be allocated in the 2017-18 Council budget

Colac Otway Tourism Parking and Traffic Strategy - \$75,000 be sought from BBRF and \$75,000 utilised from Council's 2016-17 Annual Strategic Road Improvement program budget.

FESTIVAL AND EVENTS SUPPORT SCHEME 2017-18

The Festival and Events Support Scheme (FESS) was introduced in 2007 to provide an equitable funding allocation for events held within the shire via a developed set of criteria. Prior to the introduction of the FESS, only four events were supported by Council.

A number of new events requested Council support and this necessitated the development of the FESS as a fair and transparent process for all events to be assessed for funding by Council.

An internal review of the FESS Guidelines was conducted after the allocation of the 2014-2015 FESS and Council endorsed changes to provide funding for a 2 year period.

The annual FESS program is highly valued by the community and event organisers, evidenced by the number of applications received each year. The dedicated funding of festival and events by Council has resulted in a broad range of events for the community that otherwise would not be staged within the Shire. Since 2007 the number of events funded by Council annually has increased from 4 to currently 36. These events spent \$2.1 million in set up costs, contribute \$270,000 of in-kind volunteer hours and over 60,000 people attended these sponsored events. Growth of events has increased to 54 annually of which the difference is not sponsored by Council.

Successful applicants must enter into an agreement with Colac Otway Shire and comply with minimum promotional requirements that recognise the Shire as a sponsor of the event.

FINANCIAL AND OTHER RESOURCE IMPLICATIONS

The proposed funding allocation for the 2017-2018 FESS program is \$75,000 and subject to budget endorsement.

The FESS ensures that the local community event organisers can apply for funding to support their events. It is important to offer this scheme as limited funding opportunities exist from State or Federal Governments.

IMPLEMENTATION

The **proposed timelines** for the implementation of FESS are:

- **FESS applications open Monday 27 February 2017**
- **Community information session - Colac Monday 6 March 2017**
- **Community information session - Apollo Bay Wednesday 8 March 2017**
- **FESS applications close Monday 10 April 2017**
- **Application assessment meeting May/June 2017**
- **Council Assessment Meeting June 2017**
- **FESS Council Report endorsed at Council meeting June 2017**
- **Civic Reception July 2017**

Applications are assessed at officer level and presented to an Advisory Committee of all Councillors for ratification. Applicants will be notified immediately of the outcome of their submission, subject to Council endorsement of the recommendations made by the Advisory Committee.

Recommendation

That Council:

- 1. Endorse the return of the Festival and Events Scheme to an annual basis with the proposed funding level of \$75,000.**
- 2. Endorse the Festival and Events Support Scheme guidelines and application forms attached reflecting the change.**

2017-2018 COMMUNITY FUNDING PROGRAM

BACKGROUND

Council has provided financial assistance to a broad range of community organisations and clubs through specific funding programs for many years. Over this time the Community Funding Program has typically provided funding assistance to improve community facilities, purchase essential equipment items, conduct community projects and to hire COPACC for community and cultural activities. Emerging trends in requests for financial assistance and changes in community needs have resulted in changes to the nature of requests for funding, however the criteria for the funding program has remained the same. Due to the increasing growth and demand for events, there was a need to develop a transparent and fair program to support the allocation of funding for events

within the Shire. This resulted in the Festival and Event Support Scheme which commenced in 2007/2008. Endorsement of the Festival and Event Support Scheme guidelines and implementation process is presented for consideration in a separate report to Council.

Community Projects

- In 2016/17, \$55,932 was allocated to support 25 projects, which resulted in \$175,092 of estimated project value.
- Example – Beeac Community Centre received funding to replace the oval fence, and install ceiling fans and emergency lighting. Small Equipment and Training
- Following its successful introduction in 2012/13, this category has proved extremely popular enabling community groups to purchase much needed equipment such as sports equipment, computers etc.
- In 2016/17, the Small Equipment and Training category allocated funding of \$13,202 resulting in the delivery of 18 projects worth \$28,301 of estimated project value.
- Example – the Colac Braves Baseball Club purchased a laptop for club and player registration requirements and for club officials to complete online training. Recreation Facilities
- Undertake improvement works on public recreation facilities such as recreation reserves.
- The 2016/17 program allocated \$50,038 that resulted in 15 project improvement works to the estimated value of \$137,297.
- Example – Beeac Tennis Club received funding to construct a small storage shed for tennis equipment and garden maintenance equipment. COPACC Hire Assistance
- This category provides funding support for community groups to utilise COPACC facilities.
- Successful applicants continue to hold culturally important events at COPACC such as school productions and youth based events, which each attract hundreds of people.
- Each of the funded events held at COPACC assist in supporting and nurturing creativity within our community and boost social connectedness. These events are largely supported by volunteers. Applicants report they remain reliant on this funding in order to hold these events.
- In 2016/17, the COPACC Hire Assistance funding allocation of \$9,633 resulted in 10 performances and exhibitions with an estimated total value of \$175,761.

In 2016/17 a total of \$145,000 was made available to the community across the four categories. A total of \$128,805 across the four funding categories was allocated at the June 2016 Ordinary Council meeting. The balance of unallocated funds was due to a decrease in the overall number of applications received from 97 in 2015/16 to 72 in 2016/17

RECOMMENDATION

That Council: Endorses the 2017/18 Council Community Funding Program guidelines and application forms.

Melbourne Cup/Colac Show Day

The Public Holidays Act 1993 establishes Melbourne Cup Day as a public holiday for the State of Victoria although non-metropolitan municipalities are able to nominate an alternative public holiday or half-days if they wish.

The Colac Show Day (Friday) has been the declared public holiday for the past eight years.

While there was strong support for both options when taking into account economic considerations and feedback from the Colac P & A Society that show attendance numbers are not affected by the choice of holiday, **it is recommended that Council revert back to the default position of having Melbourne Cup Day (Tuesday) as the public holiday.**

RECOMMENDATION

That Council confirms the default position of the Public Holidays Act 1993 noting that Melbourne Cup Day will be the official Public Holiday for the next 4 years being 2017, 2018, 2019 and 2020.