WELLINGTON
SHIRE COUNCIL
The Heart of Gippsland

Council Meeting Agenda

Meeting to be held at

Port of Sale Business Centre

Foster Street, Sale

Tuesday 6 September 2016, commencing at 1pm

or join Wellington on the Web:
www.wellington.vic.gov.au

ORDINARY MEETING OF COUNCIL – 6 SEPTEMBER 2016

AGENDA & TABLE OF CONTENTS

Council Meeting Information

Members of the Public Gallery should note that the Council records and publishes Council meetings via Webcast to enhance the accessibility of Council meetings to the broader Wellington community. These recordings are also archived and may be published on Council's Website for viewing by the public or used for publicity or information purposes. At the appropriate times during the meeting, members of the gallery may address the Council at which time their image, comments or submissions will be recorded.

Members of the public who are not in attendance at the Council meeting but who wish to communicate with the Council via the webcasting chat room should lodge their questions or comments early in the meeting to ensure that their submissions can be dealt with at the end of the meeting.

Please could gallery visitors and Councillors ensure that mobile phones and other electronic devices are turned off or in silent mode for the duration of the meeting.

A - PROCEDURAL

STATEMENT OF ACKNOWLEDGEMENT

"We acknowledge the traditional custodians
of this land the Gunaikurnai people,
and pay respects to their elders past and present"

PRAYER

"Almighty God, we ask your blessing upon the Wellington
Shire Council, its Councillors, officers, staff and their families.
We pray for your guidance in our decisions so that the
true good of the Wellington Shire Council may result to
the benefit of all residents and community groups."
Amen

A - PROCEDURAL

A4 CONFIRMATION OF MINUTES OF PREVIOUS COUNCIL MEETING/S

ITEM A4 **ADOPTION OF MINUTES OF PREVIOUS MEETING/S**

ACTION OFFICER: GENERAL MANAGER CORPORATE SERVICES

DATE: 6 SEPTEMBER 2016

OBJECTIVE

To adopt the minutes of the Ordinary Council Meeting of 16 August 2016 as tabled.

PUBLIC QUESTIONS AND COMMENTS FROM THE GALLERY

RECOMMENDATION

That Council adopt the minutes and resolutions of the Ordinary Council Meeting of 16 August 2016 as tabled.

CONFLICT OF INTEREST

No staff and/or contractors involved in the compilation of this report have declared a Conflict of Interest.

A - PROCEDURAL

A5 BUSINESS ARISING FROM PREVIOUS MEETING/S

A - PROCEDURAL

A6 ACCEPTANCE OF LATE ITEMS

A - PROCEDURAL

A7 NOTICE/S OF MOTION

A - PROCEDURAL

A8 RECEIVING OF PETITIONS OR JOINT LETTERS

ITEM A8(1) **OUTSTANDING PETITIONS**

ACTION OFFICER GOVERNANCE

DATE: 6 SEPTEMBER 2016

ITEM	FROM MEETING	COMMENTS	ACTION BY

ITEM A8(2) **RECEIPT OF PETITION – OBJECTION TO RE-OPENING BRADY'S BRIDGE TO TRAFFIC**

ACTION OFFICER GOVERNANCE

DATE: 6 SEPTEMBER 2016

Financial	Communication	Legislative	Council Policy	Council Plan	Resources & Staff	Community	Environmental	Consultation	Risk Management
		✓							

OBJECTIVE

To present Council with a petition in relation to the objection to re-opening Brady's Bridge to traffic.

PUBLIC QUESTIONS AND COMMENTS FROM THE GALLERY

RECOMMENDATION

That Council receive the attached petition in relation to the objection to re-opening Brady's Bridge to traffic.

BACKGROUND

A petition containing 16 signatures has been received by Council.

A copy of the petition is attached for Council information.

LEGISLATIVE IMPACT

Section L6.59 of Wellington Shire Council Processes of Municipal Government (Meetings and Common Seal) Local Law No 1 provides for petitions and joint letters:

"A petition or joint letter presented to the Council must lay on the table for a period determined by the Council but not exceeding the next two Council Meetings. No motion, other than to receive the petition or joint letter may be accepted by the Chairperson, unless the Council unanimously agrees to deal with it earlier."

Dear Tom,

We, the undersigned residents of Stephenson Street Sale and Maxfield's Road, would like to submit our strong objection to the proposal to re-open Brady's Bridge to traffic.

Notification was received from the Wellington Shire stating that Council was seeking application to rebuild the Brady's Bridge as a pedestrian footbridge, had there been mention of application to re-open the bridge to traffic the undersigned would have attended to voice their concerns.

A new pedestrian footbridge would be a welcome upgrade by the residents of our area as well as the many Sale residents who enjoy the peaceful serenity of Maxfield's Road and Stephenson Street on their family walks and bicycle rides with their children and dogs without the hazard of excessive vehicles, opening the bridge to traffic would increase the volume of vehicular traffic to a predicted 300 vehicles per day compromising the safety of these family outings.

In making the decision to apply to re-open the bridge to traffic we wonder if the Council has taken into consideration the environmental impact on the State Wildlife Wetlands Reserve and its inhabitants? Comments such as the one below taken from a review of the Wetlands will no longer be applicable.

Hardly common....) Picturesque... Poise for a moment amidst the serenity of the common.... you can hear a chorus of birdlife ... it is an exceptional place. There is a huge range of biedlife... wonderful boardwalks to enjoy the area to it's full potential. (Taken from www.tourismwellington.com.au)

The noise of these vehicles will drown out the chorus of birdlife, the dust and the unavoidable damage to the unsealed road alone will ruin the serenity and the picturesque drive to access the wetlands and while the local wildlife spend an incredible amount of time in our yards and on our roads, how many deaths would occur with an increase to 300 vehicles per day.

We are a small rural community on the outskirts of town who value their serenity and privacy, this would be severely compromised with an increase of this proportion of traffic - being in an area with Council Heritage Overlay our fences are designed as a low and open – allowing any passer-by full vision into our properties, opening the doorway for burglary and theft.

Our humble little street is unsealed and suffers from lack of council maintenance on a regular basis – corrugated and dusty but peaceful and private, enjoyed by a multitude of pedestrian based Sale residents as well as ourselves for the simple fact that it is not a thoroughfare for transients to disrespect and destroy but used to access the wonderful wildlife refuge and our homes.

In addition to applying for funding to build a bridge to accommodate vehicular traffic the Council would also need to seek funding for the upgrade of Stephenson Street to a sealed access road with a pedestrian footpath to ensure the safety of our families and recreational users of our road. As the undersigned strongly object to the re-opening of the bridge to traffic we would find the Council responsible for providing the upgrade & maintenance of the road rather than becoming our responsibility to fund as ratepayers.

If the argument to open the bridge to vehicles is for use during flooding we would like to ensure the Council is aware to the fact that the corner of Maxfield's Road and Stephenson Street is one of the main flood points and would deny access to the bridge during a flood even if it was open to vehicles.

In summary there is no benefit to re-opening Brady's Bridge to vehicular traffic but the downfalls are plenty not only to the local residents and wildlife but the recreational visitors to our area.

We thank you for your consideration of our objection and hope that the Council considers the detrimental damage to both residents and the environment that would result with the re-opening of Brady's Bridge to vehicular traffic.

Please see the below signatory sheet acknowledging individual objectors names and contact details.

NAME	ADDRESS	CONTACT
Dona Wills		
Janelle Whitehill		
DARREN WHITEHILL		
[illegible]		
[illegible]		
Brad light		
Jemiel Wyer		
Cath Duck		
THEO [illegible]		
[illegible]		
KRIS [illegible]		
PAUL GEDDES		
Michelle Irwin		
Colin Irwin		
ROB Duck		
DARREN [illegible]		

ITEM 8A (3) **RESPONSE TO PETITION: REMOVAL OF HANDRAIL ON GANGWAY NEXT TO MCLOUGHLIN'S BEACH BOAT RAMP**

DIVISION BUILT & NATURAL ENVIRONMENT

ACTION OFFICER GENERAL MANAGER BUILT & NATURAL ENVIRONMENT

DATE: 6 SEPTEMBER 2016

IMPACTS									
Financial	Communication	Legislative	Council Policy	Council Plan	Resources & Staff	Community	Environmental	Consultation	Risk Management
✓	✓				✓	✓			

PUBLIC QUESTIONS AND COMMENTS FROM THE GALLERY

RECOMMENDATION

That:

1. ***Council not agree to the request to remove and relocate the handrail on the gangway next to the McLoughlins Beach Boat Ramp; and***

2. ***Council authorise the Chief Executive Officer to continue developing works to install bollards to provide a safe independent barrier that removes the risk of boats floating under the gangway; and***

3. ***The Chief Executive Officer write to the head petitioner advising that works will progress to install bollards as recommended by Gippsland Ports.***

OBJECTIVE

To consider and respond to the petition received by Council at its meeting of 16 August 2016.

BACKGROUND

Council received a petition at its meeting of 16 August 2016 requesting Council remove the hand rail on the gangway and relocate the handrail under the gangway as:-

- The handrail impedes the boaters from fending their boats away from the gangway
- The handrail impedes boaters from pushing their boats over towards their boat trailer
- The handrail needs to be relocated under the gangway so smaller boats don't find their way under the gangway causing high risk of injury to people or their boats.

On 8 August 2016 officers wrote to a member of the McLoughlins Beach Residents and Ratepayers association who had previously raised concerns with the gangway. Key information in that correspondence included the following: -

- Existing handrails are an essential component of the gangway structure and removal of the northern handrail will compromise its structural integrity.

- An additional barrier connected below the gangway on one side may create significant side impact forces, provide contact issues from boats, water flow and capture debris during floods and likely require upgrade of the gangway fixings.

- Council has consulted with Gippsland Ports in order to determine the most appropriate solution to identified risk of boats being caught under the gangway.

- Gippsland Ports has responded to Council and has proposed the installation of piles between the boat ramp and the gangway which will provide an independent barrier without impeding water flow or needing to modify the gangway.

- Council has engaged Gippsland Ports to provide a works proposal, cost plan and timing for implementing works. Council will advise MBRRA when the works are to be undertaken as soon as that timing is known.

Photo of the gangway and handrails

Council officers have been working with Gippsland Ports to resolve this issue for some time.

Gippsland Ports has recommended installation of bollards at 1500mm centres to prevent boats being swept under the gangway under certain tidal and wind conditions as the preferred solution. Gippsland Ports has indicated this independent installation does not require alteration of the gangway or its fixings and protects the structural integrity of the gangway.

Gippsland Ports have advised that they have sub-contractors currently undertaking works in Port Albert that have the appropriate skills and equipment required to undertake piling works at Mcloughlin's Beach. Officers are progressing quotations from the Gippsland Ports sub-contractors and other suitable contractors to ensure best value for Council in implementing works.

Works can progress on the installation of bollards as soon as quotations are finalised.

Since receiving this petition concerns have been raised by the local angling club supporting the retention of the handrails as they believe the removal of the handrail may create a safety risk for pedestrians and boaters on the moving gangway.

OPTIONS

1. Undertake substantial modifications to the gangway including fixing point upgrade and structural alterations to remove the northern handrail and install bollards at 1500 centres independent of the gangway to reduce the identified risk to boaters.

2. Progress engagement of suitably qualified and skilled contractors to install bollards that provide a safe independent barrier that removes the identified risk of boats floating under the gangway.

3. Not modify the current gangway or add bollards for protection but provide signage warning of possible risks for boaters during certain tidal and wind conditions.

PROPOSAL

Council authorise the Chief Executive Officer to continue developing works to install bollards to provide a safe independent barrier that removes the risk of boats floating under the gangway; and write to the head petitioner advising that works will progress to install bollards as detailed.

CONFLICT OF INTEREST

No staff and/or contractors involved in the compilation of this report have declared a Conflict of Interest"

FINANCIAL IMPACT

Funding for works will be sourced from Councils Boating facilities budgets. Installation of bollards as suggested are estimated cost to be in excess of $10,000. Redesign and modifications to gangway would require significant work and still require bollards to be installed. Cost of this option would be in excess of the above bollards estimate. Upon receipt of an alternate design and estimate quotations would need to be sourced for this work.

COUNCIL PLAN IMPACT

The Council Plan 2013-2017 Theme 4 Infrastructure states the following strategic objective and related strategies:

Strategic Objective
"Assets and infrastructure that meet current and future community needs."

Strategy 4.2
"*Ensure assets are managed, maintained and renewed to meet service needs."*

David Morcom CEO
Wellington Shire Council

Re; Petition to remove hand rail on the gangway next to boat ramp.

Dear David,

Please accept this petition on behalf of boaters that use the boat ramp at McLoughlins Beach

The basis of the petition is to inform the Wellington Shire Council, that there are many boaters that find the current design of the south gangway is causing serious safety issues and making it very difficult for boaters to launch and retrieve their boats to and from their trailers.

This proposal can be engineered as not to severely compromise the gangway's structural integrity. The abutments can be engineered so that compound loads on the abutment fixings will not be impacted on by boats bumping along the structure.

I hope the boaters have successfully stated the importance of this issue.

Yours sincerely

John Maxwell

MCLOUGHLINS: start of the Ninety Mile Beach

Petition

TO THE CEO DAVID MORCOM Wellington Shire Council

RE: REMOVE HANDRAIL ON SOUTH GANGWAY at MCLOUGHLINS BEACH BOAT RAMP

We the under signed, as boat owners that use the boat ramp at McLoughlins Beach, support the request that the Wellington Shire Council removes the handrail on the south gangway and relocates the handrail under the gangway. (Refer to diagram)

- The handrail impedes boaters from fending their boats away from the gangway.
- The handrail impedes boaters from pushing their boats over towards their boat trailers.
- The handrail needs to be relocated under the gangway so that small boats don't find their way under the gangway causing a HIGH risk of injury to people or damage to boats.

	Print Name	Print Address	Signature
1	JOHN MARWELL		
2	Andy Mackie		
3	Liz Callow		
4	Jess Hislop		
5	Vicki Blair		
6	Dean Bagnes		
7	PHIL KELLY		
8	ANTHONY ELLUL		
9	JOHN MCKENZIE		
10	BRUCE SHORE		
11	ANDREW ROSATO		
12	ROB BRAZ		

MCLOUGHLINS: start of the **Ninety Mile Beach**

	Print Name	Print Address	Signature
13	[illegible]		
14	[illegible]		
15	[illegible]		
16	[illegible]		
17	[illegible]		
18	[illegible]		
19	[illegible]		
20	[illegible]		
21	[illegible]		
22	[illegible]		
23	[illegible]		
24	[illegible]		
25	[illegible]		
26	[illegible]		
27	[illegible]		
28	[illegible]		
29	[illegible]		
30	[illegible]		
31	[illegible]		
32	[illegible]		
33	[illegible]		
34	[illegible]		
35	[illegible]		
36	[illegible]		

MCLOUGHLINS: start of the **Ninety Mile Beach**

	Print Name	Print Address	Signature
37	Ray Vardy.		
38	John Ware		
39	TRAVIS TATNOW		
40	DAVE GIDDENS		
41	GARY MILLS		
42	Domenic Palermo		
43	Panos Drakatos		
44	DAVID FYFE		
45	Robin Dean		
46	Kaylene Evans		
47	FRED THOMPSON		
48	Andrew James		
49	MICHAEL MUSSARED		
50	AIDEN LAKEMAN		
51	TONY CARDILLO		
52	RAY REED		
53	IAN BLOMQUIST		
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Page 3 of 5

3

MCLOUGHLINS: start of the **Ninety Mile Beach**

Petition

TO THE CEO DAVID MORCOM Wellington Shire Council

RE: REMOVE HANDRAIL ON SOUTH GANGWAY at MCLOUGHLINS BEACH BOAT RAMP

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- The handrail impedes boaters from pushing their boats over towards their boat trailers.
- The handrail needs to be relocated under the gangway so that small boats don't find their way under the gangway causing a HIGH risk of injury to people or damage to boats.

	Print Name	Print Address	Signature
1	TONY DELLAFORTUNA		
2	Joe Keenan		
3	Ben Banks		
4	Jake Hardie		
5	[illegible]		
6	Karen Flavel		
7	CON RAYNER		
8	David Thompson		
9	JIM TWOMEY		
10	F Zuchlke		
11	Ian. King.		
12	Shane Nedrowicz		

4

MCLOUGHLINS: start of the **Ninety Mile Beach**

	Print Name	Print Address	Signature
13	PETER RUFF		
14	TREVOR MOREY		
15			
16			
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5

A - PROCEDURAL

A9 INVITED ADDRESSES, PRESENTATIONS OR ACKNOWLEDGEMENTS

A - PROCEDURAL

A10 QUESTIONS ON NOTICE

B –REPORT

DELEGATES

C1 - REPORT

CHIEF EXECUTIVE OFFICER

C2 - REPORT

GENERAL MANAGER CORPORATE SERVICES

ITEM C2.1 ASSEMBLY OF COUNCILLORS

DIVISION: CORPORATE SERVICES

ACTION OFFICER: GENERAL MANAGER CORPORATE SERVICES

DATE: 6 SEPTMEBER 2016

IMPACTS									
Financial	Communication	Legislative	Council Policy	Council Plan	Resources & Staff	Community	Environmental	Consultation	Risk Management
		✓		✓					

OBJECTIVE

To report on all assembly of Councillor records received during the period 16 August 2016 to 30 August 2016.

PUBLIC QUESTIONS AND COMMENTS FROM THE GALLERY

RECOMMENDATION

That Council note and receive the attached Assembly of Councillor records received during the period 16 August 2016 to 30 August 2016.

BACKGROUND

Section 80A of the *Local Government Act 1989* requires a written record be kept of all assemblies of Councillors, stating the names of all Councillors and Council staff attending, the matters considered and any conflict of interest disclosures made by a Councillor. These records must be reported, as soon as practicable, at an ordinary meeting of the Council and recorded in the minutes.

Below is a summary of all assembly of Councillor records received during the period 16 August 2016 to 30 August 2016.

Assembly of Councillors summary of reports received during the period 16 August 2016 to 30 August 2016		
Date	**Matters considered**	**Councillors and officers in attendance**
16 August 2016	Councillors' Diary Meeting	Councillor Crossley, Councillor McCubbin, Councillor Davine, Councillor Wenger, Councillor Hole, David Morcom, Chief Executive Officer, Leah Schuback, Executive Assistant
16 August 2016	Kalbar Mineral Sands Project NBN Co Ltd Rollout Update North Sale Draft Design Response Monthly Planning Update (Verbal Update) Rosedale and Seaspray Flood Study Update Port Albert Boating Parking Facilities Community Engagement Strategy Amendment C90: Rezoning of Precincts and 11 Longford Development Plan	Councillor Crossley, Councillor McCubbin, Councillor Rossetti, Councillor Wenger, Councillor Davine, Councillor Duncan (Item 3-8), Councillor Hole David Morcom, Chief Executive Officer, Arthur Skipitaris, General Manager Corporate Services, Chris Hastie, General Manager Built & Natural Environment, Glenys Butler, General Manager Community & Culture, John Websdale, General Manager Development, Sharyn Bolitho, Manager Economic Development (Items 1 & 2), Sabine Provily, Strategic Planner (Items 1 & 8), Josh Clydesdale, Manager Land Use Planning (Items 3, 4, 5 & 8), Barry Hearsey, Coordinator Strategic Planning (Items 3, 4, 5 & 8), Michelle Nichols, Coordinator Statutory Planning (Item 4), John Tatterson, Manager Built Environment (Item 6), Catherine Vassiliou, Coordinator Social Planning & Policy (Item 7), Anna Larkin, Community Engagement Officer (Item 7)
23 August 2016	SLUPP Agenda	Councillor McCubbin, Councillor Wenger, Chris Hastie, General Manager Built & Natural Environment, Dean Morahan, Manager Assets & Projects, Sharyn Bolitho, Manager Economic Development, Barry Hearsey, Coordinator Strategic Planning, Ben Proctor, Strategic Planner, Sam Pye, Coordinator Infrastructure Development, Josh Clydesdale, Manager Land Use Planning, Sabine Provily, Strategic Planner

ASSEMBLY OF COUNCILLORS

1. **DATE OF MEETING:** 16 August 2016

2. **ATTENDEES:**

Councillors:

Name	In attendance		Name	In attendance	
	Yes	No		Yes	No
Cr Crossley	✓		Cr McCubbin	✓	
Cr Rossetti		✓	Cr McIvor		✓
Cr Cleary		✓	Cr Wenger	✓	
Cr Davine	✓		Cr Hole	✓	
Cr Duncan		✓			

Officers In Attendance:

Name	In attendance		Name	In attendance	
	Yes	No		Yes	No
D Morcom, CEO	✓		G Butler, Acting CEO		✓
C Hastie, GMB&NE		✓	J Websdale , GMD		✓
A Skipitaris, GMCS		✓			

Others in attendance:

Name	Item No.	Name	Item No.
Leah Schuback	**1**		

3. **MATTERS/ITEMS CONSIDERED AT THE MEETING**

    1. Councillors' Diary Meeting

4. **CONFLICT OF INTEREST DISCLOSURES MADE BY COUNCILLORS:**
Nil

ASSEMBLY OF COUNCILLORS

1. DATE OF MEETING: 16 August 2016

2. ATTENDEES:

Councillors:

Name	In attendance		Name	In attendance	
	Yes	No		Yes	No
Cr Crossley	✓		Cr McCubbin	✓	
Cr Rossetti	✓		Cr McIvor		✓
Cr Cleary *(leave)*		✓	Cr Wenger	✓	
Cr Davine	✓		Cr Hole	✓	
Cr Duncan *(item 3 - 8)*	✓				

Officers in Attendance:

Name	In attendance		Name	In attendance	
	Yes	No		Yes	No
D Morcom, CEO	✓		G Butler, GMCC	✓	
A Skipitaris, GMCS	✓		John Websdale GMD	✓	
C Hastie, GMBNE	✓				

Others in attendance:

Name	Item No.
Sharyn Bolitho, Elizabeth Radcliffe, Chris Cook, Neil O'Loughlin	1
Sharyn Bolitho, Sabine Provily	2
Josh Clydesdale, Barry Hearsey, Chris De Silva, Celia Konstas	3
Josh Clydesdale, Barry Hearsey, Michelle Nichols	4
Josh Clydesdale, Barry Hearsey, Adam Dunn (WG Catchment Mgt. Authority)	5
John Tatterson	6
Catherine Vassiliou, Anna Larkin	7
Josh Clydesdale, Barry Hearsey, Sabine Provily	8

3. MATTERS / ITEMS CONSIDERED AT THE MEETING:

1. Kalbar Mineral Sands Project
2. NBN CO Ltd Rollout Update
3. North Sale Draft Design Response
4. Monthly Planning Update (Verbal Update)
5. Rosedale and Seaspray Flood Study Update
6. Port Albert Boating and Parking Facilities
7. Community Engagement Strategy
8. Amendment C90: Rezoning of Precincts 3 and 11 – Longford Development Plan

4. CONFLICT OF INTEREST DISCLOSURES MADE BY COUNCILLORS:

Item 3 North Sale Draft Design Report - Cr Davine declared a Conflict of Interest due to an Indirect Interest by Close Association and left the chamber.

ASSEMBLY OF COUNCILLORS

1. DATE OF MEETING: 23 August 2016

2. ATTENDEES

Councillors

Name	In attendance		Name	In attendance	
	Yes	No		Yes	No
Cr Crossley		✓	Cr McCubbin	✓	
Cr Rossetti		✓	Cr McIvor		✓
Cr Cleary		✓	Cr Wenger	✓	
Cr Davine		✓	Cr Hole		✓
Cr Duncan		✓			

Officers in Attendance

Name	In attendance		Name	In attendance	
	Yes	No		Yes	No
D Morcom, CEO		✓	G Butler, GML		✓
A Skipitaris, GMCS		✓	J Websdale , GMD		✓
C Hastie, GMB&NE	✓				

Others in attendance

Name	Item No.	Name	Item No.
Dean Monahan	✓	Sam Pye	
Sharyn Bolitho	✓	Josh Clydesdale	
Barry Hearsey	✓	Sabine Provily	✓
Ben Proctor	✓		

3. MATTERS/ITEMS CONSIDERED AT THE MEETING:

1. SLUPP Agenda - 23 August 2016

4. CONFLICT OF INTEREST DISCLOSURES MADE BY COUNCILLORS:

Nil

ITEM C2.2 APPROVAL IN PRINCIPLE OF DRAFT 2015/2016 FINANCIAL AND PERFORMANCE STATEMENTS

DIVISION: CORPORATE SERVICES

ACTION OFFICER: MANAGER CORPORATE FINANCE

DATE: 6 SEPTEMBER 2016

IMPACTS									
Financial	Communication	Legislative	Council Policy	Council Plan	Resources & Staff	Community	Environmental	Consultation	Risk Management
		✓		✓					

OBJECTIVE

For Council to approve in principle the draft 2015/2016 Financial and Performance Statements as attached and authorise two Councillors to certify these statements upon completion of the Auditor-General's review.

PUBLIC QUESTIONS AND COMMENTS FROM THE GALLERY

RECOMMENDATION

That Council approve, in principle, the Draft 2015/2016 Financial and Performance Statements as attached and authorise Councillors Cleary and Duncan to certify the statements in their final form.

BACKGROUND

Section 131 of the *Local Government Act 1989* requires Council to prepare an annual report for submission to the Minister for Local Government by 30 September of each year.

The annual report must contain the following:

- A report of operations of the Council;
- An audited Performance Statement;
- Audited Financial Statements

Council must pass a resolution giving its approval in principle to the Financial Statements and the Performance Statement so that Officers can submit these to the Auditor-General.

The Chief Executive Officer, Principal Accounting Officer and two Councillors appointed by Council must certify the statements, once amendments or changes requested by the Auditor-General have been made.

Council's Audit Committee has reviewed the draft Financial and Performance Statements and formally recommends that Council approve the statements in principle.

The in principle approval of the statements in early September 2016 will enable the draft statements to be reviewed and certified by the Auditor-General prior to 30 September 2016. This will enable Council to meet its legislative requirement of submitting the 2015/2016 Annual Report to the Minister for Local Government by 30 September 2016.

OPTIONS

That Council:

1. Approve in principle the Draft 2015/2016 Financial and Performance Statements as attached, and authorise two Councillors to certify the statements in their final form; or
2. Not approve in principle the Draft 2015/2016 Financial and Performance Statements, as attached, at this time.

PROPOSAL

That Council approve, in principle, the Draft 2015/2016 Financial and Performance Statements as attached, and authorise Councillors Cleary and Duncan to certify the statements in their final form.

CONFLICT OF INTEREST

No staff and/or contractors involved in the compilation of this report have declared a Conflict of Interest.

LEGISLATIVE IMPACT

Section 132(2) of the *Local Government Act 1989* requires Council to pass a resolution giving approval in principle to the Financial and Performance Statements prior to submitting the statements to the Auditor-General.

COUNCIL PLAN IMPACT

The Council Plan 2013-17 Theme 2 Organisational states the following strategic objective and related strategy:

Strategic Objective
"An organisation that is responsive, flexible, honest, accountable and consistent."

Strategy 2.2
"Maintain processes and systems to ensure sound financial management."

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2016

WELLINGTON
SHIRE COUNCIL

Wellington Shire Council
Financial Report
Table of Contents

COMPREHENSIVE INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016

	NOTE	2016 $'000	2015 $'000
Income			
Rates and charges	3	51,690	49,392
Statutory fees and fines	4	466	566
User fees	5	6,410	6,113
Grants - operating	6	8,046	21,156
Grants - capital	6	6,744	5,076
Contributions - monetary	7	350	339
Contributions - non monetary	7	5,934	1,589
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	8	243	(177)
Other Income	9	3,405	3,002
Total income		**83,288**	**87,056**
Expenses			
Employee costs	10	23,748	22,906
Materials and services	11	25,195	27,175
Bad and doubtful debts	12	70	107
Depreciation and amortisation	13	21,102	22,491
Borrowing costs	14	649	769
Other expenses	15	1,323	1,570
Total expenses		**72,087**	**75,018**
Surplus for the year		**11,201**	**12,038**
Other comprehensive income			
Net asset revaluation increment	27(a)	3,119	8,000
Total comprehensive result		**14,320**	**20,038**

The above comprehensive income statement should be read in conjunction with the accompanying notes.

BALANCE SHEET
AS AT 30 JUNE 2016

	Note	2016 $'000	2015 $'000
Assets			
Current assets			
Cash and cash equivalents	16	4,102	25,096
Trade and other receivables	17	6,224	5,963
Other financial assets	18	40,442	19,262
Non-current assets classified as held for sale	19	218	-
Other assets	20	974	2,327
Total Current Assets		51,960	52,648
Non-current assets			
Trade and other receivables	17	1,427	1,486
Property, infrastructure, plant and equipment	21	899,169	887,890
Intangible assets	22	649	901
Total non-current assets		901,245	890,277
Total assets		953,205	942,925
Liabilities			
Current liabilities			
Trade and other payables	23	4,678	6,103
Trust funds and deposits	24	629	769
Provisions	25	6,785	6,532
Interest-bearing loans and borrowings	26	1,481	2,990
Total current liabilities		13,573	16,394
Non-current liabilities			
Provisions	25	2,117	1,855
Interest-bearing loans and borrowings	26	8,656	10,137
Total non-current liabilities		10,773	11,992
Total liabilities		24,346	28,386
Net assets		928,859	914,539
Equity			
Accumulated surplus		314,775	301,682
Reserves	27	614,084	612,857
Total Equity		928,859	914,539

The above balance sheet should be read with the accompanying notes

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

2016	Note	Total $'000	Accumulated Surplus $'000	Asset Revaluation Reserve $'000	Other Reserves $'000
Balance at beginning of the financial year		914,539	301,682	605,809	7,048
Surplus/(deficit) for the year		11,201	11,201	-	-
Net asset revaluation increment/(decrement)	27(a)	3,119		3,119	-
Transfer from asset revaluation reserve to accumulated surplus	35	-	1,543	(1,543)	-
Transfers to other reserves	27(b)	-	(2,025)	-	2,025
Transfers from other reserves	27(b)	-	2,374	-	(2,374)
Balance at end of the financial year		**928,859**	**314,775**	**607,385**	**6,699**

2015	Note	Total $'000	Accumulated Surplus $'000	Asset Revaluation Reserve $'000	Other Reserves $'000
Balance at beginning of the financial year		893,853	286,409	600,519	6,925
Effects of correction of errors	1(x)	648	803	(155)	-
Surplus for the year		12,038	12,038	-	-
Net asset revaluation increment/(decrement)	27(a)	8,000	-	8,000	-
Transfer from asset revaluation reserve to accumulated surplus	35	-	2,555	(2,555)	-
Transfers to other reserves	27(b)	-	(1,553)	-	1,553
Transfers from other reserves	27(b)	-	1,430	-	(1,430)
Balance at end of the financial year		**914,539**	**301,682**	**605,809**	**7,048**

The above statement of changes in equity should be read with the accompanying notes

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 Inflows/ (Outflows) $'000	2015 Inflows/ (Outflows) $'000
Cash flows from operating activities			
Rates and Charges		51,269	48,619
Statutory fees and fines		466	566
User fees		6,668	5,937
Grants - operating		8,569	21,510
Grants - capital		7,370	5,327
Contributions -monetary		460	463
Interest received		1,256	1,251
Trust Funds and deposits taken		7,738	7,372
Other receipts		1,738	1,752
Goods and Services Tax Collected	1(l)	789	774
Goods and Services Tax Refunds from the Australian Taxation Office	1(l)	3,929	4,092
Employees costs		(23,590)	(22,390)
Material and services		(26,691)	(26,835)
Trust Funds and deposits repaid		(7,789)	(7,286)
Other payments		(643)	(730)
Goods and Services Tax Paid to Suppliers	1(l)	(4,718)	(4,865)
Net cash provided by operating activities	28	**26,821**	**35,557**
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	21	(23,981)	(24,381)
Proceeds from sale of property, infrastructure, plant and equipment	8	988	613
Payments for investments		(132,971)	(89,154)
Proceeds from sale of investments		111,791	69,892
Net cash used in investing activities		**(44,173)**	**(43,030)**
Cash flows from financing activities			
Finance costs		(652)	(773)
Repayment of borrowings		(2,990)	(2,847)
Net cash provided by/(used in) financing activities		**(3,642)**	**(3,620)**
Net increase/(decrease) in cash and cash equivalents		(20,994)	(11,093)
Cash and cash equivalents at the beginning of the financial year		25,096	36,189
Cash and cash equivalents at the end of the financial year		**4,102**	**25,096**
Financing arrangements	29		
Restrictions on cash assets	16		

The above cash flow statement should be read with the accompanying notes

STATEMENT OF CAPITAL WORKS
FOR THE YEAR ENDED 30 JUNE 2016

	Note	2016 $'000	2015 $'000
Property			
Land		185	-
Land improvements		46	12
Total land		231	12
Buildings		2,028	8,070
Total buildings		2,028	8,070
Total property		2,259	8,082
Plant and equipment			
Plant, machinery and equipment		2,837	1,555
Furniture and Fittings		203	1,007
Computers and telecommunications		67	601
Library Books		196	240
Art Works		50	72
Total plant and equipment		3,353	3,475
Infrastructure			
Roads		9,493	7,550
Bridges		1,515	708
Footpaths and cycleways		587	1,587
Drainage		132	132
Recreational, leisure and community facilities		1,711	646
Waste management		538	68
Parks, open space and streetscapes		1,781	952
Aerodromes		175	86
Off street car parks		101	49
Other infrastructure		2,139	1,016
Total infrastructure		18,172	12,794
Total capital works expenditure		**23,784**	**24,351**
Represented by:			
New asset expenditure		453	-
Asset renewal expenditure		16,659	15,381
Asset expansion expenditure		822	1,546
Asset upgrade expenditure		5,850	7,424
Total capital works expenditure		**23,784**	**24,351**

The above Statement of Capital Works should be read in conjunction with the accompanying notes.
The Statement of Capital Works includes work in progress and excludes intangibles

Notes to the Financial Report
For the Year Ended 30 June 2016

INTRODUCTION

Wellington Shire Council was established by an Order of the Governor in Council on 2 December 1994. The Council's main office is located at 18-20 Desailly Street, Sale 3850.

STATEMENT OF COMPLIANCE

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards (AAS's), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1989*, and the *Local Government (Planning and Reporting) Regulations 2014*.

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

The accrual basis of accounting has been used in the preparation of these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to note 1(e))
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 1(k))
- the determination of employee provisions (refer to note 1(p))

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

(b) Change in accounting policies

There have been no changes in accounting policies from the previous period.

(c) Committees of management

All entities controlled by Council that have material revenues, expenses, assets or liabilities, such as committees of management, have been included in this financial report. Any transactions between these entities and Council have been eliminated in full.

(d) Revenue recognition

Income is recognised when the Council obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to the Council and the amount of the contribution can be measured reliably.

Rates and Charges

Annual rates and charges are recognised as revenues when Council issues annual rates notices. Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

Statutory fees and fines

Statutory fees and fines (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Revenue recognition (cont'd)

User fees

User fees are recognised as revenue when the service has been provided or the payment is received, whichever first occurs.

Grants

Grant income is recognised when Council obtains control of the contribution. This is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in notes 6 and 7. The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

Contributions

Monetary and non monetary contributions are recognised as revenue when Council obtains control over the contributed asset.

Sale of property, infrastructure, plant and equipment

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

Interest

Interest is recognised as it is earned.

Other Income

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.

(e) Fair value measurement

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. AASB 13 Fair value measurement, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(f) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.

(g) Trade and other receivables

Receivables are carried at amortised cost using the effective interest rate method. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred.

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Other financial assets

Other financial assets are valued at fair value, being market value, at balance date. Term deposits are measured at amortised cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

(i) Non-current assets classified as held for sale

A non-current asset classified as held for sale (including disposal groups) is measured at the lower of its carrying amount and fair value less costs to sell, and is not subject to depreciation. Non-current assets, disposal groups and related liabilities and assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

(j) Recognition and measurement of property, plant and equipment, infrastructure, intangibles

Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

In accordance with Council's policy, the threshold limits detailed in Note 1(k) have been applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset. Further details regarding the fair value hierarchy are disclosed at Note 21, Property, infrastructure, plant and equipment.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from two to five years. The valuation is performed either by experienced council officers or independent experts.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

Land

As at 30 June 2016 Land assets were revalued, resulting in a credit to the Asset Revaluation Reserve of $1.17 million.

Art Gallery Works

Art Gallery works were revalued at 30 June 2016, resulting in a credit to the Asset Revaluation Reserve of $1.38 million.

Buildings and Structures

As at 1 July 2015 Building and structures assets were revalued by APV Valuers and Asset Management Pty Ltd, Public Artwork by Charles Nodrum, Playgrounds and skate parks by Ray Hutchison & Associates and BMX Tracks by Krusics Pty Ltd. This process resulted in a credit to the Asset Revaluation Reserve of $0.58 million, an amount additional to the management adjustment made in the prior financial year, due to the changes in data integrity and asset standard lives since the interim revaluation.

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Recognition and measurement of property, plant and equipment, infrastructure, intangibles (cont'd)

Prior Year Newly Recognised/Derecognised Adjustments
During the year, as part of a continuous improvement focus, Council is able to use technology that allows better identification of assets 'as built'. In addition, information flow from officers in the field conveys more accurate data to Asset Managers as variances are discovered. These variances resulted in assets being recognised and derecognised in the Council's asset register and are deemed to be prior year errors which have been retrospectively adjusted to equity against prior year opening balances.

A third balance sheet has not been presented to disclose these prior year errors as they were considered not material to the comparative amounts included within the Balance Sheet.

	Actual	Prior year adjustments		Reclassified	Restated Actual
	2015	Newly recognised	Derecognised		2015
	$'000	$'000	$'000	$'000	$'000
Roads	493,245	141	(25)		493,361
Bridges	58,011		(107)		57,904
Footpaths	24,093	33			24,126
Drainage	69,343	570			69,913
Land	78,668	10			78,678
Landfill Improvements*	666				666
Land under Roads	17,079				17,079
Buildings	75,765				75,765
Recreational, Leisure and Community	15,213	24			15,237
Waste Management	2,896				2,896
Parks Open Space and Streetscapes	16,988	6			16,994
Aerodromes	9,385				9,385
Off Street Car Parks	2,857				2,857
Other Infrastructure	5,365				5,365
Art Gallery	2,003		(4)		1,999
Plant, Machinery and Equipment	5,658				5,658
Fixtures, Fittings and Furniture	1,400				1,400
Computers and Telecommunications	778				778
Library Books	1,528				1,528
Work in Progress	6,301				6,301
Property, Infrastructure, Plant and Equipment	**887,242**	**784**	**(136)**	**-**	**887,890**

*The total effect of the correction of prior year errors for 'newly recognised' and 'derecognised' assets above was $648,000 - refer Note 1(x). The associated effect on the Accumulated Surplus ($784,000) and Asset Revaluation Reserve (-$136,000) are disclosed in the Statement of Changes of Equity.

Land under roads
Council recognises land under roads it controls at fair value.

(k) Depreciation and amortisation of property, infrastructure, plant and equipment and intangibles
Buildings, land improvements, plant and equipment, infrastructure, and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Notes to the Financial Report
For the Year Ended 30 June 2016

(k) Depreciation and amortisation of property, infrastructure, plant and equipment and intangibles (cont'd)

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

Straight line depreciation is charged based on the residual useful life as determined each year.

Depreciation periods used are listed below and are consistent with the prior year unless otherwise stated.

ASSET TYPE	Depreciation Period	Threshold Limit $
Property		
Land	-	All
Land Improvements	5	All
Buildings		
Heritage Buildings	20-100 years	>$10,000
Buildings	20-100 years	>$10,000
Plant and Equipment		
Plant, Machinery and Equipment	3-15 years	>$3,000
Fixtures, Fittings and Furniture	10 years	>$1,000
Computers and Telecommunications	3 years	>$1,000
Library Books	10 years	All
Infrastructure		
Road Pavements and Seals		
- Pavements Sealed	100 years	All
- Pavements Gravel (Local Access A and above)	15	All
- Pavements Gravel (Local Access B and C)	20	All
- Seals - Urban and Rural	15	All
- Asphalt Urban and Rural	30	All
Road Substructure	Indefinite	All
Road Kerb, Channel and Minor		
- Road Kerb and Channel	70	All
- Road Minor Culverts and	100	All
Bridges		
- Concrete		
- Deck and Substructure	100	All
- Floodways and Major Culverts	100	All
- Timber		
- Deck and Substructure	80	All
- Floodways and Major Culverts	100	All
Footpaths and Cycleways		
- Asphalt / Bitumen	15	All
- Concrete / Paved	80	All
- Gravel / Sand	10	All
- Unconstructed	100	All
Drainage		
- Pump Wells	20	All
- Other Drainage	20 - 100	All
- Open Drain - Earth/Retention	Indefinite	All
Recreational, Leisure and Community Facilities	10 - 100 years	>$5,000
Waste Management	20 - 100 years	>$5,000
Parks, Open Space and	10 - 120 years	>$5,000
Off Street Car Parks	30 - 100 years	>$5,000
Aerodromes	20 - 120 years	>$5,000
Intangible Assets		
Landfill Airspace	5 - 38 years	All
Software	3-10 years	>$1,000

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Repairs and Maintenance

Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

(m) Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

(n) Trust funds and deposits

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited (refer to Note 24).

(o) Borrowings

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method. The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities at initial recognition.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Except where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised.

Borrowing costs include interest on bank overdrafts, interest on borrowings and finance lease charges.

(p) Employee costs and benefits

The calculation of employee costs and benefits include all relevant on-costs and are calculated as follows at reporting date.

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulated sick leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Notes to the Financial Report
For the Year Ended 30 June 2016
NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Employee costs and benefits (cont'd)

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Current Liability - unconditional LSL is disclosed as a current liability even when the council does not expect to settle the liability within 12 months because it will not have the unconditional right to defer settlement of the entitlement should an employee take leave within 12 months.

The components of this current liability are measured at :

- present value - component that is not expected to be wholly settled within 12 months.
- nominal value - component that is expected to be wholly settled within 12 months.

Classification of employee costs

Non-current liability - conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non - current liability. There is an unconditional right to defer settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value.

Sick Leave Gratuity

A former entity of Wellington Shire Council had established a sick leave gratuity scheme which ceased at the end of September 1991. Under the scheme, sick leave is payable to all ex-Shire employees and is not to exceed existing benefits as at the end of September 1991, using remuneration rates current at the time of leaving. The employees are entitled to the sick leave gratuity upon their leaving the organisation. The amount provided for appears as a non-current liability.

(q) Provision for Doubtful Debts

Council has extensive legal powers for the recovery of rates and property related debts such as general rates and special rates and charges, therefore any provision is on the basis of the outstanding amount exceeding the realisable recovery amount.

Included in the Provision for Doubtful Debts is an amount relating to land in the 90 Mile Beach inappropriate subdivision. Council has a significant number of rateable properties in this area for which provision has been made for a total amount outstanding of $2,188,056 (2015 $2,465,939). A provision has been established as these properties are unable to be sold in order for Council to recover the debt.

(r) Landfill rehabilitation provision

Under Environment Protection Authority (EPA) legislation Council is obligated to restore licensed landfill sites to a particular standard. Current projections have been taken into account in determining when the 3 licensed landfills at Kilmany, Longford and Maffra will cease operation and the timing of restoration work. The forecast lives of these sites are based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works is based on current understanding of work required to reinstate the site to a suitable standard, acceptable to the EPA. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, the volume of work required and related costs.

(s) Leases

Finance leases

Leases of assets where substantially all the risks and rewards incidental to ownership of the asset are transferred to the Council are classified as finance leases. Finance leases are capitalised, recording an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the interest expense. Leased assets are depreciated on a straight line basis over their estimated useful lives to the Council where it is likely that the Council will obtain ownership of the asset or over the term of the lease, whichever is the shorter. At balance date Council did not have any finance leases.

Operating leases

Lease payments for operating leases are required by the accounting standard to be recognised on a straight line basis, rather than expensed in the years in which they are incurred.

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(n) Leases (cont'd)

Leasehold improvements

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter. At balance date, Council had no lease hold improvements.

(o) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

We are unable to accurately split the Goods and Services Tax between the different line items of the Statement of Cash Flows, as this would be impracticable due to the functionality of the financial system. Therefore the cash flows resulting from the Goods and Services Tax have been shown as separate line items in the Statement of Cash Flows.

(p) Financial guarantees

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that that right will be exercised. Details of guarantees that Council has provided, that are not recognised in the balance sheet are disclosed at Note 33 Contingent Assets and Liabilities

(q) Contingent assets and contingent liabilities and commitments

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value by way of note and presented inclusive of the GST payable.

(r) Pending accounting standards

The following Australian Accounting Standards have been issued and are applicable to the Council but not yet effective. They have not been adopted in preparation of the financial statements at reporting date.

Pronouncement	What's new?	Impact/Action	Transition	Effective Date
AASB 15 'Revenue from Contracts with Customers' and AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15'	AASB 15 replaced the previous revenue standards: AASB118 Revenue and AASB111 Construction Contracts. AASB establishes principles for reporting information about the nature, amount, timing and uncertainty of revenue and cash flow arising from an entity's contracts with customers, with revenue recognised as 'performance obligations' are satisfied.	As there is inadequate information available, Council believes that it is too early to access the impact of the pending standard change	The standard requires retrospective implementation.	1 January 2018
AASB16 'Leases'	AASB 16 brings all leases onto the balance sheet of the lessees by recognising a 'right of use' asset and a lease liability	As there is inadequate information available, Council believes that it is too early to access the impact of the pending standard change	Early adoption is permitted if AASB 15 'Revenue from Contracts with Customers' is applied.	1 January 2019

(s) Effects of corrections of errors on prior year

These include :

	$'000
Newly recognised assets (Note 1(j))	784
Derecognised assets (Note 1(j))	(136)
Total effects of correction of errors	648

Rounding

(t) Unless otherwise stated, amounts in the financial report have been rounded to the nearest thousand dollars. Figures in the financial statement may not equate due to rounding.

Notes to the Financial
For the Year Ended 30 June 2016

NOTE 2 BUDGET COMPARISON

The budget comparison notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or $600,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 16 June 2015. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

These notes are prepared to meet the requirements of the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

a) Income and Expenditure

	*Budget 2016 $'000	Actual 2016 $'000	Variance 2016 $'000	Ref
Income				
Rates and charges	51,373	51,690	**317**	
Statutory fees and fines	525	466	**(59)**	1
User fees	5,813	6,410	**597**	2
Grants - operating	12,647	8,046	**(5,601)**	3
Grants - capital	5,710	6,744	**1,034**	4
Contributions - monetary	486	350	**(136)**	5
Contributions - non monetary	-	5,934	**5,934**	6
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	236	243	**7**	
Other income	2,492	3,405	**913**	7
Total income	**80,282**	**83,288**	**3,006**	
Expenses				
Employee costs	24,327	23,748	**579**	
Materials and services	30,400	25,195	**5,205**	8
Bad and doubtful debts	111	70	**41**	9
Depreciation and amortisation	22,155	21,102	**1,053**	10
Borrowing costs	731	649	**82**	11
Other expenses	674	1,323	**(649)**	12
Total expenses	**78,398**	**72,087**	**6,311**	
Surplus/(deficit) for the year	**1,884**	**11,201**	**9,317**	

*The Budget 2016 figures have been reclassified in order to comply with the Local Government Model Financial Report disclosure requirements.

Notes to the Financial
For the Year Ended 30 June 2016

NOTE 2 BUDGET COMPARISON (CONT'D)

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Statutory Fees & Fines	Income from infringements has fallen short of budget ($98k); this income is unpredictable and based on community behaviour. Income from registration fees and permits has also fallen short of budget ($19k); this income is unpredictable and based on the number of customer requests. Planning and land information certificate fees have exceeded budget $58k.
2	User Fees	Fees raised from commercial tipping were higher than anticipated $231k due to the larger volume of waste processed during the year 2015/16. A combined services initiative between Wellington Shire Council and East Gippsland Shire has generated additional income $163k as Council is reimbursed for the information technology service it has provided.
3	Grants - operating	On 30 June 2015 the Commonwealth Government remitted an advance payment of 50% of Council's 2015/16 Financial Assistance Grant allocation, resulting in an unexpected receipt of $6.07 million. The revenue was recognised upon receipt in 2014/15 after the budget for 2015/16 was already finalised.
4	Grants - capital	Capital grants are higher than budgeted due to an increase allocation of funding from the Roads to Recovery Program, although a significant portion of this funding will be carried forward to 2016/17; net increase which has been received in 2015/16 is $1.05 million. In addition, some grant funding originally expected to be received in 16/17 has been received in 2015/16, including Gippsland Regional Sports Complex Stage 2 $390k and Charles Street Boat Ramp $350k. The next instalment for the Port of Sale Cultural Hub and Precinct Redevelopment of ($500k) budgeted to be received in 2015/16, will now be received in 2016/17. The Maxfield Bridge Renewal grant application for ($285k) was unsuccessful.
5	Contributions - monetary	Delays in residential street construction of sealed roads, kerbs, and channels planned for 2015/16 have subsequently delayed associated owners contributions ($300k) until 2016/17. Unbudgeted contributions received from other councils for the GLGN shared services business case $77k is offset by associated expenditure.
6	Contributions - non monetary	Non monetary contributions for 2015/16 consisted mainly of infrastructure assets contributed by developers for new subdivisions ($5.78 million). Council also recognised gifted and donated assets relating to land acquired under the Wellington Coast Subdivision Strategy Voluntary Assistance Scheme $153k.
7	Other Income	Adjustments to non cash entries for newly recognised infrastructure assets equate to $411k. Interest on short term investments has exceeded budget $256k mainly due to the receipt of grants in advance and the timing of expenditure during the year. Higher than expected turn over commission and lease capital adjustments from caravan parks $150k, and unanticipated insurance recovery for heritage assets $148k, are partially offset by lower than expected donations towards capital projects ($250k).
8	Materials & Services	Deferral of the rehabilitation of Kilmany and Longford landfill to 2016/17 and 2017/18 are due to further acceptance of lower risk ratings by EPA resulting in a $2.33m underspend. The majority of the contribution to the Princess Highway/Cobains Road Intersection Upgrade $1.48m has been delayed to 2016/17. Savings in utilities charges $355k is mainly due to the replacement of street lighting with LED luminaries which are more energy efficient and are cheaper to substitute. Savings were also seen in insurances $147k.
9	Bad & Doubtful Debts	The amount provided for the provision of local laws doubtful debts is $28k lower than budgeted.
10	Depreciation and amortisation	Depreciation and amortisation (non cash) is lower due to the impact of the building assets revaluation in 2015/16. The forecast has been revised to reflect the estimated full year impact on building depreciation which is partly offset by an increase in drainage depreciation.
11	Borrowing costs	Borrowing costs were lower than expected due planned borrowings of $1.80 million to fund the Princes Highway – Cobains Road intersection upgrade being lowered to $1.30 million and deferred to 2016/17, and planned borrowings of $1.17 million for the Sale Livestock Exchange Upgrade not being relied upon.
12	Other Expenses	During the year, Council wrote off assets found to be the property of an external party ($229k). In addition a number of assets which were no longer maintained by Council were derecognised ($96k). NPV rate and cost changes in the calculation of the landfill rehabilitation provision has resulted in a $328k (non cash) adjustment.

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 2 BUDGET COMPARISON (CONT'D)

b) Capital Works

	Budget 2016 $'000	Actual 2016 $'000	Variance 2016 $'000	Ref
Property				
Land	-	185	(185)	1
Land improvements	60	46	14	
Total Land	60	231	(171)	
Buildings	4,471	2,028	2,443	2
Total Buildings	4,471	2,028	2,443	
Total Property	4,531	2,259	2,272	
Plant and Equipment				
Plant, machinery and equipment	2,525	2,837	(312)	3
Fixtures, fittings and furniture	156	203	(47)	
Computers and telecommunications*	122	67	55	
Library books	229	196	33	
Art Works	27	50	(23)	
Total Plant and Equipment	3,059	3,353	(294)	
Infrastructure				
Roads	9,215	9,493	(278)	4
Bridges	2,471	1,515	956	5
Footpaths and cycleways	1,154	587	567	6
Drainage	305	132	173	
Recreational, leisure and community facilities	2,436	1,711	725	7
Waste management	690	538	152	
Parks, open space and streetscapes	3,550	1,781	1,769	8
Aerodromes	250	175	75	
Off street car parks	200	101	99	
Other infrastructure	2,027	2,139	(112)	
Total Infrastructure	22,298	18,172	4,126	
Total Capital Works Expenditure	**29,888**	**23,784**	**6,104**	
Represented by:				
New asset expenditure	305	453	(148)	
Asset renewal expenditure	20,702	16,659	4,043	
Asset expansion expenditure	506	822	(316)	
Asset upgrade expenditure	8,375	5,850	2,525	
Total Capital Works Expenditure	**29,888**	**23,784**	**6,104**	

* This budget comparison excludes Intangibles

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 2 BUDGET COMPARISON (CONT'D)

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Land	Unexpected purchase of land funded from the Asset Improvement Reserve.
2	Buildings	The Port of Sale Cultural Hub Redevelopment Project ($2.63 million) was delayed to due to design and community consultation issues, this is a multi year project. The Construction contract is to be awarded in August 2016. Final works were completed on the Yarram District Hub $156k and the Desailly Street - Corporate Headquarters $66k, these funds were carried forward from the previous financial year.
3	Plant, machinery and equipment	The purchase of two trucks were delayed in 2014/15 due to extended delivery times, these items were both purchased in 2015/16 with carried forward funds.
4	Roads	An additional $1.05 million of Roads to Recovery grant funding was received in late 2015, several projects were brought forward from future programs to utilise these funds. While Cunningham Street Reconstruction ($631k) has commenced, the Simpson and Pearson Street residential street construction scheme was adopted by Council in April 2016, construction is planned to commence in October 2016. These projects are Special Charge Schemes which have a long lead time due to statutory requirements and require stakeholder engagement and approval. The annual reseals program delivered ($479k) in savings after completion of the programed works. Browers Hill Road reconstruction in Maffra ($202k) was delayed due to wet weather hampering progress and an additional Roads to Recovery funding allocation increasing the original scope of the project.
5	Bridges	The funding application for Maxfields footbridge ($570k) was unsuccessful and therefore the project did not commence, another application will be made for in 2016/2017. The Park Street Bridge ($250k) was delayed, this is an auxiliary project to the Port of Sale Cultural Hub Redevelopment and commencement is dependent upon the commencement of the overall precinct development.
6	Footpaths and cycleways	Within the Footpaths and Shared Paths annual program ($333k), expenses for the Queens Street Roundabout in Maffra was combined with the larger project and moved to Roads. The remaining underspend is minor works on service authority pit lid realignments for Tarraville Road, Port Albert to be completed early 2016/17. The New Shared Paths program ($246k) was a combination of a few small projects which were all completed below the cost originally estimated.
7	Recreational, leisure and community facilities	The Stephenson Park Power Supply upgrade ($278k) is a multi year project. The project required extensive consultation with the various user groups to scope up the electricity supply requirements to equitably contribute to ongoing supply charges. The successful electrical contractor installing the lights underestimated the procurement time to obtain and erect the light towers and lights and the project will overrun by two months. Regional Aquatic Complex - 25M Pool Heating project ($242k) was delayed and rescoped in accordance with the Aquatic Strategy which was completed in December 2015. Gordon Street Recreation Reserve Clubrooms Redevelopment ($199k) had design issues which delayed commencement.
8	Parks, open space and streetscapes	The Sale CBD Infrastructure Renewal Program ($750k) was made up of two key projects. Macarthur Street, where no tenders were received the first time this package was advertised and had to be retendered. The Desailly, Cunninghame, Macalister Street package of works was tendered in May without a successful contractor being appointed. It will now be readvertised. Commercial Road Streetscape Improvements are ongoing, the annual budget allocation was 75% spent, with the remainder ($355k) now expected to be spent in 2016/17. It was delayed due to extensive consultation with the community prior to advertising and awarding a contract. Rosedale Streetscape project ($350k) also required extensive consultation with the community and will be advertised in August 2016. A contract for the Water Bore & Irrigation project at the Cameron Sporting Complex ($178k) was awarded to enable works to be completed December 2015. The contractor performed poorly. The bore was not able to achieve anticipated flow rates and as a result the bore is being reworked.

Notes to the Financial Report
For the Year Ended 30 June 2016

		2016 $'000	2015 $'000
NOTE 3	**RATES AND CHARGES**		

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is its total land and improvements value.

The valuation base used to calculate general rates for 2015/2016 was $9,135 million (2014/2015 $8,995 million). The 2015/2016 general rate in the CIV dollar was 0.005302 (2014/2015, 0.005182) and farm rate 0.0041290 (2014/2015, 0.004145).

General Rates	46,498	44,073
Waste management charge	3,258	3,130
Service rates and charges	1,343	1,242
Supplementary rates and rate adjustments	517	870
Cultural and recreational	74	77
TOTAL RATES AND CHARGES	**51,690**	**49,392**

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2016, and the valuation was first applied in the rating year commencing 1 July 2016.

NOTE 4	**STATUTORY FEES AND FINES**	
Planning fees	227	220
Land and Building information certificates	116	98
Infringements and costs	66	150
Permits	57	89
TOTAL STATUTORY FEES AND FINES	**466**	**566**
NOTE 5	**USER FEES**	
Waste management services	2,483	2,404
Leisure centres	2,091	2,116
Registration and other permits	735	602
Entertainment Centre	361	378
Other fees and charges	484	343
Emergency Management Works	101	100
Caravan Parks	74	98
Animal Services	81	72
TOTAL USER FEES	**6,410**	**6,113**

Notes to the Financial Report
For the Year Ended 30 June 2016

		2016 $'000	2015 $'000
NOTE 6	**GRANTS**		
	Grants were received in respect of the following:		
	Summary of grants		
	Commonwealth funded grants	10,550	20,150
	State funded grants	4,240	6,082
	TOTAL GRANTS	**14,790**	**26,232**
	Operating Grants		
	Recurrent - Commonwealth Government		
	Victoria Grants Commission	5,852	18,270
	Roads to recovery	95	-
	Recurrent - State Government		
	Property Valuation	344	30
	Libraries	309	302
	Rural access and Transport connection	223	223
	Municipal emergency	210	149
	Cultural Services	208	221
	Parks and Environmental services	95	84
	State emergency services	75	75
	School crossing supervisors	69	77
	Environmental health	60	74
	Fire Service Property Levy	55	53
	Senior citizens	54	51
	Community support programs	35	40
	Other	19	14
	Economic Development	-	10
	Total recurrent operating grants	**7,803**	**19,673**
	Non Recurrent - State Government		
	Community support programs	122	3
	Community and Recreation facilities upgrade	118	306
	Other	31	-
	Environmental health	23	23
	Economic Development and Tourism	17	15
	Municipal emergency	9	135
	Natural disaster funding	(77)	490
	Parks and Environmental services	-	11
	Wellington coastal subdivision strategy	-	500
	Total non- recurrent operating grants	**343**	**1,483**
	Total operating grants	**8,046**	**21,156**

Notes to the Financial Report
For the Year Ended 30 June 2016

		2016 $'000	2015 $'000
NOTE 6	**GRANTS (CONT'D)**		
	Capital Grants		
	Recurrent - Commonwealth Government		
	Roads to recovery	4,503	1,627
	Total recurrent capital grants	**4,503**	**1,627**
	Non-recurrent - State Government		
	Other Infrastructure	663	550
	Recreational leisure and community facilities	470	619
	Bridges	432	-
	Recreational leisure and streetscapes	424	456
	Footpaths and cycleways	94	188
	Waste Management	84	21
	Parks, open space and streetscapes	33	119
	Plant, machinery and equipment	24	2
	Library Books	12	10
	Buildings	-	1,484
	Roads	5	-
	Total non-recurrent capital grants	**2,241**	**3,449**
	Total capital grants	**6,744**	**5,076**
	Unspent grants received on condition that they be spent in a specific manner		
	Balance at start of year	6,292	6,278
	Received during the financial year and remained unspent at balance sheet date	1,380	2,868
	Received in prior years and spent during the financial year	(1,759)	(2,854)
	Balance at year end	**5,913**	**6,292**
NOTE 7	**CONTRIBUTIONS**		
	Monetary	350	339
	Non-monetary	5,934	1,589
	TOTAL CONTRIBUTIONS	**6,284**	**1,928**
	Contributions of non monetary assets were received in relation to the following asset classes:		
	Land	153	447
	Land under roads	50	12
	Buildings	-	189
	Infrastructure	5,731	937
	Art Works	-	4
		5,934	**1,589**
	Unspent monetary contributions received on condition that they be spent in a specific manner		
	Balance at start of year	167	228
	Received during the financial year and remained unspent at balance sheet date	47	46
	Received in prior years and spent during the financial year	(97)	(105)
	Balance at year end	**117**	**167**
NOTE 8	**NET GAIN/(LOSS) ON DISPOSAL OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT**		
	Disposal of Plant and Equipment		
	Proceeds of Sale	988	613
	Written down value of assets disposed	(745)	(790)
	TOTAL NET GAIN/(LOSS) ON DISPOSAL OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT	**243**	**(177)**

Notes to the Financial Report
For the Year Ended 30 June 2016

		2016 $'000	2015 $'000
NOTE 9	**OTHER INCOME**		
	Interest on Investments	1,256	1,251
	Other rent	871	602
	Recognition of Assets	411	-
	Donations	325	510
	Interest on Debtors	317	325
	Insurance Recovery	190	118
	Miscellaneous Income	35	186
	TOTAL OTHER INCOME	**3,405**	**3,992**
NOTE 10(a)	**EMPLOYEE COSTS**		
	Wages and salaries	19,219	18,843
	Superannuation	1,940	1,872
	Casual staff	1,435	1,166
	WorkCover	541	418
	Other	367	388
	Fringe benefits tax	227	219
	TOTAL EMPLOYEE COSTS	**23,748**	**22,906**
NOTE 10(b)	**Superannuation**		
	Council made contributions to the following funds		
	Defined benefit fund		
	Employer contributions to Local Authorities Superannuation Fund (Vision Super)	232	225
	Employer contributions - other funds	-	-
		232	**225**
	Employer contributions payable at reporting date	-	-
	Accumulation funds		
	Employer contributions to Local Authorities Superannuation Fund (Vision Super)	1,198	1,092
	Employer contributions - other funds	534	520
		1,732	**1,612**
	Employer contributions payable at reporting date	-	-

Refer to note 32 for further information relating to Council's superannuation obligations

Notes to the Financial Report
For the Year Ended 30 June 2016

		2016 $'000	2015 $'000
NOTE 11	**MATERIALS AND SERVICES**		
	Contractors	11,317	12,438
	Materials	6,774	7,075
	Contributions	2,585	3,173
	Utility Payments	1,937	2,176
	Insurances	904	951
	Authority Fees	940	894
	Consultants	250	392
	Legal Expenses	88	76
	TOTAL MATERIALS AND SERVICES	**25,195**	**27,175**
NOTE 12	**BAD AND DOUBTFUL DEBTS**		
	Rates Debtors	70	87
	Other Debtors	(2)	2
	Infringements	2	18
	TOTAL BAD AND DOUBTFUL DEBTS	**70**	**107**
NOTE 13	**DEPRECIATION AND AMORTISATION**		
	Infrastructure	15,196	14,977
	Property	3,317	5,069
	Plant and Equipment	2,253	2,117
	Total depreciation	20,768	22,163
	Intangible assets	334	328
	TOTAL DEPRECIATION AND AMORTISATION	**21,102**	**22,491**
	Refer to note 21 and 22 for a more detailed breakdown of depreciation and amortisation charges		
NOTE 14	**BORROWING COSTS**		
	Interest - Borrowings	649	769
	TOTAL BORROWING COSTS	**649**	**769**
NOTE 15	**OTHER EXPENSES**		
	Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	51	47
	Auditors' remuneration - Internal	26	36
	Councillors' allowances	291	283
	Operating lease rentals	273	295
	Work in progress/asset written off	256	36
	Landfill remediation	330	94
	Derecognition of assets	96	779
	TOTAL OTHER EXPENSES	**1,323**	**1,570**

Notes to the Financial Report
For the Year Ended 30 June 2016

		2016 $'000	2015 $'000
NOTE 16	**CASH AND CASH EQUIVALENTS**		
	Cash on hand	5	5
	Cash at bank	1,250	6,336
	Term deposits	2,847	18,755
	TOTAL CASH AND CASH EQUIVALENTS	**4,102**	**25,096**
	Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:		
	Trust funds and deposits (Note 24)	629	769
	Unexpended grants and contributions (Note 6 & 7)	1,427	2,914
	Prior years unexpended grants and contributions (Note 6 & 7)	4,603	3,733
	Other non discretionary reserves (Note 27(b))	1,041	845
	Total restricted funds	7,700	8,261
	Total unrestricted cash and cash equivalents	(3,598)	16,835
	Intended allocations		
	Although not externally restricted the following amounts have been allocated for specific future purposes by Council:		
	Cash held to fund carried forward capital works/operating projects	6,108	4,319
	Cash held in relation to the Victoria Grants Commission advance to fund general operations and roads works	-	6,073
	Discretionary reserves (Note 27(b))	5,658	6,203
	Total funds subject to intended allocations	11,766	16,595
	In addition to the total cash of $4.1 million Council has $40.4 million of funds invested in longer term deposits (greater than 90 days) which therefore must be recognised as other financial assets. These funds are available to fund any cover amounts required for discretionary use as they fall due.		
NOTE 17	**TRADE AND OTHER RECEIVABLES**		
	Current		
	Rates debtors	2,962	2,167
	Government grants	1,555	1,790
	Other debtors	604	706
	Provision for doubtful debts - other debtors	-	(1)
	Waste management	429	451
	Special charge schemes	7	54
	Net GST receivable	667	796
	Total current trade and other receivables	6,224	5,963
	Non- current		
	Rates debtors - refer Note 1(q)	3,355	3,633
	Provision for doubtful debts - rate debtors refer Note 1(q)	(2,188)	(2,466)
	Special charge schemes	232	256
	Provision for doubtful debts - special charge scheme	(7)	(7)
	Other debtors	35	52
	Provision for doubtful debts - other debtors	(5)	(26)
	Total non-current trade and other receivables	1,427	1,486
	TOTAL TRADE AND OTHER RECEIVABLES	**7,651**	**7,449**

NOTE 17 TRADE AND OTHER RECEIVABLES (CONT'D)

Notes to the Financial Report
For the Year Ended 30 June 2016

	2016 $'000	2015 $'000
a) Ageing of Receivables		
At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Council's trade & other receivables (excluding statutory receivables) was:		
Current (not yet due)	2,735	3,080
Past due by up to 30 days	22	216
Past due between 31 and 180 days	12	4
Past due between 181 and 365 days	-	-
Past due by more than 1 year	-	10
Total trade & other receivables	2,769	3,310
b) Movement in provisions for doubtful debts		
Balance at the beginning of the year	1	7
New Provisions recognised during the year	-	1
Amounts already provided for and written off as uncollectible	-	(7)
Amounts provided for but recovered during the year	(1)	-
Balance at end of year	-	1
c) Ageing of individually impaired Receivables		
At balance date, other debtors representing financial assets with a nominal value of Nil (2015 Nil) were impaired.		

NOTE 18 OTHER FINANCIAL ASSETS

Term Deposits	40,442	19,262
TOTAL OTHER FINANCIAL ASSETS	**40,442**	**19,262**

NOTE 19 NON CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Cost of acquisition	218	-
TOTAL NON CURRENT ASSETS CLASSIFIED AS HELD FOR SALE	**218**	**-**

NOTE 20 OTHER ASSETS

Prepayments	355	341
Accrued Income	619	1,986
TOTAL OTHER ASSETS	**974**	**2,327**

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 21 (a) **PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT**

Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2016	Accumulated Depreciation	WDV 30 June 2016	At Fair Value 30 June 2015	Accumulated Depreciation	WDV 30 June 2015
Land	98,340	664	97,676	96,913	500	96,413
Buildings	126,301	49,935	76,428	126,348	50,583	75,765
Plant and Equipment	24,845	11,758	13,087	22,968	11,605	11,363
Infrastructure	1,057,757	353,284	704,473	1,037,699	339,651	698,048
Work in progress	7,507	-	7,507	6,301	-	6,301
	1,314,810	415,641	899,169	1,290,229	402,339	887,890

Summary of Work in Progress

	Opening WIP	Additions	Transfers	Write Offs	Closing WIP
Buildings	4,272	4,218	(3,701)	(8)	4,781
Plant and Equipment	112	181	(51)	-	242
Infrastructure	1,917	2,369	(1,573)	(229)	2,484
Total	6,301	6,768	(5,325)	(237)	7,507

NOTE 21 (a) **PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONT'D)**

Land and Buildings

	Land - specialised $'000	Land - non specialised $'000	Land Improvements $'000	Land Under Roads $'000	Total Land $'000	Buildings - specialised $'000	Buildings - non specialised $'000	Total Buildings $'000	Work in Progress $'000	Total Property $'000
Fair Value 1 July 2015	78,668	-	1,166	17,079	96,913	126,348	-	126,348	4,272	227,533
Accumulated Depreciation at 1 July 2015	-	-	(500)	-	(500)	(50,584)	-	(50,584)	-	(51,084)
	78,668	-	666	17,079	96,413	75,764	-	75,764	4,272	176,449
Movements in Fair Value										
Acquisition of assets	196	68	-	76	340	640	117	757	4,218	5,315
Revaluation increments/decrements	1,154	13		-	1,167	110	-	110	-	1,277
Fair value of assets Disposed	-	-	-	-	-	(1,490)	-	(1,490)	(0)	(1,490)
Transfers	(109)	-		29	(80)	844	-	844	(3,701)	(3,137)
	1,241	81	-	105	1,427	(104)	117	13	509	1,949
Movement in Accumulated Depreciation										
Depreciation and amortisation	-	-	(164)	-	(164)	(3,153)	-	(3,153)	-	(3,317)
Accum Depn Revaluation increments/decrements	-	-	-	-	-	2,210	-	2,210	-	2,210
Accumulated depreciation of disposals	-	-	-	-	-	908	-	908	-	908
Transfers	-	-	-	-	-	684		684	-	684
	-	-	(164)	-	(164)	649	-	649	-	485
At fair value 30 June 2016	79,909	81	1,166	17,184	98,340	126,244	117	126,361	4,781	229,482
Accumulated depreciation at 30 June 2016	-	-	(664)	-	(664)	(49,935)	-	(49,935)	-	(50,599)
	79,909	81	502	17,184	97,676	76,309	117	76,426	4,781	178,883

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 21 (a) PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONT'D)

Plant and Equipment

	Plant Machinery and Equipment $'000	Fixtures fittings and furniture $'000	Computers and telecomms $'000	Library Books $'000	Art Works $'000	Work in Progress $'000	Total Plant and Equipment $'000
Fair Value 1 July 2015	10,745	2,608	4,300	3,307	1,999	112	23,068
Accumulated Depreciation at 1 July 2015	(5,087)	(1,208)	(3,531)	(1,779)	-	-	(11,605)
	5,658	1,400	778	1,528	1,999	112	11,475
Movements in Fair Value							
Acquisition of assets	2,838	39	144	197	50	182	3,450
Revaluation increments/decrements	-	-	-	-	1,378	-	1,378
Fair value of assets Disposed	(2,571)	-	-	(258)	-	-	(2,830)
Transfers	-	61	-	-	-	(51)	10
	267	100	144	(62)	1,428	131	2,008
Movement in Accumulated Depreciation							
Depreciation and amortisation	(1,433)	(250)	(309)	(261)	-	-	(2,253)
Accumulated depreciation of disposals	1,841	-	-	259	-	-	2,100
	408	(250)	(309)	(2)	-	-	(153)
At fair value 30 June 2016	11,012	2,708	4,453	3,245	3,427	243	25,088
Accumulated depreciation at 30 June 2016	(4,679)	(1,458)	(3,840)	(1,781)	-	-	(11,758)
	6,333	1,250	613	1,464	3,427	243	13,330

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 21 (a) **PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONT'D)**

Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and Community	Waste Management	Parks open space and streetscapes	Aerodromes	Off street car parks	Other Infrastructure	Work in Progress	Total Infrastructure
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Fair Value 1 July 2015	700,117	92,101	38,309	104,695	37,437	4,795	26,490	14,593	4,216	14,947	1,917	1,039,617
Accumulated Depreciation at 1 July 2015	(206,754)	(34,197)	(14,173)	(34,783)	(22,201)	(1,869)	(9,495)	(6,208)	(1,359)	(9,582)		(339,651)
	493,363	57,904	24,136	69,912	15,236	2,896	16,995	8,385	2,857	5,365	1,917	699,966
Movements in Fair Value												
Acquisition of assets	8,639	1,323	1,150	3,560	341	81	511	169	-	2,338	2,369	21,481
Revaluation increments/decrements	-	-	-	-	159	(287)	40	-	-	175	-	87
Fair value of assets Disposed	(923)	(1,500)	(132)	(73)	(212)	-	(21)	-	-	(75)	(229)	(3,165)
Transfers	1,596	2	237	43	836	-	46	-	-	1,235	(1,573)	2,221
	10,312	(175)	1,256	3,530	924	(206)	575	169	-	3,673	567	20,624
Movement in Accumulated Depreciation												
Depreciation and amortisation	(10,952)	(1,064)	(871)	(1,166)	(804)	(115)	(637)	(246)	(70)	(372)	-	(15,198)
Accum Depn Revaluation increments/decrements		-	-	-	(1,241)	178	(48)	(397)	(25)	(282)	-	(1,815)
Accumulated depreciation of disposals	843	1,500	132	132	677	27	21	-	-	47	-	3,379
Transfers	-	-	-	4	-	-	-	-	-	-	-	4
	(9,209)	436	(739)	(1,030)	(1,168)	88	(665)	(643)	(95)	(606)	-	(13,633)
At fair value 30 June 2016	710,429	91,926	39,564	108,225	38,361	4,589	27,065	14,762	4,216	18,620	2,484	1,060,241
Accumulated depreciation at 30 June 2016	(215,963)	(33,761)	(14,912)	(35,813)	(23,369)	(1,811)	(10,160)	(6,851)	(1,454)	(10,188)	-	(353,284)
	494,466	58,165	24,652	72,412	14,992	2,778	16,905	8,911	2,762	8,430	2,484	706,957

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 21(b) PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONT'D)

Valuation of land and buildings

Valuation of buildings were undertaken by a qualified independent valuer APV Valuers & Asset Management - Lachlan Black Registered Valuer No 2913 and Damon Griggs Registered Valuer No 3204. Valuation of land was undertaken by a qualified independent valuer Jonathon Barnett Registered Valuer No 63207.

The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Specialised land is valued at fair value using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2016 are as follows:

	Level 1	Level 2	Level 3
Specialised Land	-	-	79,909
Land Under Roads	-	-	17,184
Land Improvements	-	-	502
Buildings	-	2,458	73,968
Total	**-**	**2,458**	**171,563**

Valuation of infrastructure

Valuation of infrastructure assets (roads, bridges, footpaths and cycleways and drainage) has been determined in accordance with a valuation undertaken by Council Officer Mr Chris Hastie B. Eng. (Civil), Grad Mgt.

Valuation of infrastructure assets (recreational, leisure and community facilities, waste management, parks, open space and streetscapes, aerodromes and other Infrastructure) has been determined in accordance with an independent valuation undertaken by APV Valuers & Asset Management - Lachlan Black Registered Valuer No 2913 and Damon Griggs Registered Valuer No 3204.

The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2016 are as follows:

	Level 1	Level 2	Level 3
Roads	-	-	494,486
Bridges	-	-	58,185
Footpaths and Cycleways	-	-	24,652
Drainage	-	-	72,412
Recreational, leisure and community facilities	-	316	14,676
Waste Management	-	5	2,773
Parks, open space and streetscapes	-	317	16,588
Aerodromes	-	18	8,893
Off street car parking	-	-	2,782
Other Infrastructure	-	3,184	5,246
Total	**-**	**3,840**	**700,634**

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 21(b) PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONT'D)

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between $0.03 and $18,147.97 per square metre and land under roads values range between $0.15 and $1.03 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are comprised of a square metre basis ranging from $357 to $4,437 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 1 year to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure asses are determined on the basis of the current condition of the asset and vary from 10 years to indefinite. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2016 $'000	2015 $'000
Reconciliation of specialised land		
Off Street Car Parks	5,559	4,638
Aerodromes	2,899	3,051
Parks/Open Space/Streetscapes	40,636	39,561
Recreation, Leisure & Community Facilities	27,383	28,023
Drainage	793	753
Waste Management	1,606	1,484
Other Infrastructure - Piers/Jetties/Caravan Parks/Markets/Saleyard	1,033	1,158
Total specialised land	**79,909**	**78,668**

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 22 INTANGIBLE ASSETS

	2016 $'000	2015 $'000
Water rights	9	14
Software	188	317
Landfill air space	452	570
TOTAL INTANGIBLE ASSETS	**649**	**901**

	Water Right $'000	Software $'000	Landfill $'000	Total $'000
Gross Carrying amount				
Balance at 1 July 2014	-	1,255	1,942	3,197
Additions	17	53	40	110
Assets written off	-	-	(503)	(503)
Balance at 1 July 2015	17	1,308	1,479	2,804
Additions	-	82	-	82
Balance at 30 June 2016	17	1,390	1,479	2,886
Accumulated amortisation and impairment				
Balance at 1 July 2014	-	769	1,302	2,071
Amortisation expense	3	222	103	328
Assets written off	-	-	(496)	(496)
Balance at 1 July 2015	3	991	909	1,903
Amortisation expense	5	211	118	334
Balance at 30 June 2016	8	1,202	1,027	2,237
Net book value at 30 June 2015	14	317	570	901
Net book value at 30 June 2016	9	188	452	649

NOTE 23 TRADE AND OTHER PAYABLES

Trade Payables	4,532	5,930
Accrued Employee Expenses	146	173
TOTAL TRADE AND OTHER PAYABLES	**4,678**	**6,103**

NOTE 24 TRUST FUNDS AND DEPOSITS

Trust monies are held for the following purposes:		
Refundable deposits	307	184
Fire Services Property Levy	179	280
Retention amounts	87	135
Other trust funds and deposits	56	170
TOTAL TRUST FUNDS AND DEPOSITS	**629**	**769**

Purpose and nature of items

Refundable deposits - Deposits are taken by council as a form of surety in a number of circumstances, including in relation to building works, tender deposits, contract deposits , subdivision deposits and the use of civic facilities.

Fire Services Property Levy - Council is the collection agent for fire services property levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the state government in line with that process.

Retention Amounts - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

Other Trust funds and deposits - Council holds in trust tickets sales for shows performed by third parties held at the entertainment centre which are on forwarded to performer on completion of the show.

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 25 PROVISIONS

	Employee	Landfill restoration	Total
	$'000	$'000	$'000
2016			
Balance at beginning of the financial year	6,226	2,161	8,387
Additional Provisions	2,172	-	2,172
Amounts used	(2,236)	-	(2,236)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	251	328	579
Balance at the end of the financial year	6,413	2,489	8,902
2015			
Balance at beginning of the financial year	5,759	2,027	7,786
Additional Provisions	2,255	40	2,295
Amounts used	(1,993)	-	(1,993)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	205	94	299
Balance at the end of the financial year	6,226	2,161	8,387

	2016 $'000	2015 $'000
(a) Employee Provisions		
Current provisions expected to be wholly settled within 12 months		
Annual Leave	1,359	1,369
Long Service Leave	471	341
	1,830	1,710
Current provisions expected to be settled after 12 months		
Annual Leave	400	340
Long Service Leave	3,691	3,924
	4,091	4,264
Total current provisions	5,921	5,974
(a) Employee Provisions (cont'd)		
Non Current		
Long Service Leave	491	251
Sick Leave Gratuity	1	1
Total non- current provisions	492	252
Aggregate Carrying amount of Employee Benefits		
Current	5,921	5,974
Non-Current	492	252
Total aggregate carrying amounts of employee provisions	6,413	6,226
(b) Landfill Restoration		
Current	864	558
Non-current	1,625	1,603
	2,489	2,161

Refer to Note 1(r) for further information on Landfill restoration provision.

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 26 INTEREST-BEARING LOANS AND BORROWINGS	2016 $'000	2015 $'000
Current		
Borrowings - secured	1,481	2,990
Non -current		
Borrowings - secured	8,656	10,137
TOTAL INTEREST-BEARING LOANS AND BORROWINGS	**10,137**	**13,127**

a) The maturity profile for Council's borrowings is:

Not later than one year	1,481	2,990
Later than one year and not later than five years	4,630	5,822
Later than five years	4,026	4,315
	10,137	13,127

b) Aggregate carrying amount of interest-bearing loans and borrowings:

Current	1,481	2,990
Non-current	8,656	10,137
	10,137	13,127

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 27 RESERVES

	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
	$'000	$'000	$'000
(a) Asset revaluation reserves			
2016			
Property			
Land	73,119	1,083	74,202
Buildings and Structures	71,832	123	71,955
	144,951	1,206	146,157
Infrastructure			
Road	401,836	(74)	401,762
Footpaths	2,738	(33)	2,705
Drainage	36,121	(28)	36,093
Bridges	19,040	(874)	18,166
	459,735	(1,009)	458,726
Other			
Art Gallery Stock	1,123	1,378	2,501
TOTAL ASSET REVALUATION RESERVES	**605,809**	**1,575**	**607,384**
2015			
Property			
Land	73,414	(295)	73,119
Buildings and Structures	71,544	288	71,832
	144,958	(7)	144,951
Infrastructure			
Road	402,442	(606)	401,836
Footpaths	2,758	(20)	2,738
Drainage	29,208	6,913	36,121
Bridges	19,875	(835)	19,040
	454,283	5,452	459,735
Other			
Art Gallery Stock	1,123	-	1,123
TOTAL ASSET REVALUATION RESERVES	**600,364**	**5,445**	**605,809**

The asset revaluation reserve is used to record the increase(net) value of Council's assets over time.

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
	$'000	$'000	$'000	$'000
(b) Other reserves				
2016				
Discretionary Reserves				
Asset Improvement	253	45	253	45
Plant Replacement	1,474	603	1,334	743
Waste Management	4,476	1,000	606	4,870
Total Discretionary Reserves	**6,203**	**1,648**	**2,193**	**5,658**

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 27 RESERVES (CONT'D)

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
	$'000	$'000	$'000	$'000
(b) Other reserves				
2016				
Non Discretionary Reserves				
Recreational Land	276	108	29	355
Art Gallery Acquisition	-	7	5	2
Art Gallery Contribution	1	34	-	35
Leased Property Improvements	568	228	147	649
Total Non Discretionary Reserves	**845**	**377**	**181**	**1,041**
TOTAL OTHER RESERVES	**7,048**	**2,025**	**2,374**	**6,699**
2015				
Discretionary Reserves				
Asset Improvement	688	-	435	253
Plant Replacement	1,448	500	474	1,474
Waste Management	3,689	902	115	4,476
Total Discretionary Reserves	**5,825**	**1,402**	**1,024**	**6,203**
Non Discretionary Reserves				
Recreational Land	335	89	148	276
Art Gallery Acquisition	-	14	14	-
Art Gallery Contribution	33	-	32	1
Leased Property Improvements	732	48	212	568
Total Non Discretionary Reserves	**1,100**	**151**	**406**	**845**
TOTAL OTHER RESERVES	**6,925**	**1,553**	**1,430**	**7,048**

Purpose of Reserves
Discretionary Reserves
Asset Improvement
Reserve to fund capital improvements.

Plant Replacement
Reserve is to fund future purchases of major plant and equipment.

Waste Management
Reserve is to fund the establishment of recycling and transfer stations, rehabilitation of landfills and monitoring of existing and closed landfills, and an increase in landfill capacity in the future.

Non -Discretionary Reserves
Recreational Land
Reserve to fund future open space facilities as per Section 18 of Subdivision Act.

Art Gallery Acquisition
Reserve is to fund future approved art gallery acquisitions.

Art Gallery Contributions
Reserve is to fund future specific major art gallery exhibitions.

Leased Property Improvements
Reserve to fund future works on leased properties in accordance with Crown Land Act.

Notes to the Financial Report
For the Year Ended 30 June 2016

		2016 $'000	2015 $'000
NOTE 28	RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS/(DEFICIT)		
	Surplus for the period	11,201	12,038
	Depreciation and Amortisation	21,102	22,491
	(Profit)/loss on disposal of property, infrastructure, plant and equipment	(243)	177
	Contributions- Non- monetary	(5,934)	(1,589)
	Borrowing costs	652	772
	Other	(59)	735
	Change in assets and liabilities		
	Decrease in trade and other receivables	(201)	439
	Increase in Other Assets	1,352	(656)
	Decrease in trade and other payables	(1,511)	500
	Increase in other liabilities	(51)	51
	Increase in Provisions	513	601
	NET CASH PROVIDED BY OPERATING ACTIVITIES	**26,821**	**35,557**
NOTE 29	**FINANCING ARRANGEMENTS**		
	Bank overdraft	200	200
	Credit Card facilities	120	120
	Total Facilities	**320**	**320**
	Used facilities	29	32
	Unused facilities	**229**	**232**

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 30 COMMITMENTS

The Council has entered into the following

2016	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
Operating	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Waste management	4,477	4,477	4,477	-	13,431
Animal pound & shelter service	242	242	484	-	968
North Sale outline development plan	58	-	-	-	58
Litter Bins	187	-	-	-	187
Maternal and Child Health	952	-	-	-	952
L to P Project	125	125	125	-	375
Software Maintenance	254	21	-	-	275
TOTAL	6,305	4,865	5,086	-	16,256

2016	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
Capital	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Bridges	1	-	-	-	1
Buildings	452	-	-	-	452
Footpaths & Cycleways	14	-	-	-	14
Landfill Improvements	114	-	-	-	114
Other Infrastructure	101	-	-	-	101
Parks, open space and streetscapes	445	-	-	-	445
Plant, Machinery & Equipment	39	-	-	-	39
Recreational leisure and community facilities	451	-	-	-	451
Roads	2,027	-	-	-	2,027
Waste Management	91	-	-	-	91
TOTAL	3,735	-	-	-	3,735

2015	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
Operating	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Waste Management	4,433	4,433	8,865	-	17,731
Tourist Information Centre	175	175	-	-	350
Software Maintenance	274	274	21	-	569
Animal Pound and Shelter Service	237	237	710	-	1,184
Valuation Contract	388	-	-	-	388
North Sale outline development plan	57	-	-	-	57
Linemarking	60	-	-	-	60
Maternal and Child Health	948	863	-	-	1,812
L to P Project	125	125	251	-	501
TOTAL	6,698	6,107	9,847	-	22,652

2015	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
Capital	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Buildings	1,639	-	-	-	1,639
Footpaths & Cycleways	42	-	-	-	42
Plant, Machinery & Equipment	850	-	-	-	850
Roads	817	-	-	-	817
TOTAL	3,348	-	-	-	3,348

Notes to the Financial Report
For the Year Ended 30 June 2016

	2016 $'000	2015 $'000

NOTE 31 OPERATING LEASES

(a) Operating lease commitments

At the reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities):

Not later than one year	261	253
Later than one year and not later than five years	739	1,356
Later than five years	27	31
	1,027	1,640

(b) Operating lease receivables

The Council had entered into a commercial property sublease for a portion of it unused office space in the Port of Sale Business Centre. This property was sublet as an operating lease and has now expired.

Future minimum rentals receivable under non-cancellable operating leases are as follows:

Not later than one year	-	6
	-	6

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 32 SUPERANNUATION

The Wellington Shire Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in the Comprehensive Income Statement when they are made or due.

Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2016, this was 9.5% as required under Superannuation Guarantee legislation).

Defined Benefit

Wellington Shire Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made . As a result, the level of participations of Wellington Shire Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

Funding arrangements

Wellington Shire Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's Actuary.

As at 30 June 2015, an interim actuarial investigation was held as the Funds provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 105.8%. To determine the VBI, the fund Actuary used the following long - term assumptions;

Net investment returns 7.0% pa
Salary information 4.25% pa
Price inflation (CPI) 2.75% pa.

Vision Super has advised that the VBI at 30 June 2016 was 102.0%. The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 2015 interim actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

Regular contributions

On the basis of the results of the 2015 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2016, this rate was 9.5% of members' salaries (9.5% in 2014/2015). This rate will increase in line with any increase to the contribution rate. In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

Notes to the Financial Report
For the Year Ended 30 June 2016
NOTE 32 SUPERANNUATION (Cont.)

Funding calls

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall. Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up. If there is a surplus in the Fund, the surplus cannot be returned to the participating employers. In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

2015 Interim actuarial investigation surplus amounts

The Fund's interim actuarial investigation as at 30 June 2015 identified the following in the defined benefit category of which Council is a contributing employer:

- A VBI surplus of $130.8 million; and
- A total service liability surplus of $239 million.

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2015. The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses. Council was notified of the 30 June 2015 VBI during August 2015.

Future superannuation contributions

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2017 is $358,620.

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 33 CONTINGENT LIABILITIES AND ASSETS

Contingent Liabilities

Defined Benefit Superannuation Fund

Wellington Shire Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined in Note 32. As a result of the volatility n financial markets the likelihood of making such contributions in future periods exists. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

Landfill Restoration

Council operates 3 licensed landfills at Kilmany, Longford and Maffra and will be required to carry out site rehabilitation works in the future. Council currently has a provision for landfill restoration (refer Note 25 (b)) which is a best estimate at this time. Depending on the exact requirements of the Environment Protection Authority (EPA) Council may have a further liability but at this point the exact amount is unknown. The risk level for the Longford landfill has been determined by the EPA but potential costs are yet to be determined.

Legal Matters

Wellington Shire Council is presently involved in several confidential legal matters, which are being conducted through Council's solicitors.

As these matters are yet to be finalised, and the financial outcomes are unable to be reliably measured, no allowance for these contingencies has been made in the financial statements.

Guarantees for loans to other entities

Council has also guaranteed a loan taken out by a community group, to undertake significant capital works to the Club's facilities that are located on Council land.

Council's estimated liability with respect to contingent items is as follows:

	2016 $'000	2015 $'000
Bank Guarantees	934	934
Loan Guarantees	30	36
Total Bank Guarantees	**964**	**970**

Contingent Assets

Non cash contributions expected to be received in respect of subdivision and gifted assets are as follows:		
Developer Contributions	2,061	2,455
Total Contingent Assets	**2,061**	**2,455**

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 34 FINANCIAL INSTRUMENTS

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in Note 1 of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of our financial instruments will fluctuate because of changes in market prices. The Council's exposures to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rate.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1989*. We manage interest rate risk by adopting an investment policy that ensures:

- diversification of investment product,
- monitoring of return on investment,
- benchmarking of returns and comparison with budget.

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

(c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause us to make a financial loss. Council has exposure to credit risk on some financial assets included in our balance sheet. To help manage this risk:

- council have a policy for establishing credit limits for the entities we deal with;
- council may require collateral where appropriate; and
- council only invest surplus funds with financial institutions which have a recognised credit rating specified in our investment policy.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in note 33.

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 34 FINANCIAL INSTRUMENTS (CONT'D)

(d) Liquidity risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements or we will not have sufficient funds to settle a transaction when required, we will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 35, and is deemed insignificant based on prior periods' data and current assessment of risk.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 26.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

(e) Fair value

Fair value hierarchy

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy, Council's financial assets and liabilities are measured at amortised cost.

(f) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of 0% and -0.5% in market interest rates (AUD) from year-end cash rate of 1.75%

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 35 ADJUSTMENTS DIRECTLY TO EQUITY	2016 $'000	2015 $'000
Reversal of revalued components of assets disposed or written off (transfer from asset revaluation reserve to accumulated surplus)		
Land	84	71
Landfill Air space	-	224
Buildings & Structures	451	1,627
Roads, Streets ,Drainage, Bridges & Culverts	1,009	633
	1,543	2,555

NOTE 36 RELATED PARTY TRANSACTIONS

(i) Responsible Persons

Names of persons holding the position of a Responsible Person at the Council at any time during the year are:

COUNCILLORS	Councillor Carolyn Crossley Mayor (1/7/15 - 4/11/15)
	Councillor John Duncan
	Councillor Patrick McIver
	Councillor Bob Wenger
	Councillor Peter Cleary
	Councillor Emilie Davine
	Councillor Malcolm Hole
	Councillor Darren McCubbin - Mayor (5/11/15 - 30/6/16)
	Councillor Scott Rossetti
CHIEF EXECUTIVE OFFICER	David Morcom

(ii) Remuneration of Responsible Persons

The numbers of Responsible Officers whose total remuneration from Council and any related entities fall within the following bands:

	2016 No.	2015 No.
Income Range:		
$1 - $9,999	-	-
$10,000 - $19,999	-	-
$20,000 - $29,999	7	7
$30,000 - $39,999	-	-
$40,000 - $49,999	1	1
$50,000 - $59,999	-	-
$60,000 - $69,999	1	1
$70,000 - $79,999	-	-
$260,000 - $269,999	-	-
$280,000 - $289,999	-	1
$290,000 - $299,999	1	-
	10	10

	$'000	$'000
Total Remuneration for the reporting year for Responsible Persons included above amounted to	589	566

Notes to the Financial Report
For the Year Ended 30 June 2016

NOTE 36 RELATED PARTIES (CONT'D)

(iii) Senior Officers Remuneration

A Senior Officer other than a Responsible Person, is an officer of Council who:
(a) has management responsibilities and reports directly to the Chief Executive Officer; or
(b) whose total annual remuneration exceeds $138,000

The number of Senior Officers other than the Responsible Persons, are shown below in their relevant income bands:

Income Range:	2016 No.	2015 No.
<$138,999	1	1
$140,000 - $149,999	-	1
$150,000 - $159,999	-	1
$160,000 - $169,999	1	-
$180,000 - $189,999	-	1
$190,000 - $199,999	4	2
	6	6

	$'000	$'000
Total Remuneration for the reporting year for Senior Officers included above, amounted to:	1,024	945

(iv) Responsible persons retirement benefits

The aggregate amount paid during the reporting period by Council in connection with the retirement of responsible persons was $Nil. (2015 - $Nil)

(v) Loans to responsible persons

The aggregate amount of loans in existence at balance date that have been made, guaranteed or secured by the council to a responsible person of the council, or a related party of a responsible person was Nil (2014/15 Nil)

(vi) Transactions with responsible persons

During the period Council entered into transactions with responsible persons or related parties of responsible persons, which occurred within a normal employee, customer or supplier relationship and at arm's length, including provision of transport services, production of shows at the Esso BHP Billiton Wellington Entertainment Centre, and contribution towards a maintenance of public hall.

NOTE 37 EVENTS OCCURRING AFTER BALANCE DATE

No matters have occurred after balance date that require disclosure in the financial report.

CERTIFICATION OF FINANCIAL STATEMENTS

In my opinion the accompanying financial statements have been prepared in accordance with the *Local Government Act 1989*, the *Local Government (Planning and Reporting) Regulations 2014*, Australian Accounting Standards and other mandatory professional reporting requirements.

PRINCIPAL ACCOUNTING OFFICER
Ian Carroll CPA

Dated :
Sale

In our opinion the accompanying financial statements present fairly the financial transactions of Wellington Shire Council for the year ended 30 June 2016 and the financial position of the Council as at that date.

As at the date of signing, we are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify the financial statements in their final form.

COUNCILLOR
Peter Cleary

Dated :
Sale

COUNCILLOR
John Duncan

Dated :
Sale

CHIEF EXECUTIVE OFFICER
David Morcom

Dated :
Sale

AUDITOR-GENERAL'S REPORT

2 pages

AUDITOR-GENERAL'S REPORT

2 pages

WELLINGTON
SHIRE COUNCIL
The Heart of Gippsland

WELLINGTON SHIRE COUNCIL

Performance Statement

For the year ended 30 June 2016

Performance Statement
For the year ended 30 June 2016

Description of municipality

Wellington Shire is the third largest municipality in Victoria, covering an area of 10,924 square kilometres in Central Gippsland, and includes the internationally significant Gippsland Lakes and Wetlands and the Ninety Mile Beach.

With a population of 41,440* Wellington Shire Council comprises a wide variety of industry and business contributing to the local economy including mining, offshore oil and gas extraction, primary production and agriculture, tourism and service industries, manufacturing and construction, retail, healthcare, education, arts and recreation and community services. In addition, RAAF Base East Sale is a major air and ground training base and home to the famous Roulettes, Central Flying School, the Officers' Training School and the schools of Air Warfare and Air Traffic Control.

*2011 Census

Sustainable Capacity Indicators

For the year ended 30 June 2016

Indicator/measure	Results 2015	Results 2016	Material Variations
Population			
Expenses per head of municipal population [Total expenses / Municipal population]	$1,776.84	1,717.79	No material variations
Infrastructure per head of municipal population [Value of infrastructure / Municipal population]	$18,726.79	$19,099.08	No material variations
Population density per length of road [Municipal population / Kilometres of local roads]	13.61	13.52	No material variations
Own-source revenue			
Own-source revenue per head of municipal population [Own-source revenue / Municipal population]	$1,394.98	$1,475.59	Additional own source revenue received in 2015/16 included revenue from new animal registration fees, revenue from a combined service agreement with East Gippsland Shire Council and increased commercial tipping fees.
Recurrent grants			
Recurrent grants per head of municipal population [Recurrent grants / Municipal population]	$503.46	$293.24	On 30 June 2015, the Commonwealth Government remitted an advance payment of $6.07 million for the 2015/16 Financial Assistance Grants, which overstated the 2014/15 indicator and also results in a corresponding understatement of the 2015/16 indicator.
Disadvantage			
Relative socio-economic disadvantage [Index of Relative Socio-economic Disadvantage by decile]	4	4	Wellington Shire ranks in the fourth decile in Victoria. The first decile indicates the most disadvantaged and the tenth decile indicates the least disadvantaged.

Definitions

"adjusted underlying revenue" means total income other than:
(a) non-recurrent grants used to fund capital expenditure; and
(b) non-monetary asset contributions; and
(c) contributions to fund capital expenditure from sources other than those referred to above

"infrastructure" means non-current property, plant and equipment excluding land

"local road" means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*

"population" means the resident population estimated by council

"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)

"relative socio-economic disadvantage", in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of SEIFA
"SEIFA" means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet website
"unrestricted cash" means all cash and cash equivalents other than restricted cash.

4

Service Performance Indicators

For the year ended 30 June 2016

Service/*indicator*/*measure*	Results 2015	Results 2016	Material Variations
Aquatic facilities			
Utilisation			
Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	4.55	4.75	WSC Combined visits to aquatic facilities for 2015-16 (to Heyfield, Maffra, Rosedale, Stratford and Yarram outdoor pools) and (Sale) indoor aquatic facility was 199,337 from an estimated population of 41,965. This equates to an average of almost five visits per Wellington Shire resident for the year.
Animal management			
Health and safety			
Animal management prosecutions [Number of successful animal management prosecutions]	11	4	During 2015-16, Council undertook 4 animal management prosecutions, all of which were successful. The relatively low number of animal prosecutions undertaken by Council indicates the effectiveness of its animal management education program.
Food safety			
Health and safety			
Critical and major non-compliance notifications [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	100%	100%	Council is committed to minimising threats to public health and has developed a proactive health promotions and education program for major-noncompliance food premises.
Governance			
Satisfaction			
Satisfaction with council decisions [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	58	56	Council's participation in the 2015 Community Satisfaction Survey showed a 56% community satisfaction rating with the way Council has performed in making decision in the interests of the community. Though there is a slight decline in this rating, Council is still performing 6 points higher than large rural average and 2 points higher compared to State wide average.

5

Service/*indicator*/*measure*	Results 2015	2016	Material Variations
Libraries ***Participation*** *Active library members* [Number of active library members / Municipal population] x100	15.41%	13.42%	Wellington Shire Libraries offer a broad range of popular programs including author talks, baby rhyme times, and toddler story time and school holiday programs. These are well attended by library members and non-members within the municipality. It is anticipated that active library membership will increase in 2016-17 with alignment with SWIFT consortia providing access for our patrons to over 2.5 million items.
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]	52	53	Results from the 2015 Community Satisfaction Survey show an increase in residents' satisfaction rating for Wellington Shire's sealed local roads to 53% which is significantly higher than the average for similar Large Rural Councils.
Statutory Planning ***Decision making*** *Council planning decisions upheld at VCAT* [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	100%	100%	In 2015/16 two planning application decisions were subject to a review by VCAT and, in both instances, Council's decision was upheld.
Waste Collection ***Waste diversion*** *Kerbside collection waste 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	34.61%	32.10%	Over 3,400 tonnes of recycling waste was diverted from landfill in 2015/16 which is a slight decrease compared to 2014/15. That's an average of 179 kg of recycling waste per household in Wellington Shire.

Definitions

"Aboriginal child" means a child who is an Aboriginal person

"Aboriginal person" has the same meaning as in the Aboriginal Heritage Act 2006

"active library member" means a member of a library who has borrowed a book from the library

"annual report" means an annual report prepared by a council under sections 131, 132 and 133 of the Act

"CALD" means culturally and linguistically diverse and refers to persons born outside Australia in a country whose national language is not English

"class 1 food premises" means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 1 food premises under section 19C of that Act

"class 2 food premises" means food premises, within the meaning of the *Food Act 1984* , that have been declared as class 2 food premises under section 19C of that Act

"Community Care Common Standards "means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth

"critical non-compliance outcome notification" means a notification received by council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health

"food premises" has the same meaning as in the *Food Act 1984*

"HACC program" means the Home and Community Care program established under the Agreement entered into for the purpose of the Home and Community Care Act 1985 of the Commonwealth

"HACC service" means home help, personal care or community respite provided under the HACC program

"local road" means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*

"major non-compliance outcome notification" means a notification received by a council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken

"MCH" means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age

"population" means the resident population estimated by council

"target population" has the same meaning as in the Agreement entered into for the purposes of the Home and Community Care Act 1985 of the Commonwealth

"WorkSafe reportable aquatic facility safety incident" means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the *Occupational Health and Safety Act 2004*.

Financial Performance Indicators

For the year ended 30 June 2016

Dimension/*indicator*/*measure*	Results 2015	Results 2016	Forecasts 2017	Forecasts 2018	Forecasts 2019	Forecasts 2020	Material Variations
Efficiency							
Revenue level *Average residential rate per residential property assessment* [Residential rate revenue / Number of residential property assessments]	$1,114.95	1,177.97	$1,251.13	$1,305.15	$1,370.65	$1,434.12	A higher than expected number of supplementary valuations relating to residential properties were processed in 2015/16 compared to 2014/15 resulting in additional rates and charges raised. This increase was partly offset by a number of vacant blocks transferred to Council as part of the Wellington Coastal Strategy Voluntary Assistance program.
Expenditure level *Expenses per property assessment* [Total expenses / Number of property assessments]	$2,181.33	2,103.93	$2,322.26	$2,378.07	$2,424.99	$2,472.12	This measure is forecast to increase by $150 per assessment by 2020. This increase reflects the inclusion of a CPI increase over the period with 2016/17 impacted by large one – off projects. Council is well below other similar councils for expenses per property assessments.
Workforce turnover *Resignations and terminations compared to average staff* [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	9.39%	13.14%	10.95%	10.00%	10.00%	10.00%	Slight increase in resignations and terminations in 2015-16 due to a higher number of planned retirements and couple of redundancies as a result of review in positions. Four full time staff who converted into casuals are also included in the result as casual positons are excluded from the calculation. Long term average for number of resignations and terminations is approximately 30 per year or 10%. No increase in staff numbers are anticipated in forecast based on current organisational structure.

Dimension/*indicator*/*measure*	Results 2015	Results 2016	Forecasts 2017	Forecasts 2018	Forecasts 2019	Forecasts 2020	Material Variations
Liquidity							
Working capital *Current assets compared to current liabilities* [Current assets / Current liabilities] x100	321.14%	382.82%	286.78%	300.53%	250.42%	269.83%	Council's liquidity has improved ahead of a planned increase in capital works for 2016/17. Project timing has seen deferral of commitment and reduced creditors at balance date.
Unrestricted cash *Unrestricted cash compared to current liabilities* [Unrestricted cash / Current liabilities] x100	156.80%	226.46%	229.29%	240.00%	201.78%	221.96%	Conditional grants unspent are $6.7 million lower from 2015 resulting in increased unrestricted cash in 2016. Payables and loan balances are also lower than the prior year.
Obligations							
Asset renewal *Asset renewal compared to depreciation* [Asset renewal expenses / Asset depreciation] x100	69.40%	80.21%	137.33%	90.37%	109.75%	122.23%	The improvement in this measure recognises Council's emphasis on reducing the asset renewal gap, which is being assisted by successful receipt of grant funding for projects as Yarram Streetscape renewal (completed 2015/16), Port of Sale Precinct (commenced 2015/16 and expected completion in 2017/18) and increased renewal of roads and bridges (funded by increased Roads to Recovery allocation).
Loans and borrowings *Loans and borrowings compared to rates* [Interest bearing loans and borrowings / Rate revenue] x100	26.58%	19.61%	19.75%	18.86%	19.33%	15.03%	This reduction in this measure relates to Council not requiring 2015/16 proposed borrowings of $1.89 million and deferring $1.3 million to 2016/17. Over the next four years Council will continue to construct a number of key residential street schemes, funded by borrowings which will be repaid over time by ratepayers benefiting from the works.

Dimension/*indicator*/*measure*	Results 2015	Results 2016	Forecasts 2017	Forecasts 2018	Forecasts 2019	Forecasts 2020	Material Variations
Loans and borrowings *Loans and borrowings repayments compared to rates* [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	7.33%	7.05%	3.69%	2.58%	1.78%	6.78%	Existing Council loans will be progressively repaid over the next four years.
Indebtedness *Non-current liabilities compared to own source revenue* [Non-current liabilities / Own source revenue] x100	20.36%	17.40%	18.37%	18.25%	14.02%	14.55%	The reduction in this measure mainly results from an increase in 2015/16 own source revenue associated with new sources of income and increased rates and charges and commercial tipping fees, along with a minor decrease in non-current liabilities (reduced loan payments). This measure compared to other similar Council's (2015 31.34%) is significantly lower indicating Council is in a strong position to cover non-current liabilities.
Operating position ***Adjusted underlying result*** *Adjusted underlying surplus (or deficit)* [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	8.46%	3.63%	9.94%	1.99%	5.00%	5.69%	The fluctuation between 2015 and 2016 is the result of the early receipt of 2015/16 funds in 2014/15. This measure is predicted to rise in2015/16 due to additional Roads to Recovery funding.

Dimension/*indicator*/*measure*	Results 2015	Results 2016	Forecasts 2017	Forecasts 2018	Forecasts 2019	Forecasts 2020	Material Variations
Stability							
Rates concentration							
Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100	60.27%	69.10%	62.54%	69.00%	68.45%	69.36%	This measure has also been impacted by the unexpected receipt of funding in 2014/15, generating higher than expected adjusted underlying revenue for 2015.
Rates effort							
Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.54%	0.56%	0.56%	0.58%	0.59%	0.61%	This measure is forecast to remain steady over the next four years.

Definitions

"adjusted underlying revenue" means total income other than:
(a) non-recurrent grants used to fund capital expenditure; and
(b) non-monetary asset contributions; and
(c) contributions to fund capital expenditure from sources other than those referred to above

"adjusted underlying surplus (or deficit)" means adjusted underlying revenue less total expenditure

"asset renewal expenditure" means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability

"current assets" has the same meaning as in the Australian Account Standards (AAS)

"current liabilities" has the same meaning as in the AAS

"non-current assets" means all assets other than current assets

"non-current liabilities" means all liabilities other than current liabilities

"non-recurrent grant" means a grant obtained on the condition that it be expended in a specified manner and is not expected to be received again during the period covered by a council's Strategic Resource Plan

"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants

"population "means the resident population estimated by council

"rate revenue" means revenue from general rates, municipal charges, service rates and service charges

"recurrent grant "means a grant other than a non-recurrent grant

"residential rates" means revenue from general rates, municipal charges, service rates and service charges levied on residential properties

"restricted cash" means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year

"unrestricted cash" means all cash and cash equivalents other than restricted cash.

Other Information

For the year ended 30 June 2016

1. Basis of preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the *Local Government Act 1989* and Local Government (Planning and Reporting) Regulations 2014.

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics).

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 21 June 2016 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.

Certification of the Performance Statement

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014.

_____
Ian Carroll *CPA*
Principal Accounting Officer
Dated:

In our opinion, the accompanying performance statement of the *(council name)* for the year ended 30 June 2016 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the council and by the Local Government (Planning and Reporting) Regulations 2014 to certify this performance statement in its final form.

_____
Councillor
Peter Cleary
Dated:

_____
Councillor
John Duncan
Dated:

_____
Chief Executive Officer
David Morcom
Dated:

ITEM C2.3 RE-APPOINTMENT OF THE CHIEF EXECUTIVE OFFICER

DIVISION: CORPORATE SERVICES

ACTION OFFICER: GENERAL MANGER CORPORTATE SERVICES

DATE: 6 SEPTEMBER 2016

IMPACTS									
Financial	Communication	Legislative	Council Policy	Council Plan	Resources & Staff	Community	Environmental	Consultation	Risk Management
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

OBJECTIVE

For Council to re-appoint David Morcom as Council's Chief Executive Officer for a period of 5 years from 30 January 2017 to 29 January 2022.

PUBLIC QUESTIONS AND COMMENTS FROM THE GALLERY

RECOMMENDATION

That:

1. ***Council re-appoint DAVID MORCOM as Council's Chief Executive Officer for a period of 5 years from 30 January 2017 to 29 January 2022; pursuant to section 94(4) of the Local Government Act 1989 and in accordance with the public notice published in the Gippsland Times on 23 August 2016, the Yarram Standard on 24 August 2016 and the Council's website on 23 August 2016.***

2. ***Council authorise the Mayor to finalise the contract of employment (draft contract attached as a Confidential document - item F1.1) with DAVID MORCOM, inclusive of annual Enterprise Agreement increases, before 9 September 2016.***

3. ***In accordance with section 94(6) of the Local Government Act 1989, details of DAVID MORCOM's total remuneration as Chief Executive Officer under the new contract of employment, be made available for public inspection within 14 days following approval of this recommendation.***

BACKGROUND

In accordance with sections 94 and 95A of the *Local Government Act 1989,* DAVID MORCOM was appointed as Council's Chief Executive Officer from 30 January 2012 to 29 January 2017. Section 94(4) of the *Local Government Act 1989* enables a Council to pass a resolution to re-appoint its incumbent Chief Executive Officer without the requirement to externally advertise the position. The resolution must be passed in the 6 months immediately before the Chief Executive Officer's contract is due to expire.

OPTIONS

Council has the following options:

1. Re-appoint David Morcom as Council's Chief Executive Officer for a period of 5 years, from 30 January 2017 to 29 January 2022.

2. Not re-appoint David Morcom as Council's Chief Executive Officer at this point in time.

PROPOSAL

That :-

1. Council re-appoint DAVID MORCOM as Council's Chief Executive Officer for a period of 5 years from 30 January 2017 to 29 January 2022; pursuant to section 94(4) of the *Local Government Act 1989* and in accordance with the public notice published in the Gippsland Times on 23 August 2016, the Yarram Standard on 24 August 2016 and the Council's website on 23 August 2016.

2. Council authorise the Mayor to finalise the contract of employment (draft contract attached as a Confidential document - item F1.1) with DAVID MORCOM, inclusive of annual Enterprise Agreement increases, before 9 September 2016.

3. In accordance with section 94(6) of the *Local Government Act 1989*, details of DAVID MORCOM's proposed total remuneration as Chief Executive Officer under the new contract of employment, be made available for public inspection within 14 days following approval of this recommendation.

CONFLICT OF INTEREST

No staff and/or contractors involved in the compilation of this report have declared a Conflict of Interest.

COMMUNICATION IMPACT

A public notice was published in the Gippsland Times on 23 August 2016, the Yarram Standard on 24 August 2016 and the Council's website on 23 August 2016 pursuant to section 94(4) of the *Local Government Act 1989*, advising that Council intends to re-appoint DAVID MORCOM as Council's Chief Executive Officer.

In accordance with section 94(6) of the *Local Government Act 1989*, details of DAVID MORCOM's total remuneration as Chief Executive Officer under the new contract of employment, will be made available for public inspection within 14 days following approval of this recommendation.

LEGISLATIVE IMPACT

Section 94(4) of the *Local Government Act 1989* enables a Council to pass a resolution to re-appoint its incumbent Chief Executive Officer without the requirement to externally advertise the position. The resolution must be passed in the 6 months immediately before the Chief Executive Officer's contract is due to expire.

C3 - REPORT

GENERAL MANAGER DEVELOPMENT

ITEM C3.1 **WELLINGTON AND EAST GIPPSLAND SHIRE'S DOMESTIC WASTEWATER MANAGEMENT PLAN (DWMP)**

DIVISION: DEVELOPMENT

ACTION OFFICER: MANAGER MUNICIPAL SERVICES

DATE: 6 SEPTEMBER 2016

IMPACTS									
Financial	Communication	Legislative	Council Policy	Council Plan	Resources & Staff	Community	Environmental	Consultation	Risk Management
✓				✓		✓		✓	

OBJECTIVE

The purpose of this report is for Council to formally adopt the Wellington and East Gippsland Shire's Domestic Wastewater Management Plan (DWMP) 2016.

PUBLIC QUESTIONS AND COMMENTS FROM THE GALLERY

RECOMMENDATION

That Council adopt the Wellington and East Gippsland* Shire's *Domestic Wastewater Management Plan 2016 (provided at Attachment 1).

BACKGROUND

The Wellington and East Gippsland Shire's Domestic Wastewater Management Plan (DWMP) is a strategic document which seeks to address domestic wastewater management issues within the municipalities of Wellington and East Gippsland. The Wellington and East Gippsland DWMP has developed appropriate strategies and actions to prevent and/or minimize the impacts of domestic wastewater management issues. Further it will mitigate the potential risks to public health and the environment that can result from the treatment and disposal of domestic wastewater.

The primary purpose of developing a new Wellington and East Gippsland Shire's DWMP is to update the existing DWMP to meet the revised Ministerial Catchment Guidelines 2012, and to meet Council's responsibilities under the provisions of the *Environmental Protection Act 1970* and the *Health and Wellbeing Act 2008.*

To that end, a working group was formed consisting representatives from regional water corporations, East Gippsland and Wellingtons Shire's together with expert Environmental Consultants (ECOS). Following a lengthy development and internal consultation phase, a draft DWMP was developed that includes detailed background material together with an action plan that responds to domestic wastewater issues within the municipalities. The plan will be subjected to annual reviews which will commit to the implementation of the recommended actions detailed. Following the annual reviews, a four year re-writing of the plan will be completed.

A draft copy of the DWMP was made available to stakeholder agencies and residents of both shires for a three-week period in August 2016.

Three external submissions were received by Council:

1) Submission from East Gippsland Water, supporting the DWMP.
2) Submission from Gippsland Water, supporting the DWMP
3) Submission from Goulburn-Murray Water, which raises matters of technical references, resourcing, and the potential need to introduce an environmental significance overlay within the East Gippsland Planning Scheme, identifying the Hume potable catchments. In the response, suggested technical reference changes are supported, and the document altered. The request for a planning scheme amendment will be referred to East Gippsland Shire's Strategic Planning unit, and resourcing will be further reviewed with water corporations.

Copies of these submissions are attached for your information (Attachment 2)

OPTIONS

Council has the following options:

1. Adopt the Wellington and East Gippsland Shire's Domestic Wastewater Management Plan (DWMP) 2016; or

2. Not adopt the Wellington and East Gippsland Shire's Domestic Wastewater Management Plan (DWMP) 2016 and present to a future Council meeting.

PROPOSAL

It is proposed that Council adopt the Wellington and East Gippsland Shire's Domestic Wastewater Management Plan (DWMP) 2016.

CONFLICT OF INTEREST

No Staff and/or Contractors involved in the compilation of this Report have declared a Conflict of Interest.

FINANCIAL IMPACT

The first draft of the Wellington and East Gippsland Shire's DWMP was funded by the Gippsland Lakes Environment Fund for $45,000. However additional funds of $20,000 were received from water corporations to support further and more detailed risk analysis, thereby ensuring the reports priority recommendations were based on the best possible information.

One of the priority actions coming out of the DWMP will see the development of a Memorandum of Understanding (MOU) with water corporations, and this MOU will document an agreed monitoring and compliance program. This program may require additional resources/staff allocations and we will work closely with water corporations to identify how this program can be funded.

COUNCIL PLAN IMPACT

The Council Plan 2013-2017 Theme 7 Community Wellbeing states the following strategic objective and related strategy.

Strategic Objective
Enhance health and wellbeing for the whole community

Strategy 7.7
Work in partnerships to provide leadership and strategic direction on issues or risks relating to community safety

This report supports the above Council Plan strategic objective and strategy

CONSULTATION IMPACT

The development of the DWMP has involved extensive consultation with a number of stakeholder agencies such as the water corporations, the Department of Health and Human Services (DHHS) and the Environment Protection Authority (EPA). Regular feedback was received throughout the project, in particular the water corporations which has been included in the final DWMP where relevant.

A public consultation process has been undertaken following the release of the Wellington and East Gippsland Shire's DWMP with three submissions received on Friday 26 August 2016. Ongoing stakeholder agency consultation is planned annually.

Wellington and East Gippsland Shires Municipal Domestic Wastewater Management Plan

Prepared for Wellington and East Gippsland Shires

By Ecos Environmental Consulting

August 2016

Document Information

Revision	Status	Prepared by	Issued to	Date	Reviewed by	Approved
1.0	TOC Draft	Nick O'Connor	Wellington and East Gippsland Shire Councils	6 January 15	Nick O'Connor	Nick O'Connor
1.1	Working Draft	Nick O'Connor	Wellington and East Gippsland Shire Councils	27 April 2015	Nick O'Connor	Nick O'Connor
1.2	Draft	Nick O'Connor	Wellington and East Gippsland Shire Councils	20 August 2015	Nick O'Connor	Nick O'Connor
1.3	Draft	Nick O'Connor & Tracy Clark	Wellington and East Gippsland Shire Councils	4 September 2015	Nick O'Connor	Nick O'Connor
1.4	Draft	Nick O'Connor & Tracy Clark	Wellington and East Gippsland Shire Councils	18 September 2015	Nick O'Connor	Nick O'Connor
1.5	Draft	Nick O'Connor & Tracy Clark	Wellington and East Gippsland Shire Councils	27 November 15	Nick O'Connor	Nick O'Connor
2.0	Draft	Nick O'Connor & Tracy Clark	Wellington and East Gippsland Shire Councils	11 June 2016	Nick O'Connor	Nick O'Connor
2.1	Final	Nick O'Connor & Tracy Clark	Wellington and East Gippsland Shire Councils	29 June 2016	Nick O'Connor	Nick O'Connor
2.2	Final	Samantha King	Wellington and East Gippsland Shire Councils	29 August 2016	Samantha King and Vanessa Ebsworth	Samantha King

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Name of organisation	Wellington Shire Council
Name of project	Wellington and East Gippsland Shires Municipal Domestic Wastewater Management Plan
Name of document	WSC and EGSC DWMP 29 August 2016
Document version	2.2
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Table of Contents

Executive Summary

Introduction

The environmental and public health risks posed by unsewered areas is recognised nationally and internationally as a significant public health and environmental issue. In Victoria, management of domestic wastewater is addressed under the *Environment Protection Act 1970* and State Environment Protection Policy (Waters of Victoria) (SEPP WoV). It is a requirement of this legislation for local Governments to develop a Domestic Wastewater Management Plan (DWMP) to address potential risks to community health and the environment resulting from the treatment and disposal of wastewater from homes and businesses in unsewered areas.

Wellington and East Gippsland Shires released their existing DWMP in 2006. In 2014, the Shires received funding assistance from the Gippsland Lakes Environment Fund to review the 2006 DWMP and to produce a new and revised version. The 2006 DWMP was developed with the support of regional water corporations and the corporations have retained a strong obligation in the on-going implementation of the 2016 DWMP.

Aims

The primary purpose of preparing this DWMP plan is to update the existing DWMP to meet the revised Ministerial Catchment Guidelines, "*Planning permit applications in open, potable water supply catchment areas*" (DEPI 2012) (the Ministerial Guidelines) as well satisfy the obligations of each Shire council as outlined by Clause 32 of the SEPP WoV. Specific sections of the DWMP that address the requirements of the Ministerial Guidelines are listed in Table 1.

Table 1. Domestic Wastewater Management Plan Requirements and relevant sections of this DWMP where the requirement is addressed.

Attribute	Requirements	Relevant section in DWMP
Consultation	The DWMP must be prepared or reviewed in consultation with all relevant stakeholders including:	
	• other local governments with which catchment/s are shared;	Section 6.1 and Appendix 5 (stakeholder consultation)
	• EPA; and	Section 6.1 and Appendix 5 (stakeholder consultation)
	• local water corporation/s.	Section 6.1 and Appendix 5 (stakeholder consultation)
Protection of surface and groundwaters	The DWMP must comprise a strategy, including timelines and priorities, to:	
	• prevent discharge of wastewater beyond property boundaries; and	Action plans - Section 9.1
	• prevent individual and cumulative impacts on groundwater and surface water beneficial uses.	Action plans - Section 9.1
Monitoring, compliance and enforcement	The DWMP must provide for:	
	• the effective monitoring of the condition and management of onsite treatment systems, including but not limited to compliance by permit holders with permit conditions and the Code;	Action plans - Section 9.1, Table 9-4
	• the results of monitoring being provided to stakeholders as agreed by the relevant stakeholders;	Action plans - Section 9.1, Table 9-4 (Item (5.3)
	• enforcement action where non-compliance is identified;	Action plans - Section 9.1, Table 9-4 (see items on Monitoring and Compliance (M/C))

Attribute	Requirements	Relevant section in DWMP
	• a process of review and updating (if necessary) of the DWMP every 5 years;	Action plans - Section 9.1, Table 9-4 (Item DS.6)
	• independent audit by an accredited auditor (water corporation approved) of implementation of the DWMP, including of monitoring and enforcement, every 5 years;	Action plans - Section 9.1, Table 9-4 (Item WC.10)
	• the results of audit being provided to stakeholders as soon as possible after the relevant assessment; and	Action plans - Section 9.1, Table 9-4 (Item DS.7)
	• Councils are required to demonstrate that suitable resourcing for implementation, including monitoring, enforcement, review and audit, is in place.	Action plans - Section 9.1, Table 9-4 (Item WC.11)

The development of this DWMP has provided an opportunity for the Shires to strategically assess the wastewater issues within their respective jurisdictions and develop appropriate strategies and actions to prevent wastewater problems, or at the very least minimise resultant impacts.

Region

The Wellington and East Gippsland Shires include water catchments that support the Gippsland Lakes as well as many other regional waterways of high social, economic and environmental importance. The management and protection of water catchments and regional streams, rivers and lakes is considered a high priority by the regional community. With respect to wastewater management, the larger towns and most of the smaller towns are sewered, however there remains a number of small, relatively remote unsewered settlements as well as areas of rural land use with relatively high densities of unsewered properties. These locations pose potential risks to catchment water quality and within this DWMP are a focus for risk management. Overall there are just under 13,000 onsite wastewater management systems across both Shires combined.

Detailed statistics related to onsite wastewater management are provided in the DWMP on townships in each Shire including classification by lot size and planning zone.

Declared Water Supply Catchment boundaries and planning zones are displayed in map form (Figures 1 to 3). For East Gippsland Shire 787,106 ha lies within Declared Water Supply Catchments (38 %) while in Wellington Shire the corresponding figure is 450,232 ha (41 %).

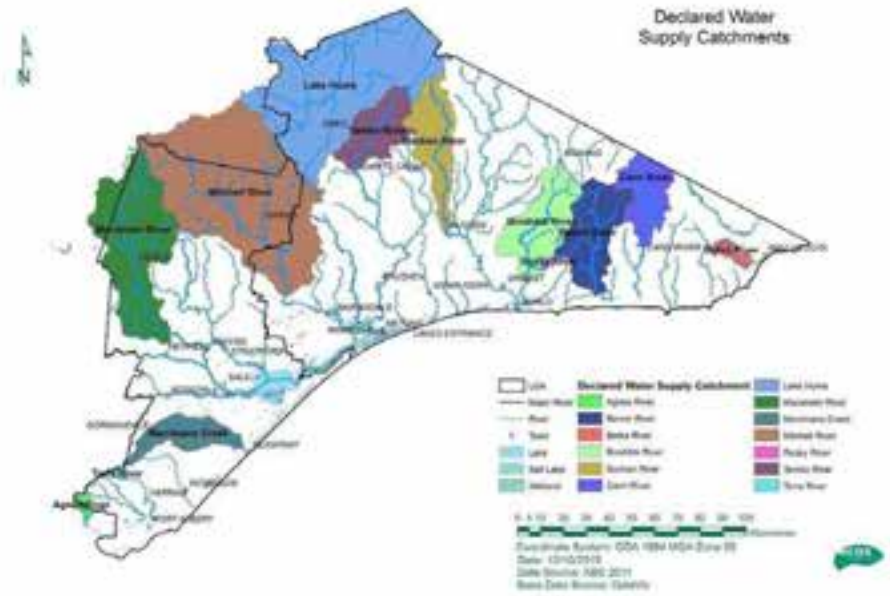

Figure 1. Declared Water Supply Catchments within the Shires of East Gippsland and Wellington

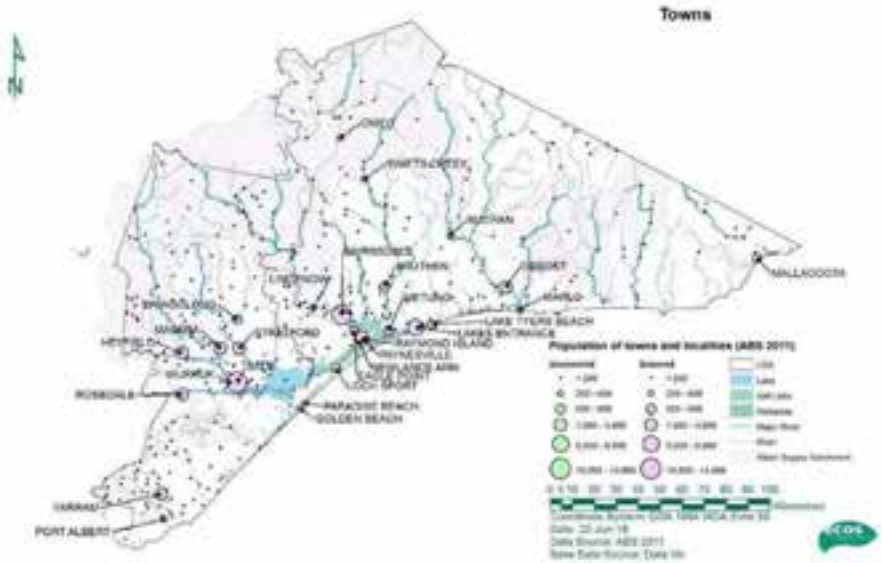

Figure 2. Township locations within the Shires of Wellington and East Gippsland

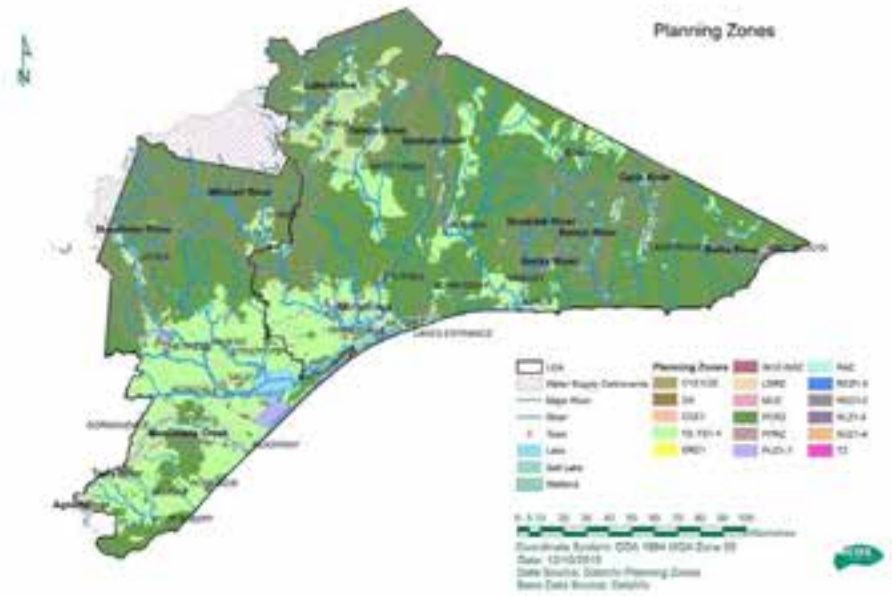

Figure 3. Planning Zones within the Shires of Wellington and East Gippsland. Water supply catchments are also shown in outline.

Legal and planning framework

The statutory framework behind the DWMP is described in detail including reference to relevant standards and guidelines, particularly the Victorian EPA "Code of Practice for Onsite Wastewater Management".

Relevant council plans and policies are also reviewed and their relationship to the DWMP is described.

Current approvals process

The DWMP contains a detailed description of the current approvals process for onsite wastewater management systems including a flow chart of the septic tank and planning permit process for each Shire. Discussion and recommendations are also included on the following topics:

- Land Capability Assessment (LCA)
- Maintenance of Septic Tank Systems
- Monitoring and Compliance
- Data management for onsite systems

Water quality risks posed by domestic onsite wastewater management systems

The DWMP contains a brief review of the water quality risks posed by domestic onsite wastewater management systems including risks from microbial pathogens, nutrients, and trace organic compounds (e.g. household herbicides and insecticides, detergents, personal care products and pharmaceuticals). Common failure modes of on-site treatment systems are also described.

Onsite systems catchment water quality risk assessment

A key component of the DWMP is a detailed GIS-based risk assessment for onsite wastewater management systems. The risk mapping approach was developed for the DWMP and consists of a semi-quantitative risk scoring exercise. It is appropriate for the high level identification of areas of heightened risk to surface water and groundwater quality across each Shire and can be used by the council EHO's to assist in their decision making with respect to individual sites.

Risk mapping was based on the potential risk to surface and groundwater quality posed by an onsite wastewater management system for each property (whether an onsite wastewater management system was present or not). Risk factors were:

- soil suitability
- slope
- climate
- useable area subject to various regulatory and environmental constraints including - Distance to water - Depth to the water table - Distance from groundwater bore

The risk maps displayed in the DWMP are presented at the regional scale to provide an overview of risk for this report. However, each map is produced from *a GIS database that allows the user to zoom in for more detailed analysis. These databases, developed for the DWMP, have been supplied to Wellington and East Gippsland Shires to assist them in assessing the risks associated with new planning permit applications and existing unsewered dwellings.*

Each unsewered dwelling was allocated a risk score based on its risk factors. The score is used to rank and prioritise properties for follow up, so that resources can be more effectively devoted to the management of higher risk properties. Unsewered dwellings with higher risk scores pose a higher risk to groundwater or surface water or both (Figure 4).

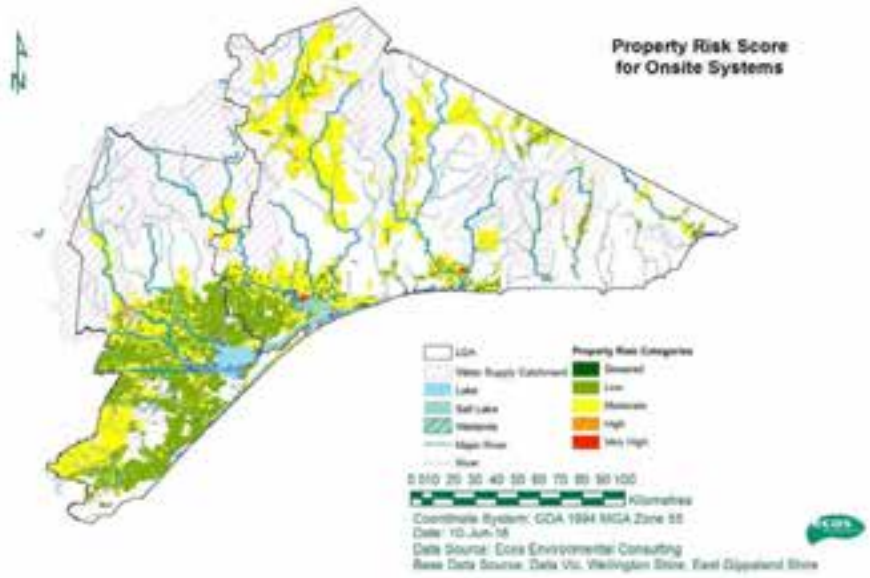

Figure 4 Property risk scores for unsewered houses in the Wellington and East Gippsland Shires

Priority township assessments

Risk scores were allocated to each unsewered town in each Shire based on the township and residential planning zones. Towns were then sorted on their aggregate risk score to enable identification of high risk towns. These towns contributed disproportionally to the total risk for each Shire.

Towns in declared water supply catchments were also sorted on their aggregate risk scores to identify those towns that posed the highest risks of off-site movement of wastewater. These areas are a priority for compliance assessments. To assist in the identification of high risk unsewered houses in these towns, detailed GIS maps are presented in the DWMP.

Wellington Shire

The results of the township assessments showed that Golden Beach, The Honeysuckles, Longford and Paradise Beach accounted for approximately 50% of the total risk from onsite systems within the Wellington Shire. Other significant contributions to the total risk were Wurruk, Briagolong, Glenmaggie and Stratford.

Briagolong (north of Stratford), Stratford and Wurruk (west of Sale) are located on floodplain soils while all the other townships are located on or adjacent to the 90 Mile Beach where sandy soils prevail. These areas are a priority for compliance assessments. Glenmaggie is situated within 1km upstream of Lake Glenmaggie, and so all unsewered properties here have been classified as high risk.

East Gippsland Shire

The distribution of onsite system risk was more evenly distributed amongst East Gippsland Shire townships compared to Wellington Shire. Here approximately 50% of the total risk was accounted for by 9 towns: Nicholson, Metung, Buchan, Sarsfield, Nungurner, Wy Yung, Bruthen, Lucknow and Swan Reach.

These towns are all located in the catchments of the Gippsland Lakes or Lake Tyers and most lie lower down in the catchment close to the lakes where soils tend to be sandy and the water table is relatively close to the surface.

Declared water supply catchments

The acceptable housing density within a Declared Water Supply Catchment is 1:40 ha except for planning zones where a permit is not required to erect a dwelling. The main clusters of houses exceeding the density limit of 1:40 ha within the relevant planning zones is located at Gormandale (Table 2, Figure 5) while smaller clusters occur at Dargo and Benambra (see close up maps in Section 8). These areas are a priority for compliance assessments.

Table 2 Declared Water Supply Catchments (DWSC) within each Shire

Density	Declared Water Supply Catchments	Number of unsewered houses not complying	Planning Zone exceeding the DWSC density. Onsite systems in FZ, RCZ, RLZ and LDRZ were included in this assessment
East Gippsland DWSCs 1:40 ha	Bemm River	0 of 20	--
	Brodribb River	0 of 10	--
	Buchan River	0 of 4	--
	Cann River	2 of 85	FZ1 near Cann River
	Lake Hunter	40 of 160	18 in FZ1 near Orneo and Glen Valley, 22 in RLZ3 in Colquhoun
	Mitchell River	0 of 3	--
	Tambo River	10 of 33	FZ1 near Swifts Creek
Wellington DWSCs 1:40 ha	Agnes River	0 of 9	--
	Macalister River	136 of 169	11 in FZ, 12 in RCZ1 and 113 in RLZ2, mainly in Glenmaggie and Coongulla
	Merrimans Creek	97 of 199	15 in RLZ2 at Gormandale*, 82 in FZ near Stradbroke, Willung, Willung South, Gormandale and Calignee North
	Mitchell River	22 of 71	19 in FZ, 3 in RLZ1, all in and around Dargo
	Tarra River	0 of 11	--

* At the time of writing, 12 lots on north Calladale Court that were incorrectly zoned RLZ2 are under review and expected to be changed to FZ.

The data in Table 2 for each DWSC is for the entire catchment. To further prioritise onsite systems for compliance assessment, the township areas in each DWSC were selected from the risk assessment using GIS query tools (Table 3). Onsite systems in these towns can be considered to have the highest priority for compliance assessment.

Table 3 Towns in declared water supply catchments sorted by property risk score (sewer infilled).

Risk rank within Shire	Township	DWSC	# OWMS	Current Risk Score	Sewer Infilled Risk Score	Number of properties with OWMS in each risk category: Seaward Ar	Low	Moderate	High	Very High	Proportion of Total
Wellington Shire											
7	Glenmaggie	Macalister R	86	437	553	1		7	61	27	4%
14	Dargo	Mitchell R	45	283	283			12	3	30	2%
20	Coongulla	Macalister R	34	164	196	1			24	9	1%
28	Gormandale	Merrimans Ck	39	101	101		2	36	1		1%
33	Licola	Macalister R	16	74	74			10	3	3	1%
East Gippsland Shire											
19	Bessumbra	L Hunter	49	189	189		7	16	22	4	2%
35	Club Terrace	Bemm R	15	62	62		1	10	2	2	1%
45	Orneo	L Hunter	3	14	14			1	1	1	0%

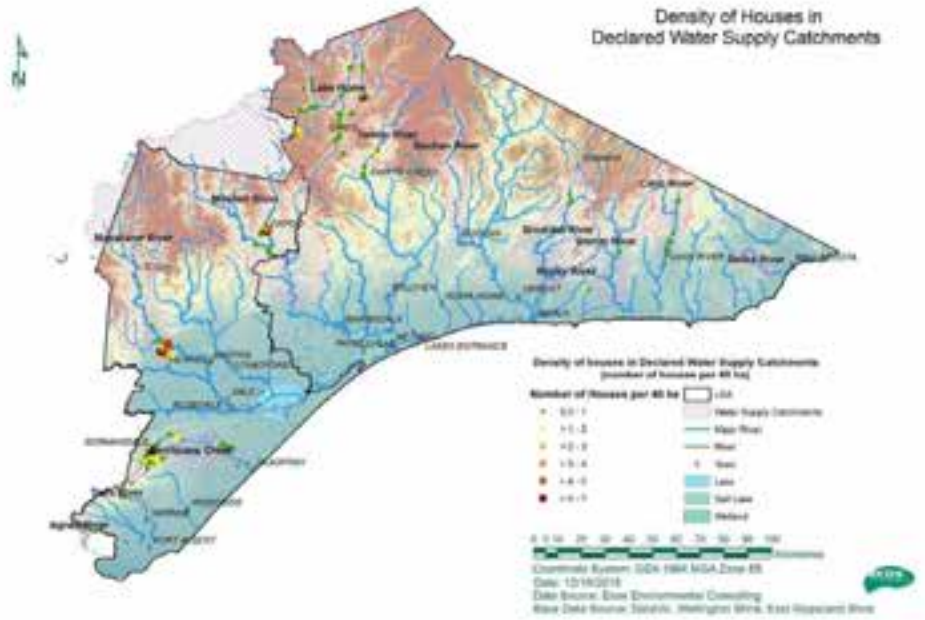

Figure 5. Density of houses in water supply catchments. Close up maps of priority areas are presented in the DWMP in Section 8.

Compliance with planning zone densities

A related risk assessment exercise examined the housing density compliance with planning zone requirements and identified clusters of houses around the major towns that exceed the target planning limits.

Growth Area assessments

Future settlement planning has indicated a number of growth areas across Wellington and East Gippsland Shires. As these developments proceed, many will involve increases in the number and density of unsewered dwellings and associated onsite wastewater management systems.

The current risk for each township was estimated as follows: the risk for each property was calculated, and the risks per property were added for each property which had been identified as containing an OWMS (onsite wastewater management system).

The future risk for each town was calculated by adding the risks for each property which could potentially have an OWMS. It was assumed that properties in sewered areas would be sewered when developed, and that properties which had been identified as being unsuitable for an OWMS (due to proximity to a waterway, bore, reservoir or shallow water table) would not have an OWMS installed.

Within Wellington Shire, planning has identified two towns of highest potential future risk, Longford, south of Sale as an area with significant growth potential (Figure 6) and Golden Beach. Within East Gippsland Shire the potential future onsite wastewater risks are greatest at Metung, Swan Reach, Wy Yung and Bairnsdale, with a spread of similar risk across a number of towns (Figure 7).

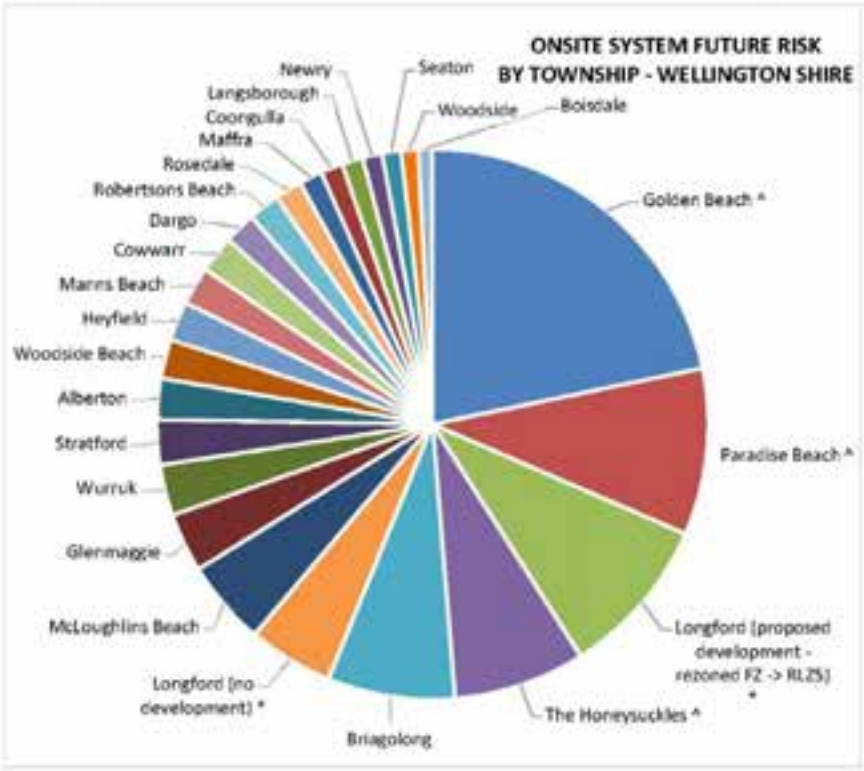

*Figure 6. Potential future risk from onsite wastewater management system development by township – Wellington Shire. The top 25 localities are shown. For further details, see Section 8.5 of the DWMP. * Longford is shown in the graph twice, once for if no development occurs and once for full proposed development. ^ Towns on the Ninety Mile Beach.*

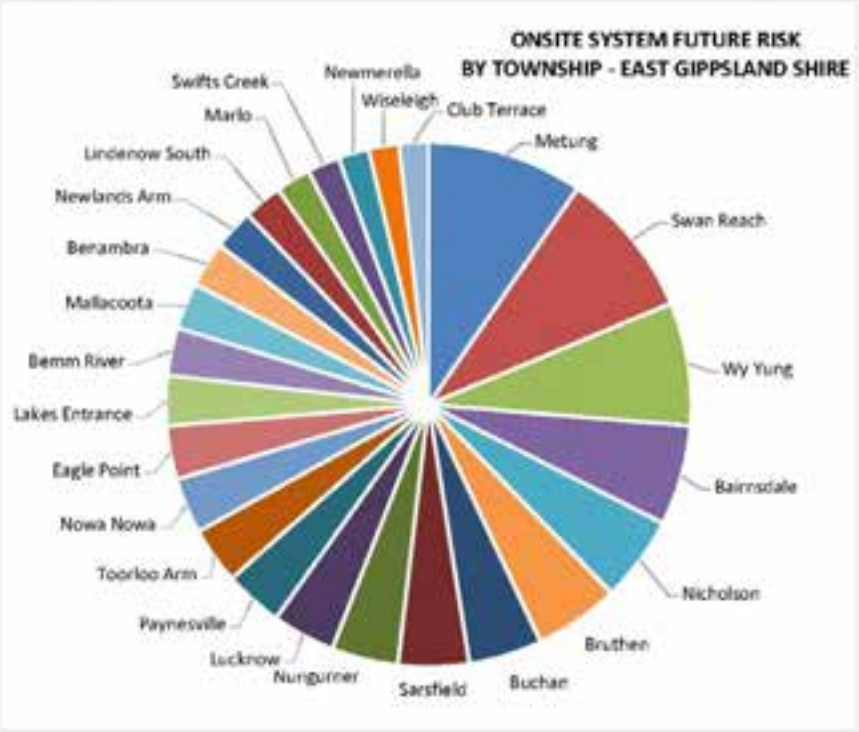

Figure 7. Potential future risk from onsite wastewater management system development by township – East Gippsland Shire. The top 25 localities are shown. For further details, see Section 8.6 of the DWMP.

Risk management

Action Plans

Action plan items from the 2006 DWMP were reviewed and either closed off due to completion or changes in priorities or carried over to the 2016 plan and combined with a number of new action items.

Action plans were separated into issues-based plans that addressed council procedures and relationships with stakeholders and plans for priority towns that addressed matters in relation to particular locations.

Discussion of general issues in relation to the planning action items is also included in the DWMP.

Appendices

Detailed appendices contain background information on the statutory framework supporting DWMP, surface water and groundwater water quality risk factors used in the risk assessment, a key to planning zones, and Action Plan items from the 2006 DWMP closed off due to completion or changing priorities.

1 Introduction

The environmental and public health risks posed by unsewered areas is recognised nationally and internationally as a significant environmental and public health issue. In Victoria, management of domestic wastewater is addressed under Clause 32 of the State Environment Protection Policy (Waters of Victoria) (SEPP WoV), where it is a requirement for local Governments to develop a Domestic Wastewater Management Plan (DWMP). The SEPP WoV is an instrument under the *Environment Protection Act 1970*.

Specifically local governments throughout Victoria are required to prepare DWMPs to address potential risks to community health and the environment resulting from the treatment and disposal of wastewater from homes and businesses in unsewered areas.

1.1. Aims

The primary purpose of preparing this DWMP plan is to update the existing DWMP to meet the revised Ministerial Catchment Guidelines, "*Planning permit applications in open, potable water supply catchment areas*" (DEPI 2012) as well satisfy the obligations of each Shire council as outlined by Clause 32 of the SEPP WoV.

- Currently the Ministerial Catchment Guidelines "Planning permit applications in open, potable water supply catchment areas" (DEPI 2012) (the Ministerial Guidelines) state that the development density should be no greater than one dwelling per 40 hectares in declared special water supply catchment areas. However, the Ministerial Guidelines allow for the relaxation of the 1:40 ha ruling for allotments when a DWMP has been prepared, adopted and implemented by Council and endorsed by the relevant water corporations to address the current requirements. Specifically, the Ministerial Guidelines require that a DWMP address that; Domestic wastewater systems retain wastewater within property boundaries; and
- Wastewater is managed to prevent impacts on groundwater and surface water. Additionally, the DWMP must include the following components:
- Demonstrate effective monitoring of the condition and management of domestic wastewater treatment systems;
- Results of monitoring and audits being provided to stakeholders; and
- A process of enforcement action where non-compliance is identified;
- A process of review of the DWMP every 5 years;
- Independent (accredited) audit of DWMP implementation every 3 years with audit results provided to stakeholders as soon as possible after assessment;
- Demonstration by councils that suitable resourcing for implementation, monitoring, enforcement, review and audit are in place.

1.2. Background

Wellington and East Gippsland Shires released their existing DWMP in 2006. In 2014, the Shires received funding assistance from the Gippsland Lakes Environment Fund to review the 2006 DWMP and to produce a new and revised version.

The Wellington and East Gippsland Shires account for around 15% of Victoria's land area and include water catchments that support the Gippsland Lakes as well as many other regional waterways of high social, economic and environmental importance. The management and protection of water catchments and regional streams, rivers and lakes from the deleterious effects of a wide range of real and potential impacts is considered a high priority by the regional community. With respect to wastewater management in the Shires, the larger towns and most smaller towns are sewered, nevertheless there are a large number of small, relatively remote unsewered settlements as well as areas of rural land use with relatively high densities of unsewered properties.

Some residential areas have been sewered or may be in the process of being sewered, but other areas still rely on onsite wastewater management systems (OWMS) of which there are just under 13,000 in both Shires combined.

The development of this DWMP has provided an opportunity for the Shires to strategically assess the wastewater issues within their respective jurisdictions and develop appropriate strategies and actions to prevent wastewater problems, or at the very least minimise resultant impacts. It clearly articulates each Shires' policy on domestic wastewater and its management.

2 East Gippsland and Wellington Shires Regional Attributes

Issues and potential threats from on-site domestic wastewater management include: high microbial (*E. coli*) and detergent (surfactant) levels in stormwater; discharge of grey water to open street drains and stormwater; inappropriate and outdated septic systems, including WC-only (also known as blackwater-only) types; direct off-site discharge of wastewater; small allotments and inadequate effluent disposal areas; high water tables; ageing and poorly-maintained septic systems and high household water use made possible by the availability of reticulated water in some areas.

Based on spatial and planning zone data supplied by Wellington and East Gippsland Shire Councils and by Victorian Government Data Directory (www.data.vic.gov.au), 33 townships were listed in Wellington Shire and 47 townships were listed in East Gippsland Shire. Of these townships 11 and 24 respectively are sewered, although there are still significant numbers of unsewered dwellings and vacant allotments present within the boundaries of these townships.

In total, approximately 5,078 properties in East Gippsland were estimated to have an onsite domestic wastewater management system while in Wellington Shire the number was estimated at 7,818 (Table 2-1). These estimates are based on data supplied by the councils and are based on individual address points.

Table 2-1. Numbers of domestic on-site wastewater management systems by Shire and planning zone

Shire	Zones															
	Commercial	Comprehensive Development	Farming	General Residential	Industrial	Low Density Residential	Public Conservation Public Park & Recreation Public Use			Rural Conservation	Road	Rural Living	Special Use	Townships	
	C1Z-2	CDZ	FZ, FZ1-2	GRZ1	IN[1]Z	LDRZ	PCRZ	PPRZ	PUZ1-4	RCZ1-3	RDZ1	RLZ1-4	SUZ1-4	TZ	Total
East Gippsland	14		2,099	67	13	978	108	15	29	71		1,246	1	449	**5,078**
Wellington	6	2	2,770	43	13	2,456	20	41	33	226	1	1,119	14	1,074	**7,818**
Total	**20**	**2**	**4,863**	**110**	**26**	**3,434**	**128**	**56**	**62**	**297**	**1**	**2,365**	**15**	**1,517**	**12,896**

Within the Declared Water Supply Catchments there are 6 towns in Wellington Shire and 5 towns in East Gippsland Shire (Table 2-2).

Table 2-2. Towns within Declared Water Supply Catchments (DWSC) (Towns identified as such if they lay within the following planning zones: GRTZ, TZ or LDRZ – see legend of Table 2-1 for zone descriptions).

Shire	DWSC	Sewered Towns	Unsewered Towns
East Gippsland	Lake Hume	Orbost	Bonnambra
East Gippsland	Bemm River		Club Terrace
East Gippsland	Buchan River (Buchan)		Buchan
East Gippsland	Tambo River		Swifts Creek
Wellington	Macalister River (Glenmaggie)	Coongulla, Glenmaggie, Glenmaggie Point (part sewered)	Licola
Wellington	Mitchell River		Dargo
Wellington	Merrimans Creek (Seaspray)		Gormandale

Townships size and characteristics

There are 2943 allotments less than 1 ha in Declared Water Supply Catchments in Wellington Shire while in East Gippsland Shire the number is 403.

For East Gippsland Shire, a breakdown of the number of unsewered residential properties by township showed that there are 2734 unsewered properties in and around townships including 152 in Declared Water Supply Catchments (Table 2-3).

Table 2-3. Number of unsewered properties (listed as having onsite systems in Shire database) by township in East Gippsland Shire. Data provided by East Gippsland Shire. (Townships within Water Supply Catchments are shown in bold type).

East Gippsland	Sewered	Number of Onsite Systems per Planning Zone							Total # Properties with Onsite Systems	Total # Properties
		GRZ1	LDRZ	TZ	RLZ1	RLZ2	RLZ3	RLZ4		
Bairnsdale	Yes	1			7	1			9	5521
Bemm River	Yes								0	102
Benambra (Lake Hume)				48					48	110
Bendoc				30					30	52
Boole Poole			33						33	46
Bruthen	Yes		53	14		56			123	276
Buchan				87					87	133
Bullumwaal			7						7	22
Bumberrah						26			26	31
Cabbage Tree Creek				9					9	11
Cann River	Yes								0	184
Lassitis (Omeo) (Tambo River)						2			2	9
Club Terrace (Bemm River)				15					15	52
Cobungra (Lake Hume)							22		22	31
Eagle Point	Yes		23		26		33		82	702
East Bairnsdale	Yes						15		15	652
Eastwood	Yes								0	1296
Ellaswood			2				64		66	88
Ensay				6					6	14
Ensay South				16					16	20
Fernbank			13						13	27
Genoa				6					6	11
Gipsy Point				32			1		33	41
Granite Rock					24		27		51	60
Hillside							4		4	12
Johnsonville	Yes			2					2	132
Kalimna	Yes	26	12						38	673
Lake Bunga	Yet	10	22						32	250
Lake Tyers Beach	Yes		27				2		29	590
Lakes Entrance	Yes	17	43		22	4	26	5	117	3758
Lindenow (includes Waipa)	Yes		55	1					56	227
Lindenow South			30	42					72	109
Lucknow	Yes				95		49		144	582
Mallacoota	Yes								0	1153
Marlo	Yes		13						13	477
Metung	Yes		118			5			123	1749
Mount Taylor			33						33	51
Newlands Arm	Yes		70						70	557
Newmerella			33			36			69	69
Nicholson	Yes		86		42	141			269	221
Nowa Nowa				70		6			76	119
Nungurner			97						97	132
Omeo (Lake Hume)	Yes				1				1	279
Orbost	Yes		9						9	1344
Paynesville	Yes								0	2647
Raymond Island	Yes	13				51			64	517
Sarsfield			66			78	15		159	95
Swan Reach	Yes					123			123	184
Swifts Creek				65					65	85
Tambo Upper						48			48	56
Toorloo Arm			32			54	31	4	121	146
Wiseleigh			31			32			63	89
Wy Yung	Yes		70		68				138	682

In Wellington Shire, there are 2831 unsewered residential properties in and around townships including 234 in Declared Water Supply Catchments (Table 2-4).

Table 2-4. Number of unsewered properties (listed as having onsite systems in Shire database) by zone and township in Wellington Shire. Data provided by Wellington Shire. (Townships within Water Supply Catchments are shown in bold type). ^ Note: Golden Beach and Paradise Beach have a much larger number of properties listed on the database than have dwellings on them (as determined from 2012 aerial photography). The number of dwellings is listed below

Wellington	Sewered	Number of Onsite Systems per Planning Zone								Total # Properties with Onsite Systems	Total # Properties
		CDZ1	GRZ1	LDRZ	RLZ1	RLZ2	RLZ3	RLZ4	TZ		
Alberton	Yes									0	105
Boisdale									27	27	30
Briagolong						67	30		312	409	463
Carrajung						5			22	27	29
Coongulla (Glenmaggie)	Yes					33				33	280
Cowwarr									81	81	92
Dargo (Mitchell River)						3			39	42	63
Devon North						41				41	45
Glen Rose						3				3	4
Bassetts Lane, Glengarry					9					9	10
Glenmaggie (Macalister River)	Yes					106			5	111	146
Golden Beach				489^						489^	1373
Gormandale (Merrimans Creek)						15			24	39	39
Greenmount				9		19				28	29
Heyfield	Yes					64	8			72	878
Hollands Landing				16						16	28
Kilmany									10	10	14
Langsborough			41							41	45
Licola (Macalister River)									9	9	16
Loch Sport	Yes									0	2511
Longford		2			232				56	290	326
Maffra	Yes			7		58		24		89	2546
Manns Beach									80	80	81
McLoughlins Beach									171	171	179
Munro				12		2			16	30	30
Myrtlebank						10				10	10
Newry									46	46	50
Paradise Beach				285^						285^	572
Port Albert	Partly		2							2	360
Robertsons Beach									63	63	66
Rosedale	Yes			15	42		16			73	706
Sale	Yes			25		12				37	8057
Seaspray	Yes			21						21	366
Seaton						38				38	88
Stratford	Yes			13		164				177	910
Tarraville									18	18	20
The Honeysuckles				268						268	278
Tinamba									23	23	30
Won Wron						23				23	24
Woodside					12	38			22	72	22
Woodside Beach				59					50	109	114
Wurruk	Partly			148	45					193	498
Yarram	Yes									0	1195

2.1. Landuse and Declared Water Supply Catchments

A large proportion of both Wellington and East Gippsland Shires lie within Water Supply Catchments (both Declared and other). For East Gippsland Shire 787,106 ha lies within Water Supply Catchments (38 %) while in Wellington Shire the corresponding figure is 479,896 ha (43 %) (Figure 2-1, Table 2-5, Table 2-6). Each Shire has large areas of land devoted to forest reserves including the majority of the water supply catchment areas (Figure 2-3). However, there are significant areas of agricultural activity in some of the water supply catchment areas, particularly in the Tambo River catchment of East Gippsland Shire and the Merrimans Creek Catchment of Wellington Shire.

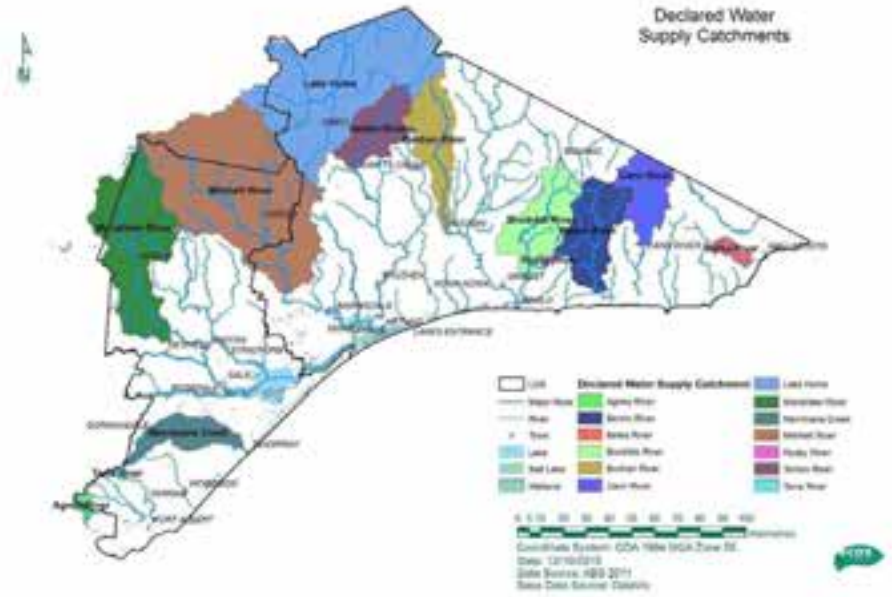

Figure 2-1. Water Supply Catchments within the Shires of Wellington and East Gippsland

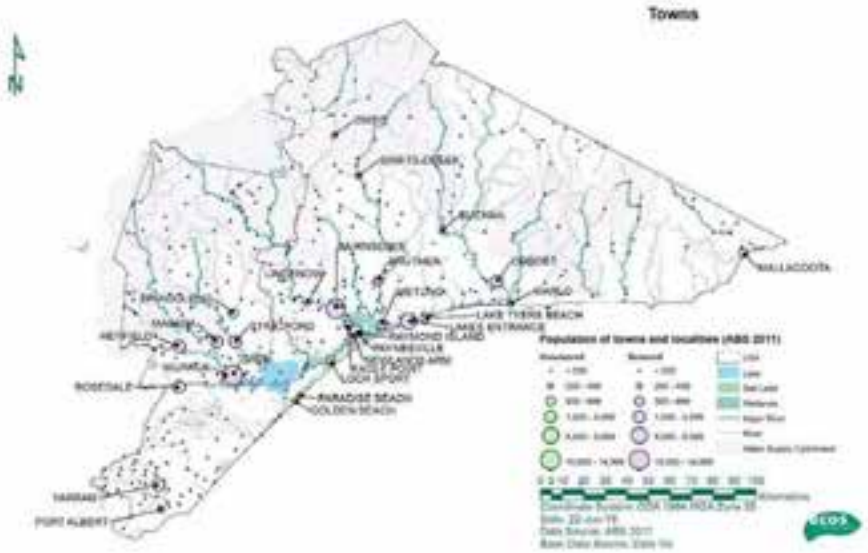

Figure 2-2. Township locations within the Shires of Wellington and East Gippsland.

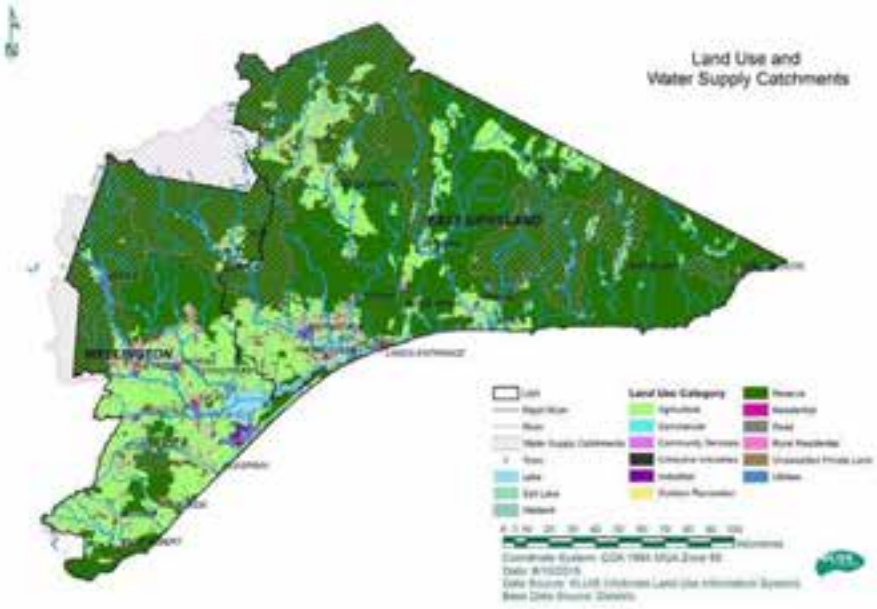

Figure 2-3. Land use within the Shires of Wellingtonand East Gippsland. Water supply catchments are shown in outline.

Table 2-5 Landuse (ha) by Declared Water Supply Catchments (DWSC) within the East Gippsland Shire

Landuse (ha) / Declared Water Supply Catchments (DWSC)	Agriculture	Commercial	Community Services	Extractive Industries	Industrial	Outdoor Recreation	Reserve	Residential	Road	Rural Residential	Unclassified Private Land	Utilities	Total
Bemm River	5,819	1	8		5		86,185	9	959	990	414	5	99,259
Betka River							11,508		39			17	11,563
Brodribb River	1,295		4				91,626		612	119	1	11	93,601
Buchan River	2,774	5	0	0			78,965	1	410	47	19	0	81,615
Cann River	5,940		5				55,482	29	478	962	4	4	62,298
Lake Home	65,401	377	187	6	14		225,493	485	3,577	2,119	2,786	141	300,586
Mitchell River	4,278		6				68,627		364	91	150		73,656
Rocky River	586						1,575		92	20	0		2,273
Tambo River	17,976						48,650	19	612	248	746	9	68,254
Not in a DWSC	259,222	595	2,559	939	400	413	985,984	3,140	16,078	20,504	19,015	2,458	1,310,701
TOTAL	362,730	976	2,762	945	419	413	1,653,495	3,666	23,401	23,824	23,190	2,645	2,097,807
	17 %	<1 %	<1 %	<1 %	<1 %	<1 %	**79 %**	<1 %	1 %	1 %	1 %	<1 %	

Table 2-6. Landuse (ha) by Declared Water Supply Catchments (DWSC) within the Wellington Shire

Landuse (ha) / Declared Water Supply Catchments (DWSC)	Agriculture	Commercial	Community Services	Extractive Industries	Industrial	Outdoor Recreation	Public land, incl. State and National Parks	Residential	Road	Rural Residential	Unclassified Private Land	Utilities	Total
Agnes River	2,644		0				272	5	95	109	4	9	3,130
Lake Home							59						59
Macalister River	10,489	95	1	73		10	144,514	265	1,043	1,404	1,690	3,942	163,524
Merrimans Creek	30,749	0	11	82			18,988	115	1,466	1,457	558	69	53,497
Mitchell River	12,847	155	71				189,629	68	675	1,826	986	74	206,281
Tarra River (WSC)	1,730	8					929	1	47	92	9	16	2,826
Not in DWSC	333,569	477	1,134	312	4,096	1,453	267,580	7,494	15,713	17,951	19,808	5,894	675,080
Total	391,828	735	1,217	466	4,096	1,463	621,760	7,947	19,038	22,838	23,010	9,999	1,104,398
	35 %	<1 %	<1 %	<1 %	<1 %	<1 %	**56 %**	1 %	2 %	2 %	2 %	1 %	

3 Statutory Framework

The requirement for local Governments in Victoria to develop a DWMP is described in Clause 32 of the State Environment Protection Policy (Waters of Victoria) (SEPP WoV) which is an instrument under the *Environment Protection Act 1970*. Further specifications for DWMPs are set out in the guidelines released by the Victorian Water Minister in 2012. These Ministerial Catchment Guidelines, "*Planning permit applications in open, potable water supply catchment areas*" (DEPI 2012) spell out in detail the requirements and necessary components of a DWMP (Table 3-1). The guidelines aim to assist water corporations and other referral and responsible authorities in their assessment of planning permit applications for use and development of land within all open, potable water supply catchments in Victoria.

Because of the risks to public health, all use and development should be sited and managed to protect the quality of water collected from a water supply catchment. While water corporations do not have direct control over land in open, potable water supply catchments, they can nevertheless influence development and land use through the strategic and statutory planning process. The Ministerial Guidelines provide guidance in this respect.

The statutory requirements behind the DWMP are complex as a significant amount of other environmental legislation impinges on water supply catchment protection (e.g. the *Planning and Environment Act 1987*, etc.). The Ministerial Guidelines attempt to tie these various components into a more cohesive framework. The material presented in **Appendix 1** summarises the key sections of the Ministerial Guidelines as well as the relevant components of other legislation that are relevant to this DWMP including the State Planning Policy Framework of the *Planning and Environment Act 1987*.

Table 3-1. Domestic Wastewater Management Plan Requirements

Attribute	Requirements	Relevant section in DWMP
Consultation	The DWMP must be prepared or reviewed in consultation with all relevant stakeholders including: • other local governments with which catchment/s are shared; • EPA; • and local water corporation/s.	Section 6.1 and Appendix 5 (stakeholder consultation) Section 6.1 and Appendix 5 (stakeholder consultation) Section 6.1 and Appendix 5 (stakeholder consultation)
Protection of surface and groundwaters	The DWMP must comprise a strategy, including timelines and priorities, to: • prevent discharge of wastewater beyond property boundaries; and • prevent individual and cumulative impacts on groundwater and surface water beneficial uses.	Action plans - Section 9.1 Action plans - Section 9.1
Monitoring, compliance and enforcement	The DWMP must provide for: • the effective monitoring of the condition and management of onsite treatment systems, including but not limited to compliance by permit holders with permit conditions and the Code; • the results of monitoring being provided to stakeholders as agreed by the relevant stakeholders; • enforcement action where non-compliance is identified; • a process of review and updating (if necessary) of the DWMP every 5 years; • independent audit by an accredited auditor (water corporation approved) of implementation of the DWMP, including of monitoring and enforcement, every 5 years; • the results of audit being provided to stakeholders as soon as possible after the relevant assessment; and • Councils are required to demonstrate that suitable resourcing for implementation, including monitoring, enforcement, review and audit, is in place.	Action plans - Section 9.1, Table 9.4 Action plans - Section 9.1, Table 9.4 (item E5.9) Action plans - Section 9.1, Table 9.4 (see items on Monitoring and Compliance (MC)) Action plans - Section 9.1, Table 9.4 (item E5.6) Action plans - Section 9.1, Table 9.4 (item MC.10) Action plans - Section 9.1, Table 9.4 (item E5.7) Action plans - Section 9.1, Table 9.4 (item MC.11)

3.1 Standards and Guidelines

There are a range of published guidelines that are important for determining the conditions under which an onsite wastewater management system can be permitted, installed and maintained. The ministerial catchment guidelines have already been described in section 10.1.1 above;

3.1.1. EPA Code of Practice for Onsite Wastewater Management

The EPA "Code of Practice for Onsite Wastewater Management" (EPA Victoria Publication 891) ("the Code") is a comprehensive technical document that provides standards and guidance for best practice management of onsite wastewater in Victoria. The Code applies to wastewater (containing sewage) generated by a single domestic household or by multi-dwelling residential, commercial, industrial or institutional facilities. It provides guidance on:

1. The selection, approval, management and maintenance of onsite wastewater management systems which treat up to 5,000 litres (L) of wastewater per day.
2. systems which treat up to 5,000 L/day of greywater to a quality fit for toilet flushing and cold water supply to clothes washing machines and/or land application; and

3. land capability assessment procedures and wastewater flow calculations for designing effluent recycling and disposal systems

3.1.2. EPA Land Capability Assessment – Onsite Wastewater Management

The purpose of the EPA Publication *"Land Capability Assessment for Onsite Domestic Wastewater Management"* (EPA Victoria Publication 746) is to:

- assist in the assessment of the capability of the site to sustainably manage wastewater within allotment boundaries; and
- Identify a management program that should be put in place to minimise the health and environmental impacts of on-site wastewater management.

3.1.3. Australian Standards:

3.1.3.1. AS/NZS 1547:2012 Onsite Domestic Wastewater Management

The Australian Standard, AS/NZS 1547:2012 Onsite Domestic Wastewater Management (Standards Australia 2012) provides guidance for the design and construction of land application areas. If there is an inconsistency between an Australian Standard and the EPA Onsite Wastewater Management Systems Code (EPA Victoria Publication 891), the Code takes precedence. Where the Code does not cover a topic, the relevant Australian Standard should be followed.

3.1.3.2. AS/NZS 3500:2013 Plumbing and Drainage

All plumbing work conducted on site during the installation of an onsite wastewater management system must comply with the Plumbing and Drainage Standard AS/NZS 3500.2013 (Standards Australia 2013). All design solutions should be installed by a licensed plumbing contractor in compliance standard.

4 Council policies and plans

4.1. Council Plans

Wellington and East Gippsland Shires have a number of strategic plans outlining the vision and objectives for their municipalities and communities. Figure 4-1 shows the connection between the DWMP and other relevant strategies.

Figure 4-1. Link between DWMP and other Council Plans

4.1.1. Council Plans

Council Plans set out each municipality's Vision and Strategic Objectives to deliver services that meet the hopes and aspirations of the community, including residents, land owners and visitors to the Shire. The Plans serve to guide Council's corporate priorities and in certain cases deal with factors that influence the management of domestic wastewater.

4.1.2. Planning Schemes

The Municipal Planning Scheme is a legal instrument under the *Planning and Environment Act 1987* that sets out both state-wide and local planning policy for land use, development, and the protection of natural and social values. The purpose of the Planning Scheme is to provide a clear and consistent framework within which decisions about the use and development of land can be made.

The Municipal Strategic Statement provides a vision and clear overarching strategic policy for land use and development in each municipality. These are further refined through issue-specific Local Policies. Zones and overlays applied over each municipality control the use of land.

The need for sustainable management of domestic wastewater is highlighted in both the Wellington and East Gippsland Planning Schemes.

East Gippsland Shire requires that all planning permit applications in unsewered areas (for subdivision and/or new dwellings) must be accompanied by information demonstrating that domestic wastewater can be treated and contained on-site in accordance with EPA requirements.

4.1.2. Wellington Shire Special Water Supply Catchment Areas Policy (Clause 22.01)

Clause 22.01 of the Wellington Shire Planning Scheme lists the Shire's Special Water Supply Catchment Areas Policy.

The policy states that when considering an application to use or develop land within a Special Water Supply Catchment Area, Council will have regard to the likely impacts of the proposed use or development on water quality and quantity in the catchment.

- New development proposals should not lead to an increase in the amount of nutrients reaching streams, surface water bodies and groundwater.

  Any application to use or develop land within a Special Water Supply Catchment Area will be referred to the relevant water corporations and/or catchment management authority. These include Southern Rural Water, Gippsland Water, East Gippsland Water, South Gippsland Water, East Gippsland Catchment Management Authority, and the West Gippsland Catchment Management Authority.
- Any application to construct a building within 100 metres of a waterway or wetland for a use which would generate effluent should include evidence that the building site is capable of containing an appropriate water treatment system by providing either a Soil Percolation Test in accordance with the EPA Code of Practice for Onsite Wastewater Management (EPA Victoria 2013) (the Code); or an approved land capability assessment including assessment of the effluent disposal system in accordance with the requirement's the Code.
- Subdivision and intensive farming activities in water supply catchments, especially in the lower areas of water supply catchments near take-off points will be discouraged.
- Subdivision and intensive farming activities in aquifer recharge areas will be discouraged.

The ESO8 Planning Overlay "Special Water Supply Catchment Areas" consists of 9 areas totalling 263 hectares, one in the Merrimans Creek DWSC (31 ha) and eight in the Mitchell River DWSC (232 ha) (Figure 4-2).

Figure 4-2. ESO8 "Special Water Supply Catchment Areas" in the Wellington Shire.

4.1.3. Planning Zones

Planning zones mainly align with landuse and the predominant zones within each Shire are Public Conservation and Resource Zone (PCRZ) and Farming Zone (FZ) (Figure 4-3). Water supply catchments lie mostly within PCRZ and FZ.

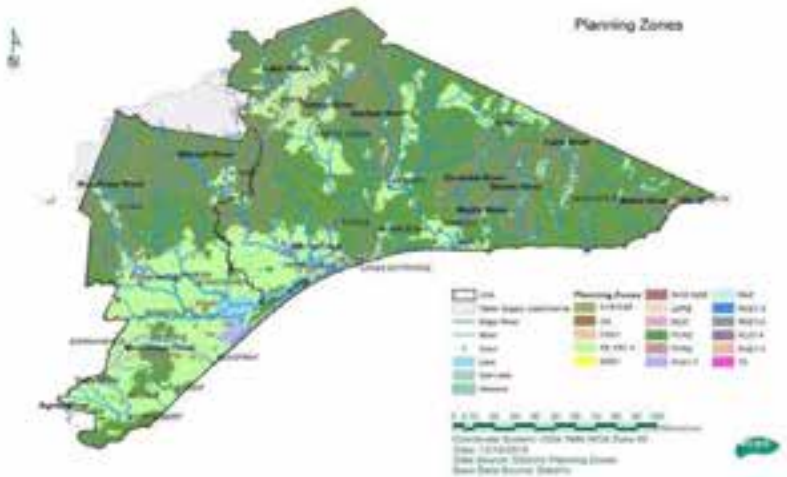

Figure 4-3. Planning Zones within the Shires of Wellington and East Gippsland. Water supply catchments are also shown in outline.

4.1.4. Health and Wellbeing Plans

The *East Gippsland Community Health and Wellbeing Plan (2013-2017)* (East Gippsland Shire Council 2013) and the *Healthy Wellington Municipal Public Health and Wellbeing Plan 2013-17* (Wellington Shire Council 2013) provide the framework for an integrated approach to public health planning for each Shire. The plans are major policy documents that seek to improve the health, safety and wellbeing of the people who live and work in the Shires. Neither plan specifically mentions water or wastewater, however the underpinning objectives of the plans is to provide regional communities with a healthy living environment and the DWMP assists in achieving that objective.

4.1.5. Urban Stormwater Management Plan

Wellington and East Gippsland Shires Urban management stormwater plans (Wellington Shire Council 2002; East Gippsland Shire Council 2003) provide detailed risk analysis and prioritised actions to address identified threats to environmental and amenity values from inadequately managed stormwater (including where domestic wastewater enters the stormwater system).

More recently the *East Gippsland Urban Water Management Strategy* and the companion *Urban Water Guidelines* (East Gippsland Shire Council 2013) seek to reduce sediments and nutrients entering the Gippsland Lakes from urban areas. This is to be achieved through:

- Establishment of vegetation corridors through the urban areas
- Reduction of weed species in urban waterways
- Improving community perception and value of urban waterways
- Identification of recreation opportunities in line with the East Gippsland Shire Council Trails Strategy.

The Urban Water Management Strategy and guidelines are focussed on protecting and improving urban waterways from sediment and related nutrient runoff and on weed and erosion control. While not specifically addressing on-site wastewater management, the strategy approaches are consistent with the aims of this DWMP, particularly where they intersect with the water supply catchments areas (e.g. stormwater in unsewered towns).

4.1.6. Coastal Townships Urban Design Framework

The Coastal Towns Design Framework was a joint initiative of Wellington Shire Council and East Gippsland Shire Council. The councils developed Urban Design Frameworks for 18 coastal settlements in eastern Victoria. In Wellington this involved the coastal towns of Loch Sport, Golden Beach/Paradise Beach, The Honeysuckles, Seaspray, Woodside Beach, McLoughlins Beach, Manns Beach and Robertsons Beach, while for East Gippsland Shire the relevant towns were Paynesville, Raymond Island, Eagle Point, Metung, Nungurner, Lakes Entrance, Lake Tyers Beach, Marlo, Bemm River, Mallacoota, and Gipsy Point.

The Urban Design Frameworks provide guidance for the future development of urban areas and involved the preparation of realistic design concepts and planning provisions based on community consultation, research and analysis. The Urban Design Frameworks are implemented in the planning scheme and have the same status as other Structure Plans (e.g. Rosedale, Heyfield, Sale, Wurruk and Longford).

When planning for growth the councils take into account if the land is suitable for that development. Part of this is the consideration whether sewer infrastructure needs to be provided or else if onsite systems are to be used, what the most appropriate minimum lot size should be.

5 Assessment of current wastewater management situation

6.1. Current situation

The most common onsite wastewater management systems distributed throughout the Shires are:

- Primary treatments systems
- Secondary Wastewater Treatment Systems
- Split systems which treat only the toilet wastewater (blackwater). The remaining portion of wastewater from showers, baths, basins, etc. (greywater), is discharged land with a portion of the discharge entering the storm water system which enters local creeks, rivers and ground waters. Split systems are distributed across both Shires however; these are no longer installed.

Discharge of greywater to the environment means that local stormwater can be expected to have a very high nutrient and pathogen loading. Research has shown greywater pathogen concentrations can be very high (Birks and Hills 2007).

6.2. Current approvals process

Installation of new wastewater systems in unsewered areas, and modifications to existing systems require Council approval in accordance with the *Environment Protection Act 1970* and the following key EPA documents:

- The EPA "*Code of Practice for Onsite Wastewater Management*" (EPA Victoria Publication 891) (the Code);
- The EPA Publication "*Land Capability Assessment for Onsite Domestic Wastewater Management*" (EPA Victoria Publication 746) and
- EPA Approvals, Australian Standards and JASANZ Certificates of Conformity for domestic wastewater systems.

Council approval is obtained by making an application for a Septic Tank Permit. Both Wellington and East Gippsland Shires provide application kits describing the necessary information to accompany a permit application.

New dwellings and subdivisions often also require planning approval, which is obtained through a Planning Permit in accordance with requirements of the Municipal Planning Scheme and the Ministerial Catchment Guidelines, "*Planning permit applications in open, potable water supply catchment areas*" (DEPI 2012) (see Section 3 above and Appendix 1). While all of the Ministerial Guidelines must be addressed where a planning permit is required to use land for a dwelling or to subdivide land, Guideline 1 "Density of dwellings", Guideline 2 "Effluent disposal and septic tank system maintenance" and Guideline 4: "Buildings and works" are particularly relevant with respect to this DWMP.

A diagrammatic view of the septic tank and planning permit process for each Shire is illustrated in Figure 5-1 and summarised in stepwise form in Table 5-1 following the procedure developed for the Mitchell Shire DWMP (Mitchell Shire Council 2014).

Table 5-1. Steps in approvals process for Septic Tank Systems (after Mitchell Shire Council 2014 with modifications).

Step	Details
Application for Permit	1. Administration officers register receipt of a paid application which must include: • Identification of the site, site and building plans, specifications and particulars of the proposed septic tank system, a full description of the proposed means for treating the effluent and forward the application onto the Council Environmental Health Officer (EHO).
Site Inspections	1. Staff will make arrangements for an initial on-site inspection which is conducted prior to approval of the application.
Site Assessment	1. An EHO will request a land capability assessment for all applications that fall within a Declared (Declared) Special Water Supply Catchment area if not previously submitted via the planning permit process. For all other areas EHOs will conduct a site inspection to determine whether the site is appropriate for wastewater disposal. The EHO may further request a land capability assessment if they require further clarification on the sites suitability.
Further Information/ Non-Compliance	1. If the EHO requires further information the applicant will be notified and the application will not progress until the information is received.
Compliance and Approval	The EHO will conduct a series of progress inspection prior to backfilling of trenches/irrigation depending on the type of system. • The EHO will conduct a final inspection when Certificate of Compliance has been issued by the plumber and prior to Certificate of Use being issued by the Council. • Once the EHO is satisfied that all the aspects of the application, plans and specifications stated in the permit to install comply with the Act, a permit to use will be issued. • The EHO may issue a permit subject to modifications or conditions. • Septic permit shouldn't be issued in a GWSC area until the planning permit is issued and conditions of water corporations are considered/adhered to.
Refusal to Grant Permit	The EHO will refuse to issue a permit if they consider that: • The site of the proposed septic tank system is unsuitable; or • The area available for the treatment or disposal of the effluent is not sufficient. The EHO will refuse to issue a permit if the proposed domestic wastewater system: • Is not an EPA approved system for the proposed purpose; • Is contrary to any State environment protection policy or waste management policy; or Any refusal to grant a permit to install/alter a septic tank system must be ratified by Council.

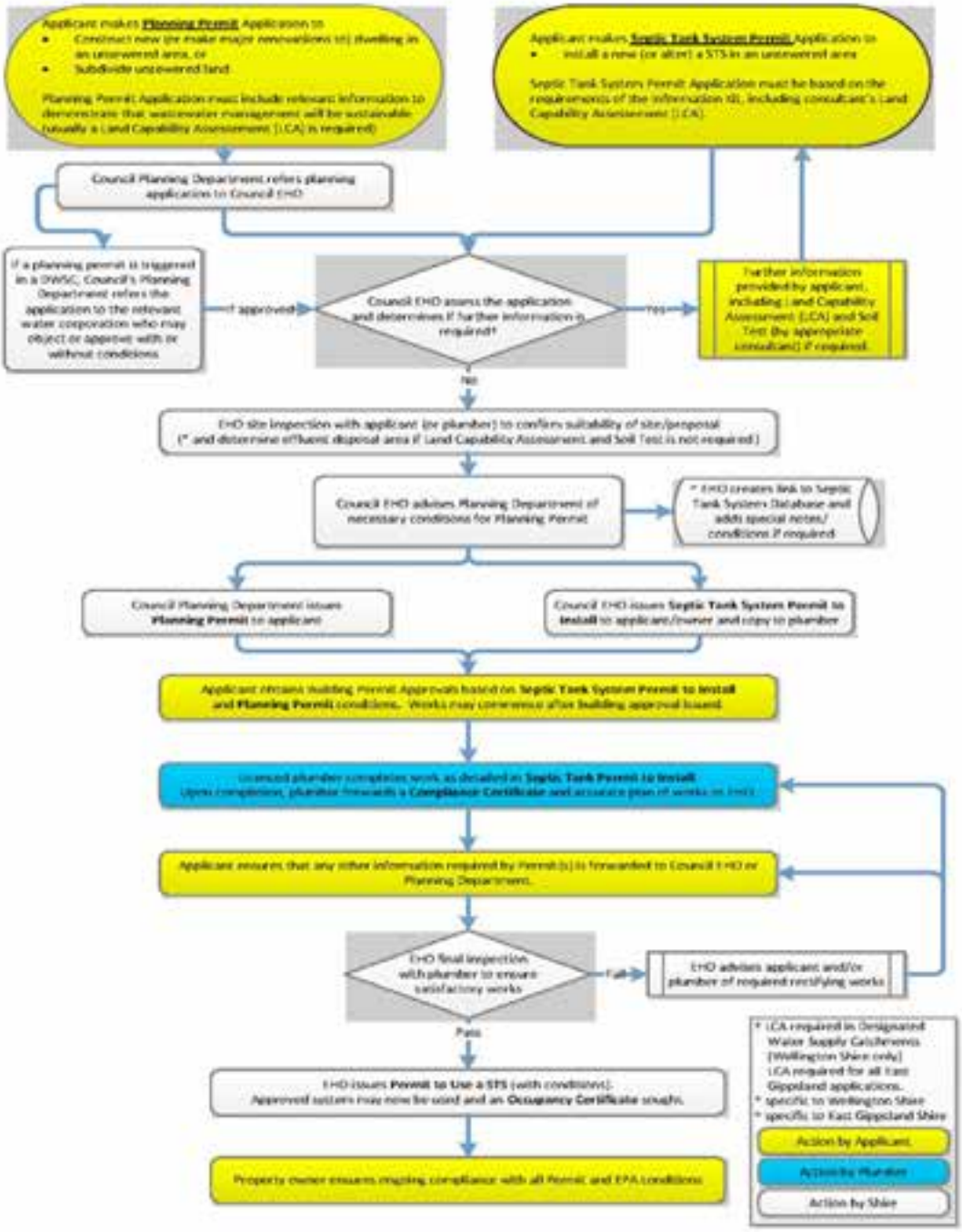

Figure 5-1. Approval Process for on-site wastewater management for East Gippsland and Wellington Shire Councils.

The planning departments also review all applications to determine if and when a referral authority is to be notified of the application. This includes applications in water supply catchments.

5.2.1. Land Capability Assessment (LCA)

The process for LCAs used by both Shires is that outlined in EPA Code (EPA Victoria 2013). The Code states that a Land Capability Assessment is required for all applications that fall within Declared Special Water Catchment Areas. In all other areas an LCA is not required unless requested by the EHO; this is the situation in Wellington Shire, however in East Gippsland Shire, an LCA is required for onsite wastewater management system applications regardless of whether they lie within a Declared Water Supply Catchment or not.

For Wellington Shire, the EHO will also consider the outcomes of the risk mapping analysis described in Section 8 of this DWMP in determining the requirement of an LCA.

Wellington Shire policy requires all new coastal developments, such as at Loch Sport, Golden/Paradise Beach, McLoughlins Beach, Manns Beach and Woodside Beach, to have a Secondary Treatment Systems with an EPA approved disposal method.

5.2.2. Maintenance of Septic Tank Systems

The occupants of premises on which a wastewater treatment system is located must maintain the system in accordance with the requirements specified on the permit (e.g. regular servicing, pumping out the septic tank every five years etc.). The EHO may conduct annual inspections of wastewater treatment systems to ensure compliance with the certificate for use. These will be focussed on priority areas as discussed in Section 8.4 later on in this report.

5.2.3. Monitoring and Compliance

Domestic onsite wastewater management systems are required to be operated and maintained in accordance with the conditions in the Council Permit to Use, the Certificate of Approval (CA), and the Code to ensure that human health and the environment are protected (EPA Victoria 2013). Furthermore, the Ministerial Guidelines require a process of monitoring the condition of septic systems and a process of enforcement when noncompliance is identified.

Council may fine a property owner under section 53N and Schedule A of the *Environment Protection Act 1970* for failing to have the treatment system regularly serviced on an ongoing basis in accordance with the conditions on the relevant CA and the Council Septic Tank Permit.

Wellington and East Gippsland Shire Councils have established inspection schedules for processing the applications to install or modify domestic onsite wastewater management systems. Although neither council has an active monitoring nor compliance procedure to follow up and monitor the condition of all types of domestic wastewater units after a permit to use has been issued and the installation process is complete, Wellington Shire Council does have such a monitoring and compliance procedure for Aerated Wastewater Treatment Systems (AWTS).

A recommendation of the action plan is to commence monitoring and enforce compliance of domestic wastewater treatment systems. Resourcing a monitoring and compliance program for every property in the Shires is currently not feasible and it is therefore a recommendation of this DWMP is that monitoring is to be prioritised by risk and to begin in localities that have been identified as high risk through the risk mapping component of this plan (see Section 8). This process will identify any non-compliant units and a process of enforcement will ensure action will be taken to ensure systems operate correctly. The initial focus will be on systems within the declared water supply catchments.

5.2.4. Data management

With respect to Aerated Wastewater Treatment Systems (AWTS) qualified maintenance operators certified by the system manufacturers undertake quality inspections and prepare reports for the councils as per the permit conditions and certificates of conformity. The data are then entered into an electronic database.

It is recommended in the action plan that service maintenance records are checked and followed up to ensure units are operating correctly. While this is the case for AWTSs in Wellington Shire, the process should be extended to all onsite wastewater management systems in both Shires, focussing firstly on systems in high risk areas described in Section 8 of this DWMP, with an emphasis on systems within the declared water supply catchments

It is further recommended that both councils retrospectively record unrecorded domestic wastewater treatment systems through utilising the inspections recommended under the proposed compliance program. The initial focus should be on systems in high risk areas described in Section 8 of this DWMP, with an emphasis on systems within the declared water supply catchments. Identification and registration of such systems will assist in managing the risk that unregistered or incorrectly registered onsite wastewater management systems could be operating incorrectly without the council's knowledge.

6 Management of the DWMP

6.1. DWMP Development and stakeholder consultation

The DWMP was prepared by Ecos Environmental Consulting according to terms of reference supplied by Wellington Shire Council and East Gippsland Shire Council and in accordance with the requirements of the Ministerial Catchment Guidelines (DEPI 2012). Development of the DWMP involved internal workshops with Environmental Health and Planning Staff from each council as well as external workshops with the regional water authorities, regulatory agencies and environmental organisations. The DWMP also draws on the material and findings of the 2006 Wellington and East Gippsland Shires DWMP as well as the Municipal Association of Victoria Model DWMP.

The parties consulted in the development of the DWMP were:

- Department of Environment, Land, Water and Planning (DELWP)
- Department of Health and Human Services, Victoria
- East Gippsland Water
- EPA Victoria
- Gippsland Lakes Committee
- Gippsland Water
- South Gippsland Water
- Southern Rural Water

A list of stakeholder workshops and attendees is presented in **Appendix 5**.

6.1.1. Community Consultation

The Shire councils have undertaken a community consultation exercise (public comment) as part of the adoption process.

6.1.2. Implementation

Following Council approval and adoption of this DWMP, actions will be undertaken as outlined in Sections 8 and 9, assuming sufficient resources are available.

Progress made towards completion of the actions outlined in this DWMP will be reviewed on an annual basis. This will include consideration of whether tasks have been completed on time (or are on schedule)

and the outcomes achieved. The action plans include an outline of monitoring indicators to assist in determining the outcomes achieved.

The annual review will be a joint undertaking between Wellington and East Gippsland Shires. It will be managed by Wellington Shires Environmental Health Coordinator and East Gippsland Shires Environmental Health Manager.
. The review will be undertaken in September each year and will include a review of resources required for the following year for incorporation into the coming budget.

An annual report on progress will be distributed to both internal and external stakeholders as outlined in Section 8.7 and in the action plan tables (see Table 9-4).

7 Water quality risks posed by domestic onsite wastewater management systems

7.1. Microbial pathogens

There are around 150 known gastrointestinal pathogens that can be classified as waterborne. These pathogens may be broadly separated into viruses, bacteria, protozoa (single-celled parasites) and helminths (intestinal worms).

The most virulent organisms are typically associated with human sewage and animal faeces. Ingestion of these organisms typically results in gastrointestinal illness of varying degrees depending on the type of pathogen, the numbers of pathogens consumed by the host and the health and immunity of the host. While typical symptoms of gastrointestinal infection may include nausea, vomiting and diarrhoea, for certain pathogens an unfortunately high proportion of those infected develop serious and even life threatening complications (termed sequelae) including encephalitis, meningitis and kidney failure.

Since septic effluent poses a significant biohazard its management is a critical component of good public health practice. It is important that onsite wastewater management systems are designed, installed and managed appropriately to avoid the risk of septic effluent being allowed to contaminate surface waters and groundwaters and limit their beneficial uses.

7.2. Nutrients

Septic effluent is rich in the plant nutrients nitrogen and phosphorus. Areas where there are high densities of on-site wastewater management systems, surface waters and groundwater often have elevated nutrient concentrations. Surface water impacts are typically manifested as blooms of filamentous algae or phytoplankton (single-celled algae) in rivers, streams and lakes due to high phosphorous loadings. The Gippsland Lakes are a significant example of an important regional asset that has been affected by high phosphorus loads from its catchment – although onsite wastewater management systems are just one of a number of contributors.

With respect to groundwater, it is nitrogen that tends to be the nutrient parameter of most concern. Partly this is due to the retention of phosphorus in the soil and greater mobility of nitrogen in the subsurface and partly due to the capacity of groundwater to accumulate nitrogen to high concentrations. Where groundwater is used as a source of drinking water, the Australian Drinking Water Guidelines (NHMRC and NRMMC 2011) specify that the concentration of nitrate in the water must be less than 50 mg NO_3/L (as nitrate) to protect bottle-fed infants under 3 months of age. High nitrate concentrations can cause infantile methaemoglobinaemia (also known as blue-baby syndrome) where the nitrate affects the function of haemoglobin in the blood limiting its ability to carry oxygen. Clusters of onsite wastewater systems in areas where potable water supplies are sourced from groundwater should be considered a risk factor for nitrate accumulation.

7.3. Trace Organic Compounds (TOrCs)

In the context of domestic sewage, TOrCs are organic chemicals such as household herbicides and insecticides, detergents, personal care products and pharmaceuticals. In most cases, such chemicals undergo biodegradation by bacterial enzymes in the effluent holding chambers of conventional septic tanks and domestic aerated wastewater systems and further biodegradation in the soil environment of the effluent disposal field. When chlorine is added to the effluent (e.g. such as in domestic effluent of aerated onsite wastewater systems to permit surface irrigation), its oxidising effect can also destroy TOrCs persisting through the earlier treatment stages.

Whilst there are literally thousands of chemicals in domestic use, the vast majority are used only in small quantities as part of routine household use and are readily degraded in the onsite wastewater treatment system. Since the principle aim of onsite wastewater management is to retain and treat effluent on site, the effects of persistent TOrCs is likely to only be a problem if effluent is permitted to move offsite. In such circumstances the health risks from microbial pathogens is expected to significantly outweigh the risks from TOrCs and thus management and monitoring for pathogens will also result in the management and control of persistent TOrCs. Until otherwise advised by the EPA, the focus of both councils will be on protecting public health from microbial pathogens through the appropriate management of onsite wastewater management systems.

7.4. Failure modes of on-site treatment systems

Although there are many variations in design, a typical onsite wastewater management system consists of an underground chamber that receives household wastewater. Solids settle to the bottom where they undergo digestion by microorganisms. A frothy scum forms at the surface and also plays a role in biological digestion of the wastewater. Microbiological respiration in this chamber rapidly consumes the available dissolved oxygen and so most of the activity is anaerobic. The semi-clarified liquid is distributed by gravity to the disposal field (also known as an absorption trench). In aerated wastewater treatment systems, an additional chamber is present which is mechanically aerated, providing a better quality of effluent that may comply with less stringent permit conditions (e.g. reduced setback distances from waterways).

7.4.1. Mechanisms of onsite system failure

Onsite wastewater management systems can have several modes of failure with the principal mode being disposal field surcharge (i.e. effluent pooling at the soil surface) due to trench clogging. Beal *et al.* (2005) documented the principal failure modes of domestic onsite wastewater management systems in South East Queensland. These were:

- Absorption trench surcharge (59%) due to:
  - Trench length under-design
  - Broken baffles / outlet filters, inadequate desludging (causing blockage and surcharge)
- Odour (10%)
- Risk of off-site runoff (10%)[1]
- Tank disrepair (21%)
- Beal *et al.* cited other Australian studies from the 1990's suggesting failure rates between 50% (Mt Lofty, Adelaide Hills, 12% surcharging) and 67% (Maroochy Shire, South East Queensland)
- Deliberate pipe disconnection by occupants allowing treated effluent to flow over the ground
- Other human interference (eg. turning off AWTS aerator).

Broken baffles/outlet filters and infrequent septic tank desludging both allow solids carryover into the trench, thereby reducing the ability of the trench to slowly "leak" effluent into the soil which is a desirable

[1] It was not explicit in the paper, but this is assumed to mean direct evidence of off-site runoff. In practice, any surcharging poses a risk of off-site runoff.

trait of properly-functioning absorption trench. If leaking is impeded the likelihood of surcharge of septic effluent to the surface increases.

8 Onsite systems catchment water quality risk assessment

In section 5.2.3 it was recommended that monitoring compliance of onsite systems be risk-based and focus on localities that have been identified as high risk through risk mapping. The risk mapping approach developed for the DWMP is described in this section and consists of a semi-quantitative risk scoring exercise. It is appropriate for the high level identification of areas of heightened risk to surface water and groundwater quality across each Shire and can be used by the council EHO's to assist in their decision making with respect to individual sites.

8.1. Data collation, GIS analysis, hazard source identification and mapping

Spatial data for use in the risk assessment of onsite wastewater management across Wellington and East Gippsland Shires was obtained from a range of sources including the Victorian online environmental databases DataVic, Water Measurement Information System, and the Bureau of Meteorology. Additional data sources were Gippsland Water, South Gippsland Water, East Gippsland Water, and Wellington and East Gippeland Shire Councils (Table 8-1).

Table 8-1. Data sources including spatial data used in the risk assessment

Data Source	Data layer	Description
DataVic	10 m Contours	Create DEM to determine aspect, slope and water table depth
	Rivers	Calculate setback from waterways and waterbodies
	Lakes	
	Properties	Property size
	Flood layers (1 in 100)	Used to calculate useable area
	LSYS250	Land system – contains soil risk information – MASS_MOV (erosion), WATER_LOG (soil drainage), LEACH (pH), WIND_ER (soil texture), WATER_ER (soil depth)
	Soil EC	
	Soil %Clay	Used to calculate soil texture
	Soil pH	
	SWL (groundwater contours)	Groundwater level used with DEM to calculate depth to water table
	Planning Overlays	
	Planning Zones	
	DWSC	Declared Water Supply Catchments
	LGA	
	Locality	Town locations
Water Measurement Information System (WMIS)	Groundwater Bores	Used to calculate useable area, setback from bores
ABS	Town Population	
BOM	Site rainfall data	Used to calculate climate risk
	Site evaporation data	
	Annual rainfall map	
	Annual pan evaporation map	
GW	Sewered towns	Website
	DWSC	Water Supply Catchment confirmation
SEW	Sewered towns	Website
DSW	Sewered towns	GIS Layer
Shire Councils	On-site system locations	Excel files with lat/long coordinates
	Aerial photographs	

8.2. Risk assessment and ranking

8.2.1. Risk model development

The LCA Risk table in the Code (EPA Victoria 2013) was used as a basis for a risk assessment of properties that are permitted to have a dwelling within rural (FZ, RCZ, RAZ, RLZ) and urban (TZ, LDRZ, GR1Z, MUZ) planning zones.

Data for each of the characteristics used to assess the properties in the LCA were obtained where possible and the classifications of risk (or "level of constraint") were identified and whether they related to surface water or groundwater risk.

Although not all LCA site attributes are able to be assessed on a catchment scale, many can be used to provide a general assessment of the land capability for each property. A detailed list of potential risk factors that could be used in risk scoring is presented in **Appendix 2**.

In developing the risk scores for the classes: the risk factors which were considered to be representative of the highest risk were soil suitability, usable area, slope and climate. These were chosen to represent the likely risks posed by the on-site systems prior to detailed LCA site assessments if these are considered necessary by the EHO, or required due the site being within a declared water supply catchment.

Risk factors were based on a combination of the guidance given in the Victorian Land Capability Assessment Framework 2nd Edition (MAV, DEPI and EPA 2014) and the EPA LCA guidelines (EPA Victoria 2003).

The intention of the risk assessment is to prioritise areas and systems for possible follow up site inspections. A high risk score does not necessarily mean that a particular system actually poses a higher risk, rather it simply means that the Shire council EHO should evaluate the risk at the site more closely.

8.2.2. Property Risk

A number of risk factors were chosen to calculate the risk of having an onsite wastewater management system (OWMS) on each property permitted by the planning zone to have a dwelling.

The risk per property of an OWMS was categorised using the following formula:

Property Risk Score = [((soil suitability constraint + slope constraint) x ((2 x useable area constraint) + climate constraint)) / 10]

The final risk ratings were categorised and mapped in the following way:

- Very High >5.5
- High >4 to <=5.5
- Mod >=1.8 to <=4.0
- Low <1.8

The constraints used in the risk calculations were:

(1) Usable Area Constraint

The usable area for an OWMS was determined by the total lot size minus the areas of land deemed to be unusable according to the limitations listed below. Therefore, the useable area constraints were categorised as follows:

i. *Compliant:* ≥ *40 ha*
ii. *Low:* *0.4 - < 40 ha*
iii. *Moderate:* *0.2 - < 0.4 ha*
iv. *High:* *0.1 - < 0.2 ha*
v. *Very High:* *< 0.1 ha*
vi. *Unusable:* *0 ha*

Limitations reducing the area of land on which an OWMS could be located were based on setbacks required by the Code of Practice for Onsite Wastewater Management (EPA Victoria 2013) (Table 8-2). A conservative approach was taken, using the highest setback requirements for each feature:

a. *Distance to water* - shorter distances means that rainfall runoff is more likely to reach the waterway and less rainfall is required to contribution to a connection between surcharged effluent at the location of an onsite system and the nearest waterway.
   Within a DWSC, an OWMS cannot be located less than 100 m from a waterway or 300 m from a reservoir, whereas outside a DWSC, the required setback is 60 m from any waterway or waterbody;

b. *Depth to the water table* – a shallower soil depth to the saturated zone (groundwater) increases the potential of pathogen movement in to the groundwater.
   The requirements for onsite systems is that the vertical depth from the base of the disposal field trench to the highest seasonal water table is 1.5 m. The trench can be up to 0.6 m deep, therefore, a watertable depth of less than 2.1 m results in that part of the property being unusable for an onsite system;

c. *Distance from groundwater bore* – required setback is 50 m for category 1 and 2a soils and 20 m for category 2b – 6 soils for secondary treatment (see EPA Victoria 2013, Appendix A, Table 9 for soil categories). A 50 m setback was used in the risk calculation.

Table 8-2. Setback distances for classes of onsite wastewater management system. Source: EPA Publication 891. 3 Code of Practice Onsite Wastewater Management (EPA Victoria 2013)

Item	Setback Distances (m)		
	Primary Treated Effluent	Secondary Sewage and greywater effluent	Advanced secondary greywater effluent
Dam, lake or reservoir (potable water supply)	300	150	150
Waterways (potable water supply)	100	100	50
Waterways, wetlands, estuaries, ocean at high tide, dams, lakes, reservoirs (stock and domestic, non potable)	60	30	30
Groundwater Bore (category 1 and 2a soils)	NA	50	20
Groundwater Bore (category 2b to 6 soils)	20	20	20
Vertical depth from base of trench to the highest seasonal watertable	1.5	1.5	1.5

(2) Soil Suitability Constraint

Soil suitability for an OWMS was determined from the hydraulic hazard of the soil (texture, permeability and structure), the depth to rock or other impermeable layer, and other likely limitations due to soil condition. The significance of each characteristic was weighted to account for the likely impact of each on the OWMS risk. Thus the soil suitability was categorised using the following formula:

$$\text{Soil suitability} = [(\text{hydraulic hazard} \times 3.2) + (\text{depth hazard} \times 1.2) + (\text{limitation hazard} \times 0.6)) / 5]$$

a. Hydraulic hazard constraints

The soil characteristics used to categorise the hydraulic hazard constraints were based on soil texture, then adjusted according to likely structure and permeability for each soil texture category (Table 8-3). Therefore, the hydraulic hazard constraint was categorised using the following formula:

Hydraulic hazard constraint = [(soil texture x 1.4) + (soil structure x 0.8) + (permeability x 1)]

Table 8-3. Hydraulic hazard constraints (Data sources EPA Victoria 2013, MAV, DEPI and EPA 2014)

Level of Constraint	Soil Texture	Soil Structure (pedality)	Indicative permeability Ksat (m/d)	Hydraulic Hazard Rating
Nil or Low	3. Loams 2. Sandy loams	***Highly or moderately structured*** 6a, 6b, 5a, 5b, 4a, 3a	***0.5 – 3.0 m/d:*** 3a, 3b, 2b, 4a	3 Loams
Moderately low	4. Clay loams	***Weakly structured*** 2a, 3b, 4b, 5c, 6c	***0.06 – 0.5 m/d:*** 4b, 4c, 5a, 5b	2 Sandy loams 4 Clay loams
Moderately high	5. Light clays			5 Light clays
High	6. Heavy clays 1. Sands	***Structureless, massive or hardpan*** 1, 2b, 4c, 5c, 6c	***< 0.5 m/d:*** 5c, 6a, 6b, 6c ***Or > 3.0 m/d:*** 1, 2a	6 Heavy clays 1 Sands No soil data

The elements of the hydraulic hazard constraint equation are further explained in the following sections.

Soil texture

Very sandy soils could allow rapid subsurface movement and subsequent discharge to nearby waterways, while dense clay soils could support perched water tables and subsequent surface surcharging in wet weather. The soil texture constraint was categorised as follows:

i. *Low:* *3. Loams, 2. Sandy Loams*
ii. *Moderate low:* *4. Clay Loams*
iii. *Moderate high:* *5. Light Clays*
iv. *High:* *1. Sands, 6. Heavy Clays*

Victoria Clay% GIS data was used to calculate the soil texture, which was supplemented with Victorian Land Systems 1:250 000 GIS layer (LSYS250) where there was no Clay% data. Due to the nature of the data, which provided a % clay content for varying depths (to 2m), the most restrictive soil layer is the one that will likely affect soil suitability for onsite system use. Therefore, the clay content at the most restrictive depth was used to calculate the soil texture. This was generally lower in the profile as there tends to be a gradation of increasing clay content with depth.

Soil categories were calculated using the Hazelton and Murphy (2007) field texture and estimated clay content interpretations as follows:

1: Sands: < 10 % clay
2: Sandy loams: 10 – 20 % clay
3: Loams: 20 – 30 % clay
4: Clay loams: 30 – 35 % clay
5: Light clays: 35 – 45 % clay
6: Heavy clays: > 45 % clay

Soil structure

Soil texture data was the only GIS data available for soil structure, therefore the soil structure constraints were based on an average of the soil structure categories for each texture type [listed in square brackets]

i. *Low:* *6: Heavy clays, 5: Light clays [6a,6b,5a,5b,4a,3a]*
ii. *Moderate Low:* *3: Loams*
iii. *Moderate:* *4: Clay loams [2a,3b,4b,5c,6c]* iv. *Moderate High: 2: Sandy loams*
v. *High:* *1: Sands, [1, 2b, 4c, 5c, 6c]*

Soil Indicative permeability

Soil permeability constraints were based on an average of the soil permeability categories for each soil texture type [listed in square brackets]

i. *Low:* *3: Loams [3a, 3b, 2b, 4a]*
ii. *Moderate Low:* *4: Clay loams*
iii. *Moderate:* *2: Sandy loams [4b, 4c, 5a, 5b]* iv. *Moderate High: 5: Light clays*
v. *High:* *1: Sands, 6: Heavy Clays [5c, 6a, 6b, 6c, 1, 2a]*

b. Depth hazard

Depth hazard was identified using the LSYS250 GIS layer, which identified the depth hazard as a water erosion hazard (WATER_ER). The depth hazard constraint was categorised as follows:

i. *Low (WATER_ER 1 or 2): soil depth > 2 m*
ii. *Moderate (WATER_ER 3): soil depth 1 – 2 m*
iii. *High (WATER_ER 4): soil depth < 1 m (or no depth data available)*

These categories are very similar to those listed in the Victorian Land Capability Assessment Framework (MAV, DEPI and EPA 2014) (Table 8-4).

Table 8-4. Victorian Land Capability Assessment Framework soil depth constraints

Level of Constraint	Soil depth to rock or other impermeable layer
Nil or Minor	> 1.5 m
Moderate	1.5 – 1.0 m
Major	< 1.0 m

c. Limitation hazard

Limitation hazards are listed in the LSYS250 GIS layer as PERF_AGG, which consists of description of limitations and penalty points used to rank land systems for inherent production potential after Rowan et al. (2000). The best land for agriculture or horticulture is allocated 10 and the score declines as limitations become more severe, with the least productive land having a score of 0. The limitation constraint was categorised as follows:

i. *Low:* *0 points*
ii. *Moderate:* *2 points*
iii. *High:* *4 points*

The soil condition was calculated from Total limitation potential 10 – (PERF_AGG + Rainfall Score + Steepness Score + Drainage Score). Rainfall, steepness and drainage scores were determined from the Land system and vegetation codes.

The remaining limitations were soil physical condition and soil chemical condition (Table 8-5).

Table 8-5. Soil physical condition and soil chemical condition limitations

Characteristic	Description	Penalty Points
Soil physical condition	Hard consistence in the A horizon; or low permeability of profile; or shallow stony loam profile (less than 0.2 m thick).	2
Soil chemical condition	Low nutrient status (sum of exchangeable calcium, magnesium and potassium less than 8 milliequivalents per 100 g within 1 m); or High salinity (more than 0.2% total soluble salts within 1 m of the soil).	2

(3) Slope Constraint

Increasing slope promotes water shedding. The slope constraint was categorised to be consistent with the Victorian Land Capability Assessment Framework (MAV, DEPI and EPA 2014) (Table 8-6) and is as follows:

i. *Low: lots with an average slope < 6%*
ii. *Moderate Low: lots with an average slope 6 – 10%*
iii. *Moderate High: lots with an average slope 10 – 15 %*
iv. *High: lots with an average slope > 15 %*

Table 8-6. Victorian Land Capability Assessment Framework slope constraints

Level of Constraint	Slope gradient % (a) for absorption trenches & beds	Slope gradient % (b) for surface irrigation	Slope gradient % (c) for subsurface irrigation
Nil or Minor	<6%	<6%	<10%
Moderate	6-15%	6-10%	10-30%
Major	>15%	>10%	>30%

(4) Climate Constraint

The climate risk is the soil moisture surplus where rainfall is greater than evaporation, which can result in surface runoff, saturation and an increase of infiltration to the groundwater. The climate constraint was categorised as follows:

i. *Zone 1: Rainfall exceeds evaporation < 1 month in a year*
ii. *Zone 2: Rainfall exceeds evaporation 1 – 4 months in a year*
iii. *Zone 3: Rainfall exceeds evaporation > 4 months in a year*

There are seven sites with evaporation data within the two Shires (Table 8-7).
Two of these had available data on the Bureau of Meteorology (BOM) website. The available broad rainfall and evaporation maps on the BOM site were used in conjunction with this data to determine that the majority of the study area was likely to be in Zone 2.

Table 8-7. Bureau of Meteorology sites with rainfall & evaporation data

Site	Name	Dates	Zone
84100	Bairnsdale Waterworks	1970-2016	
85072	East Sale Airport	1971-2015	2
85034	Glenmaggie Weir	1969-2016	
84121	Orbost SRWSC	1972-1995	
84050	Orbost (comparison)	1994-2011	2
84087	Tabberabbera (The Pines)	1974-1980	
84107	Wulgulmerang (Pleasant View)	1972-1982	

Risk scores for unsewered properties in the Wellington and East Gippsland Shires are shown in Fig 8-1.

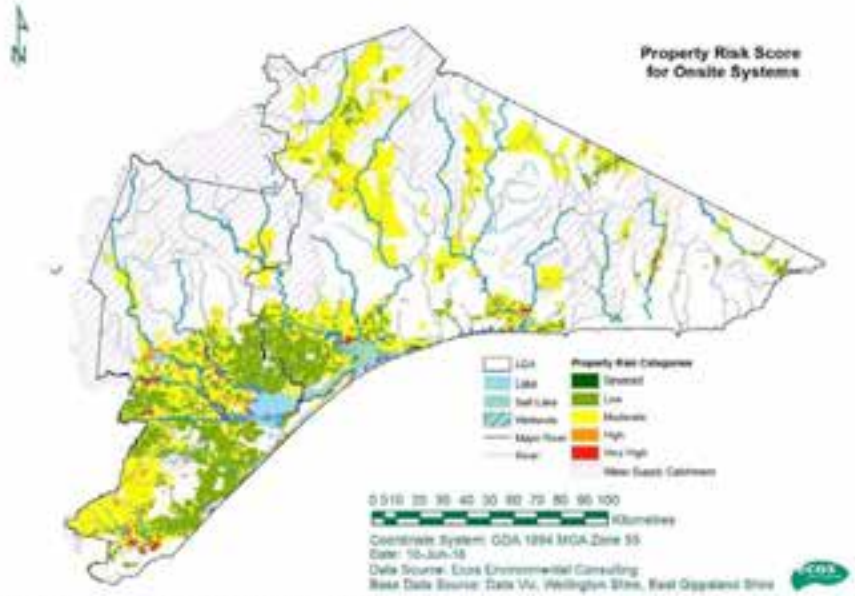

Figure 8-1. Risk scores for unsewered properties in the Wellington and East Gippsland Shires.

8.2.2.1. Unsewered dwellings less than 1km upstream of a drinking water supply reservoir

Southern Rural Water have requested that unsewered dwellings less than 1km upstream of a drinking water supply reservoir should always be classed as high risk properties. This is to be regardless of any other elements of the risk classification described above. This is to ensure consistency with the water corporations risk management practices and recognises the risk posed by properties that lie close to the reservoirs.

Properties with a Low or Medium risk classification in this area were reclassified to High. Properties with a High or Very High risk classification remained as classified.

8.2.2.2. Mapping and data availability for Wellington and East Gippsland Shires

The risk maps displayed in the following sections are presented at the regional scale to provide an overview of risk for this report. However, each map is produced from a GIS database that allows the user to zoom in for more detailed analysis. *These databases, developed for the DWMP, have been supplied to the councils to assist them in assessing the risks associated with new planning permit applications and existing unsewered dwellings.*

8.2.3. Risks from future development – housing density

8.2.3.1. Planning zones

Acceptable housing densities vary with the planning zone and whether or not the area is within a Declared Water Supply Catchment. The data on planning zones and housing density limits was obtained from the Planning Schemes Online website (DELWP 2015) (Table 8-8, Table 8-9, Figure 8-2). The housing density for each planning zone was calculated separately.

Areas in the Farming Zone (FZ) and in Rural Conservation Zones 1 and 2 (RCZ1 and RCZ2) are the main sources of non-compliance with the maximum permitted housing densities across both Shires.

Table 8-8. Acceptable housing densities for the various planning zones within the Wellington Shire (see Appendix 3 for list of all zones). Note: in a Declared Water Supply Catchment a planning permit application may require referral to a Water Corporation.

Zone	Minimum Subdivision area (lot size when planning permit for subdivision)	Minimum area (lot size) for which no planning permit is required to use land for a dwelling	Clusters of houses exceeding required limit of planning zone
Farming Zone (FZ)	40 Hectares, unless in M/D then 25 Hectares	40 Hectares, unless in M/D then 25 Hectares	992 houses, mostly near towns
Rural Living Zone 1 (RLZ1)	0.8 Hectares	0.4 Hectares	
Rural Living Zone 2 + 3 (RLZ2, RLZ3)	2 Hectares	0.4 Hectares	
Rural Living Zone 4 (RLZ4)	4 Hectares	0.4 Hectares	
Rural Living Zone 5 (RLZ5)	0.6 Hectares	0.4 Hectares	
Low Density Residential Zone (RDLZ)	0.4 Hectares	Not determined	
Township Zone (TZ)	Not determined	300 square metres	
General Residential Zone (GRZ)	Not determined	300 square metres	
Mixed Use Zone (MUZ)	Not determined	300 square metres	
Rural Conservation Zone (RCZ)	40 Hectares, unless in ESO1 then 100 Hectares	Dwelling requires a planning permit	156 houses (40 ha minimum) Golden Beach, Flamingo Beach, Glomar Beach, south of Glomar Beach, near Lake Glenmaggie 27 houses (100 ha minimum) Flamingo Beach, Glomar Beach
Rural Activity Zone (RAZ)	40 Hectares	Dwelling requires a planning permit	

Table 8-9 Acceptable housing densities for the various planning zones within the East Gippsland Shire (see Appendix 3 for list of all zones). Note: in a Declared Water Supply Catchment a planning permit application may require referral to a Water Corporation.

Zone	Minimum Subdivision area (lot size when planning permit for subdivision)	Minimum area (lot size) for which no planning permit is required to use land for a dwelling	Clusters of houses exceeding required limit of planning zone
Farming Zone 1 (FZ1)	40 Hectares	40 Hectares	701 houses, mostly near towns
Farming Zone 2 (FZ2)	80 Hectares	80 Hectares	59 houses, FZ2 is near Bairnsdale
Farming Zone 3 (FZ3)	15 Hectares	15 Hectares	
Farming Zone 4 (FZ4)	1 Hectare	10 Hectares	
Rural Living Zone 1 (RLZ1)	2 Hectares	1 Hectare	
Rural Living Zone 2 (RLZ2)	4 Hectares	1 Hectare	
Rural Living Zone 3 (RLZ3)	8 Hectares	8 Hectares	
Rural Living Zone 5 (RLZ4)	15 Hectares	15 Hectares	
Low Density Residential Zone (LDRZ)	0.4 Hectares	Not determined	
Township Zone (TZ)	Not determined	300 square metres	
General Residential Zone (GRZ)	Not determined	300 square metres	
Mixed Use Zone (MUZ)	Not determined	300 square metres	
Rural Conservation Zone 1 (RCZ1)	10 Hectares	Dwelling requires a planning permit	
Rural Conservation Zone 2 (RCZ2)	50 Hectares	Dwelling requires a planning permit	
Rural Conservation Zone 3 (RCZ3)	100 Hectares	Dwelling requires a planning permit	58 houses Nyerimilang, Ocean Grange, Eagle Point, Boole Poole Peninsula

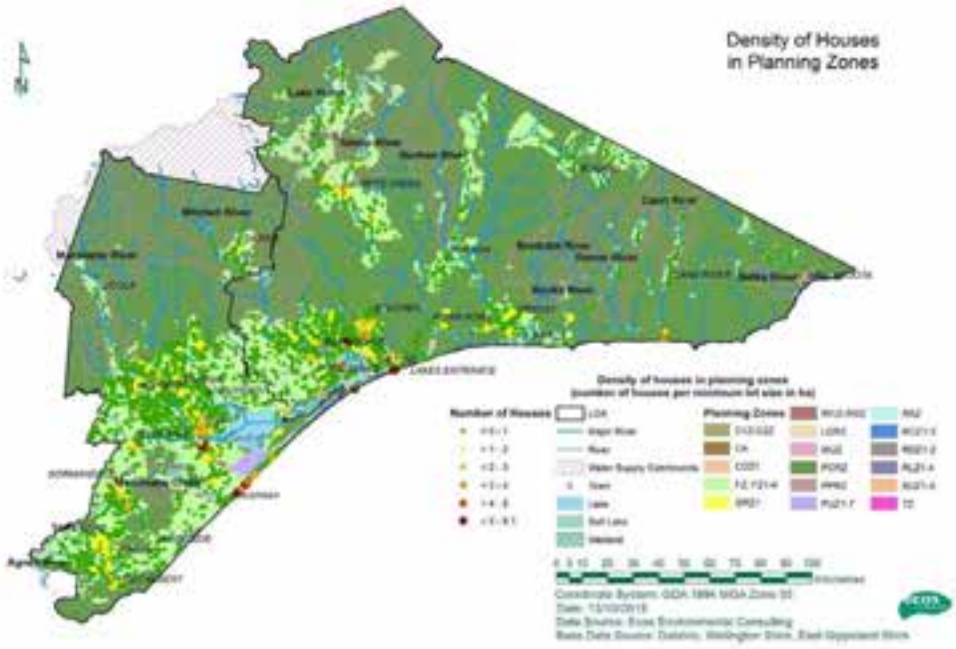

Figure 8-2 Density of houses in planning zones. Dwelling locations are colour coded according to level of compliance with the planning zone requirements. For example, where there is one house or less in the minimum acceptable area given the planning zone, the house is coloured with a green dot.

The map of housing density compliance with planning zone requirements shows clusters of houses around the major towns that exceed the target planning limits. The housing density calculations were carried out by determining the number of houses in a 1 km radius around each house (including the house) and then dividing by the acceptable number in the same area given the planning zone. This is the method recommended for housing density calculations in the *Victorian Water Industry Guidance Note for Determining Dwelling Density when Assessing Planning Permit Applications* (VicWater 2012). Note, however, that this is not how the minimum lot size in the planning scheme is determined. If the lot is too small, then the house is not an "as of right" and a planning permit is needed (depending on the zone). If lots comply with the minimum subdivision size target, planning limits are not exceeded. However, the map provides an effective overview of where higher densities are found and allowed under the planning scheme without the need for a planning permit and where "problem" areas may occur.

Note also that although Figure 8-2 is presented at the regional scale, the related GIS layers have been provided to the Shires and allow for finer scale close ups as required.

8.3. Township assessments

For each town in each Shire, the individual risk scores for each property with an onsite wastewater management system were summed to give a risk score for each town (Table 8-10, Table 8-11). The town boundaries for assessment were based on the residential (GRZ1), township (TZ), low density residential (LDRZ) and rural living (RLZ) planning zones.

8.3.1. Priority townships/locations

8.3.1.1. Wellington Shire

The results of the township assessments showed that Golden Beach, The Honeysuckles, Briagolong, Paradise Beach and McLoughlins Beach accounted for approximately 50% of the total risk from on-site systems within the Wellington Shire (Table 8-10, Figure 8-3, Figure 8-4). Other significant contributions to the total risk were Longford, Glenmaggie, Wurruk and Stratford.

Briagolong (north of Stratford), Stratford and Wurruk (east of Sale) are located on floodplain soils while all the other townships are located on or adjacent to the 90 Mile Beach where sandy soils prevail. These areas are a priority for compliance assessments. Glenmaggie is situated within 1km upstream of Lake Glenmaggie, and so all unsewered properties here have been classified as high risk.

Table 8-10. Wellington Shire townships sorted by sum of groundwater and surface water risk. Towns located in declared water supply catchments are listed. Township risk = number of dwellings in each risk category multiplied by its property risk rating in GRZ1, MUZ, TZ, LDRZ and RLZ. Dwellings with onsite systems in sewered areas were categorised according to their risk rating for Current Score, and assumed to have a risk of 0 for the Sewer Infilled Score. Township risk was ranked was according to the sewer infilled score.

Risk rank within Shire	Township	DWSC	# OWMS	Current Risk Score	Sewer Infilled Risk Score	Number of properties with OWMS in each risk category: Sewered Area	Low	Moderate	High	Very High	Proportion of Total	Running total
1	Golden Beach		493	2276	2276			160	200	133	15%	15%
2	The Honeysuckles		268	1495	1495			1	4	263	10%	26%
3	Briagolong		414	1368	1368			387	23	4	9%	35%
4	Paradise Beach		286	1281	1281			96	173	17	9%	44%
5	Mcloughlins Beach		172	969	969					172	7%	50%
6	Longford		295	849	849			259	26	10	6%	56%
7	Glenmaggie	Macalister	96	437	553	1		7	61	27	4%	60%
8	Wurruk		181	494	488	1		174	5	1	3%	63%
9	Stratford		183	470	463	2		176	4	1	3%	66%
10	Manns Beach		79	442	442					79	3%	69%
11	Woodside Beach		109	441	441			55	36	18	3%	72%
12	Cowwarr		81	397	397			30	31	20	3%	75%
13	Robertsons Beach		65	364	364					65	2%	77%
14	Dargo	Mitchell	45	289	289			12	3	30	2%	79%
15	Rosedale		75	267	267		1	48	2	24	2%	81%
16	Heyfield		90	225	231			85	4	1	2%	83%
17	Langsborough		41	230	230					41	2%	84%
18	Newry		47	221	221			2	36	9	1%	86%
19	Maffra		88	219	219			88			1%	87%
20	Coongulla	Macalister	54	164	196	1			24	9	1%	88%
21	Woodside		69	182	182			65	4		1%	90%
22	Boisdale		28	157	157					28	1%	91%
23	Tinamba		26	139	139			2		24	1%	92%
24	Sale		39	128	128			34	2	3	1%	93%
25	Devon North		47	122	122			47			1%	93%
26	Carrajung		28	113	113			19	6	3	1%	94%
27	Seaton		39	108	108			37		2	1%	95%
28	Gormandale	Merrimans	39	101	101		2	36	1		1%	96%
29	Tarraville		17	95	95					17	1%	96%
30	Munro		28	88	88			24	3	1	1%	97%
31	Yarram		28	80	77	1		25	1	1	1%	97%
32	Won Wron		25	75	75			22	3		1%	98%
33	Licola	Macalister	16	74	74			10	3	3	1%	98%
34	Hollands Landing		16	70	70				14	2	0%	99%
35	Seaspray		22	54	54			22			0%	99%
36	Gilmany		12	35	35			12			0%	99%
37	Glengarry		10	28	28			9		1	0%	100%
38	Myrtlebank		11	28	28			11			0%	100%
39	Pearsondale		7	18	18			7			0%	100%
40	Alberton		4	16	16			2		2	0%	100%
41	Port Albert		1	5.6	0	1					0%	100%

Figure 8-3. Property risk for unsewered properties in Golden Beach, and The Honeysuckles

Figure 8-4. Property risk for unsewered properties in Briagalong and Paradise Beach

8.3.1.2. East Gippsland Shire

The distribution of onsite system risk was more evenly distributed amongst East Gippsland Shire townships compared to Wellington Shire (Table 8-11). Here approximately 50% of the total risk was accounted for by 9 towns: Nicholson, Metung, Buchan, Sarsfield, Nungurner, Wy Yung, Bruthen, Lucknow and Swan Reach.

These towns are all located in the catchments of the Gippsland Lakes or Lake Tyers and most lie lower down in the catchment close to the lakes where soils tend to be sandy and the water table is relatively close to the surface.

Table 8-11. East Gippsland Shire townships sorted by sum of groundwater and surface water risk. Towns located in declared water supply catchments are listed. Township risk = number of dwellings in each risk category multiplied by its property risk rating in GRZ1, MUZ, TZ, LDRZ and RLZ. Dwellings with onsite systems in sewered areas were categorised according to their risk rating for Current Score, and assumed to have a risk of 0 for the Sewer Infilled Score. Township risk was ranked was according to the sewer infilled score.

Risk rank within Shire	Township	DWSC	# OWMS	Current Risk Score	Sewer Infilled Risk Score	Number of properties with OWMS in each risk category					Proportion of Total	Running Total
						Sewered Area	Low	Moderate	High	Very High		
1	Nicholson		290	678	678		42	244	4		8%	8%
2	Metung		136	542	542		1	81	30	24	6%	14%
3	Buchan		99	515	515		11	16	18	54	6%	19%
4	Eastfield		169	485	485		2	154	10	3	5%	25%
5	Nungurner		101	474	474		4	41	23	33	5%	30%
6	Wy Yung		156	467	467			140	10	6	5%	35%
7	Bruthen		124	414	414		3	99	11	11	5%	40%
8	Lucknow		149	404	404			142	7		4%	44%
9	Swan Reach		128	401	401			99	27	2	4%	49%
10	Tourloo Arm		124	360	360		2	114		8	4%	53%
11	Nowa Nowa		86	343	343		2	43	30	11	4%	57%
12	Lakes Entrance		121	349	301	19		91	10	1	3%	60%
13	Swifts Creek		76	258	258		13	45	11	7	3%	63%
14	Lindenow South		75	246	246			69	6		3%	66%
15	Newlands Arm		75	230	230			65	4	6	3%	68%
16	Newmerella		72	229	229			61	10	1	3%	71%
17	Wiseleigh		66	229	229		1	50	11	4	3%	73%
18	Eagle Point		84	230	224	2	9	64	7	2	2%	76%
19	Benambra	L Hume	49	189	189		7	16	22	4	2%	78%
20	Raymond Island		66	221	174	13		41	2	10	2%	80%
21	Granite Rock		55	137	137			55			2%	81%
22	Ellerwood		53	135	135		3	49	1		1%	83%
23	Mount Taylor		42	123	123			38	3	1	1%	84%
24	Bendoc		33	120	120			21	12		1%	85%
25	Ensay		22	111	111		1	5	5	11	1%	87%
26	Gipsy Point		34	110	110		5	25	2	2	1%	88%
27	Tambo Upper		48	109	109		15	32	1		1%	89%
28	Walpa		26	96	96		3	14	9		1%	90%
29	Lake Tyers Beach		59	100	95	2		56	1		1%	91%
30	Lindenow		31	87	87			30	1		1%	92%
31	Cobungra		22	79	79		1	15	2	4	1%	93%
32	Bumberrah		28	76	76			26	2		1%	94%
33	East Balmoral		15	65	65			8	2	5	1%	95%
34	Lake Bunga		32	93	65	8		24			1%	95%
35	Club Terrace	Benam R	15	62	62		1	10	2	2	1%	96%
36	Calimna		39	124	54	27		6	2	4	1%	97%

Risk rank within Shire	Township	DWSC	# OWMS	Current Risk Score	Sewer Infilled Risk Score	Number of properties with OWMS in each risk category: Sewered Area	Low	Moderate	High	Very High	Proportion of Total	Running Total
37	Boole Poole		33	44	44		25	8			0%	97%
38	Cabbage Tree Creek		9	41	41			3	5	1	0%	98%
39	Fernbank		14	40	40			11	2		0%	98%
40	Gelcoe		6	35	35			1		5	0%	98%
41	Marlo		19	32	32			19			0%	99%
42	Orbost		8	28	28			6		2	0%	99%
43	Balkamawzal		7	28	28		1	3		3	0%	99%
44	Bairnsdale		11	29	22	2		9			0%	100%
45	Omeo	L Hume	3	14	14			1	1	1	0%	100%
46	Hillside		5	12	12			5			0%	100%
47	Kalimna West		2	6	6			2			0%	100%
48	Johnsonville		1	2	2			1			0%	100%

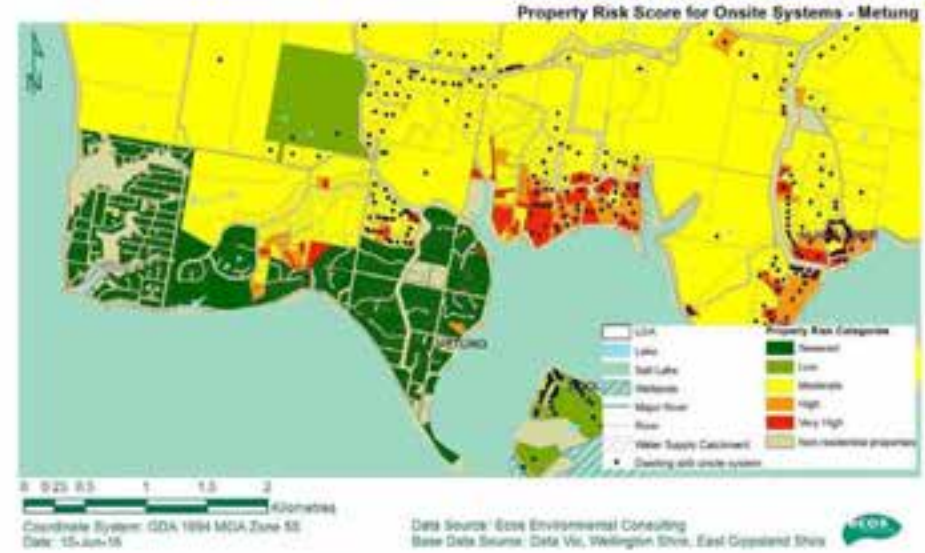

Figure 8-5. Property risk for unsewered properties in Nicholson and Metung

Figure 8-6. Property risk for unsewered properties in Buchan and Sarsfield

8.3.1.3. Declared water supply catchments

The acceptable housing density within a Declared Water Supply Catchment (DWSC) is 1:40 ha except for planning zones where a permit is not required to erect a dwelling. The main clusters of houses exceeding the density limit of 1:40 ha within the relevant planning zones are located at Gormandale and Glenmaggie/Coongulla (Table 8-12, Figure 8-7) while smaller clusters occur at Dargo and Benambra (Figure 8-8 to Figure 8-15). These areas are a priority for compliance assessments.

Table 8-12. Water supply catchments (WSC) within each Shire. With the exception of Maffra and Heyfield, all the catchments are Declared Water Supply Catchments (DWSC).

Density	Declared Water Supply Catchments	Number of unsewered houses not complying with maximum allowed density (1 house in 40 ha)	Planning Zone exceeding the DWSC density Onsite systems in rural residential and township planning zones were not included in this assessment
East Gippsland DWSCs 1: 40 ha	Bemm River	0 (of 20)	--
	Brodribb River	0 (of 10)	--
	Buchan River	0 (of 4)	--
	Cann River	2 (of 35)	FZ1 near Cann River
	Lake Home	40 (of 160)	18 in FZ1 near Orbost and Glen Valley, 22 in RLZ3 in Colquhoun
	Mitchell River	0 (of 8)	--
	Tambo River	10 (of 33)	FZ1 near Swifts Creek
Wellington DWSCs 1: 40 ha	Agnes River	0 (of 9)	--
	Macalister River	156 (of 169)	11 in FZ, 12 in RCZ1 and 113 in RLZ2, mainly in Glenmaggie and Coongulla
	Merrimans Creek	97 (of 199)	15 in RLZ2 at Gormandale*, 82 in FZ near Stradbroke, Willung, Willung South, Gormandale and Calignee North
	Mitchell River	22 (of 71)	19 in FZ, 3 in RLZ2, all in and around Dargo
	Tarra River	0 (of 11)	--

* At the time of writing, 12 lots on north Calladale Court that were incorrectly zoned RLZ2 are under review and expected to be changed to FZ.

The data in Table 8-12 for each DWSC is for the entire catchment. To further prioritise onsite systems for compliance assessment, the township areas in each DWSC were selected from the risk assessment using GIS query tools (Table 8-13). Onsite systems in these towns can be considered to have the highest priority for compliance assessment.

Table 8-13. Towns in declared water supply catchments sorted by onsite system risk.

Risk rank within Shire	Township	DWSC	# OWMS	Current Risk Score	Sewer Infilled Risk Score	Number of properties with OWMS in each risk category: Sewered Area	Low	Moderate	High	Very High	Proportion of Total
Wellington Shire											
7	Glenmaggie	Macalister R	96	437	553	1		7	61	27	4%
14	Dargo	Mitchell R	45	283	283			12	3	30	2%
20	Coongulla	Macalister R	34	164	196	1			24	9	1%
28	Gormandale	Merrimans Ck	39	101	101		2	36	1		1%
33	Licola	Macalister R	16	74	74			10	3	3	1%
East Gippsland Shire											
19	Benambra	L Hume	49	189	189		7	16	22	4	2%
35	Club Terrace	Bemm R	15	62	62		1	10	2	2	1%
45	Orbost	L Hume	3	14	14			1	1	1	0%

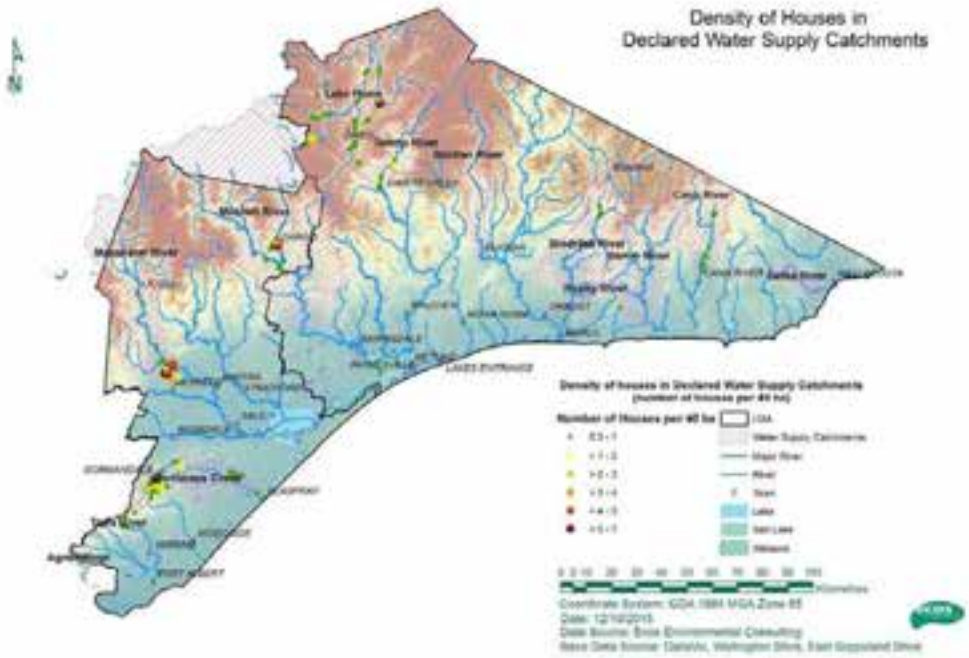

Figure 8-7. Density of houses in water supply catchments

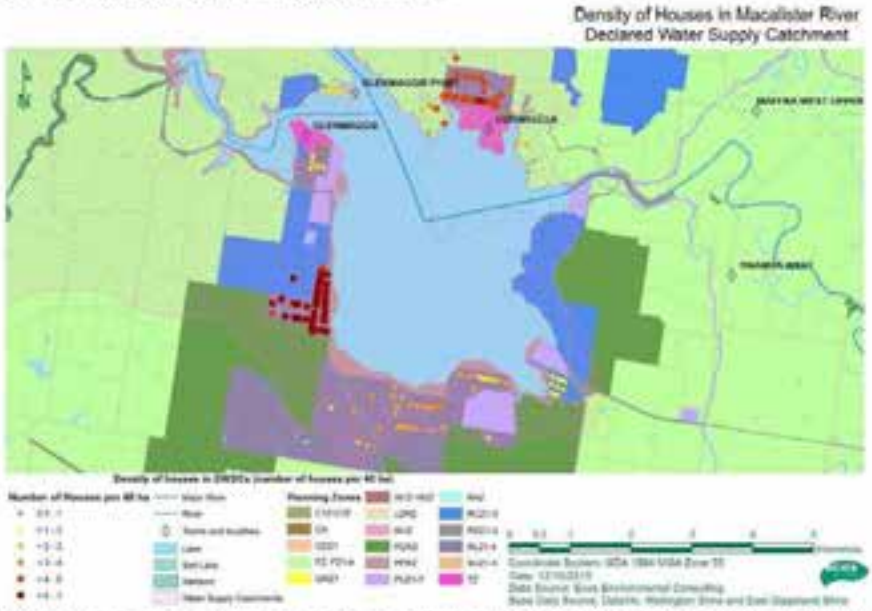

Figure 8-8. Density of unsewered houses (excluding TZ) in the Macalister River Declared Water Supply Catchment around Lake Glenmaggie

Figure 8-9 Risk for unsewered properties in the Macalister River Declared Water Supply Catchment around Lake Glenmaggie

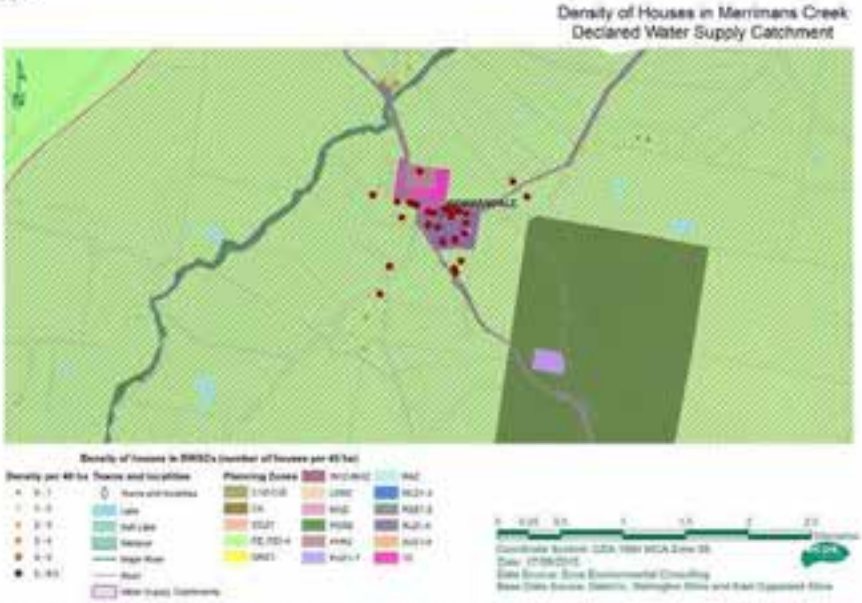

Figure 8-10. Density of unsewered houses (excluding TZ) in the Merrimans Creek Declared Water Supply Catchment at Gormandale.

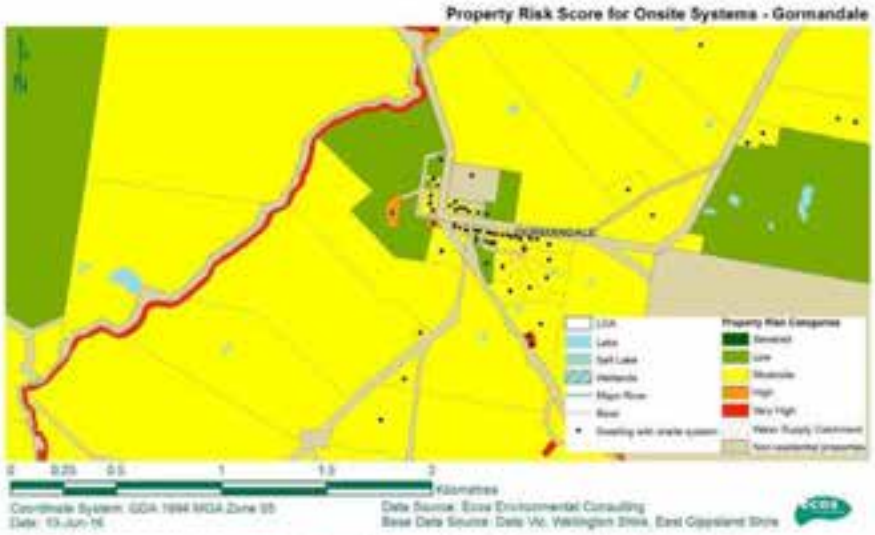

Figure 8-11. Risk for unsewered properties in the Merrimans Creek Declared Water Supply Catchment at Gormandale.

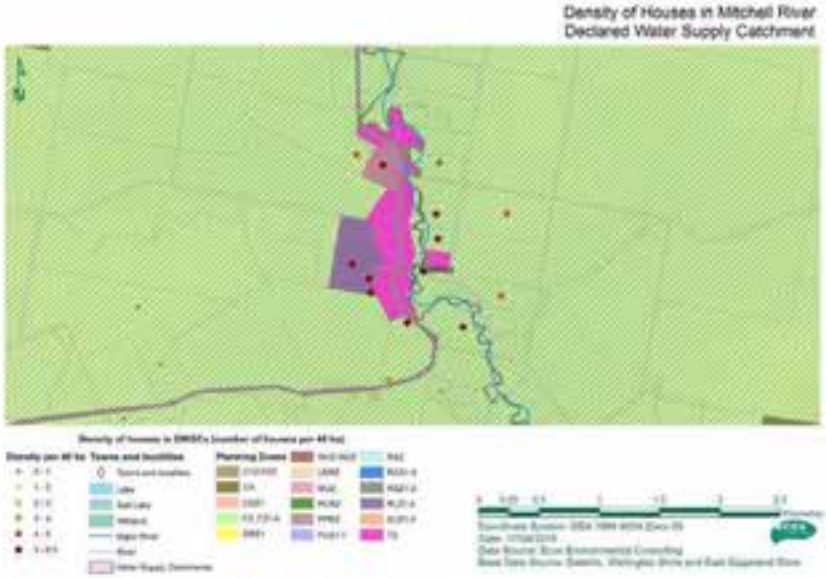

Figure 8-12. Density of unsewered houses (excluding TZ) in the Mitchell River Declared Water Supply Catchment at Dargo.

Figure 8-13: Risk for unsewered properties in the Mitchell River Declared Water Supply Catchment at Dargo.

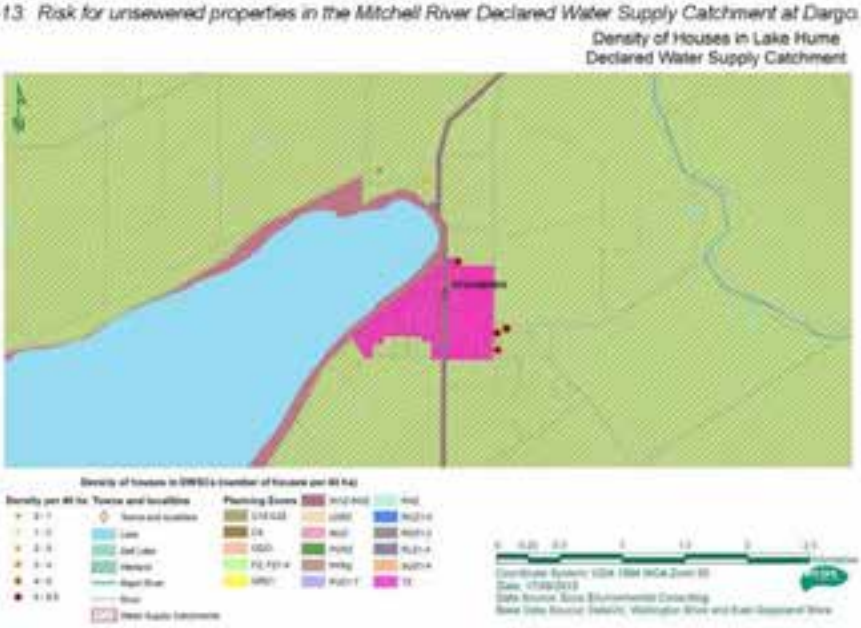

Figure 8-14: Density of unsewered houses (excluding TZ) in the Lake Hume Declared Water Supply Catchment at Benambra.

Figure 8-15. Risk for unsewered properties in the Lake Hume Declared Water Supply Catchment at Benambra.

8.4. Summary - high, medium and low priority areas

The risk mapping exercise described in the previous sections can be used to set broad priorities for the protection of catchment water quality including declared water supply catchments. The Ministerial Guidelines were designed to assist in the protection of open, potable water supply catchment areas and set out the requirements for DWMPs. Thus high risk houses in the declared water supply catchments should be rated as having the highest priority for compliance monitoring and require the highest degree of oversight. High risk houses outside of the declared water supply catchments should be rated a medium priority along with medium risk houses inside the water supply catchments. All other properties can be considered low priority unless site specific matters not addressed in the risk assessments dictate that they should be treated as a higher priority.

Table 8-14. Priorities for compliance monitoring

Priority for compliance monitoring	Description
High	• High risk houses in the declared water supply catchments • Properties less than 1km upstream from a drinking water supply reservoir
Medium	• High risk houses outside of declared water supply catchments • Medium risk houses inside of declared water supply catchments
Low	• All other properties (unless site specific matters not addressed in the risk assessments dictate that they should be treated as a higher priority)

8.5. Wellington Shire Growth Areas

8.5.1. Longford

Longford is highly valued by its community for the rural residential lifestyle it offers, within close proximity to the services and facilities of Sale. The settlement has been identified in the Sale Wurruk and Longford Structure Plan (Wellington Shire Council 2010) as its main growth area for rural lifestyle living. Sale Common, part of the Gippsland Lakes Ramsar listed wetlands, is located directly north of Longford. The

Longford Development Plan (Wellington Shire Council 2015) sets out the framework for approximately 500 to 700 rural living lots with an average lot size of 8,000 m^2 (Table 8-15).

The Development Plan was adopted by Council in 2015. Prior to development further detailed background work will be required to be completed on the 11 precincts described in the plan.

Longford has two areas where intensification of residential densities might be optional subject to the appropriate sewerage provisions. The first area is the golf course, 300 lots can be developed on this site subject to appropriate sewerage. The town core, roughly between the Longford Hall and the Primary School has also been identified as having the potential for a more intensified residential use subject to reticulated sewerage provisions over the longer term.

8.5.1.1. Estimating increase in risk from future development

The current average risk per dwelling, calculated using the OWMS risk scores, was used to estimate the likely risk per future dwelling (Table 8-15). With increased density if rezoning occurs, the total risk for the town will greatly increase due to the extra dwellings. The predicted future total risk in the absence of reticulated sewerage or other risk management measures is 1,689 which would place it ahead of Golden Beach within Wellington Shire in terms of onsite wastewater system risk.

Note that although the flow distance to the nearest waterway is a key risk factor, it does not take into account the fact that the nearby wetland, Sale Common, is a high conservation value wetland of international significance (listed under the International Ramsar Convention). This fact should also be considered when planning for future wastewater management at Longford.

Table 8-15. Estimated future development for Longford and associated risk estimates if unsewered.

Zone	Current number of properties with onsite systems have per risk category an onsite system per risk category	Current number of properties that could potentially	Proposed Redevelopment Change	Current Risk	Likely Risk – FZ rezoned to RLZ5, TZ unsewered	Likely Risk - FZ rezoned to RLZ5, TZ & CDZ1 sewered
TZ	Mod - 25 High - 24 Very High - 9	Mod - 2 High - 4 Very High - 1	Sewer and upgrade to GR1Z	Current town risk = 849 (TZ+CD1Z+RLZ1)	Likely town risk if FZ is rezoned to RLZ5 and TZ remains unsewered = 2,187	Likely town risk if all proposed development occurs and TZ is sewered within CDZ1 = 1,893
CD1Z		0	Sale Golf Course Plan is for 300 sewered dwellings			
RLZ1	Mod - 234 High – 2 Very High - 1	Mod - 33 High - 2 Very High - 4		Current town risk = 1,068 (above plus FZ area marked for rezoning to RLZ5)		If half of RLZ also sewered in addition to TZ and CD1Z = 980
FZ in area marked for rezoning to RLZ5	Mod - 81 High - 1	Low - 2 Mod - 15 Very High - 18	Rezone FZ to RLZ5, taking property count to approx. 600			If all of RLZ also sewered in addition to TZ and CD1Z = 0

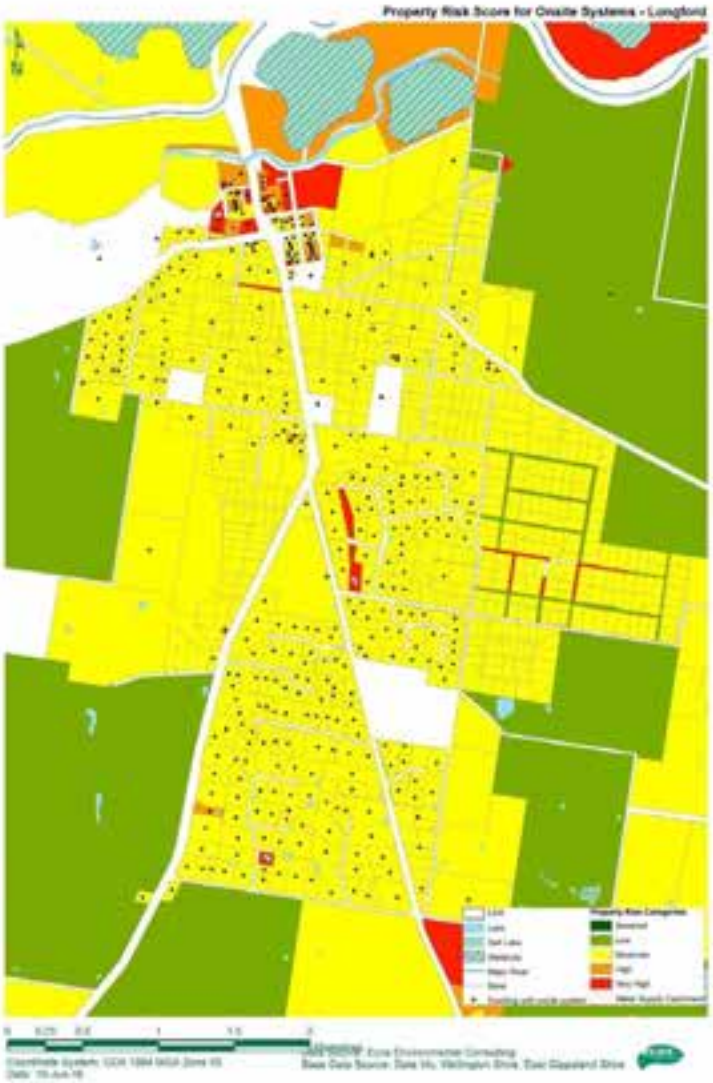

Figure 8-16. Property risks for unsewered properties in Longford, assuming FZ rezoned to RLZ5 and TZ not sewered. Dots show approximate locations of currently unsewered dwellings. Please note that the proposed properties and subdivisions identified in this map as a part of the Longford Development Plan have not been approved. They are potential opportunities only. Contact with Council should be made to gain the most up to date information on specific properties.

8.5.2. The Rural Living Areas

Wellington Shire has 58 areas with a Rural Living Zone applied. Within the 58 areas there are 1780 parcels. The Rural Living Zones have minimum subdivisions sizes identified ranging from 0.6 Ha to 4 Ha. The minimum lot size for a house to be built on a lot is 0.4 Ha.

Most Rural Living Zone areas are in close proximity of a township. Significant rural lifestyle areas can be found in Longford, Briagolong, Stratford, Maffra, Rosedale and north of Heyfield (including Seaton and around Lake Glenmaggie).

Not all Rural Living areas are fully developed. Of those, land within Rosedale and Heyfield has recently been rezoned for rural living purposes in response to anticipated pressure for growth.

8.5.3. Coastal towns

All coastal settlements in the Wellington Shire are subject to a Settlement Boundary Plan, which is reflected in the local policy within the Planning Scheme and the zones applied. Outside the settlement boundary development is restricted due to the vulnerability of the coastal area and environmental constraints. The township's main function is for tourism and to provide for holiday houses. There will be limited growth in these settlements - all within the existing town boundaries (although in Golden Beach around 50% of the blocks are vacant).

8.5.4. Growth area risk assessment

Based on the approach used for Longford in Section 8.5.1.1, the risk assessment scores were estimated for potential future dwellings for all Wellington Shire unsewered localities. The change in total risk was then calculated and is presented for each township in Table 8-16, and displayed graphically for the 25 top ranked townships (ranked by amount of change in risk) in Figure 8-17.

For Wellington Shire the growth in future onsite wastewater risk is dominated by Golden Beach and followed by Longford due to the reasons described in Section 8.5.1. The figure was constructed assuming full development consistent with existing growth plans. Under this scenario, Longford accounts for around 11% of the future risk growth for the Shire.

Table 8-16. Estimated change in risk from onsite wastewater management systems due to potential future development for Wellington Shire townships. Towns show in grey font are sewered to various degrees. OWMS = Onsite Wastewater Management Systems.

Township	Current Risk	Sewer infill risk	Potential Risk ~	Current # OWMS	Potential # OWMS	Potential new # OWMS ~	Total Risk Change
Alberton (sewered)	16	16	482	4	100	96	466
Boisdale	157	157	168	28	30	2	11
Briagolong	1368	1368	1498	414	459	45	130
Carrajung	113	113	124	28	31	3	11
Coongulla (sewered)	164	196	259	34	42	8	64
Cowwarr	397	397	437	81	92	11	40
Dargo	283	283	376	45	61	16	93
Devon North	122	122	135	47	52	5	13
Glengarry	28	28	34	10	11	1	6
Glenmaggie (sewered)	437	553	695	98	117	21	142
Gormandale	101	101	101	39	39		
Heyfield (sewered)	225	231	462	90	168	78	231
Hollands Landing	70	70	120	16	28	12	50
Glenmy	35	35	40	12	14	2	5
Longsborough	230	230	249	41	45	4	19
Licola	74	74	74	16	16	0	0
Loch Sport (sewered)							
* Longford (no development)	849	849	1003	295	341	46	153
* Longford (including area of FZ to be rezoned in proposed development) with rezoned FZ > RLZ5	1068	1068	1893	377	979	602	825
Maffra (sewered)	219	219	271	88	107	19	52
Manns Beach	442	442	450	79	81	2	8
McLoughlins Beach	963	963	1002	172	179	7	39
Mooroopa			5		2	2	5
Munro	88	88	90	28	29	1	2
Myrtlebank	28	28	33	11	12	1	5
Newry	221	221	229	47	49	2	8
Ninety Mile Beach: Golden Beach ^	2276	2276	4359	493	931	436	2082
Ninety Mile Beach: Paradise Beach ^	1281	1281	1963	286	429	143	682
Ninety Mile Beach: The Honeysuckles	1495	1495	1551	268	278	10	56
Pearsondale	18	18	18	7	7		
Port Albert (sewered)	6	0	0	1	1		
Robertsons Beach	364	364	370	65	66	1	6
Rosedale (sewered)	267	267	322	75	87	12	55
Sale (sewered)	128	128	166	39	48	9	38
Seaspray (sewered)	54	54	88	22	33	11	34
Seaton	108	108	224	39	80	41	117
Stratford (sewered)	470	463	529	183	210	27	65
Tarraville	95	95	101	17	18	1	6
Tinamba	139	139	162	26	30	4	22
Won Wron	75	75	82	25	27	2	7
Woodside	182	182	199	69	76	7	17
Woodside Beach	441	441	463	109	114	5	22
Wurruk (sewered)	494	488	600	181	215	34	112
Yarram (sewered)	80	77	84	28	31	3	7

* Longford has been listed here twice - once without proposed redevelopment and one with full redevelopment (Longford Redevelopment).
^ For Golden Beach and Paradise Beach, in some cases a dwelling can be built on 1 lot, in other cases; 4 lots should be in the same ownership before land can be developed (WSC Ninety Mile Plan 2015). Therefore, the vacant lots have been calculated on the assumption that an average of half could have a new OWMS.
~The number of potential new OWMS has assumed that none are installed where the land has been identified as being within a sewered area

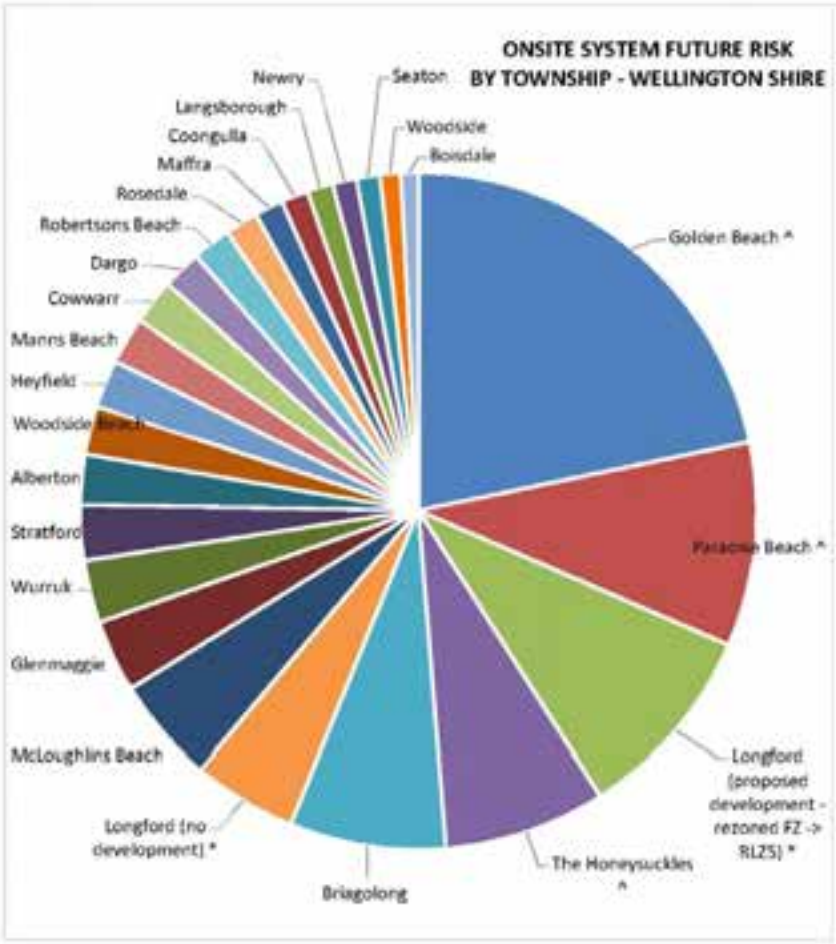

*Figure 8-17. Potential future risk from onsite wastewater management system development by township – Wellington Shire. The top 25 localities are shown. * Longford is shown in the graph twice, once for if no development occurs and once for full proposed development. ^ Towns on the Ninety Mile Beach.*

8.6. East Gippsland Shire Growth Areas

Using the method described in sections 8.5.1.1 and 8.5.4, a growth area risk assessment was conducted for East Gippsland Shire. The calculated change in total risk is presented for each township in Table 8-17, and displayed graphically for the 25 top ranked townships (ranked by amount of change in risk) in Figure 8-18.

The data in Table 8-17 was constructed assuming:

- that GRZ is sewered;
- that TZ where no onsite wastewater management systems locations were provided are also sewered; and
- that all LDRZ and RLZ are unsewered, with the exception of the LDRZ to the west of Metung which is known to be sewered.

For East Gippsland Shire the growth in future onsite wastewater risk is to the north of Bairnsdale at Wy Yung, with a spread of similar risk across a number of towns (Figure 8-18).

Table 8-17. Estimated change in risk from onsite wastewater management systems due to potential future development for East Gippsland Shire townships. Towns shown in grey font are sewered to various degrees. OWMS = Onsite Wastewater Management Systems.

Township	Current Risk	Sewer Infill Risk	Potential Risk ^	Current # OWMS	Potential # OWMS	Potential new # OWMS ^	Total Risk Change
Bairnsdale Area							
Bairnsdale (sewered)	29	22	902	11	238	227	880
East Bairnsdale (sewered)	65	65	113	15	34	19	48
Ellaswood	135	135	185	53	70	17	50
Granite Rock	137	137	162	55	65	10	25
Lochlair (sewered)	404	404	567	149	209	60	163
Mount Taylor	123	123	179	42	64	22	56
Wy Yung (sewered)	467	467	1106	156	354	198	639
Other East Gippsland townships							
Bonnie River (sewered)	0	0	490	0	102	102	490
Benambra	189	189	410	49	104	55	221
Bendoc	120	120	186	33	52	19	67
Boole Poole	44	44	58	33	46	13	14
Bruthen (sewered)	414	414	764	124	209	85	350
Buchan	515	515	661	99	133	34	146
Bullumwaal	28	28	94	7	22	15	65
Bumberrah	76	76	95	28	34	6	19
Cabbage Tree Creek	41	41	53	9	11	2	12
Cann River (sewered)	0	0	12	0	4	4	12
Club Terrace	62	62	269	15	52	37	201
Cobungra	79	79	113	22	32	10	34
Eagle Point (sewered)	230	224	482	84	176	92	258
Dinery	111	111	141	22	30	8	30
Fernbank	40	40	78	13	24	11	38
Genoa	95	95	54	6	10	4	19
Gipsy Point	110	110	194	34	41	7	23
Hillside	13	13	24	5	10	5	12
Johnsonville (sewered)	2	2	72	1	20	19	70
Kalimna (sewered)	124	54	80	39	47	8	26
Kalimna West	6	6	6	2	2	0	0
Lake Bunga (sewered)	93	65	69	32	33	1	4
Lake Tyers Beach (sewered)	100	95	108	39	43	4	13

Township	Current Risk	Sewer Infill Risk	Potential Risk ^	Current # OWMS	Potential # OWMS	Potential new # OWMS ^	Total Risk Change
Lake Entrance (sewered)	349	301	450	121	176	55	149
Lindenow (sewered)	87	87	119	31	43	12	33
Lindenow South	246	246	350	75	109	34	104
Metung (sewered)	0	0	417	0	141	141	417
Paris (sewered)	32	32	314	13	128	115	282
Metung (sewered)	542	542	1401	136	362	226	858
Newlands Arm (sewered)	290	290	968	75	118	43	138
Newmerella	229	229	276	72	88	16	47
Nicholson (sewered)	678	678	770	290	324	34	91
Nowa Nowa	343	343	500	86	127	41	157
Nungurner	474	474	599	101	132	31	125
Orbost (sewered)	14	14	225	3	64	61	211
Orbost (sewered)	28	28	188	8	59	51	160
Paynesville (sewered)	0	0	527	0	77	77	527
Raymond Island (sewered)	221	174	253	66	96	30	80
Sarsfield	485	485	635	169	220	51	149
Sunset Beach (sewered)	401	401	1329	128	343	215	928
Swifts Creek	258	258	288	76	85	9	30
Tambo Upper	109	109	128	48	56	8	19
Toorloo Arm	360	360	510	124	178	54	150
Wulpa	96	96	118	26	33	7	22
Woodleigh	229	229	273	66	80	14	44

^The number of potential new OWMS has been determined assuming that none are installed where the land has been identified as within a sewered area.

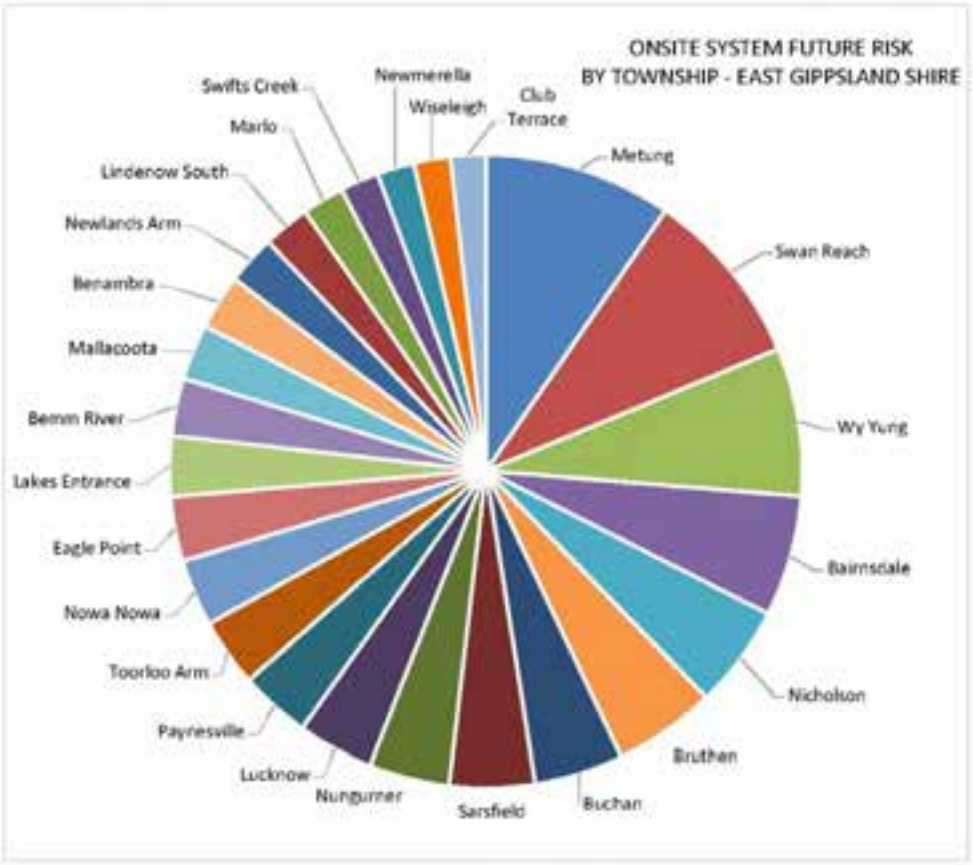

Figure 8-18. Potential future risk from onsite wastewater management system development by township – East Gippsland Shire. The top 25 localities are shown.

8.7. Reporting and periodic review

Key requirements of this DWMP are listed in the Ministerial Guidelines (see also Appendix 1). The Ministerial Guidelines specify that onsite wastewater treatment systems be effectively monitored for their condition and management and that the results of monitoring be provided to stakeholders as agreed by the relevant stakeholders. Stakeholders for this DWMP are listed in Section 6.

It is a recommendation of this DWMP that an annual report be sent to stakeholders describing:

- the results of onsite wastewater management system compliance monitoring;
- enforcement action where non-compliance is identified; and
- annual meetings may be held with stakeholders on an as needs basis.

Monitoring of onsite wastewater treatment systems for their condition and management should include compliance by permit holders with relevant permit conditions and the EPA *Code of Practice – Onsite Wastewater Management* (EPA Victoria 2013).

Implementation of the DWMP is to be subject to an independent audit by an accredited auditor (water corporation approved), including of monitoring and enforcement, every 3 years. The results of audit should be provided to stakeholders as soon as possible after the relevant assessment.

According to the Ministerial Guidelines, Councils are required to demonstrate that suitable resourcing for implementation, including monitoring, enforcement, review and audit, is in place. It is understood that

resourcing is unlikely to be available for assessments of all onsite wastewater treatment systems, however the risk assessment conducted for this DWMP has identified a short-list of systems that are a high priority for assessment. These systems should form the focus of compliance monitoring in the first instance.

The DWMP is to be reviewed and updated (if necessary) every 5 years, therefore the next review should be 2021. Steps involved in the review include:

- Convening of a project management team;
- Gathering necessary information, including onsite wastewater management system data for each town. Refer to Action Plans for relevant monitoring indicators;
- Revision of risk assessments for each town/area and create a new list of priorities for improved domestic wastewater management;
- Revision of action plans for the next five years of implementation; Seeking Council approval and adoption of plan in each Shire.

9 Risk management

9.1. Actions Plans

The 2006 DWMP included an ambitious list of actions which was based on a comprehensive review and stakeholder consultation process. Although many of the major items listed were successfully closed off during the operational lifetime of the plan, there remained a number that could not completed and have been carried over to the 2016 plan.

Furthermore, based on a review of actions conducted for the current plan, some actions have been identified as no longer being relevant or a priority due to changing circumstances and improved risk analysis information, and some new action items have been identified. Action items for the next five years are listed in this chapter. A list of closed-off action items from the 2006 DWMP is contained in **Appendix 4**.

9.1.1. Summary of Strategic Objectives

Each action plan is based on one or more strategic objectives. These are summarised in Table 9-1 and Table 9-2.

Table 9-1. Municipality Wide Strategic Objectives from the 2006 DWMP (all continued on 2016 plan)

No.	Description	Continued for 2016 DWMP
1.	The WSC and EGSC commit to entering into a Memorandum of Understanding (MoU) with the relevant water corporations that will clearly articulate the following: 1. The level of resources to be allocated to the plan implementation. The allocation of resources to support approval, compliance and maintenance auditing will take into consideration: - the level of support relevant water corporations can provide – the risk profile of the property 2. The associated process that support outcome (1) 3. Communication strategies between Councils and water corporations to brief on plan implementation and completed actions Process. The intention is to have the MoU completed and signed off by 20 December 2016. Once the MoU is finalised, all parties recognise this process has the potential to relax the Ministerial Catchment Guideline – Planning permit applications in open, potable water supply catchment areas (DEPI 2012).	New item for 2016 DWMP Plan

No.	Description	Continued for 2016 DWMP
2.	To increase the resources available for management of domestic wastewater to ensure actions identified in this plan can be implemented.	✓
3.	To improve regulation and enforcement mechanisms for outdated and non-compliant systems.	✓
4.	To improve the database of septic tank permit information to underpin implementation of a compliance program and future education programs.	✓
5.	Development of a community education program for unsewered properties to improve understanding of how on site effluent systems work, how to achieve best practice management and how to reduce the risks to public health and the environment from poorly managed systems. High risk areas are to be targeted by the program initially. These include all priority towns and unsewered subdivisions of <1ha.	✓
6.	To ensure that when new septic tank permits are issued and when properties change hands, owners are informed that a septic tank permit applies to the property and understand the conditions of that permit.	✓
7.	To ensure town planning policy adequately considers wastewater management issues with respect to minimum allotment size and the implications of establishing reticulated sewer on development density.	✓
8.	To clarify circumstances in which Land Capability Assessments (LCAs) need to be undertaken and to improve the quality of LCAs received.	✓
9.	To monitor the performance of high risk septic tank systems (e.g. AWTSs) to ensure compliance with permit conditions.	✓
10.	To investigate the approach to compliance for other septic tank systems.	✓
11.	To ensure there is a high level of understanding amongst Council staff of the importance of domestic wastewater management and how it can impact on other Council functions, such as planning and stormwater management.	✓
12.	To maintain and develop working relationships with relevant external stakeholders.	✓
13.	To ensure ongoing development of Environmental Health staff skills and expertise, and efficient induction and training of new staff.	✓

Table 9-2. Individual Towns Strategic Objectives from the 2006 DWMP. Objectives carried through onto 2016 plan are shown with a tick. Revised and new objectives are noted.

No.	Description	Continued for 2016 DWMP
1.	All high and medium priority towns - determine and set minimum lot size required for sustainable onsite management and determine approach to undeveloped lots that are smaller than this minimum.	✓
2.	All high and medium priority towns - undertake community education to achieve improved domestic wastewater management and to encourage installation of improved systems where required.	✓
3.	All high and medium priority towns - develop a targeted monitoring and compliance program.	✓
4.	Dargo, Cowwarr, Swifts Creek, Buchan, Orbost, Nowa Nowa, Bendoc, Newmerella, Lindenow South - investigate improved stormwater management, building on existing actions in the Stormwater Management Plans, to reduce public health risk (e.g. covers over drains) and to reduce environmental impact (e.g. wetlands, reed beds). *(Note: Alberton removed from 2015 list due to being sewered)*	✓
5.	Metung East/Nungurner - work with council planning department to ensure Municipal Planning Scheme reflects development potential from a wastewater management perspective.). (Note: Metung East has been partially sewered since 2006)	✓
6.	West Wy Yung - work with East Gippsland Water to consider options for connecting to the nearby sewer system.	✓

No.	Description	Continued for 2016 DWMP
7.	Briagolong - investigate risk to groundwater in further detail and determine capacity for further unsewered development.	✓
8.	For the southern Ninety Mile Beach region (Golden/Paradise Beach, Woodside Beach, The Honeysuckles, and McLoughlins Beach) and for Manns Beach and Robertsons Beach to the south west - determine approach to onsite management based on land capability.	✓ (revised for 2016 plan)
9.	Hollands Landing - determine sustainable approach to onsite management of domestic wastewater.	✓
10.	Sewer infill - determine strategic approach to sewer infill, e.g. restrict subdivision or ensure subdivided areas are sewered.	✓
11.	Wellington Shire - develop closer relationship with Gippsland Water and investigate options for expansion of sewer system in larger townships based on development plans and risk assessments contained within the DWMP.	✓ (revised for 2016 plan)
12.	Based on the risk assessment conducted for this DWMP, the onsite wastewater management systems in the following Declared Water Supply Catchment townships: Dargo, Gormandale, Licola, Glenmaggie, Seaton, Benambra, Club Terrace, and Omeo, should be subjected to a further risk assessment (including a site inspection). The results of the risk assessment should be used to guide an appropriate monitoring and inspection program to the satisfaction of the relevant water corporation stakeholders. The Gippsland water corporations may contribute resources to assist in the detailed risk assessment of properties in the declared special water supply catchment areas. Refer to Table 9.1 – Item 1 in relation to a commitment for a MoU.	New for 2016 plan
13.	In East Gippsland Shire, the distribution of risk from onsite wastewater systems is more evenly spread over a range of townships across the Shire and is mainly due to risk to groundwater. The top 10 townships (Nicholson, Sandfield, Wy Yung, Lucknow, Toorloo Arm, Bruthen, Lakes Entrance, Swan Reach, Buchan and Metung) account for just over 50% of the total Shire risk and should be the subject of a further risk assessment. The results of the risk assessment should be used to guide an appropriate monitoring and inspection program to the satisfaction of the regional environment agency stakeholders.	New for 2016 plan
14.	Lindenow South - undertake community consultation to determine whether area should be sewered or rezoned to restrict further subdivision *(No longer a strategic objective, done).*	x
15.	Alberton - work with South Gippsland Water to investigate potential for sewering town to nearby Tarraville treatment plant (which services Yarram). *(No longer a strategic objective, town now sewered)*	x
16.	Benon River - apply for external funding to assist in investigation of sustainable wastewater management approach. *(No longer a strategic objective, town now sewered)*	x
17.	Banksia Peninsula - liaise with East Gippsland Water regarding current sewer investigation and, if sewering is not implemented, determine approach to sustainable onsite disposal. *(No longer a strategic objective, area now sewered)*	x
18.	Coongulla/Glenmaggie and Loch Sport - continue role as partner in investigation into innovative solutions to domestic wastewater management *(No longer a strategic objective, towns now sewered)*	x
19.	Coastal towns - ensure domestic wastewater management issues are incorporated appropriately into Coastal Townships Urban Design Framework. *(No longer a strategic objective, domestic wastewater management issues now incorporated into UDF)*	x

9.1.2. Issues-based Action Plans

Issues-based action plans were developed in 2006 and reviewed and updated in 2016 and address the following areas:

- Capacity building;
- Information management and data collection;
- Community education;
- Strategic planning;
- Land capability assessments;
- Monitoring and compliance;
- Building better partnerships with internal and external stakeholders;

- Training for environmental health officers.

Priority area for implementation and related strategic objectives for each issue are detailed in Table 9-3.

Table 9-3. Issues-based action plans. Responsible person is the Environmental health manager/co-ordinator

Issue	Priority area for implementation	Strategic objectives
Capacity Building (CB)	All of municipality	To secure resources to ensure actions identified can be implemented. To improve regulation and enforcement mechanisms for outdated and noncompliant systems
Information Management and Data Collection (IM)		
Update septic tank permit database	identified high risk properties	Enhance existing database of septic tank permit information to undergoin implementation of a compliance program and future education programs
Establish Septic Tank Details at Change of Ownership	All of municipality	Ensure new property owners are informed of the existence of a septic tank and any recorded problems. Where a septic tank permit cannot be located establish the details of the septic system.
Community Education (CE)		
	High risk areas are to be targeted by the program initially. These include all priority towns and unsewered subdivisions in TZ, LDRZ and RLZ	Raise awareness of septic tank management; Change the behaviour of home owners and achieve a higher level of compliance with permit conditions and best practice management;
Strategic Planning (SP)		
	All of municipality	To ensure land use planning policy adequately considers wastewater management issues with respect to minimum allotment size and the implications of establishing reticulated sewer on development density in the Planning Scheme.
Monitoring and Compliance (MC)		
Compliance	Initially priority towns/areas, expanding to whole of municipality dependent on experience in priority towns	To monitor the performance of high risk septic tank systems (e.g. AWTSs) to ensure compliance with permit conditions. To investigate the approach to compliance for other septic tank systems
Building Better Partnerships with Internal and External Stakeholders		
Internal stakeholder communication (IS)	Initially priority towns/areas, expanding to whole of municipality	To ensure there is a high level of understanding of the importance of domestic wastewater management and how it can impact on planning and stormwater management.
External stakeholder communication (ES)	Initially priority towns/areas, expanding to whole of municipality	To maintain and develop working relationships with relevant stakeholders.
Training for Environmental Health Officers (TR)		
	Within EH Department	To ensure ongoing development of environmental health staff skills and expertise, and efficient induction and training of new staff.

Table 9-4. 2016 DWMP Action plan for Wellington and East Gippsland Shire Councils

Action No.	Action steps	Team	Constraints and risks	Monitoring Indicators	Completion Date	Comments and action taken (since 2006 plan)
CS.3	Investigate external funding opportunities, e.g. Community Water Grants, Victorian Water Smart Fund.	EH, MAV, DELWP	Funding availability.	Amount of funding obtained.	Ongoing	Benon River, Cann River, Tambo Bluff, Metung East & Banksia Penn, Loch Sport, Coongulla, Alberton & Glenmaggie sewered (funding gained from CTW&SS)
IM.2	Refine existing database to ensure sufficient information is included. Assess need for software enhancement.	EH	Resources required	Database updated.	2016	Ongoing
IM.3	Develop a list of unsewered properties that do not have septic tank permit details included in the database.	EH, Rates Office	Security of information.	List available to be printed.	2018	Ongoing
IM.4	Compile existing hard copy files and determine value of transferring information to electronic database. If worthwhile determine process for undertaking transfer.	EH	Resources required. Condition of hard copy files.	No. of hard copy files found. Transfer process documented.	2017	Ongoing 1000+ file details added
IM.7	Develop an audit program for properties without septic tank permit details in the electronic database. (Could include seeking records from plumbers who install systems in the area.)	EH	Resources required.	Audit program documented.	2018	Not done, however both Shires are looking at this as a Long Term Program. Further investigation in high risk areas.
IM.11	Determine process for establishing the type and location of the system when there is no record of a septic tank permit.	EH	Resources required.	Process documented.	2018	Ongoing as part of 1. Planning referral process 2. Complaints process 3. Transfer of property process
IM.14	Add septic tank details to property database.	EH		No. of records added due to change of ownership.	2016	Ongoing
CE.4	Identify ownership details in priority areas.	EH, Rates office	Security of information	List available to be printed.	2017	In progress
CE.5	Distribute fact sheets to residents in priority areas. Where type of septic system is known, target fact sheets sent.	EH	Resources required.	No. queries from residents who received fact sheets.	2017	Required in high risk areas – will implement target areas
SP.1	Facilitate internal workshop between Environmental Health, Planning and Engineering departments of Council to increase understanding of domestic wastewater issues. (In conjunction with actions IS.1 and TR.1)	EH, Planning Dept., Engineering Dept.	Staff availability	No. of meetings/ workshops held.	2016	Ongoing
SP.7	Investigate and resolve the extent to which existing planning scheme provisions reflect the land use constraints associated with the inability to dispose of wastewater on site.	Planning Dept., EH.	Restriction on development potential. Staff and resources required.	Land use constraints in relation to onsite waste water disposal identified.	Ongoing	Revised item Standard setbacks in compliance with the EPA Code of Practice.
SP.8	Determine the need to develop a Special Water Catchment Policy or similar tool to have an agreed strategic approach between Council and all Water Corporations.	Planning Dept, EH, External Stakeholders	Restriction on development potential. Staff and resources required.	Agreement on the need for a Special Water Catchment Policy or similar tool.	Ongoing	Revised item Strategic Planning matter in conjunction with Ministerial guidelines and GIS risk analysis.
SP.9	Review the case for expansion of sewer system for Longford in conjunction with Gippsland Water	Planning Dept., EH.	Restriction on development potential.	Agreement on extension of sewer network	Ongoing	New to 2016 DWMP

Action No.	Action steps	Team	Constraints and risks	Monitoring Indicators	Completion Date	Comments and action taken (since 2006 plan)
MC.1	For high risk systems develop system that requests landholders or their service agents to submit evidence of maintenance on a quarterly basis and sampling results annually.	EH	Landholder reaction to increased expectations. Availability of service agents.	Percentage of properties with treatment plants that send maintenance report.	2016	Ongoing maintenance however sampling results not undertaken by either Shire.
MC.2	Establish a system on the information database to remind EH Dept when next submission due.	EH		System established.	2016	Ongoing development
MC.3	Prepare a standard letter to be sent to landholders if maintenance details are not submitted.	EH, MAV		Letter completed.	2016	Ongoing development
MC.4	Send letter to landholders if maintenance details are not submitted within one month of the due date.	EH	Resources required.	No. of reminder letters sent.	2016	Ongoing development
MC.5	Develop policy and procedures for dealing with non compliance.	EH	Legislative power to act on noncompliance. Resources required.	Policy and procedures documented. Process for implementation developed.	2016	Ongoing development
MC.6	Develop system for inspection of properties with high risk systems (e.g. AWTSs).	EH	Resources required.	Inspection process documented.	2017	Quarterly reports received and necessary action taken (WSC) East Gippsland do not undertake consistently however will be fully implemented during tenure of plan
MC.9	Investigate approach to improving compliance for other (non AWTS) septic tank systems.	EH	Resources required.	Investigation outcomes documented. Compliance program revised.	2017	Ongoing development
MC.10	Independent audit by an accredited auditor (water corporation approved) of implementation of the DWMP, including of monitoring and enforcement, every 3 years.	EH	Resources required.	Audit outcomes documented. Compliance program revised.	2019	Ongoing development
MC.11	Councils are required to demonstrate that suitable resourcing for implementation, including monitoring, enforcement, review and audit, is in place.	EH	Resources required.	Work plan for EH Department wastewater management activities developed. Evidence supplied to external stakeholders	Dec 2016	Annual review for the following 12 months
IS.1	Brief Council Teams regarding impact of DWMP outcomes on planning, stormwater and so on (potentially in conjunction with action TR.1)	EH, Planning, Infrastructure	Availability of staff.	No. meetings/ workshops held.	2016	Ongoing
IS.2	Provide annual report to internal stakeholders (Council, Planning Dept, Infrastructure Dept, etc.) on progress of DWMP.	EH, internal stakeholders	Resources required.	Annual reports distributed.	Ongoing	Refer ES3
ES.3	Provide annual report to external stakeholders on DWMP progress.	EH, external stakeholders	Resources required.	Annual reports distributed to stakeholders.	Ongoing	Not done

Action No.	Action steps	Team	Constraints and risks	Monitoring Indicators	Completion Date	Comments and action taken (since 2006 plan)
ES.6	Involve external stakeholders in the review of the DWMP. Undertake review in 2021.	DH, external stakeholders	Time taken for external stakeholders.	No. meetings/ workshops held.	Ongoing	Revised action item. Previous review should have been completed in 2010 but was undertaken in 2015
ES.7	The results of the three-yearly audit to be provided to stakeholders as soon as possible after the relevant assessment.	DH, external stakeholders	Time taken for external stakeholders.	Audit completed and report forwarded to external stakeholders	2018	New action item
TR.5	Maintain awareness of MAV and industry seminars/workshops relevant to domestic wastewater management and attend sessions as training budget allows.	DH, MAV, Industry Groups	Training budget limits ability of staff to attend seminars.	No seminars/ workshops attended by staff.	Ongoing	Ongoing

9.1.3. Action Plans for Priority Towns/Areas in East Gippsland Shire

Table 9-5. East Gippsland Shire Priority Towns/Areas and Strategic Objectives.

Priority area for implementation	Strategic objectives
Bushan, Swifts Creek, Nowa Nowa, Dessy, Bendoc, Newmerella (River)	1. Determine and set minimum lot size required for sustainable onsite management and determine approach to undeveloped lots that are smaller than this minimum. 2. Undertake community education to achieve improved domestic wastewater management and to encourage installation of improved systems where required. 3. Develop a targeted monitoring and compliance program. 4. Investigate improved stormwater management to reduce public health risk and environmental impact.
Lindenow South (Lind)	1. Determine and set minimum lot size required for sustainable onsite management and determine approach to undeveloped lots that are smaller than this minimum. 2. Undertake community education to achieve improved domestic wastewater management and to encourage installation of improved systems where required. 3. Develop a targeted monitoring and compliance program.
Nungurner and Metung (Nun)	1. Determine and set minimum lot size required for sustainable onsite management and determine approach to undeveloped lots that are smaller than this minimum. 2. Work with council planning area to ensure Municipal Planning Scheme reflects development potential from a wastewater management perspective. 3. Undertake community education to achieve improved domestic wastewater management and to encourage installation of improved systems where required. 4. Develop a targeted monitoring and compliance program.
Gipsy Point (Gipsy)	1. Undertake community education to achieve improved domestic wastewater management and to encourage installation of improved systems where required. 2. Develop a targeted monitoring and compliance program.
West Wy Yung and other Sewerage infill (Wy)	1. Work with East Gippsland Water to consider options for connecting to the nearby sewer system. 2. Undertake community education to achieve improved domestic wastewater management and to encourage installation of improved systems where required. 3. Determine strategic approach to sewer infill, e.g. restrict subdivision or ensure subdivided areas are sewered.

Table 9-6. East Gippsland Shire Action Plans for Priority Towns/Areas

Action No.	Action steps	Team	Constraints and Risks	Monitoring Indicators	Completion Date	Comments and action taken (since 2006 DWMP)
River.3	Ensure new houses and upgraded systems implement full onsite disposal.	EH	Land capability.	No. of septic tank permits issued.	2016	Completed – ongoing
River.4	Investigate improved stormwater management to reduce public health risk, e.g. covers over drains.	EH, Stormwater	Resources required.	Investigation outcomes documented and action plan revised.	On Going	Not done
River.5	Investigate improved stormwater management to reduce environmental impact, e.g. wetland, reed bed.	EH, Stormwater, EGCMA, EPA	Resources required.	Investigation outcomes documented and action plan revised.	On Going	Not done
River.6	Develop a monitoring and compliance program (linked to actions MC.1-9)	EH	Resources required.	Program implemented.	2019	Not done
Lind.4	Community education to achieve improved management and encourage installation of improved systems (part of actions CE.4 & CE.5).	EH	Ability to identify landholders requiring information.	Factsheets sent.	2018	Councils and EGA strategic policy to encourage development in Lindenow sewer district
Lind.5	Ensure new houses and upgraded systems implement full onsite disposal.	EH	Land capability.	No. of septic tank permits issued.	Completed	Completed
Lind.6	Investigate improved stormwater management to reduce public health risk, e.g. covers over drains.	EH, Stormwater	Resources required.	Investigation outcomes documented and action plan revised.	On Going	Not done
Lind.7	Investigate improved stormwater management to reduce environmental impact, e.g. wetland, reed bed.	EH, Stormwater EGCMA, EPA	Resources required.	Investigation outcomes documented and action plan revised.	On Going	Not done
Lind.8	Develop a monitoring and compliance program (linked to actions MC.1-9).	EH	Resources required.	Program implemented.	2018	Not done
Nun.3	Undertake community education to ensure improved management of septic systems (part of actions CE.4 & CE.5).	EH	Ability to identify landholders requiring information.	Factsheets distributed	2017	See CE 4 and 5
Nun.4	Develop a monitoring and compliance program (linked to actions MC.1-9).	EH	Resources required.	Program implemented.	2017	See MC 1-9
Gipsy.1	Community education to achieve improved management if sewering not implemented (part of actions CE.4 & CE.5).	EH	Ability to identify landholders requiring information.	Factsheets distributed	2017	Not done
Gipsy.2	Develop compliance and monitoring program if sewering not implemented. (Linked to actions MC.1-9)	EH	Resources required.	Program implemented.	2017	Not done
Wy.4	Where sewering will not occur undertake community education to ensure improved management of septic systems (part of actions CE.4 & CE.5).	EH	Ability to identify landholders requiring information.	Factsheets distributed	On Going	Not done
Wy.5	Develop a monitoring and compliance program for unsewered areas2 (linked to actions MC.1-9)	EH	Resources required.	Program implemented.	2017	See MC 1-9

9.2. Comment on planning action items

9.2.1. Stormwater management in unsewered townships

It is acknowledged that implementation of wetlands or reed beds would require ongoing management and maintenance to ensure their effectiveness. Where this approach is taken a supporting monitoring and evaluation program would be developed.

9.2.2. Monitoring and Compliance

On construction of a new home or renovation of an existing home that incorporates a septic tank system, a septic tank permit is issued that details:

- The type of system and the conditions relating to installation and maintenance of the system;
- The approved installation plan incorporating positioning of the proposed effluent disposal area.

A compliance program seeks to ensure that property owners are complying with the conditions of the septic tank permit. This can be achieved by:

- AWTS monitoring certificates of maintenance and sampling requirements submitted regularly by property owners to councils;
- Conducting a rolling program of regular site inspections in high risk areas and for high risk systems.

Note that the maintenance and monitoring required is dependent on the type of septic system in place. Regular compliance monitoring is particularly relevant to Aerated Wastewater Treatment Systems (AWTSs).

Compliance is a legislative responsibility for Local Government. Appropriate enforcement activity will be undertaken on the systems that are bought to the attention of Shire Council.

9.2.3. Community education program for unsewered properties

Further to the community education action items listed in Table 9-3 and Table 9-6 it is recommended that a community education program be developed for unsewered properties with the following aims:

- to improve understanding of how onsite wastewater management systems work,
- provide guidance on how to achieve best practice management; and
- provide guidance on how to reduce the risks to public health and the environment from poorly managed systems.

Areas will be addressed in order of priority.

9.2.4. Consideration of planning instruments

The use of planning instruments to control the risk of effluent moving offsite from domestic wastewater systems is a complex area and could involve a number of potential measures (e.g. development of new ESOs, use of S173 agreements, etc.). Council planning departments have extensive experience in this area and it is recommended that the Council Environmental Health Departments work with their Planning Departments to develop appropriate approaches for each municipality.

9.2.5. Changes to legislation for a levy to support compliance monitoring

An ongoing issue for Councils in Victoria is that they do not have a revenue source to cover the cost of ongoing compliance monitoring. This is a statewide issue and requires legislative changes to allow councils to levy charges for compliance monitoring. Wellington Shire and East Gippsland Shire Councils will continue to explore opportunities to progress this issue at the state level.

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Appendix 1 - Statutory Framework

10.1. Relevant legislation specifying DWMP statutory requirements

As stated in Section 3, the requirement for local Governments in Victoria to develop a DWMP is described in Clause 32 of the State Environment Protection Policy (Waters of Victoria) (SEPP WoV) which is an instrument under the *Environment Protection Act 1970*. Further specifications for DWMPs are set out in the Ministerial Catchment Guidelines, "*Planning permit applications in open, potable water supply catchment areas*" (DEPI 2012). The Ministerial Guidelines aim to assist water corporations and other referral and responsible authorities in their assessment of planning permit applications for use and development of land within all open, potable water supply catchments in Victoria.

'Open' water supply catchments are where part or all of the catchment area is in private ownership and access to the catchment is unrestricted[2].

The following sections summarise the key sections of the Ministerial Guidelines as well as the relevant components of other legislation that are relevant to this DWMP including the State Planning Policy Framework of the *Planning and Environment Act 1987*.

10.1.1. Ministerial Guidelines (2012)

Each of the following guidelines must be addressed where a planning permit is required to use land for a dwelling or to subdivide land.

10.1.1.1. Guideline 1: Density of dwellings

Where a planning permit is required to use land for a dwelling or to subdivide land or where a planning permit to develop land is required pursuant to a schedule to the Environmental Significance Overlay that has catchment or water quality protection as an objective:

- the density of dwellings should be no greater than one dwelling per 40 hectares (1:40 ha); and
- each lot created in the subdivision should be at least 40 hectares in area.

This does not apply where:

Category 1: A planning permit is not required to use land for a dwelling, to subdivide land or to develop the land.

Category 2: A permit is required but the proposed development will be connected to reticulated sewerage.

Category 3: A Catchment Policy has been prepared for the catchment and endorsed by the relevant water corporation following consultation with relevant local governments, government agencies and affected persons. The proposed development must be consistent with the Catchment Policy. Or,

Category 4: All of the conditions listed below are met, in which case the water corporation will consider allowing a higher density of development than would otherwise be permitted by Guideline 1:

- the minimum lot size area specified in the zone for subdivision is met in respect of each lot;
- the water corporation is satisfied that the relevant Council has prepared, adopted and is implementing a Domestic Wastewater Management Plan (**DWMP**) in accordance with the DWMP Requirements (described in Table 10-1) and
- the proposal does not present an unacceptable risk to the catchment having regard to: ○ the proximity and connectivity of the proposal site to a waterway or a potable water supply source (including reservoir);

[2] By comparison, in 'closed' catchments, the whole of the catchment area is publicly owned and public access is prohibited.

- the existing condition of the catchment and evidence of unacceptable water quality impacts;
- the quality of the soil; the slope of the land;
- the link between the proposal and the use of the land for a productive agricultural purpose;
- the existing lot and dwelling pattern in the vicinity of site; any site remediation and/or improvement works that form part of the application; and
- the intensity or size of the development or use proposed and the amount of run-off that is likely to be generated.

Note: this requires analysis in addition to a land capability assessment required pursuant to Guideline 2.

Domestic Wastewater Management Plan Requirements

A DWMP will be considered an acceptable basis for a relaxation of Guideline 1 (as set out above) where the requirements in relation to the DWMP (described in Table 10-1) are satisfied.

Table 10-1. Domestic Wastewater Management Plan Requirements

Attribute	Requirements
Consultation	The DWMP must be prepared or reviewed in consultation with all relevant stakeholders including: • other local governments with which catchment/s are shared; • EPA; and • local water corporation/s.
Protection of surface and groundwaters	The DWMP must comprise a strategy, including timelines and priorities, to: • prevent discharge of wastewater beyond property boundaries; and • prevent individual and cumulative impacts on groundwater and surface water beneficial uses.
Monitoring, compliance and enforcement	The DWMP must provide for: • the effective monitoring of the condition and management of onsite treatment systems, including but not limited to compliance by permit holders with permit conditions and the Code; • the results of monitoring being provided to stakeholders as agreed by the relevant stakeholders; • enforcement action where non-compliance is identified; • a process of review and updating (if necessary) of the DWMP every 5 years; • independent audit by an accredited auditor (water corporation approved) of implementation of the DWMP, including of monitoring and enforcement, every 3 years; • the results of audit being provided to stakeholders as soon as possible after the relevant assessment; and • Councils are required to demonstrate that suitable resourcing for implementation, including monitoring, enforcement, review and audit, is in place.

These requirements incorporate and build upon (but do not displace) Council responsibilities for developing DWMPs as set out in clause 32(2)(e) of the SEPP.

10.1.1.2. Guideline 2: Effluent disposal and septic tank system maintenance

Any application for a planning permit must demonstrate that a proposed use, development or subdivision of land to which these Guidelines apply will comply with all applicable laws and guidelines (described in sections 10.1.2 to 10.1.8 of this document), including the need to obtain a Council permit under the *Environment Protection Act 1970* for the installation of an onsite wastewater management system and associated systems.

10.1.1.3. Guideline 3: Vegetated corridors and buffer zones along waterways

Planning and responsible authorities should encourage the retention of natural drainage corridors with vegetated buffer zones at least 30 metres wide along waterways. This will maintain the natural drainage function, minimise erosion of stream banks and verges and reduce polluted surface run-off from adjacent land uses.

10.1.1.4. Guideline 4: Buildings and works

Buildings and works (including such things as land forming and levee bank construction) should not be permitted to be located on effluent disposal areas, to retain full soil absorption and evaporation capabilities, and should be setback at least 30 metres from waterways to minimise erosion and sediment, nutrient and salinity-related impacts.

Appropriate measures should be used to restrict sediment discharges from construction sites in accordance with *Construction Techniques for Sediment Pollution Control, Environment Protection Authority* (EPA Victoria 1991) *and Environmental Guidelines for Major Construction Sites, Environment Protection Authority* (EPA Victoria 1996).

10.1.1.5. Guideline 5: Agricultural activities

To prevent the pollution of waterways and damage to streamside vegetation (which contributes to bed and bank stability and filters overland flows entering the stream), stock access to waterways should be minimised.

10.1.2. Environment Protection Act 1970

Section 53M of the *Environment Protection Act 1970* provides that a municipal council must refuse a permit if a proposed onsite waste water/septic tank system is contrary to any State environment protection policy (SEPP) or waste management policy.

The State Environment Protection Policy (Waters of Victoria) (SEPP WoV) adopts the precautionary principle as a principle that should guide decisions about the protection and management of Victoria's surface waters when considering a permit for a septic tank system. The proper application of the principle requires consideration of the cumulative risk of the adverse impact of onsite waste water/ septic tank systems on water quality, in open potable water supply catchments, resulting from increased dwelling density.

Clause 32 of the SEPP WoV specifies EPA's expectations in relation to on-site domestic wastewater management (see Section 10.1.3 below), and the EPA provides further guidance in relation to onsite treatment systems, e.g. the Code of Practice for Onsite Waste Water Management (EPA Victoria 2013) (Section 3.1.1).

10.1.3. State Environment Protection Policy Waters of Victoria (SEPP WoV)

The DWMP must incorporate, and build upon Council's responsibilities for developing DWMPs set out in clause 32(2)(e) of the SEPP. This clause states that local councils need to:

- Where relevant, develop and implement a domestic wastewater management plan in conjunction with water corporations and communities that:
  - (i) Reviews land capability assessments and available domestic wastewater management options to prevent the discharge of wastewater beyond allotment boundaries and prevent impacts on groundwater beneficial uses;
  - (ii) Identifies the preferred options, together with costs, funding needs, timelines and priorities; and
  - (iii) Provides for the assessment of compliance of on-site domestic wastewater systems with permit conditions

Clause 32 further states that on-site domestic wastewater needs to be managed to prevent the transport of nutrients, pathogens and other pollutants to surface waters and to prevent any impacts on beneficial uses[3]. Cumulative effects of onsite wastewater treatment systems should also be considered.

In addition to the requirements for a Council DWMP, clause 32 also requires that:

- Occupiers of premises with an on-site domestic wastewater system need to manage that system in accordance with permit conditions and the *EPA Code of Practice for Onsite Wastewater Management* (EPA Victoria 2013), as amended.

  Occupiers also need to regularly assess the performance of their system against permit conditions.
- Municipal councils need to:
  - assess the suitability of land for on-site domestic wastewater systems prior to approving a development. To assist in this regard, the EPA provides guidance in *Land Capability Assessment for Onsite Domestic Wastewater Management* (EPA Victoria 2003) as amended (see also Section 3.1.2 in this document);
  - ensure that permits are consistent with guidance provided by the EPA, including that provided in the *EPA Code of Practice for Onsite Wastewater Management* (EPA Victoria 2013), as amended; and
  - work with the EPA to identify existing unsewered allotments which are not capable of preventing the discharge of wastewater beyond allotment boundaries, or preventing impacts on groundwater beneficial uses.

10.1.4. Groundwater SEPP

Depending on local conditions, under some circumstances on-site system disposal fields can drain to groundwater, particularly in areas where the water table is shallow and hydraulic loadings are high. The Groundwaters of Victoria SEPP (Government of Victoria 1997) provides a regulatory framework for the protection and management of groundwater environments in Victoria.

The groundwater SEPP identifies a range of beneficial uses dependent on different categories of groundwater and seeks to preserve the categorisation of local groundwater so the beneficial uses are not significantly impacted. Consequently, councils need to consider the cumulative effect of onsite wastewater treatment systems when assessing permit and planning applications and planning amendments to ensure that groundwater quality is protected.

[3] A beneficial use is defined in the Environment Protection Act 1970 and includes a current or future environmental value or use of surface waters or groundwaters that communities want to protect.

10.1.5. Planning and Environment Act 1987

10.1.5.1. State planning and environmental policies that apply to open, potable water supply catchment areas

The *Planning and Environment (General) Act* (2013) describes procedures for preparing and amending planning provisions, planning schemes, obtaining permits under schemes, settling disputes, enforcing compliance with planning schemes, and other administrative procedures (DTPLI 2015).

Planning schemes set out policies and provisions for use, development and protection of land. Each local government area in Victoria is covered by a planning scheme (DTPLI 2015).

The importance of water quality and water catchments is specifically addressed in Clause 14.02 in the State Planning Policy Framework in all planning schemes.In this clause it is State planning policy to:

- Protect reservoirs, water mains and local storage facilities from potential contamination.
- Ensure that land use activities potentially discharging contaminated runoff or wastes to waterways are sited and managed to minimise such discharges and to protect the quality of surface water and groundwater resources, rivers, streams, wetlands, estuaries and marine environments.
- Discourage incompatible land use activities in areas subject to flooding, severe soil degradation, groundwater salinity or geotechnical hazards where the land cannot be sustainably managed to ensure minimum impact on downstream water quality or flow volumes.

Clause 19.03 of the State Planning Policy Framework adopts the strategy:

- Ensure water quality in water supply catchments is protected from possible contamination by urban, industrial and agricultural land uses.

It is State Planning Policy (Clause 14.02-1) that planning authorities must have regard to relevant aspects of:

- any regional catchment strategies approved under the *Catchment and Land Protection Act 1994* and any associated implementation plan or strategy, including any regional river health and wetland strategies (see Section 10.1.8 of this document);
- any special area plans prepared under the *Heritage Rivers Act 1992* and approved under the *Catchment and Land Protection Act 1994*; and
- Guidelines for planning permit applications in open, potable water supply catchment areas (DEPI 2012).

10.1.5.2. Section 173 of the Act

Section 173 of the Planning and Environment Act (General) (2013) allows Councils to negotiate an agreement with an owner of land to set out conditions or restrictions on the use or development of the land, or to achieve other planning objectives in relation to the land (DPCD 2015). Such agreements are commonly known as Section 173 agreements.

Once completed, the agreement is lodged against the title of the property. Section 173 Agreements are frequently used by Water Corporations or Councils when planning applications are located in special water supply catchments. In such cases, the agreement usually specifies maintenance requirements for onsite wastewater systems. 10.1.6. Public Health & Wellbeing Act 2008

The *Public Health & Wellbeing Act 2008* replaced the *Health Act 1958* and lists types of nuisances which are offensive or could pose a health risk. Under this Act, Councils have a duty to remedy such nuisances. This includes investigating complaints relating to the illegal management of domestic wastewater and taking action to rectify the nuisance where this is necessary.

10.1.7. Water Act 1989

Section 183 of the *Water Act 1989*, empowers urban Water Corporations to inspect and measure existing septic tank systems. Furthermore, under Section 147 of the *Act*, systems that do not comply with the *Public Health and Wellbeing Act 2008* and the *Environment Protection Act 1970*, can be required by the Water Corporation to connect to the sewer where this is available

10.1.8. Catchment and Land Protection Act 1994

The importance of water catchments is also reflected in the special area plans prepared by Catchment Management Authorities, under Division 2 of Part 4 of the *Catchment and Land Protection Act 1994*. These plans assess the land and water resources of catchments in a region and identify objectives and strategies for improving the quality of those resources; they are also able to direct land use activities in a catchment..

10.1.9. Local Government Act 1989

The Local Government Act set outs the provisions under which the Councils operate and empowers Councils to have local laws and regulations, including those for management of onsite wastewater treatment systems.

10.1.10 Safe Drinking Water Act, 2003

All water corporations have obligations under the Safe Drinking Water Act, 2013.

10.2. Regulatory Authorities

A range of regulatory authorities have responsibilities that involve onsite wastewater management systems. These are summarised in Table 10-2.

Table 10-2. Regulatory authorities and their responsibilities relevant to the DWMP

Authority	Role
Wellington and East Gippsland Shire Councils	Wellington and East Gippsland Shire Councils are responsible for issuing permits for new onsite systems under the *Environment Protection Act 1970*. The Councils are also responsible for the management of all onsite systems within their respective boundaries and this includes the inspection of existing systems and ensuring compliance with Council and EPA requirements. The legal requirements of the Councils (EPA Victoria 2013) include: • issuing planning permits with a requirement that reticulated sewerage is provided at the time of sub-division where wastewater cannot be contained within the boundaries of every allotment; • assessing land development applications to determine the suitability of a site for an onsite wastewater management system; • assessing onsite wastewater management permit applications; • issuing Permits to Install/Alter and Certificates to Use onsite wastewater management systems; • refusing to issue a Planning Permit or Septic Tank Permit for a proposed development where Council considers wastewater cannot be contained within the boundaries of the site and reticulated sewerage is not available or will not be provided at the time of subdivision; • ensuring systems are installed in accordance with the relevant Certificate of Approval (see EPA website), the conditions on any Planning or Septic Tank Permit issued for a site and the relevant Australian Standard; • ensuring systems are managed in accordance with the Septic Tank Permit, the relevant Certificate of Approval, this Code and, where applicable, the most recent version of AS/NZS1547 through relevant compliance and enforcement programs; and • developing Domestic Wastewater Management Plans. Council assesses applications for Permits to Install or Alter and operate onsite wastewater management systems under the Act (Section 53J-O). Permits are issued with conditions. Council must refuse to issue a permit if: • the proposed onsite wastewater treatment system and associated disposal/recycling system is contrary to any State Environment Protection Policy • the application and/or land capability assessment report does not satisfy Council that wastewater cannot be sustainably managed on that site; or • the proposed onsite wastewater treatment system does not hold a current Compliance with the Australian Standards and approval from the EPA.
Department of Health and Human Services	The department administers the *Safe Drinking Water Act 2003* and has responsibilities under the *Public Health and Wellbeing Act 2008*.

Authority	Role
Catchment Management Authorities	Wellington and East Gippsland Shire Councils lie within or intersect the East and West Gippsland Catchment Management Authorities (CMAs). The role of the CMAs relevant to the DWMP is listed in their statement of obligations under the *Water Act 1989* (DELWP 2006) and is as follows: a) Facilitate and coordinate the management of catchments in an integrated and sustainable manner; b) Take a sustainable approach by balancing environmental, social and economic considerations; c) Plan and make decisions within an integrated catchment management context: • recognising the integral relationship between rivers, their catchments and coastal systems; • using the best available scientific information; • targeting resources to address priorities and deliver maximum improvement in resource condition; d) Provide opportunities for community engagement in the integrated management of catchments including rivers and related water and land ecosystems; e) Develop strategic partnerships with other relevant authorities and government agencies; f) Promote and apply a risk management approach for natural assets which seeks to preserve the quality of the natural assets; g) Promote and adopt an adaptive approach to integrated catchment management, including continuous review, innovation and improvement; h) Manage business operations in a prudent, efficient and responsible manner; i) Act as the caretaker of river health and provide regional leadership on issues relating to river health; and j) Undertake the operational management of the Environmental Water Reserve as a key component of an integrated program of river, wetland, floodplain and aquifer restoration.
Department of Environment, Land, Water and Planning	The Department of Environment, Land, Water and Planning (DELWP) is responsible for the management of environment, water resources, land management and planning in Victoria. DELWP may advise Councils on specialist matters where an on-site system may influence land, water and planning issues.
Environment Protection Authority Victoria (EPA)	EPA administers the *Environment Protection Act 1970*, and Waters of Victoria and Groundwaters of Victoria SEPPs and is responsible for: • producing guidance documents for: o wastewater treatment system, installation, testing and accreditation o the approval process for onsite wastewater management systems • providing advice on and interpretation of the guidance; • Monitoring systems for compliance with conformity standards • keeping the website-based list of currently approved systems and their accreditations up-to-date (see www.epa.vic.gov.au/your-environment/water/onsite-wastewater); • rescinding approvals and removing them from the list of approved systems on the EPA website. EPA Guidance includes: • EPA 891 Code of Practice – Onsite Wastewater Management (EPA Victoria); • EPA 746 Land Capability Assessment - Onsite Wastewater Management (EPA Victoria); and • EPA 760 Guidelines for Aerated Onsite Wastewater Treatment Systems (EPA Victoria).

Authority	Role
Municipal Association of Victoria (MAV)	MAV has prepared guidance documents for domestic wastewater management include a template for a DWMP and a model LCA report and procedures. The documentation is consistent with EPA Guidance documents.
Victorian Building Authority (VBA)	The VBA incorporates the roles and responsibilities of the former Plumbing Industry Commission (PIC and licenses all plumbers and onsite wastewater management system installers in Victoria. The VBA regulates the installation of onsite wastewater management systems including internal plumbing works.
Water Corporations	Water Corporations proving services within Wellington and East Gippsland Shires are Gippsland Water, East Gippsland Water, South Gippsland Water, Goulbourn Murray Water (water storage manager) and Southern Rural Water. All water corporations have responsibilities under the Safe Drinking Water Act, 2003. It is the role of the water corporations to supply water fit for purpose and where this involves drinking water, the water corporations have a strong interest in the protection of drinking water catchments. In particular, they have a legislative obligation in protecting such catchments from the impacts of onsite wastewater management systems. Where a proposed onsite system is located within a drinking water catchment, in a declared sewer district or requires a planning permit, the proposal must be referred to relevant water corporation (determining referral authority) for assessment and approval prior to Council issuing approval for the development.
Victorian Civil and Administrative Tribunal (VCAT)	VCAT was established under the Victorian Civil and Administrative Tribunal Act 1998. It is a tribunal where civil disputes, administrative decisions and appeals can be heard before Judge or member. The purpose of VCAT is to provide an economical, effective and independent tribunal for dispute resolution. VCAT has made a number of important decisions on disputes with respect to onsite wastewater management systems.

Appendix 2 – Water quality risk factors

Table 10-3. Attributes which were investigated for potential use in risk model development (characteristics in bold were chosen for the risk assessment)

Characteristic	Data Source	Explanation	Assessment Process
Land area available for LAA	Property layer from DataVic	Available land calculated as total property area minus areas classed as unusable (within setbacks, near bores, high watertable, (one hundred years flood area)	Compliant ≥ 40 ha Low Risk 0.4 - < 40 ha Moderate Risk 0.2 - < 0.4 ha High Risk 0.1 - < 0.2 ha Very High Risk < 0.1 ha Extreme Risk 0 ha
Surface waters - setback distance (m)	Calculated from DEM, rivers and lakes layers.	Area of property within the setback is classified as unusable for land application area(s) (LAA).	Distance of potential disposal fields from ephemeral and permanent drainage lines, creeks, rivers, lakes, dams and all other surface waters. In DWSC waterway setback is 100 m, reservoir setback is 300 m, outside DWSC waterway and waterbody setback is 60 m
Flood Likelihood	Flood layers (1 in 100) from DataVic	Requirements for siting onsite wastewater infrastructure (including LAAs) away from areas subject to flooding can vary between Councils.	Access official records where available. Note proximity of LAAs to waterways and areas subject to flooding. Area under 1:100 flood layer is classed as unsuitable for LAA
Watertable Depth (m) below the base of the LAA	Watertable depth created from SWI, and Elevation DEMs	The required soil depth to protect groundwater depends on soil type; high permeability soils generally require a greater separation distance (soil depth).	Distinguish between temporary (seasonal) perched watertables (mottling indicates wetting and drying) and permanent watertables.
Groundwater bores	Groundwater bores layer from WMIS - EPA 891.3 Setbacks Minor >50m, Mod 20-50m, Major <=20m ... Setback for soil categories 2b-6 is 20m, for soils 1-2a is either 50 or 20m (50 may become 20 if certain requirements met)	Adequate depth of soil to protect groundwater resources largely depends on soil type and climate.	Note the presence of bores on the site or in the locality, and depth of any standing water in pits or bores. Area within 50 m of bore is considered unsuitable for LAA
Slope gradient (%) Slope Form (affects water shedding ability) (a) for absorption trenches and beds (b) for surface irrigation (c) for subsurface irrigation	Slope created from DEM	Land application of effluent becomes increasingly constrained with increasing slope gradient, increasing the chances of effluent runoff or subsurface seepage.	Slope can be measured in the field using a clinometer. Topographic contour lines on a site plan can also be used.
Soil Texture, Indicative Permeability	Soil%Clay from DataVic Texture Group from Hazelton & Murphy 2010: Indicative percolation rate from fao.org Soil Categorisation EPA 891.3 LSYS250: WIND_ER (used where other data not available)	Soil textures are categorised as 1. Gravels and Sands 2. Sandy Loams 3. Loams 4. Clay Loams 5. Light Clays, or 6. Medium to Heavy Clays (AS/NZS1547: 2012). The rate at which water moves through the soil reflects the soil's permeability and determines the rate at which effluent is applied to land in litres per square metre per day (mm per day). The application rate for each type of land dispersal and recycling system is listed in Table 9 in the Code. Whilst the loading rate for LAA design is based on the permeability, it is less than the true permeability.	Use the Code and AS/NZS1547:2012 to analyse and identify the texture of each soil horizon. Refer also to McDonald et al. (1990). Generally, assessment of soil texture is adequate to determine soil permeability from AS/NZS1547:2012. The constant-head parameter (AS/NSZ1547:2012) can also be used, but not if soils are waterlogged or shrink-swell cracks are present. NOTE that the falling-head percolation test is no longer considered acceptable by the EPA.

Characteristic	Data Source	Explanation	Assessment Process
Rainfall (climate - difference between rainfall and evaporation)	BOM contour map of annual rainfall categories	Seasonal rainfall, evaporation and temperature patterns influence potential evapotranspiration in land application areas.	Gather Bureau of Meteorology (BoM) data and determine average and maximum monthly rainfall, and average monthly evaporation. Risk levels Low: Rainfall > evaporation < 1 month Mod: Rainfall > evaporation 1 – 4 months High: Rainfall > evaporation > 4 months
Pan Evaporation (climate - difference between rainfall and evaporation)	BOM contour map of annual evaporation categories		
Soil Depth to Rock or other impermeable layer (m)	LSYS250: WATER_ER	Deeper soils generally have a greater assimilative capacity for effluent (depending on soil type).	Comment on the total soil depth, using field investigation or other sources of information such as bore logs, as well as the thickness of each soil horizon, to adequately characterise the soil beneath the LAA. The Code requires description of soil characteristic details 1.5m below the base of the LAA.
Aspect (affects solar radiation received)	Aspect created from DEM	The aspect or the direction that a slope is facing influences solar exposure.	Estimate the general direction of the slope of the land application area(s) (LAA). If there are multiple aspects, focus on the area's most suitable for LAA.
Landslip potential (Erosion, or potential for erosion)	LSYS250: MASS_MOV	Unstable areas (steep, unvegetated, dispersive soils etc.) are usually unsuitable for LAAs without mitigation.	Note any existing or potential erosion sites, as well as any past landslips or slope failures.
Soil Drainage	LSYS250: WATER_LOG	LAAs should be located in areas of good surface and subsurface (soil) drainage.	Determine whether rainfall will be shed (run off) or soak in, and note any waterlogged areas, which may be indicated by hydrophilic vegetation.
Electrical Conductivity (ECe) (dS/m) as a measure of soil salinity	Soil EC from DataVic	EC test result infers the salinity of the soil and its potential impact on plant growth on the LAA. Refer to Hazelton & Murphy (2007) for interpretation of EC test results. Application of effluent increases salt content of soils over time.	This cheap and simple test measures the amount of dissolved salts and can be undertaken using a hand held meter using 1:5 soil:water suspension, or in a suitable soil testing laboratory.
pH (favoured range for plants)	Soil pH from DataVic LSYS250: LEACH (used where Soil pH data not available)	Acid soils (pH <5) or alkaline soils (pH >8) may constrain plant growth and should be ameliorated by use of chemical additives (e.g. lime for acidity).	This test can be undertaken using a soil pH test kit, a calibrated hand-held meter using 1:5 soil:water suspension, or in a suitable soil testing laboratory.
No Data Available			
Landform	(slope can be assessed)	Landform shape and the position of LAAs on slopes influence drainage and runoff characteristics both onto any potential LAAs as well as downslope of them (i.e. will runoff be evenly shed, or concentrated or dispersed flows?).	Topographic maps can be used to assess broad landform (geomorphology), and specifics such as position on slope and shape of slope should be assessed in the field, especially for any LAAs.

Characteristic	Data Source	Explanation	Assessment Process
Gleying or Mottling (see Munsell Soil Colour Chart)	indicators of soil drainage (soil texture is another indicator of indicative permeability and is available)	Gleyed soils indicate permanent saturation (permanent watertable), while orange, yellow and red mottles indicate seasonal saturation with intermittent periods of drying (perched or seasonal watertable).	Describe the soil, including the dominant soil colour (using Munsell soil colour chart) and the proportion and colour of any mottling or gleying (soil that is greyish, bluish or greenish) in each soil horizon. Include a photograph to illustrate.
Stormwater run on		LAAs should not be located in areas with high run-on, without mitigation such as upslope diversion structures. Downslope runoff diversion may be useful.	Note evidence of run-on to potential LAAs (such as sediment dams and wet ground) and determine likely flow path(s) of runoff from LAAs.
Setback Distances (nonwaterway)		Determining the most appropriate position for LAAs should be prioritised over placement of building areas.	Note any constraints to required setback distances being met, e.g. lot size and shape.
Vegetation coverage over the site		Good vegetation cover is important to prevent erosion as well as for uptake of water and nutrients from effluent.	Vegetation cover (%) and type (e.g. turf or woodland) should be determined or estimated.
Cation Exchange Capacity		Influences the ability of the soil to hold and exchange cations; a major controlling agent for soil structural stability, nutrient availability for plants and the soil's reaction to fertilisers and other ameliorants (refer to Hazelton & Murphy, 2007).	Recommended for soils suspected to have low fertility. This test is undertaken in a suitable soil testing laboratory and is a precursor for measuring sodicity.
Sodium Absorption Ratio (SAR)		The ratio of sodium to calcium and magnesium (beneficial elements) in the soil solution, with higher ratios potentially damaging to plants and soils.	Recommended for soils or effluent suspected to have elevated sodium levels, especially soils that disperse in water, producing turbidity. This test is undertaken in a suitable soil testing laboratory.
Emerson Aggregate Class (consider in context of sodicity)		EAC results infer dispersibility (as ped slaking, soil dispersion or both). LAAs should not be installed in soils with moderate or high dispersibility, without adequate mitigation (e.g. addition of gypsum, use of irrigation).	The Emerson Aggregate Test (EAT) is used to assess soil dispersibility and susceptibility to erosion and degradation. Refer to Hazelton & Murphy (2007) for test methodology. The EAT should be the first test of soil structure stability; if the soil is dispersive measuring its sodicity is highly desirable and can lead to a correct gypsum dosing recommendation.
Rock Fragments (size & volume %)		Coarse rock fragments displace soil volume and therefore can limit availalative capacity of soils.	Visually estimate the size and proportion of coarse rock fragments (pebbles etc.) in each horizon. Judge to see if rocks indicate shallow bedrock.
Sodicity * (ESP %)		The percentage of sodium compounds on cation exchange sites on soil particles. ESP >6% may cause damage to the soil structure. Refer to Hazelton & Murphy (2007). Effluent and greywater contain sodium.	Recommended for soils or effluent suspected to have elevated sodium levels, especially soils that disperse in water, producing turbidity. This test is undertaken in a suitable soil testing laboratory, in conjunction with testing cation exchange capacity and exchangeable cations.

Characteristic	Data Source	Explanation	Assessment Process
Rock outcrops (% of surface)		Rock outcrops displace soil horizons and therefore can limit assimilative capacity of LAAs for effluent. Outcrops can indicate shallow bedrock. Some rocks are strongly fissured and permeable and others are not.	Estimate the amount (% cover) and type of any rock protruding from the ground on the site.
Fill [1] (imported)		Capacity to assimilate effluent depends on the physical and chemical characteristics of the imported fill material(s).	Observe the extent and characteristics of any imported fill, particularly on potential LAAs.
Land Suitability		An LCA is used to determine which land is suitable and unsuitable for LAAs.	Areas that are unsuitable for LAAs should be excluded to determine available LAA on the site. A number of small and separate areas are often not suitable for LAAs.

Appendix 3 – Key to planning zones

Table 10-4. Key to planning zones

Category	Code	Planning Zones Name
Industrial	IN1Z-IN3Z	Industrial Zone
Commercial	CZ1-3	Commercial Zone
	MUZ	Mixed Use Zone – not public land is a commercial zone
Public Land	PCRZ	Public Conservation and Resource Zone
	PPRZ	Public Park and Recreation Zone
	PUZ1-7	Public Use Zone
	PCRZ	Public Conservation and Resource Zone
	RDZ1-2	Road Zones
Residential	LDRZ	Low Density Residential Zone
	GRZ1	General Residential Zone
	MUZ	Mixed Use Zone
	CDZ1	Comprehensive Development Zone –is a residential zone in this case
	TZ	Township Zone
Rural	FZ	Farming Zone
	RAZ	Rural Activity Zone
	RLZ1-5	Rural Living Zones
	RCZ1-3	Rural Conservation Zones
Special Purpose	SUZ1	Special Use Zone: Earth and Energy Resources Industry
	CA	Commonwealth Land

Appendix 4 – Action Plan items from 2006 DWMP not carried forward to 2016 plan

Action plan items in this appendix were either completed, or due to changing circumstances are no longer considered a priority in the 2016 plan.

Issues Relevant to Municipalities as a Whole

Action	Action steps	Comments and action taken
Capacity Building		
CB.1	Investigate potential to obtain additional funds from Council budget. (take out)	Investigated No success, no funding
CB.2	Investigate potential for a domestic wastewater management levy for all unsewered homes.	Not done. No appetite from Council. Legality is unresolved
CB.4	Work with EPA and DSE to improve regulation and enforcement mechanisms to remedy septic tank systems that are operating in accordance with their permits but do not satisfy current standards.	No EPA Regulation Review process never completed despite discussion paper. (See Hard Copy)
CB.5	Investigate strategies for addressing the issue of landowner's ability to pay for upgrades required.	Funding not available
Information Management and Data Collection Update septic tank permit database		
IM.1	Liaise with MAV pilot program regarding potential database module components.	Ongoing
IM.5	Submit data transfer program for incorporation into budget	No funding available as is not separately funded
IM.6	On budget approval implement data transfer program	N/A
IM.8	Submit audit program for incorporation into budget	Submit for Budget item during the tenure of the plan
IM.9	On budget approval implement audit program	Not done (see comments above)
Establish Septic Tank Details at Change of Ownership		
IM.10	Establish/enhance link between the property system and the EH team to ensure that Section 32 notices inform potential property buyers of the existence of a septic system, the conditions of the permit and any recorded problems. (Links with education action CE.8)	To be implemented
IM.12	Submit program to access missing information for incorporation into budget	N/A
IM.13	On budget approval implement program to access missing information.	N/A
Community Education Community education for property owners and residents in priority towns and high risk areas		
CE.1	Develop fact sheets addressing issues such as: • How septic tank systems work. • Owner obligations. • How to achieve best system performance (maintenance & household practices). • How to detect a failing system. • Impacts of failing systems. • Septic tank permits. • Water conservation. • Reuse of greywater.	Ongoing improvement to website and continued education program
CE.2	Develop media release to publicise availability of fact sheets.	Not Required
CE.3	Display fact sheets on Council website and make available at Shire Offices.	Ongoing update on website
CE.6	Design a community evaluation survey and process for completion.	Not Required
CE.7	Submit survey process for budget approval.	Not Required
CE.8	Undertake a community evaluation survey.	Not Required
Community education for new septic tank permit holders and new property owners with septic tank systems		
CE.9	Prepare a standard covering letter to be circulated to new septic tank permit holders and new property owners with a set of fact sheets.	Ongoing updates
CE.10	Establish a system (or refine existing system) whereby Rates Office notify EH Dept. when a change of home ownership occurs for an unsewered property. (Linked to Action IM.10)	To be established (WSC) Completed (EG)

Action	Action steps	Comments and action taken
CE.11	DH Dept. to distribute fact sheets as permits are issued and when a change of home ownership occurs. Where type of septic system is known, target fact sheets sent.	To be established (WSC) Completed (EG)
Strategic Planning		
SP.2	Determine minimum lot size required for sustainable onsite wastewater management for all high and medium risk townships/locations.	LCA dependent. Requires site specific information
		dependent upon the specific development
SP.3	Develop planning strategy for lots that are smaller than the minimum size required for sustainable onsite wastewater management.	Ongoing in consultation with Planning
SP.4	Ensure Coastal Townships Urban Design Framework includes appropriate consideration of domestic wastewater issues.	In Consultation with Strategic Planning
SP.5	Ensure outcomes of Coastal Townships Urban Design Frameworks and wastewater management policies are included into Planning Schemes as amendments.	In Consultation with Relevant Water Corporations
SP.6	Develop strategic approach to sewerage infill and extension in sewered towns.	Gippsland, East Gippsland and South Gippsland Water Strategies
Land Capability Assessments		
LCA.1	Review and document circumstances in which LCAs need to be undertaken.	LCA required as part of all OSS septic tank applications. WSC have triggers that will require an LCA
LCA.2	Determine and set minimum requirements for preparation of LCAs in accordance with existing guidelines.	Ongoing compliance with the relevant codes and standards
LCA.3	Develop information package and template for LCA providers in consultation with providers.	LCA provider responsibility
LCA.4	Provide information package and template to key LCA providers and other relevant stakeholders (e.g. developers).	LCA provider responsibility
LCA.5	Make information package and template available on council website.	LCA provider responsibility
LCA.6	Develop LCA training process for field assessors, e.g. biennial workshop.	Not a Council role
LCA.7	Submit LCA training program for incorporation into budget	Not a Council role
LCA.8	On budget approval implement LCA training program	Not a Council role
LCA.9	Investigate possibility of building knowledge of land capability in the region through a database incorporating information from LCAs or DHD assessments.	Ongoing development
LCA.10	Work with EPA to investigate an accreditation process for LCA providers.	EPA Matter
Monitoring and Compliance		
MC.7	Submit inspection program for incorporation into budget	Under Current Budget
MC.8	On budget approval implement inspection program	As above
Building Better Partnerships with Internal and External Stakeholders Internal stakeholder communication		
IS.2	In East Gippsland Shire, consult with other teams regarding implementation of a weekly meeting to discuss planning permit applications.	Undertaken on an "as needs basis" Formal referral process for relevant planning applications
IS.4	Provide annual update to customer service staff regarding DH issues, including staff in branch offices.	Ongoing
IS.5	Involve non DH staff in domestic wastewater training, where relevant. (Linked to TR.1-4)	Not Required
External stakeholder communication		
ES.1	Maintain contacts database developed in DWMP project.	Ongoing
ES.2	Review referrals checklist for planning and septic tank permit applications to ensure there is a process established to contact external stakeholders when relevant issues arise.	Ongoing
ES.4	Hold annual meeting with external stakeholders to discuss domestic wastewater issues.	Not done
ES.5	Consult with external stakeholders regarding GIS data sets that are applicable in assessing land capability for domestic wastewater management (eg. water supply offtake points).	Ongoing/incomplete
Training for Environmental Health Officers		
TR.1	Convene a workshop on outcomes of the DWMP (potentially in conjunction with IS.1).	Not done
TR.2	Implement regular (e.g. annual) meetings/ workshops between Wellington and East Gippsland DH staff to discuss issues. Potentially involve an external expert on some occasions.	Not done

Action	Action steps	Comments and action taken
TR.3	Undertake annual review (in Jan/Feb) of the DWMP action plans jointly between Wellington and East Gippsland Shires.	Not done
TR.4	Develop an EH specific induction program that includes training on land capability assessment and planning tools.	Completed
TR.6	Encourage MAV to provide additional courses relevant to domestic wastewater management.	Ongoing

Strategic objectives completed since 2006

Table 10-5 Individual Towns Strategic Objectives from the 2006 DWMP that were completed

No.	Shire	Description
1.	Wellington	Alberton - work with South Gippsland Water to investigate potential for sewering town to nearby Tarraville treatment plant (which services Yarram). *(No longer a strategic objective, town now sewered)*
2.	East Gippsland	Seman River - apply for external funding to assist in investigation of sustainable wastewater management approach. *(No longer a strategic objective, town now sewered)*
3.	East Gippsland	Banksia Peninsula - liaise with East Gippsland Water regarding current sewer investigation and, if sewering is not implemented, determine approach to sustainable onsite disposal. *(No longer a strategic objective, area now sewered)*
4.	Wellington	Coongulla/Glenmaggie and Loch Sport - continue role as partner in investigation into innovative solutions to domestic wastewater management *(No longer a strategic objective, towns now sewered)*
5.	Wellington and East Gippsland	Coastal towns - ensure domestic wastewater management issues are incorporated appropriately into Coastal Townships Urban Design Framework. *(No longer a strategic objective, domestic wastewater management issues now incorporated into UDF)*

East Gippsland Shire

Action	Action steps	Comments and action taken
Buchan, Swifts Creek, Nowa Nowa, Orbost, Bendoc, Newmerella		
River.1	Community education to achieve improved management and encourage installation of improved systems (part of actions CE.4 & CE.5)	Not done
River.2	Determine minimum lot size required and preferred approach to sustainable onsite management (part of action SP.2).	Refer SP 2 and 9
Bemm River		
Bem.1	Apply for external funding to investigate sustainable wastewater approach.	Done
Bem.2	Investigate options for reticulated sewerage or common effluent drainage scheme.	Done Reticulated sewer provided
Bem.3	Undertake community consultation regarding preferred approach.	Done Reticulated sewer provided
Bem.4	Community education to achieve improved management and encourage installation of improved systems (part of actions CE.4 & CE.5).	Done Reticulated sewer provided
Bem.5	Develop a monitoring and compliance program (linked to actions MC.1-9).	Done Reticulated sewer provided
Banksia Peninsula		
Banks.1	Liaise with DSW regarding sewer investigation.	Done Reticulated sewer provided
Banks.2	Determine approach to sustainable onsite disposal if sewering not implemented.	Done Reticulated sewer provided
Banks.3	Community education to achieve improved management if sewering not implemented (part of actions CE.4 & CE.5).	Done Reticulated sewer provided
Banks.4	Develop compliance and monitoring program if sewering not implemented. (Linked to actions MC.1-9)	Done Reticulated sewer provided
Lindenow South		
Land.1	Determine minimum lot sizes for redgum plains vs sandy rises (part of action SP.2).	See SP2
Land.2	Determine strategy for matching planning zones to land systems.	Councils and DSW strategic policy to encourage development in Lindenow sewer district
Land.3	Community consultation to determine whether area should be rezoned or sewered.	Councils and DSW strategic policy to encourage development in Lindenow sewer district
Nungurner/Metung East		
Num.1	Determine minimum lot size appropriate for onsite wastewater management (part of action SP.2).	See SP 2
Num.2	Work with coastal planning area to incorporate domestic wastewater strategy into Coastal Towns Urban Design Framework so as to ensure further subdivision of land is restricted (part of action SP.4).	Done NB East Metung now partially sewered
West Wy Yung and other Sewerage infill		
Wy.1	Determine minimum lot size appropriate for wastewater management (part of action SP.2).	See SP 2
Wy.2	Work with council planning area to determine strategic approach, e.g. restrict subdivision or ensure subdivided areas are sewered or have a common effluent drainage scheme.[1] (Part of action SP.6.)	Done – in progress
Wy.3	Consider options for connecting to nearby sewer system, e.g. low pressure sewer.	Done

Wellington Shire

Action	Action steps	Comments and action taken
Coongulla/Glenmaggie		
C/G.1	Continue role as partner in Country Towns Water Supply and Sewerage Program investigation into innovative domestic wastewater solutions.	Done
C/G.2	Determine minimum lot size and approach to sustainable onsite disposal in interim (part of action SP.2).	Done
C/G.3	Develop strategy for new houses, or upgrades that occur before sewer investigation complete.	Done
C/G.4	Community education to achieve improved management and encourage installation of improved systems (part of actions CE.4 & CE.5).	Done
C/G.5	Develop compliance and monitoring program[1] (linked to actions MC.1-9).	Not done
Loch Sport		
Loch.1	Continue role as partner in Country Towns Water Supply and Sewerage Program investigation into innovative domestic wastewater solutions.	Done
Loch.2	Review approach to sustainable onsite disposal.	Done
Loch.3	Develop strategy for new houses, or upgrades that occur before sewer investigation complete.	Done
Loch.4	Community education to achieve improved management and encourage installation of improved systems (part of actions CE.4 & CE.5).	Done
Loch.5	Develop compliance and monitoring program (linked to actions MC.1-9).	Done
Alberton		
Alb.1	Community education to achieve improved management and encourage installation of improved systems (part of actions CE.4 & CE.5).	Done
Alb.2	Investigate potential to sewer town to Yarraville WWTP in consultation with South Gippsland Water.	Done
Alb.3	Determine minimum lot size required for sustainable onsite management (part of action SP.2).	Done
Alb.4	Develop strategy for undeveloped lots that are smaller than minimum lot size (part of action SP.3).	Done
Alb.5	Ensure new houses and upgraded systems implement full onsite disposal.	Done
Alb.6	Investigate improved stormwater management to reduce public health risk, e.g. covers over drains.	Done
Alb.7	Investigate improved stormwater management to reduce environmental impact, e.g. wetland, reed bed.	Done
Alb.8	Develop a monitoring and compliance program (linked to actions MC.1-9)	Done
Cowwarr and Dargo		
C&D.1	Community education to achieve improved management and encourage installation of improved systems (part of actions CE.4 & CE.5).	Ongoing
C&D.2	Determine minimum lot size required for sustainable onsite management (part of action SP.2).	Ongoing
C&D.3	Develop strategy for undeveloped lots that are smaller than minimum lot size (part of action SP.3).	Ongoing
C&D.4	Ensure new houses and upgraded systems implement full onsite disposal.	Done
C&D.5	Investigate improved stormwater management to reduce public health risk, e.g. covers over drains.	Ongoing
C&D.6	Investigate improved stormwater management to reduce environmental impact, e.g. wetland, reed bed.	Done
C&D.7	Develop a monitoring and compliance program (linked to actions MC.1-9)	Ongoing
Coastal Areas: in particular, Golden Beach, Paradise Beach, McLoughlins Beach and Woodside.		
Coast.1	Take active role in development of Coastal Townships Urban Design Framework and Wellington Coastal Strategy to ensure domestic wastewater issues are incorporated appropriately (part of action SP.4).	Ongoing
Coast.2	Determine impact of land capability on approach to onsite management (part of action SP.2).	Ongoing

Action	Action Steps	Comments and action taken
Coast.4	Community education to achieve improved management and encourage installation of improved systems (part of actions CE.4 & CE.5).	Not done
Coast.5	Develop a monitoring and compliance program (linked to actions MC.1-9)	Not done
Briagolong		
Brlag.1	Investigate risk to groundwater in further detail and determine capacity for further unsewered development in the town.	Not done
Brlag.2	Determine minimum lot size required for sustainable wastewater management (part of action SP.2).	Not done
Brlag.3	Develop strategy for undeveloped lots that are smaller than minimum lot size (part of action SP.3).	Done
Brlag.4	Ensure new houses and upgraded systems implement full onsite disposal.	Done
Brlag.5	Community education to achieve improved management and encourage installation of improved systems (part of actions CE.4 & CE.5).	Not done
Brlag.6	Develop a monitoring and compliance program (linked to actions MC.1-9)	Not done
Hollands Landing		
HL.1	Determine sustainable approach to onsite management.	Not done
HL.2	Community education to achieve improved management and encourage installation of improved systems (part of actions CE.4 & CE.5).	Not done
HL.3	Develop a monitoring and compliance program (linked to actions MC.1-9)	Not done
Sewerage Infill: Developments around Sale, Maffra, Heyfield, Rosedale, Yarram, and Stratford.		
Infill.1	Determine minimum lot size appropriate for onsite wastewater management (part of action SP.2).	Done
Infill.2	Work with council planning department to determine strategic approach, e.g. restrict subdivision or ensure subdivided areas are sewered[1]. (Part of action SP.6)	Ongoing
Infill.3	Develop a closer relationship with relevant water corporations and investigate options for expansion of the sewer system[2].	Ongoing
Infill.4	Where sewering will not occur undertake community education to ensure improved management of septic systems (part of actions CE.4 & CE.5).	Ongoing
Infill.5	Develop a monitoring and compliance program (linked to actions MC.1-9).	Ongoing

Appendix 5 – Stakeholder Workshops

Wellington and East Gippsland Shires Domestic Wastewater Management Plan – Workshop 1 – Review of DWMP Scope

May 1 2015, Wellington Shire Offices, 70 Foster St, Sale Attendees:

- Martin Richardson (Gippsland Lakes Committee – resigned)
- Fiona Pfeil (Catchment Officer, Gippsland Water)
- Vince Lopardi (Water Resources & Catchment Planning, Southern Rural Water)
- Kerry Matthews (Catchment Management & Water Quality, South Gippsland Water)
- Paul Young (Senior Planning Engineer, Gippsland Water)
- John Roche (Acting Senior Environmental Health Officer (EHO), East Gippsland Shire Council)
- Vanessa Ebsworth (Manager, Municipal Services, Wellington Shire Council)
- Barry Nicholl (Municipal Building Surveyor and Environmental Health Coordinator, Wellington Shire Council)
- Dean Graham (EHO, Wellington Shire Council)
- Andrew Fairhall (EHO, Wellington Shire Council)
- Elliot Robertson (Department of Health and Human Services)
- Nick O'Connor (Ecos Environmental Consulting)
- Tracy Clark (Ecos Environmental Consulting)

Apologies:

- Simon Robertson (East Gippsland Water)
- EPA Victoria

East Gippsland Water

Our Ref: DOC/16/38442

26 August 2016

Mr Allan Watson
Environmental Health Officer
East Gippsland Shire Council
273 Main Street
BAIRNSDALE, Victoria 3875
(Via email)

Dear Mr Watson,

RE: Review of Domestic Wastewater Management Plan

East Gippsland Water (EGW) acknowledges the joint efforts of East Gippsland Shire Council (EGSC) and Wellington Shire Council (WSC) in generating the updated regional domestic wastewater management plan (DWMP). The final DWMP will be a valuable reference that will help facilitate appropriate development particularly within open potable water supply catchments to protect water supplies. EGW has appreciated being involved with representatives from both councils, and Gippsland Water and Southern Rural Water, in reviewing the document and providing regular feedback on the various iterations as the draft document has been prepared.

From our review of the latest draft, it appears that the document has progressed substantially. We take this opportunity to highlight and support the following key components.

EGW is keen to ensure that, in accordance with the Ministerial Guidelines (*Planning permit applications in open, potable water supply catchment areas*, November 2012), the DWMP is being effectively implemented (among other things). This would enable EGW to consider allowing higher densities of development than might otherwise be permitted by Guideline 1.

In particular, it is noted (in section 8.7, p 77) that an annual report will be sent to stakeholders (including EGW) describing:

- the results of onsite wastewater management system compliance monitoring;
- enforcement action where non-compliance is identified; and
- annual meetings may be held with stakeholders on an as needs basis.

Also, we believe that the 'independent audit by an accredited auditor (water corporation approved), including of monitoring and enforcement, every 3 years' will be a valuable indicator of progress with the DWMP.

133 Macleod Street, PO Box 52, Bairnsdale Victoria 3875
T 03 5150 4444 F (03) 5150 4477
E egw@egwater.vic.gov.au W www.egwater.vic.gov.au

The proposed Memorandum of Understanding (MoU) between the relevant councils and water corporations (Action No. 1, Table 9-1, p 78) will also be a key enabler. The MoU will clearly articulate:

1. The level of resources to be allocated (by the councils) to the plan implementation. The allocation of resources to support approval, compliance and maintenance auditing will take into consideration:
    - the level of support relevant water corporations can provide
    - the risk profile of the property
2. The associated process that support outcome (1)
3. Communication strategies between Councils and water corporations to brief on plan implementation and completed actions Process.

We will work with the councils to ensure the MoU is completed by 20 December 2016.

It is also noted that other actions listed in Table 9-1 (particularly actions 2 and 3) and elsewhere in the DWMP, support the theme of increasing council resources and management processes to generally improve environmental performance and catchment protection associated with domestic wastewater systems.

One aspect of the draft DWMP that would benefit from further clarification is in relation to the potential to extend sewerage systems to certain infill areas (including west Wy Yung, as mentioned in item 6 of Table 9-2, and in Table 9-5). It should be noted that provision of sewerage systems is generally at the cost of the benefiting property-owners/developers.

EGW will formally consider the final DWMP, after all submissions have been considered by the councils.

If you have any further queries regarding this matter, please do not hesitate to contact Simon Robertson (5150 4426).

Yours faithfully,

Dean Boyd
EXECUTIVE MANAGER INFRASTRUCTURE

CC: Vanessa Ebsworth, Manager Municipal Services, Wellington Shire Council
Peter Skeels, General Manager, Operations, Gippsland Water
Vince Lopardi, Manager Water Resources & Catchment Planning, Southern Rural Water

GIPPSLAND WATER DWMP FEEDBACK

From: Chris.Wood@gippswater.com.au [mailto:Chris.Wood@gippswater.com.au]
Sent: Friday, 26 August 2016 11:54 AM
To: Samantha King <Samantha.King@wellington.vic.gov.au>
Subject: DWMP Feedback - Gippsland Water

I can confirm that Gippsland Water have reviewed the draft DWMP and thank Wellington Shire Council (WSC) for incorporating the feedback we have provided to date into the draft released for community.

Gippsland Water is satisfied the DWMP is moving in the right direction for the document to be endorsed subject to acceptance by the WSC and delivery of the DWMP MOU requirements and implementation of the DWMP.

Can you please advise the process and timing WSC intends to go through from here with council given the pending election, to get the DWMP endorsed and to commence implementation so Gippsland Water can align its internal board recommendation and endorsement process.

Our Ref: DM#4260278

26th August 2016

Mr Allan Watson
Senior Environmental Health Officer
East Gippsland Shire Council
PO Box 1618
BAIRNSDALE VIC 3875

Dear Mr Watson

Domestic Wastewater Management Plan – Release for Community Feedback

Thank-you for giving Goulburn-Murray Water (GMW) the opportunity to comment on the Wellington and East Gippsland Shire Council's 2016 Domestic Wastewater Management Plan (DWMP).

GMW has an interest in domestic wastewater management in those areas of the East Gippsland Shire which are in the Lake Hume Special Water Supply Catchment (SWSC) due to its role operating Dartmouth Dam and Lake Hume (downstream of Dartmouth and the Mitta Mitta River). Comments on the plan are only in relation to the East Gippsland Shire and GMW's areas of interest.

GMW is a determining referral authority under the Planning and Environment Amendment (General) Act, 2013 (which amends the P & E Act of 2007) and is a Water Storage Manager (WSM) under the *Safe Drinking Water Act 2003* and *Safe Drinking Water Regulations 2015*. A WSM releases water from storages it manages to a Water Supplier (urban water corporation) or permits the Water Supplier to take water directly from, or downstream of, a storage.

The unsewered towns/areas of interest to GMW in the East Gippsland Shire are Benambra, Cobungra, the unsewered areas of Omeo and individual unsewered properties within the Lake Hume SWSC.

Some specific comments about the plan are as follows:

- GMW considers that the success of any plan is in its resourcing and implementation and notes that many of the proposed actions are at present unresourced in terms of funding and staff. Also of note is that the plan does not include any results of system audits/inspections to identify the current operational status of on-site systems throughout the municipalities. GMW supports the use of a risk matrix process to identify and prioritise areas for actions but recommends that the prioritisation be based on not only the risk matrix but also some audit/inspection findings for existing systems and local EHO knowledge of problem areas.

- The plan clearly recognises that one of the drivers for preparing the DWMP is to address the requirements of the DSE Guidelines *Planning permit applications in open, potable water supply catchment areas* (2012) and in particular the density requirements of Guideline 1. The

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plan should recognise and identify that Guideline 1 is applicable to any zone where a planning permit is required or where there is an overlay whose objective is for water quality protection. The Guidelines can only be applied however where a planning permit is required and as there are no catchment overlays in the East Gippsland Shire Planning Scheme for water quality protection there will be instances in some zones where no planning permit for unsewered development is required and no referral to a Water Corporation occurs. Where a planning permit is required in a SWSC, the application must be referred to the relevant Water Corporation as a determining referral authority under Section 55 of the P & E Act (2013) and in accordance with Clause 66.02-5 of the Victorian Planning Provisions (VPPs) unless the Water Corporation has a specific agreement with council under Clause 66.04 of VPPs that specific types of applications do not need to be referred. It is important therefore that any shortcomings of the planning scheme be addressed in order to ensure that catchment protection can occur in a consistent manner across the municipalities. GMW notes that Table 9-4, Action Sp.8 identifies the potential for a catchment policy or similar. GMW would support the introduction of an Environmental Significance Overlay as part of the East Gippsland Planning Scheme as a means of achieving consistent objectives and assessment of development applications.

- The EPA has recently published a new version, 891.4 of the *Code of Practice On-site Wastewater Management* (2016) so all references to the previous version throughout the DWMP must be updated or referred to as the current version of the Code. Publication 746.1, Land Capability Assessment for Onsite Domestic Wastewater Management (2003) has also been superseded by 891.4.

- All references to Certificates of Approval should be replaced with Certificate of Conformity.

- **Table 5.1 Steps in Approval Process (adopted from the Mitchell Shire)** - there are steps in this that do not appear to be in the actual order they are undertaken. Specifically, steps 2 & 3 under Site Inspection are activities that would be undertaken as part of the construction process once approval has been granted. Clarify in the table that the process is for the Septic Tank permit as opposed to the planning permit.

- **Figure 5.1** – clarify the order of this process and where water corporations have input into the planning permit process as opposed to the septic tank permit process. The present flow chart indicates that the EHO provides the planning department with the conditions from the water corporations whereas this should be identified as a separate referral process.

- **Table 9.1**, Action 1 relates to the undertaking of MoUs with Water Corporations which has the potential of relaxing Guideline 1. In order for Guideline 1 to be relaxed Water Corporations need to be confident that councils have demonstrated a robust program of audits/inspections showing a high level of compliance for existing systems. If there is no system of inspections or compliance monitoring, the guidelines must apply.

- **Section 10, References** – documentation should be in a consistent manner and include or be amended to the following:
  - Department of Sustainability and Environment (note not DEPI), Guidelines *Planning permit applications in open, potable water supply catchment areas* (2012).
  - Victorian Government, Variation to State Environment Protection Policy (Waters of Victoria) (2003)
  - EPA, *Code of Practice – Onsite Wastewater Management,* Publication 891.4 (2016)
  - Planning and Environment Amendment (General) Act (2013)
  - Water Act, 1989
  - Victorian Planning Provisions
  - Safe Drinking Water Act, 2003
  - Safe Drinking Water Regulations 2015

- **Section 10.1.5, Planning and Environment Act** – update reference to the current Planning and Environment Amendment (General) Act (2013). Delete any references to DEPI 2012 (which are the Guidelines) in this section.

- **Section 10.1.7, Water Act, 1989** – amend the wording to state that Section 183 …."empowers **urban** Water Corporations……". This section of the Act is only applicable to Water Corporations that have a sewerage district and does not apply to rural water suppliers such as GMW or Southern Rural Water.

- **Section 10.1.8, Catchment and Land Protection Act** – Delete reference to DEPI 2012 from the end of this paragraph. The relevance of this Act is that it contains the list of declared Special Water Supply Catchments in Schedule 5.

- It is recommended that the Safe Drinking Water Act, 2003 be referenced and included as an Act of relevance to the DWMP as all Water Corporations have obligations under this Act.

- **Table 10-2, Regulatory Authorities and their responsibilities**
  - remove the paragraph relating to Water Corporations from the council list on P85.
  - Update references in the EPA list
  - Include GMW in the list of Water Corporations and identify that our role is as a storage manager. All Water Corporations have responsibilities under the Safe Drinking Water Act, 2003 and it is recommended this is identified in this section.
  - The paragraph regarding referrals of applications to Water Corporations is not accurate for reasons described earlier. Water Corporations can only receive an application if a planning permit is required or if the proposal is for unsewered development within their sewerage district.

If you have any further queries please contact Joanne Runciman, Senior Catchment Health Officer on (03) 5450 5313 or me on (03) 5826 5732.

Yours sincerely

Greg Smith
MANAGER WATER QUALITY

INSERT

ITEM C3.2 PLANNING SCHEME AMENDMENT C84 - WURRUK GROWTH AREA

DIVISION: DEVELOPMENT

ACTION OFFICER: MANAGER LAND USE PLANNING

DATE: 6 SEPTEMBER 2016

IMPACTS									
Financial	Communication	Legislative	Council Policy	Council Plan	Resources & Staff	Community	Environmental	Consultation	Risk Management
✓	✓	✓		✓		✓	✓	✓	

OBJECTIVE

To consider a private Planning Scheme Amendment request to rezone land within the Wurruk Growth Area for residential use, and to request the Minister for Planning to Authorise Council, as the planning authority, to prepare Amendment C84 - Wurruk Growth Area, pursuant to Section 8A of the *Planning and Environment Act 1987,* and once Authorisation is granted, proceed to exhibition.

PUBLIC QUESTIONS AND COMMENTS FROM THE GALLERY

RECOMMENDATION

That

1. ***Council, having considered the private request (refer to Attachment 1), resolve to advance the Planning Scheme Amendment process to facilitate the rezoning of land within the Wurruk growth area.***

2. ***Pursuant to Section 8A of the Planning and Environment Act 1987, Council resolve to request the Minister for Planning to Authorise Council, as the planning authority, to prepare Amendment C84 – Wurruk Growth Area (refer to Attachment 2).***

3. ***Council resolve to proceed with the public exhibition of Amendment C84 - Wurruk Growth Area once Authorisation is granted.***

BACKGROUND

In May 2016 Council received a request to rezone land within the Wurruk Growth Area (see Figure 1) to General Residential Zone – Schedule 1 (GRZ1), Low Density Residential Zone (LDRZ), apply a new Development Plan Overlay – Schedule 9 (DPO9) and update the Land Subject to Inundation Overlay (LSIO) and Heritage Overlay (HO). The rezoning request and relevant specialist reports are included in **Attachment 1** to this Report.

The subject land relates to the Wurruk Growth Area, which is identified within the Sale, Wurruk and Longford Structure Plan (2010). The Structure Plan advocates for the creation of well designed, complete neighbourhoods that are integrated with the existing adjoining residential areas and local facilities in Wurruk, in the short to medium term.

Figure 1: Wurruk Growth Area

An initial assessment of the rezoning request indicates that the application and its supporting information is generally of a standard that can now be progressed to the next stage in the process. However, the following four (4) components of the proposal have been the subject of further detailed discussion with both the proponents and the relevant statutory authorities.

1) Heritage place Kilmany Park Estate

The proponent is seeking a reduction in the extent of the existing Heritage Overlay, which currently applies to the Kilmany Park Estate (see Figure 2). The Heritage Assessment Kilmany Park (April 2016) report identified the extent to which the current Heritage Overlay could reasonably be reduced. As a consequence, a revised Heritage Citation has subsequently been prepared by Council's Heritage Advisor to reflect the new information and provide the basis for a revised Heritage Overlay to be considered as part of C84.

The Heritage Overlay provides a degree of protection to the main Mansion House itself and significant buildings, works and trees contained within the site. Significant view lines to and from the Estate and the (long) driveway from Settlement Road are also afforded protection. Any new development will also be required to be assessed against its potential impact on the heritage significance of Kilmany Park.

Figure 2: Kilmany Park Heritage Overlay. Pink shaded area - existing extent, black line - proposed extent

2) Impact by flooding

In response to advice from the West Gippsland Catchment Management Authority (WGCMA), Council is proposing to recognise the most up-to-date flood data by revising the extents of the current LSIO and Flood Overlay. The WGCMA has stated that it considers the rezoning of any land that would facilitate future residential development within areas that are subject to flooding, as unsuitable and inappropriate.

3) Proposed zones and overlays

In response to updated heritage and flooding information, Officers are suggesting that the following zones (refer to Figure 3) be applied to the subject land:

- Rezone land which is not flood prone to General Residential Schedule 1 and Low Density Residential Zone, as identified in the Sale, Wurruk and Longford Structure Plan (2010).
- Apply the Rural Activity Zone to the Kilmany Park Estate (as recommended in the Rural Zone Review (2009)), including land in the flood-prone area. Officers consider that the application of the Rural Activity Zone would better reflect the existing use of Kilmany Park as a residence, bed and breakfast and conference centre.
- Apply the LSIO and Flood Overlay to flood prone areas within the Planning Scheme Amendment area, based on the most up-to-date data provided by the WGCMA.
- Reduce the extent of the existing Heritage Overlay and update the associated Heritage Citation and relevant Clauses within the Wellington Planning Scheme based on the advice of Council's Heritage Advisor.

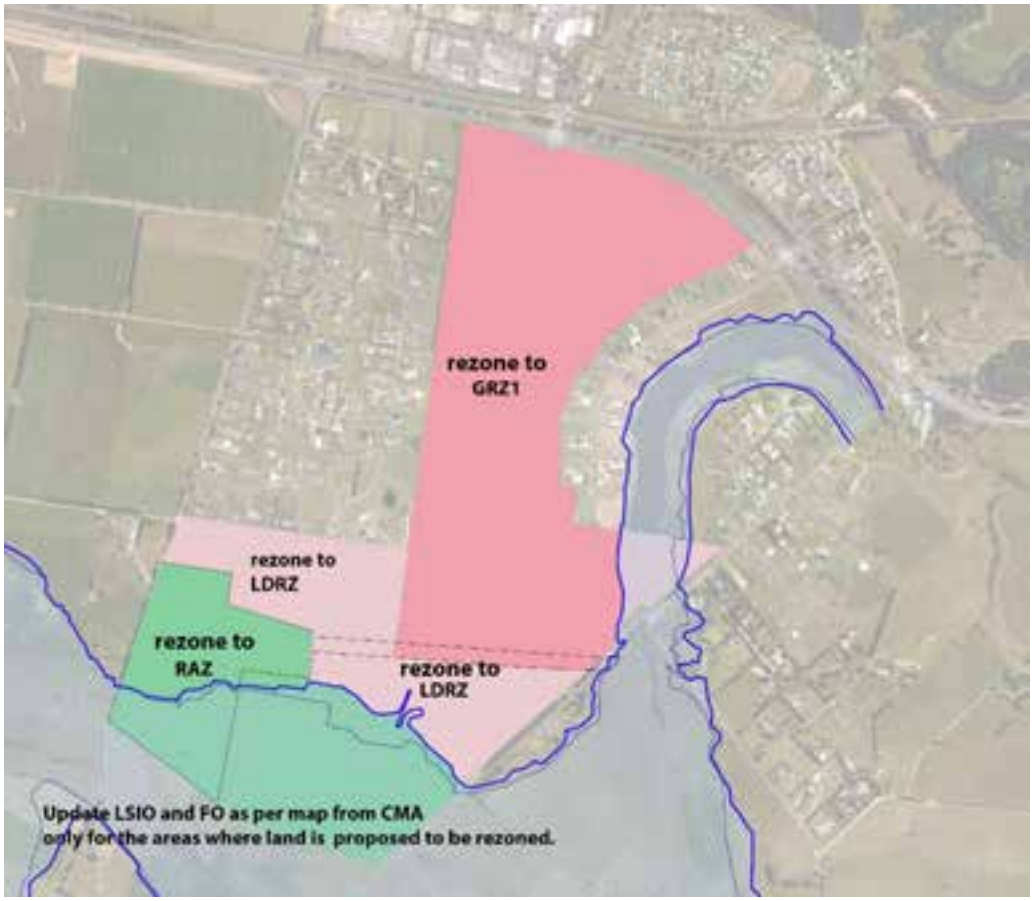


Figure 3: Proposed zones and overlays

4) The Development Plan Overlay

The Amendment also proposes the application of a DPO9 to the subject land. A Development Plan Overlay requires a Development Plan to be prepared prior to subdivision or development of the land. The purpose of a Development Plan is to describe all elements necessary to achieve quality residential development. It sets out the key principles for the long-term coordinated development of an area into a complete and fully integrated neighbourhood - including the preferred staging and a developer contribution system.

Given the strategic significance and scale of the proposed development, a specific schedule has been prepared for the Wurruk Growth Area, which will require the preparation of a single Development Plan for the whole of the Growth Area. To achieve the best possible land use outcome a concept plan and design principles have been included within the schedule. The key design principles upon which the Development Plan would be based, include the need to create:

- A distinctive neighbourhood with a strong sense of place:
    - This principle requires the Development Plan to take account of existing significant features e.g. the natural topography, the Kilmany Park (heritage) Estate and native scattered trees.
- A connected and integrated movement network:
    - This principle requires consideration to be afforded to the creation of a permeable and safe road network, including paths for pedestrian and cyclists, which provide connections to the Wurruk Primary School and to the Sale CBD.
- A centrally located and accessible community area for the use of the whole Wurruk community:
    - This principle seeks to secure the provision of accessible public open space of at least 5 hectares in area to provide facilities such as a regional playground, a junior football ground and an area reserved for a neighbourhood activity centre for commercial and community uses.
- An attractive and safe neighbourhood:
    - This principle requires specific design approaches to all interfaces (e.g. the Princes Highway, adjoining established residential areas, Settlement Road) and the provision of natural surveillance.

Further specialist reports will be required to support the preparation of the Development Plan including: traffic, native vegetation and cultural heritage studies. The proposed Schedule will also require the need for community participation in the preparation of the Development Plan, prior to its approval.

Although the provisions of the draft Schedule could be perceived as being very detailed, the level of prescription proposed is directly commensurate with the complex land use issues at play within the Growth Area and the need to achieve the best possible planning outcome.

The provisions of the DPO9 also provide the flexibility for revisions to the Development Plan to be considered by Council over the course of its anticipated life.

A full set of the draft Planning Scheme Amendment documents - including the revised Heritage Citation and proposed DPO9, are included in **Attachment 2** to this Report

It should be noted that as a consequence of further detailed discussions between the proponent and Council Officers, that the proposal as submitted (refer to **Attachment 1**) differs from the Planning Scheme Amendment currently proposed to be exhibited (see **Attachment 2**). If the proponent wishes to challenge Council's suggestions, the Amendment process affords an opportunity to do so through an independent Planning Panel.

OPTIONS

Council has the following options:

1. To advance the residential rezoning of land within the Wurruk Growth Area by requesting the Minister for Planning to Authorise Council, as the planning authority, to prepare Amendment C84 - Wurruk Growth Area pursuant to Section 8A of the *Planning and Environment Act 1987* and once Authorisation is granted, proceed to exhibit Amendment C84.

2. To not advance the rezoning of land within the Wurruk Growth Area.

3. To seek further information prior for considering a further report at a future Council Meeting.

PROPOSAL

That Council

1. Having considered the private request (refer to **Attachment 1**), resolve to advance the residential rezoning of land within the Wurruk growth area, Wurruk.

2. Pursuant to Section 8A of the *Planning and Environment Act 1987*, resolve to request the Minister for Planning to authorise Council, as the planning authority, to prepare Amendment C84 – Wurruk Growth Area (refer to **Attachment 2**).

3. Resolve to proceed with the public exhibition of Amendment C84 - Wurruk Growth Area once Authorisation is granted.

CONFLICT OF INTEREST

No staff and/or contractors involved in the compilation of this report have declared a Conflict of Interest.

FINANCIAL IMPACT

As Amendment C84 is a private request, all direct financial costs associated with the Amendment process will need to be met by the proponent.

COMMUNICATION IMPACT

Should Council decide to proceed with C84, landowners within and directly surrounding the Wurruk growth area will receive notification of the public exhibition once Authorisation is granted by the Minister for Planning. The Council website will also be updated accordingly.

LEGISLATIVE IMPACT

Should Council decide to proceed with Amendment C84, it will need to seek the Minister for Planning's formal Authorisation, as stipulated by the *Planning and Environment Act 1987* prior to public exhibition.

Wellington Shire Council is committed to upholding the Human Rights principles as outlined in the *Charter of Human Rights and Responsibilities Act 2006 (Vic)* and referred to in Council's Human Rights Policy. The Human Rights Checklist has been completed and the proposed amendment to

the Wellington Planning Scheme is in accordance with Council's policy commitment to uphold human rights principles.

COUNCIL PLAN IMPACT

The Council Plan 2013–17 Theme 5 Land Use Planning states the following strategic objective and related strategy:

> Strategic Objective
> *"Appropriate and forward looking land use planning that incorporates sustainable growth and development."*
>
> Strategy 5.1
> *"Ensure Land Use Policies and Plans utilise an integrated approach to guide appropriate land use and development."*

Amendment C84 supports the above Council Plan strategic objective and strategy.

PLANNING POLICY IMPACT

Amendment C84 is consistent with the State and Local Planning Policy Frameworks (SPPF and LPPF) within the Wellington Planning Scheme, the Sale, Wurruk and Longford Structure Plan (2010), the Gippsland Regional Growth Plan (2014) and the relevant State Government Planning Practice Notes.

Clause 21.05 of the Wellington Planning Scheme - Sale, Wurruk and Longford Strategic Framework, identifies the subject land for urban residential expansion.

COMMUNITY IMPACT

The development of the Growth Area will have a generally positive impact on the Wurruk community as a whole. The integrated and coordinated development of the Growth Area will provide for an accessible community area with accessible open space and pedestrian and cycling connections to Wurruk and Sale. Through the provision of a range of block sizes, the proposal will ultimately afford new opportunities to accommodate the growing population of Sale.

It is anticipated that existing landowners, particularly those who currently adjoin the Growth Area land, may have concerns relating to the potential impacts of the proposed rezoning's, on their property. It should be noted that the fundamental principle of residential development within the Growth Area has been advocated in the Sale, Wurruk and Longford Structure Plan since its adoption by Council in 2010.

ENVIRONMENTAL IMPACT

On the basis of advice obtained from the WGCMA, the Amendment will facilitate revisions to the extent of the current flood mapping within the Wellington Planning Scheme to reflect the most up-to-date data – as it applies to the subject land.

Other preliminary assessments have not identified any potential negative impacts on the environment.

The proposed DPO9 will require further detailed assessments to be undertaken at a later date in the process and prior to the commencement of any development.

In relation to the proposed rezoning of land to LDRZ, the option to create lots of either 2,000m^2 or 4,000m^2 exists and will depend upon the availability of reticulated services and the ability to address the issue of wastewater disposal. This issue can be considered in more detail at the Development Plan preparation stage.

CONSULTATION IMPACT

Amendment C84 will be exhibited in accordance with the procedures required by the *Planning and Environment Act 1987*. On the basis that support is given for the request to be made to the Minister for Planning to Authorise the Amendment, the process would allow for the following:

a) The exhibition period for Amendment C84 is tentatively scheduled in November/December 2016, during which submissions can be made by the general public;
b) Depending on the nature of submissions received, Council could either abandon the Amendment, choose to try and resolve any issues raised by submitters, or request the Minister for Planning to appoint an expert independent Planning Panel to consider the submissions and make recommendations to Council.

ATTACHMENT 1

Beveridge Williams

Reference: 1400147
Office: Sale

6 May 2016

ACN 006 197 235
ABN 88 006 197 235

Sale
45 Macalister St
PO Box 47
Sale Vic 3850
ph: 03 5144 3877

Wellington Shire Council
18 DeSailly Street
Sale VIC 3850

Dear

RE: APPLICATION TO AMEND THE WELLINGTON PLANNING SCHEME
REZONING OF LAND
LOTS 6 & 7 ON PS702630, LOT 1 ON PS410216, LOT 2 ON PS610634,
LOTS 1 & 2 ON PS415183 &
CROWN ALLOTMENT 21, SECTION E, PARISH OF WURRUK WURRUK

We refer to the above matter and advise that we act on behalf of the owners of the above land parcels, who are:

- Jelaryl Pty. Ltd.
- Park Ridge Investments Pty. Ltd.
- Reyela Pty. Ltd.
- Pearsondale Heights Pty. Ltd.

We refer to the Sale, Wurruk & Longford Structure Plan, which was incorporated into the Wellington Planning Scheme through Amendment C67 on 8 November 2012 and recognize that this established Council's official policy position for residential growth across the Sale, Wurruk & Longford area.

Since this incorporation occurred, we have undertaken a series of site investigations to clarify whether development of the above parcels in South Wurruk can be carried out in a manner that accords with the zonings foreshadowed in the Structure Plan and in the context of Council's strategic planning policies.

We have now completed our investigations, which included a site analysis, a heritage study, a vegetation assessment, a land supply/demand analysis, a drainage strategy and a land capability assessment and our conclusion is that the site is suitable for residential development at both low and general residential densities, as recommended in the Structure Plan.

Our clients request that Council commence a planning scheme amendment to rezone the land as a result of the findings of these reports.

Accordingly, we ask that Council amend the Wellington Planning Scheme by making the following rezonings:

- Lots 6 & 7 on Plan of Subdivision No. 702630, Lot 1 on Plan of Subdivision No. 410216 and Crown Allotment 21, Section E, Parish of Wurruk Wurruk from Low Density Residential Zone to General Residential Zone (Schedule 1);
- Lot 1 & 2 on Plan of Subdivision No. 610634 from Farming Zone to General Residential Zone (Schedule 1);
- Crown Allotment 19, Section E, Parish of Wurruk Wurruk from Farming Zone to Low Density Residential Zone;
- Lot 1 on Plan of Subdivision No. 602219 from Farming Zone to both General Residential Zone (Schedule 1) and Low Density Residential Zone and Heritage Overlay (with a reduction to the existing extent of the overlay covering the land);
- Lot 2 on Plan of Subdivision No. 602219 from Farming Zone to both General Residential Zone (Schedule 1) and Low Residential Zone, Land Subject to Inundation Overlay, Floodway Overlay and Heritage Overlay (with a reduction to the existing extent of the overlay covering the land); and,
- Lots 2-6 on Plan of Subdivision No. 602219 from Farming Zone to Low Density Residential Zone with a Heritage Overlay.

It is also proposed to apply the Development Plan Overlay across all of the above sites and introduce a new Development Plan Overlay Schedule that will set out the requirements for the preparation of an outline development plan covering all of the above parcels.

We enclose for Council's consideration:

- A Site Analysis
- A Draft DPO Schedule
- An Explanatory Statement
- A Land Supply/Demand Assessment
- A Heritage Study
- A Drainage Strategy
- A Vegetation Assessment
- A Land Capability Assessment
- A Statutory Fee of $798

We believe that the information submitted is sufficiently comprehensive to enable Council to consider this request and that Council is in a position to proceed with the amendment.

We are happy to meet at any time to discuss this application or to provide further information on this request. Please do not hesitate to contact us should you have any queries.

Yours sincerely,
BEVERIDGE WILLIAMS & CO PTY LTD

CHRIS CURNOW
Senior Planner – East Gippsland Region


South Wurruk Site Analysis Report
May 2016
Beveridge Williams

Contents

1.0 Background

1.1 Strategic Context

South Wurruk is identified as a future residential area in the ***Sale, Wurruk and Longford Structure Plan*** (September 2010). The Structure Plan notes that '*opportunity exists for the establishment of urban residential and some rural residential development to form a complete neighbourhood that is integrated with the existing urban area and local facilities.*'

Source: Aerial

The following three elements comprise Wellington Shire Council's vision to ensure Wurruk and Wurruk South is developed to create a complete neighbourhood:

Connected and Integrated Neighbourhoods

- Link existing neighbourhoods to create a strong sense of place and strengthen community relationships.
- Development of roads and walking/cycling paths to link key facilities and locations within the development area, between existing neighbourhoods and between North/South Wurruk and Sale.

Site Specific Features

- Enhance landscape character, including site topography and the Kilmany Park Heritage Estate.
- Enhance main access points along the Princes Highway and consider highway frontage treatments to establish the character of the new neighbourhood.

Open Space

- Provide easily accessible open space, available for use by the whole neighbourhood.
- Provide centrally located open space, typically within a 400m walkable catchment area.
- Accomodate a new sports oval which will become an open space provision for the whole of Wurruk.

Western Growth Area - Extract from the Sale, Wurruk and Longford Structure Plan

1.1 Site Context

South Wurruk is located 1.3km west of Sale, to the south of the Princes Highway. The development area is approximately 88 hectares in size and consists of ten land parcels.

The original Wurruk township is established to the north of the Princes Highway, consisting of standard density residential development. This vicinity also contains Wurruk Primary School, limited commercial development and one of Sale's main industrial precincts. A range of recreational sites including Wurruk Oval and Sale Bowling Club, as well as public open space along the Thompson River and within the Herb Guyatt Sanctuary, are also located in the Wurruk township area.

The south side of the Princes Highway has been developed in more recent years and consists of low density residential housing. Sovereign Estate is located to the west of the development area with lots of 4000-6000 square metres and Park Ridge Estate is located to the east with lots ranging from 3500 square metres to 3 hectares. The surrounding area also consists of some rural living to the south east, and is framed by farm zoned land on all sides, generally used for cattle grazing.

North and South Wurruk are separated by the Princes Highway and the railway line, which creates a strong divide between the two areas in terms of accessibility and neighbourhood character. The area is also physically separated from the Sale Town Centre area by the Thompson River, and the development plan provides the opportunity for greater linkages between these areas.


Sale Town Centre


Sale Bowls Club


Herb Guyatt Sanctuary


Thompson River


Low density residential adjacent to site

2.0 Site Analysis

The subject site is currently zoned Low Density Residential, however the Sale, Wurruk and Longford Structure Plan highlights the potential for some higher density residential development to the northern half of the site, to integrate with the surrounding estate developments to the east and west. The site is largely characterised by paddocks containing scattered trees and plantings, some flood prone land to the south and the Kilmany Park Heritage Estate, a significant historical feature that presents a strong landscape character to the area.

The key physical features and influences on the site which will underpin the preparation of the South Wurruk Development Plan are described and illustrated according to the following categories:

- Access and Movement
- Landscape Character
- Vegetation
- Topography and Views
- Drainage
- Heritage
- Services

2.1 Access and Movement

The Princes Highway to the north of the site provides the main point of access into the development area. Two roundabouts have been constructed in the recent realignment of the highway, which provides vehicular access to the North Wurruk residential area and community facilities, as well as to the Sale Urban Area located 1.3km to the east.

The site also has a number of access points from the surrounding local roads within Park Ridge Estate to the east and Sovereign Estate to the west. These provide opportunities for future new road connections, as well as the integration of the residential development into a unified neighbourhood precinct. There is also an unmade road reserve along the western boundary of the site, which is currently not in use.

There are two unsealed roads which traverse the site, including Arnup Road, which provides east-west vehicular access through the area, as well as the Kilmany Park Track, which provides private access to the heritage mansion. These two routes are to both be mostly retained, with the Arnup Road alignment and established avenues of planted vegetation to the south of the site to potentially dictate the future road layout of the development area. The track to the Kilmany Park Heritage Mansion should also be protected and continue to be used primarily to access the heritage site, and any surrounding residential development should be sympathetic and embracing of its established landscape character.

The Princes Highway and the Gippsland Railway Line currently present a strong divide between the South Wurruk Development Area and North Wurruk. There is the opportunity to provide better and safer connections between these areas for both vehicular and pedestrian/cycling access, as well as to the Sale Town Centre and broader region. The shared path network around the town centre should be extended and integrated into the new neighbourhood precinct, and connections to community facilities, the school, public open space and public transport, including Sale Station and the existing bus route along the highway, should be enhanced.

2.2 Landscape Character

The development area has predominantly been used for agricultural and grazing purposes and the landscape character of the site is reflective of this, although the northern half presents quite a different quality to the south.

The northern area above Arnup Road is higher and offers views across the surrounding land, particularly from the ridgeline along the centre of the site. It is mainly cleared of vegetation and the developments to both the east and west provide an established residential interface which will influence the development across the subject site. The Princes Highway also has a strong influence on the character of the area, providing a physical buffer and noise barrier to the region beyond.

The south of the site is characterised by low lying land which is partly covered by a Land Subject to Inundation Overlay (LSIO). The land is covered in pasture grasses, some scattered paddock trees and lines of planted vegetation, and offers long views out to the surrounding farmland. The Kilmany Park Heritage Estate divides this character precinct, the buildings and landscape of which have a strong presence in the setting.

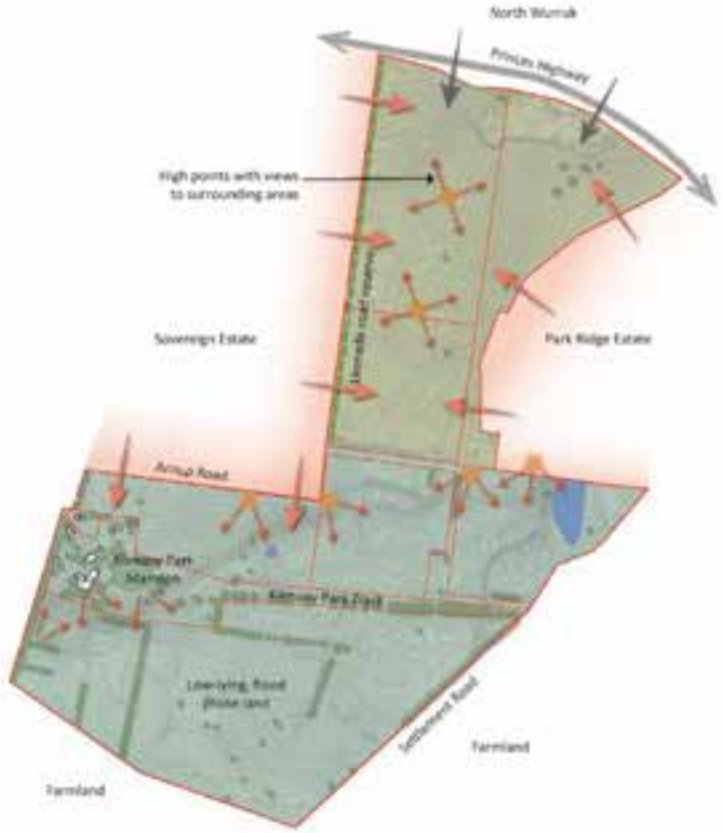
The character of the site is also heavily influenced by the presence of the Kilmany Park Mansion and the surrounding homestead. The access track leading up to the mansion is a key landscape feature of the area and should be protected and enhanced during the development of the site. The estate grounds also comprise a number of existing outbuildings, a grassed oval area and established historic vegetation, which are to be retained and will contribute to the landscape setting of the futute residential neighbourhood.

Paddocks and scattered vegetation

Kilmany Park estate grounds

Kilmany Park Estate Buildings

Kilmany Park Mansion



2.3 Vegetation

The subject site has previously been cleared and used for agricultural purposes, however there is some scattered vegetation and planted avenues of trees as well as two protected trees to the north east of the site which are fenced and covered by a Section 173 agreement.

The Ecological Vegetation Class (EVC) identified for most of the land is primarily 'Plains Grassy Woodland', and there are 44 scattered native trees identified on the site which are representative of this bioregion. These are predominantly Gippsland Red Gum (*Eucalyptus tereticornis subsp. mediana*), River Red Gum (*Eucalyptus camaldulensis*), or hybrids between the two species. Where possible, new residential development should aim to retain most of this native vegetation.

There is planted vegetation, which is predominantly exotic, along Arnup Road, Kilmany Park Track and Settlement Road as well as shelterbelts between some paddocks. There are also several planted trees in the grounds immediately surrounding the buildings at Kilmany Park, comprising mostly exotic species, with some scattered natives. There is a large English Oak Tree to the west of the mansion which is estimated to be approximately 100 years old and is of historical significance to the area. A commemorative plaque by the tree notes that it was 'Planted by His Majesty King George V when visiting Kilmany Park as HRH The Duke of York on 15th May 1901'.

The entirety of the development area is also dominated by introduced groundcover pasture species, reflecting the current and past agricultural land uses of grazing and cropping. There are no species of threatened flora or fauna identified on the land and the vegetation remaining on site has a highly modified structure.

The unused road reserve along the western boundary of the site also contains some vegetation which currently provides a landscape buffer to the adjacent residential development.

2.4 Topography and Views

The subject site is located within the Gippsland Plain bioregion, which typically comprises flat low lying coastal and alluvial plains with some gently undulating terrain. The land within the site generally falls north to south, with varying topographical features throughout the area.

To the north of the development area adjacent to the Princes Highway lies a former quarry. A ridgeline extends through the centre of the site from this location, with a number of high points offering views across the site and surrounds, providing valuable land for residential development. The land around this consists of undulating terrain, with areas of steep gradient as well as some flat open spaces further towards the middle section of the site, which have the potential to be utilised for active open space.

Views throughout the middle of the site highlight the landscape and heritage character of Kilmany Park. There are also some significant sightlines across the area from the mansion itself, which any future residential development would need to be sympathetic to.

The bottom half of the development area, generally to the south of the Kilmany Park Heritage Estate, is much flatter with some low points and drainage basins, falling away to floodplains further to the south where the land is covered by a Land Subject to Inundation Overlay (LSIO). The land sitting above this flood prone lane would be most suitable for lower density residential development to integrate with the surrounding area.


Undulating topography


Areas of steep gradient


Flat land to the south of the subject site


Views across surrounding farmland

2.5 Drainage

The site generally falls towards the flood prone land to the south, with a range of existing drainage infrastructure that should be incorporated and enhanced within the development plan.

The high points along the central ridgeline to the north fall towards the edges of the site, and there are a number of defined drainage lines running towards existing reserves and various low points across the area. These existing systems provide the opportunity to incorporate new wetland areas and stormwater detention into the future residential development.

The lower half of the site is low lying and partly covered by a Land Subject to Inundation Overlay (LSIO), which may experience some flooding during large rainfall events. This will have a large impact on future development within this vicinity, and the area provides the potential for further wetland treatment areas.

2.6 Heritage

The heritage qualities of the site are a key contributor to the overall landscape character of the development area, including the historical presence of the Kilmany Park Heritage Estate, established vegetation and the existence of some areas of aboriginal heritage sensitivity.

Kilmany Park Estate is a post settlement heritage site, comprising a homestead and double storey mansion that was constructed in the Federation style and has recently been repaired and operates as a Bed and Breakfast and Function Centre. It is one of the oldest established properties in Eastern Victoria and the ***Wellington Heritage Study*** notes that it is of considerable historical and aesthetic significance to Wellington Shire and the Gippsland region. There is a grassed oval area to the east of the buildings and several planted trees around the homestead and along the Kilmany Park Track leading up to the estate, which add to the overall landscape and heritage setting of the mansion. There is also a large English Oak Tree to the west of the mansion which is estimated to be approximately 100 years old and is of historical significance to the area.

Access to the estate is currently from Settlement Road via an existing crossover at the eastern boundary and from Reid Drive via a crossover at the northwest corner. The landscape and views to and from the estate entrance and homestead contribute to its heritage qualities and should be maintained and enhanced in the preparation of the development plan.

The site is recognised as having soils from 'Briagolong' Class, which are considered appropriate for cattle grazing, but are not seen as prime agricultural soils. An area which is noted to have some aboriginal heritage sensitivity also extends across the site from the east around the existing drainage reserve.

2.7 Services

The development area comprises some existing drainage infrastructure across the site. There is a sewerage pumping station proposed to the east of the site adjacent to the Kilmany Park Estate main entrance, although there is no reticulated sewerage infrastructure available in this part of Wurruk at this time.

The surrounding residential areas to the east and west have water connections and septic tanks in use, and are also connected to reticulated electricity and telecommunication. Future residential development within the study area will be able to pick up on service connections from these areas.

The southern portion of the area also contains a number of powerline easements, with the main one extending across the north west corner of the site. This existing electrical infrastructure is to be removed.

xx/xx/2017
C84

SCHEDULE 9 TO THE DEVELOPMENT PLAN OVERLAY

Shown on the planning scheme map as **DPO9**

SOUTH WURRUK

1.0 Requirement before a permit is granted

xx/xx/2017
C84

A permit may be granted before a development plan has been prepared to the satisfaction of the Responsible Authority for the following:

- A minor extension, minor addition or minor modification to an existing development that does not prejudice the future, orderly development of the general area affected by the Development Plan Overlay.
- Any development that would only otherwise require permission under the Heritage Overlay.

2.0 Conditions and requirements for permits

xx/xx/2017
C84

Before deciding on an application to subdivide land, construct buildings, or carry out works, the responsible authority must consider, as appropriate:

- Whether the development of the land is occurring in an orderly manner having regard to essential services, drainage infrastructure, community facilities and roads.
- The potential for future re-subdivision of lots.
- The relationship of proposed and existing nearby developments, to reduce the chance of conflicting developments.
- Safe and efficient vehicle access to Settlement Road, the Princes Highway, The Ridge and Reid Drive from lots within the plan area.
- The adequacy of walk/cycle facilities within the plan area and its external connections.
- The preservation of the Heritage significance of the Kilmany Park Estate.
- The timing of the development of the land.
- The consistency of the proposed development with the approved development plan.

3.0 Requirements for development plan

xx/xx/2017
C84

A development plan must be prepared to the satisfaction of the responsible authority.

The plan must show:

Land use and Subdivision

- The proposed boundaries of the development plan area and provide justification for those boundaries.
- The layout of all allotments within the development plan area.
- The overall pattern of development within the immediate surrounding area.
- The proposed use and development of each part of the plan area.
- Street networks that provide direct, safe and convenient pedestrian and cycle access to all lots with the plan area from external connection points.
- An accessible and integrated network of walking and cycling routes for safe and convenient travel to nearby walk/cycle facilities.
- A neighbourhood activity centre.

Infrastructure Services

- The provision of an integrated drainage scheme that services all parts of the development plan area.
- The pattern and location of any internal road system based on a safe and practical hierarchy of roads that include safe pedestrian and bicycle connections and crossing points and appropriate connection points to the Princes Highway at Hunt Place, Reid Drive, The Ridge and Settlement Road.
- All lots in the General Residential Zone must be designed to have the capacity for connection to reticulated water, sewerage, electricity, natural gas and drainage.
- All lots in the Low Density Residential Zone must be designed to have the capacity for connection to reticulated water, electricity, natural gas and drainage.

Open Space Network and General Amenity

- A public open space reserve must be provided in accordance with the provisions of ResCode (Clause 56) and have adequate dimensions to accommodate a Passive' open space that includes a Regional Playground and an 'Active' open space that includes a junior football oval (including club rooms).
- Appropriate natural surveillance from private lots to provide a sense of safety and security along all internal roads as well as integration with the surrounding neighbourhood, where appropriate.
- An overall scheme for landscape planting and the preservation of stands of existing indigenous vegetation and individual trees wherever possible.

Process and Outcomes

The development plan should be prepared with an appropriate level of community consultation as determined by the Responsible Authority.

An implementation plan must be submitted as part of the development plan, indicating the proposed staging of the development.

A "Developer Contribution Scheme" must be prepared to ensure that any developer contributions towards the cost of internal and external public infrastructure deemed necessary through servicing reports prepared as part of this plan is provided for on an equitable basis.

The approved Development Plan can be amended by the Responsible Authority upon request by the owner of land with the plan area.

4.0 Decision guidelines for development plan

xx/xx/2017
C84

Before deciding on a development plan, the responsible authority must be satisfied that the plan has regard to the following information:

- Wellington Shire Built Environment Strategy 2011-2015
- Wellington Shire Walking and Cycling Strategic Plan 2012-16
- Wellington Shire Public Open Space Plan 2014-2024

Planning and Environment Act 1987

WELLINGTON PLANNING SCHEME

AMENDMENT C[INSERT AMENDMENT NUMBER]

EXPLANATORY REPORT

Who is the planning authority?

This amendment has been prepared by the Wellington Shire Council, which is the planning authority for this amendment.

The amendment has been made at the request of Beveridge Williams & Co. Pty. Ltd. on behalf of Daryl Page, Steven Bailey, Martin Bailey, David Hollonds and Barry Hollonds.

Land affected by the amendment

The amendment applies to:

- Lots 6 & 7 on Plan of Subdivision 702630 (PS702630);
- Lot 1 on Plan of Subdivision 410216 (PS410216);
- Crown Allotment 21, Section E, Parish of Wurruk Wurruk;
- Lot 2 on Plan of Subdivision 610634 (PS610634);
- Crown Allotment 19, Section E, Parish of Wurruk Wurruk; and,
- Lots 1 & 2 on Plan of Subdivision 415183 (PS415183).

What the amendment does

The amendment rezones Lots 6 & 7 on PS702630, Lot 1 on PS410216, CA21 and Lot 2 on PS610634 to General Residential Zone and CA19 and Lots 1 & 2 on PS415183 to Low Density Residential Zone. It will also reduce the extent of Lot 1 on PS415183 that is affected by a Heritage Overlay.

Strategic assessment of the amendment

Why is the amendment required?

The amendment is required to allow the land to be developed for residential purposes at a mixture of low and standard densities. To achieve this, the amendment seeks to rezone the land as follows:

- Lots 6 & 7 on Plan of Subdivision No. 702630, Lot 1 on Plan of Subdivision No. 410216 and Crown Allotment 21, Section E, Parish of Wurruk Wurruk from Low Density Residential Zone to General Residential Zone (Schedule 1) with a Development Plan Overlay;
- Lot 1 & 2 on Plan of Subdivision No. 610634 from Farming Zone to General Residential Zone (Schedule 1) with a Development Plan Overlay;
- Crown Allotment 19, Section E, Parish of Wurruk Wurruk from Farming Zone to Low Density Residential Zone with a Development Plan Overlay;
- Lot 1 on Plan of Subdivision No. 602219 from Farming Zone to both General Residential Zone (Schedule 1) and Low Residential Zone with a Development Plan Overlay and Heritage Overlay;
- Lot 2 on Plan of Subdivision No. 602219 from Farming Zone to both General Residential Zone (Schedule 1) and Low Residential Zone with a Development Plan Overlay, Land Subject to Inundation Overlay, Floodway Overlay and Heritage Overlay; and,
- Lots 2-6 on Plan of Subdivision No. 602219 from Farming Zone to Low Density Residential Zone with a Heritage Overlay.

This amendment is supported by the Sale, Wurruk & Longford Structure Plan and the change of zonings will facilitate the identified development outcome.

How does the amendment implement the objectives of planning in Victoria?

The objectives of planning in Victoria are:

a) To provide for the fair, orderly, economic and sustainable use and development of land.
b) To provide for the protection of natural and man-made resources and the maintenance of ecological processes and genetic diversity.
c) To secure a pleasant, efficient and safe working, living and recreational environment for all Victorians and visitors to Victoria.
d) To conserve and enhance those buildings, areas or other places which are of scientific, aesthetic, architectural or historical interest, or otherwise of special cultural value.
e) To protect public utilities and other assets and enable the orderly provision and coordination of public utilities and other facilities for the benefit of the community.
f) To facilitate development in accordance with the objectives set out in the points above.
g) To balance the present and future interests of all Victorians.

The amendment implements the objectives of the *Planning and Environment Act 1987* by allowing for the residential development of well-located land at a range of densities within the Urban Growth Boundary of Wurruk.

How does the amendment address any environmental, social and economic effects?

- **Environment**

  All of the land has been previously cleared for agricultural purposes and retains only scattered paddock trees that require protection through the amendment and development process. All land within the floodplain at the southern and southeastern extremities of the

land will remain protected through the updated Land Subject to Inundation and Floodway Overlays, which also form part of the Amendment

- **Social**

  Much of the land is presently open pasture that is flanked either by lower density residential development or farmland.

  The most significant asset within the development area from a social perspective is the Kilmany Park Mansion, a cluster of smaller buildings that flank its northern side and the driveway leading to them from Settlement Road. These buildings sit in the southwest corner of the overall development site and are recognized as having heritage significance for both aesthetic and historic reasons, insofar as the mansion was constructed by members of the Pearson family, who were prominent in both Sale society and the expansion of the regional agricultural sector through the 19th Century.

  The proposed rezoning and development will facilitate the gradual expansion of standard density residential development across the site and extension of lower density residential development both around the Kilmany Park Mansion and to its east.

  In order to avoid creating negative social outcomes through this change, the proposal includes application of a Development Plan Overlay, which will used to ensure that the development of all sites is carried out in an orderly and coherent fashion that does not create a lag between infrastructure provision and population growth, whilst also ensuring the development layout creates sensitive interfaces between the existing and new development.

  The development of the land will include the creation of a large new public reserve that will be developed for active recreation purposes, i.e. relocation of the Wurruk Cricket Club, which will allow for a substantial upgrade to the existing facility and provide a new focal point for community activity.

  Otherwise, the projected population growth from the overall development of the land will increase Wurruk's population by at least 2,000 people over the coming 15-20 years, which will provide critical mass for an extensive improvement and expansion of commercial and community services. This growth will be instituted in a staged fashion in order to ensure that local community and commercial facilities are able to keep pace and the demand for services never exceeds supply.

- **Economic**

  Through the development phase of the project, economic benefits will be felt by road construction firms, earthworks contractors, sand and gravel quarries and suppliers, landscapers, telecommunications contractors, concreters, electrical contractors, plumbing contractors, real estate agents, local hotels, restaurants and convenience food outlets. Once housing construction commences, local builders and building supply firms, plumbers, gasfitters, electricians, concreters, landscapers, real estate agents and conveyancers will all directly benefit. Once, the estate is fully developed with housing, there will be a substantial boost to Council's rates base that will have positive flow on effects for both Wurruk and the broader community. On top of this, there will be a general boost in economic productivity through the capacity of the Sale/Wurruk urban centre to accommodate a larger working population.

Does the amendment address relevant bushfire risk?

The subject land is itself mostly cleared of vegetation apart from pasture grass and some scattered paddock trees. It abuts landscaped residential developments to the east and west, the Princes Highway road reserve to the north and cleared grazing land to the south.

Although the subject site is not recognized as having any bushfire risk through the planning scheme, it is located in a Designated Bushfire Prone Area and, hence, all buildings built

thereon will need to be constructed to a minimum standard to provide protection from bushfire events.

The nearest bushfire threat would appear to come from copses of native vegetation that flank the Latrobe River, which runs in an east-west direction 2.65 kilometres to the south.

The proposed development of the land has been designed to ensure that all lots created will be able to accommodate buildings constructed in accordance with the relevant State and Local Planning Policies and in a manner that will not increase risk to life or property from a bushfire, or the need for any ongoing land management controls.

Does the amendment comply with the requirements of any Minister's Direction applicable to the amendment?

The amendment complies with:

- the requirements of the Ministerial Direction on the Form and Content of Planning Schemes at *Section 7(5)* of the *Planning and Environment Act 1987*; and,
- Under *Section 12* of the *Planning and Environment Act 1987*, the following applicable Ministerial Directions:
  - Ministerial Direction No. 11 - Strategic Assessment of Amendments; and
  - Ministerial Direction No. 15 - The Planning Scheme Amendment Process.

This amendment to the Wellington Planning Scheme is accompanied by all the required information.

How does the amendment support or implement the State Planning Policy Framework and any adopted State policy?

The amendment is supported by the following State Planning Policy Framework objectives:

Clause 11.02 Urban Growth

The proposed amendment will increase the supply of urban land available for residential development by an additional 800 lots, which represents a 10.5 year increase in land supply based upon the projections in the Land Supply / Demand Analysis that accompanies this report. This increase will expand the land supply across the overall Sale/Wurruk area out to 18 years, which is more in line with State Government recommendations and will help to facilitate the growth expectations set out in the Gippsland Regional Growth Strategy, which predicts that Sale will require 1,500 new dwellings by 2041. Otherwise, it is noted that the layout will facilitate the creation of valuable community facilities within an appropriately layered set of development densities to ensure a diversity of housing and lifestyle choices can be accommodated. This outcome will also allow for improved utilisation of existing and available infrastructure, such as reticulated sewerage/water facilities and Council's existing walk/cycle path between Wurruk and Sale.

Clause 11.08-3 Sustainable Communities

The proposed amendment retains development within the Wurruk settlement boundary that has been identified in the structure planning exercises and can mitigate risks to the natural environment and agriculture.

Clause 12.04: Significant Environments and Landscapes

The proposed amendment and subsequent development will ensure protection of the heritage assets around the Kilmany Park Mansion through the retention of an appropriately extensive and detailed Heritage Overlay over the property.

Otherwise, the inclusion of the Development Plan Overlay will facilitate an appropriate design response to address the manner in which any future residential development presents to the Princes Highway and Settlement Road.

Clause 13.02: Floodplains

The proposed amendment will have the effect of resetting the extent of the Land Subject to Inundation Overlay and Floodway Overlay so that they more appropriately accord with the findings of the Latrobe River Flood Study in order to ensure that there are no impacts on or from floodplains as a result of the future development of the land for residential purposes.

Clause 15.01: Urban Environment

The proposed amendment will further strengthen the Sale/Wurruk urban centre through increases in population and housing choice within an area that enjoys good pedestrian, cycle, public transport and private vehicle access to Sale's central activity district.

The inclusion of a development plan overlay will ensure that the development of each individual estate is carried out as part of a coherent whole. This will have the effect of allowing a diverse range of properties that take advantage of the overall site's gently undulating topography to be developed in an ordered fashion that avoids creating shortfalls in the timing of infrastructure provision, whilst also allowing for efficiencies through the shared construction and use of necessary public assets, e.g. stormwater treatment facilities and public recreation reserves.

Clause 15.03-2: Aboriginal Cultural Heritage

The subject site is noted as having potential sensitivity to aboriginal cultural heritage in its eastern portion. This will be investigated prior to the finalisation of any development plan layout to ensure that any sensitive material and sites discovered as part of further investigations are either avoided or appropriately managed.

Clause 16.01-4: Housing Diversity

Through its facilitation of a broad range of lot sizes, i.e. General Residential Zoned lots of between 600m² and 1,000m², Low Density Residential Lots of between 2,000m² and 5,000m², in a gently undulating setting, the proposed amendment and subsequent development will create a broad diversity of housing and lifestyle opportunities that will bring broad diversification across the market and municipality generally.

How does the amendment support or implement the Local Planning Policy Framework, and specifically the Municipal Strategic Statement?

The amendment is supported by the following Local Planning Policy Framework objectives:

Clause 21.04: Settlement and Housing

The proposed amendment will:

- Further promote Sale as the main employment, education, medical and commercial centre of the Shire;
- Accommodate population growth over the next fifteen years in a settlement that can accommodate change and is expected to grow;
- Allow the development of an identified growth area with access to adequate infrastructure;
- Ensure, through the inclusion of a development plan overlay over the whole site, that there will be cohesion between the new housing estates and existing movement corridors and public infrastructure that will be created as part of the development, e.g. recreation reserves, bus stops and walk/cycle pathways, in order to encourage physical activity and reduce motorised vehicle use;

- Promote, through the connection of reticulated sewerage across all commandable areas, improved sewerage infrastructure;
- Ensure, through the inclusion of a development plan overlay over the whole site, a comprehensive stormwater drainage system that prevents high nutrient and sediment concentrations from entering waterways and wetlands within the overall catchment;
- Avoid impacts on agricultural land by ensuring there are appropriately low densities where interfaces occur;
- Support and reinforce the regional role of Sale/Wurruk through an increase in the capacity of the town to accommodate a population that is in line with the growth estimates in the Gippsland Regional Growth Strategy;
- Support development that accords with the outcomes foreshadowed through Sale, Wurruk & Longford Strategy Plan at **Clause 21.05**;
- Facilitate a residential rezoning that will increase land supply with the Sale/Wurruk area from 7.5 years to 18 years and provide a broader choice of residential locations;
- Encourage urban development within existing town boundaries and in an identified growth area;
- Promote, through the use of a development plan overlay, urban design that encourages physical activity and accessibility to public open spaces as part of a broader network of walking and cycling opportunities;
- Not affect the operation of high quality farmland, as its direct abuttal to farmland is very limited and will only comprise one lot density lot;
- Not affect environmental features, as there are all remaining significant trees will be retained in reserves and there will be no housing allowed on land within the floodplain;
- Encourage increased housing densities within the principle urban centre within the Shire;
- Ensure, through the development plan overlay, that interfaces with the Princes Highway and, to a lesser extent, Settlement Road reflect the importance of the area and improve the impression that Wurruk creates to road users;
- Protect, through the retention of a heritage overlay over the pertinent areas of the site, the historic and aesthetic significance of the Kilmany Park Mansion;
- Ensure, through the requirements within the development plan overlay and attendant traffic study that access and use of the Princes Highway and Settlement Road reflects the importance of these roads to all road users, including vehicles, cyclists, pedestrians and the mobility impaired;
- Encourage, through the development plan overlay, physical activity and social interaction through the creation of a conveniently-located public recreation reserve and neighbourhood activity centre with easy pedestrian/cycle/motorised vehicle access;
- Integrate, through the development plan overlay, appropriate levels of access to Kilmany Park Mansion in order to foster its ongoing role as an iconic building within the social fabric of the Sale/Wurruk area;
- Ensure that adequate effluent and stormwater discharge systems are provided through compliance with the land capability assessment and drainage strategy provided as part of the amendment application;
- Maintain access to an appropriately scaled and developed public recreation reserve within Wurruk through the creation of a new facility as part of the development in order to replace the existing sub-standard facility on the north side of the Princes Highway;
- Prevent, through adherence with the findings of the drainage strategy provided with the application to rezone, nutrients and sediments entering waterways, wetlands and groundwater through stormwater systems;

- Ensure, through the holistic outcomes secured through the development plan overlay, that new public infrastructure is delivered in a cost efficient manner;
- Provide for full subdivision of all low density residential areas that have the potential to be sewered.

Clause 21.05: Sale, Wurruk and Longford Strategic Framework

The proposed amendment is in keeping with the strategic direction set out within the *Sale, Wurruk and Longford Structure Plan*, insofar as it earmarks the subject sites as being part of the broader Sale/ Wurruk area's western growth corridor and recommends use of the zonings that have been proposed.

Clause 21.13-1: Rural and Natural Landscapes

The proposed amendment will employ the General Residential Zone through the portions of the overall land that abut the lower density residential areas and the Low Density Residential Zone across the portions of the land that abut farmland. In this manner it will create an appropriate graduation from the built up areas to the interface with open farmland, noting that there is only one direct interface with open farmland, i.e. at the southern end of the western periphery, most of which will not experience development due to its inclusion in the Kilmany Park Heritage area.

Does the amendment make proper use of the Victoria Planning Provisions?

The amendment seeks to use the General Residential Zone, Lower Density Residential Zone, Development Plan Overlay, Heritage Overlay, Low Density Residential Overlay and Floodway Overlay to facilitate the residential development of the subject site at a mixture of densities that are deemed appropriate to facilitate efficient and appropriate use of the land.

The scaling back of the Heritage Overlay is proposed to manage the development of land around the Kilmany Park mansion in a fashion that respects the ongoing significance of this heritage place in the context of a low density residential, as distinct from a farming, area.

How does the amendment address the views of any relevant agency?

The preliminary views of VicRoads, the West Gippsland Catchment Management Authority and Gippsland Water have already been sought with no objections raised. Their comments will be sought again during the public exhibition process.

Does the amendment address relevant requirements of the Transport Integration Act 2010?

The amendment will necessitate a connection to the roundabout on the Princes Highway at Hunt Place. This roundabout has been constructed with this outcome in mind and, hence is not likely to have a significant impact on the transport system, as recognized in Section 3 of the *Transport Integration Act 2010*. The statements of policy principles under Section 22 of the *Transport Integration Act 2010* are not relevant to the current proposal.

Resource and administrative costs

- **What impact will the new planning provisions have on the resource and administrative costs of the responsible authority?**

The proposal will be followed by:

- An application for approval of a Development Plan under the provisions of the Development Plan Overlay;
- Applications for planning permits for subdivision on all rezoned parcels of land;
- Applications for planning permits to construct buildings on land that will be affected by the Heritage Overlay. It is predicted that these controls will necessitate the issue of around xx planning permits. Otherwise, Council will become responsible for the maintenance of the public open space reserves and all other public infrastructure.

However, when balanced against the likely increase in rates revenue from an additional 800 lots, the resource and administrative costs will easily be outweighed.

Where you may inspect this Amendment

The amendment is available for public inspection, free of charge, during office hours at the following places:

[Insert Council's details]

The amendment can also be inspected free of charge at the Department of Transport, Planning, and Local Infrastructure website at www.dtpli.vic.gov.au/publicinspection .

[The following sections of the Explanatory Report are only applicable to exhibited amendments and should be removed at the adoption stage

Submissions

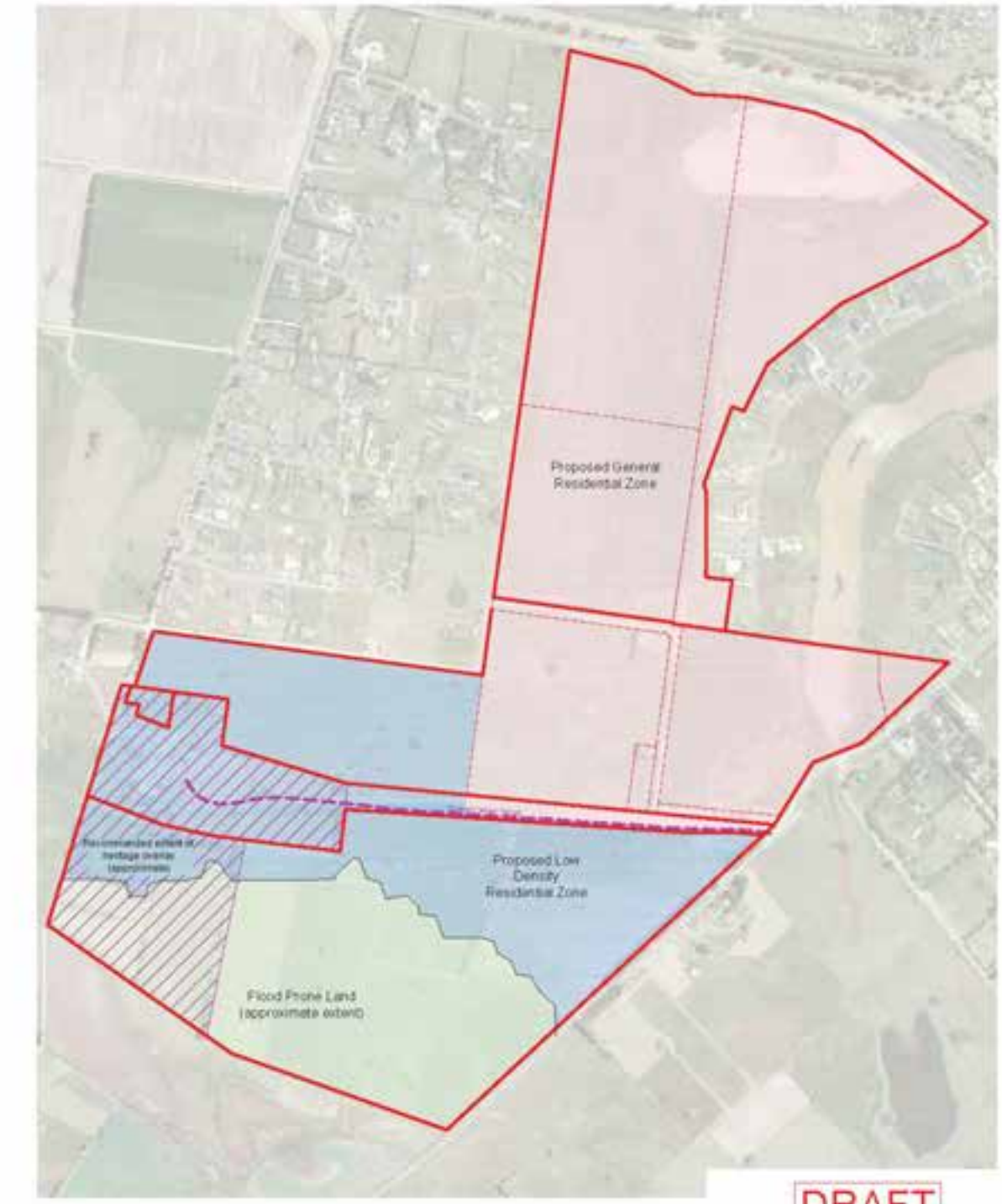
Any person who may be affected by the amendment may make a submission to the planning authority. Submissions about the amendment must be received by [insert submissions due date].

A submission must be sent to: [insert Council's address]

Panel hearing dates

In accordance with clause 4(2) of Ministerial Direction No.15 the following panel hearing dates have been set for this amendment:

- directions hearing: [insert directions hearing date]
- panel hearing: [insert panel hearing date]]


Proposed General Residential Zone
Proposed Low Density Residential Zone
Flood Prone Land (approximate extent)
DRAFT
FOR DISCUSSION PURPOSES ONLY
Proposed Zoning Plan
South Yilgarn
Beveridge Williams
N

Beveridge Williams

development & environment consultants

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LAND SUPPLY & DEMAND ANALYSIS FOR SALE AND WURRUK

July 2016

DOCUMENT CONTROL DATA

BW	**Beveridge Williams** Sale Office 45 Macalister Street Sale Vic 3850 PO Box 47 Sale Vic 3850 Tel: (03) 5144 3877 Fax: (03) 5144 6591 www.beveridgewilliams.com.au	**Title**	Land Supply & Demand Analysis for Sale and Wurruk
		Author	CC
		Checked	NS
		Project Manager	CC
		Synopsis	An analysis of existing land supply and prevailing and predicted demand for the Sale & Wurruk area

Reference: 1400147

Client: Stephen & Martin Bailey, David & Barry Hollonds and Daryl Page

Revision Table

Rev	Description	Date	Authorised
A	Final draft for rezoning application	21/7/2016	CC

Distribution Table

Date	Revision	Distribution
21/7/2016	A	Council, client, file

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CONTENTS

1 KEY FINDINGS

1.1 KEY FINDING

In April 2016, the total estimated land supply is 568 residential lots across the Sale and Wurruk area, as shown in ***Table 1***.

	Amount of Vacant lots	Broadhectare lot capacity	Total
General Residential Zone	114	286	400
Low Density Residential Zone	32	136	168
Total	146	422	568

Table 1: Estimated residential land supply for Sale and Wurruk in April 2016

1.2 DEMAND FOR RESIDENTIAL LAND

Based on the two demand scenarios analysed, Gippsland Regional Growth Plan and Building Approvals, future dwelling requirements could range from 60 to 102 dwellings per annum. This equates to 1,500 to 2,550 new dwellings over the 25 year period from 2016 to 2011 (***Table 2***).

	Gippsland Regional Growth Plan Estimates (Sale)	Building Approvals (based on 2005-2015)	Average
Dwelling Demand per annum (2016-2041)	60	92.4	76.2
Projected Dwelling Demand (2016-2041)	1500	2310	1905

Table 2: Estimated residential land supply for Sale and Wurruk in April 2015

1.3 ESTIMATED YEARS OF RESIDENTIAL LAND SUPPLY

Table 3 shows the estimated number of years of residential land supply. Using the average of the two demand projections, the residential land supply is estimated at 7.5 years.

	Lots per annum	Years Supply
Gippsland Regional Growth Plan	60	9.5
Building approvals in Sale & Wurruk	92.4	6.2
Average	76.2	7.5

Table 3: Estimated years of residential land supply for Sale and Wurruk

1.4 LAND SUPPLY AND DEMAND – A COMPARISON WITH 2010

1.4.1 Land Supply

Upon its publication in August 2010, the Sale, Wurruk & Longford Structure Plan estimated that the residential land supply in Sale and Wurruk was 560 lots, i.e. 330 Residential 1 Zoned lots in Sale and 210 Low Density Residential Lots in Wurruk. However, it was acknowledged that rezoning in North Sale that happened around the same time as the Structure Plan was released had added capacity for an additional 360 new lots to be created, providing a figure of 900 lots overall. The analysis carried out as part of this assessment has revealed that there is presently capacity to create 568 residential lots, which represents an overall decline in land supply of 332 lots from August, 2010 (Table 4).

1.4.2 Demand for residential land

Based upon historical data, the estimated average demand per annum for new dwellings between 2016 and 2041 is anticipated to be 76.2, down 28.36 lots per annum from 2010 which estimated 104.56 new dwellings per annum would be required based purely upon building approval figures from 2005-2010. The updated figure is based upon an average between the building approvals between 2005-2015, i.e. 92.4 new dwellings per annum, and the demand projections in the Gippsland Regional Growth Plan, which predicts there will need to be an extra 1,500 new dwellings constructed in Sale by 2041, or 60 dwellings per annum over the next 25 years (See ***Table 3***).

Given construction on General Residential Zone lots has kept a very consistent pattern of around 70 dwellings per year throughout 2005-2015, one of the key factors in the drop in required dwellings could quite likely be as a result of the exhaustion of supply of Low Density Residential Zoned land in Sale and, more recently, in Wurruk, where only a handful of vacant lots are now available.

1.4.3 Estimated years of residential land supply

The average number of years of existing supply in Sale and Wurruk (7.5 years) represents a decrease of 1.1 year of residential land supply relative to August 2010 when the Structure Plan was released.

	2010	2016	Decline/Increase from 2010
Estimated Residential Land Supply	900	568	-332
Estimated Dwelling Demand per annum 2016-2041	104.56	76.2	-28.36
Estimated Dwelling Demand 2016-2041 (Average)	2,614	1,905	-609
Years of Supply (Average)	0.6	7.5	-1.1

***Table 4**: A comparison of dwelling supply and demand – 2010 to 2016*

This decrease in supply is due in part to the fact that residentially zoned land along the Sale-Maffra Road and in North Sale has been developed since the Structure Plan was finalised and no further land across Sale and Wurruk has been rezoned to General or Low Density Residential since.

2 INTRODUCTION

This report has been prepared to provide an assessment of residential land supply across Sale and Wurruk, as at April 2016.

The report builds on the *Sale, Wurruk and Longford Structure Plan (August 2010)* and provides updated information about the availability of residential land, projected demand and the estimated number of years of supply that current supply represents. This report has been prepared by Beveridge Williams & Co. Pty. Ltd. to provide background detail for a planning scheme amendment seeking the rezoning of a group of properties in Wurruk, which will henceforth be described as the 'subject sites'.

2.1 Methodology

Land supply in Sale and Wurruk was considered to be made up of vacant lots in zones appropriate for residential development. In Sale and Wurruk this includes the General Residential Zone and Low Density Residential Zone.

Information about vacant lots and broadhectare land supply across the study area was captured through zoning maps and in consultation with Council's strategic planning team. A map showing both vacant lots and broadhectare supply in Sale and Wurruk is provided at **Appendix A.**

Broadhectare land was defined as all lots in the General Residential Zone greater than 5,000m² and all lots in the Low Density Residential Zone greater than one hectare.

The lot capacity of broadhectare land was estimated using any available indicative information, such as endorsed development plans and proposed subdivision plans. Where this information was not available, an average lot size of 700m² was calculated by using average sizes across the Woondella, Glebe, Glenhaven and Cobains Estates elsewhere within Sale's urban growth areas.

Three sources of information were used to predict residential growth/demand for new dwellings over the 15 year period from 2011 to 2026. These were:

- The Gippsland Regional Growth Plan; and
- Building approvals for new dwellings in Sale and Wurruk, as listed in the Sale, Wurruk and Longford Structure Plan for the 5 year period between (January, 2005 to March, 2010); and,
- Victorian Building Association Data for the period 2009-2010.

2.2 Findings

This report has found that that there was, on average, 7.2 years of land supply across Sale and Wurruk (See ***Table 4***).