

MINUTES

SCHEDULED COUNCIL MEETING

WARRNAMBOOL CITY COUNCIL

5:45 PM - MONDAY 5 JUNE 2023



VENUE:

Lighthouse Theatre Studio

Lighthouse Theatre

Timor Street

Warrnambool

COUNCILLORS

Cr. Debbie Arnott (Mayor)

Cr. Otha Akoch

Cr. Ben Blain

Cr. Vicki Jellie AM

Cr. Angie Paspaliaris

Cr. Max Taylor

Cr. Richard Ziegeler

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can be obtained online at www.warrnambool.vic.gov.au

Andrew Mason

CHIEF EXECUTIVE OFFICER

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BEHAVIOUR AT COUNCIL MEETINGS

Thank you all for coming – we really appreciate you being here. These meetings are the place where, we as Councillors, make decisions on a broad range of matters. These can vary greatly in subject, significance and the level of interest or involvement the community has. As part of making these decisions, we are presented with comprehensive information that helps us to form our position – you will find this in the agenda. It should also be remembered that the Council meeting is a “meeting of the Council that is open to the public”, not a “public meeting with the Council.” Each Council is required to have Governance Rules that pertains to meeting procedures. Warrnambool City Council has followed best practice in this regard and its Governance Rules provides regulations and procedures for the governing and conduct of Council meetings. Copies of the Conduct and Behaviour excerpt from Warrnambool City Council's Governance Rules can be obtained online at www.warrnambool.vic.gov.au. We thank you in anticipation of your co-operation in this matter.

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**MINUTES OF THE SCHEDULED MEETING OF THE WARRNAMBOOL CITY COUNCIL HELD IN THE
LIGHTHOUSE THEATRE STUDIO, LIGHTHOUSE THEATRE, TIMOR STREET, WARRNAMBOOL ON
MONDAY 5 JUNE 2023 COMMENCING AT 5:45 PM**

PRESENT: Cr. Debbie Arnott, Mayor/Chairman
Cr. Otha Akoch
Cr. Ben Blain
Cr. Angie Paspaliaris
Cr. Max Taylor
Cr. Richard Ziegeler

IN ATTENDANCE: Mr Andrew Mason, Chief Executive Officer
Mr Peter Utri, Director Corporate Strategies
Mr David Leahy, Director City Infrastructure
Mr Luke Coughlan, Acting Director City Growth
Mr James Plozza, Manager Governance

1. OPENING PRAYER & ORIGINAL CUSTODIANS STATEMENT

Almighty God
Grant to this Council
Wisdom, understanding and Sincerity of purpose
For the Good Governance of this City
Amen.

ORIGINAL CUSTODIANS STATEMENT

I wish to acknowledge the traditional owners of the land on which we stand and pay my respects to their Elders past, present and emerging.

2. APOLOGIES

Cr Vicki Jellie AM

3. CONFIRMATION OF MINUTES

MOVED: Cr Max Taylor
SECONDED: Cr Angie Paspaliaris

That the Minutes of the Scheduled Meeting of Council held on 1 May 2023, be confirmed.

CARRIED: 6:0

**4. DECLARATION BY COUNCILLORS AND OFFICERS OF ANY CONFLICT OF INTEREST
IN ANY ITEM ON THE AGENDA**

Section 130 of the Local Government Act 2020 (Vic) (**the Act**) provides that a relevant person must disclose a conflict of interest in respect of a matter and exclude themselves from the decision making process in relation to that matter including any discussion or vote on the matter at any Council meeting or delegated committee meeting and any action in relation to that matter.

Section 126(2) of the Act sets out that a relevant person (Councillor, member of a delegated Committee or member of Council staff) has a conflict of interest if the relevant person has a **general conflict of interest** within the meaning of section 127 of the Act or a **material conflict of interest** within the meaning of section 128 of the Act.

A relevant person has a **general conflict of interest** in a matter if an impartial, fair minded person would consider that the person's private interests could result in that person acting in a manner that is contrary to their public duty.

A relevant person has a **material conflict of interest** in a matter if an affected person would gain a benefit or suffer a loss depending on the outcome of the matter.

A Councillor who has declared a conflict of interest, must leave the meeting and remain outside the room while the matter is being considered, or any vote is taken. Councillors are also encouraged to declare circumstances where there may be a perceived conflict of interest.

NIL

5. MAYORAL PRESENTATION

Our Warrnambool City Library is not only well received by our local community but it is acknowledged internationally now. The library has won two awards at the international Architizer A+ awards, it was the jury winner in the Libraries category with judges selecting it above projects in the United States, Taiwan, France, Canada and China and what an accolade that is. It was also named the popular choice winner in the Architect and Learning category and with only a few days to vote, the community jumped on board to put the library at the top of the nominations, so that is just amazing.

There are potentially more awards on the horizon with the Warrnambool Library and Learning Centre, also shortlisted for an Australian Interior Design Award and three AIA Victorian Architectural Awards with the winners to be announced in June. There is no doubt that our Library is world class and it is a major draw card for our City. I think it's just amazing that a City of our size has been able to compete successfully on the international stage with our library facility.

We are also a finalist in the Victorian Tourism Industry Council top tourist town awards, a public vote combined with a judging panel will determine the winners so I am urging everyone to get on the website and vote for our City, I'm sure we can do this together.

As well on June 23, the Solstice Search Party is being held at the Warrnambool Botanic Gardens and this event was very successful last year and it looks like it will be again. All the details are on Council's website, it's free so mark the calendar and get along. Thank you.

6. PUBLIC QUESTION TIME

6.1 QUESTION FROM KAYE G. A'VARD

I would like to know why there was a so called Pornographic art exhibition in the (yet to be named) Warrnambool Art gallery over the summer period of 2022 to 2023, it had men sexually gyrating around in sequenced tight fitting clothes on a film display. It was confirmed by a volunteer staff member that other visitors to the gallery also came to this conclusion. Why are we having these pornographic display in our wonderful gallery?

RESPONSE

The exhibition entitled Self-Creation (26 November 2022 – 5 March 2023) explored the idea of gender presentation through the medium of DIY and low budget self-produced music videos. This exhibition invited audiences to reconsider understandings of gender, sexual identity, community care building, and self-creation of individual identity.

*Upon entering the exhibition, viewers were immediately met with a description of the exhibition (the context, as stated above), alongside a **Content Advisory Warning** (below). This signage engaged audiences directly, allowing them to make an informed decision should they wish to view the exhibition.*

While the exhibition did present minor moments of sexualised themes and nudity, the exhibition should by no means be considered pornographic.

The exhibition was supported by the State Government of Victoria and midsumma festival to deliver two Pride Parties, which celebrated LGBTIQ+ peoples and communities.

Exhibitions which empower LGBTIQ+ peoples, and display their works in spaces which have historically denied their visibility are important for developing a safe and equitable community.

6.2 QUESTION FROM JIM BURKE

Lyndoch Living Limited has recently completed the construction of its primary healthcare centre which operates as Lyndoch Healthcare Limited.

As the developer, Lyndoch Healthcare or its parent company Lyndoch Living is responsible for the construction of a footpath on the Hopkins Road frontage of this development.

Recently, there has been considerable commentary in the local media on the potential sale of this primary healthcare centre.

Would WCC allow the sale to proceed if that footpath had not been built or, at least, the construction commenced?

Or is there some other valid vehicle available to the Council that would ensure that this footpath is constructed at the Developers own expense or the new owners expense?

RESPONSE

Council has been in discussions with Lyndoch around the delivery of the footpath along the frontage of the primary healthcare centre. Lyndoch are working on scheduling the construction of this footpath amongst their other priorities, noting that the front of the building is not yet in use and no footpath connection either side.

Should the facility be sold, the relevant landscape plans that form part of the planning permit for the development will carry with the land be relevant to any new owner.

7. REPORTS

7.1. WARRNAMBOOL ART GALLERY BUSINESS CASE

DIRECTORATE: Community Development

PURPOSE:

This report provides a summary of the findings from the Business Case for a new Warrnambool Art Gallery at Cannon Hill, and recommends next steps to progressing the planning process for a new Warrnambool Art Gallery.

EXECUTIVE SUMMARY

The purpose of preparing a Business Case for a new Warrnambool Art Gallery was to determine the viability and costs of construction, and to establish if there was a compelling case for investment.

The Business Case for a new Warrnambool Art Gallery on Cannon Hill determined that the cost of construction could be in the vicinity of \$70 million and that while a new iconic Regional gallery as a landmark destination will likely contribute to the economic growth of Warrnambool and the region through increased visitation, expenditure, and additional jobs, the development would not provide a positive return on investment.

The Business Case findings suggest that while the Cannon Hill option would no doubt provide a stunning location, designing to meet the brief results in a costly option and a Cost Benefit Ratio of slightly below one, meaning each dollar invested generates under one dollar in benefits.

Due to the significant site constraints and the costs associated with construction; and the marginal rate of return on investment, it is not recommended that Council progress further investigation for a new gallery located at Cannon Hill.

Any future application to State Government Treasury for investment in a new Art Gallery will require that a second site option be explored. The 2021 Feasibility Study identified the existing Liebig Street site as also a suitable location; and a preliminary Business Case to include high-level concept designs and costings for the Liebig St location has been quoted as \$65,000 (if undertaken in the short term), it is recommended that the opportunity to develop a Preliminary Business Case for the existing Liebig Street site, with its many benefits, be explored at a more economical cost.

If delayed and a new procurement process commences later the cost could be upward of \$200,000 and it is not unusual for several options to be explored through a Feasibility or Business Case process in the planning for significant community infrastructure projects.

MOVED: Cr Richard Ziegeler
SECONDED: Cr Angie Paspaliaris

That Council:

- 1. Receives the Business Case for a new regional Art Gallery located at Cannon Hill but does not proceed with further exploration of the Cannon Hill site due to the significant costs associated with construction and recurrent costs; and the marginal rate of return on investment.**
- 2. Allocates \$65,000-00 to complete a Business Case for the existing Liebig Street site in the 2023-24 Annual Budget.**

CARRIED: 6:0

BACKGROUND

The potential of the Warrnambool Art Gallery as a cultural tourism destination is constrained by its building, which limits operational flexibility and the opportunity to present larger exhibitions and provide social and engaging spaces for activity. Demand cannot be met for more interactive experiences, larger exhibitions, functions, and events. The building does not provide sufficient storage for an expanded collection, safe loading of touring exhibitions or sufficient administration space. The Gallery is the primary substantial visual art institution in Southwest Victoria. The size of the current facility is not in step with the catchment area (approx. 120,000 people) which could be capitalised on with a stronger and expanded facility and offering.

In 2021 a feasibility study was completed to identify the need, functionality and spatial composition required of a new Gallery. It found that a new expanded, contemporary Gallery on the Cannon Hill site could be a major visitor drawcard and a stimulus for economic investment in the region, and position Warrnambool City as a regional destination for cultural tourism and that an expanded Maar Nation Gallery could provide a link to the Tower Hill and Budj Bim cultural trail.

Council received funding through the Regional Development Victoria Investment Fast Track Fund (IFFF) to develop a business case for a new Warrnambool Art Gallery on Cannon Hill.

Consultants RP Infrastructure were engaged to develop the Business Case.

Key deliverables of the Business Case

Research

- a. Investment Logic Map that reflects Victorian government standards
- b. Economic Contribution Study (ECS). Detailed analysis that provides an understanding of how the project impacts the wider community.
- c. Research:
 - Regional, State, and International examples of socio-economic benefits and costs of major cultural facilities and global development trends.
 - Cultural tourism visitation analysis.
 - Partnership and development options.
 - Issues and risks.
 - Current research in the field of arts-led economic recovery.
- d. High level operating assumptions and visitation forecasts.

Analysis and Recommendations

- a. Architect developed concept designs
 - a site plan showing location of building(s) and carpark
 - a floorplan of building spatial layout
 - concept design imagery of building exterior and surround
 - present a breakdown of floorplan in square meters for costing in table format
- b. High level cost assumptions & development costs, to include:
 - land, services / infrastructure
 - building construction / fit out
- c. High level operational financial forecasts and determine feasibility.
- d. Forecast economic impacts:
 - Direct and indirect employment
 - Cost Benefit Analysis
- e. Risk analysis and mitigation

Key design criteria

The architects were requested to explore the potential of the site and provide an architectural concept that:

- Ensures maximum retention of access to views and open space
- Includes both short and long-term parking
- Retains the footpath to Pertobe Rd
- Encapsulates Eastern Maar connection to country
- Enhances the open space to the north of the train line
- Considers connection between Flagstaff Hill

SUMMARY OF FINDINGS

The Draft Preliminary Business Case finds that while the Cannon Hill option would no doubt provide a stunning location, it is a costly option resulting in a relatively low increase in visitor numbers. The low benefit to cost ratio could present a challenge in pursuing State or Federal Government funding.

Benefits

The Business Case outlines the benefits of a new Warrnambool Art Gallery at Cannon Hill as:

- increase visitation to Warrnambool by increasing the critical mass of tourist attractions around Cannon Hill, Flagstaff Hill, Warrnambool CBD, and Lake Pertobe;
- capitalise on the natural beauty of the vistas from the top of the hill;
- provide an iconic architectural landmark that celebrates the cultural richness of the collections, the connection to the land (on Country), the local history and creativity of visual art in all its forms;
- deliver broader programs for the Southwest region that engages with all communities;
- place for local artists to work, promote local creative industries and display the work produced;
- provide greater accessibility to the collections of Warrnambool Art Gallery and those of other lending institutions;
- contribute to ongoing Aboriginal reconciliation as a place for and collection, stories, and shared learning; and
- meet the demand for quality food and beverage opportunities that support and add value to the core visitor experience.

Visitation and cost benefit

Visitation is a key metric for the economic impact of a new art gallery. The base case of visitors to the existing Warrnambool Art Gallery is an average of 55,100 visitors each year. The forecast estimated for the first year of operation of a new Warrnambool Art Gallery at Cannon Hill is 72,580 visitors. Assuming a modest, locally based flow of visitors and an increasing awareness of the new facility among regional and metropolitan visitors, this estimate grows to 116,000 in Year 5. Achievement of these visitation numbers is reliant upon Warrnambool Art Gallery being a landmark facility which captures the breathtaking views, delivers programs which invite participation from the wider Victorian, national, and international community, and delivers quality food and beverage experiences.

A Cost Benefit Analysis (CBA) has been used in conjunction with the Economic Impact Assessment to analyse the financial and economic impact of a new Warrnambool Art Gallery. The Economic Contribution Study is included in **Appendix 4**. The findings suggest that the development of a new gallery on Cannon Hill has a Cost Benefit Ratio that is slightly below one, meaning each dollar invested is generating under one dollar in benefits. This result is based on visitor spending only and would be improved if construction and operational costs could be reduced through more detailed planning.

Concept design

FJMT Architects have conducted site analysis and massing study for Cannon Hill. The functional layout has two levels, ground level sunken into Cannon Hill and Level 1 with smaller footprint above level. Both levels would adopt the same approach to either make a physical or visual connection with the outside.

- To either side of the vertical circulation between the levels, the functional requirement is for three core zones
- Inclusion of Maar Nation gallery and associated amenities
- Flexible galleries to present in isolation or combined for special touring shows. This same zone extends to offering family/learning environments for local community engagement.
- Back of house storage and curation spaces, still allowing an element of connection for guests to witness safe handling of artefacts, and view items not currently exhibited.

The arrival to Cannon Hill will retain the perception of a 'hill-like cliff edge' and the ability to walk over a semi submerged soft landscaped section of the gallery roof top, thereby retaining a key vantage point for Warrnambool and those entering from the North. These same vistas across the coastline would be brought inside the main foyer and draw visitors towards an internal observation deck. Those arriving for the adjoining function/bar area would experience an alternative perspective before dining. These vistas have been captured and illustrated by FJMT within the **Cannon Hill Massing Study – Appendix 5**.

Construction cost

The capital cost for the investment in a new Warrnambool Art Gallery is estimated to be between \$63 million and \$73 million excluding escalation and GST. The **Cost Estimate** is provided in **Appendix 3**.

It is important to note that these figures are preliminary estimates only, and geotechnical investigations and more design work would be required to get a more accurate cost estimate. The estimate is also based on current costing and given the high escalation in construction costs; the final construction cost could be significantly higher. An escalation scale is provided in Table 14, Page 48 of the Draft report. The scale and design of the concept building in the Business Case can also be adjusted to fit future investment.

The Business Case recommends that Council:

- Commence formal discussions with the Department of Transport and Planning to confirm that Cannon Hill can be developed for this purpose.
- Undertake site investigations to determine soil conditions, contamination, cultural heritage issues and site infrastructure capacity be undertaken, if this is the preferred site.
- Explore benefits, costs, and designs for a new gallery at the existing Liebig Street site would provide comparative data to inform decision making and community engagement.

ISSUES

Due to the significant site constraints and the costs associated with construction and recurrent operational costs; and the marginal rate of return on investment, it is not recommended that Council progress further investigation for a new gallery located at Cannon Hill. The low benefit to cost ratio could also present a challenge in pursuing State or Federal Government funding.

An application to State Government Treasury for investment in a new Art Gallery will require that a Business Case presents a second option. Officers are recommending that options for a redeveloped gallery on the Liebig Street site be explored.

The existing site on the corner of Liebig and Timor Streets is Council owned and includes the Civic Green. It is envisaged that this process would preserve and further enhance the functionality of the Civic Green.

Considerations:

- The location is within the Civic and Cultural precinct adjacent to the Lighthouse Theatre, Warrnambool Library and SW TAFE.
- Walkability from accommodation and proximity to restaurants and cafes.
- The Gallery will need to close during construction.
- A new Regional Gallery in the CBD could be an iconic building that reflects the City's long history of innovation and creativity.

- The Business Case would be an opportunity to explore how a new gallery that attracts an increase in visitors will look and function in the CBD.

The proposed key design criteria for the Liebig Street site would be:

- Must retain and enhance the Civic Green space
- The same functional brief will be used, including improved collection storage, and loading and expanded Maar Nation Gallery, but might be scaled back in size due to site or budget constraints.
- Gallery flexibility and adaptability
- Strong Audio-Visual capability
- Environmentally Sustainable Design
- Regional gallery standard HVAC, lighting, and storage
- Sensitive to the surrounding heritage infrastructure i.e., Timor St restaurant building and sandstone walls
- Improved street presence and
- Consideration to improving connectivity to and around the surrounding businesses
- Tourist bus drop off

Outcome remains the same

“A new iconic Regional facility and tourist destination, delivering exemplary creative, cultural and education experiences.”

While retaining and redeveloping the existing building might seem like a more economical option, the 2020 Feasibility Study stated that:

“Following the investigation, it was concluded that adapting the building reduced functionality, overall lower building quality and reduced flexibility and so was evaluated as inadequate for achieving the future vision for the Warrnambool Art Gallery. Adapting the building is considered a very poor option...” (p.38)

Early advice from the sub-contractor Architects regarding this option is that:

- The existing building will need significant refurbishment as the structure/shell does not meet the Functional Brief for floor to ceiling height and structural load capacity.
- Upgrade would be suitable if the 'bones' of the building were compatible to the design requirements in spatial or 3D dimensional capacities, which is not the case.
- Gallery sizes are too small and insufficiently serviced with mechanical and electrical infrastructure to accommodate the range of work desired for exhibition
- Environmentally Sustainable Design can be enhanced in new development
- Latent conditions – with refurbishments of buildings constructed 30-40 years ago there are hazardous materials and structural/services issues which also need to be understood as potential risks or latent conditions on existing buildings issues will not become apparent until during construction as demolition and alterations works get underway. Risk allocations/Contingencies need to be allowed for this type of scenario which are difficult to scope and cost effectively.
- Project timelines – often refurbishments compared to greenfield developments (given some of the topics raised above) run slower

It is therefore recommended that if Council supports the recommendation to explore the potential of the existing site for a new Gallery, the architects be given the scope to imagine a completely new build that will meet the functional brief and enhance the CBD.

The exploration of the Liebig Street site would be developed as a Preliminary Business Plan to include:

- Needs and Benefits Analysis
- Case for Change
- Investment Logic Map
- Functional Brief
- Architectural massing study
- High level concept designs that explore the potential for the site to meet the functional brief.
- High level construction costs
- Economic contribution study based on new construction cost
- Risk register

It will not include:

- A revised visitation analysis
- Delivery program
- Operational and lifecycle benchmarking report

It is not unusual for several options to be explored through a Feasibility or Business Case process in the planning for significant community infrastructure projects.

FINANCIAL IMPACT

An amendment to the Business Case to include high-level concept designs and costings for the Liebig St location has been quoted as \$65,000 (if undertaken in the short term). If delayed and a new procurement process commences later the cost could be upward of \$200,000. Council would need to determine if a new facility or an upgraded facility is the subject of the Liebig Street business case.

LEGISLATION / POLICY / COUNCIL PLAN CONTEXT

1 A healthy community

1.2 Engage with the Aboriginal community: Council will pursue improved partnerships and meaningful engagement with Aboriginal people to grow opportunities and better outcomes for Aboriginal people.

1.5 Recreation, arts, culture, and heritage: Council will support opportunities to participate in a wide range of recreational, arts and cultural programs that promote activity, wellbeing, diversity heritage and which increase community connectedness.

3 A strong economy

3.3 Visitor growth: Council will facilitate Warrnambool's visitor growth and year-round visitation through industry development, effective destination management and promotion of attractions, experiences and by leveraging key events.

4 A connected, inclusive place

4.1 Effective planning: Council will ensure its planning acknowledges the unique character and attributes of local places and that that supports social connection, equitable access, appropriate housing, and sustainable population growth.

5 An effective Council

5.3 Customer-focused services: Council will continue to develop a program of Council services that are delivered to the community's satisfaction.

TIMING

Concept designs and costings for a new gallery on the existing Liebig Street site can be completed in the later part of 2023. Alternatively, further planning work can be undertaken in future years.

COMMUNITY IMPACT / CONSULTATION

If Council does not support the recommendation not to progress the Business Case at Cannon Hill, then a comprehensive deliberative community engagement process should be undertaken before progressing further.

The functional brief for a new Gallery has been developed in consultation with gallery staff, key stakeholders and community during the Feasibility Study process and further refined during the Canon Hill Business Case process.

LEGAL RISK / IMPACT

Nil

OFFICERS' DECLARATION OF INTEREST

Nil

COLLABORATIVE PROCUREMENT

N/A

CONCLUSION

The Business Case for a new Warrnambool Art Gallery on Cannon Hill was funded through Regional Development Victoria Investment Fast Track Fund (IFFF). The project presented a unique opportunity to explore the viability and cost benefits of an iconic tourist destination. While a compelling case for significant investment on this site has not been identified, any future application to State Government Treasury for investment in a new Art Gallery will require that the Business Plan includes a second option. Council now has the opportunity to augment the work done to date with the exploration of the viability and costs of a redeveloped gallery on the existing Liebig Street site at a reduced cost.

A new regional Art Gallery will:

- Reposition Warrnambool as a Regional Centre in the Southwest
- Build on its reputation as a progressive City
- Capitalise on the opportunities that a contemporary, state-of-the-art Gallery can deliver in terms of visitor attractor and support for the regions Arts industries and economy
- Improve livability
- Benefit from the social, emotional and well-being that the Arts provide.

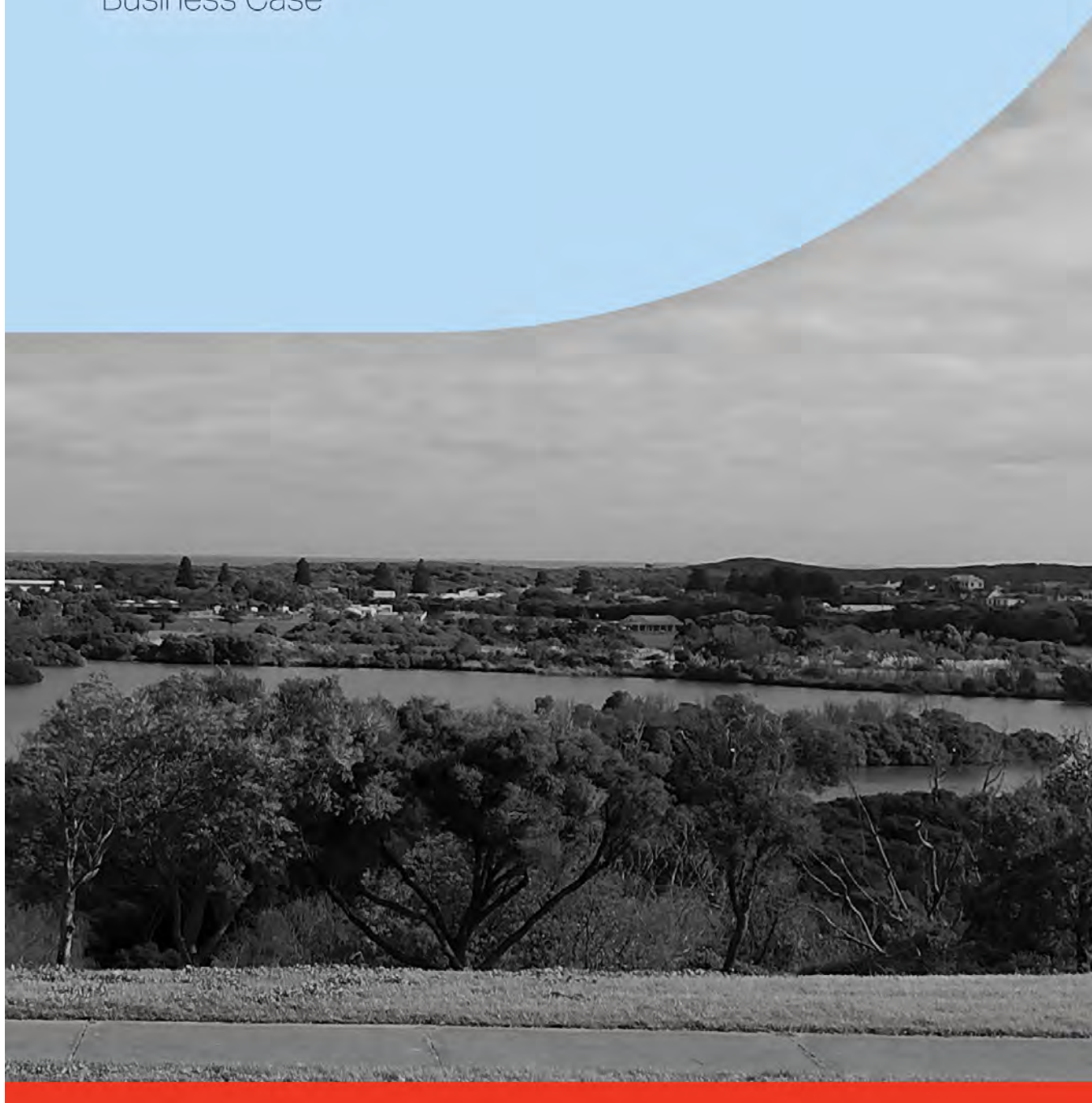
ATTACHMENTS

1. 230531 Warrnambool Art Gallery Business Case - Cannon Hill FINAL [7.1.1 - 283 pages]



Warrnambool Art Gallery

Business Case



RP Infrastructure acknowledge the Traditional Owners of the land in and around Warrnambool, the Eastern Maar people and pay our respect to their Elders, past, present and emerging.

Date: 31/5/2023

Revision Control

Document:				
Revision	Date	Prepared by:	Approved:	Remarks
A	13/02/23	MK	SH/CC	For WCC review and update prior to release to EMT
B	17/02/23	MK	SH/CC	For review by WCC
C	20/02/23	MK	SH/CC	Updated economic impact results
D	02/03/23	SH	SH/CC	Updated ILM and ffmt massing information
E	16/03/23	SH	SH/CC	Updated ILM, program, visitation
F	31/05/23	CL	MK/SH/CC	FINAL ISSUE

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EXECUTIVE SUMMARY

Overview

Warrnambool City Council engaged RP Infrastructure to develop a Business Case for a new Warrnambool Art Gallery at Cannon Hill in Warrnambool.

Warrnambool has long term ambitions to be '**Australia's most resilient and thriving regional economy and most liveable regional city**'¹ and aims to achieve this through implementing a range of goals, with the future of Warrnambool Art Gallery being considered as a significant opportunity to deliver on this vision.

Need and Benefit

Warrnambool Art Gallery is currently located at Civic Green in a facility which was built in 1986 as a memorial to Sir Fletcher Jones OBE. It houses an eclectic and extensive range of artefacts and artworks which have accumulated since Warrnambool's first gallery opened in 1886. This amassed collection has culminated in approximately 5,000 items with an overall value of \$12 Million.

As the collection has grown over the years and the desire for Eastern Maar Aboriginal Corporation to have greater opportunity to represent their stories and artefacts the existing facility has not kept pace with its regional counterparts. The potential of the Warrnambool Art Gallery as a cultural tourism destination is constrained by its building, which limits operational flexibility, the opportunity to present larger exhibitions and provide social and engaging spaces for activity. Demand cannot be met for more interactive experiences, larger exhibitions, functions, and events. The building does not provide sufficient storage for an expanded collection, safe loading of touring exhibitions or sufficient administration space. The Gallery is the primary substantial visual art institution in Southwest Victoria. The size of the current facility is not in step with the catchment area (approx. 120,000 people) which could be capitalised on with a stronger and expanded facility and offering.

Regional Art Galleries can significantly contribute to economic growth of regional areas and accordingly several facilities across Victoria have recently been redeveloped, including Shepparton Art Museum and Gippsland Art Gallery. Further, Bendigo Art Gallery has plans for an expansion of their existing facility which over the last three financial years has averaged annual attendances of 150,000 visitors with 49% of visitors from Melbourne, 30% local region, 10% interstate and 1% international.

A new Warrnambool Art Gallery would support various policies and priorities across Federal, State and Regional level but **investment is required to compete for the benefits tourism brings to a region, continue to grow its connection with First Nations Peoples, and develop its reputation as the cultural and creative destination of choice for the local community as well as attract regional, interstate and national visitors.**

Warrnambool Art Gallery at Cannon Hill

A new Warrnambool Art Gallery at Cannon Hill provides an extraordinary natural setting for a landmark community asset which, together with the proposed redevelopment of Flagstaff Hill Maritime Museum and Village, will build the critical mass of cultural infrastructure needed to grow Warrnambool's reputation for visitors interested in Aboriginal and European heritage Aboriginal culture and quality food and beverage experiences. Importantly, consultation with the Eastern Maar Aboriginal Corporation and previous community survey has indicated support for Cannon Hill as a site for the new Warrnambool Art Gallery².

The **new Warrnambool Art Gallery concept would provide 3,200 square metres (sqm) of space including 655 sqm of exhibition space, 600 sqm of front of house and 700 sqm of necessary back of house.** The design of the new Gallery would use the natural contours of the site to reduce the visual building mass and retain open space **whilst being seen as single storey.** This concept would allow for separation of the First Nations spaces and maximise opportunity for public programs, exhibitions and food and beverage opportunities. Appropriate parking and bus/coach drop offs would be provided with access from Merri St. It will be set back from the Pertrobe Road cutaway to avoid the steep drop to the east, maintain existing tree canopy where possible, whilst maximising vistas over the foreshore. **Two massing studies were completed to test the visual impact of Option 1 – 2m setback into Cannon Hill and Option 2 – 7m setback into Cannon Hill.**

¹ Warrnambool 2040

² Aboriginal community engagement workshop hosted by Warrnambool City Council in May 2021

Option 1 – 2m setback view from Merri St



Option 2 – 7m setback from Merri St



Visitation, Costs and Benefits

Visitation is a key metric for the economic impact of a new art gallery. The base case of visitors to the existing Warrnambool Art Gallery is an average of 55,100 visitors each year. The forecast estimated for the first year of operation of a new Warrnambool Art Gallery at Cannon Hill is **72,580 visitors**. Assuming a modest, locally based flow of visitors and an increasing awareness of the new facility among regional and metropolitan visitors, this estimate grows to **116,000 in Year 5**. Achievement of these visitation numbers is reliant upon Warrnambool Art Gallery being a landmark facility which captures the breathtaking views, delivers programs which invite participation from the wider Victorian, national and international community, and delivers quality food and beverage experiences. In addition, extensive marketing campaigns would be vital to attracting greater visitor interest in Warrnambool as a tourist destination including the use of social media channels and connection with the Great Ocean Road.

The estimated **capital cost for the investment of a new Warrnambool Art Gallery Option 1 is \$63 million excluding escalation and GST**. Massing option 2 is estimated to cost **\$73 million excluding escalation and GST**.

The potential economic benefits include the economic contribution generated through construction, additional operational expenditure of a new facility and additional tourist expenditure across both Warrnambool and Victoria. Through construction, **36 new positions** will be created and **99 supply chain and consumption FTE (full time equivalent) positions in Warrnambool**. The economic activity through operational expenditure and visitor spending will support an **additional 51 FTE position per year in Warrnambool by 2030 and additional \$8.5M of expenditure per year by 2030**. The economic contribution to Victoria will be 79 FTE positions by 2030 and an **additional \$15.5 million per year by 2030 of economic activity**. These figures are based on massing option 1 capital costs.

The Benefit Cost Ratio that monetises benefits and compares against the costs **indicates a slightly positive rate of 0.98 and Net Present Value of -\$1,284,382**. This financial analysis demonstrates a negative Net Present Value based on the tourist spend only as a measure of return, however consideration of broader economic impacts can provide a marginally economically viable project. Further opportunity to improve the financial viability of the new Warrnambool Art Gallery is to reduce the construction and operating costs which can be tested once further details are known about the site conditions and design is updated to reflect this information.

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Summary and Next Steps

A new Warrnambool Art Gallery at Cannon Hill will contribute to the economic growth of Warrnambool and the region through increased visitation, expenditure, and additional jobs to create a community asset that can become a landmark tourist destination. The financial position based on tourist spend alone does not provide a positive return on investment and would need further consideration of construction and operating costs to improve this viability. A new Warrnambool Art Gallery is a long-term investment that, together with proposals for Flagstaff Hill and assets of Lake Pertrobe, can be the attractor to connect with the Great Ocean Road tourist route and regional visitors.

The recommended next steps in the future of a new Warrnambool Art Gallery is to undertake a comparative assessment of the existing Civic Green site so the Business Case can be updated with this option. Council may wish to proceed with further community consultation with details of both these options. If Council were to further consider Cannon Hill as an option, detailed discussions need to be held with State Government about the **process for Warrnambool City Council to develop community facilities on Cannon Hill as it is Crown Land, and then undertake detailed site investigations** to better understand the site conditions that will impact the design.



Introduction

1 INTRODUCTION

1.1 Client

The client for this Business Case is Warrnambool City Council. We understand this document will be shared with Regional Development Victoria and other Government stakeholders and community to inform decision-making for a new Warrnambool Art Gallery.

1.2 Purpose

The purpose of this Business Case is to identify the problems which are present at the existing Gallery and to determine the need for, and viability of, an art gallery at a new site at Cannon Hill, Warrnambool. The study builds on the Feasibility Study delivered to Council on 20th July 2021 by SMA Tourism and Lyons Architects. The format of this document is based on the core principles of Department of Treasury and Finance (DTF) guidelines for a Business Case.

With Warrnambool Art Gallery being the “*primary visual art institution servicing South West Victoria*”, the brief for this Business Case is to:

- i. Identify the core need for change;
- ii. Establish social and economic benefits including cost benefit ration which could be realised through investment; and
- iii. Undertake a massing modelling study for the Cannon Hill site;

The selection of Cannon Hill as the basis of this Business Case was the increased opportunity for further activation of the precinct through connection with Flagstaff Hill Museum, opportunity for an iconic arts and cultural destination that can attract and increase international, national, state-wide and regional visitation through its location and views of the coastline and Lake Pertobe, and add to Warrnambool's destination marketing assets and experience.

1.3 Warrnambool City Council

Warrnambool is a picturesque and vibrant coastal city, situated close to the Great Ocean Road and 270km from Melbourne via the Princes Highway. It is the largest city in the Great Ocean Road region and Victoria's largest coastal city (outside of Port Philip Bay)³. Warrnambool City Council is the Local Government Area covering 120sqkm and contains the City of Warrnambool, which has a population of 35,406⁴, and the small towns of Allansford, Woodford and Bushfield.

Warrnambool's population is growing consistently and is forecasted to expand to over 40,000 by 2040 – refer to Figure 1.

Figure 1: Warrnambool Historical and Forecasted Population Growth



³ <https://www.warrnambool.vic.gov.au/city-information>, 6 February 2023.

⁴ ABS 2021

Significant natural features include the estuaries of the Merri and Hopkins rivers and the expansive Lady Bay which in winter and spring is a nursery for southern right whales.

Prior to the arrival of Europeans, Warrnambool was home to a significant indigenous population of the Eastern Maar people who identify as Maar, Eastern Gunditjmarra, Tjap Wurrung, Peek Whurrong, Kirrae Whurrung, Kuurn Kopan Noot and/or Yarro waetch (Tooram Tribe), amongst others.⁵

Warrnambool generates a gross regional product of circa \$1.6 billion which accounts for over 20 per cent of the Great South Coast region's economic output despite the municipality covering less than one per cent of the region's total area.

Tourism is another major driver of the city's economy. The city is positioned within the Great Ocean Road region and home to the popular Flagstaff Hill Maritime Village and Lake Pertrobe foreshore natural attractions. Warrnambool's coastal location leads to strong seasonal visitation that can see increases in visitors in the Christmas/New Year Eve holiday period in the order of an additional 10,000 people⁶. This seasonality can be an important factor for infrastructure investment as a permanent attraction that is available and activated all year round and which provides annual revenue throughout the year that is not reliant on weather and holiday periods.

Tertiary education providers Deakin University and South West TAFE have campuses in Warrnambool which, along with bringing students to the city, provide local people with opportunities to pursue education and vocational training.

Warrnambool City Council is also a major employer and provides a range of community facilities and services including the aquatic centre AquaZone, Warrnambool Art Gallery, Warrnambool Stadium, the Lighthouse Theatre, Surfside Holiday Park, Flagstaff Hill Maritime Village and new Library and Learning Centre.

1.4 Proposed Site

The previous work undertaken by SMA Tourism and Lyons Architects Feasibility Stage included an assessment of potential sites for establishment of a new Warrnambool Art Gallery. This is summarised as follows:

Table 1: Potential sites for a New Warrnambool Art Gallery

Location	Site Assessment
The former Warrnambool Post Office	limited adaptation possible
The Warrnambool Library	limited adaptation possible
Existing Facility	adaptation possible but does not drive best value in the medium to long term
Flagstaff Hill	overdevelopment and cultural heritage sensitivities
New build on existing site	new build in a key strategic location
New build on Cannon Hill	new build with unique scenic location which defines Warrnambool

Based on the site attributes and following a series of community engagement programs, Council has concluded that the potential for a new Warrnambool Art Gallery at the Cannon Hill site should be explored in this Business Case.

⁵ Eastern Maar Aboriginal Corporation, <https://easternmaar.com.au/about/>

⁶ The Standard, Massive population growth as peak tourist season hits. Dec 2018



Case for Change

2 CASE FOR CHANGE

2.1 Existing Warrnambool Art Gallery

The Warrnambool Art Gallery is a free public art gallery which is owned and operated by the Warrnambool City Council. The gallery program is presented with the assistance of the Victorian Government through Creative Victoria.

Established in 1886, the Gallery offers a diverse collection, from elegant European salon paintings to the Avant-garde modernism of the Angry Penguins. Artworks range from the romanticised colonial landscapes of Eugene Von Guerard and Louis Buvelot, to contemporary Australian printmaking by Juan Davila, Barbara Hanrahan and Ray Arnold. Each step of the Collection mirrors a time of development and expansion. It shows a reverence for the landscape and the people, their aspirations, industry and endeavours, alongside contemporary installations and multi-media exhibitions presented by LGBTIQ+ artists and curators.

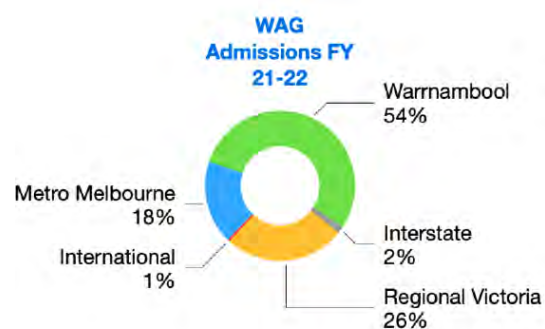
For the past 135 years, the Warrnambool Art Gallery has facilitated rich experiences for audiences both through its Collection and through an inspired program of exhibitions and events in and beyond the Gallery. Presenting a professional program of local, Australian and international creative works and cultural stories, the Gallery's mission is to uphold and transform the cultural life of South West Victoria. Importantly, the Gallery shares a mandatory obligation under the Aboriginal Heritage Act 2006 and Aboriginal Heritage Amendment Act 2016 to register Victorian Aboriginal collection items in its possession with Aboriginal Victoria. For this reason, Warrnambool Art Gallery is attracting significant donations of Aboriginal artefacts which it needs to preserve and display in appropriate conditions.

Located in the Civic Green, the current facility was built in 1986 as a memorial to Sir Fletcher Jones OBE. This amassed collection has culminated in approximately 5,000 items with an overall value of \$12 Million⁷. As the collection has grown over the years, the existing facility has not kept pace with its regional counterparts and investment is required to allow Warrnambool Art Gallery to compete for the benefits tourism brings to a region, continue to grow its connection with First Nations and develop its reputation as the destination for the local community to visit.

2.2 Current Visitation Metrics

Figure 2: Current WAG visitation

- It is estimated that around **25% of visitors to Warrnambool visit the Warrnambool Art Gallery**.
- The local population generates over 50% of admissions to the Gallery. (Based on observation, it is estimated about 20% of local admissions are people visiting more than once.)
- People from “**regional Victoria**” generate around **25% of admissions to Warrnambool Art Gallery**.
- Interstate and International visitors generate a small share of visits. This level of international visitation is generally consistent with the cultural attractions / venues.



2.3 Stakeholder identification and consultation

Stakeholder consultation was limited to Warrnambool City Council and Warrnambool Art Gallery as part of this Business Case; however, consultation was undertaken in earlier studies and investigations into the future of the Warrnambool Art Gallery, as discussed further below.

⁷ Confirmed by Warrnambool Art Gallery
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The key stakeholders identified under Figure 3 are those which have a regular involvement with the project and have been engaged to ensure current challenges and problems are captured; technical and sector data is collected; and historical information is included.



Figure 3 – Stakeholder Identification

2.3.1 Warrnambool Art Gallery

The organisation needs to implement the vision for the future of the Art Gallery and ensure it is placed to act as an informed client in any future redevelopment. This will require be a significant change management process to bring the organisation from its current state to one that is responsible for a landmark regional Art Gallery. Crucially, this will involve program development, marketing and engagement strategy that propels the new Art Gallery onto the interstate and international tourist trail and captures the required increase in visitation.

2.3.2 Warrnambool City Council

Warrnambool City Council as asset owners are responsible for the operations and long-term success of the facility. The financial viability of a new asset is a critical success factor for Council and they are leading the proposals for a new Art Gallery.

2.3.3 Easter Maar Aboriginal Corporation

In July 2011 the Eastern Maar and Gunditjmara peoples were recognised as the native title holders for an area of their Traditional Country in South-West Victoria between the Shaw and Eumerella Rivers, and from Yambuk in the South, to beyond Lake Linlithgow in the North. The Eastern Maar are Traditional Owners of land encompassing the Warrnambool, Port Fairy and Great Ocean Road areas, stretching 100m out to sea from low tide and including the iconic Twelve Apostles. Eastern Maar is a name adopted by the people who identify as Maar, Eastern Gunditjmara, Tjap Wurrung, Peek Whurrung, Kirrae Whurrung, Kuurn Kopan Noot and/or Yarro waetch (Tooram Tribe) amongst others.

Eastern Maar Aboriginal Corporation (EMAC) is the professional organisation that represents the Eastern Maar People of South West Victoria and manages their Native Title rights and Interests. Is it the Registered Aboriginal Party for Eastern Maar Country and is currently negotiating a Recognition and Settlement Agreement under the Traditional Owners Settlement Act 2010. EMAC has a Board of Directors of Traditional Owners and is a registered organisation under the Corporations (Aboriginal and Torres Strait Islander Peoples) Act 2006.

Eastern Maar Aboriginal Corporation are critical to the design, programming and storage of their artefacts and stories. Consultation has occurred throughout Council's feasibility stage assessment for a new Art Gallery.

A workshop was held back in May 2021 with 18 members of the Aboriginal community. The purpose was for Council to receive feedback from First Nations Peoples on the proposed options assessed under the feasibility study, but also to establish specific cultural considerations which First Nations peoples felt needed to be incorporated into a new Warrnambool Art Gallery. These reflections identified the current strengths which the

existing Gallery had developed directly with Eastern Maar people specifically through engagement and thereby establishing strong positive working relationships into the future.

2.3.4 Regional Development Victoria

Regional Development Victoria has provided support, guidance, and funding to date for the project and will be central to secure any future funding for the project from State Government.

2.3.5 Flagstaff Hill Maritime Museum

Flagstaff Hill Maritime Village is currently developing its own proposals for a redevelopment and two cultural attractions should collaborate to ensure they are complimentary to each other and not competitive.

2.3.6 Other Stakeholders

Other stakeholders will have an interest and potential to influence the outcomes for a new Warrnambool Art Gallery and these include:

- Friends of Warrnambool Art Gallery; will be significantly interested in the outcome of Warrnambool Art Gallery Business Case and potential new layout and capacity.
- Warrnambool Art Gallery Foundation: responsible for fundraising and will have critical role in the funding strategy for any new Warrnambool Art Gallery.
- Warrnambool local artists; potential to create advisory group in relation to the project that consists of local artists that can review designs/programming as project develops
- Great Ocean Road Coast & Parks Authority; was established on 1 December 2020 to deliver better protection and management of the iconic coast and parks of Victoria's Great Ocean Road. In partnership with the Traditional Owners, their role is to manage, protect and foster resilience of the natural, cultural and heritage values of coastal Crown land and marine waters along the Great Ocean Road. The land agreement and responsibility for Cannon Hill if it were to be developed for a new Warrnambool Art Gallery is reasonable to consider would be of interest to this Authority.
- Great Ocean Road Regional Tourism; as official tourism destination for all things related to the Great Ocean Road.
- Regional Arts Victoria; as mentioned earlier has provided a Creative Strategy for the region and will be a long term supporter of a new Warrnambool Art Gallery
- Creative Victoria; a new Warrnambool Art Gallery will need to support the actions expected of Creative State 2025.
- Local community; there is a strong community connection to the existing Art Gallery and also the proposed site at Cannon Hill. A community engagement survey⁸ indicated that over 47% of respondents (out of a total 135 participants) supported a new Gallery at Cannon Hill, compared to 34% for a redevelopment at Civic Green. Further consultation will be undertaken as the project progresses.

A deliberative Community Engagement Strategy will be developed in accordance with the requirements of the Local Government Act 2020⁹ (LGA) Community Engagement process as the project progresses.

2.4 Constraints of Existing Facility

The current facility is constrained and directly impacting the ability to deliver contemporary programming expected of a regional Art gallery.

The issues faced at the existing facility are summarised at Table 2 below and described in detail at Appendix 2. This assessment uses an opportunity cost methodology to determine the scale of investment required before benefits could be realised. Table 2 summarises the existing problems, the missed opportunity and the intervention required to realise the opportunity. Only those with the highest intervention requirement are identified below.

⁸ A new home for the Warrnambool Art Gallery 2021

⁹ Local Government Act 2020

The assessment considers 1 being minimal effort required before benefit is realised and 5 being extreme intervention needed to realise any benefit.

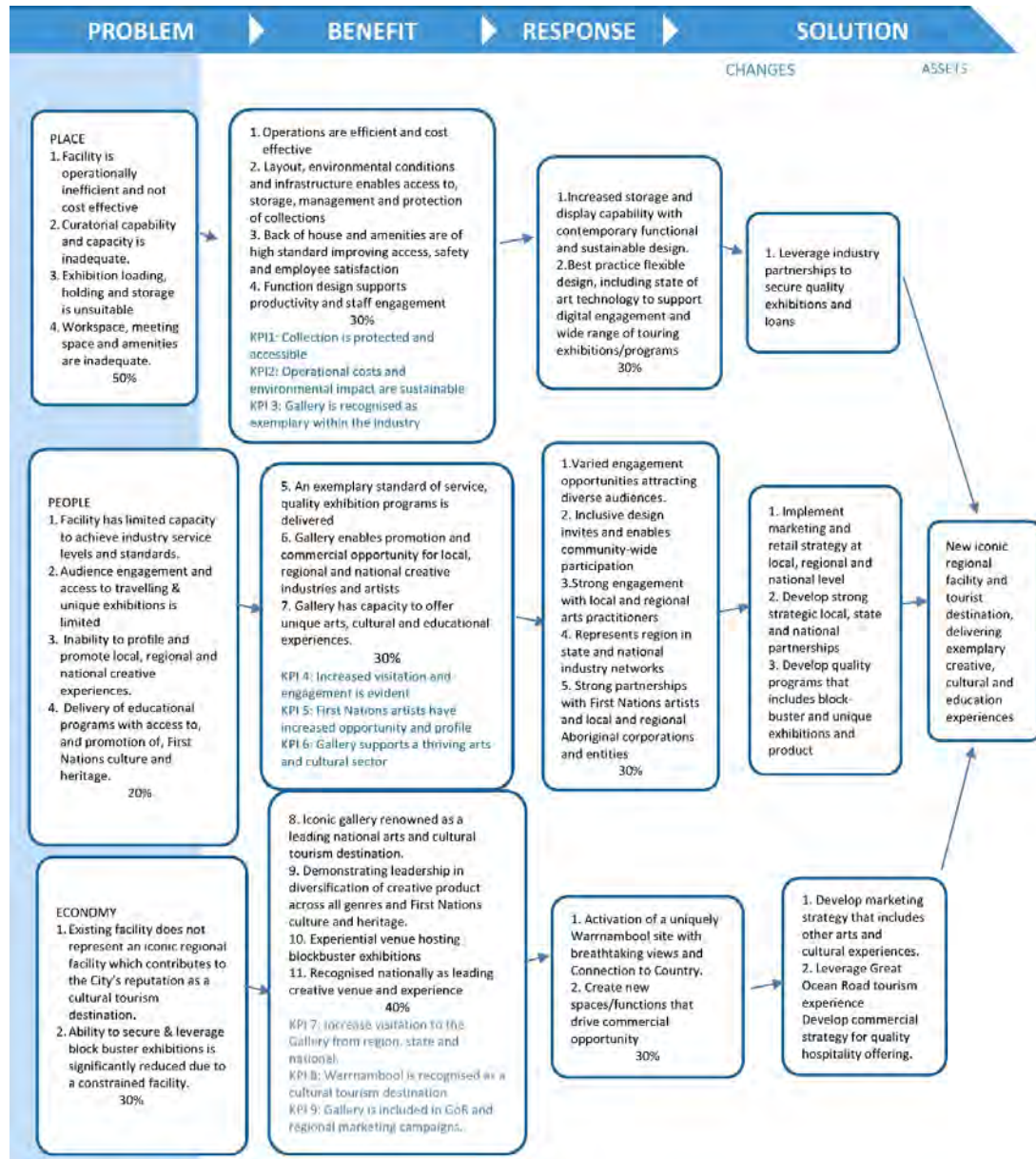
Table 2: Current Constraints and Impact

No.	Evidence of Problem	Opportunity Identification	Investment Required	Benefit Realised	Intervention Classification	Intervention Required to Existing Gallery (Retain or New) to Realise Opportunity
1	Civic Green acts as a central point for locals but Warrnambool Art Gallery doesn't have a strong frontage driving visitation	Existing building lacking in landmark frontage to attract visitors from Civic Green	5	5	E	New
2	Poor infrastructure and rigid layout	No flexibility or required functional layout to capitalise on touring shows to improve visitation	5	5	E	New
3	Lack of flexible spaces	Create opportunity for artist studio in residence and/or making spaces and/or programming spaces and/or educational spaces to provide exceptional interactive flexible functions	4	5	E	New
4	Uninviting arrival making for low experiential factor	Memorable experience due to high quality environment	4	5	E	New
5	Rigid and outdated climatic systems and controls	Quality climatic conditions to improve exhibition content potential	4	5	E	New
6	Severe back of house storage capabilities	Improved loading, storage, security and workshops to increase load capacity and Aboriginal Keeping Place	4	5	E	New
7	No airlock provisions	Obtain quality standards and certification	3	5	E	New
8	Parking restrictions for touring buses or school trips	Capture short stay tourist trips and provide platform for educational stays for local community	4	5	E	New

In addition to the facility constraints above, although strong connections have been made with Eastern Maar Aboriginal Corporation, meaningful Connection to Country and opportunity to place aboriginal stories at the heart of Warrnambool are limited in the current location and layout.

Further to the existing facility constraints described above, wider operational impacts are affecting the success of the Warrnambool Art Gallery and this is articulated in the Investment Logic Map as the basis of the Case for Change included in Figure 4 below and provided in detail in Appendix 1.

Figure 4: Investment Logic Map



The Investment Logic Map analyses the current problems, identifies potential benefits and how they can be realised through responses that relate to both an asset and operational change.

The output of the ILM process identified three prominent themes, Place, People and Economy, which further develops the problems facing not just the existing facility as outlined in the opportunity matrix, but overall operations of the Warrnambool Art Gallery and its ability to impact its community and visitor economy.

1. PLACE

Facility is operationally inefficient and not cost effective
Curatorial capability and capacity is inadequate
Exhibition loading, holding and storage is unsuitable
Workspace, meeting space and amenities are inadequate.

2. PEOPLE

Facility has limited capacity to achieve industry service levels and standards
Audience engagement and access to travelling & unique exhibitions is limited
Inability to profile and promote local, regional and national creative experiences.
Delivery of educational programs with access to, and promotion of, First Nations culture and heritage.

3. ECONOMY

Existing facility does not represent an iconic regional facility which contributes to the City's reputation as a cultural tourism destination
Ability to secure & leverage block buster exhibitions is significantly reduced due to a constrained facility

These three themes of Place, People and Economy are driving the need for investment in a new Warrnambool Art Gallery and the benefits associated with responding to these problems are described in Section 2.5.

2.5 Benefits to be delivered by a New Art Gallery at Cannon Hill

The collection held by the Warrnambool Art Gallery has a rich extended history, spanning three centuries. However, as detailed in the previous section, the current facility does not meet contemporary art gallery standards, either for display or conservation, and poses a serious risk to the safety of the collection.

Moreover, it is underserving as a core Council function within the city's cultural capital required to contribute to a thriving creative industry, connected community and visitor attraction.

For these reasons, Warrnambool City Council is investigating building new Warrnambool Art Gallery at Cannon Hill.

The advantages to delivering on Cannon Hill are:

- A destination which offers a unique sense of place which characterises Warrnambool.
- A strong statement in connection to Country and facilitating cultural collaboration to enable new relationships and create further growth opportunities for local and regional creative sector.
- Greater opportunity to address current coach parking for educational trips to Warrnambool Art Gallery and deliver the required facilities to capture increased tourism.
- Generate further investment and value add opportunities for Warrnambool by re-purposing existing Civic Green site.
- Opportunity to create a cultural precinct with Flagstaff Hill and maximise conversion of tourism visitation at a landmark site on the foreshore.

The existing operation fails to capitalise on regional tourism and therefore achieve its potential to contribute to Warrnambool's visitor economy.

Public Galleries Association of Victoria prepared a submission to the Infrastructure Priorities for the Regions in 2020 that outlined how Regional Galleries are Transforming Economies and gave specific examples of Bendigo Art Gallery and the success of the Archibald Prize.

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Bendigo Art Gallery has established a national profile for presenting high quality international exhibitions. Beginning with The Golden Age of Couture in 2008, Grace Kelly: Style Icon in 2012, Bendigo Art Gallery & Twentieth Century Fox Presents Marilyn Monroe in 2016, and more recently Tudors to Windsors: British Royal Portraits in 2019. Economic impact analysis indicates that through these 'blockbuster' exhibitions, the gallery has made a significant contribution to the Greater Bendigo and Victorian economies in Table 3.

Table 3: Economic impact of Blockbuster Touring Exhibitions at Bendigo Art Gallery

Exhibition	Greater Bendigo	Victoria
Grace Kelly: Style Icon (2012)	\$16.3M	\$2.8M
Bendigo Art Gallery & Twentieth Century Fox Present Marilyn Monroe (2016)	\$13.2M	\$2.6M
Tudors to Windsors: British Royal Portraits (2019)	\$5.5M	\$3.1M

Over the last three financial years Bendigo Art Gallery has averaged annual attendances of 150,000+. It has a growing regional and international audience, with on average 49% of visitors from Melbourne, 30% Local region, 10% interstate and 1% international¹⁰.

Geelong Gallery presented the Archibald Prize in 2018 and 2019. This highly popular exhibition tours to galleries across regional Victoria every year, with galleries bidding to secure presentation rights for two consecutive years. In 2018, Geelong Gallery welcomed 58,000 visitors to the Archibald Prize and generated \$7.2m for the local economy. While in 2019, the Gallery welcomed 76,560 visitors to the Archibald Prize and generated \$8.03 million for the local economy. Significantly, 87% of audiences in 2019 travelled to Geelong specifically to see the Archibald Prize.¹¹

The infrastructure investment in a new cultural asset for the City of Warrnambool and wider South-West region will bring benefits to the community, city, regional and State. The benefits from the ILM with Key Performance Indicators to measure the desired outcomes for the local community, Warrnambool City Council and State Government.

2.5.1 Benefits Summary and Key Performance Indicators

A thriving regional Art Gallery in an exceptional location and landmark destination for tourists and locals alike can deliver a range of benefits as outlined in the ILM and detailed below:

Place

1. Operations are efficient and cost effective;
2. Layout, environmental conditions and infrastructure enables access to, storage, management and protection of collections;
3. Back of house and amenities are of high standard improving access, safety and employee satisfaction;
4. Function design supports productivity and staff engagement.

A new Warrnambool Art Gallery will require quality environmental controls through the exhibition spaces and importantly in the back of house storage and conservations areas to ensure the collection is maintained to the level required for the collection to continue to grow and acquire and improve partnering opportunities with exceptional collecting institutions for touring exhibitions because the back of house complies with loan agreements. An efficient, flexible and functional layout will allow for easy install of variety of exhibition types including touring exhibitions/program and digital programs.

The associated Key Performance Indicators for this theme of Place are:

¹⁰ Public Galleries Association of Victoria Submission, Infrastructure Priorities for the Regions, Page 4, 6 February 2022

¹¹ Public Galleries Association of Victoria Submission, Infrastructure Priorities for the Regions, Page 4, 6 February 2022



KPI1: Collection is protected and accessible

KPI2: Operational costs and environmental impact are sustainable

KPI3: Gallery is recognised as exemplary within the industry

People

5. An exemplary standard of service, quality exhibition programs is delivered;
6. Gallery enables promotion and commercial opportunity for local, regional and national creative industries and artists;
7. Gallery has capacity to offer unique arts, cultural and educational experiences.

A new facility will provide best practice flexible design and technology to deliver programs and exhibitions that reflect First Nations and diverse communities. Collaboration with Eastern Maar Aboriginal Corporation to deliver culturally safe spaces and a Keeping Place will be critical to long term community engagement. The range of flexible spaces in the new Art Gallery will allow the local community opportunities to engage with creative arts and connection with range of stories and programs being offered by the creative organisations. This is identified as critical in the Regional Arts Victoria South West Creative Industries strategy.

The associated Key Performance Indicators for this theme of People are

KPI4: Increased visitation and engagement

KPI5: First Nations artist have increased opportunity and profile

KPI6: Gallery supports a thriving arts and cultural sector

Economy

8. Iconic gallery renowned as a leading national arts and cultural tourism destination;
9. Demonstrating leadership in diversification of creative product across all genres and First Nations culture and heritage;
10. Experiential venue hosting blockbuster exhibitions;
11. Recognised nationally as leading creative venue and experience.

An investment in the site at Cannon Hill will be representative of Warrnambool and provide strong connection to Country. The new facility will provide functions that can contribute to commercial revenue and include car parking and food and beverage options expected of a cultural tourism destination. A new Warrnambool Art Gallery at Cannon Hill must attract both locals and tourists to drive the visitor economy.

The associated Key Performance Indicators for this theme of Economy are

KPI7: Increase visitation to the Gallery from regional, interstate and national visitors

KPI8: Warrnambool is recognised as a cultural tourism destination

KPI9: Gallery is included in Great Ocean Road and regional marketing campaign

2.6 Strategic Alignment for a new Warrnambool Art Gallery

The development of a new Warrnambool Art Gallery is an opportunity to deliver upon Federal, State, Regional and Local priorities that focus on community well-being, growing the creative industries and particularly opportunities for First Nations participation and long-term economic growth.

There is strong alignment with varying public policies at Federal, State, Regional and Local level that contribute to the case for investment in a new Warrnambool Art Gallery.

2.6.1 Federal Context



Regional tourism is a vital sector of the Australian economy and key to the sustainability and vibrancy of many of our communities. Prior to bushfires and COVID-19, Tourism Research Australia reported that nearly half of the nation's tourism expenditure (44 cents in every tourism dollar) occurred in regional Australia. During the 2017-18 financial year this contribution provided \$51 billion to regional visitor economies. At that time, this meant around one-third of tourism-related businesses and more than half of the country's tourism workforce was employed in regional Australia. Tourism itself accounted for 4% of economic output and 8% of jobs in regional Australia¹².

Tourism Australia's Corporate Plan 2021/22 - 2024/25¹³ has seven strategic priorities including no.4 to **Elevate and champion indigenous tourism.**

In 2017, the Uluru Statement from the Heart called for three things: Voice, Treaty and Truth. In May 2022, Federal Labour was elected on a promise to implement the Uluru statement in full. Implementation of the Voice, Treaty and Truth will significantly increase interest in Indigenous understanding and story-telling and is a key commitment across all levels of Government.

2.6.2 State Context

Creative Victoria

Creative Victoria is the State Government's body dedicated to championing, growing and supporting Victoria's creative industries. Creative Victoria has released its Creative State 2025 strategy post the Covid-19 pandemic to prioritise, *'placing creativity at the heart of Victoria's recovery and prosperity.*

The strategy sets out 25 actions to deliver on its vision and five interconnected objectives over the next four years. The key actions of consideration for this investment are:

Table 4 – Alignment of New Warrnambool Art Gallery with Creative State 2025

	CreativeState2025	Achieve	Contribution of a new Warrnambool Art Gallery
D	Objective D: Equitable access to the creative industries – Victorians have access to high-quality and diverse creative and cultural experience, wherever they live; our world-class cultural attractions welcome all.		
16.	Ensuring continued access to high-quality creative experiences across Victoria through regional and outer-metropolitan touring.	X	High-quality spaces that are capable of hosting touring exhibitions that would attract regional audiences
18.	Enhance regional Victoria's creative infrastructure.	X	Significant investment has been focused on Geelong, Bendigo, Shepparton and Ballarat, however a new Warrnambool Art Gallery provides an opportunity to create a cultural hub in wider area of Western Victoria that has potential to connect with the Great Ocean Road attractions and the surround aboriginal attractions including Budj Bim cultural centre.

Creative State 2025 identifies several enablers to achieving these Goals and Actions including Infrastructure pipeline,

'Infrastructure pipeline Victoria's creative industries are enabled by a state-wide ecosystem of state-owned, local government-owned and privately held facilities. Creative State 2025 will leverage the investment in these cultural spaces by supporting the people and programs within them. In addition, Creative Victoria will develop a pipeline of state-wide infrastructure investment opportunities and, with partners across departments and agencies, embed creative industries spaces, programs and opportunities across major new civic and transport projects'¹⁴.

¹² https://treasury.gov.au/sites/default/files/2021-05/171663_australian_regional_tourism_ltd.pdf

¹³ https://www.transparency.gov.au/sites/default/files/reports/2021-22_corporate_plan_tourism_australia.pdf

¹⁴ CreativeState2025, Creative Victoria, Page 26



2.6.3 Regional Context

Regional Development Victoria



Warrnambool is within the Great South Coast region of Victoria with five municipalities including City of Warrnambool. Regional Development Victoria (RDV) is the Victorian Government's lead agency responsible for rural and regional economic development.

Figure 6 – Regional Development Victoria's Nine Regional Partnerships

The Great South Coast Regional Partnerships Roadmap for Outcomes in the region identifies five Outcomes the State is working towards; ***Economy, Education and Training, Environment & Culture, Health & Wellbeing, Transport Networks & Infrastructure*** as outlined in the Figure 7 below.

A new Warrnambool Art Gallery would contribute to three of the five Outcomes as outlined below:



Economy

A **strong** and **diverse** Great South Coast economy with more local jobs and a growing workforce

Economy

A new Warrnambool Art Gallery will contribute to local jobs during construction and once operational through the additional staff required to develop programs, manage events, collection and exhibitions.



Environment & Culture

A **thriving** arts and culture industry, and a **sustainable** environment with a celebrated natural beauty.

Environment & Culture

A new Warrnambool Art Gallery will contribute to a thriving arts and culture industry through rotating program of exhibitions and potential for local and regional artists.



Health & Community Wellbeing

A **healthy**, **safe** and **resilient** Great South Coast Community.

Health & Community Wellbeing

A new Warrnambool Art Gallery will be a central hub for the community to celebrate its culture and history as well as look to the future.

Regional Development Victoria provides funding for capital infrastructure projects throughout the nine regions it is responsible for through the Regional Infrastructure Fund and Investment Fast Track Fund, which is the subject of funding for works to date on this project.



Regional Arts Victoria

Regional Arts Victoria is an independent, not-for-profit, membership-based organisation working in long-term partnerships with every level of government, fostering contemporary and innovative regional cultural practice. They advise and impact on decision-making across multiple portfolios and levels of government.

Regional Arts Victoria engaged Future Tense in 2021 to develop a Creative Industries Strategy for South West Victoria. This included consultation with many partners that are involved with the creative industries in the region.

Subsequent to this, Regional Arts Victoria and Future Tense developed a South West Creative Infrastructure Pipeline Report in April 2022 that identified a range of infrastructure needs for the region to support the South West Creative Industries Strategy.

The creative infrastructure needs identified through the Report are outlined below in Table 5:

Table 5 - South West Creative Industries Strategy Infrastructure Pipeline report needs

Need	Current Gaps	What's Needed
First Peoples cultural visibility	<ul style="list-style-type: none"> Relationship between Traditional Owner group and Councils need to be strengthened There is limited support for promoting significant First Peoples events or initiatives Organisations are operating in silos with minimal or no support to connect with the wider sector 	<p>Projects that actively promote and celebrate First Peoples' culture, raising awareness and encouraging engagement.</p> <p>This is an important step in addressing an enduring culture and cultural expression of the First Peoples of the region that has been historically overlooked. It also supports larger goal of establishing the South West as a cultural tourism destination. This is also a direct objective of the South West Creative Industries Strategy.</p>
Culturally safe spaces for Indigenous communities	<ul style="list-style-type: none"> First Peoples run or led community and cultural spaces are extremely limited There is an absence of suitable governance protocols around cultural safety in non-Aboriginal run institutions. 	<p>For a space to be culturally safe it needs to be controlled and operated by Indigenous communities. Creating these spaces will allow Indigenous practices to flourish in a self-determined environment. This is also a direct objective of the South West Creative Industries Strategy.</p>
Professional facilities for touring shows	<ul style="list-style-type: none"> Facilities and equipment at the region's major cultural institutions don't meet industry standards This prohibits many major shows from coming to the region, impacting audiences and sector 	<p>Projects that create or upgrade existing spaces to accommodate professional tours (across all practice types). This is essential for establishing a viable touring circuit in the South West</p>
Visual Arts presentation spaces	<ul style="list-style-type: none"> Council galleries are limited in their amount of local programming they can accommodate Limits private and community spaces available 	<p>Projects that increase presentation opportunities for local artists</p>



A new Warrnambool Art Gallery will support the needs identified in the report through:

- i. **First Peoples cultural visibility:** creating strong connection to the Eastern Maar community and establishing Great South West region as a cultural tourism destination.
- ii. **Cultural safe spaces for indigenous communities'** inclusion of spaces for First Nations to participate in creative industries.
- iii. **Professional facilities for touring shows:** inclusion of larger and flexible exhibitions spaces that offer high quality technical and environmental conditions expected of a touring exhibition program.
- iv. **Visual arts presentation spaces:** increased capacity for local and regional artists to present work and engage with wider audiences.
- v. **Professional storage and archival facilities:** back of house storage and conservation facilities that will ensure the important collection of works are maintained for future generations. This will also relate to storage of First Nations collections items.
- vi. **Creative practitioner gathering spaces:** seminar and studio spaces that can be shared between creative artists.
- vii. **Youth engagement spaces:** project spaces where youth can connect and create in a safe environment.

A New Warrnambool Art Gallery was identified in the South West Victoria Creative Industries Strategy as a priority project with the best opportunity to positively impact on the region's creative industries sector.

Figure 7 - Extract of new Warrnambool Art Gallery South West Victoria Creative Industries Strategy Infrastructure pipeline.

4 New Warrnambool Art Gallery facility (Warrnambool)

TYPE: New opportunity

ABOUT: A new fit-for-purpose facility allowing the Gallery to expand its programming, better engage with the community, properly manage its collection, and establish a dedicated First Peoples gallery

NEEDS ADDRESSED: First Peoples cultural visibility, culturally safe spaces for Indigenous communities, professional facilities for touring shows, visual arts presentation spaces, professional storage and archival facilities, creative practitioner gathering spaces, and youth engagement spaces

DRIVING STAKEHOLDER: Warrnambool City Council

INDICATIVE COSTING: \$40,000,000 (taken from feasibility study)

READINESS FOR FUNDING: 1-2 years

SOURCES OR MODELS OF FUNDING: Local, state and federal governments

NEXT STEPS FOR THE PROJECT: Confirmation of a preferred option and development of a business case for funding

Figure 4: Exterior of current Warrnambool Art Gallery



2.6.4 Local Context



Warrnambool City Council Community Vision

Warrnambool City Council developed its long-term vision for the future – Warrnambool 2040 (W2040) - identifying four themes relation **Our Economy, Our People, Our Place and Our Environment**, and nineteen Goals.

These guiding themes have been developed with the community and a new Warrnambool Art Gallery would contribute to a range of these goals as outlined in Table 6 below.

Table 6 – Alignment of new Warrnambool Art Gallery with Warrnambool 2040 Goals

	Warrnambool 2024	Achieve	Contribution of a new Warrnambool Art Gallery
Our People			
1	A Welcoming and inclusive city	✓	Additional spaces for diverse and inclusive programming that represents all people
4	Value local Aboriginal identity and culture	✓	Additional opportunity for First Nations art, stories and celebration to be appreciated by local First Nations a wider audience
5	A learning community	✓	Additional spaces for shared learning and educational programs across all ages and abilities
Our Economy			
7	Grow a resilient and diverse economy	✓	Additional jobs during construction, through operations and create new opportunities for creative industries across both Warrnambool and Victoria
8	Foster a creative and collaborative culture	✓	Offer new and enhance opportunities for creative industries to connect with its community
Our Place			
13	Has accessible, high-quality public spaces and facilities	✓	Benchmark regional Art Gallery that represents the new Warrnambool as a destination to visit, work and live.
Our Environment			
14	ZERO WARRNAMBOOL – innovative solutions for zero net emissions	✓	Deliver sustainable design, energy efficient operations and provide an opportunity to demonstrate the possibilities of Zero Carbon and all other sustainable goals of W2040



New Warrnambool Art Gallery



3 The new Warrnambool Art Gallery

3.1 New Warrnambool Art Gallery at Cannon Hill

The redevelopment of the Warrnambool Art Gallery is an opportunity to redefine the organisation and set new goals for its future direction.

The Vision and aspirations that provide direction for a new Warrnambool Art Gallery at Cannon Hill are:

- To increase visitation to Warrnambool by increasing the critical mass of tourist attractions around Cannon Hill, Flagstaff Hill, Warrnambool CBD and Lake Pertobe;
- Capitalise on the natural beauty of the vistas from the top of the hill;
- Provide an iconic architectural landmark that celebrates the cultural richness of the collections, the connection to the land (on Country), the local history and creativity of visual art in all its forms;
- Deliver broader programs for the South West region that engages with all communities;
- Place for local artists to work, promote local creative industries and display the work produced;
- Provide greater accessibility to the collections of Warrnambool Art Gallery and those of other lending institutions;
- Contribute to ongoing Aboriginal reconciliation as a place for and collection, stories and shared learning; and
- Meet the demand for quality food and beverage opportunities that support and add value to the core visitor experience.

3.2 Functional Brief

3.2.1 Objectives

The objectives of the Warrnambool Art Gallery are:

- To provide leadership in contemporary art programming
- To offer a relevant and diverse range of local, national and international exhibitions and public programs which engage audiences and provide a balance of themes that connect the community
- To engage audiences with contemporary art and ideas through innovative exhibitions and programs which encourage access and create new audiences
- To make the Warrnambool Art Gallery a place for artists and particularly Aboriginal artists
- To develop, care and display the Warrnambool Art Gallery collection
- To increase revenue and capital
- To improve financial and organisational efficiency and effectiveness
- To improve the back of house storage to allow Warrnambool Art Gallery to continue to acquire new items
- To explore and develop programming links with other arts organisations, festivals and business partners
- To provide security of exhibitions through appropriate display arrangements
- To provide fair and equitable access to all members of the community
- To ensure the safety of visitors and staff



- To support and develop staff so that they have the skills, leadership and knowledge to deliver the Warrnambool Art Gallery's purpose.
- To provide important public relations and information functions for the community
- Connection with Eastern Maar community and provide a place for collection, storage and reflection.
- To ensure that the highest quality staff are attracted to work at the Warrnambool Art Gallery
- To deliver a food and beverage offering that attracts locals and wider community
- To embrace the natural setting of the proposed site and maximise opportunity for connection to place and environment
- To ensure building operations maximise sustainable building solutions
- To provide necessary on site parking for coaches, loading vehicles, buses and cars that maximise operations and accessibility
- To deliver a durable facility that is suitable to the coastal location

3.2.2 Functional Areas

Based on research, best practices and comparative analysis, a contemporary Art Gallery is expected to provide the following key functional areas:

1. **Back of House:** storage, workshops, loading bay, security, staff administration and amenities
2. **Front of House:** Entry, food and beverage, retail, bookable spaces
3. **Gallery spaces:** Galleries and ancillary programming spaces
4. **External areas:** parking, external landscape, vista, public art

The proposed functional areas required in the new Warrnambool Art Gallery are included below (prepared by Francis-Jones Morehen Thorp (FJMT)) with required areas. The needs of the Eastern Maar Aboriginal Corporation are nominated separately as the intent for these areas may be designed with discrete access and security requirements, but subject to further consultation with stakeholders.

Table 7: Functional Spaces and Areas

Functional Requirement	Area	+35% Gross space	% of Brief
External Spaces	963		
Front of House	607	819	26%
Eastern Maar spaces	315	425	14%
Exhibition spaces	655	884	29%
Staff spaces and Back of House	719	971	31%
Total Estimated Gross Floor Area	2,296	3,100 (excluding external areas)	

3.2.3 Connection to Country

The placement of a new gallery on Cannon Hill must enhance the existing features of the site. The strongest characteristics being open space and unfettered views from an array of perspectives across Country. Integral to the process is Connection with Country and an engagement process with Traditional Owners, which has not formed part of this Business Case but is an essential component which Council acknowledges will be developed over time.

FJMT is committed to a place specific design approach which acknowledges the Country on which the project sits. This involves the revealing and celebration of the intrinsic nature of Country, place specific stories, memory, and a sensitive approach to the natural environment. Delivery on this commitment would require a process of detailed consultation with EMAC at the next stage of design. However, without the benefit yet of this consultation, it is assumed that the architectural language of the new gallery must retain a sense of openness – “*open air, open space, seeing Country*”. To retain these experiences, FJMT has developed the internal configuration of the proposal to create direct connections at all times with outside, whether that be through physical doorways or uncompromised views out.

3.2.4 Functional Layout – Arrival and Access

FJMT have conducted site analysis and massing study for Cannon Hill which is included in Appendix 5.

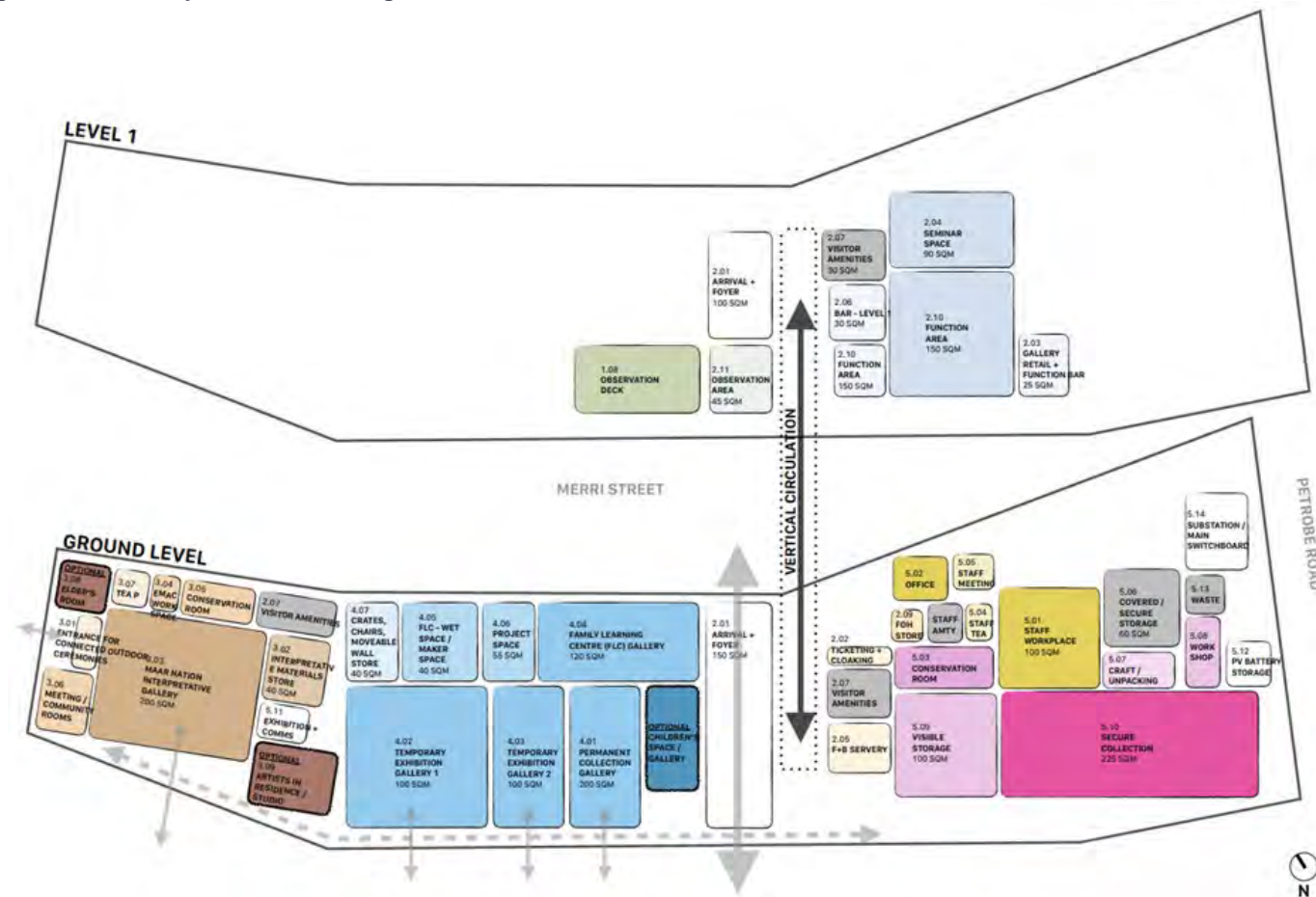
The functional layout has two levels, ground level sunken into Cannon Hill and Level 1 with smaller footprint above level. Both levels would adopt the same approach to either make a physical or visual connection with the outside. To either side of the vertical circulation between the levels, the functional requirement is for three core zones:

- i. Maar Nation gallery and associated amenities – further opportunities to be explored¹⁵.
- ii. Flexible galleries to present in isolation or combined for special touring shows. This same zone extends to offering family/learning environments for local community engagement.
- iii. Back of house storage and curation spaces, still allowing an element of connection for guests to witness safe handling of artefacts, and view items not currently exhibited.

The arrival to Cannon Hill will retain the perception of a 'hill-like cliff edge' and the ability to walk over a semi submerged soft landscaped section of the gallery roof top, thereby retaining a key vantage point for Warrnambool and those entering from the North. These same vistas across the coastline would be brought inside to the main foyer and draw visitors towards an internal observation deck. Those arriving for the adjoining function/bar area would experience an alternative perspective before dining. These vistas have been captured and illustrated by FJMT and presented under Figure 8 by way of a functional arrangement plan.

¹⁵ Consultation required with Maar Nations to understand and refine

Figure 8: Preliminary Functional Arrangement Plans





3.3 Massing Study

Fjmt has prepared massing study to test the proposal's massing respects its surrounding environment. This consideration is especially important when developing on natural undeveloped land, such as Cannon Hill, and its defining vantage point from the city centre looking out to sea. Any building placement on Cannon Hill must strike a considered balance between functionality and operational efficiency, but also act as a landmark which exemplifies quality and is sympathetic to the setting and allows the new structure to own its spaces and demand presence.

FJMT's modelling studies arrived at the following key design objectives:

- i. Perception of a single storey building from key vantage points looking inwards;
- ii. Integration of massing with natural landscape; and,
- iii. Placement of back of house facilities at lower level so that they can be pushed down into landform.

The massing study key outcomes are:

1. The form uses the natural contours of the Cannon Hill site to sit into the landscape. This would assist to reduce the visual building mass from Merri Street.
2. The levels seek to blend the pedestrian walkways from Liebig Street and Petrobe Road, connecting across a southern terrace. This will vary dependent on how deep the building is inset into the hill. The intention would be to minimise interference with the natural ground planes, which would be environmentally more appropriate, whilst also providing less interference with the overland flow
3. Setting the building back from the Petrobe Road cutaway has multiple benefits as follows:
 - avoids the steep drop in the site down to the east
 - reduces the necessity for expensive cantilevers or visible piling structures to support the larger section of the building
 - allows the building space to breathe independent from the edge of the site
 - creates a visual barrier from the Flagstaff Hill Maritime Village. This will become more important once engagement with the Eastern Maar community begins during the concept phase in recognition of the fresh start opportunity that relates to a unique project design.

3.3.1 Massing Study 01 – 2m Set down into Cannon Hill

FJMT's proposed massing study 01 assumes that the site can accommodate a building set down of 2.0m resulting in approximately 5.0m extending above the natural crest of the site from Ground Level (refer Figure 9 and 10 below). The "perception of a single storey" will require further analysis by Council as one key unknown at this stage is ground conditions. Although a desktop study¹⁶ formed part of the initial feasibility stage, the commentary is solely based on visual observations without factual evidence to support the assumptions. In order to truly quantify and understand the cost versus value metric of sinking the proposed massing into the landform, physical geotechnical investigations will be essential to understand the ground conditions. Please note this option 01 is the basis of the economic modelling undertaken for this Business Case.

¹⁶ CSE Group; "Warrnambool Art Gallery Feasibility Study - Servicing Report"



Figure 9: massing study 01- view from Merri St.



Figure 10 – massing study 01 – aerial view of Cannon Hill



3.3.2 Massing Study 02 – 7m Set down into Cannon Hill

The massing response to setting down the building the full 7m into Cannon Hill is expressed below in Figure 11 view from Merri St and Figure 12 aerial view of Cannon Hill¹⁷.

This model assumes the ground floor would be cut into the existing landform by approximately 7 metres, with a partial first floor above to deliver a high impact arrival point for all patrons to the Gallery, whilst also still offering the Food & Beverage revenue generators. This increase in set down would create increased opportunities such as enhancing the soft landscaping of green roofs above the Gallery and in turn respecting all aspects of being on Country.

¹⁷ Refer to FJMT Massing Study for further analysis
rpinfrastructure.com.au



The cost factor of excavating into what is currently assumed to be sandstone and sand dunes the full 7m has been estimated as an additional \$10 million and is discussed under Section 4.2.2 on Capital Costs.

Figure 11 – massing study 02 – view from Merri St



Figure 12 – massing study 02 – aerial view of Cannon Hill



The site analysis, functional brief and layout together with the massing studies with multiple views are included in Appendix 5 for detailed review.



3.4 Architectural Benchmarks

The following benchmarks have been selected, from an architectural stance, to show specific characteristics from exemplar galleries which excel in either a specific function, or which possess high quality features to act as a visitor drawcard. It is important to understand how these success factors can be identified for consideration for Cannon Hill.



Auckland Art Gallery | Toi o T ā maki, Auckland New Zealand

- location is a similar landscape context, a public park to its 'back' and the front entry set down three floors
- project had to consider the impact on significant view shafts from around the city
- The gallery needed an indigenous voice both as a building and for the collection of works
- Facility is a destination that serves cafe / members club rooms / functions
- Youth engagement spaces were required
- Conservation, workshop and storage were key requirements and site access very limited this included access to the secure loading area
- Strong community objections to the project and now a much loved community and national asset



Auckland War Memorial Museum | Te Ao M ā rama, Auckland New Zealand

- Highly sensitive landscape context being visible in the round from many locations in the city
- The gallery needed an indigenous voice both as a building and for the collection of works
- Ceremonial spaces required for powhiri
- Masterplan of the project had to consider the impact on significant view shafts from around the city
- Facility is a destination that serves cafe / members club rooms / functions
- Youth engagement spaces were required including lunch facilities for touring school groups
- cultural requirements to accommodate sharing food and gathering space during the visit
- Conservation, workshop and storage



Port of Sale Cultural Hub Sale VIC

- Regional gallery context
- Similar scale collection and storage requirements
- Destination facility - cafe / functions / visitor centre
- Investment in the facility significantly improved visitation to the area in the first year
- Galleries can accommodate touring exhibitions conditions including the Archibald > 100m linear wall exhibition space
- On site parking requirements considered RV's, buses and cars
- Buses from cruise ships and school groups needed to be considered as to how they access the building but also not overwhelm the arrival experience for other users



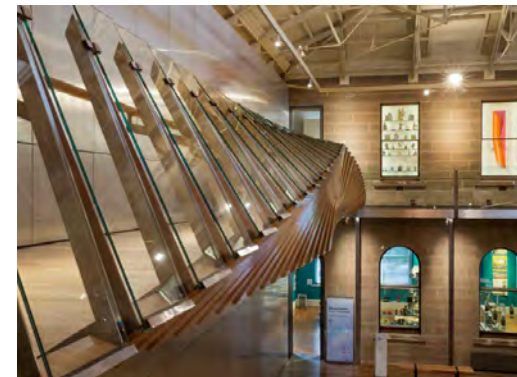
Bunjil Place | Narre Warren VIC

- Whilst the Bunjil Place example is larger in scale (due to the multi discipline accommodations), the gallery area and facilities in support of the gallery are relevant in the capability to house touring exhibitions and has been used in this context
- Galleries can accommodate touring exhibitions conditions including the Archibald > 100m linear wall exhibition space
- Destination facility - cafe / functions / visitor centre



Tasmanian Museum and Art Gallery |Hobart TAS

- Similar Gross Floor Area when consideration given to the heritage requirements that set many of the spatial requirements
- Ceremonial space required in the arrival sequence
- Captivating internal fit out with features which are “Instagram-able”





3.5 Benchmark Art Galleries Key metrics

The following facilities have been identified as benchmarks for comparison to the proposed new Warrnambool Art Gallery as they are located regionally, focused on visual art, were developed to drive economic outcomes for the region and have had recent successes.

3.5.1 Shepparton Art Museum

Shepparton Art Museum is a good example of a new regional cultural investment. Shepparton Art Museum was opened in 2021 with a capital cost in the order of \$50 million and in the first year of opening received 52,331 visitors, an uplift from 34,914. The original Business Case indicated a capital cost of \$35 million with total development cost of \$47.35 million. It is interesting to note the Business Case indicated a new Shepparton Art Museum could generate up to 100,000 in Year 5 of operation.



The funding strategy was:

- \$15.35m – Greater Shepparton City Council
- \$10m – State Government
- \$15m – Federal Government
- \$7m – SAM Foundation.

Shepparton City Council are currently requesting funding of \$2.5 million to complete landscaping, parking and specialist equipment as Stage 2 of the redevelopment of the Museum.

3.5.2 Bendigo Art Gallery



Bendigo Art Gallery as mentioned earlier (Section 2.6) is a strong candidate for exemplar regional Gallery. Over the past 10 years the Gallery has significantly expanded its programming and recently averaged 150,000 visitors a year. In 2022 visitation has been in excess of 200,000 when major exhibitions such as *Elvis: Direct from Graceland* have been staged.¹⁸ A redevelopment of the entire site has been costed at \$48M will deliver a multi-storey building that enhances the capacity for major exhibitions and visitor attractions and creates

new engagement and public spaces for the regional community. The majority of funding support will be sought from the State and Federal governments (up to \$31M), together with funding commitments from the City of Greater Bendigo, Bendigo Art Gallery Board and fundraising through philanthropic donations.

The existing Bendigo Art Gallery is approximately 2,700 sqm¹⁹ with redevelopment looking to add 1,600 sqm. It has a strong touring exhibition program and has large portion of visitors from metropolitan Melbourne. As indicated in Section 2.6, blockbuster exhibitions contributed between \$6M - \$16M to the Greater Bendigo region.

¹⁸ <https://vic.liberal.org.au/news/2022-09-14-guy-davis-schade-securing-the-future-of-bendigo-art-gallery>

¹⁹ <https://aumuseums.com/vic/goulburn/bendigo-art-gallery>



3.5.3 Rockhampton Art Gallery

Rockhampton Art Gallery recently opened the doors to a new \$36 million (construction value) art gallery in early 2022. Commentary in the press indicates:



"The benefits of the project clearly outweigh the costs. This is a project that will spark an urban renaissance in our CBD and see our arts and culture scenes continue to expand for generations to come."

"The project supported 115 jobs during construction and will create another approximately 200 ongoing jobs."

The early Business Case data indicates that the new Rockhampton Art Gallery would more than double the visitation numbers per year from 41,000 to 90,000 initially and increasing overtime. The new facility will be six times the existing with approximately 4,700m² for the new Art Gallery.

3.5.4 Newcastle Art Gallery

Newcastle City Council is investing \$40 million in an extension to their existing art gallery of an additional 1,600 sqm. The City of Newcastle contributed \$16.5 million to the project with a bequest in 2020 of about \$10 million. Further funding is still required.

3.5.5 Bundanon Art Gallery



Bundanon Trust recently opened the new Bundanon Art Gallery to house the collection of Arthur Boyd. There are aspirations the Art Gallery will become a regional tourism destination with \$22.5 million funding from Government and \$10.3 million from State.

The summary of these benchmark Art Galleries is below in Table 8.



Table 8: Benchmark Australian Regional Art Galleries

BENCHMARK REGIONAL ART GALLERIES KEY PARAMETRES						
Facility	Base Visitation	Opened	Year 1 Visitation	Visitor Uplift	Size	Capital Costs
Shepparton Art Museum	34,914	2021	52,331	50%	5,300 sqm 800 sqm gallery	\$50M
Bendigo Art Gallery	150,000	TBC	Data note available	Data note available	2,754 sqm Redevelopment to add 1,600 sqm and 600 sqm of galleries	Redevelopment - \$48M
Rockhampton Art Gallery	41,000	2022	90,000	120%	4,700 sqm increase from approx. 800 m ²	\$36M
Newcastle Art Gallery	77,000	2024	Data note available	Data note available	Additional 1,600 sqm	\$40M
Bundanon Art Gallery	12,500	2022	Forecast 55,500 (by Year 7)	Data note available	New	\$36M (Business Case forecast of \$24M)

The proposal for the new Warrnambool Art Gallery is 3,200 sqm of facility that is comparable to other regional facilities. The above data in relation to benchmark facilities visitation and capital costs provide good point of reference for the forecast visitation and capital costs for the Cannon Hill proposals outlined in subsequent suggestions.



New Warrnambool Art Gallery Impacts



4 Cannon Hill Outcomes

4.1 Cannon Hill Visitation Forecast

Visitation to an Art Gallery is a key performance indicator that is often used to measure several impacts including economics, engagement and growth.

In Australia it is widely recognised that cultural tourism is growing and has been over the last 10 years. Cultural tourism is growing globally and outperforming the international tourism market as a whole. A survey of 69 countries by the United Nations World Tourism Organisation in 2018²⁰ found that:

- cultural tourism has grown by 23% over the past five years, compared to total global tourism growth of 19%;
- the overall growth in tourism between 2010 and 2014 is much larger for those countries that specifically feature cultural tourism in their marketing policy (66%);
- in recent decades, tourism and culture have become inextricably linked, partly due to the increased interest

Environmetrics Pty Limited were commissioned to prepare a visitation forecast for the proposed new Art Gallery at Cannon Hill. The purpose of the visitation forecast is to identify the likely number of visitors that will contribute to the economic impact of the new Art Gallery. This forecasting has been based on a post COVID "new normal" scenario and considers previous work undertaken including data and assumptions from previous studies. The forecasting is based on the source or geographic location from where visitors are coming, i.e. from Warrnambool, Regional Victoria, Metro Melbourne, Interstate, or internationally, and is averaged seasonally across a calendar year.

4.1.1 Visitation Model

The Environmetrics model used to calculate visitation is driven by the "*perceived value*" of an attraction by a visitor which is not just measured by the cost of accessing it but also by the time and energy taken to access and enjoy the experience.

In developing the visitation forecast, new galleries and museums tend to have one of two patterns of visitation after opening. The first pattern sees an initial "boom" in visitor numbers for a few years and then a drop down to a more stable level. The second sees an initial modest level of visitation that can rise to a stable level. Major venues in capital cities have shown the "boom" pattern and some have seen the slower rise pattern.

Examples are the original Powerhouse in Sydney which followed pattern one of a 'boom' and the nearby Australian National Maritime Museum that followed pattern two with progressive increase in visitation. The museums differed on their exhibition impact which can contribute to the likely pattern of visitation. MONA in Hobart is an example of a most unusual venue and collection. Because of geographic constraints, MONA began with a more modest, locally-based flow of visitors, but had significant exhibition impact that generated the "perceived value" to draw increasing flows of visitors from across Australia and other countries. While the plan for Warrnambool Art Gallery and surrounding attractions are to produce a leisure precinct environment that offers a far richer and exciting experience than what exists at the moment, it is anticipated that the visitation flow is more likely to follow the second pattern. That is, a relatively modest first couple of years until a critical mass of word-of-mouth and media put a trip to Warrnambool Art Gallery on the "must see" agenda for diverse kinds of groups in the community.

4.1.2 Survey Feedback

To inform the analysis, Environmetrics conducted an online survey, sampling 500 Victorians and 100 South Australians, aged 18 years and over. The findings from this survey have informed the views on the opportunities and constraints for increasing the visitation numbers to Warrnambool and the proposed new Art Gallery development.

The key findings from this research are:

- There is a major opportunity to capture additional visitor numbers by **"out of town" visitors by providing an interesting destination** and experience that is in addition to the existing "natural" attributes of the area;

²⁰ Culture and Tourism Synergies, 2018, UNWTO (Warrnambool Art Gallery Feasibility Study page 5, July 2021 SMA Tourism.



- The existing structure of the Day Tour industry to **the Great Ocean Road**, could be re-structured to include Warrnambool as an over night stay destination, providing not only additional visitation to the Art Gallery, but also an opportunity to drive demand for accommodation and meals and therefore the increase visitor spend in the region.
- There is untapped demand for a wider range of leisure / tourism activities than what has traditionally been on offer at Warrnambool; Twenty six percent of the survey sample are **interested in “the now”**. They are not interested in history, back-of-house experiences or culture. They are interested in seeing what is here to see, taste and experience—sightseeing, physical activities, theme parks/zoos/botanical gardens and eating and drinking are high on their list of priorities. This market is a real opportunity as 40% of them have been to Warrnambool in the last 5 years and a new reactivated Warrnambool Art Gallery would provide the ‘thing to do now’.
- Focus on **Aboriginal Art & Culture**, set within the overall Gallery’s wider offering. Australians’ interest in, and attendance at, First Nations arts and craft activities has continued to increase in recent years. The Australia Council’s National Arts participation survey found that nearly half of all Australians are actively interested in First Nations arts (47%) and seven million attended in 2016 – a record level of attendance and double that of 2009²¹
- At least half of the people visiting Warrnambool from Regional and Metro Victoria have a range of interests, notably food and wine. Therefore, if a new Art Gallery included **quality Food & Beverage offers**, then this will act as a material draw and increase in visitation based on the survey respondents (over 50% of total sample). There is a strong argument that this secondary element to the core function of the Gallery can produce supplementary revenue streams, regardless of such visitation numbers holding an interest in art.

4.1.3 Current visitor profile

The economic contribution study estimates the impact of the new Art Gallery against existing operations. To inform this study, a visitor forecast is required as the baseline for the existing Art Gallery to which the new Art Gallery is compared.

The baseline visitor profile is outlined below and is based upon the Financial Year 2021/22 actual numbers. To provide a realistic basis for economic contribution, the local visitors from Warrnambool of 33,359 has been reduced by 20% to allow for likely repeat visitors. For the purposes of the economic analysis, it is assumed that visitors generally contribute to the economy in their first visitor.

Current sources of visitors to the existing Warrnambool Art Gallery are included in Table 9 below.

²¹ Australia Council 2017, Connecting Australians: Results of the National Arts Participation Survey, June 2017, Sydney. <https://www.australiacouncil.gov.au/research/connectingaustralians>



Table 9 – Visitor type as base case in 2022

Information		Source of information	Notes
Admissions to Warrnambool Art Gallery	61,776	Admissions from Warrnambool Art Gallery Annual Report	FY2021/22 with feedback from WAG staff
Warrnambool	26,687	Admissions from Warrnambool Art Gallery Annual Report and % breakdown from WAG	Warrnambool admissions of 33,359. Reduce admissions by 20% to remove repeat visitors – expenditure on first visit
Metro Melbourne	11,120	% breakdown from WAG	Assume 1 visitor per person
Regional Victoria	16,062	% breakdown from WAG	Assume 1 visitor per person
Interstate & International	1,236	% breakdown from WAG	Assume 1 visitor per person
Estimated visitors to Warrnambool Art Gallery	55,105		

From the above table, regional visitors are the largest segment outside of Warrnambool visitors that drive visitation. Arts daytrips to regional areas have increased at a higher rate than arts daytrips to metropolitan areas. Regional areas are drawing almost as many Australians on arts daytrips as metropolitan areas. Moreover, since 2014 regional arts daytrips have increased at a higher rate than both metropolitan arts daytrips and daytrips overall²².

International tourists do not need to be the primary driver for the future of Warrnambool Art Gallery as its connection to community and its region is as critically important for improving the wellbeing of its community, however international tourists are the segment that can bring the most potential economic output due to the additional visitor spend and time in the region.

4.1.4 New Cannon Hill Visitor Forecast

A number of drivers will impact the potential visitor profile to a new Warrnambool Art Gallery. The overall flow of visitors into Warrnambool will play an important role in affecting the number of visitors to Warrnambool Art Gallery. Clever marketing, and the development of new product opportunities in Warrnambool will probably drive the overall numbers up. New competitive offers outside Warrnambool might pull the same numbers down.

Environmetrics has taken account of improved transport links between Warrnambool and Melbourne. While these can lower the time and energy components of the leisure budget which drives visitors to art galleries, they do not themselves generate visits. Visits are driven by the “exhibit impact” and “ambience”. So, for the modelling, Environmetrics has assumed, based on past history as reported in the Destination Action Plan for Warrnambool relating to “The five year visitation trends for the region and Warrnambool are relatively flat.”, that there will be a post-COVID lift in the overall visitation pattern for Warrnambool but not a dramatic upward trend in the medium term. This is assumed to be consistent with the visitation pattern that is likely to be gradual steady growth rather than a boom on opening.

The key assumptions that are driving the visitation forecast for Cannon Hill are:

1. Warrnambool Art Gallery becomes a focus for the Warrnambool community
2. Design of Warrnambool Art Gallery provides an opportunity to enjoy the view and spend time in the space

²² SMA Tourism, Warrnambool Art Gallery Feasibility Study, July 2021, Page 6



3. Programs are delivered that invite participation from the wider Victorian community
4. The offer includes quality food and beverage experiences
5. Precinct around Warrnambool Art Gallery becomes a major experience hub
6. Extensive marketing campaign with social media puts Warrnambool Art Gallery on the must see list

The following visitation forecasts are based on an extensive marketing strategy for Warrnambool as a whole, based on the development new product opportunities (increased critical mass of attraction around Cannon Hill, Pertrobe Rd, Flagstaff Hill and CBD), the re-structuring of the current regional one day tours, improved transport links between Melbourne and Warrnambool, and targeted marketing campaigns to key interest groups.

The visitation analysis and assessment for a new Warrnambool Art Gallery has been based on the following source data:

1. ABS Tourism Data, Victorian Tourism Reports', 2015 – 2017 Destination Action Plan for Warrnambool and the 2018 Shipwreck Coast Masterplan.
2. Review of benchmark facilities.
3. Admissions data from the existing Warrnambool Art Gallery
4. Admissions data from Flagstaff Hill Maritime Village, the Warrnambool Visitor Centre and Warrnambool Council to develop a historical picture of visitational trends to Warrnambool.
5. Survey feedback

The Cannon Hill visitation forecast is outlined below and assumes a range of uplifts to reflect the assumptions above. The visitor profile from Bendigo Art Gallery has been provided as a point of reference to demonstrate how the new Cannon Hill visitor forecast would compare.



Table 10 Comparison of Actual and Forecast Visitor Numbers

Visitor Source	Current visitors	Cautious Year 1	Optimistic Year 1	Year 5	%	Basis
Warrnambool	26,600	30,000	31,000	31,000	27%	20% uplift from existing. Large portion of population already visit WAG so not expected to significantly increase
Regional Victoria	16,000	21,000	25,000	35,000	30%	35 - 55% uplift from existing to consistently build over time. Bendigo has 30% regional visitors
Metro Melbourne	11,100	13,000	14,000	40,000	34%	25- 30% uplift from existing but will significantly increase with awareness. Bendigo has 49% from Metro Melbourne which is obviously closer than Warrnambool
Interstate	930	1,400	1,700	8,000	7%	Consistent with similar Art Galleries – Bendigo has 10% interstate
International	310	600	880	2,000	2%	Consistent with similar Art Galleries – Bendigo has 1% international
Total visitors	55,000	66,000	72,580	116,000		

The visitation analysis indicates that a new art gallery at Cannon Hill would provide a base case uplift from current visitation of 55,100 to 116,000 within a 5-year period, with significant increase from visitors from the current uncaptured out-of-town visitor market. This increase in visitation is seen as being relatively modest within the first couple of years, until critical mass of word of mouth and media put a trip to the new Art Gallery on the “must see” agenda for visitors.

The ‘break through’ in converting tourists to travel to Warrnambool will be dependent on a range of activities including:

- **creating a critical mass of cultural attractions;** the potential development at Flagstaff Hill and investment in new Warrnambool Art Gallery starts to build this momentum; the inclusion of Budj Bim National Park on the World Heritage Register and Port Fairy Folk Festival draws together a regional program of attractions and activities in the area.
- **Working with regional partnerships to develop a strategic marketing strategy to target international and interstate tourists**
- **Warrnambool Art Gallery providing a changing exhibition program and that taps into the international markets interests and expectations (similar to Bendigo Art Gallery)**
- **Landmark architectural building that resonates with high quality civic building people wish to see and which has social media attraction to share**



It is important that all of the above presented “breakthrough” recommendations are implemented and backed by Warrnambool City Council in order to achieve the stated visitation uplift. Refer to Appendix 8 for detailed visitation analysis.

However, it must be understood that the potential of a new Warrnambool Art Gallery cannot be achieved/maximised without broader marketing and operational changes. A list of suggestions to support the growth in visitation that Warrnambool has to offer are included in Table 11 for Council to assess further in creating an action plan for economic marketing strategy.

Table 11: Attributes to Harness Increased Visitation

Warrnambool Attributes for International Tourism "Sell"		Areas to Harness for Increased Visitation
Access to beach	✓	Be a strong advocate for what Warrnambool has to offer which other Regional counter parts do not possess.
Lake Pertobe / Holiday Park	✓	% of seasonal visits; create promotional activities which "sell" and act as a natural draw of visitation to other parts of Warrnambool.
History of Warrnambool	✓	Macro level of Warrnambool's rich history and culture - Warrnambool Art Gallery is part of a much wider segment.
Shipwrecked Map	✓	Warrnambool is not listed on all shipwrecked maps
Access to Great Ocean Road "club"	✓	Need to harness a greater percentage of the 6.6M domestic and international tourists to GOR / \$1.5B estimated spend - more than just a landmark Art Gallery - explore links with tour buses to do overnight stays. Links with car hire companies to convert day trips to over night stays.
Deakin University	✓	Continue to develop pre-existing relationships and specifically Warrnambool Art Gallery Memorandum of Understanding / Partnership with Deakin University.
Food & Beverage / Retail	✓	Engage with local businesses to continue to grow the combined \$274.85M (2021-22) dining and entertainment sector to meet international tourism dwell time.

Sources; <https://corporate.visitvictoria.com/resources/regional-insights/great-ocean-road>

<https://www.deakin.edu.au/business-and-community/community-engagement/warrnambool/local-partnerships>

<https://www.warrnambool.vic.gov.au/warrnambool-economic-data>

4.2 Capital Expenditure

WT Partnership has developed a cost estimate for the Warrnambool Art Gallery at Cannon Hill based on the massing study and design response developed by FJMT. At this early stage of the design process, WT Partnership have used benchmark projects and relevant costs per square metre to calculate the current day costs. The Cost Plan Summary and associated comments is included in Appendix 3.

A new build on a greenfield site such as Cannon Hill will require significant additional costs associated with new access roads, parking, footpaths, landscaping and utilities infrastructure. The current costs allow for the 2m set down into the hill and high quality exhibition fit out. Table 12 below provides the cost estimate for the Cannon Hill massing option 01:



Table 12 – Massing option 01 Elemental Order of Cost

	<i>Cannon Hill</i>
Demolition	\$77,420
Site Works	\$1,755,650
Structure	\$6,682,070
Building Fitout	\$15,249,900
Extra Over Allowances	\$5,225,350
Site Services & Infrastructure	\$2,958,340
External Works	\$3,310,425
Subtotal Construction Costs	\$35,259,155
ESD Initiatives	\$710,000
Design Development Contingency	\$5,400,000
Construction Contingency	\$4,140,000
Preliminaries	\$7,740,000
Margin	\$2,670,845
Staging	Excluded
Total Current Day Construction Costs	\$55,920,000
Authorities Fees & Headworks Charges	\$1,130,000
Consultation Fees	\$5,700,000
Decanting and Relocation Costs	\$250,000
Temporary site Operation Costs Incl. Leasing	
Total Current Day Project Costs	\$63,000,000
Estimated End of Day Project Costs	Refer note below

The Cost Estimate currently excludes a range of items which are detailed in Appendix 3, however the following are items that require particular action:

- Contamination and or removal of hazardous materials including site remediation: site investigations are required to verify whether any hazardous materials are present, its probably unlikely seeing the site is public open space however it is still a risk that needs to be mitigated.
- Latent and unforeseen ground conditions: a desktop geotechnical investigation has been sighted and reviewed, however intrusive borehole testing is required to verify the ground conditions as this is a critical risk to the project and the likelihood of there being sand and unstable ground conditions.
- Any allowance for delays to program or costs associated with archaeological finds/remediation: a Cultural Heritage Management Plan is required to ascertain the risk of the significance of the site and potential for any aboriginal artefacts to be found.
- Allowance for any external public art or sculptures; this may be subject to a design competition or particular engagement that can be undertaken as a separate procurement activity by Council
- Excludes full fit out to food and beverage spaces; this is often completed to cold shell only (base building services are capped off at the perimeter of the area) as leaseholder will take responsibility to fit out the spaces. This is subject to the commercial arrangement to be agreed with WCC.
- Electrical substation – as the site is currently public open spaces a new art gallery will significantly increase the demand for energy in the immediate area and may require an electrical substation to be



built. Art Galleries are generally high energy consumers and although sustainability initiatives will be implemented and suitable cost allowances have been made within the cost estimate the electrical demand and need for substation will need to be confirmed during early design stages.

- Extra over allowance for working adjacent train lines; VLine have specific restrictions for working in and around operating train lines. Works cannot generally be within 5 m of any of their assets and they have approvals processes in place to approve design and construction methodology. There is construction contingency included in the cost estimate for risks during construction however discussions with Vline will need to commence if Cannon Hill proceeds as the preferred site for a new Warrnambool Art Gallery.

One of the most critical factors in the success of the new Warrnambool Art Gallery is the services flexibility, environmental controls and quality of the gallery fit out to deliver different exhibition types that consistently attract and engage with audiences. To ensure the exhibition spaces have the necessary cost allowances to deliver this, WT Partnership has provided benchmark projects and their associated cost/sq metre (excluding Contractor Preliminaries, Contingencies). These benchmarked costs are not escalated from time of project completion.

Table 13 below provides relevant benchmarks for art galleries/cultural facilities across Australia.

Table 13 – Gallery benchmark costs/sq metre

GALLERY SPACE / EXHIBITION	Construction Cost \$/m2 (Not escalated)	Construction Cost rate applied for Warrnambool Art Gallery space (\$/m2)
National Library	6,851	8,800
Regional Museum	7,189	
War Memorial	8,704	
Sports Museum	Ranging 3200-6300	
New Museum	Ranging 6700-8990	
Museum – Specific Gallery	7,649	

The above benchmarking exercise provides confidence that reasonable allowances have been made to deliver a fit for purpose gallery that is required for a significant uplift in visitation.

4.2.1 Escalation

The Cost Estimate provided in Appendix 3 does not include for future cost escalation beyond February 2023 as the delivery program is still to be agreed and escalation forecasts are subject to so much variation any escalation allowance would be arbitrary. Please note for the purposes of the Economic Impact Assessment, current day rates are required and escalation is excluded.

Cost escalation risk however should be a key consideration for Council when considering project timelines and an overall suitable project budget for a successful delivery of the proposed Warrnambool Art Gallery.

In the previous decade, construction cost escalation across Building and Infrastructure sectors was relatively muted since the Global Financial Crisis of 2008-09. It was certainly well below the levels seen through much of the 2000s in most Australian states.

However, as the world emerged from the worst of the COVID-19 pandemic, escalation significantly increased in 2021 and into 2022. This was via a 'perfect storm' of events, including:

- Construction focused stimulus from both State and Federal Governments.
- Disrupted supply chains globally
- The effects of sector underinvestment over many years.



- Labour shortages in local markets including ongoing hit to capabilities from limited immigration.
- Geopolitical tensions in Europe
- Energy price rises.
- Extended draw on labour and materials via rebuilding efforts from recent natural disasters on the East coast of Australia.

The past two years have seen almost unprecedented cost increases in the construction market throughout Australia, including Victoria. Whilst WT Partnerships believe these cost escalation levels will begin to soften in 2023 and into 2024, they are still likely to remain above those levels experienced over the past 10-15 years prior. Following this volatile period, it is expected that construction costs will return to more stable and predictable conditions in line with longer-term historical trends.

WT's cost escalation forecast percentage increases for building construction works in Victoria are tabled below.

Table 14 – Forecast construction escalation.

YEAR	FORECAST INCREASE
2022	9-11%
2023	4-6%
2024	3-4%
2025	3.5-4%
2026	3.5-4%
2027	3.5-4%

The escalation factor in each year is cumulative and compounds, with projects commencing construction in later years experiencing a greater cost escalation factor.

On this basis, we have included sensitivity analysis about the construction cost escalation that would apply to the current day costs depending on commencement of construction (award of a Building Contract) as outlined in Table 15 below.

Table 15 – Construction Escalation Impact

Current Day Costs February 2023	Construction Contract executed 2025 – 10.5% (current program assumption)	Construction Contract executed 2026 – 14%	Construction Contract executed 2027 – 17.5%
\$63,500,000	\$70,167,500	\$72,390,000	\$74,326,750

The above advice is given based on information available at this date. The current volatile nature of the construction industry and global conditions means that specific local effects may vary. The cost escalation will be reviewed and tested in future cost estimates.

4.2.2 Height Sensitivity Analysis

As demonstrated in the massing studies any development placed on Cannon Hill must also be respectful towards its natural environment and, current vistas from neighbouring buildings along Merri Street. The massing study 01 have assumed a building cut into the landform of 2m and this is the basis of the \$63M capital cost estimate.

If it is determined that the proposed massing requires to be lowered further into the landform and thereby reducing the overall building massing from surrounding streets, then WTP has undertaken a desktop analysis showing two incremental cost sensitivities which are based on a series of assumptions – refer to Appendix 3.



A further 4m deep set down of the building would cost in the order of \$5.8 million.

Massing study 02 with a 7m deep set down would cost an additional \$10 million, with a total cost estimate of \$73M.

It should be highlighted that this review has been undertaken without the knowledge of any geotechnical ground investigations aside from the CES Group desktop study which formed part of WCC's previous feasibility study. All assumptions made by WTP are therefore preliminary without any specialist structural or geotechnical advice and it is recommended that advice is sought from such specialists as part of the next phase.

4.2.3 Operating Costs

WT Partnership has prepared high-level operational lifecycle benchmarks for inclusion within the financial and economic analysis and to provide Council with realistic expectation of ongoing costs associated with a new investment of this scale. The benchmarking report is included in Appendix 9 for further review.

WT Partnership has estimated an operating budget in the order of \$337,400 pa for expenses based on benchmark projects and excludes lifecycle replacement works and staff costs. The lifecycle costs associated with the new Warrnambool Art Gallery represent the replacement costs associated with the building elements as they require progressive maintenance and replacement throughout a 30 year operational period. WT Partnerships have forecast an estimated lifecycle expenditure of \$15 million which equates to approximately \$600K per annum.

For the purposes of the economical evaluation, due to the early stages of the design, operating costs have been allowed for indirect and direct renewal in the order of \$1.5 million per annum with additional \$600K for replacement/recycle costs per annum.

4.3 Financial analysis

A Cost Benefit Analysis (CBA) has been used in conjunction with the Economic Impact Assessment in the next section to analysis the financial and economic impact of new Warrnambool Art Gallery. The CBA includes the following monetised benefits and compares this against the costs. This analysis also compares the Base Case (existing Warrnambool Art Gallery) with Project Case: New Warrnambool Art Gallery on Cannon Hill.

The Economic Contribution Study is included in Appendix 4 and summarised in subsequent sections.

The core benefits included within the CBA are detailed below:

- Benefit of paid educational and venue hiring services assumed to equal at least as much as the cost to hire the facility
- Visitor spending benefit: The new WAG at Cannon Hill is expected to see an increase of 17,480 visitors by 2026. This will see additional visitor spending.
- Residual value of new WAG building: This is the value of the new WAG at the end of the evaluation period. This assumes a building asset lifespan of 60 years. Assuming a 30-year analysis period, this means that half the capital costs is realise at year 30.

Table 16 presents the results of the core CBA for Victoria and associated Net Present Value based on a period of 30 years and 7% discount rate.



Table 16 – Cost Benefit Analysis Results

Cost Benefit Results		30-year NVP (7% discount rate, 30 yrs)
Project Benefits		
Benefit of WAG paying users (excl. exhibitions)		\$2,062,331
Visitor spending benefit for Victoria		\$66,027,062
Residual value of new WAG building		\$3,614,346
Total incremental benefits		\$71,703,739
Project Costs		
Capital costs		\$56,567,386
Incremental operational costs		\$16,420,735
Total incremental costs		\$72,988,121
Results		
Net Present Value		-\$1,284,382
Benefit Cost Ratio		0.98

Based on the results above, the development of the new WAG on Cannon Hill has a Benefit Cost Ratio slightly below one, meaning each dollar invested is generating just under one dollar in benefits. This result is based on a tourist visitor spend basis only. The immediate options to improve this outcome are to reduce construction and operating costs which can be reviewed in detail once a design has progressed.

Sensitivity testing has been undertaken to test the impact of additional potential benefits of the project, for example including indirect construction and operational benefits would improve the BCR to 1.70. Further examples of the impact of changes to the financial assumptions is considered under Section 4.5.

4.4 Economic impacts

The Economic Contribution Study assesses the economic contribution of a new gallery at Cannon Hill and how this impacts the Warrnambool City region, the Great South Coast region and the state of Victoria. Although it has not formed part of this assessment, it should be noted that there is intrinsic value attached to the existing Warrnambool Art Gallery building and site (i.e. land value) which would need to be further explored with WCC to identify what restrictions are placed on the repurposing of the site. These options could extend to leasing the building, through to wholesale Change of Use repositioning and disposal.

Tourism is very important to the Australian economy - Australia's regions are front and centre of tourism experiences in the country, with 44 cents of every tourism dollar spent in regional destinations. While tourism jobs can be found right across the nation, tourism jobs are a mainstay of employment in parts of regional Australia, comprising as many as six in ten jobs²³.

²³ The Value of Tourism, Deloitte Access Economics, June 2021, <https://www2.deloitte.com/au/en/pages/economics/articles/value-of-tourism.html>



The development and expansion of the new Warrnambool Art Gallery site and service offering will generate three types of economic activity:

- Economic contribution generated through construction
- Economic contribution generated by the additional operational expenditure of a new facility
- Economic contribution generated through additional tourist expenditure

The results of the assessment are summarised below.

4.4.1 Economic Contributions Generate Through Construction

At the peak of construction, the new build will support:

- 36 direct construction FTE positions
- 99 supply chain and consumption FTE positions within Warrnambool City

When we consider the effects across the whole of Victoria, the project will support a total of:

- 49 direct construction FTE positions (36 of which will be from Warrnambool City)
- 195 supply chain and consumption FTE positions (100 of which will be from Warrnambool City)

4.4.2 Economic Contribution to Warrnambool City

The new WAG at Cannon Hill will increase local expenditure through increased operational costs and, more importantly, increased visitor numbers as prepared by Environmetrics and spending within the Warrnambool City. Based on this:

- By 2030, the new WAG will generate an additional \$8.5 million per year in local economic activity for Warrnambool City.
- This additional economic activity supports an additional 51 FTE positions per year in Warrnambool City by 2030.

Table 17: Total Economic Contribution to Warrnambool

CONTRIBUTION TO WARRNAMBOOL	Existing Warrnambool Art Gallery (Base Case) 2022	New Warrnambool Art Gallery at Cannon Hill 2030	CHANGE
Employment Number of FTE positions per annum	30	81	↑ 51 FTE positions per year by 2030
Output The total dollar spends on goods and services	\$5.1 million	\$13.5 million	↑ \$8.5 million expenditure per year by 2030

4.4.3 Contribution to Victoria



The economic contribution of the new Warrnambool Art Gallery on the Victorian economy captures the operational and visitor expenditure which will be realised both within Warrnambool city and the rest of the state.

- By 2030, the new Warrnambool Art Gallery will generate an additional \$15.5 million per year in operational and tourism expenditure.



- This additional expenditure will support an additional 79 FTE positions per year in Victoria by 2030.

Table 18: Total Economic Contribution to Victoria

CONTRIBUTION TO VICTORIA	Existing Warrnambool Art Gallery (Base Case) 2022	New Warrnambool Art Gallery at Cannon Hill 2030	CHANGE
Employment Number of FTE positions per annum	48	127	 79 FTE positions per year by 2030
Output The total dollar spends on goods and services	\$9.8 million	\$25.3 million	 \$15.5 million expenditure per year by 2030

4.5 Uncertainties

Additional economic activity identified in the Economic Impact Assessment (above) have been considered as a sensitivity test to understand their impact on the outcome. These benefits include:

- The construction economic impacts: Additional economic activity generated through spending on construction. (Note, this only includes the flow on effects of the construction expenditure as a benefit as the direct construction expenditure is classified as an economic cost).
- The operation spending benefit: Additional economic activity generated through the increase in operational and renewal expenditure. (Note, this only includes the flow on effects of the additional operational expenditure as a benefit as the direct operational expenditure is classified as an economic cost).

The results, taking into account all possible indirect and direct effects on the economy, a number of tests to changes in costs and demand, and different discount rates are summarised below.

These results indicated that the project Benefit Cost Ratio could reach above one under some scenarios. To provide greater certainty around generating a positive net benefit from the investment, further work should focus on reducing projects costs and/or measures to increase likely tourism demand and spend at the new Warrnambool Art Gallery on Cannon Hill.

Table 19 below indicates the results to a number of sensitivities compared to the NPV and BCR outlined in Table 16, such as including indirect construction and operational benefits, an increase and decrease in costs and benefits, and a 4% and 10% discount rate that can be used to demonstrate how finances may change across the project.



Table 19: Cost Benefit Analysis Results – Sensitivities

Sensitivity Results	NPV	BCR
Including indirect construction and operational benefits	\$50,915,372	1.70
Including indirect operational benefits	\$10,554,580	1.14
Increase Tourism Benefits +10%	\$57,518,078	1.79
Increase Tourism Benefits +20%	\$64,120,784	1.88
Increase CAPEX by +20%	\$46,000,500	1.59
Decrease CAPEX by -20%	\$67,181,716	2.22
Increase benefits +20%	\$75,696,070	2.04
Decrease benefits -20%	\$26,134,673	1.36
4% discount Rate	\$31,167,852	1.37
10% discount rate	(\$17,847,732)	0.73

4.6 Social Impacts

Regional art galleries play a significant role in ensuring the liveability, sustainability and wellbeing of local communities in regional Victoria. Life-long learning and building social capital can be delivered through varied programming on offer.

4.6.1 Opportunities for Public Programming to promote diversity and inclusion

Warrnambool Art Gallery has delivered a range of programs that promote diversity and inclusion.

Girls Are Full Steam Ahead for female-identifying students in rural and regional South West Victoria to change the prevailing perception by girls that 'STEM (Science, Technology, Engineering, Math) is not for me'. The project featured focus groups and workshops with Girl Geek Academy, Robotics Academy, Code Like A Girl, Tech Girls Are Superheros and local design company Lovelock Studio. Warrnambool Art Gallery has since established a Girls Steam Club, enabling project participants to meet regularly and extending the legacy of the project.

Warrnambool also has strong connection to the Pride Festival. Victoria's Pride event locations span across the state including Wangaratta, Ballarat, Morwell, Kyneton, Castlemaine and including Warrnambool and are generally enjoyed by tens of thousands of attendees²⁴.

Previous examples of broad engagement with the community include:

1) LGBTQIA+

Partnership with Brophy Family Youth Services to present two events as part of exhibition *Self-Creation*.

<https://www.thewag.com.au/exhibition/self-creation>

2022: Exhibition Launch Party at the Dart and Marlin (150+ people in attendance):

<https://www.thewag.com.au/event/exhibition-launch-party>

2023: Self-Created Pride Party, as part of midsumma Festival (150+ people):

<https://www.thewag.com.au/event/self-created-pride-party>

Event partners Brophy, have since reported numerous regional local councils are looking at Warrnambool Art Gallery as benchmarks for successful models for engagement with LGBTQIA+ community.

²⁴ <https://www.gayletierney.com.au/victorias-pride-celebrated-in-warrnambool/>



- 2) **2022: Public outdoor event entitled**, 'En Plein Air' hosted 27 artists including, but not limited to, Kenny Pittock, Grant Nimmo, Rick Amor and Michelle Hamer. Artists responded to the internationally significant Tower Hill Wildlife Reserve, in partnership with Worn Gundidj. Audiences of 800.
- 3) **2020: South West Victorian Aboriginal art and culture:** Warrnambool Art Gallery in conjunction with Deakin University and with financial support from Lyndoch Living announced the recipient of a fully funded PhD scholarship worth \$84,000 over 3 years that will explore South West Victorian Aboriginal art and culture in October 2020. Torres Strait Islander woman Melissa Alexander, will produce a poem that will reflect the role of the Warrnambool Art Gallery collection in the community as individual pieces of history and culture that placemark the missing voices of Aboriginal and Torres Strait Islander Australians.

Future examples of diversification

- 1) 23/24: Exhibition *LISA GORMAN + MIRKA MORA*
 - a. Significant tourist driver
 - b. Conversations have begun with Public Transport Victoria, alongside accommodation and hospitality venues in Warrnambool to increase partnership and increase tourism through development of tourist packages
- 2) 2023: Partnership with Heide Museum of Modern Art: <https://www.heide.com.au/exhibitions/paul-yore-and-albert-tucker/>
 - a. Instigation of touring exhibition, developed by Warrnambool Art Gallery thus, Increasing Warrnambool Art Gallery's presence and outreach in Metropolitan locations. Thus increasing brand awareness.
 - b. This will become an ongoing national endeavour
- 3) Focus will be placed on mainstreaming history and artistic expression from LGBTQIA+, Indigenous, and artists from marginalised settings, at a local, national and international level. For example,
 - a. <https://www.thewag.com.au/exhibition/self-creation>
 - b. <https://www.thewag.com.au/exhibition/love-message-message-death>

A new Warrnambool Art Gallery will provide a destination and flexible spaces whereby these types of programs and events can be expanded and enhanced thereby contributing to the local Warrnambool and Victorian community.

4.6.2 Aboriginal reconciliation

As outlined through all sections of 2.7, there is a strong drive towards further recognition of Aboriginal people across Australia and Warrnambool City Council is currently drafting its Reconciliation Strategy.

The Advancing the Treaty Process with Aboriginal Victorians Bill 2018 ('Advancing the Treaty Bill') was introduced in the Legislative Assembly by the Minister for Aboriginal Affairs, Natalie Hutchins, on 7 March 2018. In Victoria, Members of Parliament have acknowledged that:

- Aboriginal and Torres Strait Islanders endured 'catastrophic outcomes' as a result of European settlement;
- the 'recognition of these injustices' is important; and
- Indigenous communities continue to face extreme disadvantage in comparison to the broader community²⁵

Across the City of Warrnambool there were 555 individuals who self-identified as Aboriginal or Torres Strait Islander in the 2016 Census. This represented 1.8% of the City's population or twice the share of the Victorian population who self identified as Aboriginal or Torres Strait Islander. The Glenelg-Southern Grampians statistical area west of Warrnambool had a higher 2.2% share who self-identified as Aboriginal or Torres Strait Islander.

Together with the surrounding Budj Bim development and Tower Hill, Warrnambool and the immediate region is becoming a focus for Aboriginal recognition, with the new Warrnambool Art Gallery putting Eastern Maar collaboration as a key priority.

²⁵ <https://www.parliament.vic.gov.au/publications/research-papers/download/36-researchpapers/3861-advancing-the-treaty-process-with-aboriginal-victorians-bill-2018>



Implementation



6 Cannon Hill Implementation

The following section outlines key considerations for the implementation of a new Warrnambool Art Gallery at Cannon Hill.

6.1 Environmental Impacts

The Cannon Hill site is currently utilised as a public open space as Crown Land Reserve and is strongly appreciated in the local community. A number of issues need to be considered at this location:

- Strategic Crown Land Assessment process to assess the potential for the site to be considered for a new Warrnambool Art Gallery and any statutory processes that are required.
- Confirm there isn't a need for an Environment Effects Statement associated with the land.
- Detailed geotechnical investigations to understand soil conditions.
- Environmental site investigation to understand any ground contamination.
- Archaeological investigations and Cultural Heritage Management Plan to understand potential for significant First Nations connection.
- Any site specific investigations relating to biodiversity.

6.2 Detailed project schedule

Refer to Appendix 6 for a detailed master program that includes all stages necessary (that we are aware of at this stage of the project) to fund, design and deliver a new Warrnambool Art Gallery.

A range of assumptions have informed the development of this program as an example and if Council were to pursue the project, the program could include:

- Full Business Case to be finalised in early 2024 including need for site investigations and community consultation;
- Submission to Department of Treasury and Finance and other funding sources in early 2024 to understand funding commitment by June 2024;
- Assume design team to commence in July 2024 and design stages to take approximately 18 months
- Design team to be novated with some type of early contractor procurement with the Contractor to then take responsibility for completion of design
- Assume design development stage continues during statutory planning approval process
- No allowance for design competition to appoint a design team, assume a typical procurement process
- Allowance of approximately 18 months for construction
- Allowance of 3 months for Warrnambool Art Gallery to install exhibitions, commission, recruit and train staff
- Program includes for Christmas shutdowns of approx. 3 weeks but not RDOs at this stage

These assumptions and durations within the master program are subject to review and change as further information becomes available about the site, design, funding, statutory processes, procurement and community feedback.

6.3 Critical path activities and key milestones

The critical path activities that affect the commencement of stages of the project are:

- Project doesn't commence until all funding streams and phasing is confirmed
- Completion of schematic design to allow for planning application submission
- Statutory planning and land ownership – a Construction Contract cannot be executed without planning approval and land management/ownership confirmed.



- Contractor procurement – works cannot commence on site until procurement is complete.
- Construction – Warrnambool Art Gallery cannot install exhibitions until the facility has reached Practical Completion and all environmental conditions are commissioned.

Table 20: Indicative Key Milestones for new Warrnambool Art Gallery

Milestone Task	Milestone Forecast Completion Date (Indicative Only)
Council Funding Determination / Endorse Next Steps	June 2023
Crown Land Assessment	July 2023
Full Business Case	January 2024
Funding Confirmed	July 2024
Schematic Design	November 2024
Design Development	April 2025
Construction Tender	October 2025
Planning Approvals	September 2025
Construction Documentation	January 2026
Building Works Practical Completion	June 2027
Exhibition Install and Opening	August 2027

6.4 Project schedule risk assessment

A detailed Risk Register is included in Appendix 7. At this stage of the project the following risks are anticipated to be high and will need to have a risk management and mitigation strategy applied:

1. Site conditions - a detailed geotechnical investigation, environmental investigation, Cultural Heritage Management Plan and site infrastructure assessment will be required to determine all potential site constraints that could either impact design, delay program or significantly increase costs. Mitigation at this stage is to include contingencies for design and construction and conservative approach to costing site conditions.
2. Land agreement – early discussions are required with Department of Transport and Planning to understand implications of Crown Land transfer. Allowances have been made in the master program and these should be tested with relevant authorities
3. Community support: community will always have varied opinions however the Cannon Hill site is special to the community and a detailed consultation strategy with specialist advisors will be required to carefully navigate this process.
4. Secure funding: main risk will be securing the necessary funding for the project.
5. Certainty of budget: as the design is in its infancy the budget will be subject to progressive reviews as the project progress. Mitigation at this stage is to include 15% design contingency and 10% construction contingency with additional allowances for in ground conditions.
6. Consultation and support from Eastern Maar Aboriginal Corporation: consultation is to continue in a structured process with the Eastern Maar Aboriginal Corporation and other First Nations representatives.



6.5 Crown Land Assessment

The land on Cannon Hill has been identified as Crown Land and therefore strict engagement processes, as depicted by the Victorian Government Strategic Crown Land Assessment Policy and Guidelines Department of Transport and Planning (DTP), must be implemented by Warrnambool City Council, should it decide to pursue this opportunity.

A Strategic Crown Land Assessment is to be submitted to the landholding Minister and the Minister for Environment, Climate Change and Water or their delegates for consideration prior to any decision being taken on alienation of land from or inclusion of land in the Crown estate.

The process for Strategic Land Use Assessment will form part of this and is undertaken in accordance with the process on the subsequent page.

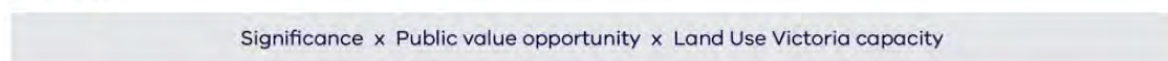


Figure 13: Strategic Land Use Assessment workflow

Identification mechanisms



Filtering

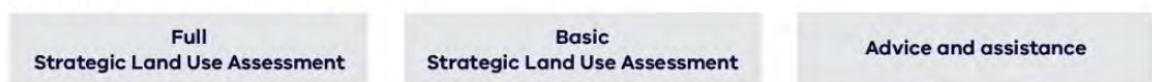


HIGH

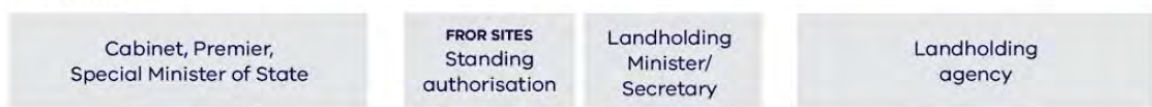
MODERATE

LOW

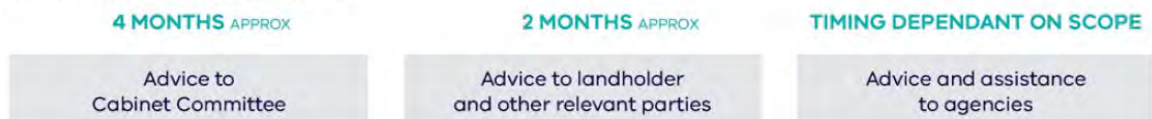
Land Use Victoria advice categorisation



Authorisation



Assessment and advice process



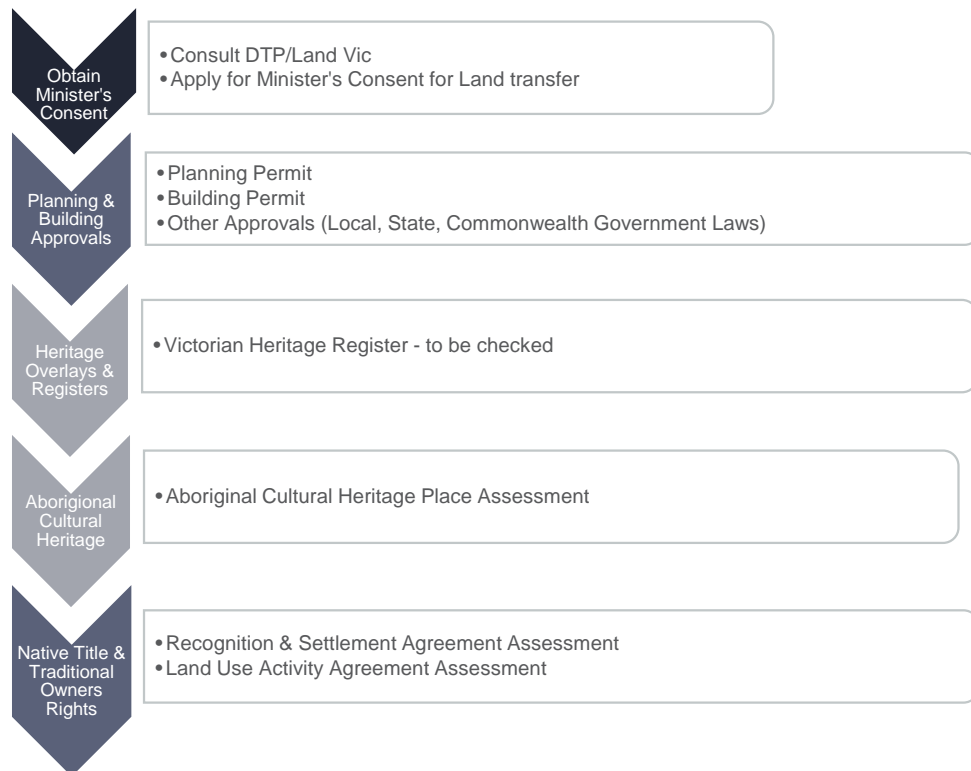
This process is to for consideration by Council and should be pursued with relevant Government departments to understand the potential for Council to develop Cannon Hill.



6.6 Statutory processes

A number of statutory processes must be complied with for this project and are identified below in Figure 14.

Table 14 – Key statutory processes to be considered



A master program has been prepared – refer to Appendix 6 – which incorporates the above gateway procedural steps and specifies the time risks associated with developing on Crown Land. It is important to assess this additional program constraint. Seeking early engagement and consultation with the appointed Minister to establish the premise of developing the selected site location of Cannon Hill is of paramount importance as a key gateway before pursuing this preferred site location.

6.7 Funding sources

At this stage it is likely that funding will be considered from:

1. Council – as a Council asset, WCC will be expected to significantly contribute to the new infrastructure asset. This contribution would be capped in line with Council's financial capacity.
2. State – Victorian Government will need to contribute in accordance with the State Context basis as outlined in Section 2.5
3. Federal – Federal Government often contributes to assets such as this when there is demonstrated economic basis, and the project satisfies the Governments current priorities.
4. Philanthropic – Council would need to identify opportunities for philanthropic funding and engage accordingly.

It is understood Council are in the process of developing a funding strategy for the project and this can form part a Full Business Case.



Next Steps



7.1 NEXT STEPS FOR THE WARRNAMBOOL ART GALLERY

The recommended next steps in relation to a new Warrnambool Art Gallery is to undertake a comparative assessment of the Civic Green site to inform the options to be considered within a future Full Business Case.

Subject to the outcomes of the comparison of Civic Green with Cannon Hill, Council may wish to undertake further consultation with the community.

If Council wish to progress consideration of Cannon Hill post the comparative analysis of Civic, it is recommended formal discussions with Department of Transport and Planning commence to confirm whether development can occur and it would be essential to undertake site investigations to determine soil conditions, contamination, cultural heritage issues and site infrastructure capacity at Cannon Hill.

In the event Council wish to proceed with a new Warrnambool Art Gallery at either site:

- Discussions will need to continue with Regional Development Victoria about the need for a Full Business Case for submission to State Government and other funding partners.
- Council will need to develop a funding strategy together with financial scenarios over 10 years including construction, operational, exhibition renewal and other asset related costs.



Appendix 1
Investment Logic Map

CREATIVE VICTORIA

Warrnambool Art Gallery

Case for Change

INVESTMENT LOGIC MAP

Initiative

PROBLEM

BENEFIT

RESPONSE

SOLUTION

CHANGES

ASSETS

PLACE

1. Facility is operationally inefficient and not cost effective
2. Curatorial capability and capacity is inadequate.
3. Exhibition loading, holding and storage is unsuitable
4. Workspace, meeting space and amenities are inadequate. 50%

1. Operations are efficient and cost effective
2. Layout, environmental conditions and infrastructure enables access to, storage, management and protection of collections
3. Back of house and amenities are of high standard improving access, safety and employee satisfaction
4. Function design supports productivity and staff engagement 30%

KPI1: Collection is protected and accessible
KPI2: Operational costs and environmental impact are sustainable
KPI 3: Gallery is recognised as exemplary within the industry

1. Increased storage and display capability with contemporary functional and sustainable design.
2. Best practice flexible design, including state of art technology to support digital engagement and wide range of touring exhibitions/programs 30%

1. Leverage industry partnerships to secure quality exhibitions and loans

PEOPLE

1. Facility has limited capacity to achieve industry service levels and standards.
2. Audience engagement and access to travelling & unique exhibitions is limited
3. Inability to profile and promote local, regional and national creative experiences.
4. Delivery of educational programs with access to, and promotion of, First Nations culture and heritage. 20%

5. An exemplary standard of service, quality exhibition programs is delivered
6. Gallery enables promotion and commercial opportunity for local, regional and national creative industries and artists
7. Gallery has capacity to offer unique arts, cultural and educational experiences. 30%

KPI 4: Increased visitation and engagement is evident
KPI 5: First Nations artists have increased opportunity and profile
KPI 6: Gallery supports a thriving arts and cultural sector

1. Varied engagement opportunities attracting diverse audiences.
2. Inclusive design invites and enables community-wide participation
3. Strong engagement with local and regional arts practitioners
4. Represents region in state and national industry networks
5. Strong partnerships with First Nations artists and local and regional Aboriginal corporations and entities 30%

1. Implement marketing and retail strategy at local, regional and national level
2. Develop strong strategic local, state and national partnerships
3. Develop quality programs that includes blockbuster and unique exhibitions and product

New iconic regional facility and tourist destination, delivering exemplary creative, cultural and education experiences

ECONOMY

1. Existing facility does not represent an iconic regional facility which contributes to the City's reputation as a cultural tourism destination.
2. Ability to secure & leverage blockbuster exhibitions is significantly reduced due to a constrained facility. 30%

8. Iconic gallery renowned as a leading national arts and cultural tourism destination.
9. Demonstrating leadership in diversification of creative product across all genres and First Nations culture and heritage.
10. Experiential venue hosting blockbuster exhibitions
11. Recognised nationally as leading creative venue and experience 40%

KPI 7: Increase visitation to the Gallery from region, state and national.
KPI 8: Warrnambool is recognised as a cultural tourism destination
KPI 9: Gallery is included in GoR and regional marketing campaigns.

1. Activation of a uniquely Warrnambool site with breathtaking views and Connection to Country.
2. Create new spaces/functions that drive commercial opportunity 30%

1. Develop marketing strategy that includes other arts and cultural experiences.
2. Leverage Great Ocean Road tourism experience
- Develop commercial strategy for quality hospitality offering.

Investor: **Warrnambool City Council**
Facilitator: **RPI**
Accredited Facilitator: No

Version no: Rev 8
Initial Workshop: 16/03/23
Last modified by: Stephanie Hope (RPI) 16/03/23
Template version: 6.0

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Appendix 2 Opportunity Cost Methodology

Warrnambool Art Gallery - Opportunity Cost Assessment

PROJECT	Warrnambool Art Gallery	PROJECT NO.	20232045
		DATE	25/01/2023

No.	Evidence of Problem	Impact (Time, Cost, Quality)	Opportunity Cost Identification	Investment Required	Benefit Realised	Intervention Classification	Intervention Required to Existing Gallery (Retain or New) to Realise Opportunity Cost
1	Civic Green acts as a central meet point for locals but not reflected in direct visitation to Warrnambool Art Gallery	Time; Quality & Cost	Existing building lacking in "pull factor"	5	5	E	New
2	Existing front of house has never had a café function	Time & Cost	Capitalise on secondary revenue streams	3	3	H	New
3	Existing retail shop does add to the revenue stream but is minimal	Time & Cost	Marketing rebrand and better merchandise offering to be distinct from rest of town retail pitch	1	2	L	Retain
4	Current WAG staff numbers consist of 5 full time with 4/5 casual - unable to support additional shows due to budget constraints	Quality	Hiring volunteers to increase total number of events held per annum to increase collection based shows and variety and therefore increase variety for target audiences to visit/attend gallery	1	2	L	Retain
5	Poor infrastructure and rigid layout	Time; Quality & Cost	Capitalise on touring shows and therefore losing out on increase in variety and therefore reason for audiences to visit/attend gallery	5	5	E	New
6	Lack of flexible spaces	Time; Quality & Cost	Create opportunity for artist studio for roaming stints in residence and/or making spaces and/or programming spaces and/or educational spaces to provide exceptional interactive flexible functions and therefore quality on offer	4	5	E	New
7	Uninviting arrival making for low experiential factor	Time; Quality & Cost	Memorable experience due to high quality environment	4	5	E	New
8	Rigid and outdated climatic systems and controls	Cost & Quality	Quality climatic conditions to preserve one of one exhibitions for longer	4	5	E	Retain
9	Minimal audio visual infrastructure	Cost & Quality	Variety of collections to showcase and catering for wider target audiences	3	4	E	Retain
10	Severe back of house storage capabilities	Cost & Quality	Act as a holding facility for other galleries and loan offerings to temporarily showcase	4	5	E	New
11	No functional back of house workspace	Quality	Improved working conditions to create positive working environment	2	4	H	New
12	No airlock provisions	Cost & Quality	Obtain Grade A gallery quality standards and certification	3	5	E	New
13	Conservation of pieces/collections offsite	Quality	Improved capabilities to partner with exceptional collections to host temporarily	3	5	E	New
14	Parking restrictions for touring buses or school trips	Cost & Quality	Capture short stay tourist trips and provide platform for educational stays for local community	4	5	E	New
15	Lack of knowledge what is showcased within gallery	Cost & Quality	Brand dissemination to target increased audience	1	3	M	Retain

Intervention Classification

Likelihood	Consequence 0	Insignificant 1	Minor 2	Moderate 3	Major 4	Significant 5	Description
Minimal	1	L	L	M	H	H	Minimal effort before benefit is seen
Small	2	L	L	M	H	E	Small intervention with a minimal level of reorganisation before benefit is seen
Reasonable	3	L	M	H	E	E	Reasonable intervention with a medium term disruption to exisiting operations
Major	4	M	H	H	E	E	Major intervention with medium to long term disruption to exisiting operations
Extreme	5	H	H	E	E	E	Extreme intervention with long term impact to operations before any benefits can be realised
		Category 1	Category 2	Category 3	Category 4	Category 5	Please reference Consequence Category

Investment Required

Rating	Level of Investment Required (\$)	Description
5	Extreme	Expected to occur in most circumstances
4	Major	Will probably occur
3	Moderate	Might occur
2	Minor	Could occur
1	Insignificant	May occur only in exceptional circumstances

Consequence Measures

Rating	Descriptor	Impact		
		Cost	Time	Quality
5	Catastrophic	Over \$500,000	Delay over 3 months	Exceptional impact
4	Major	Over \$250,000	Delay over 2 months	Significant impact
3	Moderate	Over \$50,000	Delay over 1 month	Moderate imoact
2	Minor	Over \$10,000	Delay over 2 weeks	Minimal impact
1	Insignificant	Less than \$5,000	Delay less than 1	Minor impact

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Appendix 3

Cannon Hill Cost Estimate

WAG | Warrnambool Art Gallery

Estimate No.2 - Budget Estimate No.2 - February 2023

Cost Plan Summary



Cannon Hill

(Phase 2: Estimate No.1 - FJMT)

Scope of Works	Unit	Qty	Rate	Total	Comments
1.0 Demolition	Item	1	77,420	77,420	
2.0 Site Works	m2	27,010	65	1,755,650	
3.0 Structure	m2	3,100	2,156	6,682,070	
4.0 Building Fitout	m2	4,320	3,530	15,249,900	Subtotal of below functions
4.01 Amenities	m2	30	4,300	129,000	
4.02 Bar & Servery	m2	55	2,500	137,500	Cold shell provisions only - full fitout by tenant
4.03 BOH & Storage	m2	182	1,700	309,400	
4.04 Café				Excluded	
4.05 Circulation	m2	804	2,700	2,170,800	
4.06 Food & Beverage	m2	40	2,500	100,000	Cold shell provisions only - full fitout by tenant
4.07 Front of House Spaces	m2	12	3,700	44,400	
4.08 Foyer	m2	150	3,800	570,000	
4.09 Function	m2	150	3,600	540,000	
4.10 Gallery Spaces - Family Learning, Makers Space, Permanent Collection, Project Space, Temporary Collection	m2	615	8,800	5,412,000	Dry fire only, base build mechanical services (extra over for climate controlled humidity HVAC systems elsewhere)
4.11 Gallery Spaces - Vista				Excluded	
4.12 Gallery Spaces - Maar Nations	m2	200	8,800	1,760,000	
4.13 Gallery Spaces - Maar Interpretive Storage, BOH	m2	115	8,800	1,012,000	
4.14 Observation Area	m2	50	1,000	50,000	
4.15 Seminar	m2	90	5,400	486,000	
4.16 Staff Areas & Staff BOH	m2	507	2,400	1,216,800	
4.17 Stairs & Core	Item	1	150,000	150,000	Allow for passenger lift (stairs incl. in structural allowances)
4.18 Visible Collection Storage	m2	100	3,900	390,000	
4.19 Winter Garden				Excluded	
4.20 UCA - Undercroft	m2	1,120	600	672,000	External soffit treatment (roof included in structure)
4.21 UCA - Terrace	m2	100	1,000	100,000	Observation Deck: Allows for structural flooring, external decking and balustrades only (overhead roof and associated structural framing / columns included in structure)
5.0 Extra Over Allowances	m2	4,320	1,210	5,225,350	
5.01 Treatment of contamination, removal of hazardous materials including asbestos and PFAS and site remediation				Excluded	
5.02 Abnormal and unforeseen ground conditions (e.g. rock excavation, poor soil, water table issues, etc.)				Excluded	
5.03 Archaeological dig including remediation of indigenous / heritage artifacts				Excluded	
5.04 Excavation to achieve 2m set down into hill to Building Footprint	m3	4,960	80	396,800	
5.05 Ditto to External Benching of Hill at Forecourt	m3	4,960	80	396,800	Assume same quantity as building footprint
5.06 Retaining wall / retention system including reinforced in-situ concrete walls and footings (2m high to 75% of Building Perimeter)	m	203	2,500	506,250	
5.07 Ditto to External Benching of Hill at Forecourt				Excluded	Assume can be achieved via site grading (i.e. no structural retaining systems required for this option at 2m excavated depth)
5.08 Piling allowance to building foundations - based on building footprint (no design available)	m2	2,480	605	1,500,000	No design available
5.09 Climate controlled humidity HVAC systems to the following Gallery Spaces: Permanent Collection & Temporary Collection	m2	400	1,000	400,000	Extra over on top of base build / fitout allowances (included in fitout)
5.10 Solar PV Panels to Rooftop	Item	1	500,000	500,000	Based on approx. 80kW system
5.11 Green rooftop including all associated membranes, growing medium and planting of small shrubs and plants	m2	1,600	500	800,000	Extra over on top of base build / fitout allowances (structural requirements included elsewhere)



WAG | Warrnambool Art Gallery

Estimate No.2 - Budget Estimate No.2 - February 2023
Cost Plan Summary

				Cannon Hill (Phase 2: Estimate No.1 - FJMT)			
Scope of Works		Unit	Qty	Rate	Total	Comments	
5.12	Sloped planting to rooftop (to West of Maar Gallery and does not form part of building structure)	m2	194	750	145,500		
5.13	Roof access and protection infrastructure	m2	3,100	50	155,000		
5.14	Allow for dock leveller to Loading Bay	Item	1	75,000	75,000		
5.15	Allowance for building signage	Item	1	250,000	250,000		
5.16	Allowance for bike / bus shelters	Item	1	100,000	100,000		
5.17	LED screening or projections on facades				Excluded		
5.18	Allow for raised platforms to seminar spaces				Excluded		
5.19	Allow for artwork and sculptures				Excluded		
5.20	Allow for commercial kitchen or bar equipment				Excluded		
5.21	Allow for specialist storage racking				Excluded		
5.22	Fire protection to external of building				Excluded		
5.23	Loose furniture, fittings and equipment including window furnishings and street furniture				Excluded		
5.24	Protection, make good or refurbishment works to the Portuguese Explorers Memorail, Aboriginal Soldiers Memorial or Soldiers Memorial				Excluded		
6.0	Site Services & Infrastructure	m2	24,404	121	2,958,340		
7.0	External Works	m2	24,404	136	3,310,425		
Subtotal Construction Cost [Excl GST]		m2	4,320	8,162	\$ 35,259,155		
	ESD Initiatives	%	2.0	35,259,155	710,000		
	Design Development Contingency	%	15.0	35,969,155	5,400,000		
	Construction Contingency	%	10.0	41,369,155	4,140,000		
	Preliminaries	%	17.0	45,509,155	7,740,000		
	Margin	%	5.0	53,249,155	2,670,845		
	Staging				Excluded		
	Total Current Day Construction Cost - February 2023 [Excl GST]	m2	4,320	12,944	55,920,000		
	Authorities Fees & Headworks Charges	%	2.0	55,920,000	1,130,000		
	Consultant Fees	%	10.0	57,050,000	5,700,000	For the Client to assess further once there has been a design put forward to properly assess consultant disciplines and any specialist input required for gallery and exhibition spaces	
	Project Director Fees				Excluded		
	Warrnambool City Council Internal Costs				Excluded		
	Client / Project Contingency				Excluded		
	Decanting and Relocation Costs	Item	1	250,000	250,000	Budget allowances only and subject to further investigation	
	Temporary Site Operation Costs Incl. Leasing				Excluded		
	Total Current Day Project Cost - February 2023 [Excl GST]	m2	4,320	14,583	63,000,000		
	Cost Escalation				Excluded		
Estimated End of Day Project Cost - February 2023 [Excl GST]		m2	4,320	14,583	\$ 63,000,000		

WAG | Warrnambool Art Gallery

Estimate No.2 - Budget Estimate No.2 - February 2023
Cost Plan Summary



Cannon Hill
(Phase 2: Estimate No.1 - FJMT)

Scope of Works	Unit	Qty	Rate	Total	Comments
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We highlight that due to the conceptual nature of the documentation, our Estimate should be viewed as indicative and a preliminary opinion of the probable order of cost. Where WT has not been provided with sufficient information, we have made assumptions and allowances which will require detailed review once the design is developed. Please review the detail of our Estimate, in particular the many assumptions as to scope, quality, performance and materials of the current design intent to ensure it generally reflects your requirements. The estimate has been prepared expressly for Warrnambool City Council for the purpose of a Preliminary Budget Cost Review, delivery option discussions and in support of funding application processes and is not to be used for any other purpose or distributed to any third party

Please note the following items 'specifically EXCLUDED' from this estimate:

- 1 Demolition in excess of allowances listed in this estimate
- 2 Contamination and or removal of hazardous materials including site remediation (e.g. Asbestos, PFAS, etc.)
- 3 Abnormal and unforeseen ground conditions (e.g. rock excavation, poor soil, water table issues, etc.)
- 4 Piled foundations unless otherwise noted in the estimate
- 5 Archaeological dig including remediation of indigenous / heritage artifacts
- 6 Works outside of the site boundary unless noted otherwise
- 7 Protection of adjoining properties and footpaths
- 8 Underpinning of adjacent structures
- 9 Artwork and sculptures (including external public features and street furniture unless noted otherwise)
- 10 Warm Shell or Fitout to the Bar/Servery and Food & Beverage. The estimate allows only for Cold Shell Provisions with future fitouts to be completed by Tenant
- 11 Solar PV Panels outside of specifically noted on drawing - assuming 80kW system to be sufficient
- 12 Gas services to buildings
- 13 Electrical substation allowances
- 14 Assume hard/soft landscaping only to Ceremonial Spaces and Public Art Gardens - no roofing or associated structure has been allowed for
- 15 Allowed only for shaping of mounds and laying of turf to Grassed Ampitheatre - no roofing or associated structure or concrete seating plats have been allowed for
- 16 Loose furniture, fittings and equipment including window furnishings and street furniture
- 17 Object conservation works
- 18 Object acquisition
- 19 Raised platforms to seminar
- 20 Removal, modification or trimming of surrounding trees on site
- 21 Wet or hydraulic fire protection systems. The estimate allows for dry fire protection only
- 22 Fire protection to external of building
- 23 LED screening or projections on facades
- 24 Commercial kitchen or bar equipment
- 25 Specialist storage racking
- 26 Traffic management required to facilitate construction or associated infrastructure works
- 27 Protection, make good or refurbishment works to the Portuguese Explorers Memorail, Aboriginal Soldiers Memorial or Soldiers Memorial
- 28 Ground anchoring systems required for landscaping works (i.e. into cliff faces) unless otherwise noted in the estimate
- 29 Allow for removal, modification or trimming of surrounding trees on site
- 30 Climate controlled humidity HVAC systems to all Gallery spaces. The estimate allows only for the Temporary & Permant Gallery Spaces
- 31 Roof access and safety protection infrastructure
- 32 Extra over allowances for working adjacent train lines
- 33 Smart whiteboards in offices
- 34 Staging of the works
- 35 Adjoining owner issues
- 36 Project Director Fees
- 37 Warrnambool City Council Internal Costs
- 38 Client or project contingency
- 39 Decanting and relocation costs outside of nominated budget allowance
- 40 Temporary site operation costs and leasing costs outside of nominated budget allowance
- 41 Work out of normal working hours

WAG | Warrnambool Art Gallery

Estimate No.2 - Budget Estimate No.2 - February 2023
Cost Plan Summary



Cannon Hill
(Phase 2: Estimate No.1 - FJMT)

Scope of Works	Unit	Qty	Rate	Total	Comments
42 Client insurance and permit fees or charges					
43 Finance and legal costs					
44 Client or financier contingency					
45 Marketing or leasing costs					
46 Cost escalation beyond February 2023 (current-day estimate provided)					
47 GST					

WAG | Warrnambool Art Gallery
Estimate No.2 - Budget Estimate No.2 - February 2023
Structural Risk Sensitivity Analysis



Excavated Depth	Excavation to Building Footprint \$ (Excl GST)	Ditto to External Site Benching at Forecourt \$ (Excl GST)	In-situ Retaining Wall & Footing Systems \$ (Excl GST)	Ditto to External Site Benching at Forecourt \$ (Excl GST)	Retention Wall \$ (Excl GST)	Retention Wall Wings at Forecourt (Allowed at 75% of Main retention Wall Cost) \$ (Excl GST)	Bored Piling \$ (Excl GST)	Basement Drainage \$ (Excl GST)	Façade Treatment \$ (Excl GST)	Total Adjustment to Project Cost (Including On-Costs) \$ (Excl GST)
2.0m deep	Incl. in Base Estimate	Incl. in Base Estimate	Incl. in Base Estimate	Incl. in Base Estimate	-	-	Incl. in Base Estimate	Incl. in Base Estimate	Incl. in Base Estimate	-
4.0m deep	1,059,000	1,059,000	-	-	2,882,000	2,161,000	Incl. in Base Estimate	265,000	(1,585,000)	5,841,000
7.0m deep	1,853,000	1,853,000	-	-	5,043,000	3,782,000	Incl. in Base Estimate	265,000	(2,774,000)	10,022,000

Notes / Key Assumptions

- 1 WT note that all assumptions are to be treated as preliminary and are not based on any received structural advice or documentation.
- 2 The presented figures above comprise on-costs as applicable from the 'Cost Plan Summary' (ESD Initiatives, Construction/Design Development Contingency, Preliminaries, Margin, Authorities Fees & Headworks Charges & Consultant Fees)
- 3 The presented figures are based on current day costs (February 2023) and excludes cost escalation
- 4 Assume excavation / structural requirements are for the entire building footprint (in lieu of say 50% of building footprint to be excavated and 50% to be based on suspended slab above ground, etc.)
- 5 Assume retaining walls, shotcrete walls and façade treatment calculations are applicable for entire perimeter of building footprint except for Johnson Reserve (e.g. Johnson Reserve Elevation will be open to site cut)
- 6 Piling allowance included in base estimate. WT assume that retention wall system and excavation would be constructed first and then piling at this lower level would happen from formation levels
- 7 Assume that any excavation depth greater than 2m requires shotcrete / shoring system in lieu of conventional reinforced concrete retaining wall system as included in base build estimate
- 8 Retention wall system comprises precast soldier piles, sprayed reinforced concrete infill walls, including rock anchors, strip footings, tie beams, stabilised sand backfill and strip drainage as required
- 9 WT has allowed for additional basement drainage on deeper build levels

4

Appendix 4
Economic Contribution Study

Warrnambool Art Gallery Economic Contribution Study

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Polis Partners would like to pay our respects to our ancestors and Elders, past and present who are our knowledge holders. We acknowledge our Aboriginal and Torres Strait Islander young people who are our future leaders. We acknowledge and pay respect to those who have gone before and recognise their deep and lasting contributions.

Executive Summary

The Warrnambool Museum and Art Gallery (WAG) is owned and operated by the Warrnambool City Council and forms an important part of the cultural and recreational make-up of the city.

However, the current WAG building and site is too small, limiting the effective functionality of the front of house exhibition space and back of house storage, logistics and working space. This has significant flow on effects including the inability to meet customer expectations, inefficient use of staff time, ongoing risks to the collection and increasing operating costs (with limited revenue generating activities). As such, a new WAG has been proposed for a new site at Cannon Hill.

This study assesses the economic contribution of a new gallery at Cannon Hill and how this impacts the Warrnambool City region, the Great South Coast region and the state of Victoria. The development and expansion of the new WAG site and service offering will generate three types of economic activity:

- ▶ Economic contribution generated through construction

- ▶ Economic contribution generated by the additional operational expenditure of a new facility
- ▶ Economic contribution generated through additional tourist expenditure

The results of the assessment are summarised below.

Economic Contributions Generate Through Construction

At the peak of construction (2025), the new build will support:

- ▶ 36 direct construction FTE positions
- ▶ 99 supply chain and consumption FTE positions within Warrnambool City

When we consider the effects across the whole of Victoria, the project will support a total of:

- ▶ 49 direct construction FTE positions (36 of which will be from Warrnambool City)
- ▶ 195 supply chain and consumption FTE positions (99 of which will be from Warrnambool City)

Economic Contribution Generated Through Operational Expenditure and Visitor Spending

Contribution to Warrnambool City

The new WAG at Cannon Hill will lead to an increase of visitor spending and an increase in operational spending within Warrnambool City. As a result:

- ▶ By 2030, the new WAG will generate an additional \$8.5 million per year in local economic activity.
- ▶ This additional economic activity supports an additional 51 FTE positions per year in Warrnambool City by 2030.

Table 1 Total Economic Contribution to Warrnambool

CONTRIBUTION TO WARRNAMBOOL	Existing WAG (Base Case) 2022	New WAG at Cannon Hill 2030	CHANGE
Employment Number of FTE positions per annum	30	81	↑ 51 FTE positions per year by 2030
Economic Output Economic activity supported	\$5.1 million	\$13.5 million	↑ \$8.5 million expenditure per year by 2030

Contribution to Victoria

The economic contribution of the new WAG on the Victorian economy captures the increased operational and visitor expenditure which will be realised both within Warrnambool city and the rest of the state.

- ▶ By 2030, the new WAG will generate an additional \$15.5 million per year in economic activity across the state.
- ▶ This additional economic activity will support an additional 79 FTE positions per year in Victoria by 2030.

Table 2 Total Economic Contribution to Victoria

CONTRIBUTION TO VICTORIA	Existing WAG (Base Case) 2022	New WAG at Cannon Hill 2030	CHANGE
Employment Number of FTE positions per annum	48	127	↑ 79 FTE positions per year by 2030
Economic Output Economic activity supported	\$9.8 million	\$25.3 million	↑ \$15.5 million expenditure per year by 2030

PART 1: BACKGROUND



1. Introduction to Warrnambool Museum & Art Gallery

The Warrnambool Museum and Art Gallery (WAG) was originally established in 1886 by Joseph Archibald, a retired police inspector, and began with an eclectic mixture of artworks and museum curios. The majority of the early acquisitions included European and colonial artworks. However, the collection today includes more diverse range from modernists Australian and contemporary art to Aboriginal artefacts and historic items of cultural significance.

The gallery now houses more than 5,000 historic and artistic artefacts which are valued at approximately \$12 million¹.

WAG's mission is to: uphold and transform the cultural life of Southwest Victoria. WAG promotes social, cultural, and academic interaction with a focus on external partnerships and it also maintains a strong commitment to the visceral power of material experience. The public education and outreach programs deliver unique experiences of visual art, new media, and sonic art, design, popular culture, science technology and art fusions within its five museum standard spaces and in public art projects and education programs beyond the gallery walls.

The gallery forms an important part the emerging Warrnambool cultural and council precinct. The gallery is proximate to the Civic Green (open space parklands and entertainment area) located just to the north, the Lighthouse Theatre and Warrnambool Library located across the road (Liebig Street), and Cannon Hill lookout and Flagstaff Hill Maritime Village located 200 metres southwest of the facility. A cluster of food and beverage venues are also located within the area (see Figure 1).

Figure 1 Context Map



¹ WAG Feasibility Study 2021,

1.1 Operation & Visitation

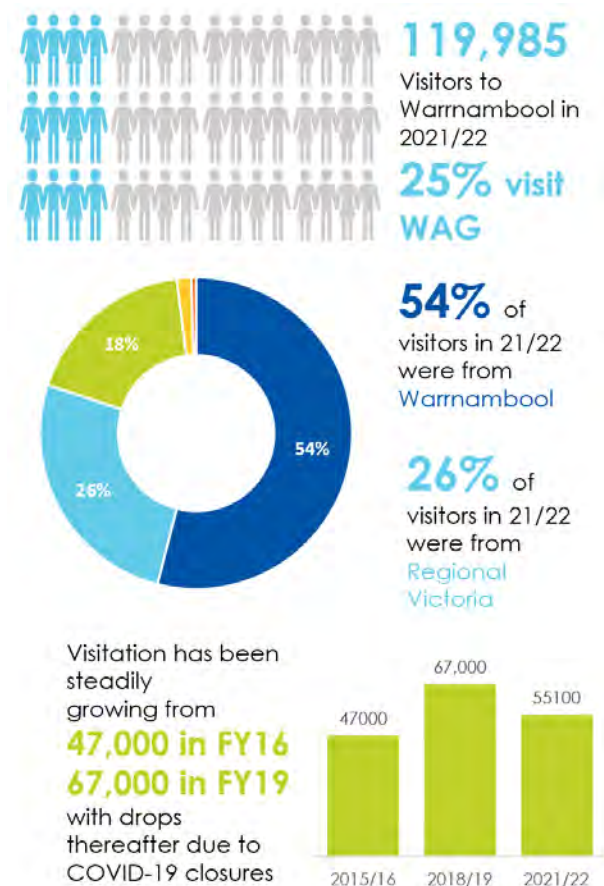
WAG is owned and operated by the Warrnambool City Council and is positioned within the Council's Recreation and Cultural Unit. There are approximately 5 FTE positions managing WAG's day to day operations, with only 3 positions operating full time². WAG also operates an extensive volunteer program with 69 volunteers completing more than 2,951 hours per year. Volunteers provide a variety of services from Front of House to Curatorial and Research.

Currently entry to WAG is free. The gallery therefore relies on other forms of revenue streams including; education and outreach program fees, gift shop revenues, venue hire, memberships, private donations, government grants and the annual gallery operating grant.

In 2018-19, WAG held 29 exhibitions of local, national and international significance. An additional 751 new pieces were created. The gallery also attracted 67,000 visitors. Visitation has been steadily increasing over the last five years with 40 percent growth between 2015-16 and 2018-19. Visitation drops after this period due to Covid-19 restrictions with only 55,100 visitors in 2021/22. Figure 2 summarises key visitor statistics for the WAG for 2021/22.

² Please note within the economic impact assessment, 4 FTE positions are employed at the Gallery (3 full time positions and 2 part time positions).

Figure 2 Historic Visitor Statistics



1.2 Limitations of the current facility

Limitations of the existing WAG site and building were identified through stakeholder interviews and contributions made through the Council's 2021 WAG Business Unit Summary. Some of the key constraints are summarised below.

- ▶ The location offers limited visibility and access to passing visitors which limits the delivery of a cultural hub. The location does not attract walk-in visitors, is not clearly visible from the surrounding road network, has no distinct entry and has limited parking and no coach drop off.
- ▶ The building has insufficient space to deliver on its objectives. For example, the Maar Nation room is too small to profile local Aboriginal artists, the Family Learning Centre is too small for peak periods, the total exhibition space is not big enough for travelling exhibitions and the back of house area is disjointed and does not function efficiently
- ▶ The gallery has minimal connection to and use of the surrounding landscape which limits outdoor artistic experiences
- ▶ There is no room for out of hours exhibitions
- ▶ The building cannot support additional levels to be constructed on top, meaning expansions may require demolitions and rebuilds

- ▶ The building has limited sustainable design elements. There is no energy saving devices, no water harvesting and reuse functionality, no museum environment control (preventing the sourcing of many travelling exhibitions) and the age and condition of the building means there are unexpected operating and maintenance costs
- ▶ Business management and marketing is ineffective at capturing the share of regional city visitation. There is also no current Business plan to innovate or develop additional revenue growth.

The WAG building and site is too small, limiting the effective functionality of the front and back of house. There are significant flow on effects including the inability to meet customer expectations, inefficient use of staff time, ongoing risks to the collection and increasing operating costs (with limited revenue generating activities).

Whilst there are a number of limitations, there are elements of the WAG which would be beneficial to preserve or enhance including the Maar Nation Gallery which has strengthened relationships between the WAG and local Aboriginal people. The **Children's Learning Gallery** also plays a significant role in introducing and leaning younger generations to artistic experiences and providing valuable education programs particularly during holidays. The WAG should look to maintaining and preserving these elements.

PART 2: THE PROJECT

2. The future of the Warrnambool Art Gallery

The future vision of WAG was developed throughout the consultation process with key stakeholders. Key strategic drivers were identified which formed the functional and spatial requirements of a new gallery space. Key strategic drivers for the new site and building includes:

- ▶ Mitigate Health & Safety risks & liabilities
- ▶ Meeting mandatory obligations under the Aboriginal Heritage Act 2006
- ▶ Increased amenity and improved staff amenity
- ▶ Optimise how facility is run to maximise staff efficiency and wellbeing
- ▶ Provide a platform for creative industries plus educational outcomes
- ▶ Build with materials to reduce operational life cycle costs
- ▶ Cultural tourism destination recognised as a high quality venue
- ▶ Recognised as a South West Regional leader within the Arts sector
- ▶ Environmental conditions to display own collection PLUS loans and touring collections

- ▶ First Nations reconciliation strategy
- ▶ Increase local engagement

The overall emerging vision outlines a new place which is more connected to the civic and natural setting of Warrnambool, embraces Aboriginal culture and is welcoming, highly functional, flexible and enables space for a range of exhibitions.

Site selection will play an important role in how well the spatial and functional requirements can be optimised. Optimal functional relationships are represented in the figure below. It describes the physical interactions between important spaces in order to create an efficient layout and maximise flexibility.

2.1 Site options

The figure below shows the multiple sites considered for a new WAG as part of the 2021 WAG Feasibility Study. A high-level assessment was undertaken which identified Cannon Hill as the preferred location.

Figure 3 Site options for new WAG facility



2.2 Project Option Description: new building on the Cannon Hill site

A new build at Cannon Hill comprises of a single floor construction to maximise the interconnections between galleries and allows for greater access and connectivity with the surrounding coastal landscape. The design also offers more parking options and greater accessibility.

Construction on an alternative site allows the existing Gallery to continue operations during construction. However, a new site also requires additional development approvals, may visually impact residents on Merri Street and also removes carparking at Cannon Hill to make space for the WAG car parking.

The following assessment focuses on the economic contribution of the preferred project option.

3. Visitation Assumptions

3.1 Visitation Forecasts

Visitation forecasts were developed based on data collated from ABS tourism data, Victorian Tourism Reports, and the 2018 Shipwreck Coast Masterplan. Admissions data from WAG, Flagstaff Hill Maritime Village, the Warrnambool Visitor Centre and Council were used to develop the following forecasts.

Forecasts were developed for the base case and the project case (New build at Cannon Hill) for the year 2022 and 2026. These are presented in Table 3 below and assumes the WAG will offer high quality development with involving exhibitions and

activities, quality Food and Beverage and spaces for objects and performance. It is also assumed that this investment isn't the "break-through" in solving the Shipwreck Coast tour structure that blocks international visitation to Warrnambool.

It is assumed the base case visitors see no growth between 2026 and 2030, while the project case visitors see a c.11% percent growth per year between 2026 and 2030. The economic evaluation has assumed a 1% growth rate in demand post 2030.

Table 3 Visitor forecasts (base case vs Project Case)³

Visitor Numbers per annum						
Base Case	2022	Yr 1 2026	Yr 2 2027	Yr 3 2028	Yr 4 2029	Yr 5 2030
International	310	400	400	400	400	400
Interstate	950	1,000	1,000	1,000	1,000	1,000
Victoria (outside of region)	27,100	27,800	27,800	27,800	27,800	27,800
Warrnambool region	25,700	25,900	25,900	25,900	25,900	25,900
Total	54,060	55,100	55,100	55,100	55,100	55,100
Project Case (New Build at Cannon Hill)	2022	Yr 1 2026	Yr 2 2027	Yr 3 2028	Yr 4 2029	Yr 5 2030
International	NA	880	1,160	1,440	1,720	2,000
Interstate	NA	1,700	3,275	4,850	6,425	8,000
Victoria (outside of region)	NA	39,000	48,000	57,000	66,000	75,000
Warrnambool region	NA	31,000	31,000	31,000	31,000	31,000
Total	NA	72,580	83,435	94,290	105,145	116,000

³ 2022 and 2026 tourism numbers sourced from Environmetrics Visitor Study

4. Capital & Operational Costs of New WAG

4.1 Capital Costs

Capital costs have been developed by WT Partnerships and assume construction will take place over two years starting in 2024 and finishing in 2025. It is assumed the new WAG will be operational in 2026.

The estimates exclude project director fees, Warrnambool City Council internal costs, project contingencies and staging costs.

A new build on a greenfield site does not require demolition and temporary relocation costs. However, the new construction still requires additional costs associated with new access roads, parking, footpaths and landscaping.

For the purposes of the economic evaluation these costs exclude escalation (different from council budget purposes).

Table 4 Capital Costs

	Capital Cost
Demolition	\$77,420
Site Works	\$1,755,650
Structure	\$6,682,070
Building Fitout	\$15,249,900
Extra Over Allowances	\$5,225,350
Site Services & Infrastructure	\$2,958,340
External Works	\$3,310,425
Subtotal Construction Costs	\$35,259,155
ESD Initiatives	\$710,000
Design Development Contingency	\$5,400,000
Construction Contingency	\$4,140,000
Preliminaries	\$7,740,000
Margin	\$2,670,845
Total Current Day Construction Costs	\$55,920,000
Authorities Fees & Headworks Charges	\$1,130,000
Consultation Fees	\$5,700,000
Decanting and Relocation Costs	\$250,000
Total Current Day Project Costs	\$63,000,000

4.2 Operational Costs

The operating costs for the project case have been sourced from the WAG Feasibility Study (2021) and have been put together based on a number of operating assumptions. The table below provides the summary of operational costs for the preferred option, with direct expenditure referring to expenditure in wages and salaries and indirect expenditure referring to all additional expenses (i.e. accounting fees, printing, energy, building related services etc).

This economic evaluation has also included an assumption that 1% of the capital cost per annum will be expended by the

council with respects to the general renewal and periodic maintenance of the new facility.

Furthermore it is noted that these values are expressed in real value terms in line with economic theory and guidelines and does not incorporate inflation in costs that will likely occur into the future with respects to operations and maintenance.

Table 5 Operational Costs (excluding renewal costs)

New WAG on Cannon Hill	2022 (Current)	Yr 1 2026	Yr 2 2027	Yr 3 2028	Yr 4 2029	Yr 5 2030
Total Direct expenses	\$375,402	\$958,329	\$1,217,728	\$937,779	\$1,111,585	\$1,007,396
Total Indirect expenses	\$372,491	\$557,947	\$605,981	\$597,277	\$639,625	\$639,018
Total Operating Expenditure	\$747,893	\$1,516,276	\$1,823,709	\$1,535,056	\$1,751,210	\$1,646,414

PART 3: ECONOMIC CONTRIBUTION

5. Economic Contribution of Development Option

The development and expansion of the new WAG site and service offering will generate three types of economic activity:

- ▶ Economic contribution generated through construction
- ▶ Economic contribution generated by the additional operational expenditure of a new facility.
- ▶ Economic contribution generated through the additional tourist expenditure

Each type of contribution has both direct and indirect effects. Direct contributions relate to the direct spending (i.e. direct capital cost of construction and the direct operational expenditure of the gallery). Indirect contributions refer to the flow on effects which are realised through spending on supply chains and consumption (see Figure 4).

This study aims to measure the overall economic impact of a particular activity, event, or project considering both direct and indirect economic contributions. Direct economic impacts are those that can be directly attributed to the activity being studied (i.e. revenue, wages and salaries paid to workers). Indirect economic contributions result from the ripple effects of the activity (i.e. increased demand for goods and services from local businesses and increased tax revenue for local governments).

The total economic contribution will be spread across different regions:

- ▶ Warrnambool City
- ▶ Great South Coast Region (includes Warrnambool City)
- ▶ Victoria (Includes Great South Coast Region)

Figure 4 Economic Impact Assessment Framework

		Direct Contribution	Indirect Contribution	Time frame
Total Economic Contribution	Construction Contributions	Direct capital costs make up a portion of the total construction contribution.	This has flow on effects on supply chains & consumption generating additional economy activity	2024 & 2025
	Operational Contributions	The new WAG facility will mean an increase in operational expenses which includes salaries, utilities, finances, repairs etc.	Flow on effects are also generated from the additional operational expenses	Ongoing from 2026
	Tourism Contributions	Visitors to the new WAG & therefore to the region are expected to increase, meaning greater direct expenditure within the area.	Increase spending by tourists generates flow on impacts on supply chains & consumption	Ongoing from 2026

5.1 Future Economic Contribution of the new WAG

Table 6 shows how the future construction, operational and tourism expenditure contributes to the local, regional and state economies.

Table 6 Future economic contribution of the WAG 2030

Future State	Warrnambool			Great South Coast			Victoria		
EMPLOYMENT (FTE)	2025 (peak)	2030	Cumulative over 25 years	2025 (peak)	2030	Cumulative over 25 years	2025 (peak)	2030	Cumulative over 25 years
Construction									
Direct	36	N/A	N/A	43	N/A	N/A	49	N/A	N/A
Indirect	99	N/A	N/A	106	N/A	N/A	194	N/A	N/A
Operation									
Direct	N/A	9	225	N/A	9	225	N/A	10	250
Indirect	N/A	4	100	N/A	4	100	N/A	8	200
Tourism									
Direct	N/A	50	1,261	N/A	70	1,757	N/A	69	1,732
Indirect	N/A	17	431	N/A	21	537	N/A	40	1,003
<i>Total</i>	135	81	2,017	149	105	2,619	242	127	3,185
Economic Impact (\$M)	Total (2024 & 2025)	2030	Cumulative over 25 yrs	Total (2024 & 2025)	2030	Cumulative over 25 yrs	Total (2024 & 2025)	2030	Cumulative over 25 yrs
Construction									
Direct	\$41	N/A	N/A	\$51	N/A	N/A	\$57	N/A	N/A
Indirect	\$50	N/A	N/A	\$55	N/A	N/A	\$109	N/A	N/A
Operation									
Direct	N/A	\$1	\$32	N/A	\$1	\$36	N/A	\$2	\$40
Indirect	N/A	\$1	\$27	N/A	\$1	\$25	N/A	\$2	\$60
Tourism									
Direct	N/A	\$6	\$160	N/A	\$9	\$224	N/A	\$9	\$224
Indirect	N/A	\$5	\$119	N/A	\$6	\$148	N/A	\$12	\$310
<i>Total</i>	\$92	\$14	\$338	\$106	\$17	\$433	\$166	\$25	\$633

Table 7 shows the net increase in economic activity from the 2022 base case scenario.

Table 7 Net increase in economic contribution of the new WAG

Current State	Warrnambool			Great South Coast			Victoria		
EMPLOYMENT (FTE)	Net Increase by 2025 (peak)	Net increase by 2030	Net Cumulative over 25 yrs	Net Increase by 2025 (peak)	Net increase by 2030	Net Cumulative over 25 yrs	Net Increase by 2025 (peak)	Net increase by 2030	Net Cumulative over 25 yrs
Construction									
Direct	36	N/A	N/A	43	N/A	N/A	49	N/A	N/A
Indirect	99	N/A	N/A	106	N/A	N/A	194	N/A	N/A
Operation									
Direct	N/A	5	125	N/A	4	100	N/A	5	125
Indirect	N/A	2	50	N/A	2	50	N/A	4	100
Tourism									
Direct	N/A	32	807	N/A	45	1,126	N/A	44	1,101
Indirect	N/A	11	279	N/A	13	335	N/A	26	650
Total	135	51	1,275	149	64	1,611	242	79	1,976
Economic Impact (\$M)	Net Increase	Net increase by 2030	Net Cumulative over 25 yrs	Net Increase	Net increase by 2030	Net Cumulative over 25 yrs	Net Increase	Net increase by 2030	Net Cumulative over 25 yrs
Construction									
Direct	\$41	N/A	N/A	\$51	N/A	N/A	\$57	N/A	N/A
Indirect	\$50	N/A	N/A	\$55	N/A	N/A	\$109	N/A	N/A
Operation									
Direct	N/A	\$1	\$16	N/A	\$1	\$18	N/A	\$1	\$21
Indirect	N/A	\$1	\$13	N/A	\$1	\$13	N/A	\$1	\$31
Tourism									
Direct	N/A	\$4	\$104	N/A	\$6	\$141	N/A	\$6	\$140
Indirect	N/A	\$3	\$78	N/A	\$4	\$94	N/A	\$8	\$196
Total	\$92	\$8	\$211	\$106	\$11	\$265	\$166	\$16	\$389

PART 4: COST BENEFIT ANALYSIS

6. Cost Benefit Analysis

A CBA has been used in conjunction with the above economic impact assessment. This includes the following monetised benefits and compares this against the costs (see section 4). This analysis also compares the Base Case (existing WAG) with Project Case: New WAG on Cannon Hill.

6.1 Economic benefits

The economic benefits considered within this study, including the core and additional evaluation, include the following:

Core economic benefits

- ▶ Amenity benefit of paid educational and venue hiring services assumed to equal at least as much as the cost to hire the facility
- ▶ Visitor spending benefit: The new WAG at Cannon Hill is expected to see an increase of 17,480 visitors by 2026. This will see additional visitor spending.
- ▶ Residual value of new WAG building: This is the value of the new WAG at the end of the evaluation period. This assumes a building asset lifespan of 60 years. Assuming a 30-year analysis period, this means that half the capital costs is realised at year 30.

Additional economic benefits

- ▶ Construction spending benefits: Additional economic activity generated through the spending on construction (this *only* includes the flow on effects of the construction expenditure as a benefit. The direct construction expenditure is classified as an economic cost).
- ▶ Operation spending benefit: Additional economic activity generated through the increase in operational and renewal expenditure (this *only* includes the flow on effects of the additional operational expenditure as a benefit. The direct operational expenditure is classified as an economic cost).

Table 8 presents the results of the core CBA for Victoria.

Table 9 shows the results to a number of sensitivities including excluding construction and operational benefits, an increase and decrease in costs and benefits, and a 4% and 10% discount rate.

Table 8 Cost Benefit Analysis Results

Cost Benefit Results	30-year NVP (7% discount rate, 30 yrs.)
Project Benefits	
Amenity benefit of WAG paying users (excl exhibitions)	\$2,062,331
Visitor spending benefit for VIC	\$66,027,062
Residual value of new WAG building	\$3,614,346
Total incremental Benefits	\$71,703,739
Project Costs	
Capital costs	\$56,567,386
Incremental operational costs (incl. renewal expenditure)	\$16,420,735
Total incremental costs	\$72,988,121
Results	
Net Present Value	-\$1,284,382
Benefit Cost Ratio	0.98

Table 9 Cost Benefit Analysis Results – Sensitivities

Sensitivity Results	NPV	BCR
Including indirect construction and operational benefits	\$50,915,372	1.70
Including indirect operational benefits.	\$10,554,580	1.14
Increase Tourism Benefits +10%	\$57,518,078	1.79
Increase Tourism Benefits +20%	\$64,120,784	1.88
Increase CAPEX by +20%	\$46,000,500	1.59
Decrease CAPEX by -20%	\$67,181,716	2.22
Increase benefits +20%	\$75,696,070	2.04
Decrease benefits -20%	\$26,134,673	1.36
4% discount Rate	\$31,167,852	1.37
10% discount rate	-\$17,847,732	0.73

Based on the results of the cost benefit analysis, the new development of the new WAG on Cannon Hill while marginally not economic viable based on a tourist visitor spend basis only, is an economically viable project when considering a range of broader impacts including indirect economic activity and a reduced discount rate.

Appendix A – Study Methodology and Process

Introduction

The economic contribution of the Warrnambool Art Gallery is comprised of different elements along the production process. Outputs of the Warrnambool Art Gallery can include 'final goods' including publications and media, 'final services' such as performances or 'intermediate goods and services' such as preparations of sets for film or theatre productions.

A common theme linking the outputs of creative and cultural sectors with other industries is that their production utilises resources of labour and capital as well as intermediate goods and services. An important component of this sectors' wealth and job creation emanates from the creation, utilisation and commercialisation of intellectual property.

The analysis of direct economic contribution of the Warrnambool Art Gallery in this study is based on the following metrics:



- ▶ Outputs (Economic Impact) is a measure of the value of goods and services produced by an industry or sector, where the value reflects the cost of inputs: labour, capital and intermediate inputs of goods and services, including imports
- ▶ Value added (factor of income) is equivalent to output less goods and services sourced from other suppliers (including imports) and is the sector's contribution to gross state product. By excluding goods and service inputs from other domestic industries and from overseas, 'value added' avoids double counting as it does not include the value-added by other industries.
- ▶ Employment refers to the number of people employed. Much of the employment in these industries is part time (including intermittent and project based), which is accommodated in this study by estimating the Full Time Equivalent (FTE) jobs.

Note direct output, value add and employment relate to those impacts that are directly realised as a result of the Warrnambool Art Gallery's operations (as a business or through its alumni). Indirect impacts relate to the flow on economic activity that results from spending and other activity realised by these related/supporting businesses within the broader economy.

Scope of the analysis

The scope of this study is to determine the economic impact, breadth and reach of the Warrnambool Art Gallery, both in terms of its general business operations as well as that generated and supported by its alumni.

Assumptions incorporated within the calculation of the economic impact of the Warrnambool Art Gallery's is presented in Appendix C.

Process

An EIA is an analytical approach used to estimate the impacts generated by a particular investment or policy change on the economy.

Four key steps have been taken to prepare an EIA. These include:

1. Base case and investment case definition
2. Modelling scenario definition
3. Direct impact modelling
4. Total economic impact

1. Base case and investment case definition

The value of the economic impacts estimated in an EIA are derived from the incremental changes in economic activity that are generated from a given policy or investment activity. This approach ensures that only the net impacts on the economy – which can be reasonably attributed to the policy or investment – are included within the analysis.

For this analysis, the investment case is defined as the status quo; that is, the investment case refers to the 'real life' scenario in which all other investments within the economy are realised with the exception of that and the subsequent operations of the Warrnambool Art Gallery.

2. Modelling scenario definition

The incremental changes in economic activity that are generated from an investment activity are not static in nature; rather, they are realised over time, during which the structure of the economy changes in response to the investment. As such, the modelling of economic impacts is undertaken over a time period that allows the impacts on the economy to be realised.

This analysis considers three primary modelling scenarios:

- ▶ Economic impact of the construction of the Warrnambool Art Gallery – To determine the economic impact associated with the construction phase of the new gallery.
- ▶ Economic impact of the Warrnambool Art Gallery core operations – To determine the economic impact associated with the expenditure, operation and services provided by the Warrnambool Art Gallery.
- ▶ Economic impact of the Warrnambool Art Gallery tourism – To determine the economic impact associated with additional visitors and therefore additional visitor spending within the Warrnambool region due to the construction of a new gallery.

3. Direct impact modelling

The specification of direct impacts in an EIA involves identifying the sources of economic impact that are directly attributable to the investment. This generally includes capital expenditure and ongoing maintenance or operational expenditure that is additional to what would be expected in the base case.

In this study, the direct spending of additional visitors is also included. For the purpose of this assessment, the following visitor spending assumptions have been made:

- ▶ It is assumed that overnight visitors spend no more than one night per trip in Warrnambool.
- ▶ Average spending per trip has been source from Tourism Research Australia
- ▶ It is assumed that local visitors (i.e. those from Warrnambool visiting the New WAG spend only one tenth of the average spend of someone visiting from outside the region.

Spending per trip and total base case and project spending is outlined in the table below.

	WAG visitors in 2022 (Sourced from Environmetrics)	Average spend per trip (sourced from TRA in 2023 dollar terms)	Total Spend Base Case
Domestic Day (Locals)	25,700	38	\$965,488
Domestic Day (Intrastate)	27,100	188	\$5,090,415
Domestic Overnight	950	154	\$146,190
International overnight	310	74	\$22,928
	WAG visitors in 2026 (OP2) (Sourced from Environmetrics)	Average spend per trip (sourced from TRA in 2023 dollar terms)	Total Spend 2026 OP 2
Domestic Day (Locals)	31,000	31	\$976,272
Domestic Day (Intrastate)	39,000	157	\$6,141,063
Domestic Overnight	1,700	154	\$261,604
International Overnight	880	74	\$65,085

4. Total economic impact

To model the economic impacts beyond those that directly relate to the Warrnambool Art Gallery, it is necessary to employ a modelling technique that makes use of information about the linkages of the industries within the broader economic context. The starting point for modelling these linkages is the input-output tables published by the ABS.

Input-output tables provide detailed information on the upstream and downstream linkages of each industry in the economy. Upstream linkages refer to the sources of inputs to the industry in question. These linkages may be in the form of intermediate inputs produced by other domestic industries, imported intermediate inputs, labour and other factors of production. Downstream refers to linkages to those economic agents that purchase the industries outputs and sales to other industries that use the outputs.

The calculation of the indirect and total impacts of the Warrnambool Art Gallery has been based on REMPLAN economic impact input-output analysis. Further information based on these metrics can be seen in Appendix C.

It is noted that while these REMPLAN outputs within the analysis do not fully take into account the potential broader economic shocks (including transfers etc.), that may occur as a result of the investment within the Warrnambool Art Gallery. Note input-output modelling is much more suitable for smaller investments (i.e., under a billion dollars)

Appendix B – REMPLAN methodology

The team at REMPLAN have automated and systematised the process of building and updating region-specific input-output economic models for more than twenty years. These in-house systems, tools and resources incorporate many checks and balances that ensure the consistent and timely delivery of economic analysis software and data.

Place of work employment data from the Census is the basis upon which industry size and composition is estimated at the regional scale. National accounts data is then applied to the employment profile in order to estimate the value of output by industry and the proportions of output spent on wages and salaries.

Detailed place of work employment by industry data (114 sectors) is the basis in REMPLAN for estimating local demand by industry for intermediate goods and services as well as the capacity for the local economy to supply a proportion of those goods and services.

This methodology underpins the economic profiling and impact modelling capabilities in REMPLAN Economy. This framework allows REMPLAN to build and maintain datasets for major capital city CBDs, suburban areas, regional towns as well as rural and remote areas of Australia. **REMPAN estimates of local government areas'** Gross Regional Product reconciles with the latest ABS estimates of Gross State Product and Gross Domestic Product.

REMPAN Economy Software

REMPAN economic data incorporates an input-output approach and is innovative in that it takes a complex methodology and provides a software interface that makes it accessible to economic and business development practitioners both with, and without, a formal background in economics.

Matrices – Understanding Region-specific Industry Sectors and Supply Chain Linkages

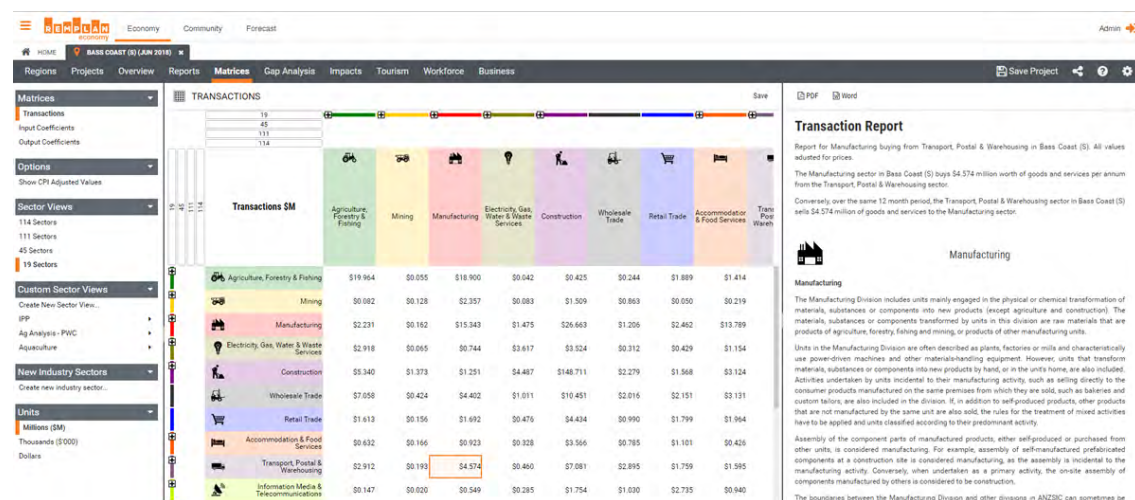
The transactions matrix details all the buying and selling interactions between industry sectors in the selected region, the value of sales to the Household and Government sectors, the value of imports, exports, payments of wages and salaries, payment of taxes and the value **of industry sectors'** gross operating surpluses.

The transactions matrix (also known as an input/output table or an IO Table) is the core 'ingredient' in REMPLAN and all the graphs, tables, charts and impact modelling draw from the information contained in these tables.

- ▶ The "matrices" tab is about as complex as REMPLAN gets.
- ▶ Shows the data that sits behind the models

The REMPLAN matrix screenshot below illustrates that when selecting a cell, the right-side information pane automatically presents an explanation of the industry interaction from the demand side as well as the supply side.

Matrix representation of data visually describes supply chain linkages in terms of buying and selling patterns between industry sectors:



Input Output

Since 1999 the team at REMPLAN have automated and systematised the process of building and updating region-specific REMPLAN input-output economic models. An input-output model is an econometric technique which details the interdependent supply chain links between different industry sectors in an economy. This modelling approach was developed by Wassily Leontief (1905-1999), for which he received the Nobel Memorial Prize in Economic Sciences. The input output modelling systems, tools and resources developed by

REMPPLAN incorporate many checks and balances that ensure the consistent and timely delivery of the REMPLAN economic analysis software and data.

REMPPLAN Methodological Approach

- ▶ Place of work employment data from the Australian Bureau of Statistics' (ABS) Census is the basis upon which industry size and composition is estimated at the state or regional scale
- ▶ National accounts data is then applied to the employment profile in order to estimate the value of output by industry and the proportions of output spent on wages and salaries
- ▶ Place of work employment data is the basis in REMPLAN for estimating local demand by industry for intermediate goods and services
- ▶ Place of work employment data is also the basis for estimating the capacity for the local economy to supply a proportion of the intermediate goods and services.

REMPPLAN economic models have been delivered to economic development practitioners and researchers in government agencies, universities and consulting firms over this 19 year period while being underpinned by a high level of transparency and external review.

Transactions Matrix (IO Table) Structure

REMPAN Economy

- About REMPLAN Economy
- What does REMPLAN Economy Offer
 - Strategic Planning
 - Approaches to I-O Modelling
 - Assumptions
 - Transactions Matrix**
- Using REMPLAN Economy
 - Logging In to REMPLAN Economy
 - Home
 - Regions
 - Projects
 - Reports
 - Matrices
 - Transactions
 - Input Coefficients
 - Output Coefficients
- Gap Analysis Module
- Impacts
- Tourism Analysis Module
- Workforce Analysis Module
- Information Pane
- Help
- Chart Styler
- Custom Sector View Wizard

Back ◀ Previous ▶ Next

Transactions Matrix Structure

The underlying structure of an input-output model is the transactions table. This table sets out the various economic sectors of a region in a grid or matrix format with each sector listed in both the rows and columns of the matrix.

The table is able to show both the source of inputs for each sector by reading down the columns and the destination of the outputs for each sector by reading across the rows.

Inputs can be sourced from within the region in the form of intermediate commodities and labour or beyond the region in the form of regional imports.

Outputs from sectors will either go to other sectors within the region, to consumers in the form of final consumption, used as capital goods as part of investment or go beyond the region as regional exports.

It is possible to divide the overall input-output or transactions table into four distinct quadrants.

Industry Sector	1 Agric	2 Manuf	3 Serv	Hholds	Govt	Investment	Exports	Total Output
	Q1. Intermediate Sector			Q2. Final Demand Sector				
1 Agriculture	20	40	0	20	0	0	20	100
2 Manufacturing	20	20	10	75	10	10	55	200
3 Services	0	40	10	25	20	5	0	100
	Q3. Primary Inputs Sector			Q4. Primary Inputs Absorbed by Final Demand				
Payments for								
Hhold Services	40	45	70	5	0	0	0	160
Govt Services	10	15	5	0	0	0	0	30
Imports	10	40	5	0	0	0	5	60
Total Inputs	100	200	100	125	30	15	80	650

Appendix C REMPLAN Summary Outputs

Figure 5 Project Comparison (Base case vs Project Case WAG at Cannon Hill)

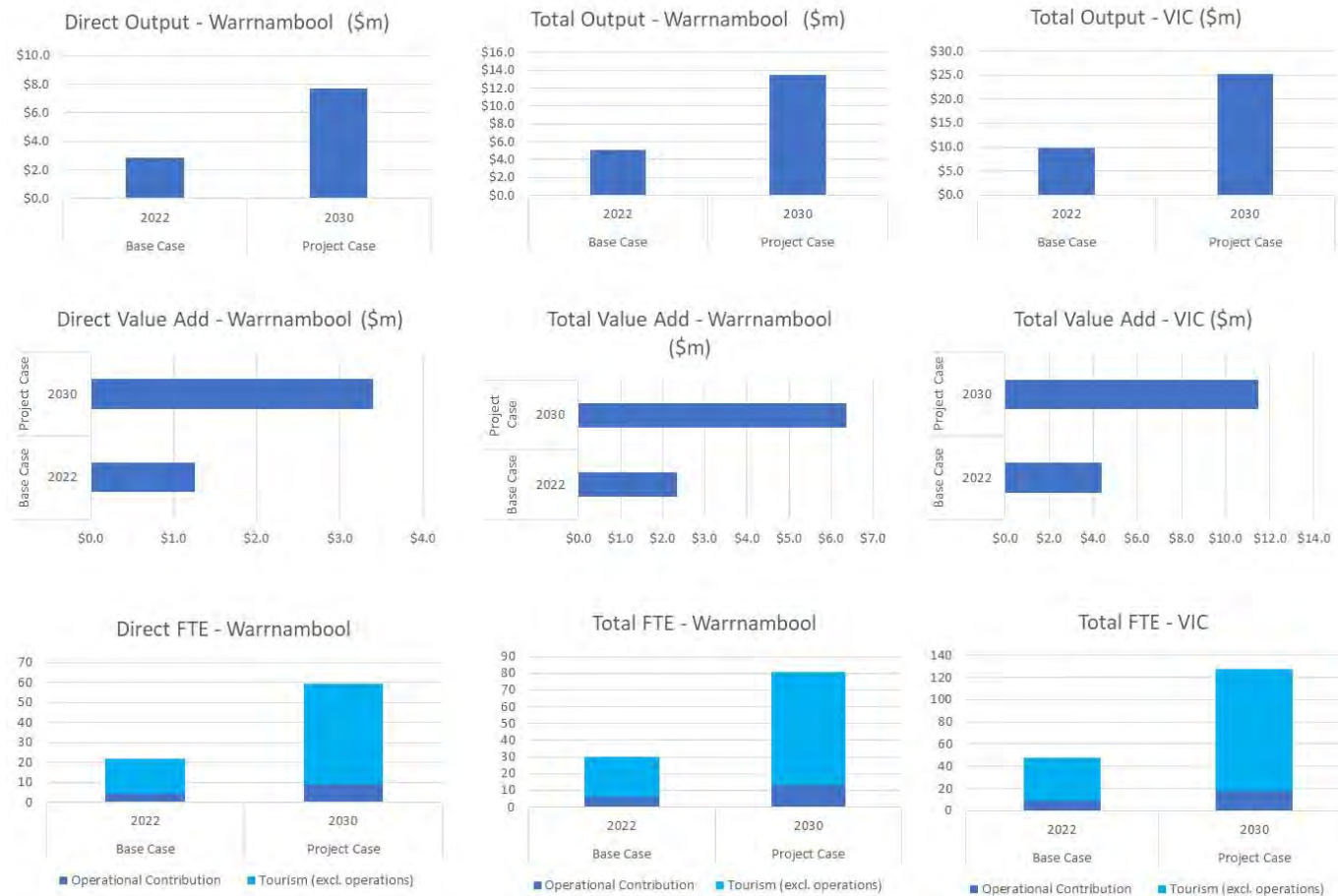


Figure 6 Economic contribution by region for the base case vs project case

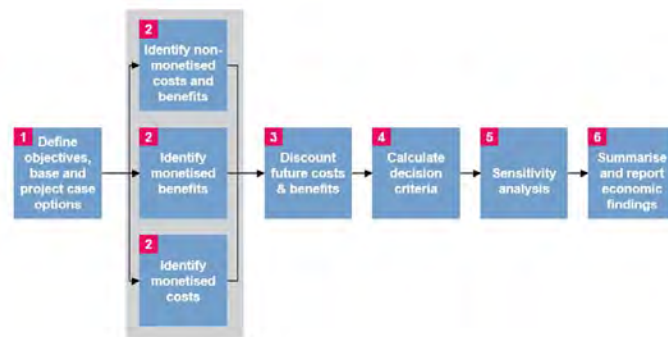


Appendix D CBA Methodology & Assumptions

The economic methodology employed in this study is a Cost Benefit Analysis ('CBA') approach. CBA is a method used to aid decisions about the allocation of resources, expressing both costs and benefits in monetary terms where possible to provide a basis for direct comparison. The method discounts future costs and benefits to a present value, allowing for comparison of alternative courses of action by reference to the net social benefits that they produce for the community as a whole.

The Figure below outlines our preferred CBA approach, fundamentally comparing alternative project options to a defined base case to determine the incremental impact of the project. The CBA methodology and key economic assumptions are detailed below.

Figure 7 CBA Methodology

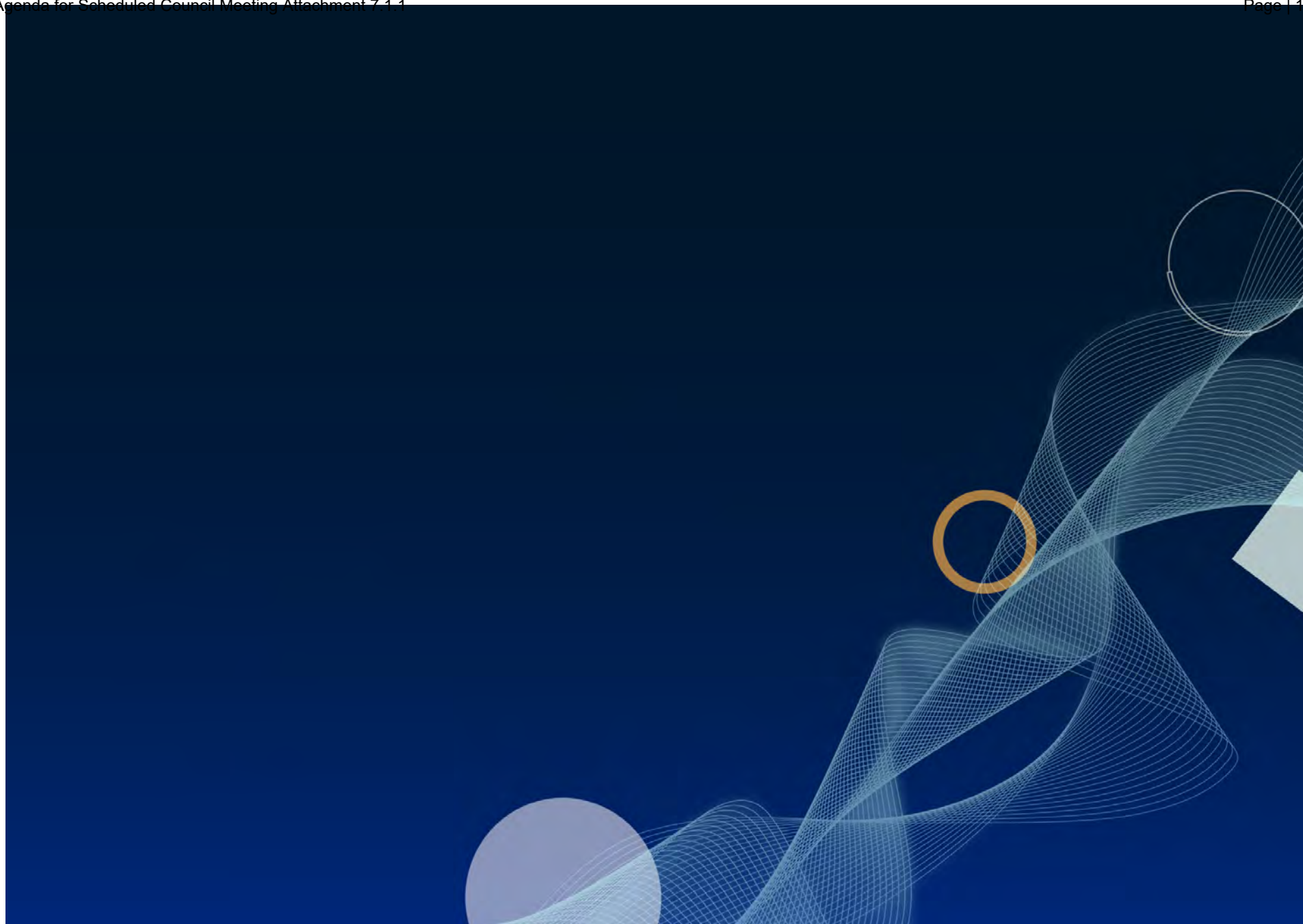


Economic assumptions

The CBA was undertaken in accordance with *Infrastructure Australia's Guide to economic appraisal Technical guide of the Assessment Framework*. The economic assessment was undertaken considering the following assumptions:

- ▶ The economic analysis has been undertaken based on Calendar years starting from 2023 and ending at 2055.

- ▶ All values represented in real 2023-dollar terms. All monetary values have been taken from either the outputs of the Economic Impact Assessment (i.e. the REMPLAN outputs) or have been sourced from the WAG Feasibility Study Final 2021.
- ▶ Project construction period will commence in 2024 and finish in 2025.
- ▶ Project operations commence within the 2026.
- ▶ The evaluation period is 30 years from the commencement of operations.
- ▶ A discount rate of 7% was used for the core case and a 4% and 10% discount rates were used to conduct sensitivities as requested by the client.
- ▶ The building asset life is assumed to be 60 years.



5

Appendix 5

Cannon Hill Massing Study



We acknowledge the Marr Nations, the traditional custodians on Country. We recognise their continuing connection to land, waters and culture.

We pay our respects to their Elders past, present and emerging.

We acknowledge the opportunity this project offers to listen and engage with First Nations.



Contents/Agenda

Introduction

I / The Pillars

Warrnambool Art Gallery Vision

II / Site Analysis - Warrnambool

- Region
- Inner City
- Site Photographs
- Zoning

III / Site Analysis - Cannon Hill

- Planning Overlays
- Circulation
- Environmental Conditions
- Existing Conditions
- Aerial Study
- SWOT Analysis

IV / Brief & Functional Arrangements

- Opportunities of the Functional Brief
- Areas Schedule
- Functional Arrangement Plans
- Massing Studies & Sections

I / Introduction

This research study evaluates the opportunity for a new Warrnambool Art Gallery situated on Cannon Hill. Fjmtstudio have prepared this report for the Warrnambool City Council and in conjunction with RP Infrastructure.

The research study is informed by work undertaken during the feasibility phase and workshops directly with the WCC Project Control Group.

This study summarises and assesses the opportunity for the development of the new WAG on the Cannon Hill site.

Community Consultation to date on the project has identified a particular interest in:

- The gallery as a '*Keeping Place*'
- Sustainability initiatives to reduce energy consumption
- Safe parking for visitors with suitable coach and drop off zones

Cultural Engagement

Consultation with Eastern Marr Corporation occurred in the previous feasibility stage. The Concept Design phase is an opportunity for further engagement to inform the project. Whilst additional consultation did not form part of this study it responds to the strengths, constraints and cultural considerations raised:

- / *The Maar space is a strength of the Warrnambool Art Gallery and really important for Community.*
- / *The profile that the Gallery is building in the Aboriginal Community has increased and is considered a culturally safe place for the Aboriginal Community to visit.*
- / *It's a strength and very important to have Key Aboriginal stakeholders on the steering committee.*
- / *Maar Space and cultural gallery should be continued to new gallery.*
- / *Could be enhanced by promoting more Indigenous culture. This would increase tourism in the region.*
- / *Committee structure needs to continue into the new Gallery. Continue to enhance the working relationships and partnerships with Community.*
- / *The scope for the building needs to be culturally appropriate and respectful to the bio-diversity and landscape it sits in. The design and structure of the new gallery should reflect the landscape it sits within. (eg. Whale country, sea, landscape). Cultural reflection in a structural sense.*
- / *New Gallery should be a place of Aboriginal excellence – Maar Excellence – incorporated into the design.*
- / *It's important to have Aboriginal artefacts being displayed to showcase history and storylines. This creates awareness of history and culture, improves tourism and inspires the younger generation.*

Eastern Maar Aboriginal Corporation & Maar Steering Committee members
Conducted by Wan-Yaari Aboriginal Consultancy Services
18 May 2021



I / the Pillars - Project Vision

The Pillars

Warrnambool Art Gallery Vision

In support of the vision we reference the early pre-engagement workshop held by Council and WAG representatives which identified the project's four key pillars.

We propose further consideration of 'revenue streams' to keep in mind the financial potential offered by the project.

I — Collection

II — Contemporary Exhibitions

III — Indigenous Gallery

IV — Education Programme

V — Financial Opportunities

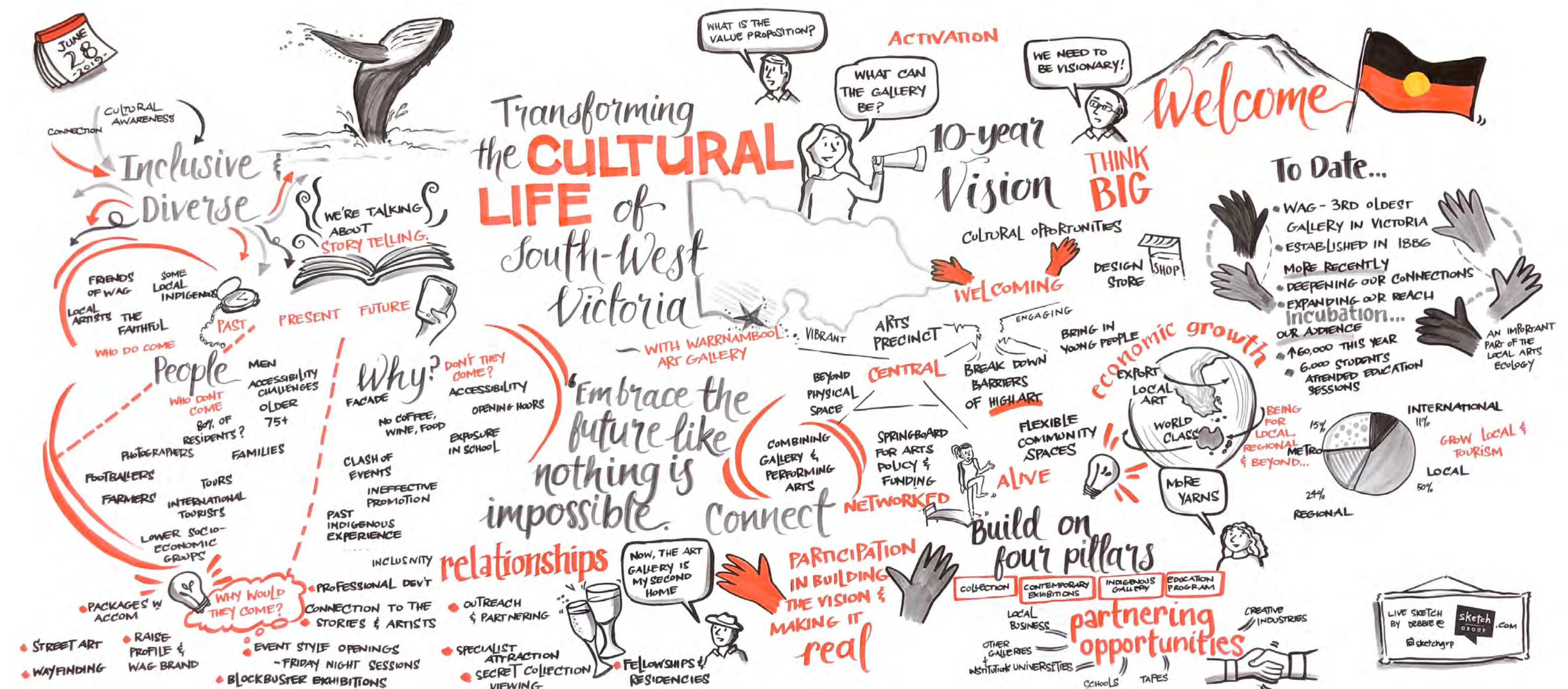


Image Credit: WAG Strategic Forum 28.6.19



II / Site Analysis - Warrnambool

Site Analysis - Warrnambool Region

Key Traffic Corridors

Legend

- Site Location
- Warrnambool - Inner City
- Warrnambool - Site (Cannon Hill)

- Major Arterial Road
- Train Line



Site Analysis - Warrnambool Region

Distances Bicycling

Legend

- Site Location
- Warrnambool - Inner City
- Warrnambool - Site (Cannon Hill)

Bicycling distance

- 5 MIN
- 10 MIN
- 20 MIN



Bus Infrastructure - Stops + Routes

IN

Site Analysis - Warrnambool Inner City

Distances Walking

Legend

- Site Locations
- Warrnambool - Inner City
- Warrnambool - Site (Cannon Hill)
- Train Line

Walking distance

- 5 MIN
- 10 MIN
- 15 MIN



REGION



INNER CITY



Site Analysis - Warrnambool Inner City

Key Views + Geography

Legend

- Site Location
- Warrnambool - Inner City
- Warrnambool - Site (Cannon Hill)
- Train Line





III / Site Analysis - Cannon Hill

Cannon Hill - Photographs



Cannon Hill - Planning Overlays

Local Zoning Areas

Legend

- Site Location
- Warrnambool - Inner City
- Warrnambool - Site (Cannon Hill)
- Train Line

Planning Scheme Zones

- PPRZ** - Public Park + Recreation Zone
- GRZ** - General Residential
- C1Z** - Commercial 1
- TRZ1** - State Transport Infrastructure
- PUZ1** - Public Use - Service + Utility
- PUZ2** - Public Use - Education
- PUZ6** - Public Use - Local Government



INNER CITY



SITE

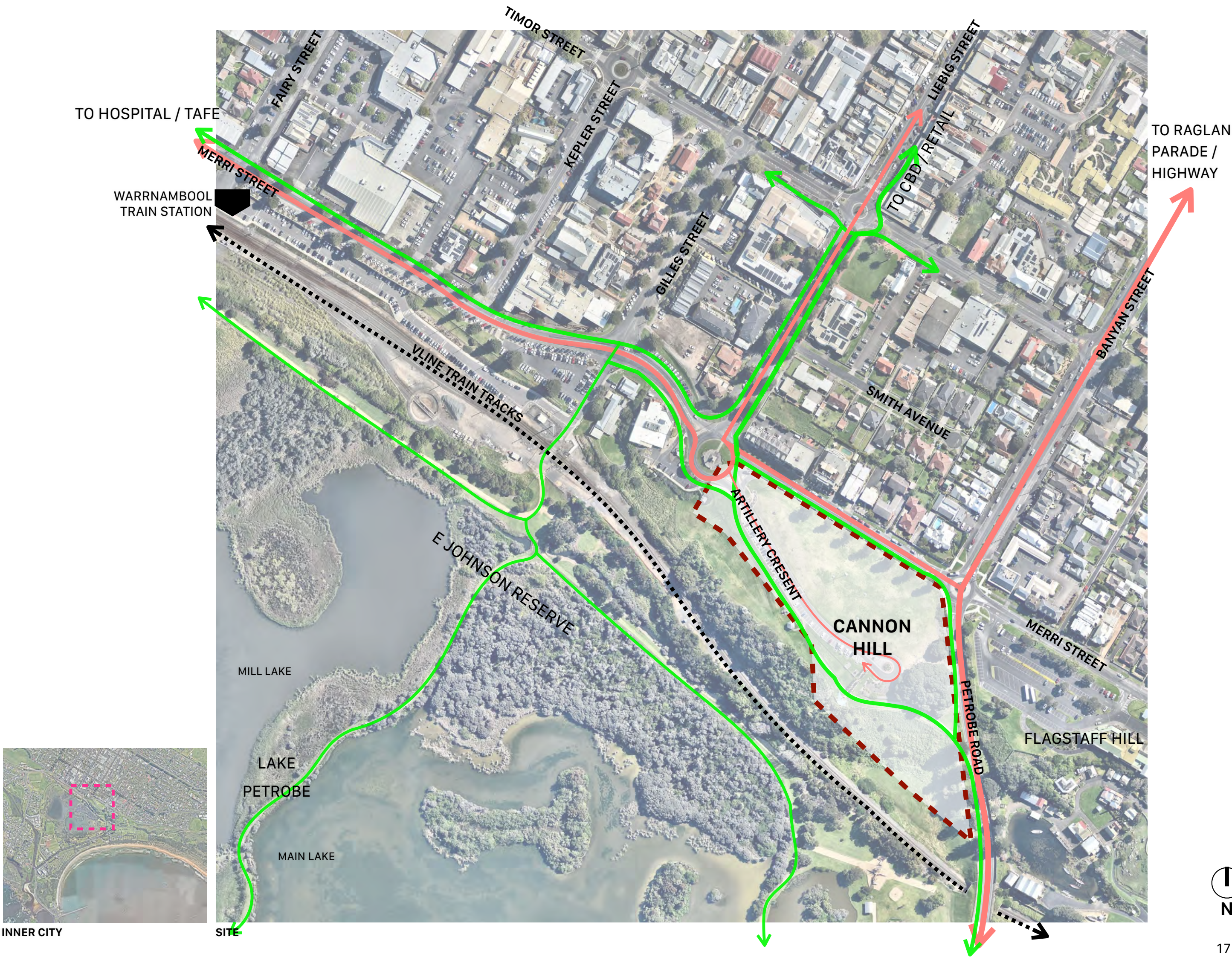


Cannon Hill - Circulation

Vehicular & Pedestrian

Legend

- Site Location
- Warrnambool - Inner City
- Warrnambool - Site (Cannon Hill)
- Train Line
- Traffic - Pedestrian / Cycling
- Traffic - Vehicular



Cannon Hill - Environmental Conditions

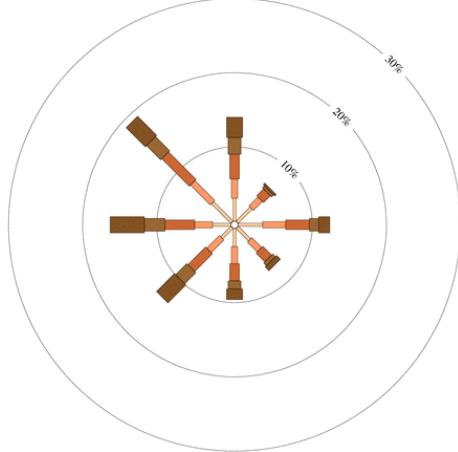
Solar, Wind, Key Levels

Legend

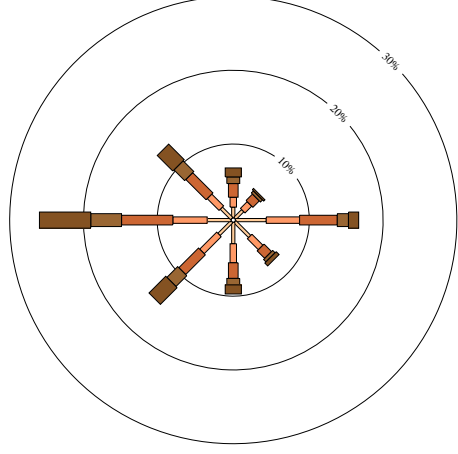
- Site Location
- Warrnambool - Inner City
- Warrnambool - Site (Cannon Hill)

Wind Rose
Cape Otway data 100km SE from Warrnambool

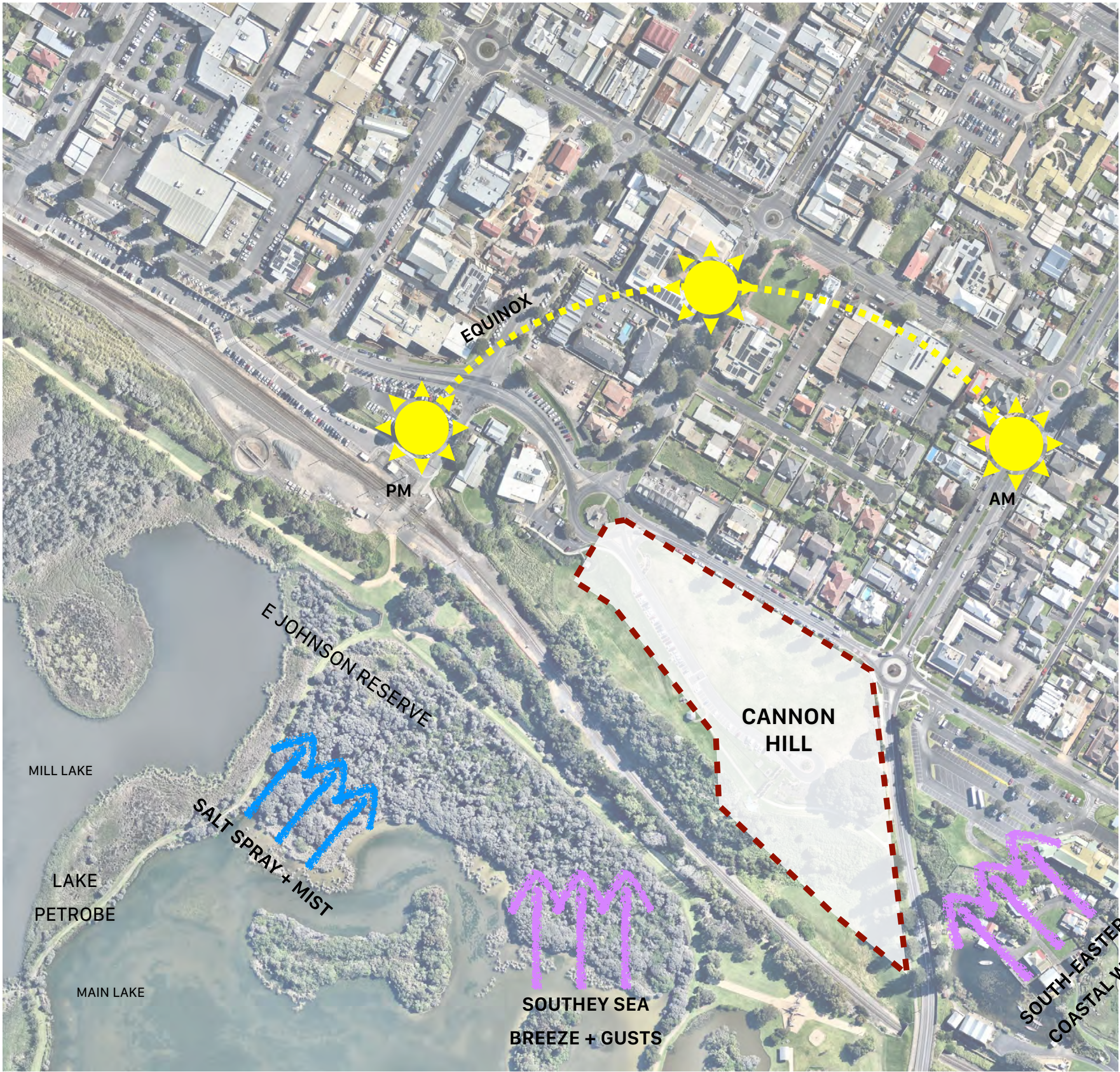
Annual - 9AM
Calm 2% of the year



Annual - 3PM
Calm 1% of the year



INNER CITY



SITE



Cannon Hill - Existing Conditions

Legend

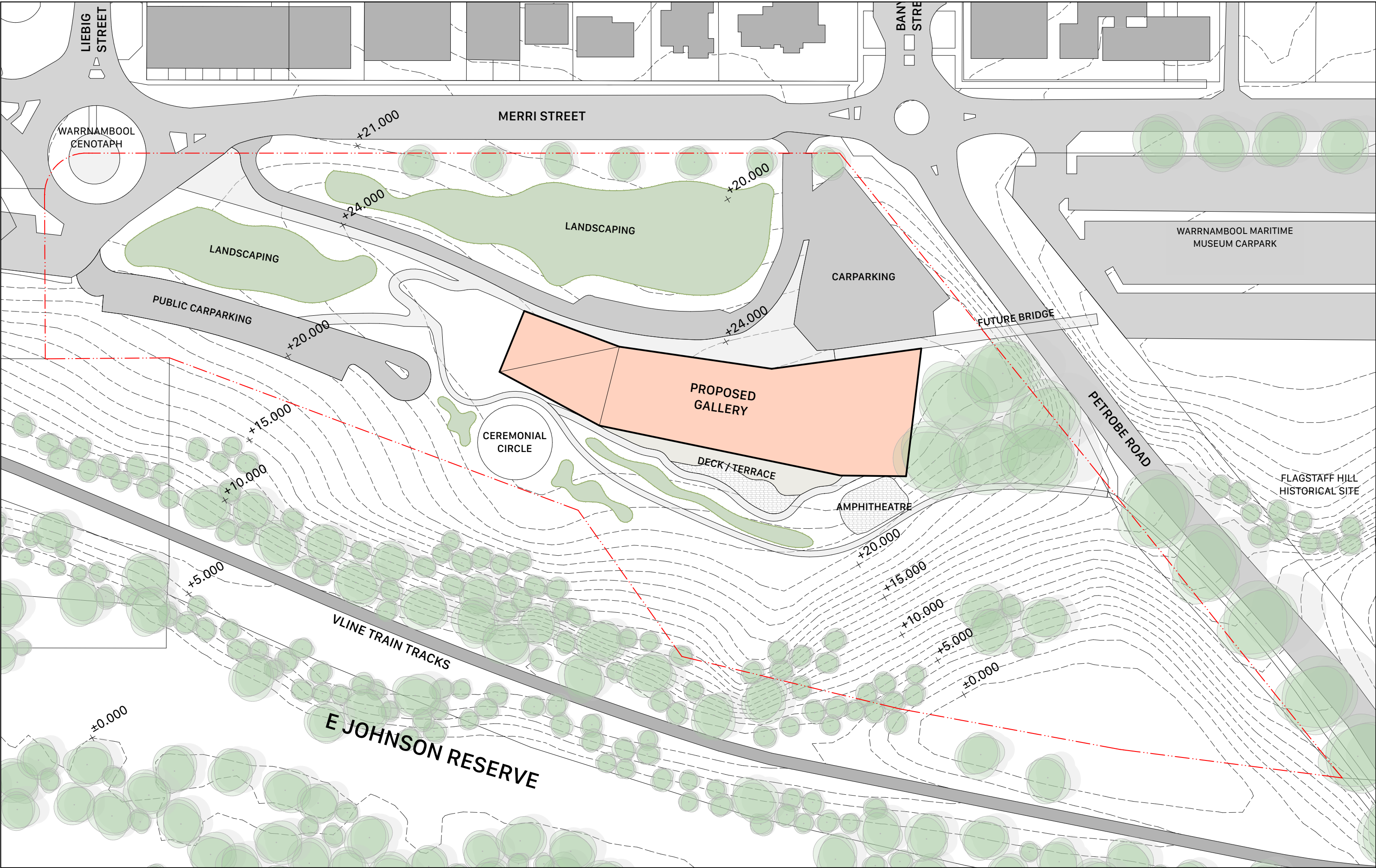
- Site Boundary
- Warrnambool - Site (Cannon Hill)



Cannon Hill - Aerial Study

Legend

- Site Boundary
- Warrnambool - Site (Cannon Hill)



Cannon Hill - SWOT Analysis

Strengths, Weakness, Opportunity, Threats

Strengths

- New Build
- Prominent / Iconic location - Platform for destination point
- Strong Opportunity for Traditional Owners engagement
 - Preferred site for Aboriginal Gallery
 - Rebalance colonial presence
 - Truth telling opportunity
 - Fresh Start
- Large Site
 - Multiple Siting options
 - Reasonable Site Access
 - Natural Landscape
- Cultural Centrepiece / Regional Landmark
 - City
 - Region
 - Proximity to Great Ocean Road
- Tourism
 - Extending the Great Ocean Road Experience. Enhancing Warrnambool on the tourism map
 - Capturing seasonal / costal traffic (Petrobe Road)
 - Destination experience / Attraction for city

“Open Air, Open Space, Seeing Country”
Aaron Bradbrook, Director WAG

Weaknesses

- Cost challenges -
 - Competition for funding from other projects
 - service connection(s) to site
 - Excavation / Geotechnical investigation required
 - Footings / Foundations
- Sensitivities
 - Locals - High level of concern to development loss of amenity / reduced access to the site and potential to block residents outlook
 - Traditional Owners - Extensive consultation required
 - Developing natural landscape
 - Limited natural green spaces in city centres
 - Developing the land is to be resolved in respect to the Council's Environment, Social and Governance (ESG) principles
 - Wider political pressures
- Site
 - No / limited existing in ground services / infrastructure
 - Land acquisition required
 - Geological composition unknown / challenging conditions
 - Topologically Challenging
 - Dedicated heavy vehicles bay
- Environment
 - Corrosion
 - Winds
 - Exposure

Cannon Hill - SWOT Analysis

Strengths, Weakness, Opportunity, Threats

Opportunities

- Landmark attraction
 - Cultural Centrepiece
 - Warrnambool
 - Region
 - Great Ocean Road destination
- Food + Beverages offerings
- Site opportunities
 - Traditional Owners space
 - Topological / Subterranean
 - Lookout
 - Tourist + Locals destination
 - Community Space
- Civic Green site
 - WAG remains operational in existing location until completion
 - Civic Green site returned to Warrnambool for alternative use

Threats

- Cost - exploratory investigations required to ground conditions
- Time - heavily dependent on above
- Consultation requirements that may impact delivery
 - Land acquisition
 - Traditional Owners
 - Infrastructure
 - Community
 - Regional
 - Others?
- Complexity
 - Infrastructure
 - No / limited existing in ground services and/or amenities
 - Potential replication of existing infrastructure
 - Site access
 - Train line setbacks
- Other Regional cultural hubs
 - Established
 - Future Proposed



Preliminary Area Schedule_Summary

		AREAS	+ 35% GROSS	% OF BRIEF	NOTES
1.0	External Spaces	963	-		Estimated from total GFA. External spaces excluded from total GFA
2.0	Front of House Spaces	607	819	26%	
3.0	Maar Spaces	315	425	14%	
4.0	Exhibition Spaces	655	884	29%	
5.0	Staff Spaces & Back Of House	719	971	31%	
	TOTAL ESTIMATED GFA	2,296	3,100		Excludes External Spaces

Preliminary Area Schedule - Return Brief

1.0	EXTERNAL SPACES					
1.01	External Space for Activities/ Public Art					Not able to be provided at existing site - assume occasional use of civic green
1.02	Amphitheatre					Not able to be provided at existing site
1.03	Coach Parking / Drop-off Bay					Not able to be provided at existing site
1.04	Car Parking					10 Spaces retained on existing carpark for use by WAG visitors, delivery, DDA
1.05	Public art-based playground					Not able to be provided at existing site
1.06	Public Screen					Mounted on Facade
1.07	Outdoor Seating / Undercover Area	40				Adjacent to entry and F&B Service
1.08	Observation Deck					Provided as internal space
1.09	Ceremonial Space	60				Adjacent to entry and Maar Nations spaces
	SUB TOTAL	100				
	GROSSING FACTOR 25%	25				Assume 25% for External Circulation Paths (exc. Roads)
	EXTERNAL SPACES TOTAL	125				

2.0	FRONT OF HOUSE SPACES	AREAS	CAPACITY	BRIEF	SQ.M. PER PERSON	NOTES
2.01	Arrival & Foyer	150				Includes entry airlock and main public entry to Maar Nation Interpretive gallery. Foyer to host gatherings, exhibition openings, and small concerts
2.02	Ticketing / Reception	12				Assume 2 Staff
2.03	Gallery Retail & Function Bar	25				Adjacent within foyer / Permanent Joinery for serving food and drinks
2.04	Seminar Space	90				Assume 25 - 30 person capacity. Co-locate with Bar. Av system and operable walls
2.05	F&B Service - Servery	40				Allow 60m2 at Existing Site - server for catering functions and meetings only
2.06	Bar - Level 1	30				Bar with adjacent BOH, Store, and servery
2.07	Visitor Amenities	30				Includes lockers, cloaking, school group bag store
2.08	Member & Volunteer Lounge / Teapoint	20				Accessible from foyer, also for use by FOH staff
2.09	Front of House Store	10				Cloaking, ticketing and retail store
2.10	Function Area	150				Flexible function space on level 1
2.11	Observation Area	50				Located internally on Level 1. Can be combined with function area
	SUB TOTAL	607	0	Capacity		
	GROSSING FACTOR 35%	212				
	FRONT OF HOUSE SPACES TOTAL	819				

Preliminary Area Schedule - Return Brief Cont.

3.0	MAAR SPACES	AREAS	CAPACITY	BRIEF	SQ.M. PER PERSON	NOTES
3.01	Entrance for Connected Outdoor Ceremonies	9				Direct access for outdoor ceremonies and entry for Maar meetings after-hours
3.02	Interpretive Materials Store	40				Specialist storage and managed access
3.03	Maar Nation Interpretive Gallery	200				Connected with Foyer
3.04	EMAC Workplace					Included and co-located with Staff Workspace
3.05	Conservation Room	24				Assume workshop space for 2 staff and storage
3.06	Meeting / Community Rooms	30				Assume 1 medium size room with access from public spaces
3.07	Teapoint	12				For staff and community use
	OPTIONAL SPACES					
3.08	Elder's Room	25				Intermediary space in support of Maar Nations Gallery
3.09	Artist in Residence	50				Multifunction space to house visiting researchers and artists
	SUB TOTAL (EXCL. OPTIONAL)	315	0	Capacity		
	GROSSING FACTOR 35%	110				
	MAAR SPACES TOTAL					

4.0	EXHIBITION SPACES	AREAS	CAPACITY	BRIEF	SQ.M. PER PERSON	NOTES
4.00	Collection Space Total	520				
4.01	Permanent Collection Gallery	200				Capacity to be interconnected for 400m2 major ticketed exhibition
4.02	Temporary Exhibition Gallery 1	100				Capacity to be interconnected for 400m2 major ticketed exhibition
4.03	Temporary Exhibition Gallery 2	100				Capacity to be interconnected for 400m2 major ticketed exhibition
4.04	Family Learning Centre (FLC) Gallery	120				Acoustic and visual screening from other public space (existing - 80m2)
4.05	FLC - Wet Space / Makers Space	40				Access from FLC Gallery and Indigenous Cultural Space
4.06	Project Space	55				Ground floor location and adjacent to FLC Gallery to allow flexible exhibition use
4.07	Crates, Chairs, Moveable Walls Store	40				Located adjacent to gallery spaces in BOH zone
	OPTIONAL SPACES					
3.08	Children's Gallery / Spaces	55				Supplementary acoustically separated space to corral children and school groups. Seperate space to maintain user experience for other visitors. Can also be used for bag storage & lunches.
	SUB TOTAL (EXCL. OPTIONAL)	655		Capacity		
	GROSSING FACTOR 25%	164				Assume 25% Grossing Factor for Exhibition Spaces
	EXHIBITION SPACES TOTAL	819				

Preliminary Area Schedule - Return Brief Cont.

5.0	STAFF SPACES & BACK OF HOUSE	AREAS	CAPACITY	BRIEF	SQ.M. PER PERSON	NOTES
5.01	Staff Workplace	100	10		10	Assume 8 WAG staff and 2 Maar staff @10m2 per person allocation
5.02	Office	24	2			Assume 2 enclosed offices
5.03	Conservation Room	48				With workbenches and plan drawers for print works
5.04	Staff Teapoint	12				Dedicated for staff use
5.05	Staff Meeting Room	15				Dedicated for staff use
5.06	Covered / Secure Loading Bay	60				Part external - assume Loading Bay for Medium Rigid Vehicle (TBC)
5.07	Crating / Unpacking Space	24				Connected to Loading Bay
5.08	Workshop	24				Framing, Carpentry, Painting
5.09	Visible Storage	100				Located to allow public access to viewing space
5.10	Secure Collection	240				Area allocation updated
5.11	Exhibition AV/ Comms	12				Specialised for digital exhibition content
5.12	Photovoltaic Battery Storage	20				Sustainability initiative
5.13	Waste	15				Gallery and F&B bins store
2.12	Function Space Store	25				Storage adjacent to Seminar Room to support functions
	NOT INCLUDED					
5.14	Substation / Main Switchboard	50				
	SUB TOTAL (EXCL. MAIN SWITCHBOARD)	719		Capacity		
	GROSSING FACTOR 25%	252				
	STAFF SPACES & BACK OF HOUSE TOTAL	971				

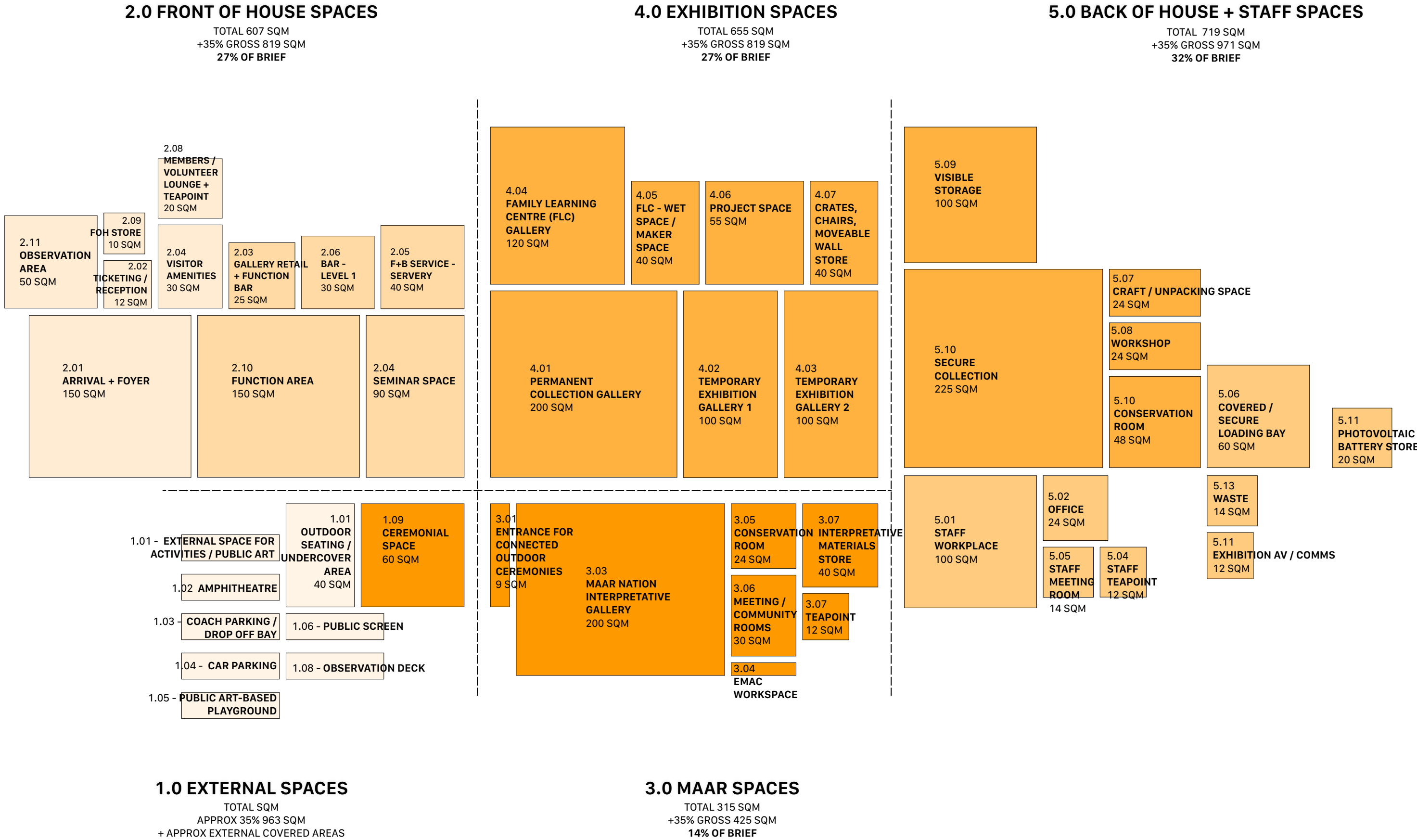
Note: Subject to further detail from Client /
User workshops and briefing Process

Preliminary Functional Brief

Area Schedule Visualisation

SUMMARY OF AREAS

		AREAS	+ 35% GROSS
1.0	External Spaces	963	-
1.1	Rooftop Photovoltaic Array	Refer Plans	Refer Plans
2.0	Front of House Spaces	607	819
3.0	Maar Spaces	315	425
4.0	Exhibition Spaces	655	819
5.0	Staff Spaces & Back Of House	719	971
	TOTAL ESTIMATED GFA	2,296	3,034



Preliminary Functional Brief

Area Schedule – External Covered Areas

For the purpose of this Preliminary Research Study we have allowed for the following:

Integrated to Building

/ North Entry / GF	50m2
- Roof extension)	
- assume 6.0m deep	
/ South Canopy / GF	900m2
- Roof extension)	
- assume 6.0m deep	
- assume full length of south facade	
/ West Entry Canopy / GF	120m2
- Roof extension)	
- assume 6.0m deep	
/ Covered Loading Dock / GF	50m2
/ Observation Deck / L1	100m2

Free standing External

Ceremonial Space / GF	100m2
-----------------------	-------

Green Roof

The area indicated in the massing renders as a green roof where the building is partially subterranean is approx 1,600m2.

Notes:

/ No allowance has been shown for bus or bike shelters or a porte cochere.

/ For review during Concept Design Phase:

- Advice has been provided that the conditions on site can be unsuitable for exposed viewing areas. Further investigation required.
- It should be assumed that the loading dock is a fully air conditioned and enclosed space. A secondary external covered area of 50m2 may also be required
- Ceremonial space to allow for perimeter canopy - will be subject to consultation

Opportunities of the Functional Brief

Maar Nations

- Elders’ Room
- Separate Women’s & Mens Business (access and privacy)
- Consultation required with Maar Nations to understand and develop space

Youth / Children’s Areas

- Orientation area for groups when entering (especially school groups).
Assists to provide an acoustic separation to others user experience
- Lunch area for school groups as would have brought own food

Revenue Opportunities

- Functions, retail / ticketing, cafe and bar areas
- Members Lounge
- Specific conference facilities excluded

Artist Studio

- Artist in residence
- Visiting Researchers



Siting of the building mass on Cannon Hill

Key drivers behind the location shown in the research study:

The form uses the natural contours of the Cannon Hill site to sit into the landscape. This would assist to reduce the visual building mass from Merri Street.

The levels that have been considered seek to blend the pedestrian walkways from Liebig Street and Petrobe Road connecting across a southern terrace. This will vary dependent on how deep the building is inset into the hill. The intention would be to minimise interference with the natural ground planes, which would be environmentally more appropriate, whilst also providing less interference with the overland flow

Setting the building back from the Petrobe Road cutaway has multiple benefits

- avoids the steep drop in the site down to the east
- reduces the necessity for expensive cantilevers or visible piling structures to support the larger section of the building
- allows the building space to breathe independent from the edge of the site
- creates a visual barrier from the Flagstaff Hill Maritime Village. This will become more important once engagement with the Maar Nations begins during the concept phase in recognition of the fresh start opportunity mentioned in the Feasibility discussions prior to this research project.

Massing Study

Clarifications and Assumptions

1 / Artist impressions following test building massing within the site context and are indicative only

2 / Concept Design is a future phase which would be progressed in conjunction with external stakeholder consultation

3 / Site survey and assessment of ground conditions are required to determine viability of siting and section study options included within this report

4 / Massing represented assumes that site conditions can accommodate building set downs indicated and are subject to cost analysis

5 / Massing renders assume a single storey facility

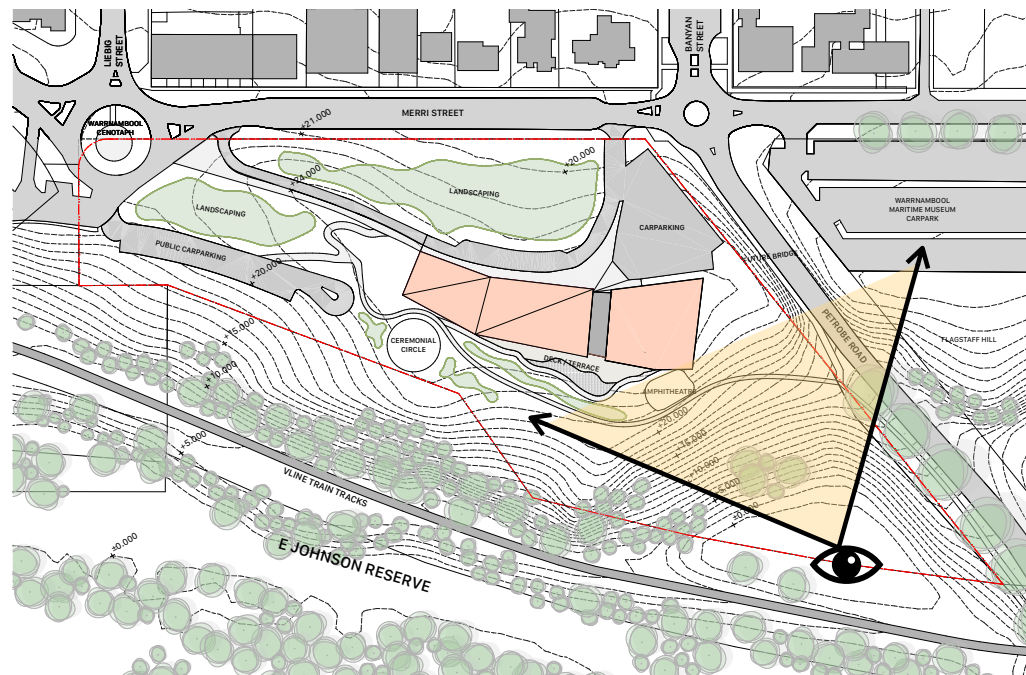
6/ Functional arrangement plans assume a double storey configuration set into the ground

Massing Study 01

View 01

Impact of building to residents mitigated by:

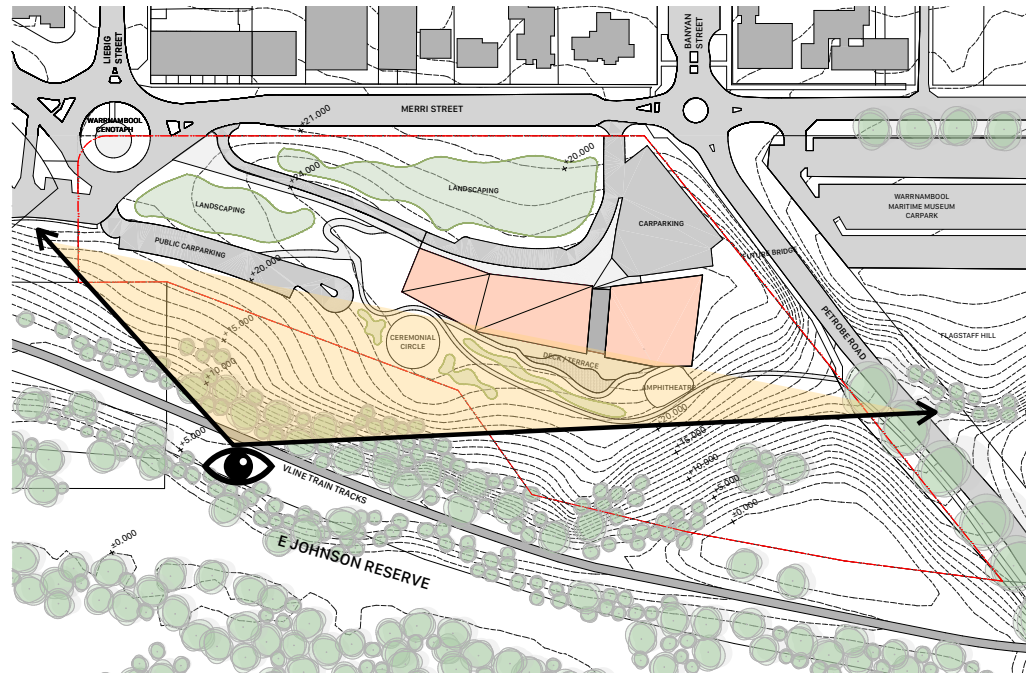
- Single storey mass represented
- Minimal set down into landscape (Subject to Geotechnical Conditions)
- Integration of massing to landscape using a green roof for partial cover
- Reduce building height where possible in supporting non-gallery spaces to minimise amount of area above ground
- Consider separate parking for Cannon Hill observation and the gallery subject to traffic engineering (image shows approx. 50% of current parks for the observation area)



A — Single storey on crest of hill

Massing Study 01

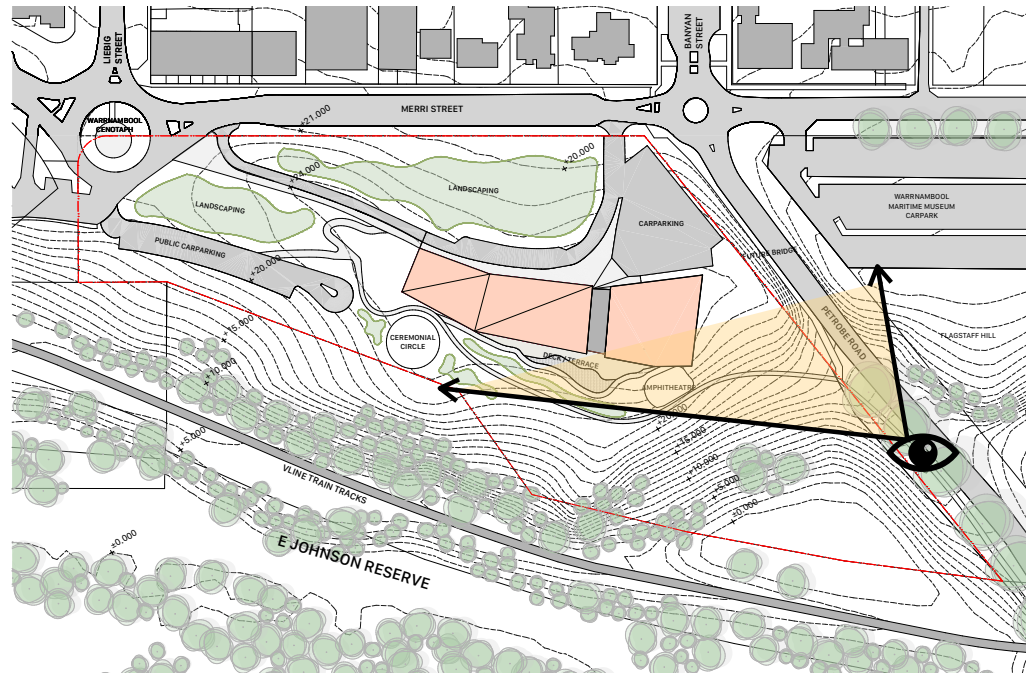
View 02



A — Single storey on crest of hill

Massing Study 01

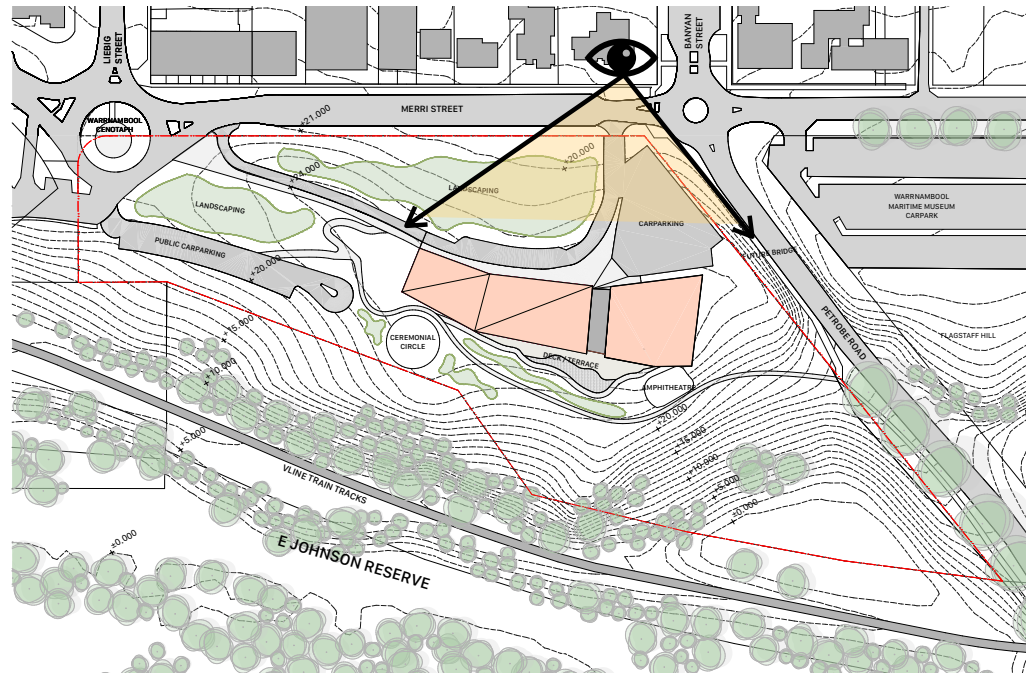
View 03



A — Single storey on crest of hill

Massing Study 01

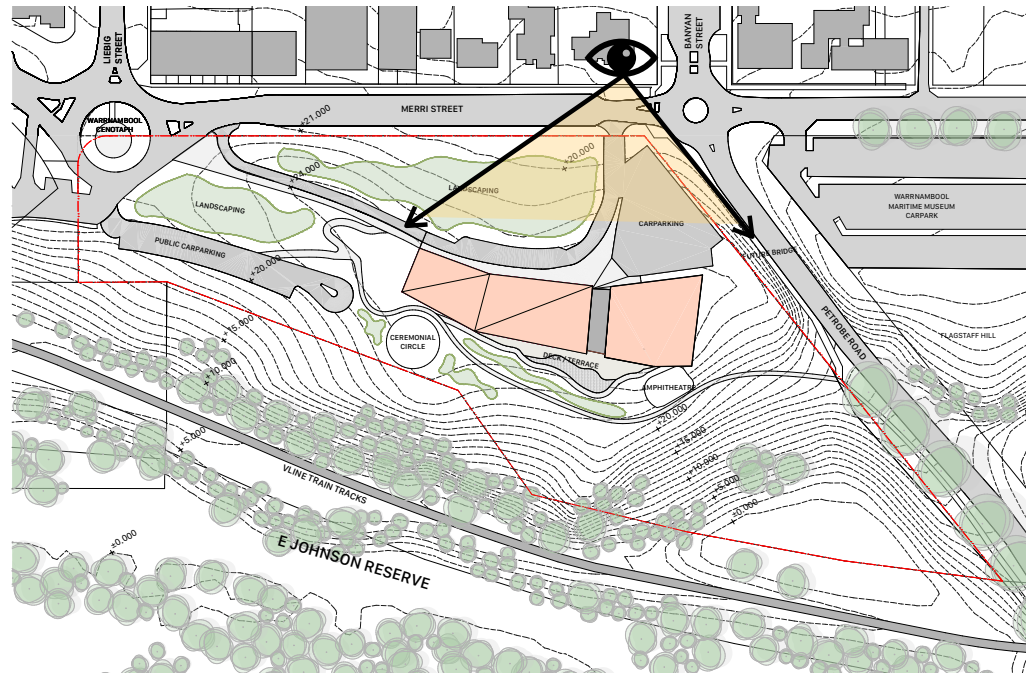
View 04a_Roof Option 01



A — Single storey on crest of hill

Massing Study 01

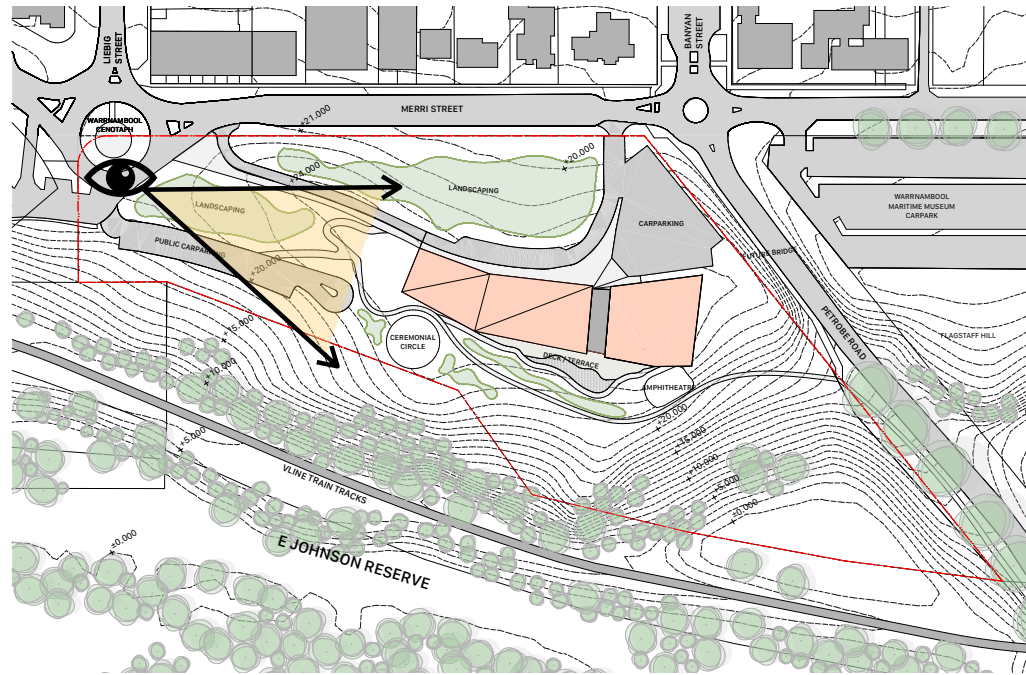
View 04b_Roof Option 2



A — Single storey on crest of hill

Massing Study 01

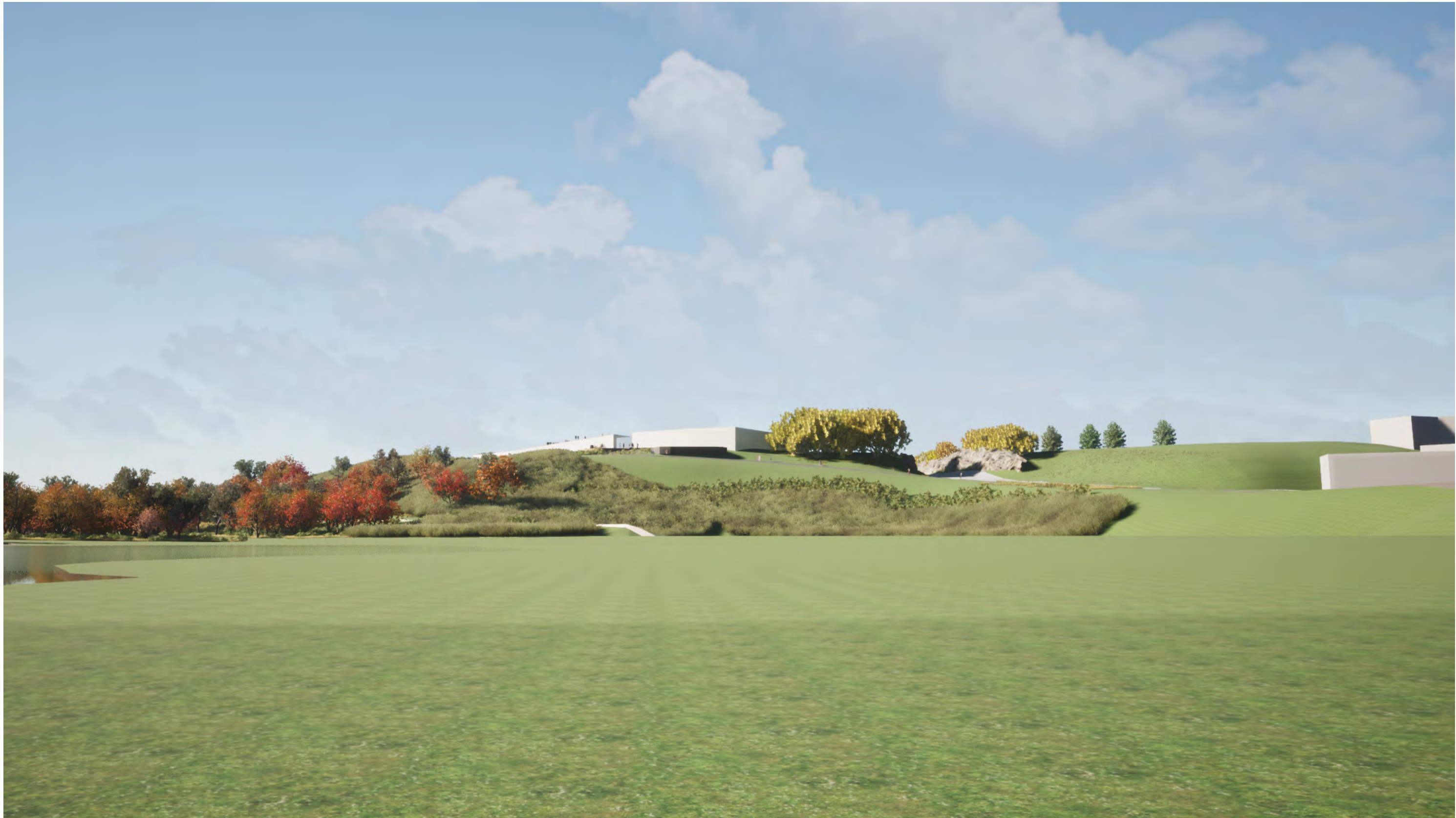
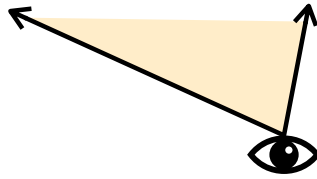
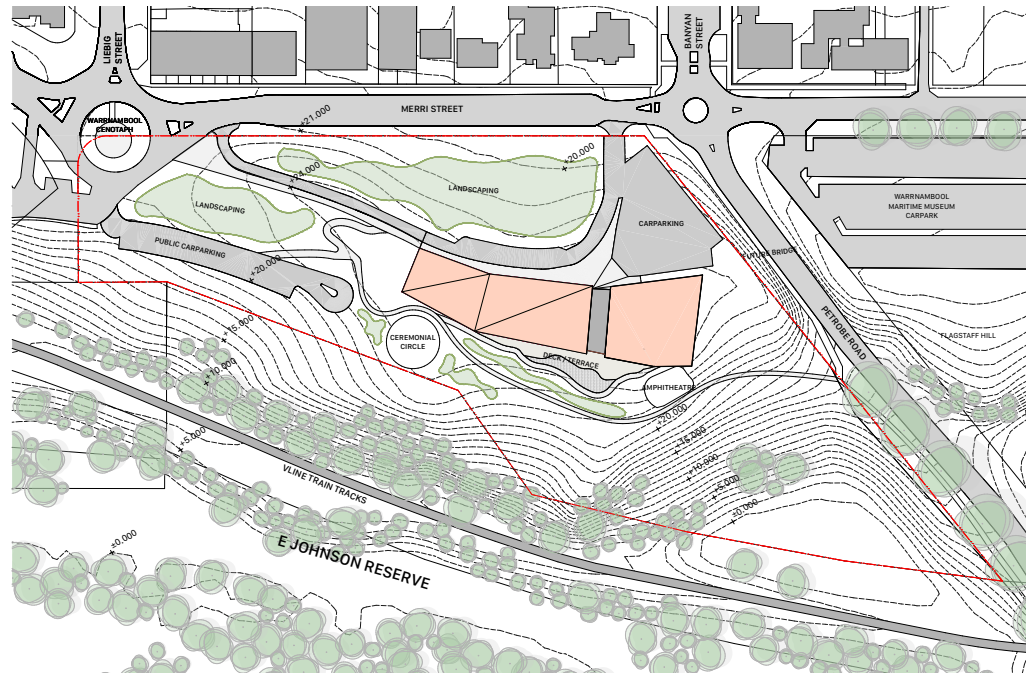
View 05



A — Single storey on crest of hill

Massing Study 01

View 06



A — Single storey on crest of hill

Massing Study 01

View 07



A — Single storey on crest of hill

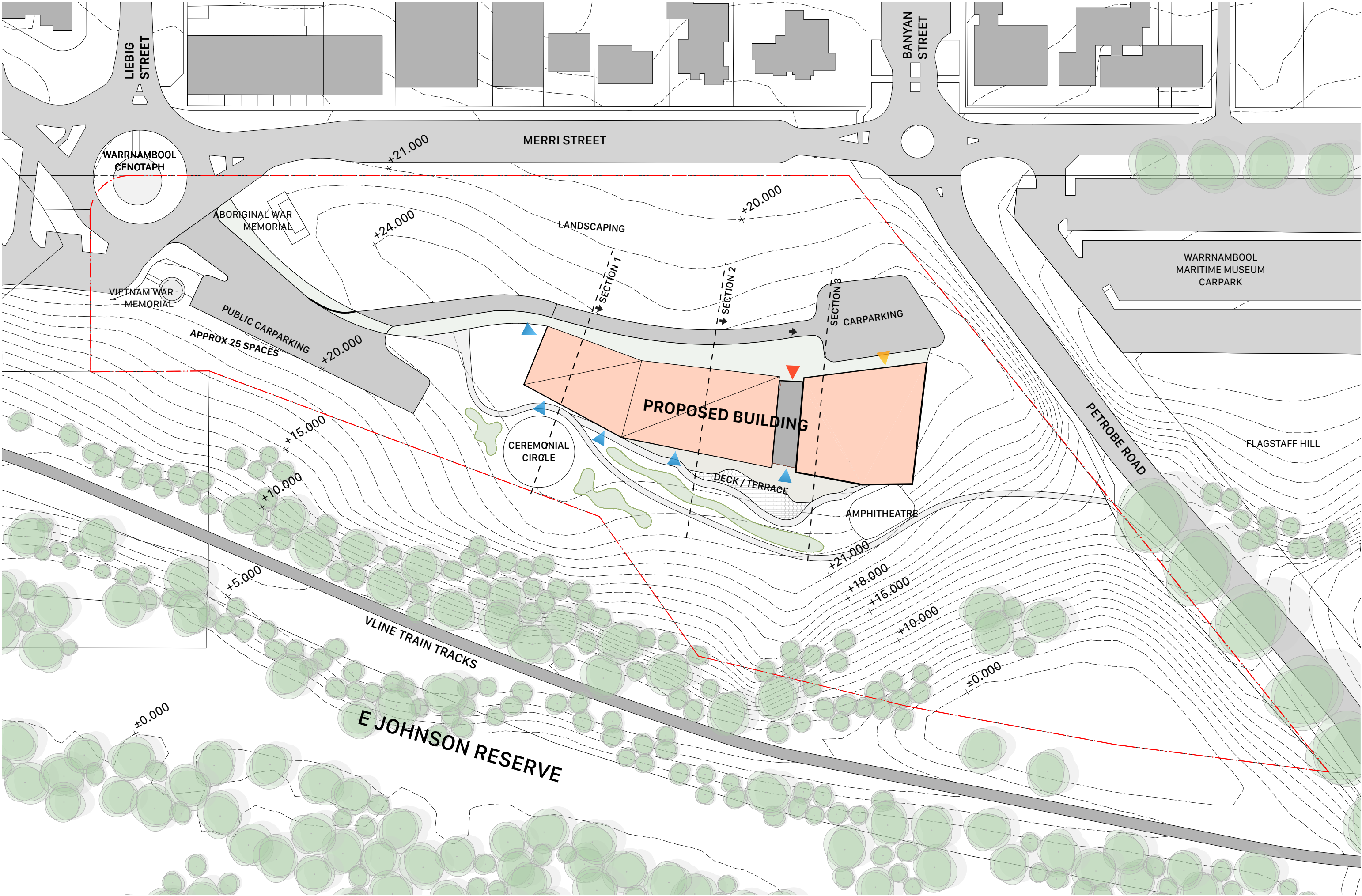
Massing Study 01

Sections

Legend

- Site Boundary
- Main Entry
- Discretionary Entry
- Back of House / Service Entry

Note: Levels are approximate and subject to land survey

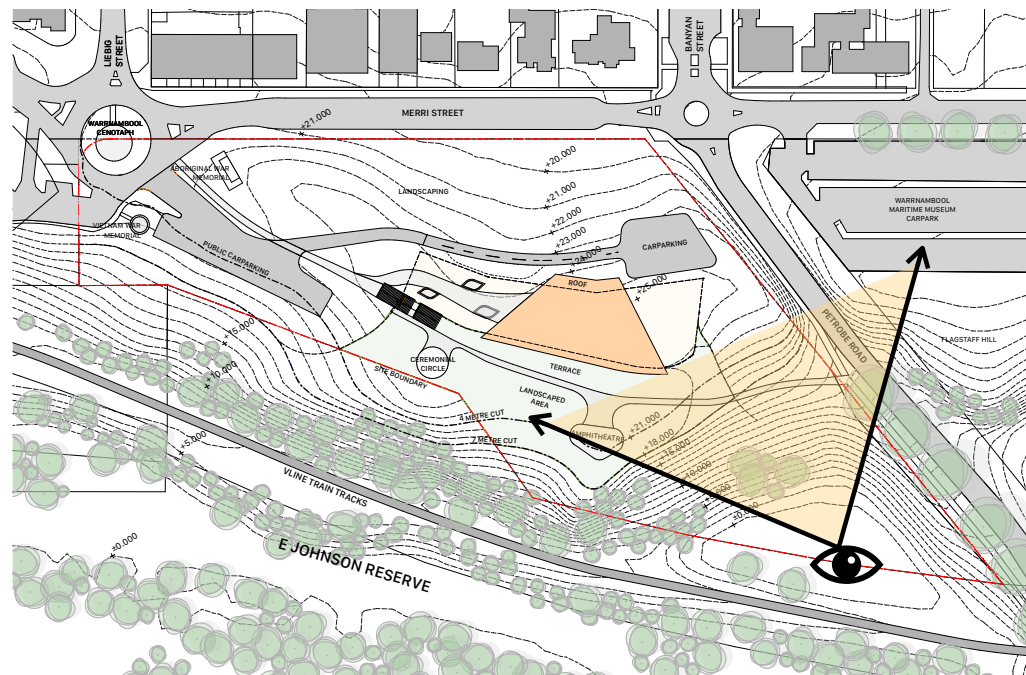


Massing Study 02

View 01

Impact of building to residents mitigated by:

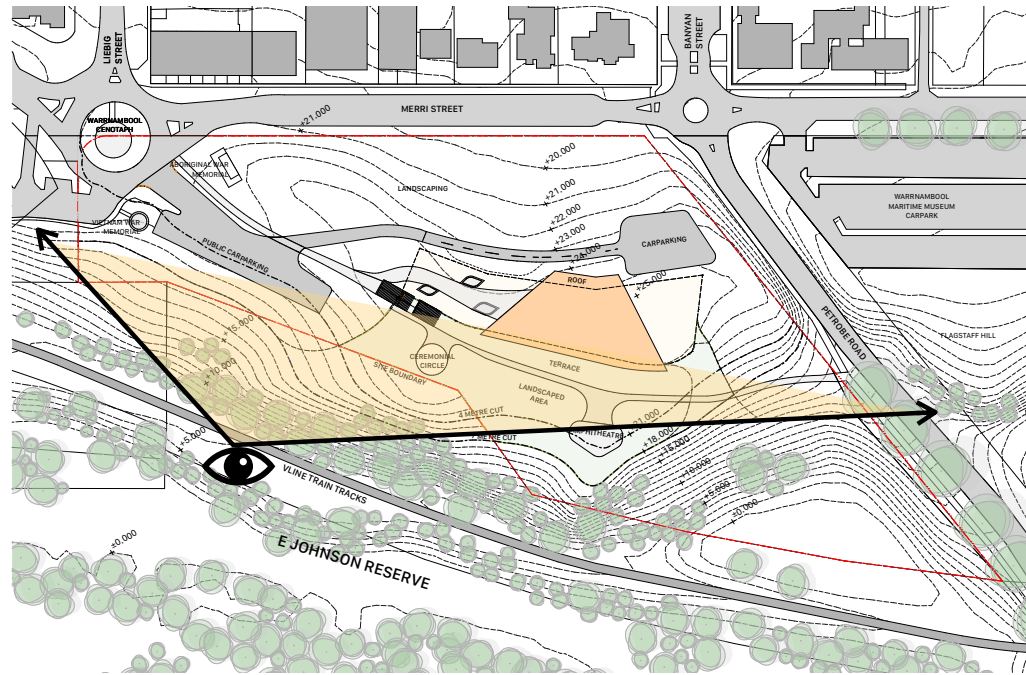
- Single storey mass represented
- Building immersed into landscape (7 metres)
(Subject to Geotechnical Conditions)
- Integration of massing to landscape using a green roof for building cover & low profile roof for additional internal height
- Reduce building height where possible in supporting non-gallery spaces to minimise amount of area above ground
- Consider separate parking for Cannon Hill observation and the gallery subject to traffic engineering (image shows approx. 50% of current parks for the observation area)



A — Single storey immersed into hill

Massing Study 02

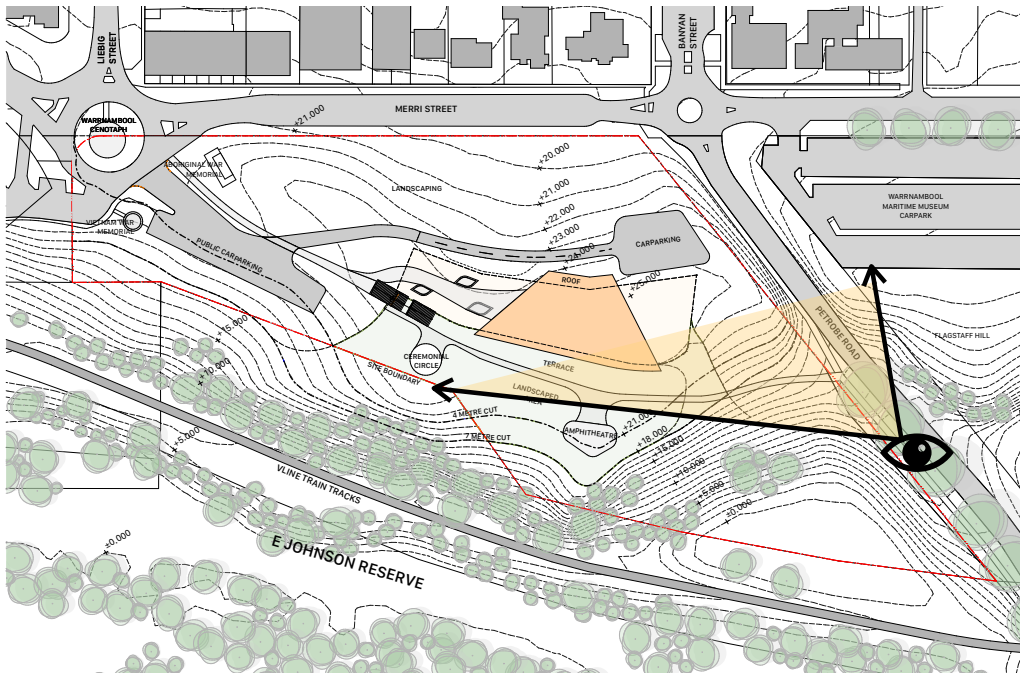
View 02



A — Single storey immersed into hill

Massing Study 02

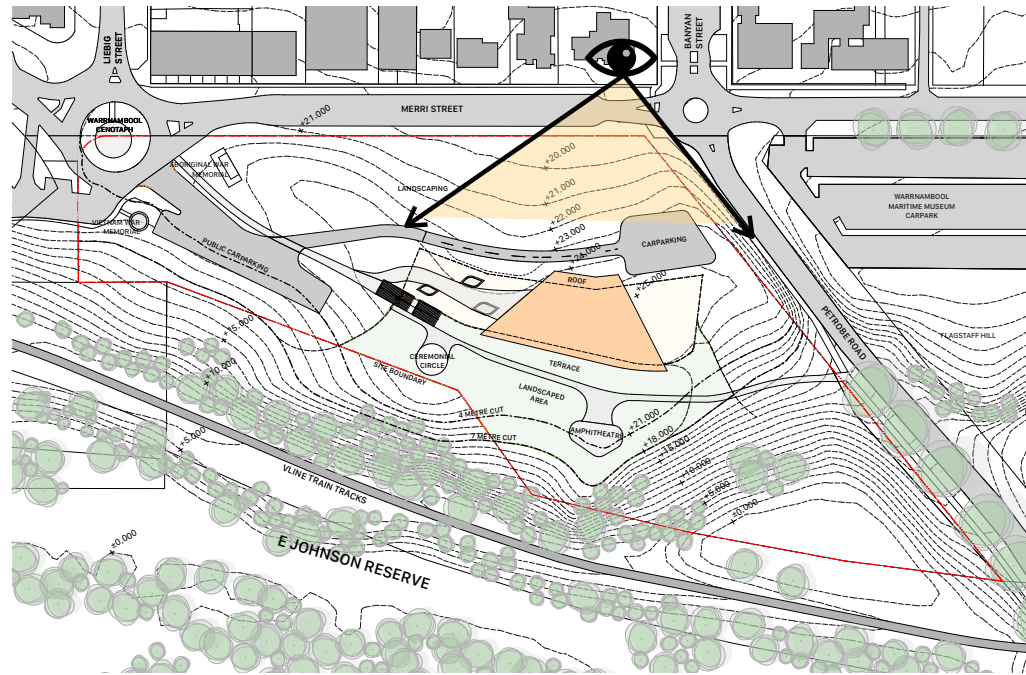
View 03



A — Single storey immersed into hill

Massing Study 02

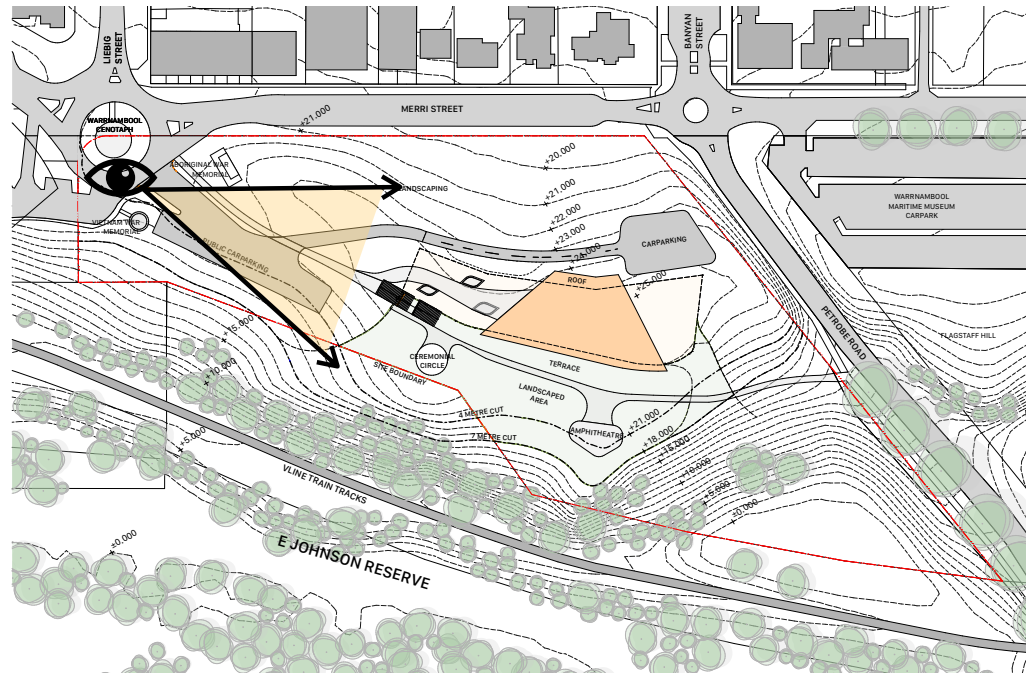
View 04



A — Single storey immersed into hill

Massing Study 02

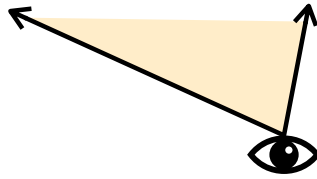
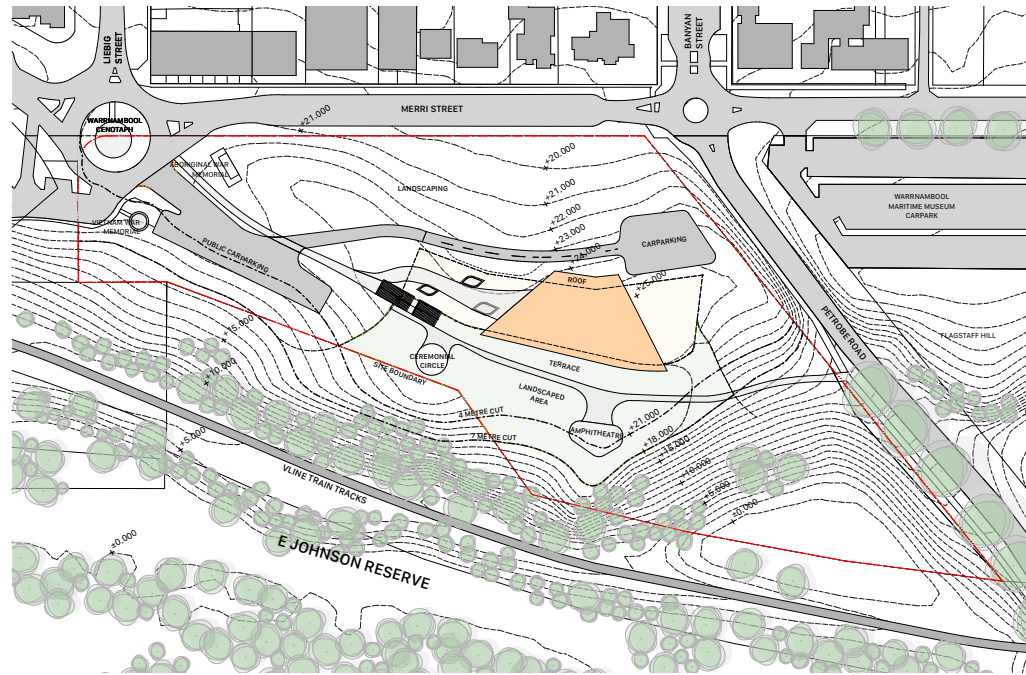
View 05



A — Single storey immersed into hill

Massing Study 02

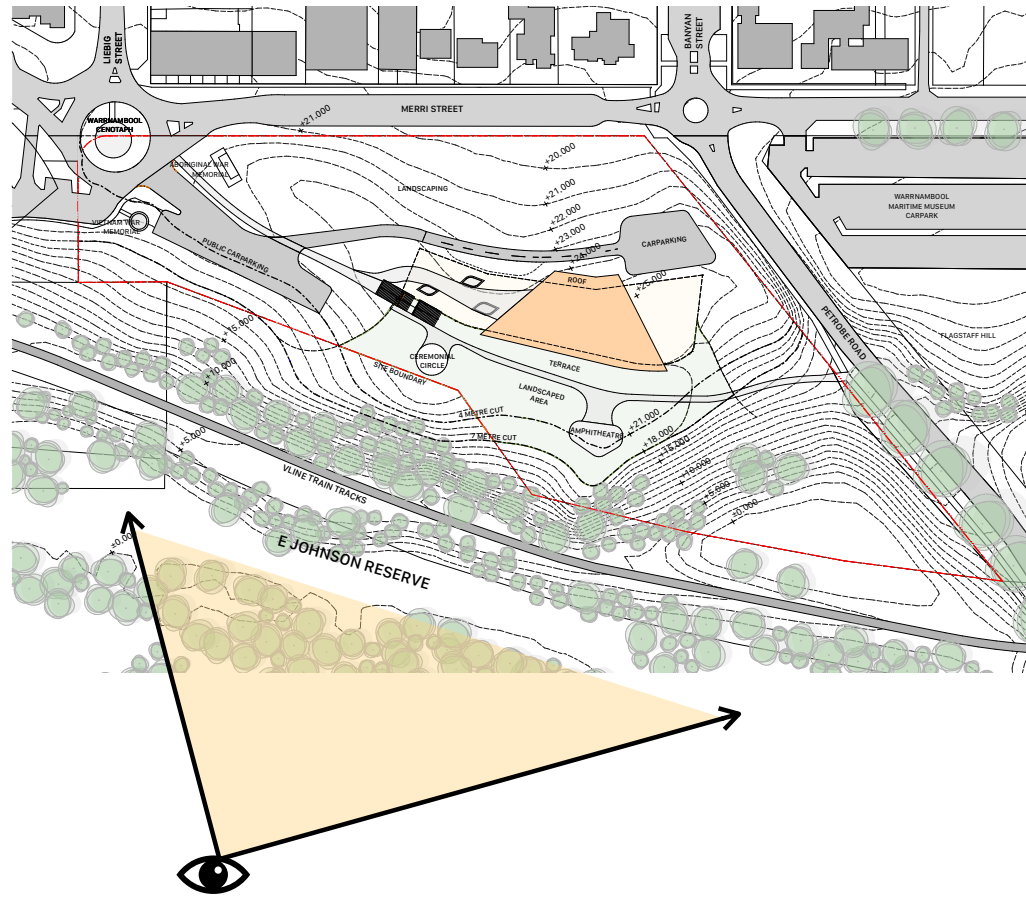
View 06



A — Single storey immersed into hill

Massing Study 02

View 07



A — Single storey immersed into hill

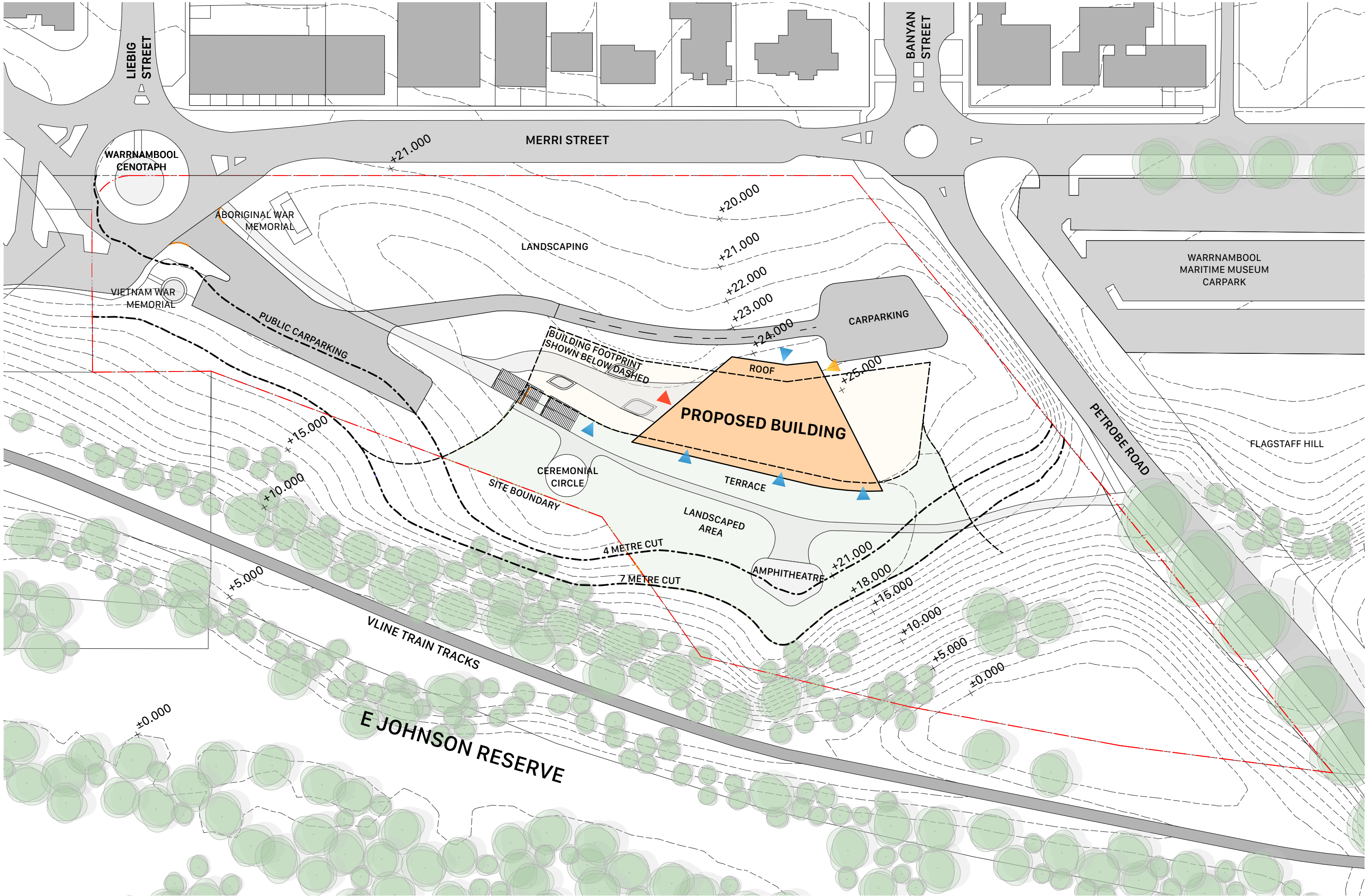
Massing Study 02

Plan - Site

Legend

- Site Boundary
- Main Entry
- Discretionary Entry
- Back of House / Service Entry

Note: Levels are approximate and subject to land survey



Massing Study 02

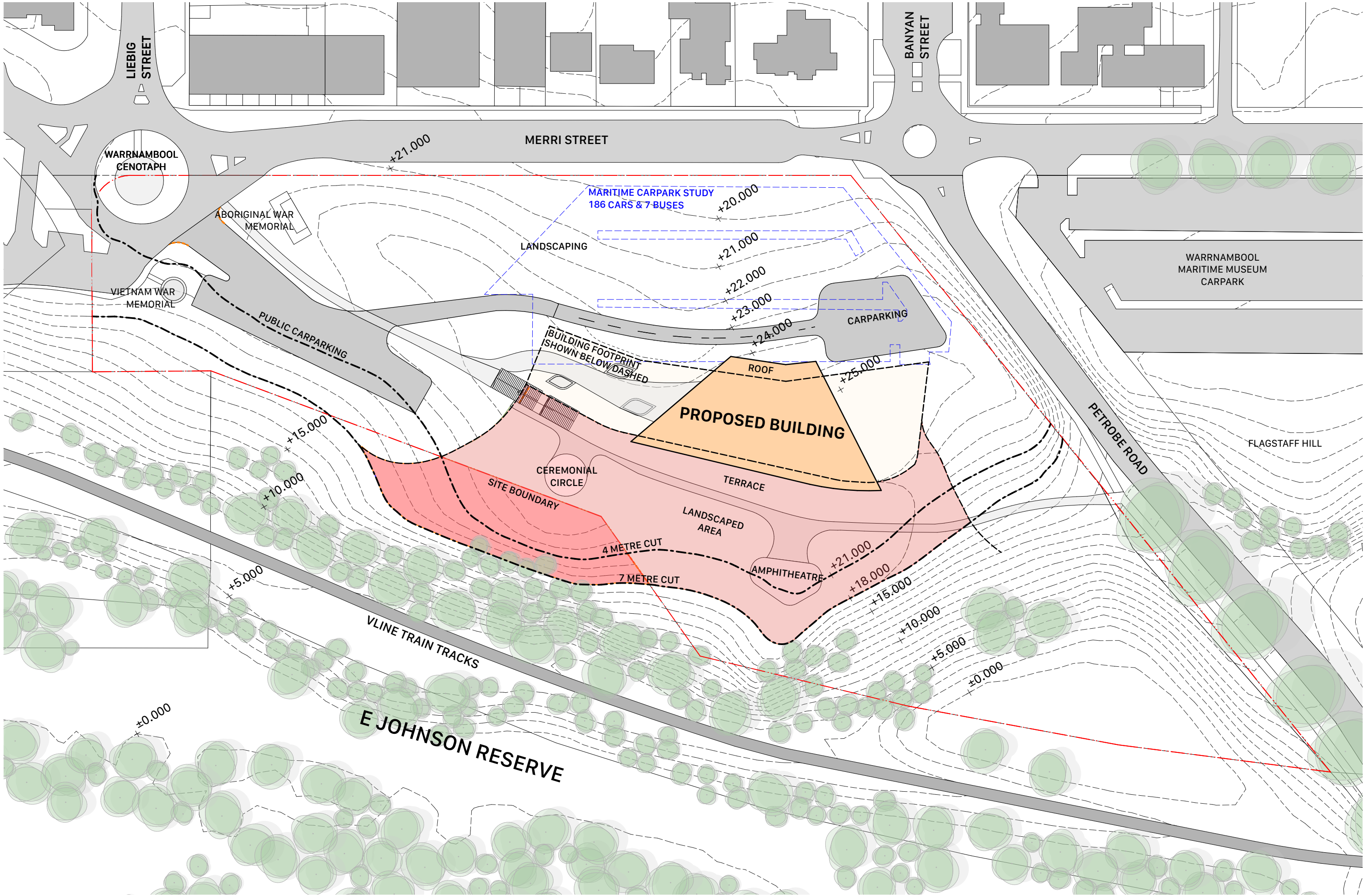
Extent of Excavation

Legend

- Site Boundary
- Excavation within site boundary
- Potential Excavation outside of site boundary
- Adjacent maritime carpark

Note:

- Levels are approximate and subject to land survey
- Adjacent Maritime Carpark shown dashed in blue for comparative purposes
- Car parking shown on Cannon Hill site approximately equates to existing quantity



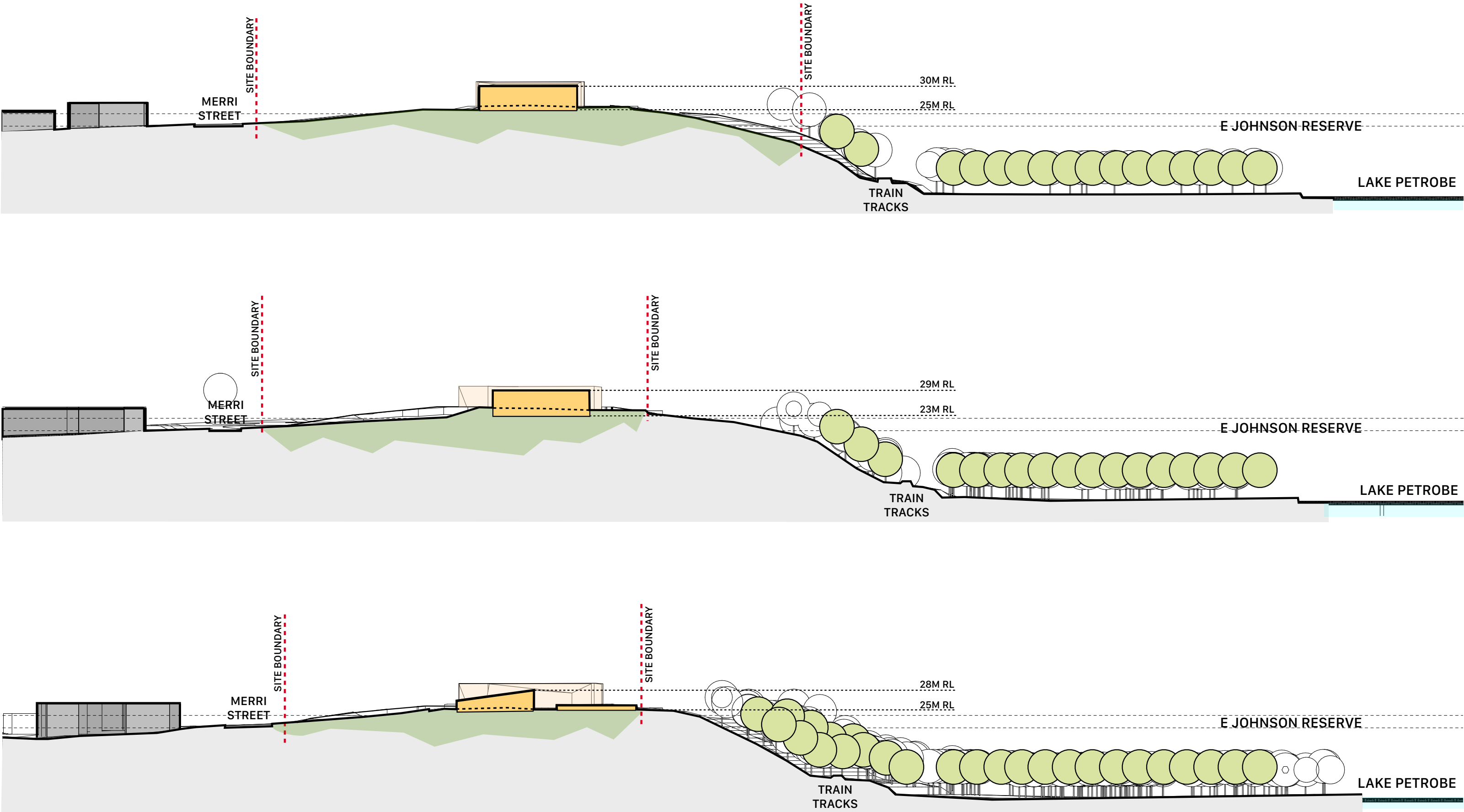
Massing Study

Sections

Legend

- Site Boundary
- Warrnambool - Site (Cannon Hill)
- Site Cut

Note: Diagrams are approximate massing heights & Indicative



Massing Study

Section - Options

Legend

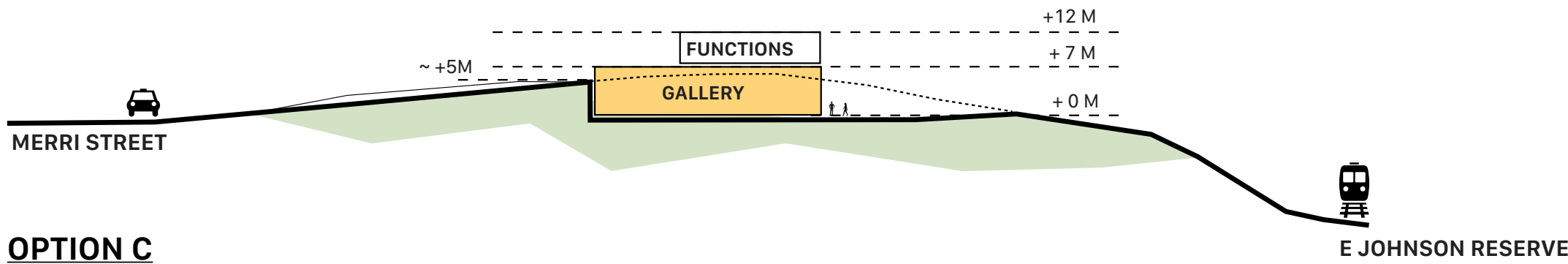
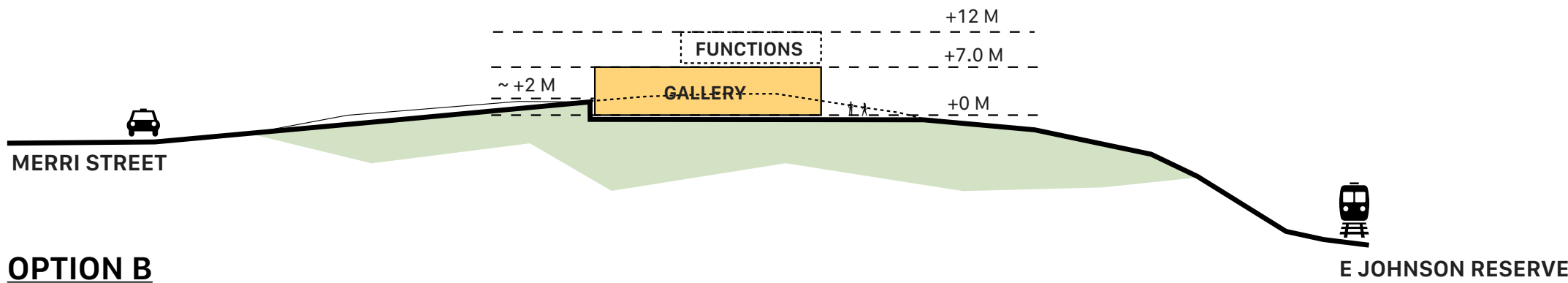
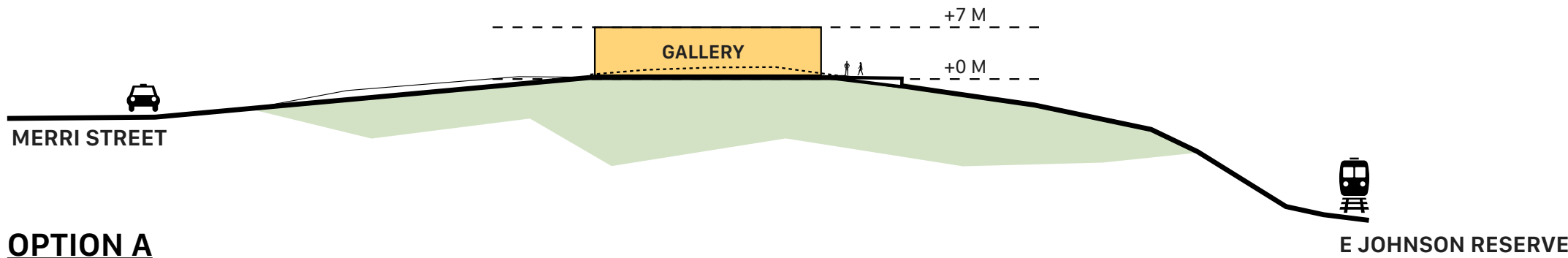
- Building Mass
- Site Cut

Massing Options

- A** — Single storey on crest of hill
- B** — Single storey set down approximately 2.0 metres from crest of hill. Optional reduced footprint + Level 1 functions & observation area visible on crest of hill
- C** — Double storey - refer Functional Arrangement Plan. Ground Floor set into hill. Level 1 reduced footprint for function & observation areas visible on crest of hill

Massing Parameters

- Galleries to allow clear internal space of 5.0m
- Green roof over galleries to allow for structural span and loading to gallery approx. 1.5m + 0.5m for planting
- Storage area clear internal space approx. 5.0m to match galleries
- Option B & C - Additional storey for functions area would increase building height approx. 5.0m
- Supporting areas can have lower ceilings
- Massing diagrams and sections are indicative only and subject to land survey, geotechnical and supporting technical consultation to confirm assumed parameters



Functional Arrangement Plans

Clarifications and Assumptions

- / Massing diagrams suggest opportunity for visitor arrival as welcoming and provide natural way finding and orientation indicated with a glazed insertion
- / The south terrace offers points of connectivity to areas in the brief such as a retail space, café, information and ticketing, visitor amenities, pop up retail capability, interactive space, an orientation room for school groups, and a strong frontage and presence to visitors approaching from the Great Ocean Road along Petrobe Road.
- / The arrangement of semi-permanent galleries and permanent exhibition room can support a range of special exhibitions and form the central component to how the project plan could be developed. A repetitive gallery infrastructure will support the exhibition designs flexibility for a range of artist disciplines.
- / Consultants will be required to confirm the site viability including Geotech, site survey, landscape and arbortist, existing infrastructure information and provide clarity on the statutory approvals process.

Preliminary Functional Arrangement Plans

Legend

- Collection Storage + Conservation
- WAG Exhibition Spaces
- Maar / First Nations
- Functions / F + B
- Outdoor
- Staff Spaces
- Amenities
- Plant
- Additional Briefed Areas
- Circulation / Access

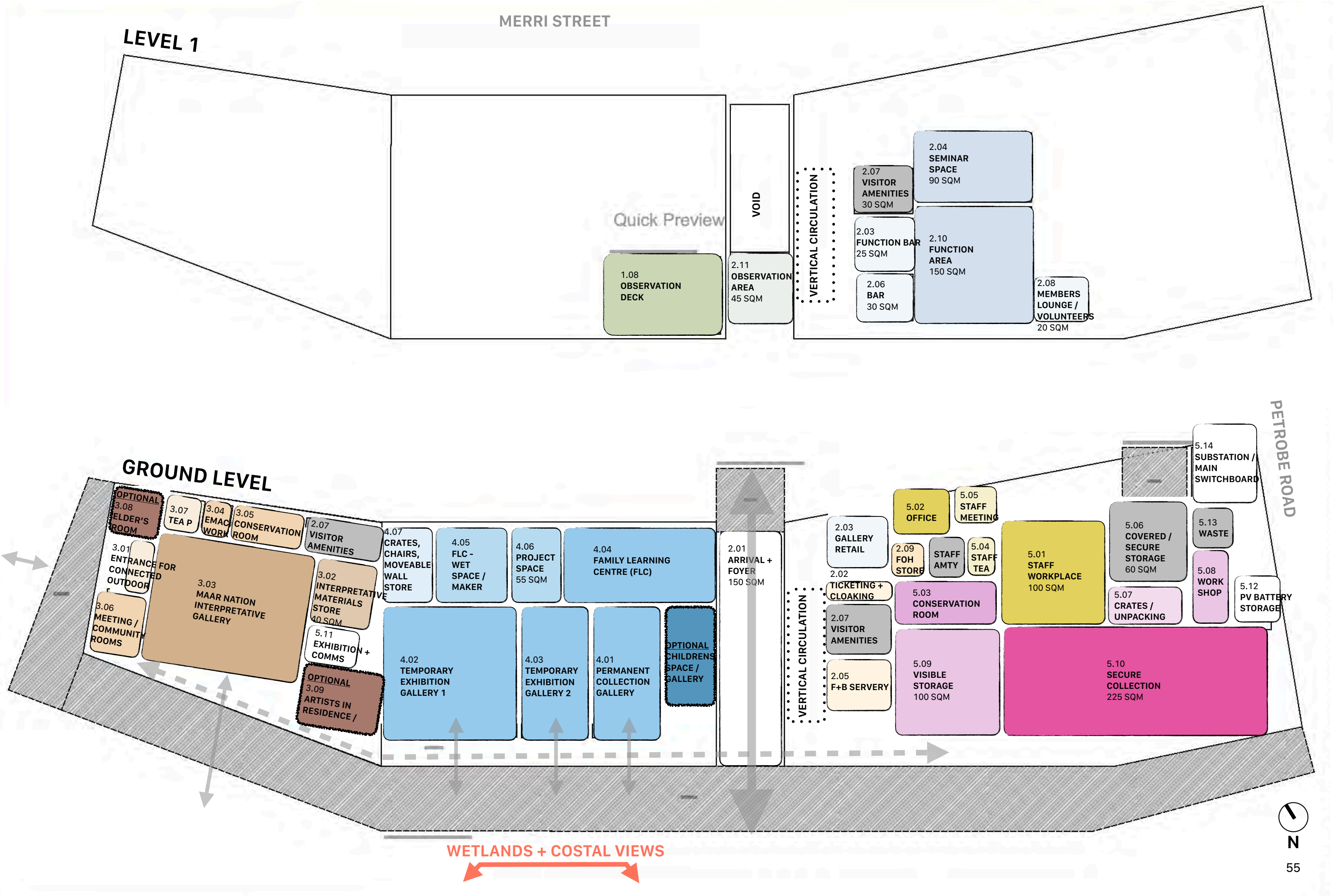
Outdoor Spaces

- 1.01 EXTERNAL SPACES
- 1.02 AMPHITHEATRE
- 1.03 COACH PARKING / DROP OFF BAY
- 1.04 CAR PARKING
- 1.05 PUBLIC ART BASED PLAYGROUND
- 1.06 PUBLIC SCREEN
- 1.07 OUTDOOR SEATING / UNDERCOVER AREA
- 1.09 CEREMONIAL SPACE
- External Covered Areas

Notes

- 1 / Relationship diagram is indicative of co-located functional areas and adjacency
- 2 / Areas are approximate. Design development in future stages will confirm grossing allowances for Structure & Services
- 3 / Grossing allowance of 35% to galleries
- 4 / Grossing allowance of 25%
- 5 / Entry options to Maar Nations gallery and supporting spaces to consider separate access for Women or Men. Consultation required with Maar Nations.

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Functional Arrangement Axo

Legend

- Collection Storage + Conservation
- WAG Exhibition Spaces
- Maar / First Nations
- Functions / F + B
- Outdoor
- Staff Spaces
- Amenities
- Plant
- Optional Spaces
- Circulation

Notes

- 1/ Diagrams and areas are approximate only
- 2 / Floors in diagram have been separated for clarity and are for visual purposes only.
- 3 / Height between floors estimated as 5.0 - 7.0 metres.



fjmtstudio

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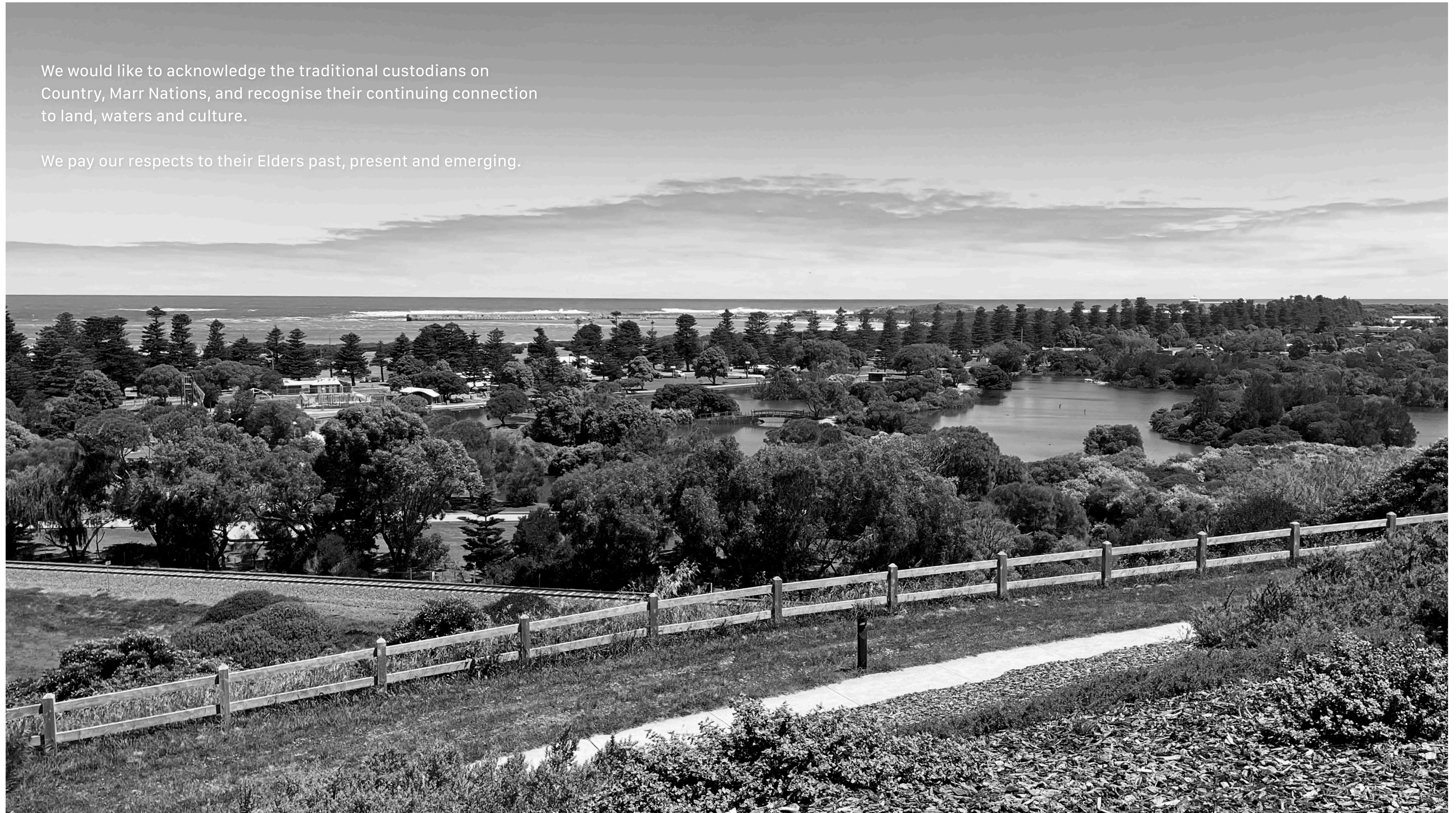
Francis-Jones Morehen Thorp Pty Ltd ABN 28 101 197 219
Nominated architects Richard Francis-Jones ARBNSW 5301, ARBVIC 15505
Elizabeth Carpenter ARBNSW 6141
Francis-Jones Morehen Thorp Ltd Company no 7384142 ARB 078103G

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We would like to acknowledge the traditional custodians on Country, Marr Nations, and recognise their continuing connection to land, waters and culture.

We pay our respects to their Elders past, present and emerging.



Benchmarking Selected Projects

- / Auckland Art Gallery | Toi o Tāmaki, Auckland New Zealand
- / Auckland War Memorial Museum | Te Ao Mārama, Auckland New Zealand
- / Port of Sale Cultural Hub Sale VIC
- / Bunjil Place Narre Warren VIC
- / TMAG Hobart TAS

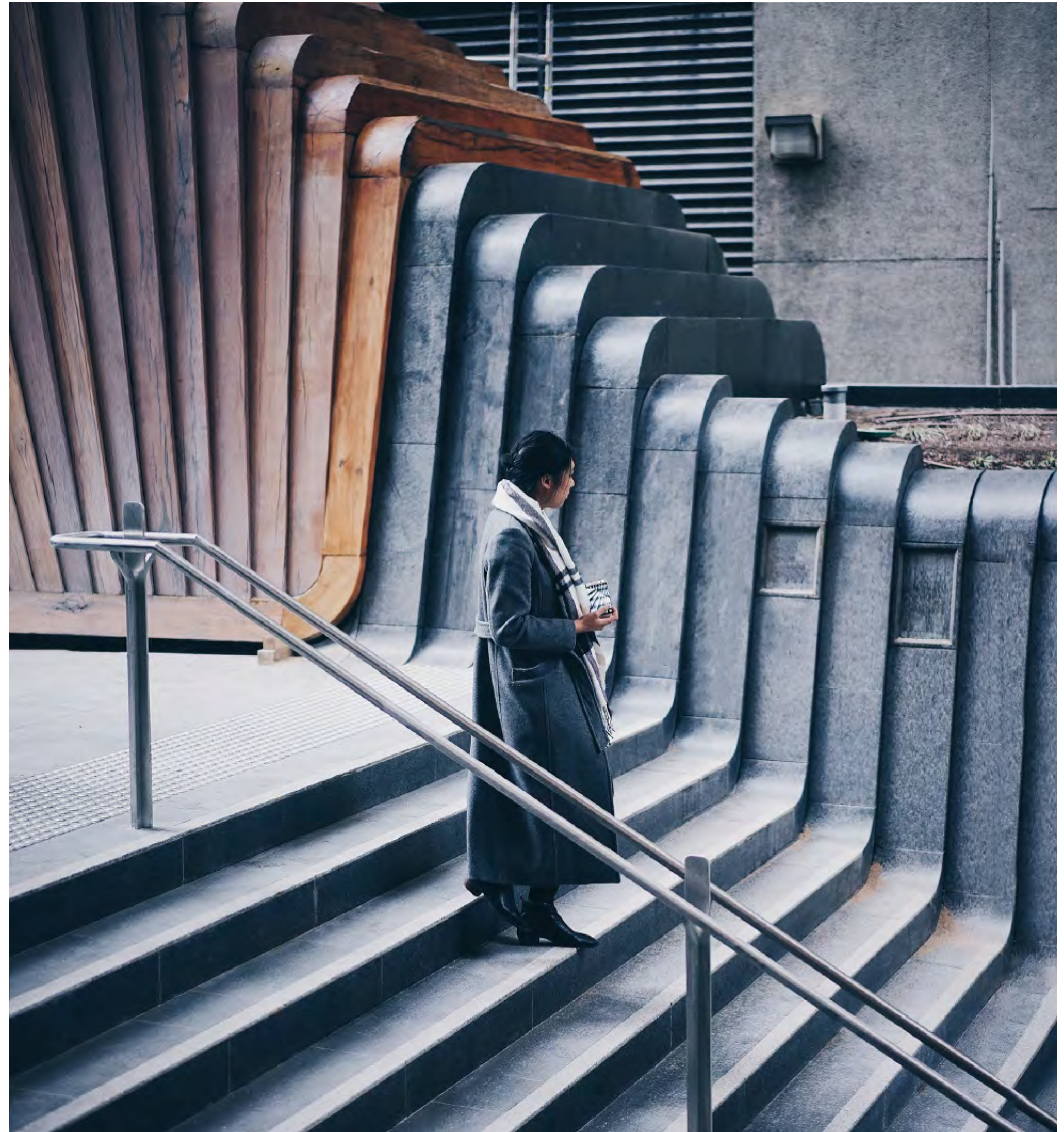
fjmtstudio

fjmtstudio (fjmt) is a multi-disciplinary design studio committed to design excellence, innovation and the enhancement of the public domain.

“fjmt has a reputation as a highly successful, ideas driven practice with an agenda for strong public engagement and masterful resolution of tectonics”

Fleur Watson and Martyn Hook, Architectural Design

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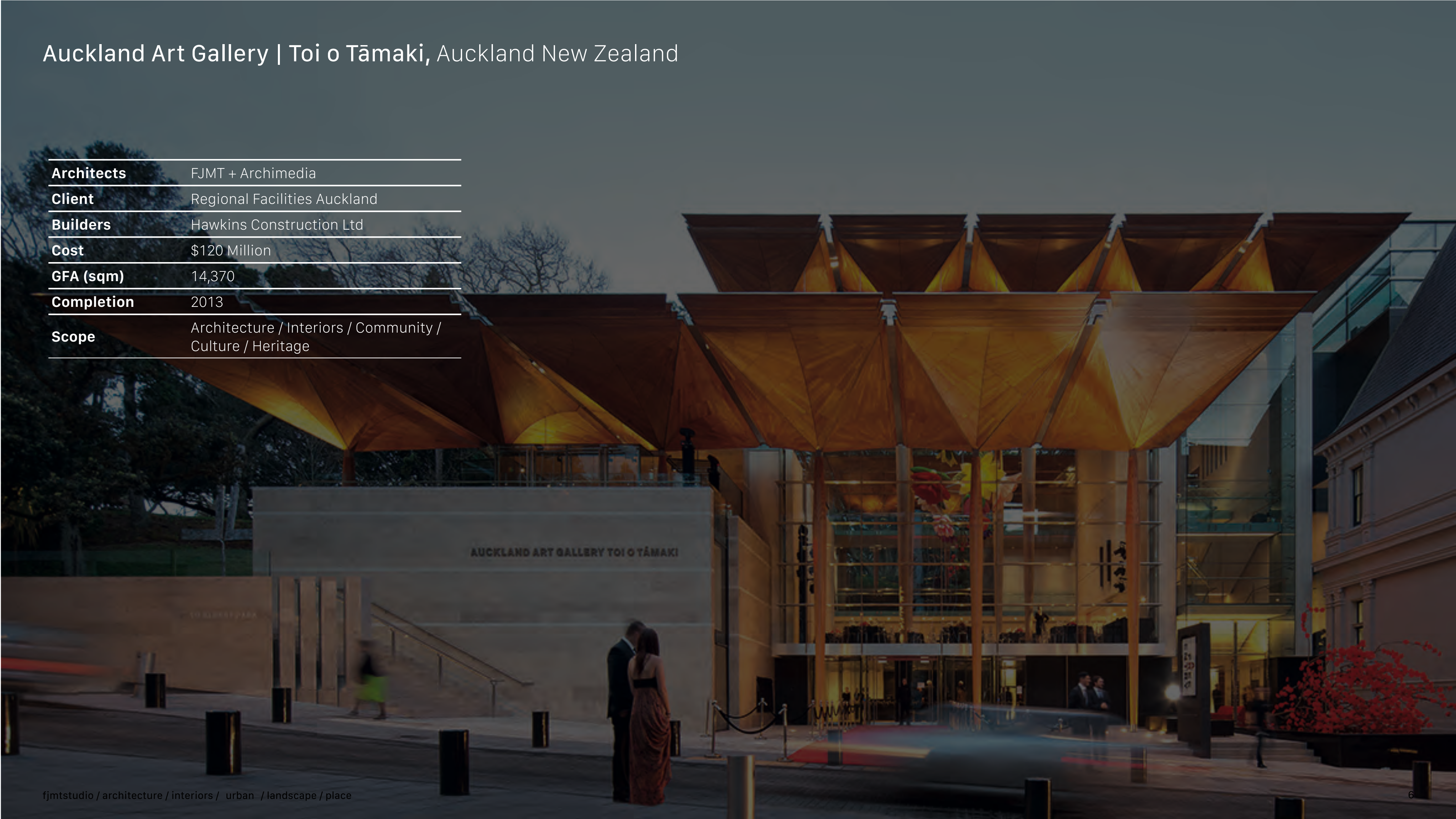




Benchmarking - Selected Projects

Auckland Art Gallery | Toi o Tāmaki, Auckland New Zealand

Architects	FJMT + Archimedia
Client	Regional Facilities Auckland
Builders	Hawkins Construction Ltd
Cost	\$120 Million
GFA (sqm)	14,370
Completion	2013
Scope	Architecture / Interiors / Community / Culture / Heritage





| Auckland Art Gallery Toi o Tāmaki
Auckland New Zealand



| Auckland Art Gallery Toi o Tāmaki
Auckland New Zealand



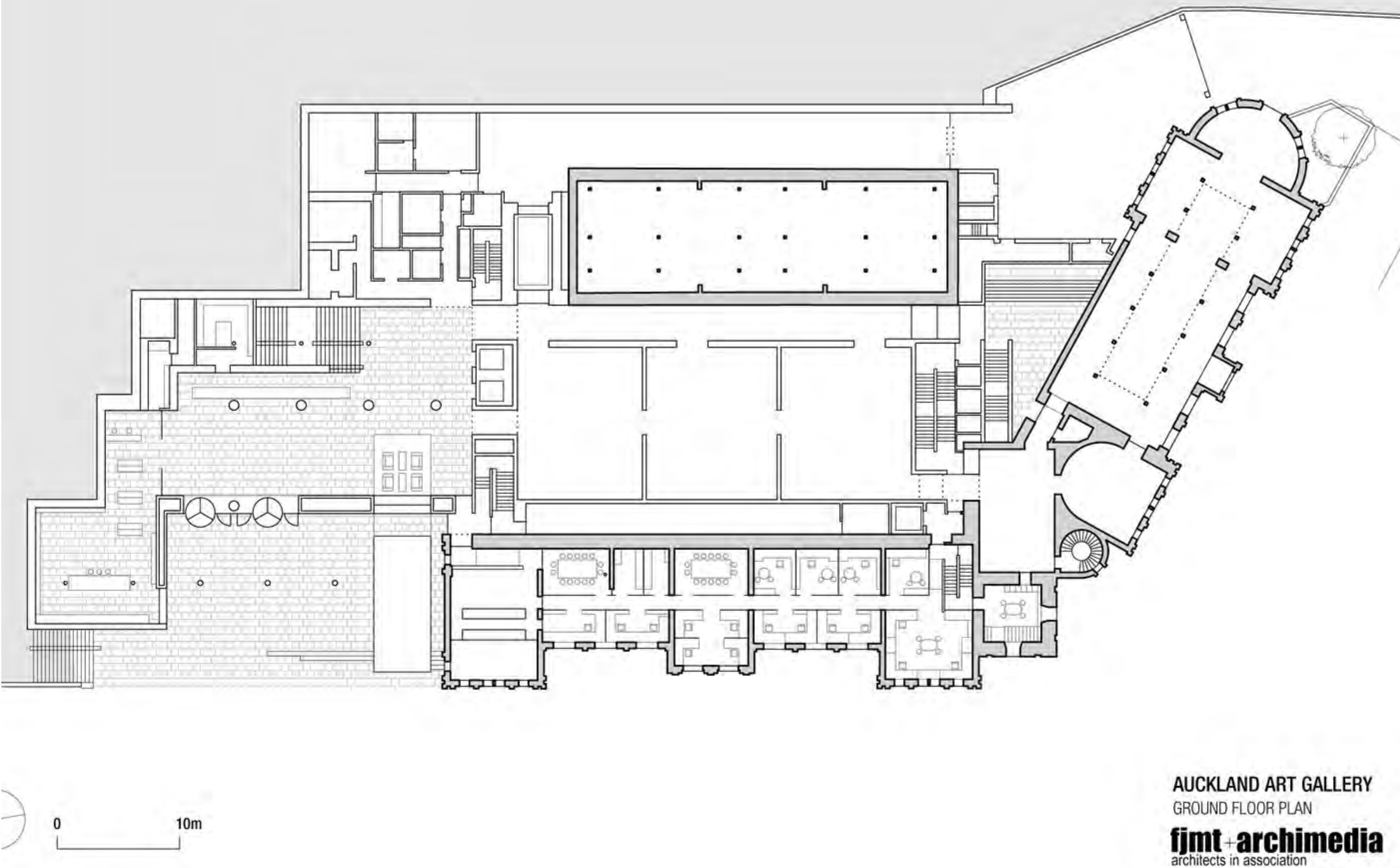
| Auckland Art Gallery Toi o Tāmaki
Auckland New Zealand



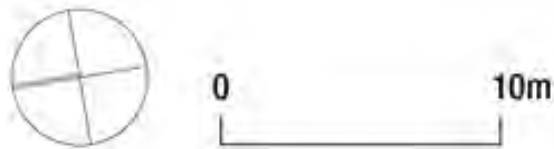
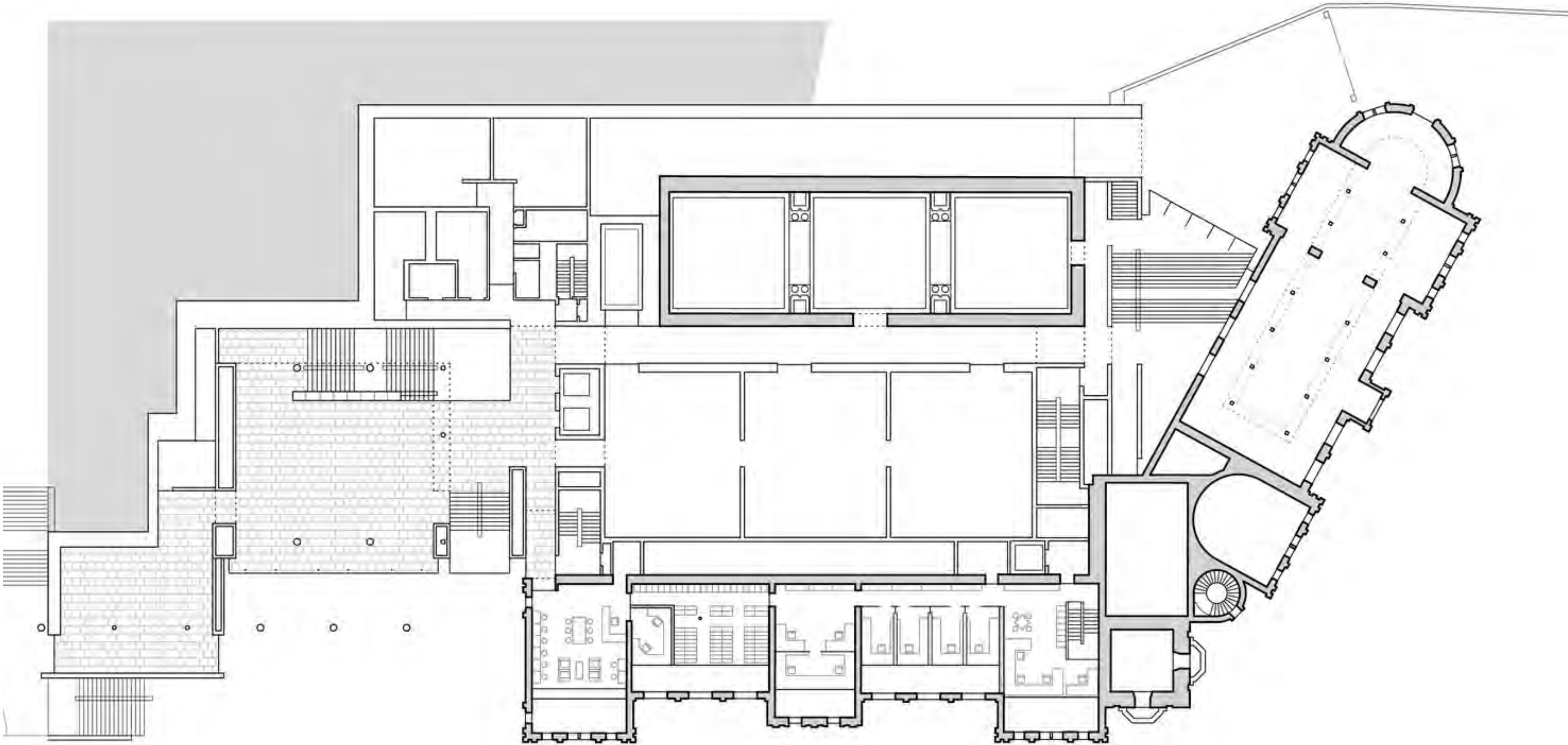
| Auckland Art Gallery Toi o Tāmaki
Auckland New Zealand



| Auckland Art Gallery Toi o Tāmaki
Auckland New Zealand

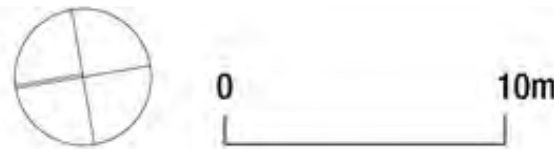
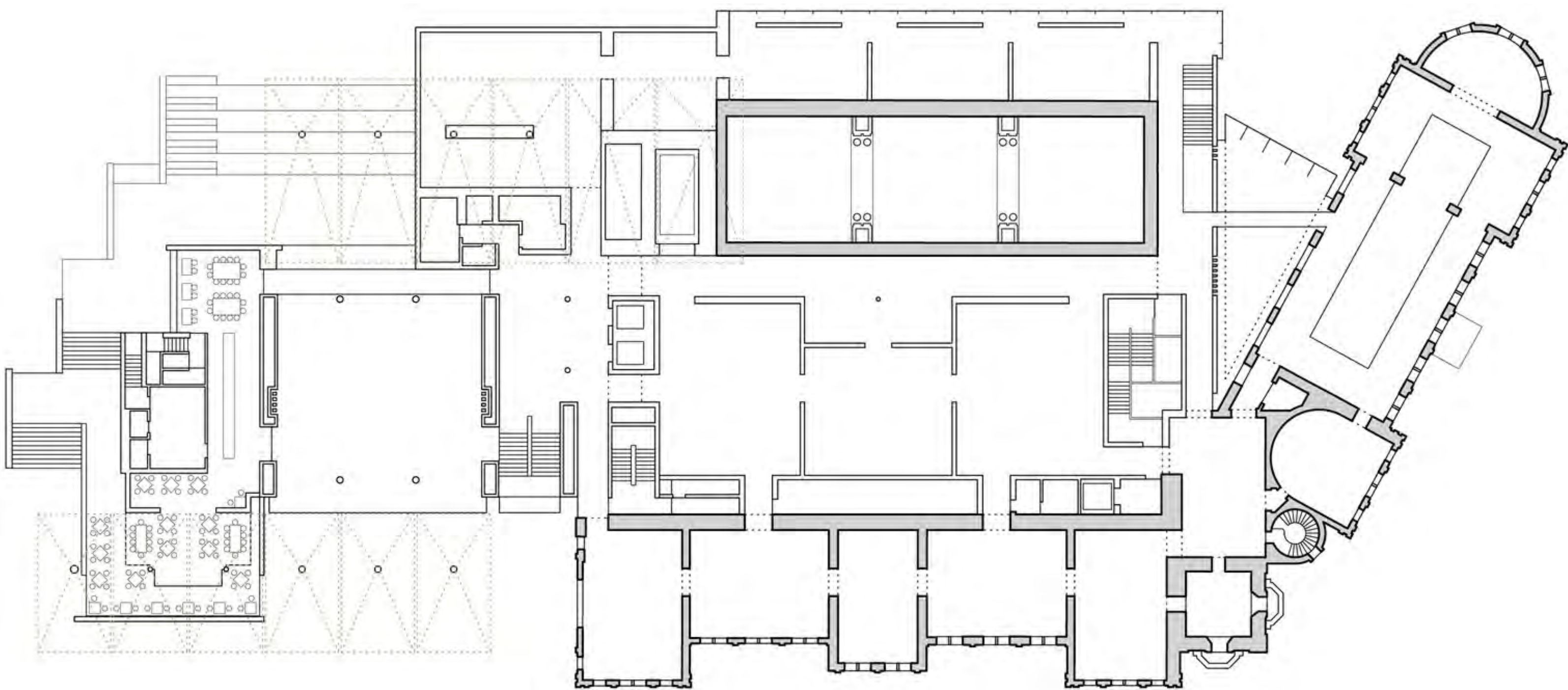


| Auckland Art Gallery Toi o Tāmaki
Auckland New Zealand



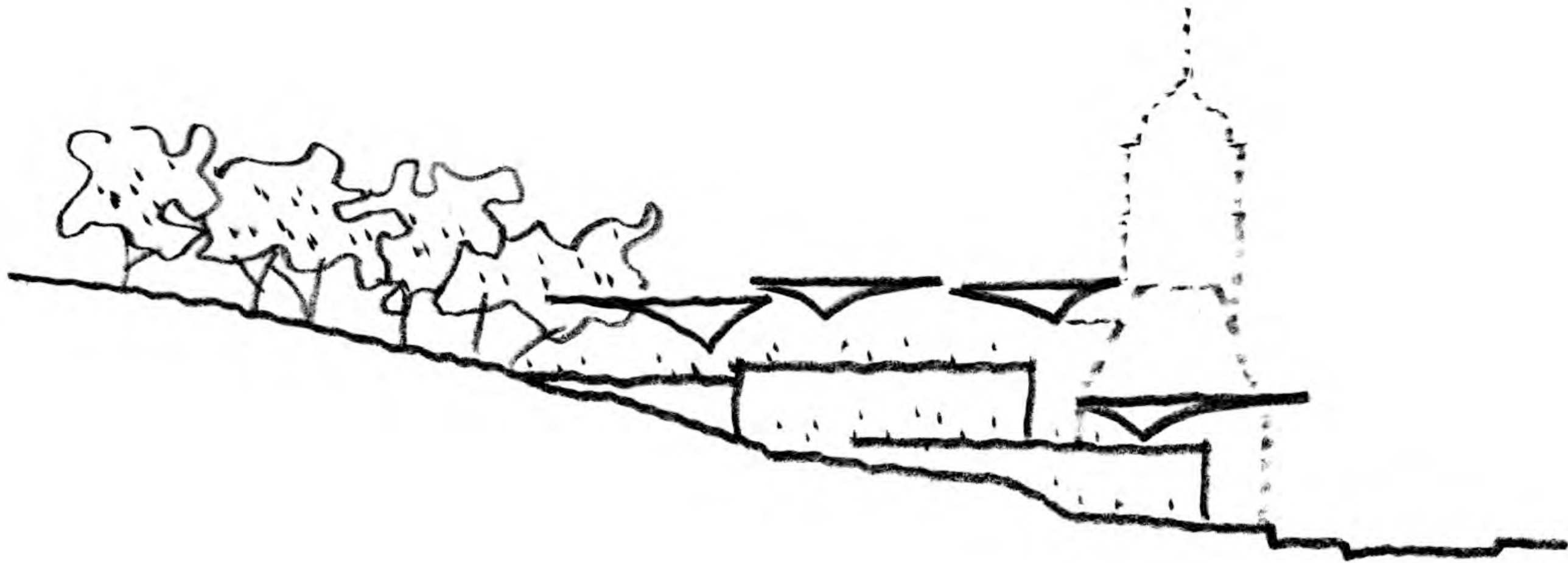
AUCKLAND ART GALLERY
MEZZANINE FLOOR PLAN
fjmt + archimedia
architects in association

| Auckland Art Gallery Toi o Tāmaki
Auckland New Zealand

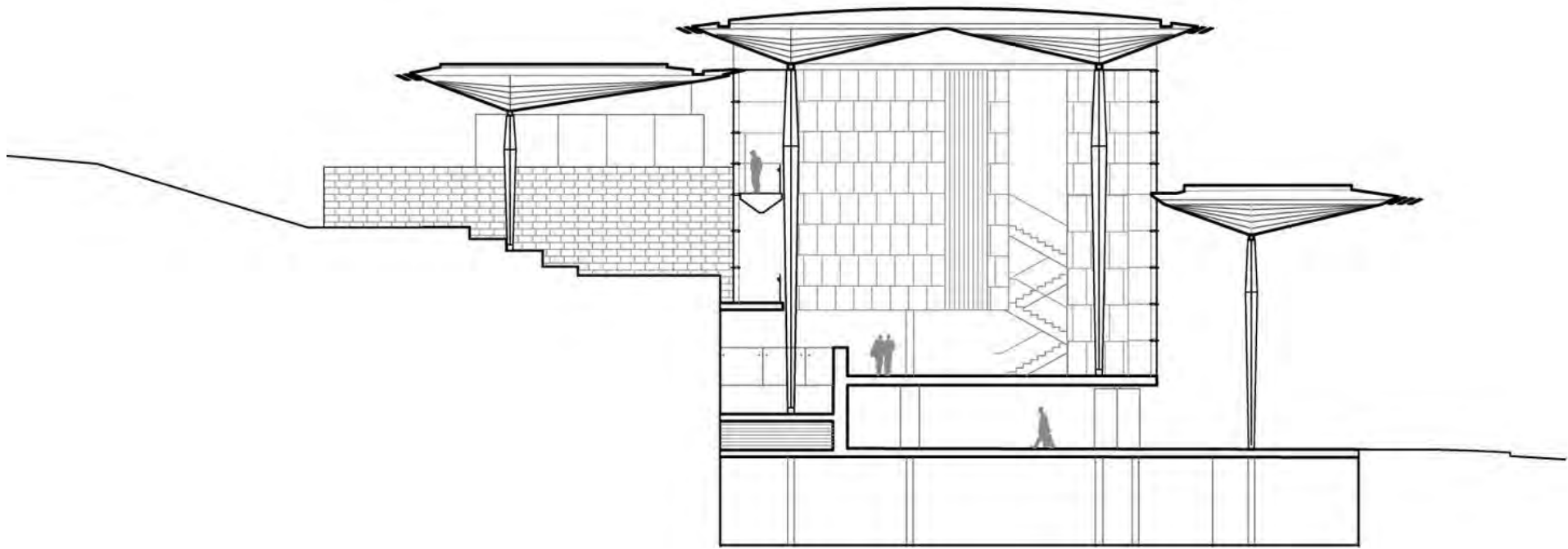
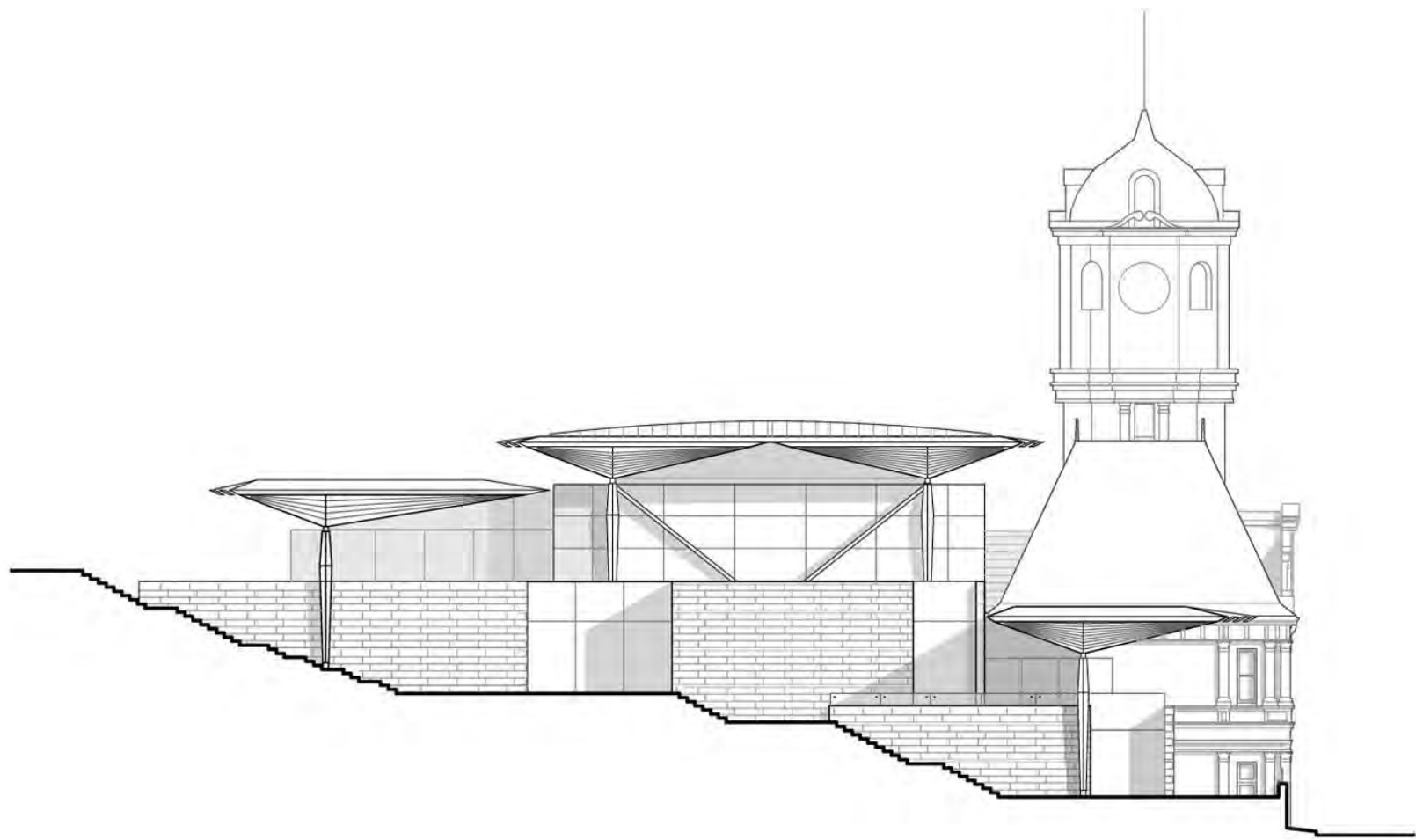


AUCKLAND ART GALLERY
LEVEL 1 FLOOR PLAN
fjmt + archimedia
architects in association

| Auckland Art Gallery Toi o Tāmaki
Auckland New Zealand



| Auckland Art Gallery Toi o Tāmaki
Auckland New Zealand



Auckland War Memorial Museum | Te Ao Mārama, Auckland New Zealand

Architects	FJMT + JasMax + Design tribe
Client	Auckland War Memorial Museum Tāmaki Paenga Hira
Builders	-
Cost	\$100 Million
GFA (sqm)	7,285
Completion	2020
Scope	Architecture / Interiors / Community / Culture / Heritage



| Auckland War Memorial Museum | Te Ao Mārama
Auckland New Zealand



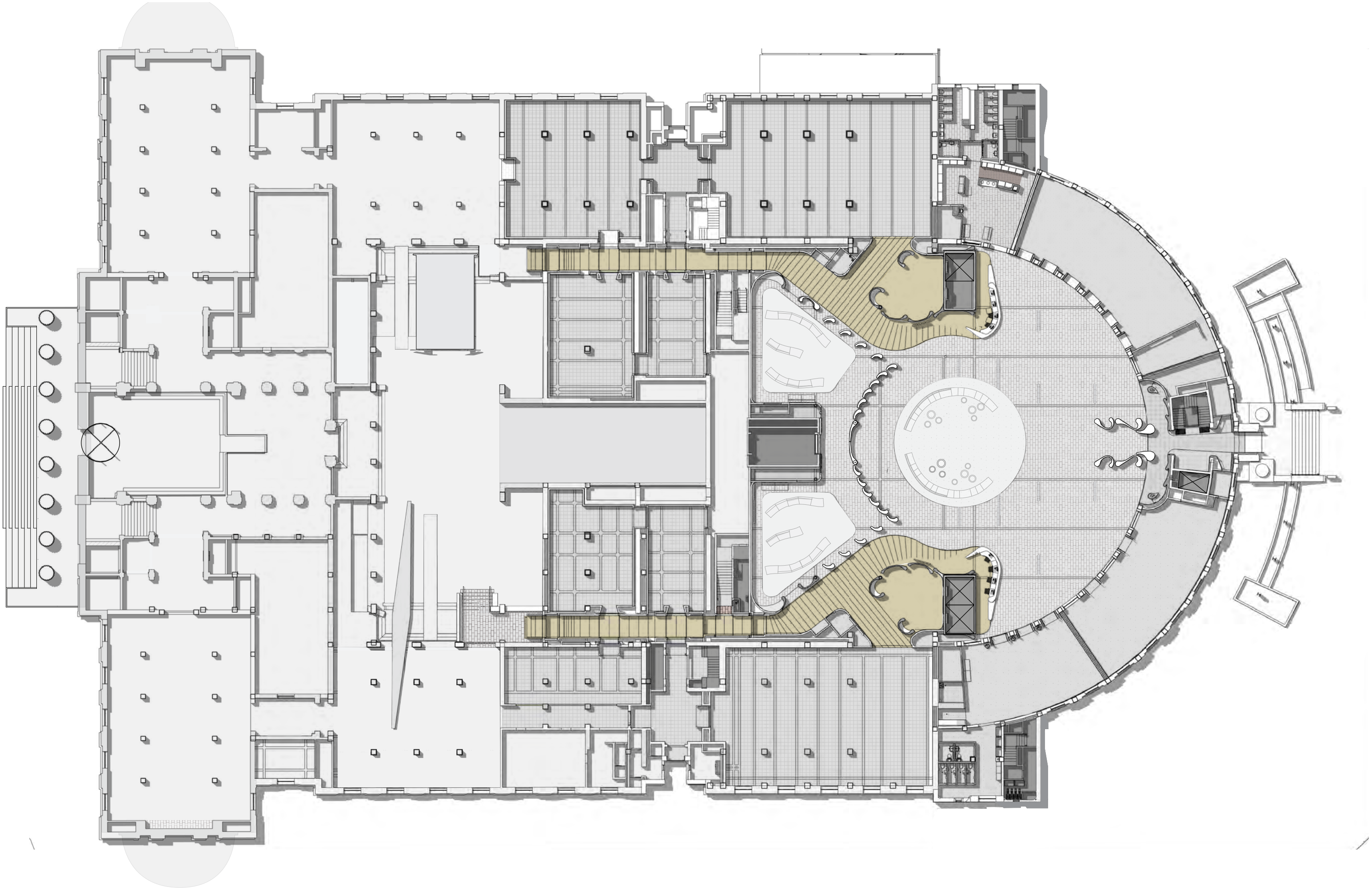
| Auckland War Memorial Museum | Te Ao Mārama
Auckland New Zealand



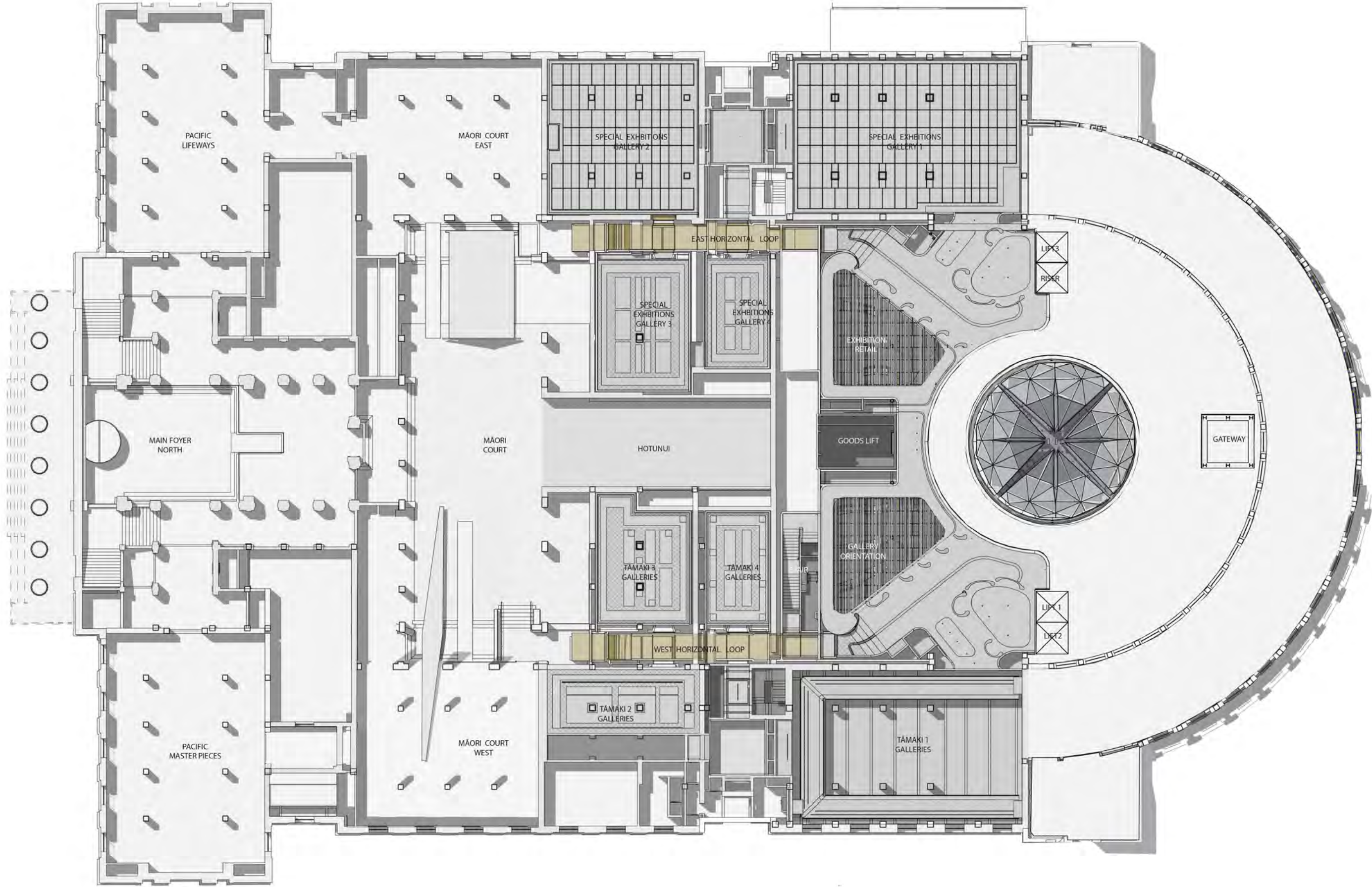
| Auckland War Memorial Museum | Te Ao Mārama
Auckland New Zealand



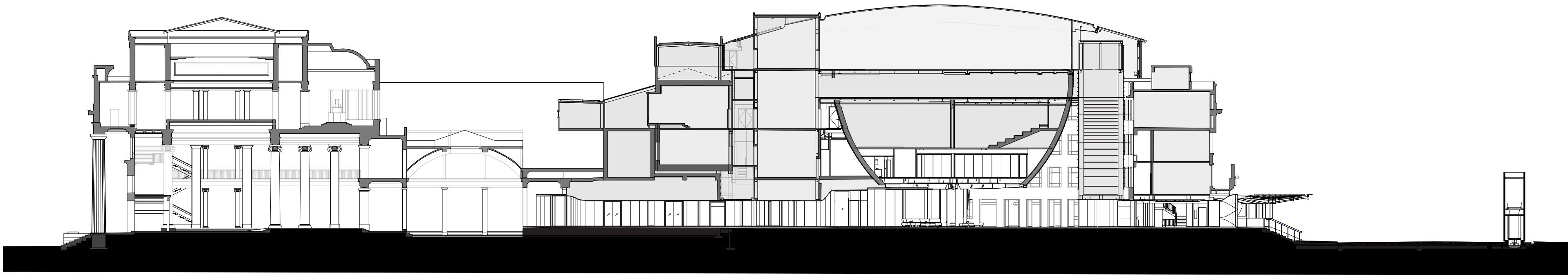
| Auckland War Memorial Museum | Te Ao Mārama
Auckland New Zealand



Auckland War Memorial Museum | Te Ao Mārama
Auckland New Zealand



| Auckland War Memorial Museum | Te Ao Mārama
Auckland New Zealand



Port of Sale Cultural Hub Sale VIC

First Nations	The Gunaikurnai & Taungurung Peoples
Architects	FJMT
Client	Wellington Shire Council
Builders	Building Engineering
Cost	\$14.5 Million
GFA (sqm)	4,400
Completion	2020
Scope	Architecture / Interiors / Community / Culture
Visitation No.	Visitation increased from 40,000 to 200,000+ within 1st year of opening



| Port of Sale Cultural Hub
Sale Victoria



| Port of Sale Cultural Hub
Sale Victoria



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| Port of Sale Cultural Hub
Sale Victoria



| Port of Sale Cultural Hub
Sale Victoria



| Port of Sale Cultural Hub
Sale Victoria



| Port of Sale Cultural Hub
Sale Victoria



PORT OF SALE
SITE PLAN

0 10 20 50m
1:1000 @ A3

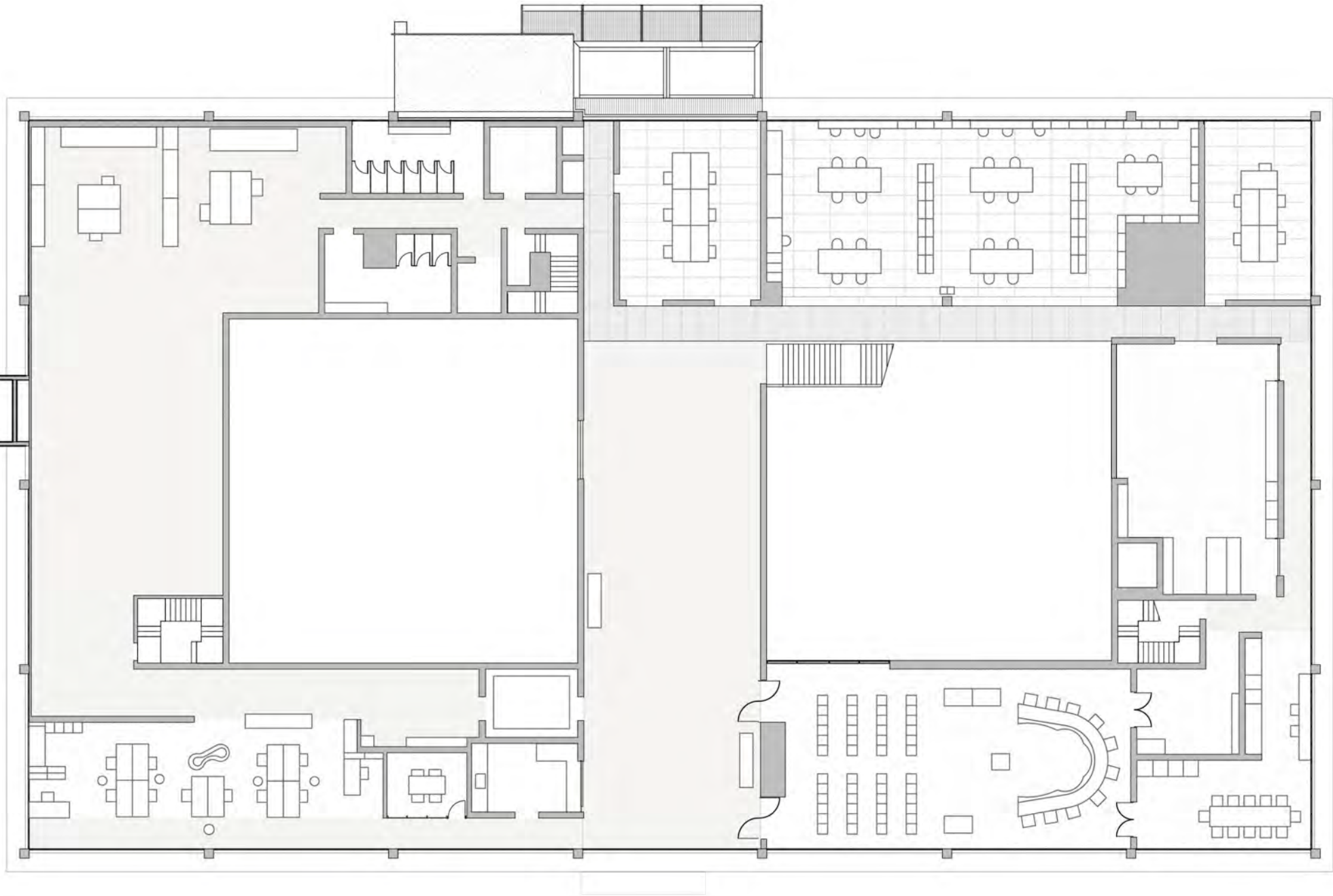
| Port of Sale Cultural Hub
Sale Victoria



PORT OF SALE
FIRST FLOOR PLAN

0 2.5 5 10m
1:250 @ A3

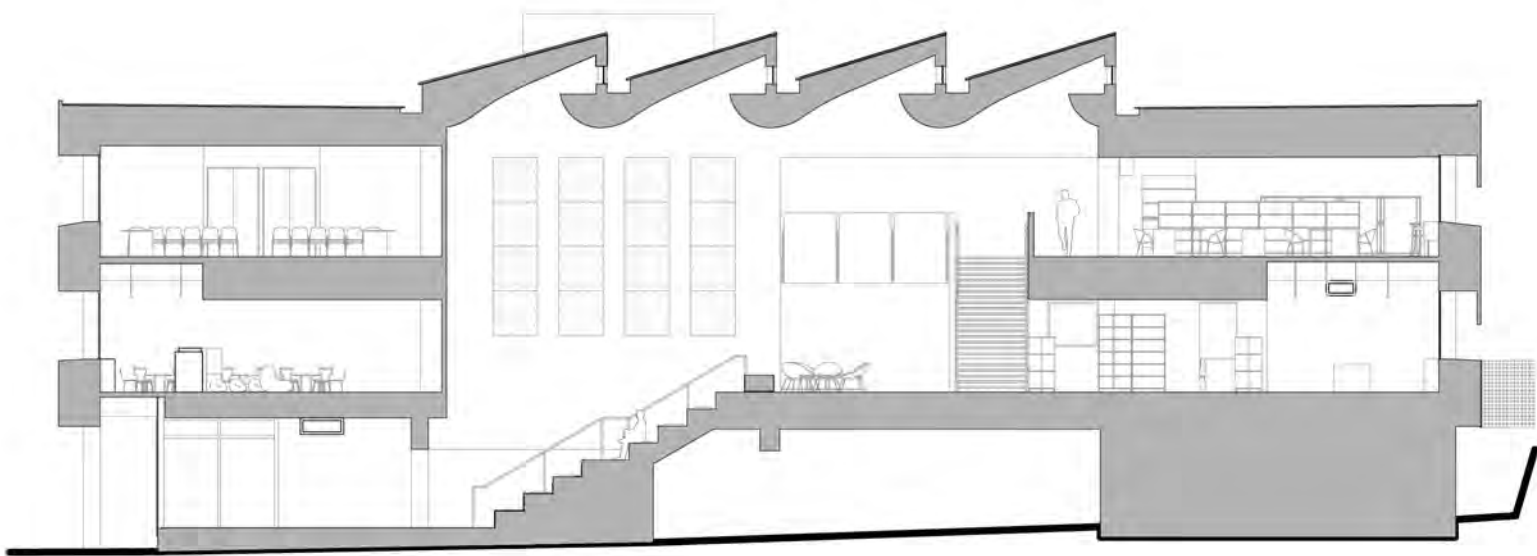
| Port of Sale Cultural Hub
Sale Victoria



PORT OF SALE
SECOND FLOOR PLAN

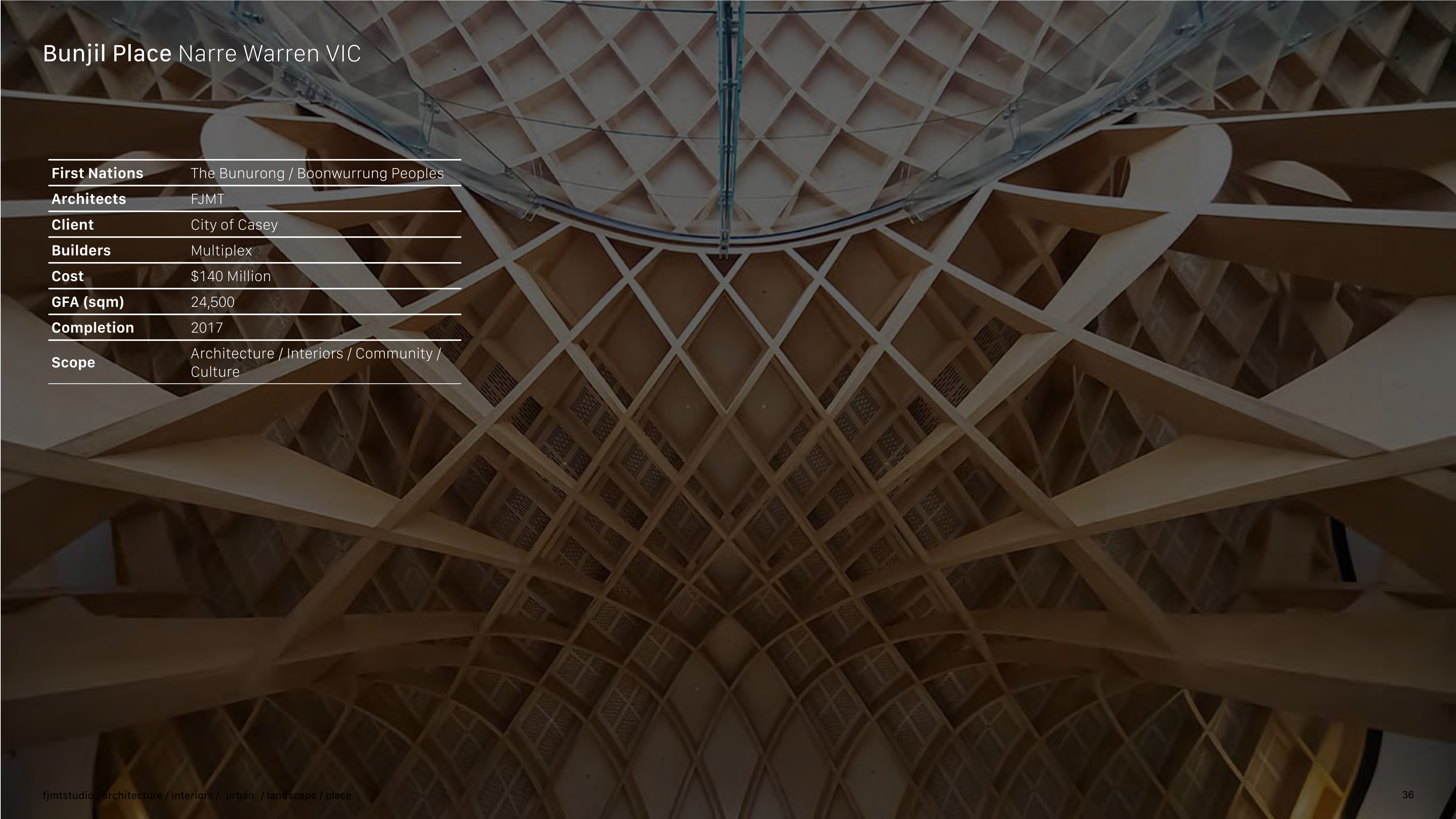
0 2.5 5 10m
1:250 @ A3

| Port of Sale Cultural Hub
Sale Victoria



PORT OF SALE
SECTION

0 2 5 10m
1:200 @ A3



Bunjil Place Narre Warren VIC

First Nations	The Bunurong / Boonwurrung Peoples
Architects	FJMT
Client	City of Casey
Builders	Multiplex
Cost	\$140 Million
GFA (sqm)	24,500
Completion	2017
Scope	Architecture / Interiors / Community / Culture



| Bunjil Place
Narre Warren VIC



| Bunjil Place
Narre Warren VIC



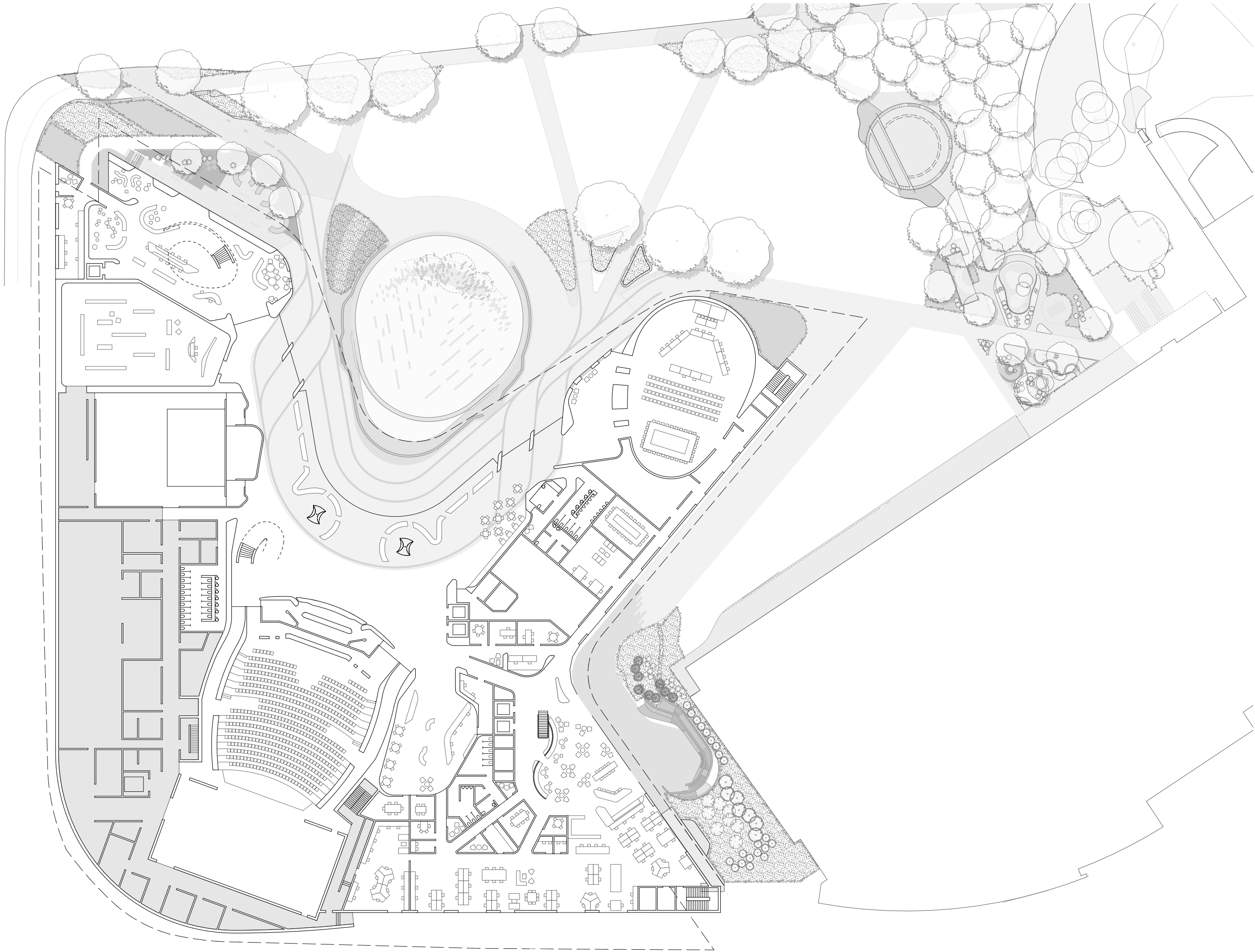
| Bunjil Place
Narre Warren VIC



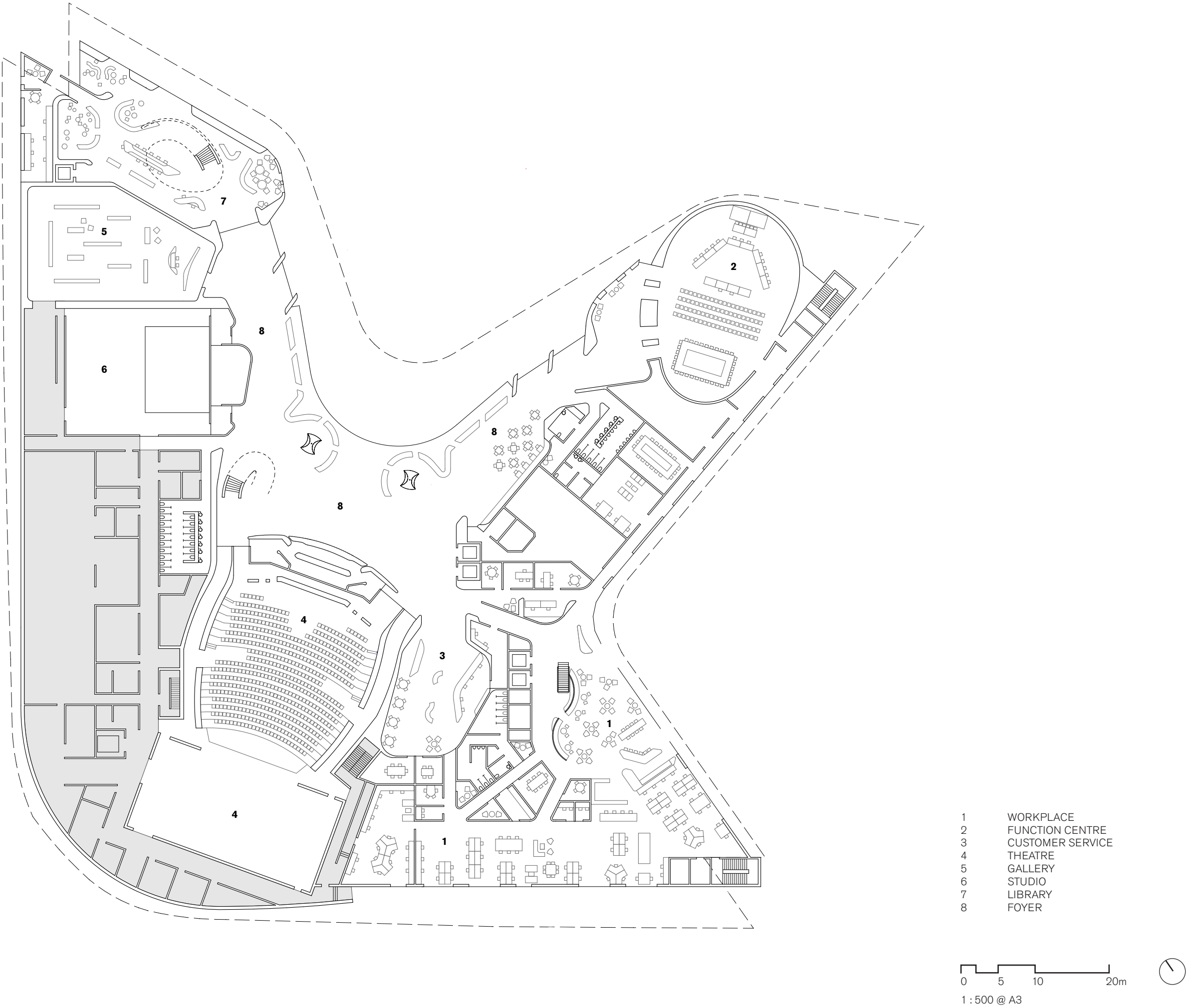
| Bunjil Place
Narre Warren VIC



| Bunjil Place
Narre Warren VIC

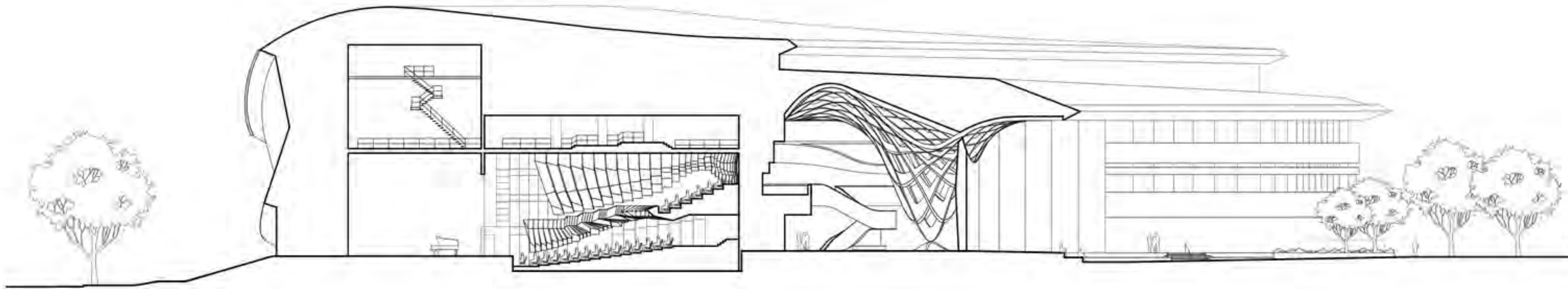


| Bunjil Place
Narre Warren VIC



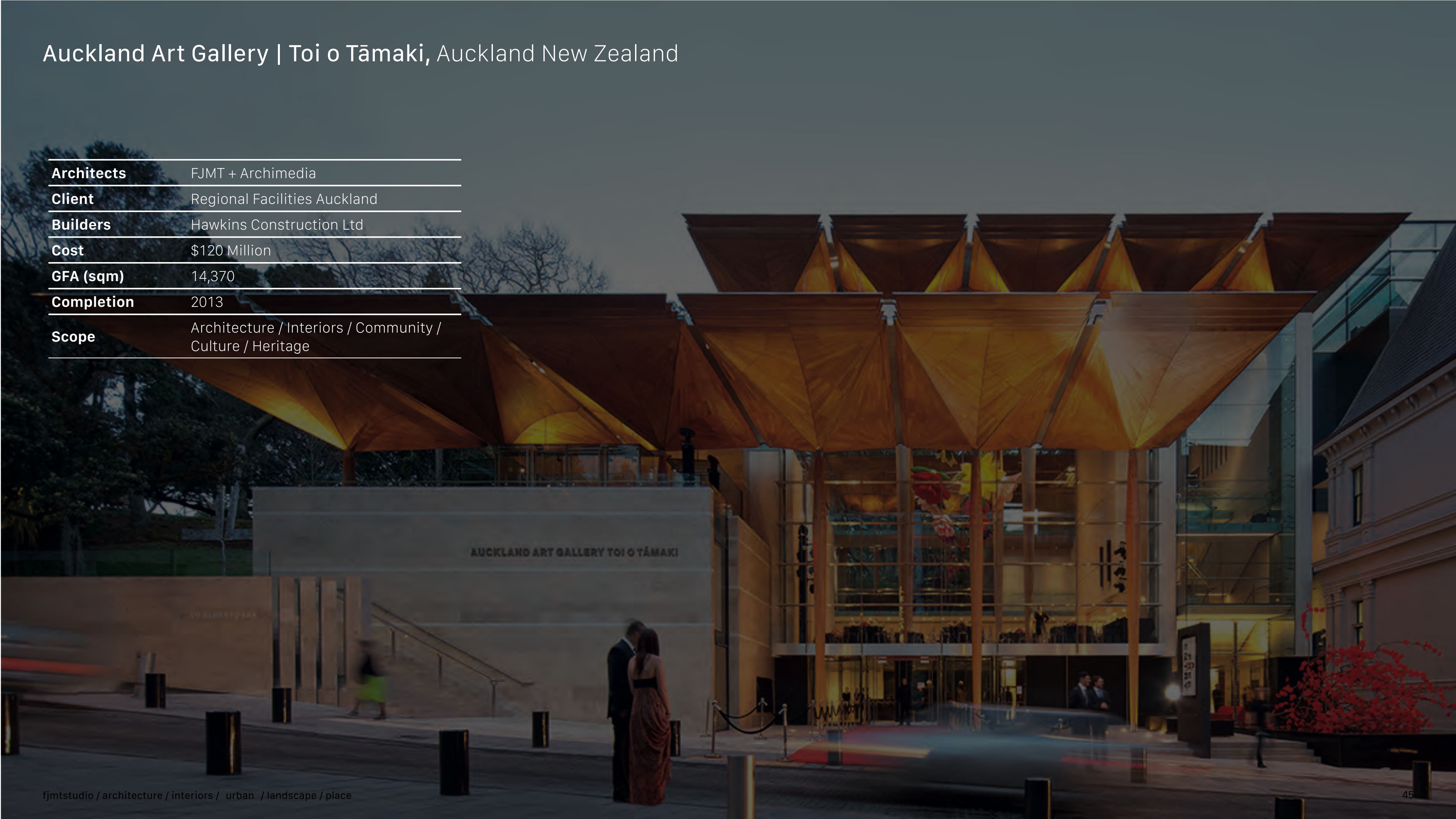
GROUND FLOOR PLAN

| Bunjil Place
Narre Warren VIC



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| Port of Sale Cultural Hub
Sale Victoria



| Port of Sale Cultural Hub
Sale Victoria



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| Port of Sale Cultural Hub
Sale Victoria

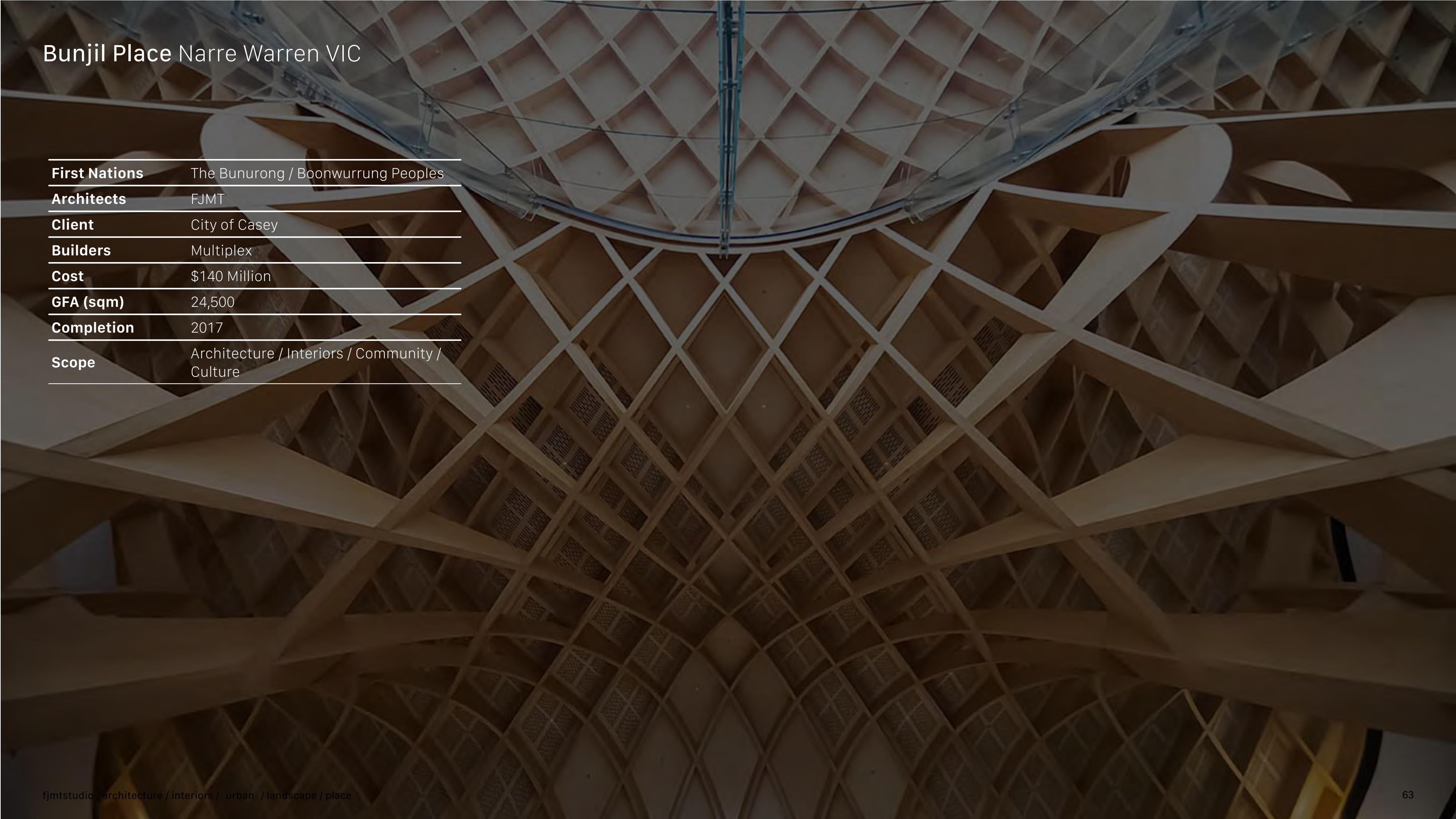


| Port of Sale Cultural Hub
Sale Victoria



| Port of Sale Cultural Hub
Sale Victoria





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Narre Warren VIC



| Bunjil Place
Narre Warren VIC



| Bunjil Place
Narre Warren VIC

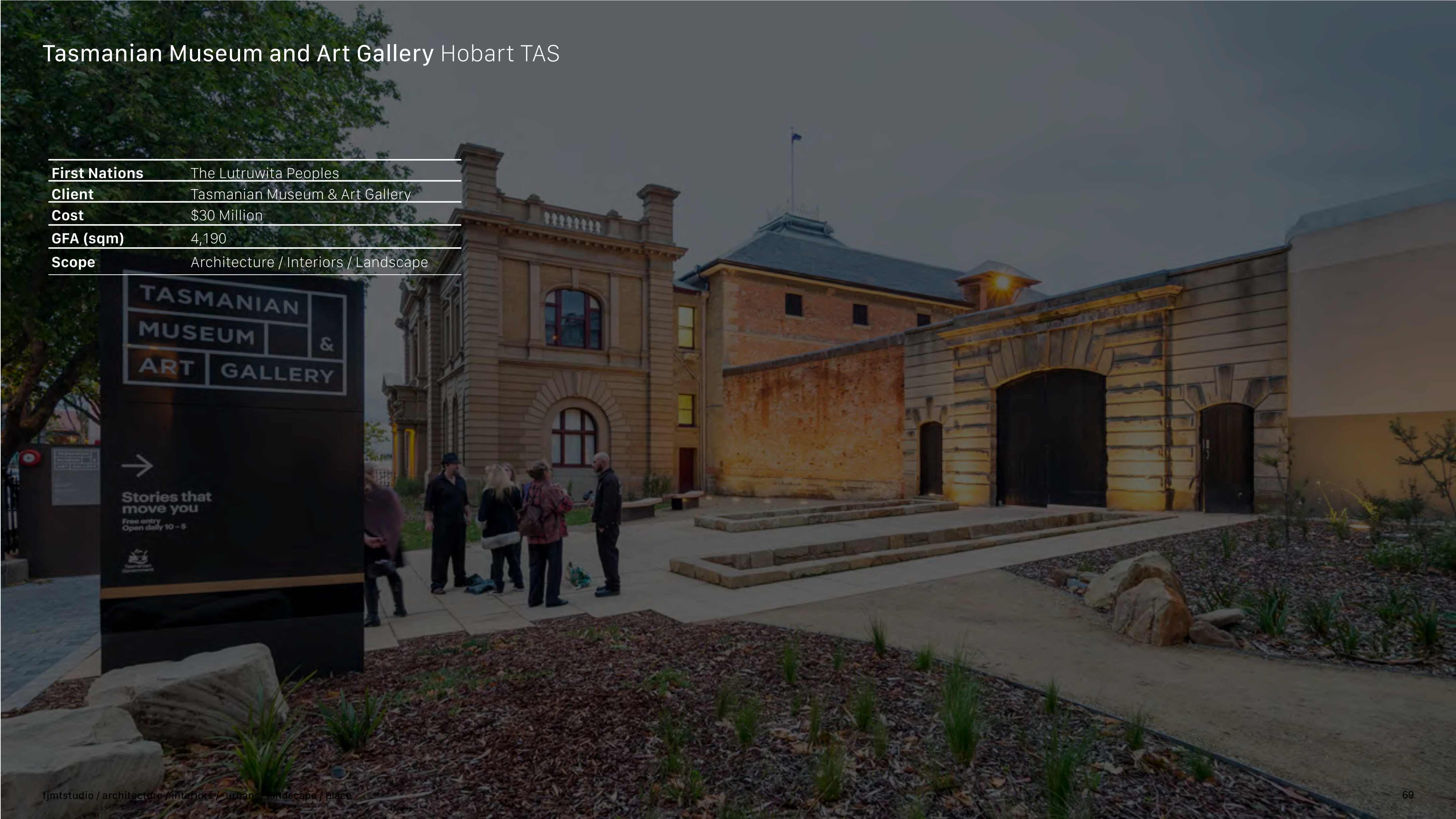


| Bunjil Place
Narre Warren VIC



Tasmanian Museum and Art Gallery Hobart TAS

First Nations	The Lutruwita Peoples
Client	Tasmanian Museum & Art Gallery
Cost	\$30 Million
GFA (sqm)	4,190
Scope	Architecture / Interiors / Landscape





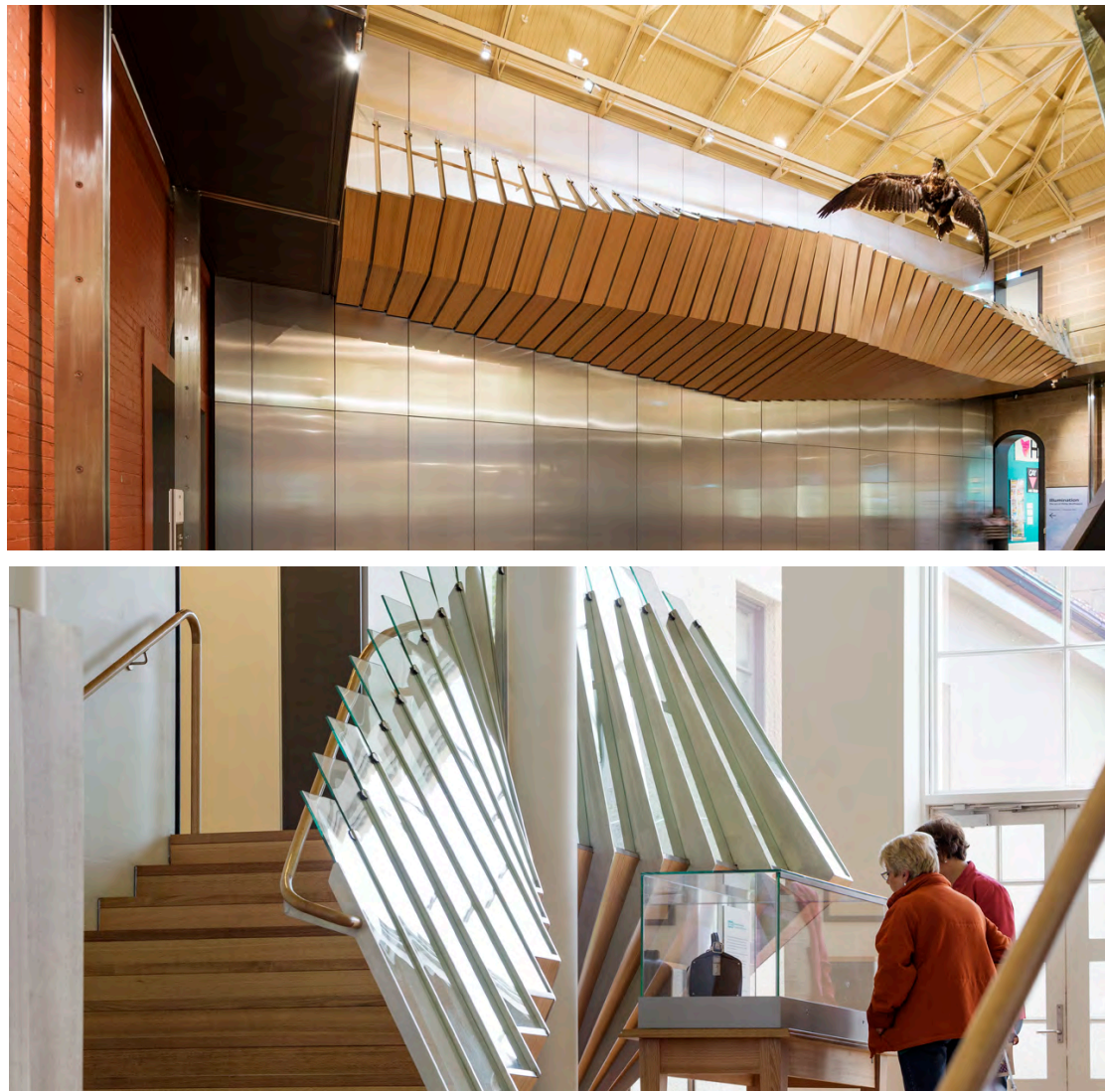
| Tasmanian Museum & Art Gallery
Hobart TAS



| Tasmanian Museum & Art Gallery
Hobart TAS



| Tasmanian Museum & Art Gallery
Hobart TAS



| Tasmanian Museum & Art Gallery
Hobart TAS



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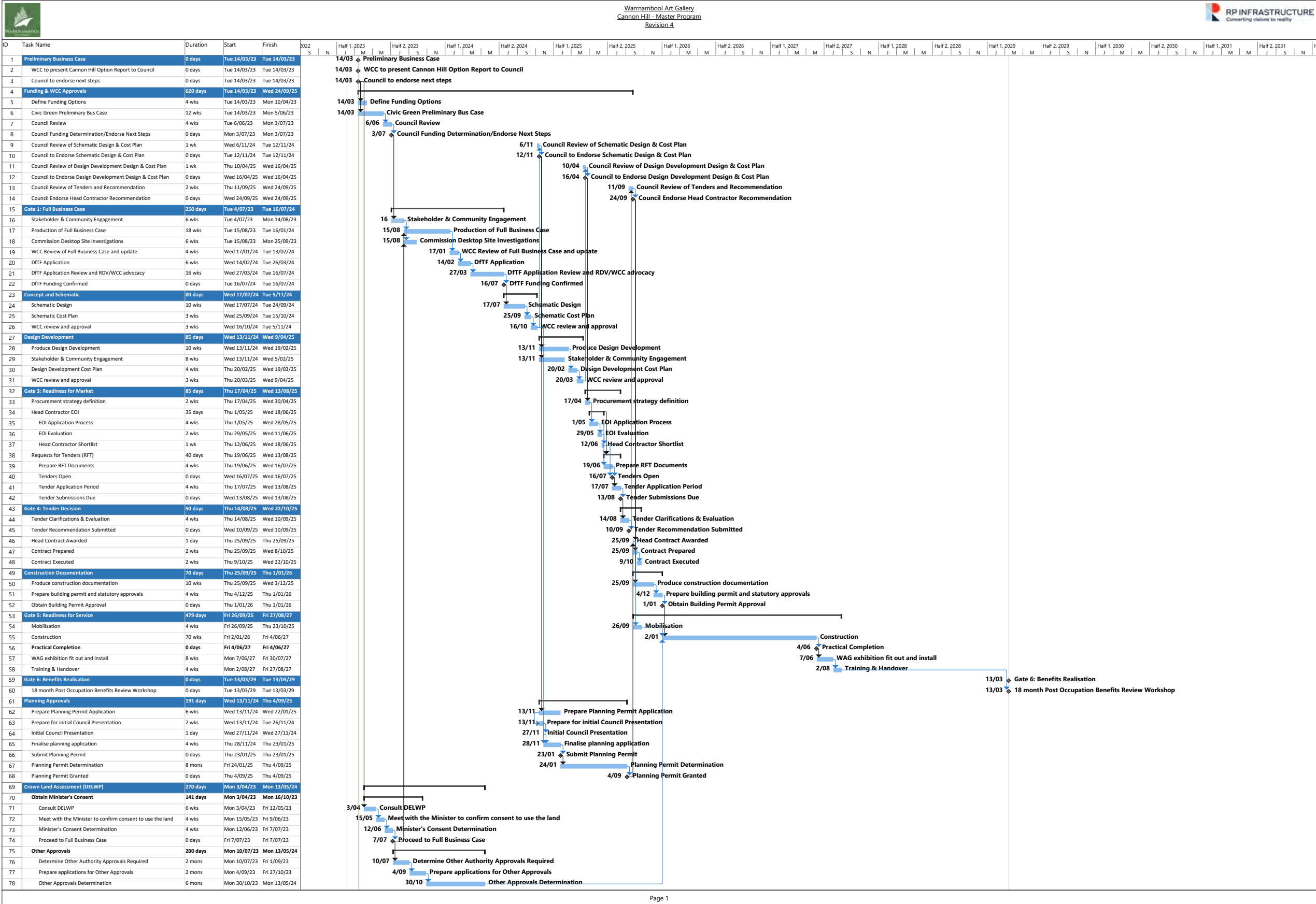
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Elizabeth Carpenter ARBNSW 6141
Francis-Jones Morehen Thorp Ltd Company no 7384142 ARB 078103G

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Appendix 6

Cannon Hill Master Program



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Appendix 7
Risk Register

Risk Matrix

Warrnambool Art Gallery - Risk Register

CLIENT/PROJECT	Warrnambool City Council
DATE	13/02/2023
REVISION	1

No.	Issues/Risk Description	Impact (Time, Cost, Quality)	Impact description	Likelihood	Consequence	Risk level		Risk Management Strategy (Accept, Mitigate, Reject)
Program								
1	Unable to seek engagement with First Nations / Eastern Maar.	Time & Cost	Delay in receiving detailed information from stakeholders to progress the design.	3	5	E	Mitigate	Establish regular client/stakeholder meetings to establish the stakeholder requirements to complete the return brief by design team
2	Stakeholder community consultation process is protracted.	Time & Cost	Difficulty in engaging with the community to achieve a majority support from locals.	3	5	E	Mitigate	Prepare a detailed community consultation strategy with specialist advisor support.
3	Site Infrastructure	Time & Cost	Issues relating to site services and existing services capacity that could have program and cost implications	4	5	E	Mitigate	Early site investigations and additional surveys. Undertake network capacity checks early into design by engaging with utility authorities.
4	Delays associated with client approvals	Time & Cost	Client stakeholders do not provide approval at key stages through the design process to maintain program. Risk extends to increased escalation costs to overall construction budget.	3	3	H	Mitigate	Build into master program regular gateway design reviews with client stakeholders. Interim milestone reporting on design to be reported up the chain to highlight progress but also provide an engagement platform to raise any concerns during each design stage.
5	Cost Estimates for project exceed the budget	Time & Cost	Delays to review and revise the design to meet the budget and seek approvals from the client will impact and delay the program to meet the milestone dates.	4	5	E	Mitigate	Work with the Quantity Surveyor and Consultants to clarify the scope of the works with Client Representatives against the budget and provide value management workshops as required to address or refine scope.
Project Cost								
6	Site conditions are unknown	Time & Cost	Current desk top assumptions do not align and therefore impact on design and cost inputs. Uncovering of Archaeological artefacts or environmental contamination to add significant cost and program delays.	3	5	E	Mitigate	Commission geotechnical, environmental investigations and heritage management plan.
7	Tender price inflation increase	Cost	Global material supply or labour shortages impact on cost estimate.	4	5	E	Mitigate	Engage Quantity Surveyor and seek regular TPI forecasts before the commencement of the next design stage to understand core material price variances - consider implementing Value Management workshops.
8	Programme prolongation	Time & Cost	Insufficient fees to cover project if it goes longer.	3	3	H	Mitigate	Allow for Developer's contingency across full project coverage.
9	Project time insufficient for scope	Time	Insufficient time to complete the design documentation sufficiently for accurate costing through the stages	2	4	H	Mitigate	Establish a clear and achievable program to meet the milestone dates and monitor progress at a minimum fortnightly.
10	Project funding insufficient for scope	Cost	Project funding does not meet the requirements of the project	3	5	E	Mitigate	Engage a Quantity Surveyor early in design process and establish cost reports at key intervals through the design phase to monitor costs.
11	Inaccurate project cost estimation	Cost	Reducing on quality standard or needing to loose functional spaces.	3	4	E	Mitigate	The additional scope requires additional funding. Consider undertaking peer review cost reports at the end of design gateways. Track market pricing forecasts and compare back to previous cost plans to carry out sensitivity analysis before proceeding to next design stage.
Quality								
12	Design fails to meet Client brief	Quality	Does not meet the business case objectives set and impacts on the overall functionality and operations of a new WAG.	2	4	H	Mitigate	Engage peer reviews at key design milestones to ensure design is compliant.
13	Construction quality not achieved	Quality	Delays in achieving practical completion or end user dissatisfaction.	2	4	H	Mitigate	Make sure reputable contractors are engaged. Seek recent past project examples to visit prior to engaging contractor.
14	Technical co-ordination inadequate	Time & Quality	Potential variations to contract. Delays to overall program.	3	3	H	Mitigate	Weekly design meetings, additional consultations held when required. Engage peer reviews at key design milestones to ensure design is compliant
15	Final handover insufficient	Time; Quality & Cost	Impacts to transfer from old facility over to new - risk to security and safe storage of high value items.	3	5	E	Mitigate	Request a Handover Plan be prepared in advance to outline the handover process and stipulate as a requirement of the contractor engagement.
External Factors								
16	Unable to capture forecasted increase in visitation	Cost	Increase in visitation is unable to be achieved and therefore impacting on return on investment.	4	5	E	Mitigate	Develop preliminary business case recommendations into an action plan for Council to pursue.
17	Land agreement with DELWP	Time & Cost	Approval not obtained from authorities to develop on Crown Land.	4	5	E	Mitigate	Engage with DECC and DTP to understand implications of developing on Crown Land.
18	Securing funding	Time & Cost	Delays in receiving or securing funding.	4	5	E	Mitigate	Define possible funding routes and seek to engage. Consider appointing specialist lobbyist.

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Appendix 8 Visitation Analysis



Visitor Forecasting for Warrnambool Art Gallery

February 2023



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Environmetrics
social and market research

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Environmetrics
social and market research

Executive Summary

Visitation to an Art Gallery is a key performance indicator that is often used to measure several impacts; economics, engagement and growth.

In Australia it is widely recognised that cultural tourism is growing and has been over the last 10 years. Cultural tourism is growing globally and outperforming the international tourism market as a whole. A survey of 69 countries by the United Nations World Tourism Organisation in 2018¹ found that:

- cultural tourism has grown by 23% over the past five years, compared to total global tourism growth of 19%;
- the overall growth in tourism between 2010 and 2014 is much larger for those countries that specifically feature cultural tourism in their marketing policy (66%);
- in recent decades, tourism and culture have become inextricably linked, partly due to the increased interest

Environmetrics Pty Limited were commissioned to prepare a visitation forecast for the proposed new Art Gallery at Cannon Hill. The purpose of the visitation forecast is to identify the likely number of visitors that will contribute to the economic impact of the new Art Gallery. This forecasting has been based on a post COVID “new normal” scenario and considers previous work undertaken including data and assumptions. The forecasting is based on the source or geographic location from where visitors are coming, i.e. from Warrnambool, Regional Victoria, Metro Melbourne, Interstate, or internationally, averaged seasonally across a calendar year.

Visitation Model

The Environmetrics model used to calculate visitation is driven by the “*perceived value*” of an attraction by a visitor which is not just measured by the cost of accessing it but also by the time and energy taken to access and enjoy the experience.

In developing the visitation forecast, new galleries and museums tend to have one of two patterns of visitation after opening. The first pattern sees an initial “boom” in visitor numbers for a few years and then a drop down to a more stable level. The second sees an initial modest level of visitation that can rise to a stable level. Major venues in capital cities have shown the “boom” pattern and some have seen the slower rise pattern.

Examples are the original Powerhouse in Sydney which followed pattern one of a ‘boom’ and the nearby Australian National Maritime Museum that followed pattern two with progressive increase in visitation. The museums differed on their exhibition impact which can contribute to the likely pattern of visitation. MONA in Hobart is an example of a most unusual venue and collection. Because of geographic constraints, MONA began with a more modest, locally-based flow of visitors, but had significant exhibition impact that generated the “perceived value” to draw increasing flows of visitors from across Australia and other countries.

While the plan for Warrnambool Art Gallery and surrounding attractions are to produce a leisure precinct environment that offers a far richer and exciting experience than what exists at the moment, it is anticipated that the visitation flow is more likely to follow the second pattern. That is, a relatively modest first couple of years until a critical mass of word-of-mouth and media put a trip to Warrnambool Art Gallery on the “must see” agenda for diverse kinds of groups in the community.

¹ Culture and Tourism Synergies, 2018, UNWTO (Warrnambool Art Gallery Feasibility Study page 5, July 2021 SMA Tourism.

Survey Feedback

To inform the analysis, Environmetrics conducted an online survey, sampling 500 Victorians and 100 South Australians, aged 18 years and over. The findings from this survey have informed the views on the opportunities and constraints for increasing the visitation numbers to Warrnambool and the proposed new Art Gallery development.

The key findings from this research are:

- There is a major opportunity to capture additional visitor numbers by “out of town” visitors by providing an interesting destination and experience that is in addition to the existing “natural” attributes of the area;
- The existing structure of the Day Tour industry to the Great Ocean Road, could be re-structured to include Warrnambool as an over night stay destination, providing not only additional visitation to the Art Gallery, but also an opportunity to drive demand for accommodation and meals and therefore the increase visitor spend in the region.
- There is untapped demand for a wider range of leisure / tourism activities than what has traditionally been on offer at Warrnambool; Twenty six percent of the survey sample are interested in “the now”. They are not interested in history, back-of-house experiences or culture. They are interested in seeing what is here to see, taste and experience—sightseeing, physical activities, theme parks/zoos/botanical gardens and eating and drinking are high on their list of priorities. This market is a real opportunity as 40% of them have been to Warrnambool in the last 5 years and a new reactivated Warrnambool Art Gallery would provide the ‘thing to do now’.
- Focus on Aboriginal Art & Culture, set within the overall Gallery’s wider offering. Australians’ interest in, and attendance at, First Nations arts and craft activities has continued to increase in recent years. The Australia Council’s National Arts participation survey found that nearly half of all Australians are actively interested in First Nations arts (47%) and seven million attended in 2016 – a record level of attendance and double that of 2009²
- At least half of the people visiting Warrnambool from Regional and Metro Victoria have a range of interests, notably food and wine. Therefore, if a new Art Gallery included quality Food & Beverage offers, then this will act as a material draw and increase in visitation based on the survey respondents (over 50% of total sample)..There is a strong argument that this secondary element to the core function of the Gallery can produce supplementary revenue streams, regardless of such visitation numbers holding an interest in art.

The current visitor profile

The economic contribution study estimates the impact of the new Art Gallery against existing operations. To inform this study, a visitor forecast is required as the baseline for the existing Art Gallery to which the new Art Gallery is compared.

The baseline visitor profile is outlined below and is based upon the Financial Year 2021/22 actual numbers. To provide a realistic basis for economic contribution the local visitors from Warrnambool of 15,351 has been reduced by 20% to allow for likely repeat visitors from the community. For the

² Australia Council 2017, Connecting Australians: Results of the National Arts Participation Survey, June 2017, Sydney. <https://www.australiacouncil.gov.au/research/connectingaustralians>

purposes of the economic analysis, it is assumed that visitors generally contribute to the economy in their first visitor.

current sources of visitors to the existing Warrnambool Art Gallery are included below.

Visitor type as base case in 2022

Information		Source of information	Notes
Admissions to Warrnambool Art Gallery	61,776	Admissions from Warrnambool Art Gallery Annual Report	FY2021/22 with feedback from WAG staff
Warrnambool	26,687	Admissions from Warrnambool Art Gallery Annual Report and % breakdown from WAG	Warrnambool admissions of 33,359. Reduce admissions by 20% to remove repeat visitors – expenditure on first visit
Metro Melbourne	11,120	% breakdown from WAG	Assume 1 visitor per person
Regional Victoria	16,062	% breakdown from WAG	Assume 1 visitor per person
Interstate & International	1,236	% breakdown from WAG	Assume 1 visitor per person
Estimated visitors to Warrnambool Art Gallery	55,105		

From the above table, regional visitors are the largest segment outside of Warrnambool visitors that drive visitation. Arts daytrips to regional areas have increased at a higher rate than arts daytrips to metropolitan areas. Regional areas are drawing almost as many Australians on arts daytrips as metropolitan areas. Moreover, since 2014 regional arts daytrips have increased at a higher rate than both metropolitan arts daytrips and daytrips overall³.

International tourists do not need to be the primary driver for the future of Warrnambool Art Gallery as its connection to community and its region is as critically important for improving the wellbeing of its community, however international tourists are the segment that can bring the most potential economic output due to the additional visitor spend and time in the region.

New Cannon Hill Visitor Forecast

Several drivers will impact the potential visitor profile to a new Warrnambool Art Gallery. The overall flow of visitors into Warrnambool will play an important role in affecting the number of visitors to Warrnambool Art Gallery. Clever marketing, and the development of new product opportunities in Warrnambool will probably drive the overall numbers up. New competitive offers outside Warrnambool might pull the same numbers down.

Environmetrics has taken account of improved transport links between Warrnambool and Melbourne. While these can lower the time and energy components of the leisure budget which drives visitors to art

³ SMA Tourism, Warrnambool Art Gallery Feasibility Study, July 2021, Page 6

galleries, they do not themselves generate visits. Visits are driven by the “exhibit impact” and “ambience”. So, for the modelling, Environmetrics has assumed, based on past history as reported in the Destination Action Plan for Warrnambool relating to “The five year visitation trends for the region and Warrnambool are relatively flat.”, that there will be a post-COVID lift in the overall visitation pattern for Warrnambool but not a dramatic upward trend in the medium term. This is assumed to be consistent with the visitation pattern that is likely to be gradual steady growth rather than a boom on opening.

The key assumptions that are driving the visitation forecast for Cannon Hill are:

1. Warrnambool Art Gallery becomes a focus for the Warrnambool community
2. Design of Warrnambool Art Gallery provides an opportunity to enjoy the view and spend time in the space
3. Programs are delivered that invite participation from the wider Victorian community
4. The offer includes quality food and beverage experiences
5. Precinct around Warrnambool Art Gallery becomes a major experience hub
6. Extensive marketing campaign with social media puts Warrnambool Art Gallery on the must see list

The following visitation forecasts are based on an extensive marketing strategy for Warrnambool as a whole, based on the development new product opportunities (increased critical mass of attraction around Cannon Hill, Pertrobe Rd, Flagstaff Hill and CBD), the re-structuring of the current regional one day tours, improved transport links between Melbourne and Warrnambool, and targeted marketing campaigns to key interest groups.

The visitation analysis and assessment for a new Warrnambool Art Gallery has been based on the following source data:

1. ABS Tourism Data, Victorian Tourism Reports’, 2015 – 2017 Destination Action Plan for Warrnambool and the 2018 Shipwreck Coast Masterplan.
2. Review of benchmark facilities.
3. Admissions data from the existing Warrnambool Art Gallery
4. Admissions data from Flagstaff Hill Maritime Village, the Warrnambool Visitor Centre and Warrnambool Council to develop a historical picture of visitational trends to Warrnambool.
5. Survey feedback

The Cannon Hill visitation forecast is outlined below and assumes a range of uplifts to reflect the assumptions above.

Comparison of Actual and Forecast Visitor Numbers

Visitor Source	Current visitors	Cautious Year 1	Optimistic Year 1	Year 5	%	Basis
Warrnambool	26,600	30,000	31,000	31,000	27%	20% uplift from existing. Large portion of population already visit WAG so not expected to significantly increase

Regional Victoria	16,000	21,000	25,000	35,000	30%	35 - 55% uplift from existing to consistently build over time. Bendigo has 30% regional visitors
Metro Melbourne	11,100	13,000	14,000	40,000	34%	25- 30% uplift from existing but will significantly increase with awareness. Bendigo has 49% from Metro Melbourne
Interstate	930	1,400	1,700	8,000	7%	Consistent with similar Art Galleries – Bendigo has 10% interstate
International	310	600	880	2,000	2%	Consistent with similar Art Galleries – Bendigo has 1% international
Total visitors	55,000	66,000	72,580	116,000		

The visitation analysis indicates that a new art gallery at Cannon Hill would provide a base case uplift from current visitation of 55,100pa to 116,000 within a 5-year period, with significant increase from visitors from the current uncaptured out-of-town visitor market. This increase in visitation is seen as being relatively modest within the first couple of years, until critical mass of word of mouth and media put a trip to the new Art Gallery on the “must see” agenda for visitors.

The ‘break through’ in converting tourists to travel to Warrnambool will be dependent on a range of activities including:

- creating a critical mass of cultural attractions; the potential development at Flagstaff Hill and investment in new Warrnambool Art Gallery starts to build this momentum; the inclusion of Budj Bim National Park on the World Heritage Register and Port Fairy Folk Festival draws together a regional program of attractions and activities.
- Working with regional partnerships to develop a strategic marketing strategy to target international and interstate tourists
- Warrnambool Art Gallery providing a changing exhibition program and that taps into the international markets interests and expectations (similar to Bendigo Art Gallery)
- Landmark architectural building that resonates with high quality civic building people wish to see and which has social media attraction to share

It is important that all of the above presented “breakthrough” recommendations are implemented and backed by Warrnambool City Council in order to achieve the stated visitation uplift

Background to this report

Environmetrics was contracted to assist RP Infrastructure by developing forecasts of likely visitation flows to the Warrnambool Art Gallery.

In the following section of this document we provide the forecast and outline the steps we took to develop it.

It is important to understand that the discussions about discretionary visitation to places such as museums, art galleries and all manner of “leisure venues” tend to confuse two terms:

Admissions (people coming through the door) which may be made up of a few people coming many times or many people coming once or some mixture of both, and

Visitors (individual people who come through the door).

This confusion has economic and policy implications in that a count of admissions, without further information about the extent of repeat visitation, does not clearly indicate how well a venue is either engaging people (shown by the proportion of repeat visits) or reaching into the target population, measured by the number of individuals (i.e. visitors). To avoid this ambiguity, we have tried to bring all the data used for our work here back to a measure of visitors.

Our approach in forecasting is to be conservative. Environmetrics try to base our assumptions about visitor behavior and the appeal of a venue on actual data and to make conservative estimates when it is necessary to imagine what might happen and build this into our calculations.

Where Warrnambool Art Gallery is now: A base case

The following table shows the situation in Financial Year 2021 - 2022. Environmetrics has used this year as a base case because it represents a reasonable post-COVID “new normal” into which tourism and recreation are emerging.

Table 1 - Flow of visitors to Warrnambool Art Gallery

Information		Source of information	Notes
Visitors to Warrnambool	119,985	Warrnambool Council	
Admissions to Warrnambool Art Gallery	61,776	Warrnambool Art Gallery report and emails	
Out-of-town admissions to Warrnambool Art Gallery	28,417	Based on Warrnambool Art Gallery report & email discussions with Front of House staff	Includes Vic, Interstate & International. Assume 1 visit per person.
Warrnambool visitors to Warrnambool Art Gallery	26,687	Based on Warrnambool Art Gallery report & email discussions with Front of House staff	Assumed 20% admissions were repeat visits.
Total estimated visitors to Warrnambool Art Gallery	55,105		
Proportion of total Warrnambool Art Gallery visitors who are out-of-town	24%		Uncaptured out-of-town visitor market is 76%

Table 2 - Profile of visitors to Warrnambool Art Gallery

Source of visitors	Percent of Visitors	Source of information	Notes
Warrnambool	54%	Warrnambool Art Gallery report and emails	The monitoring system is reasonable but probably has an error margin that makes the admission numbers usable but not precise. In some forecasting calculations we have chosen to round the actual numbers to the nearest 100 visitors.
Regional Victoria	26%	Warrnambool Art Gallery report and emails	
Metro Melbourne	18%	Warrnambool Art Gallery report and emails	
Interstate	1.5%	Warrnambool Art Gallery report and emails	
International	0.5%	Warrnambool Art Gallery report and emails	

Seasonal variation in visitation

From plotting monthly “walk-in” numbers to the Visitor Centre⁴ there is an approximate 3:1 ratio between people who make enquiries in January and those who make enquiries in August. The peak in holiday visitation suggests that attempts increase visitor flows might be constrained by lack of accommodation and other facilities at peak times such as January.

It is important to note that the seasonality is “built in” to the numbers and percentages tabulated above. Those numbers are annual totals and include the crowded months along with the leaner months. To an

⁴ Data sourced from Warrnambool City Council Tourism Centre

Things that drive visitation

Visitation Drivers

```

    graph LR
      Inbound[Inbound] --> Catchment[Catchment]
      Catchment --> VisitorFlow((Visitor Flow))
      VisitorFlow --> MonthlyVisitation[Monthly Visitation]
      
      SP((Seasonal Pattern)) --> PV((Perceived Value))
      Comp((Competition)) --> PV
      Price((Price)) --> PV
      PV --> VisitorFlow
      
      Ambience((Ambience)) --> WOM((Word of Mouth))
      Staff((Staff)) --> Ambience
      SiteFeatures((Site Features)) --> Ambience
      Facilities((Facilities)) --> Ambience
      WOM --> VisitorFlow
      
      VisitorFlow --> MediaImpact((Media Impact))
      MediaImpact --> PRImpact((PR Impact))
      PRImpact --> ExhibitImpact((Exhibit Impact))
      
      Weight((Weight)) --> MediaImpact
      Advertising((Advertising)) --> MediaImpact
      Content((Content)) --> MediaImpact
      
      Tone((tone)) --> PRImpact
      FR((FR)) --> PRImpact
      Weight2((weight)) --> PRImpact
      
      TopicAppeal((Topic Appeal)) --> ExhibitImpact
      DisplayQuality((Display Quality)) --> ExhibitImpact
      ExhibitionMass((Exhibition Mass)) --> ExhibitImpact
  
```

Our research has shown that the *leisure budget* consists of *time, energy and money*. The “perceived value” of an attraction is not just measured by the cost of accessing it but also by the time and energy taken to access and enjoy the experience.

into account subsequent post-COVID changes in leisure patterns. Environmetrics have looked at the competitive environment generated by the range of new or revamped cultural facilities that have recently opened, or are about to open, in Victoria. As a part of this review, we have sought out details of reported or proposed admissions.

Major venues in capital cities have shown the “boom” pattern and some have seen the slower rise pattern. Examples are the Powerhouse in Sydney which followed pattern one and the almost adjacent National Maritime Museum that followed pattern two. The museums differed on what our diagram shows as “Exhibit Impact”. We worked with MONA in Hobart and can see there an example of a most unusual venue and collection that, because of geographic constraints, began with a more modest, locally-based flow of visitors, but had the “Exhibit Impact” that generated the “perceived value” to draw increasing flows of visitors from across Australia and other countries.

While the plan for Warrnambool Art Gallery and surrounding attractions is to produce a leisure precinct environment that offers a far richer and exciting experience than what exists at the moment, it is our view that the visitation flow is more likely to follow the second pattern. *That is, a relatively modest first couple of years until a critical mass of word-of-mouth and media put a trip to Warrnambool Art Gallery on the “must see” agenda for diverse kinds of groups in the community.*

Considerations underlying the forecasting

Prior to constructing our forecasting model Environmetrics reviewed ABS Tourism Data, Victorian Tourism Reports, and the 2018 Shipwreck Coast Masterplan and the way cities like Bendigo and Shepparton (with relatively new art galleries/museums) presented themselves to the world. Environmetrics also explored the “what to do in...” section of TripAdvisor for a range of Victorian regional destinations.

Looking at past tourism data provides a useful base for forecasting work. However, it is revealing *past history*. To explore the “what ifs” of *the future*, one needs to know something about what is in people’s minds now when they think about leisure, recreation and touring. With residents of Victoria currently generating the largest volume of visits to Warrnambool Art Gallery, Environmetrics conducted an online survey with a sample of 500 Victorians and 100 South Australians over the age of 18. The findings informed Environmetrics view of the opportunities and constraints for increasing visitor numbers to Warrnambool and Warrnambool Art Gallery discussed in Table 3. (Full details of the survey are contained in the Appendices to this document.)

Table 3-Opportunities and Constraints

Observations	Implications
There is a major opportunity to capture visits to Warrnambool Art Gallery from the out-of-town visitors who have either been to Warrnambool Art Gallery in the past or have never been to Warrnambool Art Gallery	There is a need to market Warrnambool Art Gallery as an interesting destination providing varying experiences in addition to the “natural” attractions that dominate the “Top 10 Things to Do in Warrnambool” list on sites such as TripAdvisor.
The structure of the Day Tour industry inhibits International visitors from Melbourne reaching Warrnambool	Negotiate a tour structure that has people who have seen the Ship Wreck Coast to be delivered for a restorative overnight in Warrnambool with a quality meal and accommodation. A visit to Warrnambool Art Gallery in the morning as an activity prior to being driven back to Melbourne.
A number of maps that come up on a Google search for “Ship Wreck Coast” do not include Warrnambool.	Ensure that Warrnambool appears on relevant maps.
The survey we conducted shows that 46% of people who have been to Warrnambool for leisure in the past 5 years are interested in a wide range of leisure activities.	These people are open to a range of experiences. This is both an opportunity and a problem. They need to be enticed away from some other options in Warrnambool and introduced to Warrnambool Art Gallery.
The survey also identified 13% of the population have an active desire to explore local history and historic sites in particular. They seem equally interested in European and Aboriginal stories.	Only one-fifth of this group have ever been to Warrnambool. The group could be targeted for special Warrnambool Art Gallery experiences to increase visitation.
Twenty six percent of the survey sample are interested in “the now”. They are not interested in history, back-of-house experiences or culture They are interested in seeing what is here to see, taste and experience—sightseeing, physical activities, theme parks/zoos/botanical gardens and eating and drinking are high on their list of priorities.	It is possible that the current marketing of Warrnambool speaks to these people—40% of them have been to Warrnambool in the past five years. This is good but it leaves out the people with interests best met by a reactivated Warrnambool Art Gallery.

How to get from the current state to future growth

The Warrnambool Art Gallery admission data show that currently, people from some locations are more represented in the Gallery's audience than others. It is clear that different barriers need to be overcome to get each group through the door.

In this section of this report, Environmetrics build a forecasting model that takes account of these differences and difficulties to see what might be possible in the future if Warrnambool Art Gallery were to be revitalised and marketed in a more targeted way. All of this is underpinned by the need to market Warrnambool in ways that overcome some of the barriers to visitor flow.

To develop a forecasting model, Environmetrics made a number of assumptions about how Warrnambool Art Gallery might be upgraded and marketed throughout Warrnambool. In our opinion, the extent to which these assumptions are *not* met will decrease the number of potential visitors.

Table 4 - Assumptions Environmetrics made about the future essence of Warrnambool Art Gallery

Assumption	
Warrnambool Art Gallery becomes a focus for the Warrnambool community	When a place in the community offers diverse opportunities for achieving a range of personal goals, people use it more often; goals such "social bonding", "discovering new things", "being active", "living a meaningful life", and "feeling physically or emotionally restored" The place becomes seen as one where something is always going on and where people feel "at home". These ideas underline the development of some of the newest art facilities such as the Shepparton Art Museum that "... is designed to become the key meeting place in Shepparton."
The physical design of Warrnambool Art Gallery provides an opportunity for people to enjoy a view and the passing parade of daily life	"Museum fatigue" is a common phenomenon experienced by people visiting museums and galleries. Coffee shops and restaurants are often used to provide rest spots so that people can recover and continue their visit. If these facilities can be accessed without, for example, seeing a collection, they can provide an appealing place to relax and look at the landscape or people going by. This "opening to the world at large" will be an important part of building the sense of Warrnambool Art Gallery as a place to be.
Warrnambool Art Gallery develops programs that invite participation from the wider Victorian community	Warrnambool Art Gallery has a strong link with Aboriginal history and culture. It also has an appealing collection of art related objects and experiences. However, as it is at the moment, we suspect that it is not a "honey pot" that brings people to Warrnambool. The development of activities, such as a high quality photographic competition with links to the Shipwreck Coast (perhaps. "Capture the Coast" theme) could be used to attract attention from people in Melbourne and regional Victoria.
Warrnambool Art Gallery provides access to quality food and beverage experiences.	This may be by having a quality on-site cafe or by providing spaces and facilities for catered functions for which "art" is a background and theme but not necessarily the purpose of the function.
The precinct around and including Warrnambool Art Gallery becomes an major experience hub.	An area in which visitors can easily move from art, to history, to excitement, to fun and adventure combining Warrnambool Art Gallery and the Maritime Village. An area that marries Aboriginal and European history and culture. An area where things change so coming back next year is rewarded. A place where perceived value is maximised.
Warrnambool Art Gallery is marketed with a view to gaining traction on social media and the list of "10 things you must see in Warrnambool".	Initially, a redeveloped Warrnambool Art Gallery is not likely to be the destination for which people travel to Warrnambool. However, it has an opportunity to capture more visits from the majority of out-of-town visitors who currently see no compelling reason to visit Warrnambool Art Gallery while in Warrnambool. We suggest that a major investment be made in building Warrnambool Art Gallery's digital presence and that a dedicated person (or people) be charged with developing and uploading regular, quality digital content.

The forecasting model and forecast visitor numbers

The current numbers of visitors from each of the five geographic areas used by Warrnambool Art Gallery to catalogue admissions can be thought of as a post-COVID snapshot that reflects a decline in visitors to Warrnambool from the pre-COVID period. As Australia recovers from the experience of the pandemic and willingness to travel increases, numbers of visitors to Warrnambool will probably increase. (See *RBA Bulletin - December 2022*, "The Recovery in the Australian Tourism Industry.")

However, they might not increase at the same rate from each geographic source of visitors. It is possible that some kinds of visitors might be less likely to come to Warrnambool and the numbers arriving from that category might decline further.

Environmetrics have considered historic patterns in visitation to Warrnambool and assumed that, without dramatic intervention, the pattern might persist into the medium future.

The 2015 - 2017 Destination Action Plan for Warrnambool (prepared by Great Ocean Road Tourism Limited) reported *"Warrnambool attracted 278,000 domestic overnight visitors representing 16.4% of total visitors ... to the Great Ocean Road region."* (Page 3). It also said that *"The five year visitation trends for the region and Warrnambool are relatively flat."*

Clever marketing, and the development of new product opportunities in Warrnambool will probably drive the overall numbers up. New competitive offers outside Warrnambool might pull the same numbers down. The overall flow of visitors into Warrnambool will play an important role in affecting the number of visitors to Warrnambool Art Gallery. While our model is built on geography, Environmetrics have also considered of the way targeting specific groups in the wider community might lift the appeal of Warrnambool.

Environmetrics have also taken account of improved transport links between Warrnambool and Melbourne. While these can lower the time and energy components of the leisure budget, they don't themselves generate visits. Visits are driven by the "exhibit impact" and "ambience".

So, for our modelling, Environmetrics have assumed, based on past history as reported in the Destination Action Plan, that there will be a post-COVID lift in the overall visitation pattern for Warrnambool but not a dramatic upward trend in the medium term.

A way of taking account of these uncertainties when designing a visitor forecast is to use the technique technically known as Monte Carlo modelling. This process involves running a large number of forecasts (typically in the tens of thousands), and in each forecast, the base visitation from each geographic area is made smaller or larger than that in the base case. The maximum amount of variation around each input is a matter of judgement based on knowledge of the factors that influence whether people visit or not. When the Monte Carlo process has repeated often enough, one arrives at a distribution of the variable of interest. In this case, of the "total visitors to Warrnambool Art Gallery". This distribution can then be used to see, for example, what the maximum possible number of visitors could be, given the assumptions about how much the visitor flow from each individual geographic area might vary.

For this report, Environmetrics have focused on how high the total visitor number might go, starting with the current actual numbers and applying the assumptions about how appealing Warrnambool Art Gallery might be to each group. (The numbers in the following table are rounded.)

Table 5 - Comparison of Actual and Forecast Visitor Numbers

Visitor Source	Current visitors	Cautious Year 1	Optimistic Year 1	Year 5
Warrnambool	26,600	30,000	31,000	31,000
Regional Victoria	16,000	21,000	25,000	35,000
Metro Melbourne	11,100	13,000	14,000	40,000
Interstate	930	1,400	1,700	8,000
International	310	600	880	2,000
Total visitors	55,000	66,000	72,580	116,000

The assumptions underlying this table are:

- (i) The historic pre-COVID trend in visitation to Warrnambool as described in the *2015-2017 Destination Action Plan* "... is relatively flat", with the estimated number of Domestic Overnight Visitors at the time being 278,000. Environmetrics used the Financial Year 20 -21 for our base case. Visitation was dramatically reduced by COVID and 20 -21 was the beginning of recovery. Environmetrics assume that visitation into Warrnambool will rise to previous levels on the basis of the planned developments. However, it will take some time for Warrnambool Art Gallery and other elements to build the reputation needed to drive incoming visitation. For this reason, Environmetrics assumed the incoming visitor number in the medium to be around 305,000 people.
- (ii) In the base case, Warrnambool Art Gallery was attracting 24% of out-of-town visitors. To be conservative, Environmetrics have set the 5-year rate at around 28%. If all the recommendations we set out are met then the percentage might be higher. However, it depends on the value proposition based on word-of-mouth and formal marketing. In what will be a very competitive environment.
- (iii) Environmetrics are estimating **visitors**. Admissions will probably be higher.
- (iv) Environmetrics have held visitor numbers from Warrnambool at the modest Year 1 level. Locals will come out of interest if Warrnambool Art Gallery becomes a matter of local pride, but in practice, intention to visit turns into action more slowly than might be expected. Changing temporary exhibitions will generate repeat visits by locals (I.e. increase admissions) but be less effective in bringing new visitors.

Appendix 1: The Research Process and survey summary

Methodology

As set out in the proposal, we gathered three streams of data from which we could develop forecasts of future visitation at Warrnambool Art Gallery. These were:

1. Publicly available documents and databases dealing with tourism in Victoria in general and Warrnambool in particular. In addition to historic estimates and future forecasts, we reviewed relevant material from documents such as the 2018 “Shipwreck Coast Masterplan” and published maps of the Shipwreck Coast and Great Ocean Road.
2. We consulted with representatives of Warrnambool Council to obtain records of annual admissions to the Visitor Information Centre, Warrnambool Art Gallery and the Flagstaff Hill Maritime Village. These latter figures were separated into daytime and nighttime sessions. Where possible, we gathered observations and opinions from front-of-house staff about the extent of repeat visitation and the mix of adults and children in the admissions. (It is important when studying visitation to distinguish between “admissions” and “visitors”. The same number of admissions can be generated from a few visitors coming often or a large number of visitors coming once. The economic outcomes can be quite different.)
3. We conducted an online survey of 500 Victorian residents and 100 South Australian residents over the age of 18. (Our initial proposal was limited to the Victorian sample. However, as we explored visitation patterns in depth, we thought it wise to take a reading from South Australia. The two areas represent the primary catchment for current admissions to Warrnambool Art Gallery).

The survey was conducted using the Ipsos Pty Limited “Fast Facts” survey platform, with participants drawn from the Ipsos panel with age bands and gender proportions matching the ABS Census figures from the 2021 Census. The fieldwork took place during the period 14th to 19th January 2023.

The questions asked in the survey are attached to this document as a PDF file.

We understood that consultation with the relevant Aboriginal representatives of the local community was already being conducted and so that work proposed by us was handled by others.

Analysis and reporting

Our analysis of the Warrnambool admissions data is set out in an Excel spreadsheet provided to RP Infrastructure and Polis. A summary of the visitor data and initial forecast for future visitation was contained in a one-page “Action Report” supplied to RP Infrastructure.

The survey data were analysed using two statistical applications—JMP (version 17) and STATA (version 17). The analyses are outlined on the following page.

Survey analysis

Past admissions data to attractions such as Warrnambool Art Gallery are reporting past history. While elements of previous behavior tend to be repeated, tourism and leisure forecasting is helped by understanding the interests and motivations of people and how these might be satisfied by a planned development. For this reason, the survey linked to Warrnambool Art Gallery asked people about their past touring in Victoria, including visiting Warrnambool and Warrnambool Art Gallery, and about the kinds of activities that appeal to them when they are touring or at leisure.

As people tend to be interested in more than one kind of leisure activity, but usually not as interested in all of the activities in a diverse set of activities, it is helpful to look at the profile of interests that different people might have and to ask whether any of these profiles suggest that some groups of people might be more likely to visit a new development than others.

In the survey, people were asked the following question:

When you travel anywhere in Australia for a holiday, how appealing to you personally are each of the following kinds of holiday activities?

(ROTATE OPTIONS)

*Being physically active Visiting Museums or galleries
Finding local crafts or products Learning about local history Seeing historical sites or buildings Having food or wine experiences Sightseeing
Simply resting and relaxing.*

The response options were:

- *Really appealing* • *A bit ho hum* • *Not appealing*

Later in the survey, people who answered “appealing” to a broad category of activity (as shown in the list above) were asked about specific aspects of the activity. However, for now we focus on the list of broad categories and the use of a statistical technique known as Latent Class Analysis to see whether there was evidence that groups of people differed on the combination of activities that appealed to them.

The visitor stream from outside Warrnambool

The analysis pointed to the survey participants each being in one of six groups. The first group included almost half the sample (46%) and they were interested in a wide mix of activities including cultural activities such as visiting museums and galleries. We think of them as the **“Up for anything. Win me over”** group. A group that included 26% of the sample were more interested in seeing and experiencing the **“here and now”** rather than looking to the past. A group with a particular interest in experiencing historic sites and buildings and understanding local history and culture, we called the **“I want to get backstage”** group. They made up 13% of the sample. People in a group whose main focus was experiencing local food, wine, and produce, we think of as **“A bit of a hedonist”**. This group also made up 13% of the sample.

While the previous groups had a more or less equal gender balance, the remaining 6% of the sample were split across two groups of predominantly males who could be characterised as lacking in energy and/or interest for doing much at all.

The cross tabulations based on the data are included as a PDF format attachment to this document.

Implications of the survey results

The majority of visitors to Warrnambool (*"Up for anything"*) from the primary catchment area arrive with a menu of interests. Warrnambool presents itself as a center of natural wonders and experiences from which these visitors can choose. An art gallery needs to offer more than just "art" if it is to maximise visitation. An art gallery sited on Cannon Hill could become a major focus for visitors if it were a place from which to view the wider environment, have quality food and beverage options and incorporate elements of local European and Aboriginal history and culture.

The *"want to get backstage"* group have a particular focus on history and heritage. Therefore, an art gallery that provides these kinds of experiences as a part of the visit experience will appeal to them.

The *"here and now"* and *"bit of a hedonist"* groups are more likely to visit the gallery for views, relaxation and good cup of coffee. The cultural component of the experience is less appealing to them.

Appendix 2 – Records from Environmetrics Data Searching Archive

Tourism Victoria

- Aboriginal Victoria, See and do, Victoria, Australia.webloc
- Accessible Victoria – Tourism Victoria.webloc
- Adventure Tourism Victoria looks to r...force shortages – ABC News.webloc
- ATV – Adventure Tourism Victoria.webloc
- Business.vic.gov.au- data-assets-p...oria-2020-21-infographic.pdf.webloc
- Business.vic.gov.au- data-assets-p...ending-December-2019.pdf.webloc
- Cycle Tourism Research – Tourism North East.webloc
- Data tables – tourism Research Australia.webloc
- Domestic and regional research – business Victoria.webloc
- Economic significance – business Victoria.webloc
- Economic value of tourism – Visitor e..., skills, industry and Regions.webloc
- Flavour Trails – A taste for Exploration – Tourism Victoria.webloc
- Great Ocean Road.webloc
- International research – Business Victoria.webloc
- Latest Tourism Data Shows Strong R...Victoria – Premier of Victoria.webloc
- Major shakeup of tourism in regional Victoria underway – ABC News.webloc
- Powerpoint Presentation.webloc
- Regional visitation – Business Victoria.webloc
- Small Group Great Ocean Road And... - Melbourne Victoria Tourism.webloc
- Stay Close, Go Further – New Touris...Premier of Victoria.webloc
- Tourism industry resources – Business Victoria.webloc
- Tourism Listing – Victoria Tourism Sign Up.webloc
- Tourism Region Profiles – Tourism Research Australia.webloc
- Tourism, events and visitor economy – Live in Melbourne.webloc
- Tourists flock to the Grampians post – ABC News.webloc
- Viator Categories – Victoria Tourism.webloc
- Victoria 2023 – Best Places to Visit – Tripadvisor.webloc
- Victoria tourism summary – Tourism Research Australia.webloc
- Victoria Tourism is dead.webloc
- Visitor economy – Tourism, sports, skills, industry and Regions.webloc

Museum and Art Gallery Set

- Art beat – the regional art galleries worth travelling for.html
- Art galleries to visit around Australia – Tourism Australia.html
- Australia's newest regional gallery opens – ArtsHub Australia.html
- Australian Museums and Galleries Association Inc.html
- Exhibitions on tour to boost regional....Department of Infrastructure.html
- Our People – Umbrella Studio Contemporary Arts.html
- Regional galleries welcome upgrades to support touring visual arts.html
- The best regional art galleries in Australia.html
- The top regional galleries to visit in Victoria.html
- Understanding Museums – The development of Regional Galleries.html

Publications

Hall, R. "Leisure Research" Encyclopedia of Leisure and Outdoor Recreation, pages 283 – 285, Routledge, London. 2003

Hall, R. "Leisure Research" Encyclopedia of Leisure and Outdoor Recreation, pages 361 – 362, Routledge, London. 2003

Hall, R. "The Museum Constant: One-third plus or minus a bit", Visitor Studies Today, 8(2), 2005, 1 – 7.

Tourism Warrnambool

13 Unmissable Things to Do In Warrnambool [2023] – Victoria Uncovered.webloc
Attractions The Great Ocean Road Warrnambool – Victoria Tourism.webloc
Great Ocean Road Regional Tourism Warrnambool, VIC – White Pages.webloc
Region and Tourism – Warrnambool City Council.webloc
Regional City of Warrnambool – Regional Development Victoria.webloc
Search collections.webloc
Top 10 Things to Do in Warrnambool, VIC, 2023 – Top Oz Tours.webloc
Tourist flock to Great Ocean Road...Standard – Warrnambool, VIC.webloc
Visit Great Ocean Road – Whereunta...ives – Visit Great Ocean Road.webloc
Warrnambool Brand – Great Ocean Road Regional Tourism.webloc
Warrnambool Tourism (2023) – Australia, Travel Guide – Holidify.webloc
Warrnambool Travel Guide – Plan Your Warrnambool – Traveller.com.au.webloc
Warrnambool Travel Guide – Warrnambool Tourism – KAYAK.webloc
Warrnambool Travel Guide – Wotif.webloc

Flagstaff Hill Attendance.pdf
IVS_Tourism_results_YE_JUN_2019.xlsx
National-visitor-survey-results-september-quarter-2022.docx
NVS-Tourism_Results_YE_Jun_2019.xls
NVS-Tourism_Results_YE_Sep_2022_2021.xlsx
SMA Tourism Report.pdf

9

Appendix 9

Operational and Lifecycle Benchmarking Report



16 February 2023

Stephanie Hope
RP Infrastructure
Sydney Melbourne Brisbane
Stephanie.Hope@rpinfrastructure.com.au

Dear Stephanie

**WARRNAMBOOL ART GALLERY, CANNON HILL PHASE 2
OPERATIONAL AND LIFECYCLE BENCHMARKING REPORT**

Please find attached our Operational and Lifecycle Benchmarking Report produced for the Warrnambool Art Gallery redevelopment.

We trust the report is self-explanatory and in accordance with your current requirements. If you have any queries regarding this matter, please do not hesitate to contact the undersigned.

Yours sincerely

A handwritten signature in black ink, appearing to read 'J Knaggs'.

JOSHUA KNAGGS
Associate
WT

WT REF: PR-016482-01

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OPERATIONAL AND LIFECYCLE BENCHMARKING REPORT

WARRNAMBOOL ART GALLERY, CANNON HILL PHASE 2

16 February 2023



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2	OPERATIONAL EXPENDITURE	1
3	LIFECYCLE EXPENDITURE	4
4	LIFECYCLE EXPENDITURE MODEL	5
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6	DISCLAIMER	6

APPENDICES

APPENDIX A	LIFECYCLE MODEL
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1 INTRODUCTION

WTP Australia Pty Ltd (WT) were engaged by RP Infrastructure to prepare this report to provide estimated costs for the future ongoing maintenance and lifecycle works in relation to the proposed Warrnambool Art Gallery development (The Project).

This report is carried out for the benefit of RP Infrastructure in the planning of future maintenance and lifecycle works and to support future budgeting requirements for their proposed Project.

WT has collected benchmark costs from a number of other projects which have similarities to this Project.

1.1 BACKGROUND & PURPOSE

This report has been compiled by WT Australia Pty Ltd ('WT').

We work in partnership with our Clients and their advisors throughout the life of projects from origination, through construction and operation, to divestment and disposal. Our approach centres on giving professional, timely and reliable advice on all aspects of strategy, procurement, delivery and operation.

We advise on a wide range of projects around the world, drawing on the resources of over 1,300 staff operating from over 50 offices across North America, the United Kingdom, Europe, Asia, Central America, Australia and the Pacific regions. As one of the only major international firms that is privately owned and operates all of our offices, our open structure enables us to work flexibly and collaboratively to serve our clients based upon long-term relationships. Our global reach and resource depth enable us to leverage world's best-practice, a huge data footprint and our own subject matter experts to provide clients with a focused high performance team on each and every project.

1.2 WARRNAMBOOL ART GALLERY

WT understand the Project includes demolition of the existing structure and construction of a new gallery building which comprises amenities, bar & server, food & beverage, gallery spaces, observation area, seminar space, staff offices, visible collection storage and associated landscaping and site services and infrastructure. Total GFA of 4,320m² - as provided in the fjmtstudio Rev Draft 07/02/23 document.

2 OPERATIONAL EXPENDITURE

2.2 METHODOLOGY

To estimate the annual operating expenditure, WT has considered the functional areas of the proposed development. WT has then utilised industry benchmark rates per m² for maintenance, utilities and cleaning operating costs and applied these in accordance with the functionality of each space. These rates consider best practise maintenance being undertaken. Industry benchmark rates have been adjusted to 2023 Australian Dollars where necessary. WT has additionally allowed for adjustments to rates based on the anticipated frequency of use of each area.

2.3 ESTIMATED ANNUAL OPERATIONAL EXPENDITURE

The estimated annual operational expenditure for the development is provided in the table below.

Estimated annual operational expenditure is calculated based on the building areas stated within WT's WAG Estimate No. 2- Budget Estimate No.2 Option 2 – Cannon Hill, Phase 2, dated February 2023.

Costs are shown in 2023 Australian Dollars and Exclude GST.

TABLE 1 – ESTIMATED ANNUAL OPERATIONAL EXPENDITURE

	OPERATING BUDGET - LOW RANGE (\$ EXCL GST)	OPERATING BUDGET - HIGH RANGE (\$ EXCL GST)
Fixed Charges		
Insurance Premiums	29,400	35,900
Air Conditioning / Ventilation	10,600	13,000
Cleaning	42,900	52,500
Operating Expenses		
Utilities	23,000	28,100
Fire Protection	15,000	18,400
Pest Control	3,900	4,800
Lifts & Escalators	13,500	16,500
Maintenance & Window Cleaning	70,200	85,800
Ground Maintenance	67,400	82,400
TOTAL	\$275,900	\$337,400

We advise the above costs may be modelled for Year 1 of operations and then escalated at a suitable rate for future years.

2.4 INCLUSIONS

The outgoings estimate is inclusive of the following operating expenses, to be incurred by the building owner:

- HVAC contract services
- Cleaning
- Maintenance of physical Utility assets
- Fire Protection Equipment
- Lift Maintenance (1 nr. Lift)
- Pest Control
- General Maintenance
- Utilities consumption operating expenses
- Insurance
- Grounds Maintenance

2.5 EXCLUSIONS

- The outgoings estimate excludes the following:
- Taxes, charges, and fees such as council rates and audit fees.
- Building Management & Administration (if required)
- Events Management
- Security (Physical Patrols),
- IT Systems and Associated Software
- Business Vehicles
- Offsite Document Storage
- Business Insurances
- Lifecycle replacement works to buildings and services (included in WT's lifecycle estimate – refer section 4)
- Furniture, Fixtures, and Equipment including window furnishings and street furniture
- Outside Catering
- Statutory Outgoings
- All other business-related operating expenses
- GST

3 LIFECYCLE EXPENDITURE

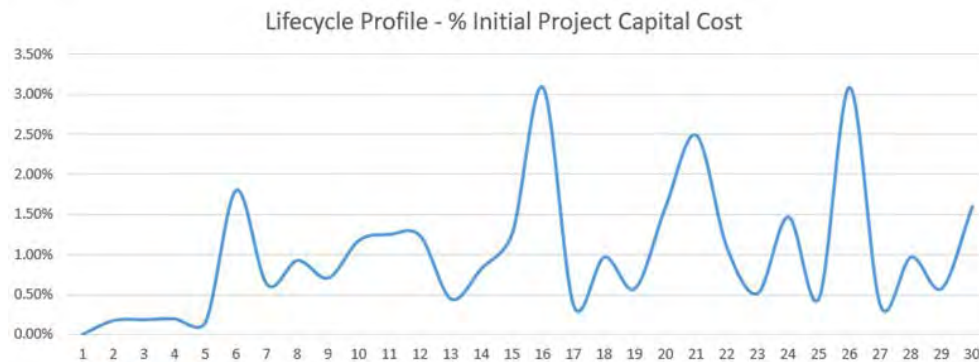
3.1 PREMISE

Once an asset has been installed within a building there is a requirement to maintain the asset during its normal economic life and a requirement to replace the asset at the end of its normal economic life.

The Lifecycle costs that are presented in this report consider replacement costs that will be incurred by the building owner for the replacement of assets and periodic redecoration works to the property.

3.2 BENCHMARKING

WT has analysed Lifecycle data from several public and private sector projects and assessed the annual expenditure from these projects as a percentage of the initial project capital cost. The benchmark Lifecycle profile as a percentage of initial project capital cost across is detailed in the chart below.



Typically, WT has observed that Lifecycle expenditure ranges between 0% and 3.5% per annum and is equivalent to between 20% to 40% of the initial capital construction cost of a project over a 30-year operational period.

We highlight that the above Lifecycle expenditure curve is a 'smooth' curve, with costs that are spread out across the horizon period. As the above data is taken from live projects, actual asset performance is represented by the expenditure curve, which includes some assets failing earlier than expected, and other assets lasting longer than expected.

We anticipate that the lifecycle expenditure that is modelled for the development of the Warrnambool Art Gallery, Victoria will be a 'lumpy' lifecycle model, with costs peaking at 5 and 10 year intervals in line with our standard lifecycle assessment.

3.3 METHODOLOGY

Lifecycle costs have been modelled from the anticipated date of completion of the development of the Warrnambool Art Gallery, Victoria.

For the purposes of this modelling and in lieu of a fixed program for the project, we have assumed that year one of the building operation will occur in the year 2027 (referred to as Year 1 on our Lifecycle model).

Trade and item costs within the lifecycle model are based on WT's WAG Estimate No. 2- Budget Estimate No.2 Option 2 – Cannon Hill, Phase 2, dated February 2023. WT reviewed the costs included in this Cost Plan to remove items with no lifecycle cost requirement, such as demolition, site works and consultant costs.

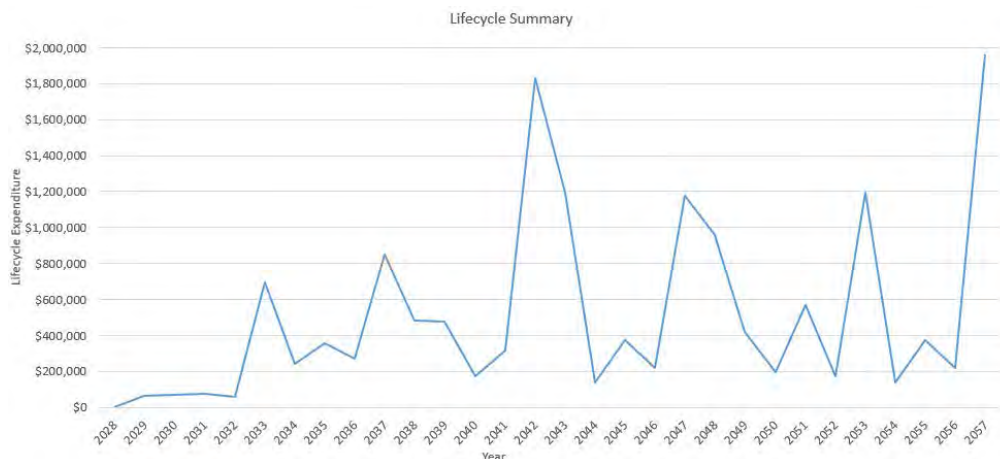
This lifecycle assessment has been calculated by modelling building fabric assets and by applying benchmark lifecycle percentages for the replacement of building services assets.

3.4 ASSUMPTIONS

All costs are shown in end of February 2023 Australian dollars (WT Cost Plan Base date February 2023) and exclude GST. No further escalation has been applied to future lifecycle costs within the 30-Year model.

4 LIFECYCLE EXPENDITURE MODEL

WT has modelled the following lifecycle profile for the base building development. These costs are expected to be borne by the building owner.



The above estimated lifecycle expenditure for the base building development is \$15,259,591 excluding GST, or 27.29% of the initial capital construction costs, in line with the mid-range of our anticipated benchmarking.

As discussed at section 3.2, the lifecycle expenditure that has been modelled for the development of the Warrnambool Art Gallery, Victoria is a 'lumpy' lifecycle model, with costs peaking at 10 and 15 year intervals in line with our standard lifecycle assessment.

We highlight FF&E is excluded from WT' cost plan and this lifecycle model.

Please refer to Appendix A for line-by-line details of the above lifecycle modelling.

5 NEXT STEPS

WT recommend that a more detailed lifecycle modelling exercise is completed once the design is complete to a level that allows for this task to be undertaken at an asset level.

Following completion of the project WT recommends the analysis should be updated regularly to reflect the true value of future inflation and other assumptions included herein.

6 DISCLAIMER

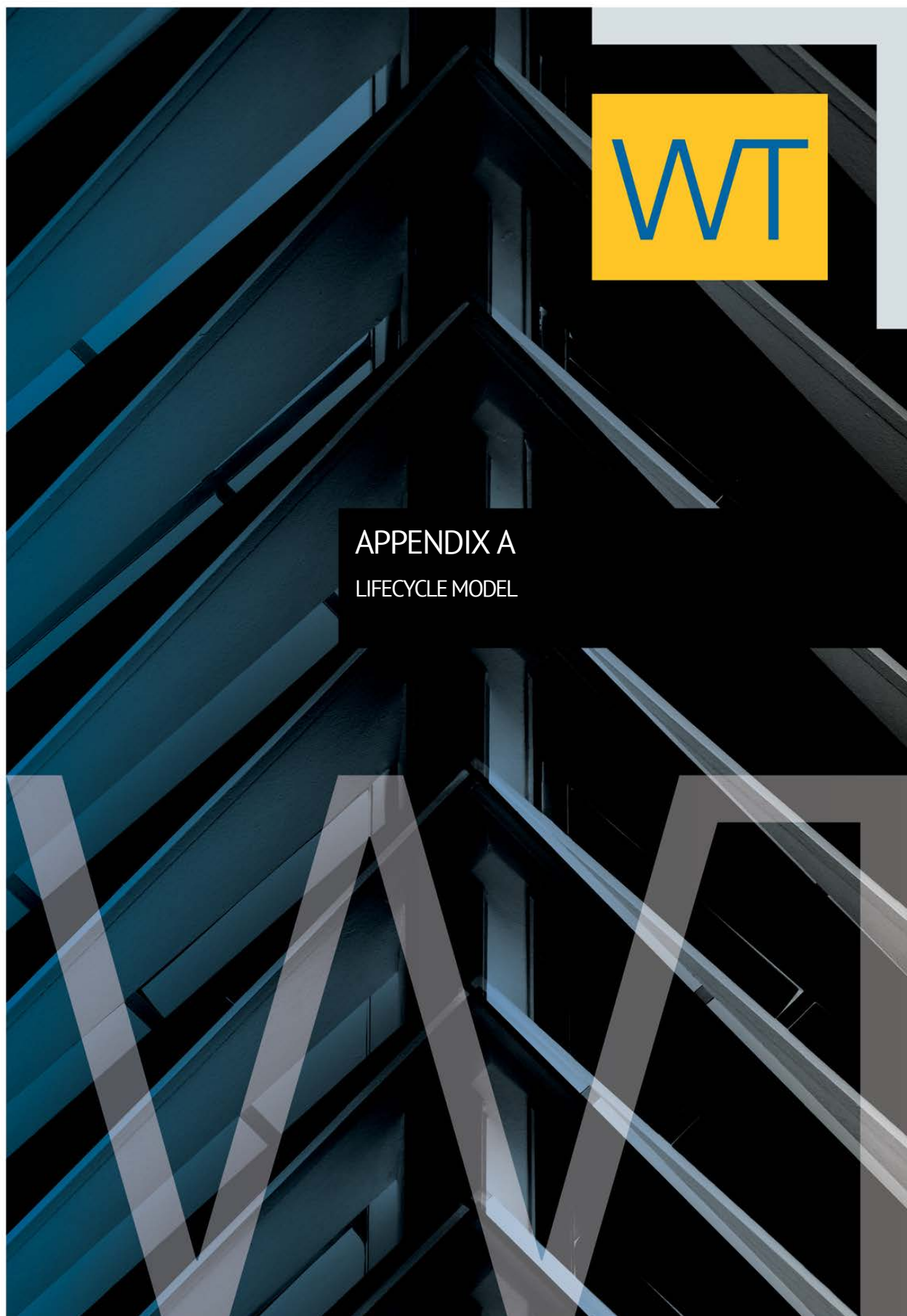
WT highlights this Report should be considered as indicative only of the replacement costs that may be incurred by the operator for the replacement of assets and periodic redecoration works to the property.

WT is not and does not hold out to be a building diagnostician or an expert in the assessment of building materials design lives. WT does not represent that the information included within this report is the limit of all issues that may be experienced over the lifecycle horizon of the assets.

This benchmark analysis is prepared for the express purpose of assisting RP Infrastructure in their general understanding of maintenance strategies. It should not be used for any other purpose or by a third party without the written consent of WT.

This Report is solely for the use of the party by whom we were instructed and for no other purpose. We owe no duty of care to any third party who becomes aware of this Report and, without our knowledge, chooses to act or rely on the whole or any part of it.

Neither the whole nor any part of this Report nor any reference thereto may be included in any document, circular or statement without our approval of the form and context in which it will appear.

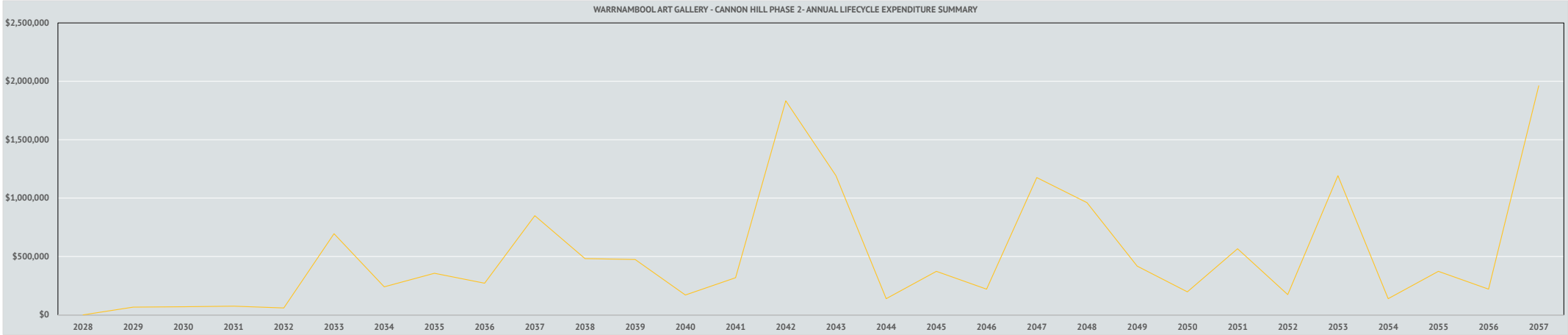




Warrnambool Art Gallery - Cannon Hill Phase 2

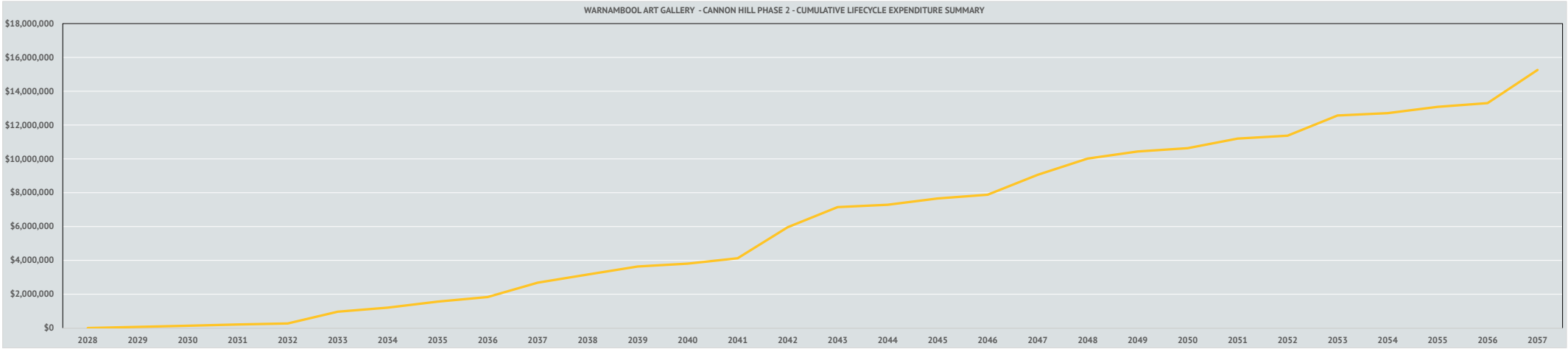
ANNUAL LIFECYCLE PROFILE (NON-ESCLATED)

	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	ALL
ANNUAL EXPENDITURE	\$0	\$66,180	\$69,894	\$74,588	\$59,071	\$695,056	\$240,343	\$356,235	\$271,129	\$849,337	\$481,783	\$474,042	\$170,386	\$318,032	\$1,832,699	\$1,191,990	\$138,644	\$372,590	\$220,334	\$1,175,800	\$961,110	\$417,478	\$197,458	\$566,163	\$173,572	\$1,191,990	\$138,644	\$372,590	\$220,334	\$1,961,922	\$15,259,591



CUMULATIVE LIFECYCLE PROFILE (NON-ESCLATED)

	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057
CUMULATIVE EXPENDITURE	\$0	\$66,180	\$136,275	\$210,863	\$269,934	\$964,989	\$1,205,333	\$1,561,567	\$1,832,696	\$2,682,033	\$3,163,815	\$3,637,857	\$3,808,243	\$4,126,276	\$5,958,974	\$7,150,964	\$7,289,608	\$7,662,198	\$7,882,531	\$9,058,331	\$10,019,441	\$10,436,919	\$10,634,377	\$11,200,540	\$11,374,112	\$12,566,101	\$12,704,745	\$13,077,335	\$13,297,669	\$15,259,591



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7.2. REVISED COUNCIL PLAN 2021-2025 AND DRAFT BUDGET 2023-2024 SUBMISSIONS

DIRECTORATE: Corporate Strategies

PURPOSE:

To present the submissions received from the community in response to Council's draft Council Plan 2021-2025 (2023 revision) and draft Budget 2023-2024.

EXECUTIVE SUMMARY

At its 1 May 2023, meeting Council approved the release of the draft Council Plan 2021-2025 (2023 revision) and Draft Budget 2023-2024 for community feedback in line with Council's Community Engagement Policy which requires Council to engage with the community "when council is setting its strategic direction".

Following the release of the documents Council received several submissions from community members. These included one submission on the draft Council Plan and 11 related to the draft Budget.

All those making submissions are invited to speak in support of their feedback at a meeting of Council.

Six members of the community indicated they wished to speak to Council in support of their submissions. They are:

- Diana Young
- Rosalie Meadows
- Helen Browne
- Laxon Fowler
- John Finnerty
- Suzie Wellens

It is proposed that the submissions, including verbal presentations, be noted by Council at this meeting, after which Council will consider the issues raised in detail before final revisions, if any are made to the Council Plan and draft Budget.

Final drafts of the Budget and Council Plan are to be considered for adoption at a meeting of Council scheduled for 26 June 2023.

MOVED: Cr Ben Blain
SECONDED: Cr Richard Ziegeler

That Council note the submissions received from the community in relation to the revised Council Plan 2021-2025 and Draft Budget 2023-2024.

CARRIED: 6:0

BACKGROUND

Council Plan

Council is required under Section 90 of the Act to prepare and approve a four-year Council Plan by 31 October following a general election.

The Council Plan is the feature document in Council's suite of strategic planning documents, formulated to guide the work for which Council has responsibility.

Although it is a four-year plan, it is reviewed annually to ensure it is relevant, has responded to significant events and/or remains aligned with the community wishes.

Council's vision for Warrnambool expressed in the Council Plan is for Warrnambool to be "A thriving city at the heart of coast and country."

The Council Plan supports the visions from the long-term community plan, Warrnambool 2040.

The Community Vision, Warrnambool 2040, was developed over two years and involved thousands of Warrnambool residents and numerous clubs, groups, schools, businesses and community organisations who shared their 'Wishes for Warrnambool' and their aspirations for the future of the city.

The plan is owned by the community and the W2040 network partners which include Warrnambool City Council. The goals in Warrnambool 2040 include:

People: in 2040 Warrnambool will be a city where all people thrive.

Environment: in 2040 Warrnambool will be most sustainable regional city in Australia.

Place: in 2040 Warrnambool will be Australia's most liveable regional city.

Economy: in 2040 Warrnambool will be Australia's most resilient and thriving regional economy.

The draft Council Plan also lists key activities and initiatives to deliver on the five objectives described in the Plan. These actions and initiatives demonstrate to the community important areas of effort in the delivery of the plan's key objectives.

These objectives are:

1. A HEALTHY COMMUNITY: To be a healthy, inclusive, and thriving community with equitable access to services, cultural opportunities and recreational activities.

2. A SUSTAINABLE ENVIRONMENT: To protect and strengthen local ecosystems, enhance biodiversity and enable sustainable communities.

3. A STRONG ECONOMY: Support a resilient local and self-sustaining regional economy that encourages economic growth and provides increased employment opportunities attracting ongoing investment.

4. A CONNECTED, INCLUSIVE PLACE: Provide quality places that all people value and want to live, work, play and learn in.

5. AN EFFECTIVE COUNCIL: To be recognised as a collaborative Council and a high-performing organisation that enables positive outcomes for Warrnambool's community, environment and economy and Victoria's South West.

At the 1 May meeting Council approved the release of the Draft Council Plan 2021-2025 (2023 revision) for public comment.

The following submission was received.

Submission to revised Council Plan

Loss of native habitat

Whilst present the environmental effort seems to be very flimsy and lacking detail. What is strikingly noticeable having returned to Warrnambool after 40 years of living away is the loss of natural habitat and vegetation, in particular native trees!

Our street doesn't even have trees on nature strips! Areas such as Albert Park (noted it has been flagged), along the Merri River and in particular St James Park (my relatives original farm) remains untouched and would be great areas to invest in native plantations and the development of a nature reserve.
--

Warrnambool Council does not appear to have a commitment to native flora and fauna, which is very disappointing in light of climate change etc.

Draft Budget 2023-2024

Preparation of the Annual Budget is a major responsibility of Council and carried out in accordance with Section 94 of the Local Government Act 2020.

The Council Plan influences the allocation of resources in the Draft Budget and at its May 1 meeting Council approved the release of the Draft Budget 2023-2024 for public comment.

The following submissions were received.

Submissions to the Draft Budget 2023-2024
--

Footpath, McMeekin Rd

Please use some of the budgeted money to create either a foot path or terrain like the rail trail along McMeekin Rd from the traffic lights down to meet up with Merrivale Dr around the dangerous corner.
--

The Merrivale community would really appreciate it a lot.

Reduce subsidy for some services, increase allocations for paths, roads, waste

It's alarming to see so many aspects of the council budget in Deficit. In the current financial climate I would like to see the budget increased to areas such as footpaths, roads, waste collection (the essential council services) and the budget decreased on our biggest services which continue to lose money year after year such as Saleyards, Art Gallery, Flagstaff Hill etc.

I believe these services can be supported by the private sector and council funds better used.
--

Accessible infrastructure

I would like to know the budget figure for Accessible Parking Renewal. For 2022-2023 the budget figure was \$30,000, but there appears to be no allocation in the current draft budget. I also wish to know what amount and the locations where renewal was done in 2022-2023. In the two years prior to 2022-2023, \$30,000 was budgeted for each year, but nothing at all was spent. In the feedback I lodged last year, I asked that in light of the lack of upgrades, that \$60,000 be budgeted for 2022-2023.
--

Also, at the request of a couple of your engineering staff, I asked that an audit of Council's accessible parks be carried out, but I received no answer to my submission. The budget figure was not increased and no-one can tell me if the audit was done. The council has many off-street and on-street accessible parks which do not conform to the current Australian Standards. They are badly in need of upgrading, when is this going to be done?

What infrastructure is to be built under the \$62,000 (including a \$10,000 grant) under the heading "Accessible Infrastructure Program" on page 47 of the Draft Budget?

What is the \$10,000 grant for and where is it from?

West Warrnambool Neighbourhood House

NOTE: This is an excerpt, the full submission is attached.

We fully support the allocation of \$0.5 million in the 2023 budget for this project (the West Warrnambool Neighbourhood House).

The WWNH's strategic plan aligns with the Warrnambool City Council's goals, emphasizing community engagement, social connection, capacity building, and partnerships. The construction of a new building in the heart of West Warrnambool will enable the WWNH to develop programs, provide meeting spaces, life skills training, social opportunities, and equitable access for all. We appreciate the Warrnambool City Council's commitment to an inclusive community and urge prompt action in implementing this project. The residents of West Warrnambool face significant challenges and limited support networks.

A dedicated permanent Neighbourhood House will bring positive change to the lives of West Warrnambool residents.

No rate increase

Warrnambool City Council have projected a Budget surplus of \$1.629 million on the 30th. June 2023, with inflation now on the way down how can a 3.5% increase be justified?

If Council can make their way through a year of 7% plus inflation with a rate increase of 1.75% and produce a budget surplus, why

do we need an increase of 3.5% for the coming year? Council is not affected by all areas of inflation with the main increases over

the last 12 months being, Medical and Hospital up 4.2%, Tertiary education up 9.7%, Gas and other household fuels up 14.3% and

Domestic holiday travel and accommodation up 4.7% A great portion of these increases are making life very difficult for many

members of our community, our homeless numbers are increasing, and care agencies are seeing an unprecedented need for their

service and are struggling to cope financially as they don't have a bottomless pit. Some Warrnambool residents are having to

make the decision between eating and heating, others have cut their meals back to two a day. Now is the time for the

Warrnambool City Councillors to show some compassion and reject the rate increase.

No rate increase

I am just an ordinary citizen and doesn't understand much with lot of issues in the budget. I felt council just like to get think too complicated for people like me to understand anyway.

One thing that I am very much against is INCREASING THE RATES. The rates payer association had been fighting against this

issue from the last batch of councilors. But unfortunately, even if people had successfully change the entire mob of councilors.
Still same. Increasing the rate is still on the table and still making people life harder.
Please note - don't want to waste time to speak for no one listens anyway.

Budget and priorities

a. The projected budget surplus in the WCC draft budget is \$1.629 million. As inflation has risen, and the costs of both renting and purchasing a home have had large increases the burden on households in the WCC area to service their rates and taxes in addition to cost of living is taking a toll on all households. In this environment, the WCC still proposes to raise the rates 3.5%. For this next budget period, it is within the council's capacity to review this rate rise; consider the financial stress at this time on the ratepayers and residents within the WCC and remove the increase, or rework the budget to reduce this increase. This budget does not explain to the ratepayers the WCC's NEED for an increase of this magnitude. Your consideration of this increase is requested.

b. The proposed development of the Cannon Hill site to install an art gallery on that site was not a mandate that the current councillors took to the last election. There has been a number of opportunities for the WCC to hear the dissent of the ratepayers and residents to that proposal. In the event the business case for this proposal is not accepted, and a majority of the ratepayers accept an art gallery development is needed, where will the money for the next business case be funded from, as this current business case has been funded in part from council funds? Another business case for an art gallery development/redevelopment surely cannot be proposed by WCC to come from council (ratepayer) funds?

c. Flagstaff Hill. Continuing to run at a loss. Almost a million dollars projected in this budget. This on top of a projected operating cost of 2.8 million. To continue to operate this location at a loss, and expect the ratepayers to pay a proposed 3.5% increase in their rates is very poor, if not negligent management of ratepayer funds. What is Councils financial plan to turn the Flagstaff Hill debacle around to at least be cost neutral? Better still to become an income generating asset to the ratepayers?

d. Proposed West Warrnambool Community House. Undoubtedly long overdue. To the residents in the Pecten Avenue/Caroline Cres location that may be proposed to host that house, there has been no consultation, including the benefits and drawbacks that that location may incur. The refurbished playground is now used frequently and by many. Including the grassed areas used by children running and rolling down the grassed hilly area. It is a valued asset in this neighbourhood.

In relation to the proposed Community House: Is this a demountable or a permanent building? Where in this site will it be located? What planning is in place to maintain a maximum open ground area around the playground? What security is proposed for both the users of this Community House, and the children/families using the playground? Does the proposed \$500,000 budgeted provide for the construction and maintenance of the house? Who will staff the house, and pay for that staffing? Will it have a user pays structure as do all council assets wishing to be accessed by non commercial community groups and individuals?

No rate increase, budget priorities

1. I object to the budget rates increase of 3.5% - the maximum hike permitted by the cap, rather than aiming to manage within a minimum rate increase. This is not, per the included messaging, "responsible and conservative with a focus on looking after our current assets" "Maintaining the assets we have" "Careful and responsible budgeting" nor "Mindful of the cost of living pressures." It is simply and cynically the maximum permitted "rate increase of 3.5 per cent," per "the rate cap announced by the Victorian Government."

This is clearly not to compensate for inflation - it is merely license to take and spend the maximum allowed of other peoples' money.

This approach cannot in any way be considered responsible fiscal management.

2. The statement commencing "The Comprehensive Income Statement surplus does not indicate Council has spare money to spend .." is not explicit and helpful - how much is actually spare, and need not be spent in the 23/24 year?

3. What is Council's plan to reduce the relentlessly accelerating losses from the Flagstaff Hill facility?

4. Why is an increase sought for Festivals and Events? Why not, in a time of Cost-of-Living crisis, restrain such spending to previous budget numbers.

5. A West Warrnambool Neighbourhood House (\$500,000) is mentioned - what is the scope of this facility? Why is it needed? Where is it to be located? I cannot accept a substantial provision when so little detail is attached. NB - are the currently-underway Pecten Ave road-crossing works connected to this 'initiative'? If so, then it's very clear that the plans are fully advanced, and ought to have been released for public comment.

6. Mention is made of long-term future development for the Art Gallery. Given the widespread public and ratepayers objection to the Cannon Hill Art Gallery business case for a grandiose expansion, what will be proposed in its stead, for a responsibly conceived and sustainable Art Gallery at a widely acceptable location?

7. Learning from the Art Gallery experience, what is proposed for the AquaZone and Saleyards redevelopments - are public and ratepayers' submissions being called for before an expensive and 'too specific' study is initiated.

Aquazone user fees

I would like to know the specific factors that are leading to AquaZones aquatic entrance and membership fees being higher, in some cases over 20% more, than other similar regional facilities.

Adult Swim. AquaZone \$7.30, Hamilton \$7.20, Portland \$6.20 and Ballarat \$6.80

Child Swim. AquaZone \$5.40, Hamilton \$4.50, Portland \$4.10 and Ballarat \$4.20

Family Swim. AquaZone \$21.90, Hamilton \$19.50, Portland \$16.40 and Ballarat \$17.80

Adult Swim Direct Debit. AquaZone \$72.50, Hamilton \$69.00, Portland \$45.93 and Ballarat \$61.75

Child Swim Direct Debit. AquaZone \$50.25, Hamilton \$41.00, Portland \$31.85 and Ballarat \$36.18

I would like to know the specific drivers that have led to these fees and not a broad-brush statement that fees are under review or a new strategy is being developed.

It is worth noting that whilst AquaZone's fees are the most expensive in South West Victoria, in many facilities the entry fees quoted above are inclusive of facilities such as spas, saunas and steam rooms that AquaZone does not provide, making the current fee structure even more perplexing.

Extend outdoor 50m pool season

The Warrnambool Swim Club would like to know why an outdoor pool season that caters for its swimmers to compete in a 50m pool leading up to the national championships has not been included in the 2023/24 budget.

The club understands that options were given to WCC to extend the season that were rejected. Warrnambool swimmers are at a significant disadvantage to other competitors with this decision.

The club requests that Council include a season from Monday 30th Oct – Sunday 7th April. This would allow swimmers to compete in a 50m facility leading up to National championships beginning in early/mid-April.

Endorsement of inclusion for West Warrnambool Neighbourhood House in Draft Budget

NOTE: this is an excerpt, the full submission is attached.

Having reviewed the Draft 23/24 budget, the community members of the West Warrnambool Neighbourhood House (WWNH) Reference Group, would like to congratulate council for the inclusion of the proposed WWNH design and construction. The current programmes delivered by the incredibly passionate and dedicated Coordinator Jill Bourke are hugely successful even without a current home.

While the community has 'made-do' for a while now, the current arrangement is not sustainable and doesn't provide for the full range of programmes that the community needs.

While this submission does not speak for any other organisations, we are confident to also have the support of our many partner organisations including Warrnambool & District Food share, Department of Families Fairness and Housing Victoria, Local Schools and charitable organisations.

The Reference Group is ready and dedicated to support Warrnambool City Council and other partners to ensure the success of this transformative project and the ongoing success of the WWNH.

FINANCIAL IMPACT

The Draft 2023-2024 Budget describes the allocation of resources required to deliver on the activities and initiatives contained in the Council Plan.

LEGISLATION/POLICY/COUNCIL PLAN CONTEXT

Section 90 of the Local Government Act (2020) instructs Council to prepare and adopt a Council Plan for a period of at least four financial years after a general election.

TIMING

Council is on schedule to consider final drafts of the Council Plan 2021-2025 (revised 2023) and Budget 2023-2024 by June 30 in accordance with the requirements of the Local Government Act (2020).

COMMUNITY IMPACT/CONSULTATION

Council undertook an extensive community engagement effort in 2021 as part of the development of the four-year Council Plan.

In recent weeks Council has sought the community's involvement in the annual review of the Council Plan and the 2023- 2024 Budget.

This has included calling for online and written submissions.

Those making written submissions also have the opportunity to speak at a Council meeting in support of their submissions.

LEGAL RISK/IMPACT

N/A

OFFICERS' DECLARATION OF INTEREST

Nil.

CONCLUSION

The review of submissions is an important step in the community engagement process for these key strategic Council documents.

ATTACHMENTS

1. Council Plan Submission 2023 [**7.2.1** - 1 page]
2. Budget Submissions 2023 [**7.2.2** - 21 pages]

Have your say on the Draft 2023 revision of the Council Plan 2021-2025

#1

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Monday, May 22, 2023 12:09:37 PM
Last Modified: Monday, May 22, 2023 12:14:17 PM
Time Spent: 00:04:39
IP Address:

Page 1: Revised 2021-2025 Council Plan

Q1

Please provide your feedback on the 2023 revised Council Plan below

Whilst present the environmental effort seems to be very flimsy and lacking detail.
What is strikingly noticeable having returned to Warrnambool after 40 years of living away is the loss of natural habitat and vegetation, in particular native trees!
Our street doesn't even have trees on nature strips!
Areas such as Albert Park (noted it has been flagged), along the Merri River and in particular St James Park (my relatives original farm) remains untouched and would be great areas to invest in native plantations and the development of a nature reserve.
Warrnambool Council does not appear to have a commitment to native flora and fauna, which is very disappointing in light of climate change etc.

Q2

No

Do you wish to speak in support of your submission at the Council meeting to be held on June 5, 2023.

Q3

Please provide your name and contact details. This information will be treated in accordance with Council's Privacy Policy.

Name Anne Clancy

Have your say on the Draft Budget

#1

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Wednesday, May 03, 2023 10:21:05 AM
Last Modified: Wednesday, May 03, 2023 10:28:43 AM
Time Spent: 00:07:38
IP Address:

Page 1: Warrnambool City Council Draft Budget 2023-2024

Q1

Please provide your feedback on the Draft 2023-2024 Budget below.

Please use some of the budgeted money to create either a foot path or terrain like the rail trail along McMeekin Rd from the traffic lights down to meet up with Merrivale Dr around the dangerous corner. The Merrivale community would really appreciate it alot, especially me, since I like to walk my son in hes pram around that way home and only way to at the moment is in the bike lane

Q2

No

Would you like to speak in support of your submission at the Council meeting to be held on June 5, 2023?

Q3

Please provide your contact details. All personal information will be treated in accordance with Council's Privacy Policy.

Name Jacinta Altmann
Post code
Email Address
Phone Number

Have your say on the Draft Budget

#2

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Tuesday, May 09, 2023 4:40:33 PM
Last Modified: Tuesday, May 09, 2023 4:44:02 PM
Time Spent: 00:03:29
IP Address:

Page 1: Warrnambool City Council Draft Budget 2023-2024

Q1

Please provide your feedback on the Draft 2023-2024 Budget below.

It's alarming to see so many aspects of the council budget in Deficit. In the current financial climate I would like to see the budget increased to areas such as footpaths, roads, waste collection (the essential council services) and the budget decreased on our biggest services which continue to lose money year after year such as Saleyards, Art Gallery, Flagstaff Hill etc. I believe these services can be supported by the private sector and council funds better used.

Q2

No

Would you like to speak in support of your submission at the Council meeting to be held on June 5, 2023?

Q3

Please provide your contact details. All personal information will be treated in accordance with Council's Privacy Policy.

Name B. Maloney
Post code 3280

Have your say on the Draft Budget

#3

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Sunday, May 28, 2023 7:47:49 PM
Last Modified: Sunday, May 28, 2023 8:52:09 PM
Time Spent: 01:04:20
IP Address:

Page 1: Warrnambool City Council Draft Budget 2023-2024

Q1

Please provide your feedback on the Draft 2023-2024 Budget below.

I would like to know the budget figure for Accessible Parking Renewal. For 2022-2023 the budget figure was \$30,000, but there appears to be no allocation in the current draft budget. I also wish to know what amount and the locations where renewal was done in 2022-2023. In the two years prior to 2022-2023, \$30,000 was budgeted for each year, but nothing at all was spent. In the feedback I lodged last year, I asked that in light of the lack of upgrades, that \$60,000 be budgeted for 2022-2023. Also, at the request of a couple of your engineering staff, I asked that an audit of Council's accessible parks be carried out, but I received no answer to my submission. The budget figure was not increased and no-one can tell me if the audit was done. The council has many off-street and on-street accessible parks which do not conform to the current Australian Standards. They are badly in need of upgrading, when is this going to be done? What infrastructure is to be built under the \$62,000 (including a \$10,000 grant) under the heading "Accessible Infrastructure Program" on page 47 of the Draft Budget? What is the \$10,000 grant for and where is it from?

Q2

Yes

Would you like to speak in support of your submission at the Council meeting to be held on June 5, 2023?

Q3

Please provide your contact details. All personal information will be treated in accordance with Council's Privacy Policy.

Name **Diana Young**
Post code
Email Address
Phone Number

Have your say on the Draft Budget

#4

COMPLETE

Collector:	Web Link 1 (Web Link)
Started:	Sunday, May 28, 2023 9:55:40 PM
Last Modified:	Sunday, May 28, 2023 10:00:11 PM
Time Spent:	00:04:31
IP Address:	

Page 1: Warrnambool City Council Draft Budget 2023-2024

Have your say on the Draft Budget

Q1

Please provide your feedback on the Draft 2023-2024 Budget below.

Subject: Support and Recommendation for Funding the West Warrnambool Neighbourhood House

Dear Warrnambool City Council,

We wish to advocate for the West Warrnambool Neighbourhood House (WWNH) and support the allocation of \$0.5 million in the 2023 Draft Budget for the construction of a new WWNH building.

Neighbourhood houses play a crucial role in diminishing inequalities, improving health and well-being, promoting community connections, and supporting vulnerable populations.

The WWNH has served diverse communities, including Aboriginal families, seniors, single parents, and those with special needs. Through its programs, the WWNH offers a secure and inclusive environment where people can engage socially, acquire knowledge, and cultivate a sense of belonging within the community

Founded in March 2019, the WWNH was established to aid the socially and economically disadvantaged residents of West Warrnambool. The program initially received funding from the Victorian State Government Department of Health and Human Services (DHHS), which has since been renamed the Department of Families, Fairness and Housing (DFFH). The approved funding application designated 21-23 Beamish Street as the specified location for the WWNH program.

Regrettably, the initial facility at Beamish Street, which was shared with Council Kindergarten services, proved inadequate and unsuitable to meet the needs of both the WWNH and the Kindergarten. Consequently, starting from 2021, the WWNH had to operate from multiple venues and locations to meet its program requirements.

The Department of Families, Fairness and Housing (DFFH) recognized the constraints of the original site and emphasized the necessity of finding alternative appropriate facility options. As per their requirements, it is crucial for the WWNH program to have a dedicated, safe, and welcoming location in West Warrnambool that operates for 25 hours per week, with an additional 25 hours per week allocated for community-led activities, totalling 50 hours per week.

Despite numerous efforts to secure a permanent venue, the current community infrastructure in West Warrnambool falls short of meeting the needs of the community. Limited operating hours, accessibility challenges, inadequate storage, cost constraints, location, parking and child safety concerns have impeded the WWNH.

Under the leadership of our dedicated and passionate WWNH coordinator, Jill Bourke, we have consistently delivered wonderful services, activities, and events across diverse venues and spaces. However the lack of a single permanent location means this service is unsustainable and threatens the essential support of the DFFH and hence the viability of WWNH.

The Food Insecurity Investigation Report by South West Health Care in 2023 revealed the distressing reality in West Warrnambool, where it was identified as a food desert with limited availability of affordable and nutritious food. In response, the West Warrnambool Neighbourhood House (WWNH) took action in 2022 by distributing 2.3 tonnes of food relief, valued at \$16,835. These statistics emphasize the profound influence that an accessible and welcoming Neighbourhood House can have in addressing food insecurity and providing essential support to the local community.

To significantly enhance its program a dedicated West Warrnambool Neighbourhood House could incorporate the following activities alongside its existing offerings:

- Chop & Chat Cooking Classes
- Drop-In Resource Centre
- Emergency Food Cupboard
- Neighbourhood Kitchen Garden
- Community Lunches
- Regular Crafting Sessions
- Life Skills for Families
- Book & DVD Exchange
- Collaboration with Adult Education and Service Providers for Non Accredited Training

Have your say on the Draft Budget

- Collaboration with Adult Education and Service Providers for Non-Accredited Training
- Assistance with Job Applications and Resume Writing
- IT Support (Computer, Tech devices, Photocopying, Printing, Scanning, Laminating)
- Power Saving Bonus Appointments
- Safe Seats Safe Kids – Car Seat Fitting Programs
- Reduce, Reuse, Repurpose, Recycle Facilities and Programs
- West Warrnambool Walking Group and Group Fitness
- Special Calendar Occasions and Events
- Special Interest Groups
- School Holiday Programs
- Playgroup
- Afterschool Drop-In/Activities

We fully support the allocation of \$0.5 million in the 2023 budget for this project.

The WWNH's strategic plan aligns with the Warrnambool City Council's goals, emphasizing community engagement, social connection, capacity building, and partnerships. The construction of a new building in the heart of West Warrnambool will enable the WWNH to develop programs, provide meeting spaces, life skills training, social opportunities, and equitable access for all.

We appreciate the Warrnambool City Council's commitment to an inclusive community and urge prompt action in implementing this project. The residents of West Warrnambool face significant challenges and limited support networks. A dedicated permanent Neighbourhood House will bring positive change to the lives of West Warrnambool residents.

Thank you for considering our submission. We are available for further discussion and to provide additional information as required.

Yours sincerely,

Rosalie Meadows and Tonia Wilcox,

Aitkins Rd Residents and Volunteer Community Members of the
West Warrnambool Neighbourhood House Reference Group

Q2

Yes

Would you like to speak in support of your submission at the Council meeting to be held on June 5, 2023?

Q3

Please provide your contact details. All personal information will be treated in accordance with Council's Privacy Policy.

Name

Rosalie Meadows

Post code

Email Address

Have your say on the Draft Budget

#5

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Monday, May 29, 2023 9:39:19 AM
Last Modified: Monday, May 29, 2023 9:41:44 AM
Time Spent: 00:02:24
IP Address:

Page 1: Warrnambool City Council Draft Budget 2023-2024

Q1

Please provide your feedback on the Draft 2023-2024 Budget below.

Warrnambool City Council have projected a Budget surplus of \$1.629 million on the 30th. June 2023, with inflation now on the way down how can a 3.5% increase be justified?

If Council can make their way through a year of 7% plus inflation with a rate increase of 1.75% and produce a budget surplus, why do we need an increase of 3.5% for the coming year? Council is not affected by all areas of inflation with the main increases over the last 12 months being, Medical and Hospital up 4.2%, Tertiary education up 9.7%, Gas and other household fuels up 14.3% and Domestic holiday travel and accommodation up 4.7% A great portion of these increases are making life very difficult for many members of our community, our homeless numbers are increasing, and care agencies are seeing an unprecedented need for their service and are struggling to cope financially as they don't have a bottomless pit. Some Warrnambool residents are having to make the decision between eating and heating, others have cut their meals back to two a day. Now is the time for the Warrnambool City Councillors to show some compassion and reject the rate increase.

Q2

No

Would you like to speak in support of your submission at the Council meeting to be held on June 5, 2023?

Q3

Please provide your contact details. All personal information will be treated in accordance with Council's Privacy Policy.

Name **Joan Kelson**
Post code
Email Address
Phone Number

Have your say on the Draft Budget

#6

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Monday, May 29, 2023 1:10:12 PM
Last Modified: Monday, May 29, 2023 1:17:30 PM
Time Spent: 00:07:18
IP Address:

Page 1: Warrnambool City Council Draft Budget 2023-2024

Q1

Please provide your feedback on the Draft 2023-2024 Budget below.

I am just an ordinary citizen and doesn't understand much with lot of issues in the budget. I felt council just like to get think too complicated for people like me to understand anyway.
One thing that I am very much against is INCREASING THE RATES. The rates payer association had been fighting against this issue from the last batch of councilors. But unfortunately, even if people had successfully change the entire mob of councilors. Still same. Increasing the rate is still on the table and still making people life harder.
Please note - don't want to waste time to speak for no one listens anyway.

Q2

No

Would you like to speak in support of your submission at the Council meeting to be held on June 5, 2023?

Q3

Please provide your contact details. All personal information will be treated in accordance with Council's Privacy Policy.

Name Shirley Sy

Post code

Email Address

Phone Number

Have your say on the Draft Budget

#7

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Sunday, May 28, 2023 10:08:04 PM
Last Modified: Monday, May 29, 2023 2:06:44 PM
Time Spent: 15:58:39
IP Address:

Page 1: Warrnambool City Council Draft Budget 2023-2024

Q1

Please provide your feedback on the Draft 2023-2024 Budget below.

- a. The projected budget surplus in the WCC draft budget is \$1.629 million. As inflation has risen, and the costs of both renting and purchasing a home have had large increases the burden on households in the WCC area to service their rates and taxes in addition to cost of living is taking a toll on all households. In this environment, the WCC still proposes to raise the rates 3.5%. For this next budget period, it is within the council's capacity to review this rate rise; consider the financial stress at this time on the ratepayers and residents within the WCC and remove the increase, or rework the budget to reduce this increase. This budget does not explain to the ratepayers the WCC's NEED for an increase of this magnitude. Your consideration of this increase is requested.
- b. The proposed development of the Cannon Hill site to install an art gallery on that site was not a mandate that the current councillors took to the last election. There has been a number of opportunities for the WCC to hear the dissent of the ratepayers and residents to that proposal. In the event the business case for this proposal is not accepted, and a majority of the ratepayers accept an art gallery development is needed, where will the money for the next business case be funded from, as this current business case has been funded in part from council funds? Another business case for an art gallery development/redevelopment surely cannot be proposed by WCC to come from council (ratepayer) funds?
- c. Flagstaff Hill. Continuing to run at a loss. Almost a million dollars projected in this budget. This on top of a projected operating cost of 2.8 million. To continue to operate this location at a loss, and expect the ratepayers to pay a proposed 3.5% increase in their rates is very poor, if not negligent management of ratepayer funds. What is Councils financial plan to turn the Flagstaff Hill debacle around to at least be cost neutral? Better still to become an income generating asset to the ratepayers?
- d. Proposed West Warrnambool Community House. Undoubtedly long overdue. To the residents in the Pecten Avenue/Caroline Cres location that may be proposed to host that house, there has been no consultation, including the benefits and drawbacks that that location may incur. The refurbished playground is now used frequently and by many. Including the grassed areas used by children running and rolling down the grassed hilly area. It is a valued asset in this neighbourhood. In relation to the proposed Community House: Is this a demountable or a permanent building? Where in this site will it be located? What planning is in place to maintain a maximum open ground area around the playground? What security is proposed for both the users of this Community House, and the children/families using the playground? Does the proposed \$500,000 budgeted provide for the construction and maintenance of the house? Who will staff the house, and pay for that staffing? Will it have a user pays structure as do all council assets wishing to be accessed by non commercial community groups and individuals?

Q2

Yes

Would you like to speak in support of your submission at the Council meeting to be held on June 5, 2023?

Have your say on the Draft Budget

Q3

Please provide your contact details. All personal information will be treated in accordance with Council's Privacy Policy.

Name	Helen Browne
Post code	
Email Address	
Phone Number	

Have your say on the Draft Budget

#8

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Monday, May 29, 2023 1:38:09 PM
Last Modified: Monday, May 29, 2023 3:52:17 PM
Time Spent: 02:14:07
IP Address:

Page 1: Warrnambool City Council Draft Budget 2023-2024

Q1

Please provide your feedback on the Draft 2023-2024 Budget below.

1. I object to the budget rates increase of 3.5% - the maximum hike permitted by the cap, rather than aiming to manage within a minimum rate increase. This is not, per the included messaging, "responsible and conservative with a focus on looking after our current assets" "Maintaining the assets we have" "Careful and responsible budgeting" nor "Mindful of the cost of living pressures." It is simply and cynically the maximum permitted "rate increase of 3.5 per cent," per "the rate cap announced by the Victorian Government." This is clearly not to compensate for inflation - it is merely license to take and spend the maximum allowed of other peoples' money. This approach cannot in any way be considered responsible fiscal management.
2. The statement commencing "The Comprehensive Income Statement surplus does not indicate Council has spare money to spend .." is not explicit and helpful - how much is actually spare, and need not be spent in the 23/24 year?
3. What is Council's plan to reduce the relentlessly accelerating losses from the Flagstaff Hill facility?
4. Why is an increase sought for Festivals and Events? Why not, in a time of Cost-of-Living crisis, restrain such spending to previous budget numbers.
5. A West Warrnambool Neighbourhood House (\$500,000) is mentioned - what is the scope of this facility? Why is it needed? Where is it to be located? I cannot accept a substantial provision when so little detail is attached. NB - are the currently-underway Pecten Ave road-crossing works connected to this 'initiative'? If so, then it's very clear that the plans are fully advance, and ought to have been released for public comment.
6. Mention is made of long-term future development for the Art Gallery. Given the widespread public and ratepayers objection to the Cannon Hill Art Gallery business case for a grandiose expansion, what will be proposed in its stead, for a responsibly conceived and sustainable Art Gallery at a widely acceptable location?
7. Learning from the Art Gallery experience, what is proposed for the AquaZone and Saleyards redevelopments - are public and ratepayers' submissions being called for before an expensive and 'too specific' study is initiated ..

Q2

Yes

Would you like to speak in support of your submission at the Council meeting to be held on June 5, 2023?

Have your say on the Draft Budget

Q3

Please provide your contact details. All personal information will be treated in accordance with Council's Privacy Policy.

Name **Laxon Fowler**
Post code
Email Address
Phone Number

Have your say on the Draft Budget

#9

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Monday, May 29, 2023 4:21:34 PM
Last Modified: Monday, May 29, 2023 4:22:43 PM
Time Spent: 00:01:08
IP Address:

Page 1: Warrnambool City Council Draft Budget 2023-2024

Q1

Please provide your feedback on the Draft 2023-2024 Budget below.

I would like to know the specific factors that are leading to AquaZones aquatic entrance and membership fees being higher, in some cases over 20% more, than other similar regional facilities.

Adult Swim. AquaZone \$7.30, Hamilton \$7.20, Portland \$6.20 and Ballarat \$6.80

Child Swim. AquaZone \$5.40, Hamilton \$4.50, Portland \$4.10 and Ballarat \$4.20

Family Swim. AquaZone \$21.90, Hamilton \$19.50, Portland \$16.40 and Ballarat \$17.80

Adult Swim Direct Debit. AquaZone \$72.50, Hamilton \$69.00, Portland \$45.93 and Ballarat \$61.75

Child Swim Direct Debit. AquaZone \$50.25, Hamilton \$41.00, Portland \$31.85 and Ballarat \$36.18

I would like to know the specific drivers that have led to these fees and not a broad-brush statement that fees are under review or a new strategy is being developed.

It is worth noting that whilst AquaZones fees are the most expensive in South West Victoria, in many facilities the entry fees quoted above are inclusive of facilities such as spas, saunas and steam rooms that AquaZone does not provide, making the current fee structure even more perplexing.

Q2

No

Would you like to speak in support of your submission at the Council meeting to be held on June 5, 2023?

Q3

Please provide your contact details. All personal information will be treated in accordance with Council's Privacy Policy.

Name Jason Moloney

Post code

Email Address

Phone Number

Have your say on the Draft Budget

#10

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Monday, May 29, 2023 4:38:07 PM
Last Modified: Monday, May 29, 2023 4:39:36 PM
Time Spent: 00:01:29
IP Address:

Page 1: Warrnambool City Council Draft Budget 2023-2024

Q1

Please provide your feedback on the Draft 2023-2024 Budget below.

Submission in support of the proposed budget for the West Warrnambool Community House sent via email.

Q2

Yes

Would you like to speak in support of your submission at the Council meeting to be held on June 5, 2023?

Q3

Please provide your contact details. All personal information will be treated in accordance with Council's Privacy Policy.

Name John Finnerty
Post code
Email Address
Phone Number

Have your say on the Draft Budget

#11

COMPLETE

Collector: Web Link 1 (Web Link)
Started: Monday, May 29, 2023 4:53:49 PM
Last Modified: Monday, May 29, 2023 4:56:59 PM
Time Spent: 00:03:10
IP Address:

Page 1: Warrnambool City Council Draft Budget 2023-2024

Q1

Please provide your feedback on the Draft 2023-2024 Budget below.

The Warrnambool Swim Club would like to know why an outdoor pool season that caters for its swimmers to compete in a 50m pool leading up to the national championships has not been included in the 2023/24 budget.

The club understands that options were given to WCC to extend the season that were rejected.

Warrnambool swimmers are at a significant disadvantage to other competitors with this decision.

The club requests that Council include a season from Monday 30th Oct – Sunday 7th April. This would allow swimmers to compete in a 50m facility leading up to National championships beginning in early/mid April.

Q2

Yes

Would you like to speak in support of your submission at the Council meeting to be held on June 5, 2023?

Q3

Please provide your contact details. All personal information will be treated in accordance with Council's Privacy Policy.

Name **Suzie Wellens**
Post code
Email Address
Phone Number

From:
Sent: Mon, 29 May 2023 13:30:00 +1000
To: "Warrnambool City Council Shared Mail" <contact@warrnambool.vic.gov.au>
Subject: Submission to the Draft Budget
Attachments: WWNH Budget Support Submission.pdf

CAUTION: This email originated from outside of Warrnambool City Council. Do not follow guidance, click links, or open attachments unless you recognise the sender and know the content is safe.

Hi There

Please find attached a submission to the draft Council Budget.

Can you please acknowledge receipt of this email.

Regards

John Finnerty

on behalf of the West Warrnambool Neighbourhood House Reference Group

Budget Submission to Warrnambool City Council in support of the proposed West Warrnambool Neighbourhood House.



Neighbourhood Houses

The Heart of Our Community

Prepared by the Community Members of the West Warrnambool Neighbourhood House Reference Group.

Mel Steffensen, Stacey Atkins, John Finnerty, Karen Holdsworth



To Warrnambool City Council for consideration during the 23/24 Budget Deliberations.

Having reviewed the Draft 23/24 budget, the community members of the West Warrnambool Neighbourhood House (WWNH) Reference Group, would like to congratulate council for the inclusion of the proposed WWNH design and construction. The current programmes delivered by the incredibly passionate and dedicated Coordinator Jill Bourke are hugely successful even without a current home. While the community has 'made-do' for a while now, the current arrangement is not sustainable and doesn't provide for the full range of programmes that the community needs.

While this submission does not speak for any other organisations, we are confident to also have the support of our many partner organisations including Warrnambool & District Food share, Department of Families Fairness and Housing Victoria, Local Schools and charitable organisations. The Reference Group is ready and dedicated to support Warrnambool City Council and other partners to ensure the success of this transformative project and the ongoing success of the WWNH.

About the West Warrnambool Neighbourhood House

West Warrnambool Neighbourhood House was founded in March 2019 with the aim to provide support for the community of West Warrnambool with a significant focus on socially and economically disadvantaged residents. The programme is funded by the Victorian State Government, Department of Families Fairness and Housing. (the Department)

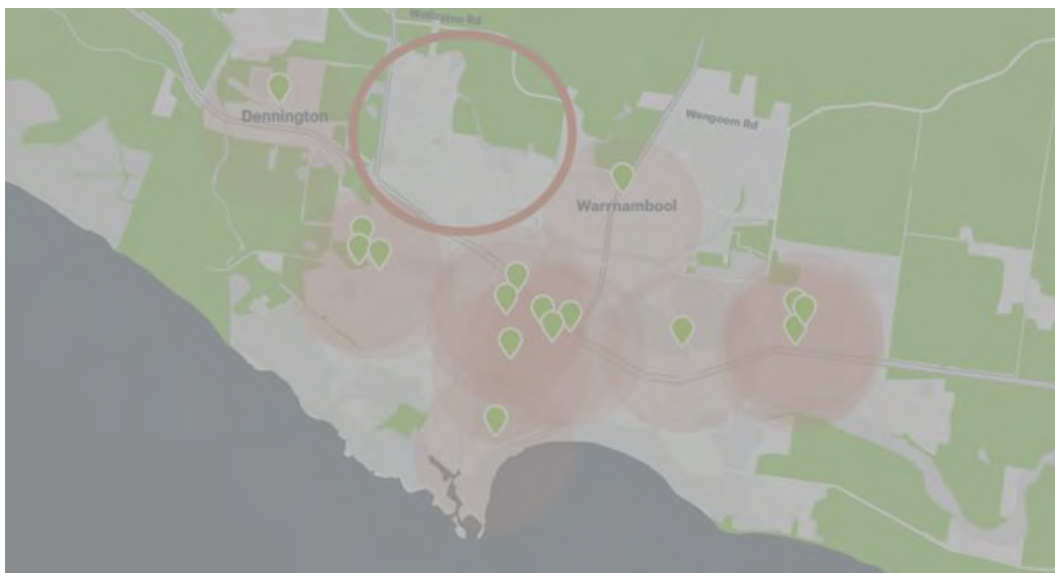
Council managed community infrastructure is sparse in West Warrnambool and the Neighbourhood House had been sharing space with the Beamish St Kindergarten, an arrangement that was unable to deliver on the objectives of the Neighbourhood House. The Department funds the WWNH to deliver an incredible 25 program hours per week with a further 25 hours per week for community lead activities totalling 50 hours per week, in the absence of suitable alternatives, a purpose-build facility is required.



Addressing the Food Desert

One of the priority issues for the WWNH is to raise the awareness of the importance of healthy eating, it is hoped that a micro community garden can be incorporated into the design of the new neighbourhood house to provide a space to learn about growing and preparing fresh food in a cost effective and sustainable way.

Warrnambool West was identified as a food desert in a South West Healthcare report - Food Insecurity in Warrnambool 2022.



Social Connection for Health and Wellbeing

Humans need others to survive. Regardless of one's sex, country or culture of origin, or age or economic background, social connection is crucial to human development, health, and survival. The evidence... supporting this contention is unequivocal. When considering the umbrella term social connection and its constituent components, there are perhaps no other factors that can have such a large impact on both length and quality of life - from the cradle to the grave.

Yet, social connection is largely ignored as a health determinant because public and private stakeholders are not entirely sure how to act. (Holt-Lunstad, Robles, & Sbarra, 2017)

The 2017 Victorian Government report *Connecting a Diverse Victoria* was based on a survey of 47,458 Victorian participants, this report identified the most commonly identified benefits of neighbourhood houses are associated with community connection, participation and reducing social isolation.



Strategic Alignment

The Reference Group feel that this investment directly aligns with Councils strategic priorities;

Council Plan 2021-2025

Goal 1: A Healthy Community

Objective 1: Warrnambool will be a city that is more welcoming to all and fosters diversity.

Action 5: Design and Deliver a new West Warrnambool Neighbourhood House

Warrnambool 2040



Green Warrnambool 2018

The Neighbourhood House supports a range of different objectives including educating communities on waste minimisation, recycling, energy conservation and programmes like Grow Local.

Health Warrnambool 2021-2025

Supports many of the objectives including supporting community connectedness and mental health care as well as active lifestyle and healthy eating programmes. Neighbourhood Houses are referenced as a strength/opportunity in the situation analysis.

Open Space Strategy 2014

The potential to co-locate the West Warrnambool Neighbourhood house with an existing park with play facilities would be mutually beneficial to both uses and further activate valuable open space.



Here are a few current and former programmes delivered by WWNH

West Warrnambool Neighbourhood House invites you to
TODDLE ON HODDLE
Playgroup for toddlers aged 0-5yrs
Tuesdays 9.30-11am
Morning tea provided
Enquiries: 0418 944 276

NATURE NINJAS
nature inspired fun and creativity
sensory nature treasure hunt
make a ninja mask
Thurs Jan 12
10-11.30am
Morning tea
5+ yrs
\$2

Kite Making
Wed Jan 11
1.30-3PM
CHILDREN AGED 5+
AFTERNOON TEA
\$2

WEST WARRNAMBOOL NEIGHBOURHOOD HOUSE
SUMMER HOLIDAY PROGRAM 2023

Important Holiday Program Information
Bookings are Essential! Ph/Text: 0418 944 276; E: jbourke@warrnambool.vic.gov.au
Children under 8 years must be accompanied by an adult
COST: \$2 per child / Morning and Afternoon Tea Provided Every Day!

Tuesday January 10	Wednesday January 11	Thursday January 12	Friday January 13
5-10yrs (5+YRS) FLAGSTAFF HILL 11.00-1.00pm	RESIN ART (8+ YRS) 10-11.30am MAKE & FLY A KITE (5+YRS) 1.30-3.00pm	NATURE BUS (5+ YRS) Creative Clay and Storylines NATURE BUS 10-11.30am WARRNAMBOOL TABLE TENNIS 1.30-3.00pm	CREATIVE COOKING (8+YRS) 11.00-1.00pm
Tuesday January 17 PAINT YOUR PET (7+ YRS) 10-11.30am APPLY A TIE DYE BAG (8+YRS) 1.30-3.00pm	Wednesday January 18 BUNNINGS DIY (5+YRS) 10-11.30am POM - POM POOCHES (6+ YRS) 1.30-3.00pm	Thursday January 19 EXCURSION (5+ YRS) KIDS KARATE & BOOTCAMP 10-11.30am MOZAIKS (8+ YRS) 1.30-3.00pm	Friday January 20 SEW A BEAN BAG (10+ YRS) 11.00-1.00pm

EVERYBODY'S BUSINESS ELDER ABUSE PREVENTION
warm safe home read test
free workshop & lunch
JOIN US for a session of conversation and creating that will change the way you think about age and ageing - all while helping a good cause
Monday 28th November
11 am - 1.30 pm (lunch from 12.30 pm)
West Warrnambool Neighbourhood House
Lane Pavilion Hyland St, Entrance: Friendly Societies Park
Rsvp for catering & dietary requirements Thursday 24th Nov
via rchamberlain@warrnambool.vic.gov.au OR call MPower on 5565 8333

EXCURSION TO
Body Blitzer
Fitness Centre
@warrnambool & district
JANUARY 19
10.00-11.30am
Children aged 5+
Cost: \$2 per child
Morning tea provided

HOME IS WHERE THE ART IS
Yarn Bombing Project - Final Crafternoon

Thursday October 28
1.00-3.00pm
Lane Pavilion Foyle
Regional Market
Enquiries 0418 944 276
Everyone welcome to come along and help prepare for the Laversack Road Yarn Bombing Project
@warrnambool.vic.gov.au OR call MPower on 5565 8333

#MissGirlCanVIC
A group of women and children sitting on a pink rug, smiling for a photo.

Safe Seats Safe Kids
IS YOUR CHILD TRAVELLING SAFELY?
FREE CHILD CAR RESTRAINT FITTINGS & SAFETY CHECKS
80 Flaxs R Primary School, 82 Huddell St, (corner Oak Room Street, West Warrnambool)
Friday 14 October 2022 10am to 1pm
To book go to: www.safesatssafekids.com.au
find out more at safesatssafekids.com.au

A group of children sitting in wheelchairs, smiling for a photo.

A collage of six small photos showing various community events and activities, including children playing, people at a market, and a group of people sitting together.

7.3. PROPOSED DELIBERATIVE ENGAGEMENT FOR WEST WARRNAMBOOL NEIGHBOURHOOD HOUSE CONCEPT

DIRECTORATE: Community Development

PURPOSE:

This report provides an update on the proposed process, timelines and the deliberative engagement approach for the West Warrnambool community for the proposed development and construction of a West Warrnambool Neighbourhood House facility at Pecten Avenue Park in 2023/24.

EXECUTIVE SUMMARY

West Warrnambool Neighbourhood House (WWNH) was founded in March 2019 with the aim to support socially and economically disadvantaged community members of West Warrnambool. The program is funded by the Victorian State Government Department of Families, Fairness and Housing (DFFH), formerly known as Department of Health and Human Services (DHHS). The Victorian State Government has committed to funding neighbourhood houses through ongoing recurrent funding.

The current DFFH Service Agreement outlines that Council is obligated to deliver 25 program hours per week with an additional 25 hours per week for community lead activities totaling 50 hours per week.

To ensure optimisation of the program, the service needs to be physically located in West Warrnambool to ensure accessibility and targeted programs are delivered locally. Council owns a limited number of properties in West Warrnambool, with the original funding proposal committing the Council-owned property at 21 Beamish Street Warrnambool to be used as the venue for the neighbourhood house for a period of 5 years. The intention of utilising Beamish Street was to co-locate both the Council's kindergarten services and the neighbourhood house program.

Following an initial period of co-location of services, Council has recognised that the model of delivery including a kindergarten and neighbourhood house colocated within the same facility is not ideal and poses risks due to the diversity of programs typically offered through a neighbourhood house. Both the kindergarten and neighbourhood house programming are compromised due to the space available, nature of services delivered and user-groups safety.

Officers have undertaken research to identify a potential location and model for a proposed neighbourhood house. One option is the installation of a portable structure at the Pecten Avenue Park which would operate as the West Warrnambool Neighbourhood House. This option would further activate the park without infringing on the amount of open space required within the neighbourhood. This installation will merge with the existing playground and footpath upgrades currently completed at the park and will further improve all abilities access to maximise areas of the park.

Preliminary concept and site layout for the construction of the proposed Neighbourhood House is attached to assist with understanding of the functions, spatial layout and proximity of the structure in the Park.

Preliminary costings discussed with a local builder of portable structures indicate that a 6-star energy rating compliant structure, wholly operating on solar power will be approximately \$275,000.

The proposed project has been phased across 2 stages. **Note: this is a preliminary model and community engagement will inform the final design.**

Stage 1: Total Cost Estimate - Up to \$50,000

June 2023 – September 2023, Community Engagement: Designs/plans developed and deliberative engagement with West Warrnambool community.

Stage 2: Total Cost Estimate - \$461,300

2023/2024 - Construction: Based on feedback from deliberative engagement and Council endorsement of the 2023/24 budget, Project includes:

Site set out, landscaping, portable structures installed and footpath construction connecting existing playground to portable structures and a 3-metre wide path to link the new construction to the west side of Carolyn Crescent.

Further additions/inclusions will be evaluated based on community feedback, and where relevant, submitted for State and Commonwealth Government grants following Council endorsement.

Detailed specifications and costings will be developed after community feedback and preliminary endorsement from Council. Post-endorsement, deliberative engagement with the neighbouring community will be pursued and feedback brought to Council for final approval.

MOVED: Cr Angie Paspaliaris
SECONDED: Cr Max Taylor

That Council:

- 1. Endorses the commencement of the design of a temporary West Warrnambool Neighbourhood House and commencement of deliberative engagement with the community using existing 2022/2023 budget.**
- 2. Considers the feedback from the engagement process and if endorsed, supports the construction of the West Warrnambool Neighbourhood House at the Pecten Avenue Park, informed by the deliberative engagement outcomes with the West Warrnambool Community.**
- 3. Notes the allocation of \$500,000 in the draft budget for Financial Year 2023-24 for construction of the temporary West Warrnambool Neighbourhood House comprising of site set out, landscaping, neighbourhood house installation (two portable structures), and footpath construction.**
- 4. Receives a project report from officers, post construction including any additional works and correlating external grant funding strategies, if applicable.**

CARRIED: 4:2

BACKGROUND

Neighbourhood houses are described as the heart of communities. They bring people together to connect, learn and contribute to their local community through social, educational, recreational and support activities which address inequities influencing the Social Determinants of Health. The World Health Organisation groups the following social determinants which can influence health equity in positive and negative ways: income and social protection, education, unemployment and job security, food insecurity, non-discrimination, housing and basic amenity - to name a few.

Neighbourhood houses are inclusive community-based organisations that welcome people of all ages, abilities, genders, social and economic status by creating opportunities for people to enrich their lives through connections they might not otherwise make. The purpose of a neighbourhood house is to be responsive and flexible to community needs and ensure diverse service provision, program and activity delivery. Neighbourhood houses have a positive impact on the mental and physical health of people who access and participate in the service.

Neighbourhood houses assist in combating social isolation and loneliness by being accessible, non-threatening and offering inclusive spaces. They provide the opportunity for people to socialise, learn from each other, and support each other. Many neighbourhood houses are also involved in community partnerships with other local service providers, small businesses, and community groups to maximise their impact and form stronger connections and referral processes within the local community.

Need for a West Warrnambool Neighbourhood House – Demographic Context:

Using ABS 2016 data, demographic analysis of West Warrnambool in comparison to Warrnambool as a whole had revealed that West Warrnambool had a higher proportion of older adults 55yrs+; a higher proportion of recent arrivals from overseas (29% arrived in last 5 years); a similar proportion of lone person households (29%); a higher proportion of single parent households (13.6%); a higher proportion households with low incomes (35%); a higher proportion of social housing properties (7.1%) and lower rates of volunteerism (20.4%).

Work, Education, Qualifications:

- 48.6% of West Warrnambool residents have no qualifications.
- 35% of West Warrnambool residents have completed year 12
- Higher Youth Unemployment rate: 13.5% compared to Warrnambool 11%
- Higher Unemployment rate: 7% - compared to Warrnambool 5.3%
- Lower Volunteerism: 20.4% - compared to Warrnambool 24.6%
- Higher rate of Disengaged Youth: 10.2% - compared to Warrnambool 8%

Disadvantage:

- 35.1% of households are in the lowest 25% of income earners in the City, having a household income of less than \$740 per week.

This was the demographic context that was recognised by the Victorian State Government when approving the funding for the neighbourhood house program. The context has not significantly changed.

Identified needs of the West Warrnambool community

In its fourth year of operation, the WWNH has successfully engaged many families and individuals from the local area, including people living south of the highway, Merrivale and Dennington. Many of the attendees are socially and economically disadvantaged and are often referred to WWNH programs by external service providers. WWNH offers these community members safe and welcoming opportunities to socialise, learn new skills and to belong. Current programs attract families from multicultural backgrounds as well as local First Nations families, senior citizens, sole parents and families with special needs. The WWNH has continued to actively align its delivery to the organisational values of the Warrnambool City Council.

WWNH is facing significant barriers and challenges in addressing community needs due to the lack of dedicated premises. Some of the challenges and key risks are the following:

- Limited operating hours
- Limited opportunities to welcome spontaneous visits and enquiries
- Difficulty delivering consistent place-based activities
- No access to notice board or advertising during kindergarten hours or after hours
- Kindergarten aesthetics are not gender or age appropriate for most adults, including youth and impact the tone/atmosphere of the programming
- Very limited storage space for NH resources
- Sharing of some resources is not an option
- Child safe issues (photographs, names, family pictures)
- Inappropriate toilet facility for: disability and elderly access; and co-location of adult services with children services

- Excessive manual labour and time delays – due to daily set up and pack down requirements as programming changes throughout the day

The following sites have previously been evaluated for the location of the WWNH, without success:

1. Beamish Street Kindergarten – required to operate as a kindergarten, inadequate service space and high risk
2. Mahogany Kindergarten – inappropriate for use as it is contained within school premises
3. Milk Bar on Morris Road – extensive works required to meet accessibility requirements and high rental
4. Commercial warehouse on Raglan Parade – high rental and limited parking
5. Old Collegians Football and Netball Club – not endorsed by the Club Committee
6. Dennington Football and Netball Club – not easily accessible for West Warrnambool residents
7. Matron Swinton Childcare Centre – inappropriate to be co-located at a childcare centre
8. Department of Education site on Hyland Street – utilised as a Men's Shed
9. Dennington Community Hall - not easily accessible for West Warrnambool residents, issues with asbestos.

Proposed WWNH location:

In the absence of appropriate Council-owned community infrastructure in West Warrnambool and the lack of leasable private property or capacity to co-locate with another allied service, an option to develop a portion of open space at Pecten Avenue Park is proposed for community engagement, as the potential site for the WWNH to operate through installation of semi-permanent, transportable structure with accessible timber decking and ramp.

The installation of the Neighbourhood House is expected to significantly activate the park, contributing to the linkages of open spaces in the municipality, with a link to the planned Platypus Park upgrades in the future, in line with the South of Merri Precinct Plan. The addition of the Neighbourhood House in the park will have very little impact on the overall open space available in the area, and will in fact have a net positive impact of place activation.

Council is only providing the building and recurrent maintenance costs for a period of time. The service delivery from the neighbourhood house will be funded by the State Government. Over time, Council will seek to make the neighbourhood house independent of Council with its own committee of Management which is a successful and common business model for neighbourhood houses used nationally. This will allow for the neighbourhood house to operate more independently and also access different resource/grant/funding sources.

ISSUES

The Department of Families, Fairness and Housing has reiterated that the current delivery configuration is temporary and does not meet the requirements of the program and that the program is required to have a dedicated location in the target area. Non-compliance can result in cessation of the program, decrease in social determinants and risk to Council reputation.

FINANCIAL IMPACT

Stage 1 of the project will be funded through existing 2022-2023 budget allocation; and Stage 2 of the project will be funded through Council allocation of \$500,000 in the 2023-2024 annual budget. Any additional services added to the facility in the future will depend on emerging community needs and will be pursued through grants from Federal and State governments.

LEGISLATION / POLICY / COUNCIL PLAN CONTEXT

1 A healthy community

1.1 Be a welcoming and inclusive city: Warrnambool will be a city that is more welcoming to all and which fosters diversity.

1.3 Health and wellbeing : Council will take action to improve health, wellbeing and safety outcomes for Warrnambool's community.

4 A connected, inclusive place

4.3 Stronger neighbourhoods: Council will foster neighbourhood connections and capacity building including the development of inclusive recreational and cultural opportunities.

TIMING

Post endorsement, deliberative engagement with the community will ensue with the commencement of detailed designs and concepts in June 2023. A final report to Council with feedback from the deliberative engagement will be presented to Council in September/October 2023 for endorsement.

COMMUNITY IMPACT / CONSULTATION

A comprehensive deliberative community engagement process will be implemented to support the project.

LEGAL RISK / IMPACT

The Department of Families, Fairness and Housing has reiterated that the current delivery configuration does not meet the requirements of the program and that the program is required to have a dedicated location in the target area. Non-compliance can result in cessation of the program altogether and risk to Council reputation.

OFFICERS' DECLARATION OF INTEREST

There are no conflicts of interest.

CONCLUSION

The WWNH was established through a detailed evaluation of the specific needs of the West Warrnambool community and a dedicated location for WWNH is required to ensure programing and delivery meets the needs and demands of the West Warrnambool community. The proposed location and design merges well with the existing upgrades of the playground and the footpaths and supports the enhanced activation of the Pecten Avenue Park.

ATTACHMENTS

1. Concept B Area Overview [7.3.1 - 1 page]

AREA OVERVIEW

SCALE = 1:500



WARNING
BEWARE OF UNDERGROUND SERVICES
THE LOCATION OF UNDERGROUND SERVICES ARE
APPROXIMATE ONLY, AND THEIR EXACT POSITION
SHOULD BE PROVEN ON SITE. NO GUARANTEE IS
GIVEN THAT ALL EXISTING SERVICES ARE SHOWN.

REV	DESCRIPTION	DATE
A	FIRST ISSUE	02.03.23



DESIGNED: H. HARRIS	DATE: 02/03/23	PROJECT: PECTEN AVE NEIGHBOURHOOD HOUSE CONCEPT B
CHECKED: \$NAME	DATE:/..	DRAWING TITLE: AREA OVERVIEW
SCALE: A3 A.S.	DATE: FEB. 2023	PROJECT NO: PRO2023008
CADD FILE: <small>CAUTION: unauthorised use of technical services for any purpose other than that for which they were intended is prohibited. All drawings are subject to change without notice.</small>		SHEET NO: 2 OF 4
		REV: A

7.4. PLANNING APPLICATION PP2022-0258 - 45 JAMIESON STREET WARRNAMBOOL

DIRECTORATE: City Growth

PURPOSE:

This report provides a summary of the planning assessment that has led to the recommendation below. Based on the number of objections received, the decision is to be made at a Council meeting.

EXECUTIVE SUMMARY

Council has received an application to subdivide the land known as 45 Jamieson Street, Warrnambool into two (2) lots.

The application triggers a planning permit under the General Residential Zone – Schedule 1 and Heritage Overlay – Schedule HO317 (Jamieson Street precinct) for the subdivision of land.

The application was subject to internal referrals, and was also subject to public notice in line with the statutory requirement. As a result of the public notice, eight objections were received where grounds were primarily in opposition to the proposal not meeting the planning scheme requirements for subdivision in this particular heritage precinct.

Identical grounds of objection have been submitted on behalf of seven objectors. These grounds in combination with the eighth objection have been assessed in relation to the relevant provisions of the Warrnambool Planning Scheme. The officer's report concludes that the proposal adheres to these provisions, the proposed subdivision is reasonable in its context, and will not cause undue detriment to surrounding properties.

Throughout the referral process the application has gained support from Council's Heritage Advisor and also Council's Infrastructure Department with conditions to be included in the permit, should a permit be granted.

If the application is supported, a Notice of Decision would be required as all 8 objections have been sustained.

MOVED: Cr Ben Blain
SECONDED: Cr Richard Ziegeler

That council having caused notice of Planning Application No. PP2022-0258 to be given under Section 52 of the Planning and Environment Act 1987, and having considered all the matters required under Section 60 of the Planning and Environment Act 1987 decides to approve the application for a planning permit under the provisions of the Warrnambool Planning Scheme in respect of the land known and described as Lot 4 SEC 30A CA PSH WAN TSH WARR, 45 Jamieson St WARRNAMBOOL VIC 3280, for the Two (2) Lot Subdivision in accordance with the endorsed plans, subject to the following conditions:

- 1. Prior to certification of the plan of subdivision, an amended plan to the satisfaction of the responsible authority must be submitted to and approved by the responsible authority. When approved, the plan will be endorsed and will then form part of the permit. The plan must be drawn to scale with dimensions. The plan must be generally in accordance with the plans submitted with the application but modified to show:
a) A restriction on the plan of subdivision detailing that a minimum garden area of at least 25 per cent is to be provided for proposed Lot 1 only of the subdivision.**
- 2. The subdivision as shown on the endorsed plans must not be altered without the prior written consent of the Responsible Authority.**

3. The owner of the land must enter into agreements with the relevant authorities for the provision of water supply, drainage, sewerage facilities, electricity and gas services to each lot shown on the endorsed plan in accordance with the authority's requirements and relevant legislation at the time.
4. All existing and proposed easements and sites for existing or required utility services and roads on the land must be set aside in the plan of subdivision submitted for certification in favour of the relevant authority for which the easement or site is to be created.
5. The plan of subdivision submitted for certification under the Subdivision Act 1988 must be referred to the relevant authority in accordance with Section 8 of that Act.

Stormwater Management Plan

6. Before Certification of the Plan of Subdivision or the commencement of any construction (whichever occurs first) a detailed Stormwater Management Plan is to be submitted to and endorsed by the Responsible Authority. The stormwater works must be designed in accordance with the current Responsible Authority's Design Guidelines, the endorsed application plans and must include:
 - a. Identification of any existing drainage on the site.
 - b. Details of how the works on the land are to be drained and/or retarded.
 - c. Computations in support of the proposed drainage.
 - d. A proposed Legal Point of Discharge for each lot.
 - e. an underground drainage system to convey minor flows (as defined by the IDM) to the Legal Point of Discharge or retention system for the development;
 - f. Details of how the storm water discharge from the development will be limited such that post development flows up to the 20% AEP do not exceed pre development flows;
 - g. Evidence that storm water runoff resulting from a 1% AEP storm event is able to pass through the development via reserves and/or easements, or be retained within lots without causing damage or nuisance to adjoining property.
 - h. Details and measures to enhance stormwater discharge quality from the site and protect downstream waterways in accordance with Clause 56.07-4 of the Planning Scheme;
 - i. Construction Plans

Stormwater Works

7. The endorsed Stormwater Management Plan is to be implemented to the satisfaction of the Responsible Authority prior to the issue of Statement of Compliance for the subdivision.

Car Parking & Common Property Areas

8. Before the issue of a Statement of Compliance for the subdivision, the internal / common property traffic and parking areas must be constructed to the satisfaction of the Responsible Authority, and must:
 - a) Be in accordance with endorsed plans
 - b) Be in accordance with Australian Standards/ Victorian Planning Provisions
 - c) Be finished with an all-weather sealed surface
 - d) Be drained
 - e) Include appropriate signage, lighting and line marking
 - f) Include appropriate loading facilities for the development
 - g) Include vehicle crossings and required traffic management works
 - h) Provide for vehicles to enter and exit the development / common property in
a forwards direction.

Areas designated for car parking on the endorsed plan are to be kept free and clear for that purpose.

9. **The owner of the land must enter into an agreement with:**
 - a) **A telecommunications network or service provider for the provision of telecommunication services to each lot shown on the endorsed plan in accordance with the provider's requirements and relevant legislation at the time; and**
 - b) **A suitably qualified person for the provision of fibre ready telecommunication facilities to each lot shown on the endorsed plan in accordance with any industry specifications or any standards set by the Australian Communications and Media Authority, unless the applicant can demonstrate that the land is in an area where the National Broadband network will not be provided by optical fibre.**
10. **Before the issue of a Statement of Compliance for any stage of the subdivision under the Subdivision Act 1988, the owner of the land must provide written confirmation from:**
 - a) **A telecommunications network or service provider that all lots are connected to or are ready for connection to telecommunications services in accordance with the provider's requirements and relevant legislation at the time; and**
 - b) **A suitably qualified person that fibre ready telecommunication facilities have been provided in accordance with any industry specifications or any standards set by the Australian Communications and Media Authority, unless the applicant can demonstrate that the land is in an area where the National Broadband Network will not be provided by optical fibre.**
11. **This permit will expire if:**
 - a. **any plan of subdivision for any stage of the subdivision is not certified within two (2) years of the date of this permit; or**
 - b. **the registration of the subdivision is not completed within five (5) years of the date that the plan of subdivision is certified.**

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

CARRIED: 5:1

BACKGROUND

The proposal is seeking permission to subdivide the land into two (2) lots, where the proposed layout would result in a lot containing an existing dwelling, and a smaller lot at the rear of the site.

Lot 1 is proposed at 345m² and will be a battle-axe style lot located at the rear of the site. Lot 2 measures approximately 500m² and is located within the front portion of the lot. This lot contains the existing dwelling which is noted as a contributory item under the heritage precinct.

Vehicular access to the property is currently provided from Jamieson Street via a concrete crossover and bitumen driveway located on the southwestern side of the dwelling. The existing driveway is proposed as a common property area measuring approximately 158m² and to be used by both proposed lots.

The site also contains two older outbuildings which are proposed to be demolished to accommodate the subdivision. Demolition of the two outbuildings requires planning consideration under the overlay, where the proposal has gained heritage support throughout the referral process. It has been assessed that the outbuildings hold no heritage significance relating to the site.

The proposal plan of subdivision can be referenced in the Officer's report attached.

ISSUES

As a result of public notice eight objections were received, where grounds were primarily in opposition to the proposal not meeting the planning scheme requirements for subdivision in this particular Heritage Precinct of Warrnambool.

The grounds of objection are summarised as follows:

- The Garden area requirements as stated under 32.08-3 of the General Residential Zone have not been adequately addressed.
- Clause 56 has not been adequately addressed, also stating the applicant doesn't possess the requisite skills to address Clause 56 appropriately.
- Failure to address the Decision guidelines at 32.08-13 including the failure to address clause 56, the pattern of subdivision and its effect on the spacing of buildings, which is not possible to address without the provision of a concurrent buildings and works permit.
- An unacceptable response to the neighbourhood character of the area.
- The application fails to address the relevant heritage considerations of the proposal.
- The proposal does not conserve and protect the significant streetscape of Jamieson Street or Cockman Street, referring to the contributory grading of the site under the Jamieson Street Heritage Precinct.
- It is submitted that the proposal provides an unacceptable response to the heritage guidelines as it upsets the heritage pattern of the street and will impact on the established garden setting that is currently afforded to the contributory dwelling of 45 Jamieson St.

In summary, seven objectors recommended the application be refused as it does not represent a proper, orderly and acceptable planning outcome. The eighth objector seeks to ensure their common boundary fencing is not damaged as a result of the subdivision being approved.

ASSESSMENT

While the subdivision pattern along Jamieson Street appears not to have altered for some time, each new application must be assessed on its merits, where subdivision under the relevant planning controls is not prohibited. There are relatively few lots located on the northern side of Jamieson Street which could be further developed, where the prevailing character is of open space behind dwellings which are located toward the front half of the property. Subsequently, infill opportunities in this area are limited to the style and nature of the current proposal.

Rectilinear shaped allotments do form part of the Jamieson Street Precinct's history, however the precinct also includes a number of irregular-shaped and smaller lots. These are primarily located along the northern side of Jamieson Street at the western and eastern ends of the street, adjoining Cockman Street. In short, the divergence from an entirely rectilinear/grid layout is in some ways established. The benefits of a rectilinear allotment for the subject site will not be compromised inasmuch as the street view will remain the same, and future development of a dwelling will also need to accord with the design guidance of the overlay by virtue of a planning application being required.

Infill development has occurred at 35 Jamieson Street where a three-unit development has been established with a relatively high site coverage. The adjacent property at 47 Jamieson Street contains a large outbuilding which also results in high site coverage. The open garden setting which has been identified by objectors is therefore in some ways aspirational, and has not led to a strict adherence to the maintenance of open spaces in all occasions.

The battle-axe style lot proposed for the subdivision will not look out of place from spatial or oblique views. Further, views directly from Jamieson Street to the subject site will result in the new lot having limited visibility from the street due to the configuration of the lots. In addition, the block slopes from east to west with an approximate fall in the ground level of two metres from Jamieson Street. Any development that would occur on the battle-axe lot will likely be screened from the view of Jamieson Street itself, thereby protecting the streetscape view.

FINANCIAL IMPACT

The assessment of this planning application has been factored into the existing City Strategy & Development budget.

LEGISLATION / POLICY / COUNCIL PLAN CONTEXT

4 A connected, inclusive place

4.1 Effective planning: Council will ensure its planning acknowledges the unique character and attributes of local places and that that supports social connection, equitable access, appropriate housing and sustainable population growth.

5 An effective Council

5.1 Leadership and governance: Council will be a high-functioning team committed to respectful relationships, collaboration and ongoing engagement. It will provide strong, effective leadership, sound governance and informed decision-making

TIMING

The statutory timeframes have already been exceeded. A decision is sought at the next available Council meeting.

COMMUNITY IMPACT / CONSULTATION

In line with Council's instrument of delegation, as a result of having seven or more objections the application is to be determined at a Council meeting. Consequently, a Councillor consultation meeting was held at Council offices 26 April 2023, where a quorum of Councillors were in attendance, along with Council officers, objectors, and the applicant.

The applicant was afforded the opportunity to provide a written response to objections, which was then circulated to all parties. It is noted that no objectors opted to withdraw their submissions resulting from this response.

LEGAL RISK / IMPACT

The application has been assessed in line with requirements of the Planning and Environment Act 1987. The decision is not exempt from third party review.

OFFICERS' DECLARATION OF INTEREST

No conflict declared.

COLLABORATIVE PROCUREMENT

Not applicable.

CONCLUSION

The objectors' main grounds relate to the unknown nature of the type of development that may occur once subdivision is approved. In other words, there would be a higher level of comfort had the proposal included development so that neighbouring properties could be afforded an understanding of specific built form impact(s). Council officers generally share this view, and frequently attempt to consult with applicants on the merits of including development and subdivision within the same application. However, Council's role in this instance is to assess the merits of the proposal as it is presented and as it relates to the Warrnambool Planning Scheme. As subdivision is not prohibited in this instance, the assessment turns to whether the subdivision meets the provisions of the Scheme. Accordingly, it has been assessed that the application would result in an outcome that respects the character of the area, and that future development could be designed on the proposed lot that does not detract from the heritage characteristics of the area. As the specific elements of that development are not being assessed at this time, and will be subject to a further planning application at the appropriate time, the recommendation above has been made.

ATTACHMENTS

1. PP2022 0258 Delegate Report 45 Jamieson Street [7.4.1 - 23 pages]
2. Planning Clause 56 Report Rescode Assessment P [7.4.2 - 6 pages]
3. 45 Jamieson - Site context and design response (Su [7.4.3 - 3 pages]
4. 45 Jamieson - Proposed Plan for Endorsement [7.4.4 - 1 page]



Delegate Planning Assessment Report

Application Details:

Application is for:	Two (2) Lot Subdivision
Applicant's/Owner's Name:	Miss Hannah S Lane C/- Joseph Land Surveying Pty Ltd PO Box 5113 WARRNAMBOOL VIC 3280
Date Received:	17 October 2022
Statutory Days:	87 days as at 14/04/2023
Application Number:	PP2022-0258
Planner:	Statutory Planning Officer
Land/Address:	Lot 4 SEC 30A CA PSH WAN TSH WARR 45 Jamieson St WARRNAMBOOL VIC 3280
Zoning:	General Residential Zone 1
Overlays:	Heritage Overlay – HO317
Under what clause(s) is a permit required?	General Residential Zone - 32.08-3 Heritage Overlay - 43.01-1
Restrictive covenants on the title?	None
Current use and development:	Residential / Accommodation

Proposal

The proposal is seeking permission to subdivide the land into two (2) lots. The proposed subdivision will take shape where a smaller lot will be created at the rear of the site.

- Lot 1 is proposed at 345m² and will be a battle-axe style lot located at the rear of the site.
- Lot 2 measures at approximately 500m² and is located in the front portion of the lot. This lot contains the existing dwelling which is noted as a contributory item under the heritage precinct.

Vehicular access to the property is currently provided from Jamieson Street via a concrete crossover and bitumen driveway located on the south western side of the dwelling.

The existing driveway is proposed as common property area for the two (2) proposed lots of the subdivision, the designated area measuring at approximately 158m².

The site itself currently contains two older outbuildings which will be demolished as a direct result of this application being approved.

Demolition of the two outbuildings have gained heritage approval throughout the referral process, they hold no significance relating to the site.

Subject site & locality

An inspection of the site and the surrounding area has been undertaken.

Figure: 1 – Subject site (source: Nearmap/Exponare) 29/03/2023



The subject site is situated within an established residential area of Warrnambool located on the northern side of Jamieson Street, and approximately 160 metres north of Princess Street and Canterbury Road.

The lot is approximately 1025.8 square metres and contains an existing dwelling which is located in the front portion of the property. Two older outbuildings are located at the rear of the site behind the dwelling.

The property consists of an established garden which includes mostly rose plantings in the front of the lot. There are a number of established smaller trees on the lot located mostly to the rear of the site and also on the northern side of the dwelling.

The garden itself appears to be a little unkempt, particularly plantings which are located along the driveway and in the front portion of the garden.

The existing dwelling on the site is considered a contributory building dating back to the 1920s.

The main site/locality characteristics are

- The Jamieson Street Heritage Precinct runs south-west to north-east between Raglan Parade and Banyan Street crossing the five ways intersection firstly with Spence Street, Princess Street and Canterbury Road and secondly with Cockman Street, Queens Road and Nelson Street.
- The precinct contains a series of intact dwellings, some potentially dating from the late 1860s, along with a number of Victorian houses. There are also a small number of interwar period dwellings. Most dwellings are set in established gardens. Dwellings are consistently single storey in scale or give the appearance of single storey, with the topography on the north side of Jamieson Street allowing for a second floor to the rear.
- Dwellings generally have pitched (typically 30 degree) hipped or gable corrugated galvanised iron or tile clad roofs and many dwellings retain prominent masonry chimneys. Walls are typically masonry, with only a few clad in weatherboard or

lightweight (sometimes later conite) finishes. 1860 symmetrical cottages, with arched head entries are the most distinctive and significant in the street.

- Dwellings are consistent in roofline and setbacks and address the street. The properties on the south (high) side of the road have a prominence granted by the natural topography. Allotment widths are generous with several properties on the south of Jamieson Street running through to Mickle Crescent at the rear.
- Fencing is generally high masonry particularly to the high side of Jamieson Street, although this does not impinge overly on visibility to building frontages. Several lower masonry and timber picket fences are also present. Garages are predominantly set back or accessed from rear street frontages along the south side of Jamieson Street, resulting in fewer crossovers along this stretch.

Mature Norfolk Island Pines line the southern side of the street above the roundabout intersection.

(The above dot points taken from the Warrnambool Heritage Design Guidelines 2015).

Site inspection photo below of existing dwelling 29/03/2023



Site inspection photo below of existing driveway (proposed common property area)
29/03/2023

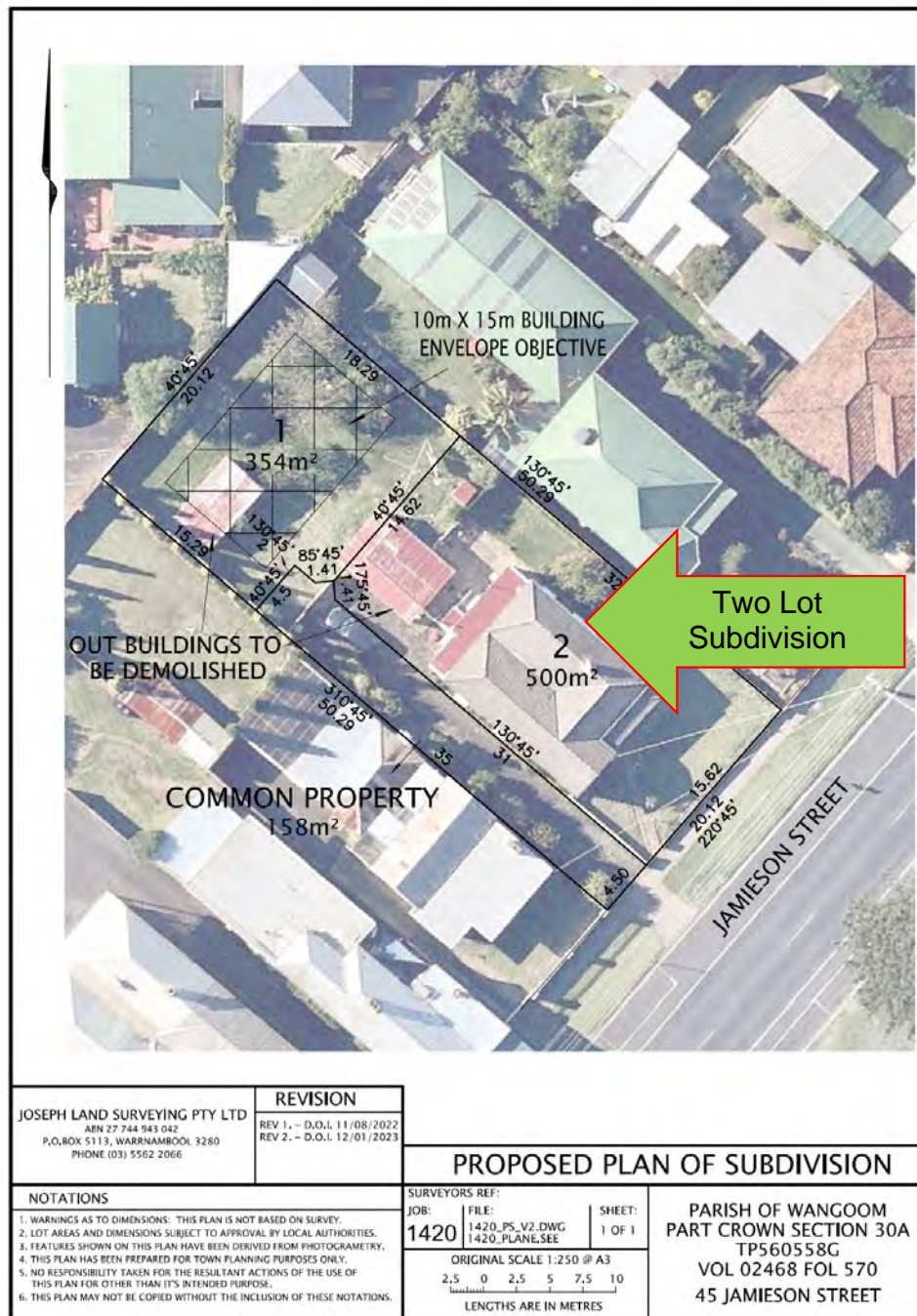


Figure 2: Below – Photo submitted with application



Subject Site viewed from Jamieson Street looking north west noting driveway to the left of photograph requiring no change to street frontage / appearance

Figure 3: Plan for endorsement below submitted with the application (source: applicant 18/01/2023)



Permit/Site History

It appears there is no planning permit history for the site on Council's electronic records.

Aboriginal Cultural Heritage

- Is the site in an area of significance? Yes
- Is the proposed development exempt? Yes
- Has the site been significantly disturbed in the past? N/A
- Is a Cultural Heritage Management Plan required? Not required for the proposed re-subdivision.
- Has the applicant provided an approved Cultural Heritage Management Plan? NA

Public Notification

The application has been advertised pursuant to Section 52 of the *Planning and Environment Act 1987*.

The application has received a total of eight (8) objections, these will be explained in more detail below –

It is pointed out that seven of the objections received appear to have been written by the same author, i.e. the same report has been submitted by the seven objectors only the name is different at the bottom of each report.

The eight (8) objection received has been submitted separately by the owners of 43 Jamieson Street, Warrnambool.

Concerns of the seven (7) objectors

The main concerns of the seven objectors –

- The Garden area requirements as stated under 32.08-3 of the General Residential Zone have not been addressed appropriately in the application regarding the creation a vacant lot less than 400 square metres.
- Clause 56 has not been adequately addressed, also that the applicant doesn't possess the skills to address clause 56 appropriately.
- The Decision guidelines at 32.08-13 – Subdivision the application fails to address clause 56 and the pattern of subdivision without the provision of a concurrent buildings and works permit. Fails to address the spacing of buildings and an unacceptable response to the neighbourhood character of the area.
- Heritage Overlay – the objections state that the application completely fails to address the relevant heritage considerations of the proposal. The proposal does not conserve and protect the significant streetscape of Jamieson Street (particularly from oblique views) nor from Cockman Street, referring to the contributory grading of the site under the Jamieson Street heritage precinct.
- It is submitted that the proposal provides an unacceptable response to the heritage guidelines as it upsets the heritage pattern of the street and will impact on the established garden setting that is currently afforded to the contributory dwelling of 45 Jamieson Street.
- In summary most of the objectors recommended the application be refused as it does not represent a proper, orderly acceptable planning outcome.

Concerns of objector no. eight (8)

- Their concerns relate mostly to the shared common boundary fence between 45 and 43 Jamieson Street and the garden area in this location. The objector owns the residence at 43 Jamieson Street. They are concerned should the subdivision go ahead, which includes a common property driveway area width of 4.5m the integrity of the fence will be compromised due to their property being slightly more elevated than their neighbour at 45 Jamieson Street.

They state the existing garden currently provides stability for the fence and the fence was erected in partnership between themselves and the previous owners several years ago.

They also have pointed out a Wannon Water easement exists at the rear of the subject site and state this hasn't been shown on any plans or referenced in the application submitted.

The applicant has responded twice to objector concerns with no objections being withdrawn at the time of writing this report.

Response to objectors

- The garden area requirements will be met via the creation of a restriction on Title and will come into effect when the plan of subdivision is certified under the Subdivision Act. This is currently the way Council Planning Officers are dealing with the subdivision of vacant lots that are less than 400 square metres in size. The applicant has submitted this information in his response to objections received, this has been forwarded to all objectors.

The above garden area requirements are in accordance with the garden area Practice Note - 84 via Amendment VC110, gazettal and publish date 27 March 2017.

- A clause 56 response/report has been submitted with the application. It is considered appropriate for the application.
- The Decision Guidelines at 32.08-13 – A con-current building and works permit, although ideal, is not a mandatory requirement under clause 56 of the planning scheme for subdivision. A building envelope area has been shown on the plan of subdivision submitted for endorsement to meet the requirements for subdivision under clause 56. The building envelope is considered satisfactory for the application.
- Heritage Overlay – The Jamieson Street streetscape will be maintained as a result of approving the subdivision. The existing contributory dwelling on the site will maintain its presentation to the street, this will not be altered in approving the subdivision.
- The garden for the subject site is somewhat unkempt and according to the heritage controls pertaining to the site, there is no heritage protection for any existing trees or vegetation on the site. Vegetation could be removed from the site without the need to gain a permit from Council.

The application satisfies clause 15.03-1s and 15.03-1L (Heritage Conservation) in that –

- Preserves the contributing element of the precinct;

- Encourages appropriate development in particular infill as already undertaken within the immediate neighbourhood;
- Encourages the conservation of the contributory element of the site being the dwelling;
- Ensures an appropriate setting and context for heritage places is maintained.
- It is considered the Jamieson Street precinct shall not be demonstrably affected by the application in that the existing driveway shall remain as a common access and garages shall be located behind the existing dwelling;
- No example or explanation in the supplied objections has provided to the contrary;

Further to the explanatory notes dated 2015:

- It is considered the subdivision of the site shall maintain rectilinear allotment facing the street.
- The site offers the unique opportunity to further development of the rear yard maintaining the status quo of the site utilizing the existing driveway and crossover maintaining the built form character of the streetscape.
- For the removal of the outbuildings: *"Removal of later garages, rear additions or fences not in character with those typical to the era of significance of the place may be considered by Council"*.

Consultation

Consultation was undertaken and included the below correspondence –

Further information request

A request for further information was sent to the applicant on 5/12/2022, details are included below –

The following further information is required and also in response to Heritage referral advice received for the application, please provide confirmation for the below –

- *Please show on the plan for endorsement submitted the proposed Outbuildings to be demolished, it has been pointed out there appears to be three (3) Outbuildings on the lot.*
- *In addition, please amend the planning report to include and address the demolishing of the Outbuildings.*
- *As a result of possible subdivision approval please advise if you are proposing to construct any fencing for the new boundaries. A permit is required for fencing under Clause 43.01-1 of the Heritage Overlay.*

1. *The application for subdivision shows the new lot boundary for proposed Lot 1 to pass through the rear of the existing Outbuilding situated on the land.*

Please confirm if you are seeking permission to demolish the Outbuilding or part of it through this application for subdivision. Pursuant to Clause 43.01-1 of the Heritage Overlay a planning permit is required to demolish an Outbuilding. The application cannot be approved in its current form without the approval to demolish the Outbuilding or part thereof.

2. *Please confirm your intentions regarding the second Outbuilding located at the rear of the lot and if you intend seeking permission to demolish it. The building envelope area as calculated on the plan for endorsement submitted with the application appears to have not taken into consideration the existing shed area and whether the shed can be demolished, without planning permission.*

If you wish to include demolition in your application please amend the application description accordingly to include the 'demolition' and amend the planning report to reflect the above mentioned changes.

Additional further information request

An additional request for further information was sent to the applicant on 28/11/2022 below –

1. *The application for subdivision shows the new lot boundary for proposed Lot 1 to pass through the rear of the existing Outbuilding situated on the land.*

Please confirm if you are seeking permission to demolish the Outbuilding or part of it through this application for subdivision. Pursuant to Clause 43.01-1 of the Heritage Overlay a planning permit is required to demolish an Outbuilding. The application cannot be approved in its current form without the approval to demolish the Outbuilding or part thereof.

2. *Secondly, please confirm your intentions regarding the second Outbuilding located at the rear of the lot and if you intend seeking permission to demolish it. The building envelope area as calculated on the plan for endorsement submitted with the application appears to have not taken into consideration the existing shed area and whether the shed can be demolished, without planning permission.*

If you wish to include demolition in your application please amend the application description accordingly to include the 'demolition' and amend the planning report to reflect the above mentioned changes.

The applicant has responded accordingly to both further information requests and has provided this information to Council, the amended plan submitted for endorsement reflects the changes.

Referrals

Section 55 Referrals: Not required

Section 52 Referrals: Not required

Internal Referrals: Council's Heritage Advisor

The application was referred to Council's heritage advisor for comments. The heritage response and advice received has been included below -

Heritage Advice:

There are no heritage concerns with the proposed development, however, the following is noted for any proposed future development:

- *Secondary development in rear yards is limited due to allotment size and limited existing crossover locations. The built form character of the streetscape should be maintained (dwellings, with open space between) if rear allotment development is considered.* (Warrnambool City Council Heritage Design Guidelines, 2015)
- The applicant of any proposed development to the newly subdivided lot should refer to the Design Guidelines outlined in the Warrnambool City Council Heritage Design Guidelines, 2015, to assist in maintaining the character of the streetscape and

achieving a development that is sympathetic and contextually responsive to the common design tributes of the precinct.

Internal Referrals: Council's Infrastructure department

The application was referred to Council's Infrastructure department for comment. The advice received stated they had no concerns with the proposed subdivision, subject to conditions being included in the permit.

A brief summary of the conditions have been received below –

- Stormwater management plan condition requirements and works
- Car parking & Common property area requirements
- Road reserve works permit notes, along with asset protection
- Discharge of polluted water notes

Assessment

General Residential Zone – Schedule 1

Purpose

- *To implement the Municipal Planning Strategy and the Planning Policy Framework.*
- *To encourage development that respects the neighbourhood character of the area.*
- *To encourage a diversity of housing types and housing growth particularly in locations offering good access to services and transport.*
- *To allow educational, recreational, religious, community and a limited range of other non-residential uses to serve local community needs in appropriate locations.*

Pursuant to Clause 32.08-3 a planning permit is required to subdivide land. An application to subdivide land, other than an application to subdivide land into lots each containing an existing dwelling or car parking space, must meet the requirements of Clause 56.

32.08-13 - Decision Guidelines

Before deciding on an application, in addition to the decision guidelines in Clause 65, the responsible authority must consider, as appropriate:

General

- *The Municipal Planning Strategy and the Planning Policy Framework.*
- *The purpose of this zone.*
- *The objectives set out in a schedule to this zone.*
- *Any other decision guidelines specified in a schedule to this zone.*

Subdivision

- *The pattern of subdivision and its effect on the spacing of buildings.*
- *For subdivision of land for residential development, generally the objectives and standards of Clause 56.*

The proposal has been assessed against the standards and objectives of Clause 56, the information submitted in the clause 56 response submitted with the application is deemed appropriate for the subdivision.

Whilst the subdivision pattern in Jamieson Street appears to have not altered for some time, this does not mean that the subdivision of land has not been possible. There are but a few lots located on this northern side of Jamieson Street which could be further subdivided. These are lots that consist of open space behind dwellings which are located toward the front half of a property.

It is acknowledged rectilinear shaped allotments do form part of the Jamieson Street Precincts history. The Precinct itself also includes a number of irregular shaped and smaller lots, these are mostly located along the northern side of Jamieson Street at the western and eastern ends of the street, adjoining Cockman Street. The pattern of subdivision or lot layout is compromised already at these locations.

Infill development has occurred at 35 Jamieson Street in the past where a three (3) unit development fills the site. The property at 47 Jamieson Street, beside the subject site of the application contains a large outbuilding which fills the site. Taking into account the above this limits the open garden setting which has been pointed out is called for in the precinct.

Taking into account all of the above, it is considered the battle-axe style lot proposed for the subdivision will not look out of place from spatial or oblique views. Further, views directly from Jamieson Street to the subject site will mean the new lot will be barely visible from the street view due to the configuration of the lots. Further, the block slopes from east to west and any further development that would occur on the battle-axe lot will more than likely be screened from the view of Jamieson Street itself.

HERITAGE OVERLAY – (HO317 – JAMIESON STREET PRECINCT)

Heritage (43.01 and Schedule 317)

Pursuant to Clause 43.01 a permit is required to subdivide land.

The purpose to Clause 43.01 includes the following:

- *To implement the Municipal Planning Strategy and the Planning Policy Framework.*
- *To conserve and enhance heritage places of natural or cultural significance.*
- *To conserve and enhance those elements which contribute to the significance of heritage places.*
- *To ensure that development does not adversely affect the significance of heritage places.*
- *To conserve specified heritage places by allowing a use that would otherwise be prohibited if this will demonstrably assist with the conservation of the significance of the heritage place*

Decision guidelines

Before deciding on an application, in addition to the decision guidelines in Clause 65, the responsible authority must consider, as appropriate:

Decision guidelines	Officer response
The Municipal Planning Strategy and the Planning Policy Framework.	Complies as per previous assessment.
The significance of the heritage place and whether the proposal will adversely affect the natural or cultural significance of the place.	The Jamieson Street Precinct is of historical significance as one of the earlier roads leading

	<p>into Warrnambool, subsequently sub-divided and developed as suburban villas.</p> <p>It is of architectural significance for its wide range of housing stock, including several notable examples from the Victorian, Edwardian and Interwar. The Mannerist villas opposite the State School are particularly notable.</p> <p>Dwellings are consistently single storey in scale or give the appearance of single storey, with the topography on the north side of Jamieson Street allowing for a second floor to the rear. Dwellings generally have pitched (typically 30 degree) hipped or gable corrugated galvanised iron or tile clad roofs and many dwellings retain prominent masonry chimneys. Walls are typically masonry, with only a few clad in weatherboard or lightweight (sometimes later conite) finishes. 1860 symmetrical cottages, with arched head entries are the most distinctive and significant in the street.</p> <p>Dwellings are consistent in roofline and setbacks and address the street. The properties on the south (high) side of the road have a prominence granted by the natural topography. Allotment widths are generous with several properties on the south of Jamieson Street running through to Mickle Crescent at the rear. (Warrnambool City Council Heritage Design Guidelines, 2015)</p> <p>Minimal visual changes to the property or streetscape will occur as a result of approving the subdivision. The natural or cultural significance of the heritage place will not be effected as a result of the subdivision.</p> <p>On balance the subdivision will not adversely impact the significance of the place.</p>
<p>Any applicable statement of significance (whether or not specified in the schedule to this overlay), heritage study and any applicable conservation policy.</p>	<p>The Jamieson Street Precinct is of historical significance as one of the earlier roads leading into Warrnambool, subsequently sub-divided and developed as suburban villas.</p> <p>It is of architectural significance for its wide range of housing stock, including several notable examples from the Victorian, Edwardian and Interwar. The Mannerist villas opposite the State School are particularly notable.</p>

	<p>Dwellings are consistently single storey in scale or give the appearance of single storey, with the topography on the north side of Jamieson Street allowing for a second floor to the rear. Dwellings generally have pitched (typically 30 degree) hipped or gable corrugated galvanised iron or tile clad roofs and many dwellings retain prominent masonry chimneys. Walls are typically masonry, with only a few clad in weatherboard or lightweight (sometimes later concrete) finishes. 1860 symmetrical cottages, with arched head entries are the most distinctive and significant in the street.</p> <p>Dwellings are consistent in roofline and setbacks and address the street. The properties on the south (high) side of the road have a prominence granted by the natural topography. Allotment widths are generous with several properties on the south of Jamieson Street running through to Mickle Crescent at the rear. (Warrnambool City Council Heritage Design Guidelines, 2015)</p>
Any applicable heritage design guideline specified in the schedule to this overlay	NA.
<p>Whether the location, bulk, form or appearance of the proposed building will adversely affect the significance of the heritage place.</p> <p>Whether the location, bulk, form and appearance of the proposed building is in keeping with the character and appearance of adjacent buildings and the heritage place.</p>	<p>Not applicable as no development is proposed.</p> <p>N/A no building is proposed.</p>
Whether the demolition, removal or external alteration will adversely affect the significance of the heritage place.	The demolition of two older outbuildings on the site is proposed. Heritage referral advice received has stated there are no concerns with the removal of the two outbuildings. This will not adversely affect the significance of the heritage place.
Whether the proposed works will adversely affect the significance, character or appearance of the heritage place.	The proposal is for the subdivision of the land into two (2) lots. There will be no demonstrable change to the heritage place as a direct result of approving the subdivision.
Whether the proposed subdivision will adversely affect the significance of the heritage place.	For the reasons described in this report the proposed subdivision will not adversely affect the significance of the heritage place. The proposed subdivision would maintain the existing dwelling presentation to Jamieson Street. The character of the streetscape will be maintained as a result of approving the subdivision. There will be minimal if any change to the streetscape.

Whether the proposed subdivision may result in development which will adversely affect the significance, character or appearance of the heritage place.	<p>As a result of approving the subdivision it is anticipated that development would occur at some stage on the newly created vacant lot.</p> <p>Any development approved on this rear lot would require a planning permit approved by Council. Under the Heritage Overlay any proposed development would need to be assessed accordingly to the overlay and precinct requirements.</p> <p>Any particular dwelling design would need to address and respond to Heritage design guidelines as referred to in the precinct. It would also need to gain the support from Councils Heritage advisor. In addition, any development application submitted to Council would most likely be notified under section 52 of the Planning and Environment Act.</p>
Whether the proposed sign will adversely affect the significance, character or appearance of the heritage place.	N/A
Whether the lopping or development will adversely affect the health, appearance or significance of the tree.	N/A
Whether the location, style, size, colour and materials of the proposed solar energy facility will adversely affect the significance, character or appearance of the heritage place.	N/A

The Municipal Planning Policy Strategy (MPS)

The below clauses are the most relevant to the planning application:

- Clause 02.01 Context
- Clause 02.02 Vision
- Clause 02.03-1 – Settlement
- Clause 02.03-5 – Built Environment and Heritage
- Clause 02.03-6 – Housing
- Clause 02.03-8 – Transport and Infrastructure

Assessment

The proposed subdivision finds support within the above MPS clauses as described within the Warrnambool Planning Scheme.

The proposed subdivision respects the character of the area. It will integrate with the surrounding properties built form and subdivision layout of the area. The responsible authority must consider, as appropriate:

Planning Policy Framework (PPF)

The below clauses found within the PPF are the most relevant to the planning application:

- Clause 11 – Settlement
 - Clause 11.01-1S – Settlement
 - Clause 11.01-1R – Settlement – Great South Coast
- Clause 11.02 – Managing Growth
 - Clause 11.02-1S – Supply of Urban land

Objective:

To ensure a sufficient supply of land is available for residential, commercial, retail, industrial, recreational, institutional and other community uses.

The relevant strategies are:

- *Ensure that sufficient land is available to meet forecast demand.*
- *Plan to accommodate projected population growth over at least a 15 year period and provide clear direction on locations where growth should occur. Residential land supply will be considered on a municipal basis, rather than a town-by-town basis.*
- *Planning for urban growth should consider:*
 - *Opportunities for the consolidation, redevelopment and intensification of existing urban areas.*
 - *Neighbourhood character and landscape considerations.*
 - *The limits of land capability and natural hazards and environmental quality.*
 - *Service limitations and the costs of providing infrastructure.*
- *Monitor development trends and land supply and demand for housing and industry.*

Comment:

It is considered that approving the proposed subdivision has the potential to increase the number of suitable lots available for housing thereby consolidating a well-established residential area of Warrnambool. The subject site is well located within a designated residential area with related infrastructure facilities available to service the lots contained within the subdivision.

- Clause 11.02-3S – Sequencing of Development
- Clause 13 – Environmental Risks and Amenity
 - Clause 13.02-1S – Bushfire planning
- Clause 15 – Built Environment and Heritage
 - Clause 15.01-3S – Subdivision design

Objective:

To ensure the design of subdivisions achieves attractive, safe, accessible, diverse and sustainable neighbourhoods.

Strategies

In the development of new residential areas and in the redevelopment of existing areas, subdivision should be designed to create liveable and sustainable communities by:

- *Providing a range of lot sizes to suit a variety of dwelling and household types to meet the needs and aspirations of different groups of people.*

Comment:

The proposal is an example of a subdivision which has the potential to consolidate an existing urban area. The design of the subdivision has the potential to meet the objective of providing residential consolidation to promote an attractive, safe, accessible and diverse neighbourhood.

- Clause 15.01-4S – Healthy neighbourhoods
- Clause 15.01-5S – Neighbourhood Character

Objective:

To recognise, support and protect neighbourhood character, cultural identity, and sense of place.

Strategies:

Support development that respects the existing neighbourhood character or contributes to a preferred neighbourhood character.

Ensure the preferred neighbourhood character is consistent with medium and higher density housing outcomes in areas identified for increased housing.

Ensure development responds to its context and reinforces a sense of place and the valued features and characteristics of the local environment and place by respecting the:

- *Pattern of local urban structure and subdivision.*
- *Underlying natural landscape character and significant vegetation.*
- *Neighbourhood character values and built form that reflect community identity.*

- Clause 15.03-1S – Heritage conservation

Objective:

To ensure the conservation of places of heritage significance.

Strategies:

Provide for the conservation and enhancement of those places that are of aesthetic, archaeological, architectural, cultural, scientific or social significance.

Encourage appropriate development that respects places with identified heritage values.

Retain those elements that contribute to the importance of the heritage place.

Encourage the conservation and restoration of contributory elements of a heritage place.

Ensure an appropriate setting and context for heritage places is maintained or enhanced.

- Clause 15.03-1L – Heritage conservation

This policy applies to all land within a Heritage Overlay (HO)

General strategies

Conserve and maintain important landscape qualities including significant trees and rows of trees, including mature Norfolk Island pine trees.

- Clause 15.03-2S – Aboriginal cultural heritage

- Clause 16.01-1S Housing Supply

Objective:

To facilitate well-located, integrated and diverse housing that meets community needs.

Strategies:

- *Increase the proportion of housing in designated locations in established urban areas (including under-utilised urban land) and reduce the share of new dwellings in Greenfield, fringe and dispersed development areas.*
- *Identify opportunities for increased residential densities to help consolidate urban areas.*
- *Facilitate diverse housing that offers choice and meets changing household needs by widening housing diversity through a mix of housing types.*

Comment:

This is a unique opportunity to subdivide in an existing established residential area of Warrnambool. The approval could facilitate diverse housing with the future development of proposed Lot 1 on the plan of subdivision.

- Clause 16.01-2S – Location of residential development

- Clause 19 – Infrastructure

Assessment

On balance the proposal provides for a good planning outcome to the objectives and strategies found within the PPF, namely the clauses mentioned above.

The proposed subdivision maintains the appropriate settlement patterns throughout the area.

The location and additional lot is supported within the PPF as the site will have good access to services, infrastructure and amenity.

RELEVANT PARTICULAR PROVISIONS

Clause 53.01 – Public Open Space Contribution and Subdivision

A person who proposes to subdivide land must make a contribution to the council for public open space in an amount specified in the schedule to this clause (being a percentage of the land intended to be used for residential, industrial or commercial purposes, or a percentage of the site value of such land, or a combination of both). If no amount is specified, a contribution for public open space may still be required under Section 18 of the *Subdivision Act 1988*.

53.01-1 Exemption from public open space requirement specified in the scheme

A subdivision is exempt from a public open space requirement specified in this scheme if:

- It is one of the following classes of subdivision:

- Class 1: The subdivision of a building used for residential purposes provided each lot contains part of the building. The building must have been constructed or used for residential purposes immediately before 30 October 1989 or a planning permit must have been issued for the building to be constructed or used for residential purposes immediately before that date.
- Class 2: The subdivision of a commercial or industrial building provided each lot contains part of the building.
- It is for the purpose of excising land to be transferred to a public authority, council or a Minister for a utility installation.
- It subdivides land into two lots and the council considers it unlikely that each lot will be further subdivided.

The application subdivides land into two (2) lots and Council considers it unlikely that each lot will be further subdivided.

Pursuant to Clause 53.01-1, the subdivision is exempt from public open space requirement. Public open space will not be required for the subdivision.

Clause 56 – Residential Subdivision

The purpose of this clause is:

- *To implement the Municipal Planning Strategy and the Planning Policy Framework.*
- *To create liveable and sustainable neighbourhoods and urban places with character and identity.*
- *To achieve residential subdivision outcomes that appropriately respond to the site and its context for:*
 - *Metropolitan Melbourne growth areas.*
 - *Infill sites within established residential areas.*
 - *Regional cities and towns.*
- *To ensure residential subdivision design appropriately provides for:*
 - *Policy implementation.*
 - *Liveable and sustainable communities.*
 - *Residential lot design.*
 - *Urban landscape.*
 - *Access and mobility management.*
 - *Integrated water management.*
 - *Site management.*
 - *Utilities.*

GENERAL PROVISIONS

Clause 65.02 Approval of an application to subdivide land

Before deciding on an application to subdivide land, the responsible authority must also consider, as appropriate:

- *The suitability of the land for subdivision.*
- *The existing use and possible future development of the land and nearby land.*
- *The availability of subdivided land in the locality, and the need for the creation of further lots.*
- *The effect of development on the use or development of other land which has a common means of drainage.*
- *The subdivision pattern having regard to the physical characteristics of the land including existing vegetation.*
- *The density of the proposed development.*
- *The area and dimensions of each lot in the subdivision.*
- *The layout of roads having regard to their function and relationship to existing roads.*
- *The movement of pedestrians and vehicles throughout the subdivision and the ease of access to all lots.*
- *The provision and location of reserves for public open space and other community facilities.*
- *The staging of the subdivision.*
- *The design and siting of buildings having regard to safety and the risk of spread of fire.*
- *The provision of off-street parking.*
- *The provision and location of common property.*
- *The functions of any body corporate.*
- *The availability and provision of utility services, including water, sewerage, drainage, electricity and gas.*
- *If the land is not sewered and no provision has been made for the land to be sewered, the capacity of the land to treat and retain all sewage and sullage within the boundaries of each lot.*
- *Whether, in relation to subdivision plans, native vegetation can be protected through subdivision and siting of open space areas.*

The proposed two (2) lot subdivision creates a conventional battle-axe style subdivision having regard to the decision guidelines above and produces an orderly outcome for the area. It is considered to generally comply with Clause 65.02.

The visual elements of the property and streetscape will not change dramatically as a direct result of the subdivision being approved. All infrastructure is in place to service the properties, access to the lots has been determined previously and is already in place.

Recommendation

That council having caused notice of Planning Application No. PP2022-0258 to be given under Section 52 of the *Planning and Environment Act 1987* and or the planning scheme having considered all the matters required under Section 60 of the *Planning and Environment Act 1987* decides to determine the application for a planning permit under the provisions of the Warrnambool Planning Scheme in respect of the land known and described as Lot 4 SEC 30A CA PSH WAN TSH WARR, 45 Jamieson St WARRNAMBOOL VIC 3280, for the Two (2) Lot Subdivision in accordance with the endorsed plans, subject to the following conditions:

1. Prior to certification of the plan of subdivision, an amended plan to the satisfaction of the responsible authority must be submitted to and approved by the responsible authority. When approved, the plan will be endorsed and will then form part of the permit. The plan must be drawn to scale with dimensions. The plan must be generally in accordance with the plans submitted with the application but modified to show:

- a) A restriction on the plan of subdivision detailing that a minimum garden area of at least 25 per cent is to be provided for proposed Lot 1 only of the subdivision.
- 2.. The subdivision as shown on the endorsed plans must not be altered without the prior written consent of the Responsible Authority.
3. The owner of the land must enter into agreements with the relevant authorities for the provision of water supply, drainage, sewerage facilities, electricity and gas services to each lot shown on the endorsed plan in accordance with the authority's requirements and relevant legislation at the time.
4. All existing and proposed easements and sites for existing or required utility services and roads on the land must be set aside in the plan of subdivision submitted for certification in favour of the relevant authority for which the easement or site is to be created.
5. The plan of subdivision submitted for certification under the Subdivision Act 1988 must be referred to the relevant authority in accordance with Section 8 of that Act.

Stormwater Management Plan

6. Before Certification of the Plan of Subdivision or the commencement of any construction (whichever occurs first) a detailed Stormwater Management Plan is to be submitted to and endorsed by the Responsible Authority. The stormwater works must be designed in accordance with the current Responsible Authority's Design Guidelines, the endorsed application plans and must include:
 - a) Identification of any existing drainage on the site.
 - b) Details of how the works on the land are to be drained and/or retarded
 - c) Computations in support of the proposed drainage.
 - d) A proposed Legal Point of Discharge for each lot.
 - e) An underground drainage system to convey minor flows (as defined by the IDM) to the Legal Point of Discharge or retention system for the development;
 - f) Details of how the storm water discharge from the development will be limited such that post development flows up to the 20% AEP do not exceed pre development flows;
 - g) Evidence that storm water runoff resulting from a 1% AEP storm event is able to pass through the development via reserves and/or easements, or be retained within lots without causing damage or nuisance to adjoining property.
 - h) Details and measures to enhance stormwater discharge quality from the site and protect downstream waterways in accordance with Clause 56.07-4 of the Planning Scheme;
 - i) Construction Plans

Stormwater Works

7. The endorsed Stormwater Management Plan is to be implemented to the satisfaction of the Responsible Authority prior to the issue of Statement of Compliance for the subdivision.

Car Parking & Common Property Areas

8. Before the issue of a Statement of Compliance for the subdivision, the internal / common property traffic and parking areas must be constructed to the satisfaction of the Responsible Authority, and must:
 - a) Be in accordance with endorsed plans
 - b) Be in accordance with Australian Standards/ Victorian Planning Provisions
 - c) Be finished with an all-weather sealed surface
 - d) Be drained
 - e) Include appropriate signage, lighting and line marking
 - f) Include appropriate loading facilities for the development
 - g) Include vehicle crossings and required traffic management works
 - h) Provide for vehicles to enter and exit the development / common property in a forwards direction.

Areas designated for car parking on the endorsed plan are to be kept free and clear for that purpose.

9. The owner of the land must enter into an agreement with:
 - a) A telecommunications network or service provider for the provision of telecommunication services to each lot shown on the endorsed plan in accordance with the provider's requirements and relevant legislation at the time; and
 - b) A suitably qualified person for the provision of fibre ready telecommunication facilities to each lot shown on the endorsed plan in accordance with any industry specifications or any standards set by the Australian Communications and Media Authority, unless the applicant can demonstrate that the land is in an area where the National Broadband network will not be provided by optical fibre.
10. Before the issue of a Statement of Compliance for any stage of the subdivision under the Subdivision Act 1988, the owner of the land must provide written confirmation from:
 - a) A telecommunications network or service provider that all lots are connected to or are ready for connection to telecommunications services in accordance with the provider's requirements and relevant legislation at the time; and
 - b) A suitably qualified person that fibre ready telecommunication facilities have been provided in accordance with any industry specifications or any standards set by the Australian Communications and Media Authority, unless the applicant can demonstrate that the land is in an area where the National Broadband Network will not be provided by optical fibre.
11. This permit will expire if:
 - a. any plan of subdivision for any stage of the subdivision is not certified within two (2) years of the date of this permit; or

- b. the registration of the subdivision is not completed within five (5) years of the date that the plan of subdivision is certified.

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

Notes:

Road Reserve Works Permit

Before the commencement of any works within the road reserve, a Road Reserve Works Permit must be obtained from Council. All conditions on the Permit must be complied with.

Asset Protection Permit

Before the commencement of any physical works to the site, an Asset Protection Permit must be obtained from Council. This purpose of this permit is to protect Council assets from damage which can result from the works and from the movement of heavy equipment and materials on and off the site. All conditions on the Permit must be complied with.

Discharge of Polluted Water

Polluted drainage must be treated and/or absorbed on the lot from which it emanates to the satisfaction of the Responsible Authority.

Polluted drainage must not be discharged beyond the boundaries of the lot from which it emanates or into a watercourse or easement drain.

Refer to Environment Protection Authority Victoria (EPA) guidelines.

Rescode Clause 56 Assessment

Application No.

PP2022-0258

Location

45 Jamieson Street WARRNAMBOOL VIC 3280

Objectives (A subdivision <u>must</u> meet all these objectives)	Standard (Summary) (A subdivision <u>should</u> meet all these standards)	Assessment
CLAUSE 56.03	LIVABLE AND SUSTAINABLE COMMUNITIES	
Clause 56.03-5 Neighbourhood character objective <p>□ To design subdivisions that respond to neighbourhood character.</p>	Standard C6 <p>Subdivision should:</p> <ul style="list-style-type: none"> □ Respect the existing neighbourhood character or achieve a preferred neighbourhood character consistent with any relevant neighbourhood character objective, policy or statement set out in this scheme. □ Respond to and integrate with the surrounding urban environment. □ Protect significant vegetation and site features. 	<p>The subdivision respects the existing neighbourhood character of the area and will integrate within the surrounding urban environment. The subdivision will result in the creation of two medium sized residential lots.</p>
CLAUSE 56.04 Clause 56.04-2 Lot area and building envelope objective <p>□ To provide lots with areas and dimensions that enable the appropriate siting and construction of a dwelling, solar access, private open space, vehicle access and parking, water management, easements and the retention of significant vegetation and site features.</p>	LOT DESIGN Standard C8 <p>An application to subdivide land that creates lots of less than 300 square metres should be accompanied by information that shows:</p> <ul style="list-style-type: none"> □ That the lots are consistent or contain building envelope that is consistent with a development approved under this scheme, or □ That a dwelling may be constructed on each lot in accordance with the requirements of this scheme. <p>Lots of between 300 square metres and 500 square metres should:</p> <ul style="list-style-type: none"> □ Contain a building envelope that is consistent with a development of the lot approved under this scheme, or □ If no development of the lot has been approved under this scheme, contain a building envelope and be able to contain a rectangle measuring 10 metres by 15 metres, or 9 metres by 15 metres if a boundary wall is nominated as part of the building envelope. <p>If lots of between 300 square metres and 500 square metres are proposed to contain dwellings that are built to the boundary, the long axis of the lots should be within 30 degrees east and 20 degrees west of north unless there are significant physical constraints that make this difficult to achieve.</p> <p>Lots greater than 500 square metres should be able to contain a rectangle measuring 10 metres by 15 metres, and may contain a building envelope. A building envelope may specify or incorporate any relevant siting and design requirement.</p>	<p>Lot 1 will measure 354m² and Lot 2 will measure 500m².</p> <p>Lot 2 of the subdivision benefits from the existing dwelling located on the lot.</p> <p>Lots 1 includes a 10m x 15m building envelope demonstrating that a dwelling can be constructed on the lot in accordance with the requirements of this scheme.</p> <p>The lot dimensions ensure that solar access for a future dwelling can be appropriately located on the site.</p> <p>Private open space will be provided to the new lot in accordance with building permit regulation requirements at the appropriate time.</p> <p>Vehicle access and parking will be provided in accordance with the plan of subdivision and common property area.</p>

	<p>Any requirement should meet the relevant standards of Clause 54, unless:</p> <ul style="list-style-type: none"> □ The objectives of the relevant standards are met, and □ The building envelope is shown as a restriction on a plan of subdivision registered under the Subdivision Act 1988, or is specified as a covenant in an agreement under Section 173 of the Act. <p>Where a lot with a building envelope adjoins a lot that is not on the same plan of subdivision or is not subject to the same agreement relating to the relevant building envelope:</p> <ul style="list-style-type: none"> □ The building envelope must meet Standards A10 and A11 of Clause 54 in relation to the adjoining lot, and □ The building envelope must not regulate siting matters covered by Standards A12 to A15 (inclusive) of Clause 54 in relation to the adjoining lot. This should be specified in the relevant plan of subdivision or agreement. <p>Lot dimensions and building envelopes should protect:</p> <ul style="list-style-type: none"> □ Solar access for future dwellings and support the siting and design of dwellings that achieve the energy rating requirements of the Building Regulations. □ Existing or proposed easements on lots. <p>Significant vegetation and site features.</p>	<p>Permit conditions will ensure these arrangements are met during construction.</p>
<p>Clause 56.04-3 Solar Orientation of lots objective</p> <ul style="list-style-type: none"> □ To provide good solar orientation of lots and solar access for future dwellings. 	<p>Standard C9</p> <p>Unless the site is constrained by topography or other site conditions, at least 70 percent of lots should have appropriate solar orientation.</p> <p>Lots have appropriate solar orientation when:</p> <ul style="list-style-type: none"> □ The long axis of lots are within the range north 20 degrees west to north 30 degrees east, or east 20 degrees north to east 30 degrees south. □ Lots between 300 square metres and 500 square metres are proposed to contain dwellings that are built to the boundary, the long axis of the lots should be within 30 degrees east and 20 degrees west of north. □ Dimensions of lots are adequate to protect solar access to the lot, taking into account likely dwelling size and the relationship of each lot to the street. 	<p>Both lots will have appropriate solar orientation.</p> <p>The axis of the lots is within the range north 20 degrees west to north 30 degrees east.</p> <p>Lots will retain solar access due to the orientation of the newly created lot.</p>
<p>Clause 56.04-5 Common area objectives</p> <ul style="list-style-type: none"> □ To identify common areas and the purpose for which the area is commonly held. □ To ensure the provision of common area is appropriate and that necessary management arrangements are in place. □ To maintain direct public access throughout the neighbourhood street 	<p>Standard C11</p> <p>An application to subdivide land that creates common land must be accompanied by a plan and a report identifying:</p> <ul style="list-style-type: none"> □ The common area to be owned by the body corporate, including any streets and open space. □ The reasons why the area should be commonly held. □ Lots participating in the body corporate. □ The proposed management arrangements including maintenance standards for streets and open spaces to be commonly held. 	<p>There are no common areas proposed to be created as part of the subdivision.</p>

network.		
CLAUSE 56.06	ACCESS AND MOBILITY MANAGEMENT	
Clause 56.06-8 Lot access objective <ul style="list-style-type: none"> To provide for safe vehicle access between roads and lots. 	Standard C21 Vehicle access to lots abutting arterial roads should be provided from service roads, side or rear access lanes, access places or access streets where appropriate and in accordance with the access management requirements of the relevant roads authority. Vehicle access to lots of 300 square metres or less in area and lots with a frontage of 7.5 metres or less should be provided via rear or side access lanes, places or streets. The design and construction of a crossover should meet the requirements of the relevant road authority. Comply with the requirements of Table C1 for the design of roads and neighbourhood streets.	Vehicle access to the new lot will be via Jamieson Street. The design and construction of an access way will be in accordance with Council permit condition requirements. Any upgraded crossover will be in accordance with Council Infrastructure requirements.
CLAUSE 56.07	INTEGRATED WATER MANAGEMENT	
Clause 56.07-1 Drinking water supply objectives <ul style="list-style-type: none"> To reduce the use of drinking water. To provide an adequate, cost-effective supply of drinking water. 	Standard C22 The supply of drinking water must be: <ul style="list-style-type: none"> Designed and constructed in accordance with the requirements and to the satisfaction of the relevant water authority. Provided to the boundary of all lots in the subdivision to the satisfaction of the relevant water authority. 	Reticulated water is available and will be provided to the satisfaction of the Water Authority.
Clause 56.07-2 Reused and recycled water objective <ul style="list-style-type: none"> To provide for the substitution of drinking water for non-drinking purposes with reused and recycled water. 	Standard C23 Reused and recycled water supply systems must be: <ul style="list-style-type: none"> Designed, constructed and managed in accordance with the requirements and to the satisfaction of the relevant water authority, Environment Protection Authority and Department of Human Services. Provided to the boundary of all lots in the subdivision where required by the relevant water authority. 	Utilities will be provided to both lots in accordance with service authority requirements.
Clause 56.07-3 Waste water management objective <ul style="list-style-type: none"> To provide a waste water system that is adequate for the maintenance of public health and the management of effluent in an environmentally friendly manner. 	Standard C24 Waste water systems must be: <ul style="list-style-type: none"> Designed, constructed and managed in accordance with the requirements and to the satisfaction of the relevant water authority and the Environment Protection Authority. Consistent with any relevant approved domestic waste water management plan. Reticulated waste water systems must be provided to the boundary of all lots in the subdivision where required by the relevant water authority.	Each lot will be connected to the existing reticulated system.

<p>Clause 56.07-4 Urban runoff management objectives</p> <ul style="list-style-type: none"> □ To minimise damage to properties and inconvenience to residents from urban run-off. □ To ensure that the street operates adequately during major storm events and provides for public safety. □ To minimise increases in stormwater run-off and protect the environmental values and physical characteristics of receiving waters from degradation by urban run-off. 	<p>Standard C25 The urban stormwater management system must be:</p> <ul style="list-style-type: none"> □ Designed and managed in accordance with the requirements and to the satisfaction of the relevant drainage authority. □ Designed and managed in accordance with the requirements and to the satisfaction of the water authority where reuse of urban run-off is proposed. □ Designed to meet the current best practice performance objectives for stormwater quality as contained in the Urban Stormwater – Best Practice Environmental Management Guidelines (Victorian Stormwater Committee 1999) as amended. □ Designed to ensure that flows downstream of the subdivision site are restricted to predevelopment levels unless increased flows are approved by the relevant drainage authority and there are no detrimental downstream impacts. <p>The stormwater management system should be integrated with the overall development plan including the street and public open space networks and landscape design.</p> <p>For all storm events up to and including the 20% Average Exceedence Probability (AEP) standard:</p> <ul style="list-style-type: none"> □ Stormwater flows should be contained within the drainage system to the requirements of the relevant authority. □ Ponding on roads should not occur for longer than 1 hour after the cessation of rainfall. <p>For storm events greater than 20% AEP and up to and including 1% AEP standard:</p> <ul style="list-style-type: none"> □ Provision must be made for the safe and effective passage of stormwater flows. □ All new lots should be free from inundation or to a lesser standard of flood protection where agreed by the relevant floodplain management authority. □ Ensure that streets, footpaths and cycle paths that are subject to flooding meet the safety criteria $da V_{ave} < 0.35 \text{ m}^2/\text{s}$ (where, da = average depth in metres and V_{ave} = average velocity in metres per second). <p>The design of the local drainage network should:</p> <ul style="list-style-type: none"> □ Ensure run-off is retarded to a standard required by the responsible drainage authority. □ Ensure every lot is provided with drainage to a standard acceptable to the relevant drainage authority. Wherever possible, run-off should be directed to the front of the lot and discharged into the street drainage system or legal point of discharge. □ Ensure that inlet and outlet structures take into account the effects of obstructions and debris build up. Any surcharge drainage pit should discharge into an overland flow in a safe and predetermined manner. □ Include water sensitive urban design features to manage run-off in streets and public open space. Where such features are provided, an application must describe maintenance responsibilities, requirements and costs. 	<p>The proposed lots are capable of retaining rainwater tanks and permeable areas to reduce the effect of storm water runoff. The site stormwater shall be designed in accordance with the Responsible Authority requirements.</p> <p>A stormwater management plan is required as a condition on the planning permit, this details all stormwater pertaining to the site and the new lot.</p> <p>It is estimated detention water tanks could be required as a result of any approved development for the new lot.</p>
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	Any flood mitigation works must be designed and constructed in accordance with the requirements of the relevant floodplain management authority.	
CLAUSE 56.08	SITE MANAGEMENT	
Clause 56.08-1 Site management objectives <ul style="list-style-type: none"> To protect drainage infrastructure and receiving waters from sedimentation and contamination. To protect the site and surrounding area from environmental degradation or nuisance prior to and during construction of subdivision works. To encourage the re-use of materials from the site and recycled materials in the construction of subdivisions where practicable. 	Standard C26 A subdivision application must describe how the site will be managed prior to and during the construction period and may set out requirements for managing: <ul style="list-style-type: none"> Erosion and sediment. Dust. Run-off. Litter, concrete and other construction wastes. Chemical contamination. Vegetation and natural features planned for retention. Recycled material should be used for the construction of streets, shared paths and other infrastructure where practicable.	<p>It is not anticipated that the proposed subdivision will result in any loss of amenity to neighbouring sites.</p> <p>Conditions on the permit will ensure the site is managed to Council requirements.</p>
CLAUSE 56.09	UTILITIES	
Clause 56.09-1 Shared trenching objectives <ul style="list-style-type: none"> To maximise the opportunities for shared trenching. To minimise constraints on landscaping within street reserves. 	Standard C27 Reticulated services for water, gas, electricity and telecommunications should be provided in shared trenching to minimise construction costs and land allocation for underground services.	<p>Shared trenching will be undertaken on the advice of the utility providers.</p>
Clause 56.09-2 Electricity, telecommunications and gas objectives <ul style="list-style-type: none"> To provide public utilities to each lot in a timely, efficient and cost effective manner. To reduce greenhouse gas emissions by supporting generation and use of electricity from renewable sources. 	Standard C28 The electricity supply system must be designed in accordance with the requirements of the relevant electricity supply agency and be provided to the boundary of all lots in the subdivision to the satisfaction of the relevant electricity authority. Arrangements that support the generation or use of renewable energy at a lot or neighbourhood level are encouraged. The telecommunication system must be designed in accordance with the requirements of the relevant telecommunications servicing agency and should be consistent with any approved strategy, policy or plan for the provision of advanced telecommunications infrastructure, including fibre optic technology. The telecommunications system must be provided to the boundary of all lots in the subdivision to the satisfaction of the relevant telecommunications servicing authority. Where available, the reticulated gas supply system must be designed in	<p>Utility services will be provided to the new lot in accordance with the requirements of utility providers. Conditions on the permit will require services to be provided to the site where appropriate.</p>

	accordance with the requirements of the relevant gas supply agency and be provided to the boundary of all lots in the subdivision to the satisfaction of the relevant gas supply agency.	
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Planner
Responsible: Matthew Cross

Supervisor: Rob Wandell

Signature: 

Signature:

Date: 25/05/2023

Date: 25/05/2023



Clint Joseph L.S., M.I.S.
B.Geoinformatics & Surveying (hons)

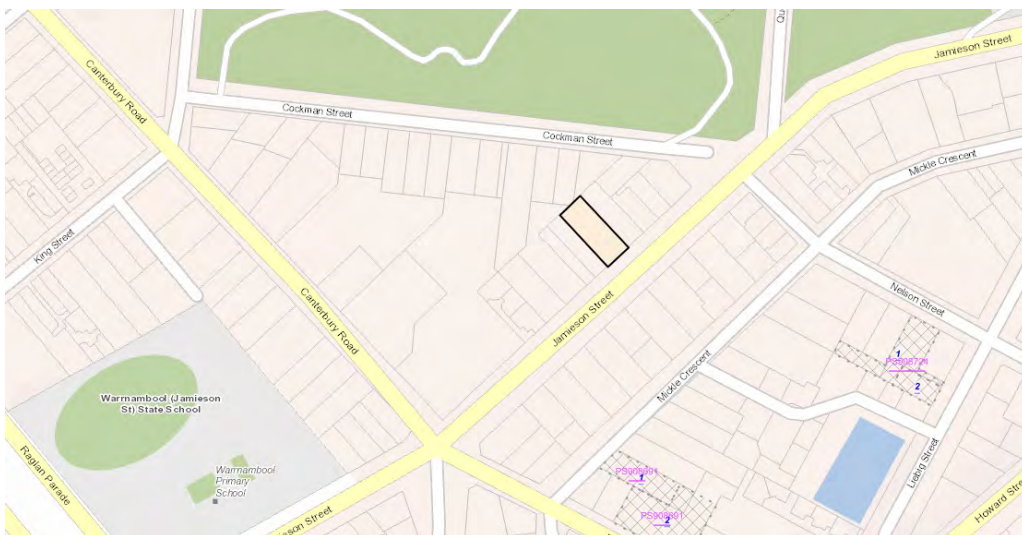
**PLANNING REPORT TO ACCOMPANY PLANNING (SUBDIVISION) PERMIT
APPLICATION
PROPOSED TWO (2) LOT SUBDIVISION
45 JAMIESON STREET, WARRNAMBOOL
SURVEYORS REF: 1420**

INTRODUCTION

The subject site is a single title being crown allotment 4 on TP560558G, Volume 2468 Folio 570. The site is located on the northern side of Jamieson Street approximately 100m south of the Queens Road intersection. The site consists of a single dwelling upon approximately 1012m².

The land is zoned General Residential and located within a heritage precinct with no other planning overlays affecting the site. The site is located within an area of aboriginal cultural heritage sensitivity. The application being for two lots therefore cultural heritage of the site is not assessed by this application.

The application seeks to subdivide the site into two lots and common property, please see following and plan for endorsement for further details.



Locality Diagram depicting varied allotments within the area.

In accordance with the Warrnambool planning scheme requirements, the following assessment is made:-

CLAUSE 56 SUBDIVISION SITE AND CONTEXT DESCRIPTION RESPONSE

56.01 SUBDIVISION SITE AND CONTEXT DESIGN RESPONSE

56.01-1: Subdivision Site and Context Description

The site is located within the central residential area of the established rural center of Warrnambool.

The site consists of a single dwelling located at the southern extent of the lot along Jamieson Street with the northern portion vacant.

The site slopes from the south, north away from Jamieson Street and is not affected by inundation.

The site is currently serviced by both water and sewer.

There is no substantial vegetation onsite or upon neighbouring allotments.

The site frontage to Jamieson Street shall remain unaltered.

56.01-2: Subdivision Design Response

The proposal is consistent with the surrounding neighbourhood character of varying lot sizes, shapes and infill development.

The proposed lots of area in excess 354m² shall sit comfortably within the neighbourhood.

The proposed lots are capable of satisfying site coverage and SPOS requirements.

The proposal shall satisfy the need for mixed and varying sized housing stock.

The design of the lots is consistent with nearby infill developments and with the shared driveway maintaining the status quo for access shall sit comfortably within the historical precinct.

56.03 LIVABLE AND SUSTAINABLE COMMUNITIES

56.03-5: Neighbourhood Character Objective

The proposal is within an old, established residential area. The frontages shall have no practical effect upon the character of the area, with the shared driveway maintain the same street scape.

The proposed development is consistent with and sits comfortably within the mixed and varying land parcels within the area.

See enclosed plans and locality diagram for further detail.

56.04 LOT DESIGN

56.04-1: Lot Diversity and Distribution Objectives

The proposal seeks to create lots that offer diversity, whilst consistent with the varying sized land parcels emerging within the area.

56.04-2: Lot Area and Building Envelopes Objective

The proposal shall allow for diversity of choice for potential housing sites and to provide for a variety of potential housing choice and affordability.

The proposed vacant lot is capable of satisfying the 10m X 15m building envelope objective.

56.04-3: Solar Orientation of Lots Objective

The lots are practically orientated to within 30° from the cardinal. The size of the proposed lots shall easily allow the orientation of a future dwelling to achieve sound solar efficiency.

56.04-5: Common Area Objectives

The application seeks to create common property for access and services that shall maintain the appearance of the site from Jamieson Street.

56.06 ACCESS AND MOBILITY

56.06-2: Walking and Cycling Network Objective

Not applicable.

56.06-4 Neighbourhood Street Network Objective

Not applicable, existing infrastructure is in place within surrounding streets.

56.06-5 Walking and Cycling Network Detail Objectives

As above.

56.06-7 Neighbourhood Street Network Detail Objectives

No further road infrastructure / construction shall be required by the proposal. The current vehicle crossover shall be maintained.

56.06-8: Lot Access Objectives

The current vehicle access point shall be maintained.

56.07 INTEGRATED WATER MANAGEMENT

56.07-1: Drinking Water Supply Objectives

Water services are available to each of the proposed lots and shall be connected to the satisfaction of the Water Authority and Responsible Authority.

56.07-2: Reused and Recycled Water Objective

The size of the proposed lots are capable of the collection and storage of rain water. Any proposal to reuse and recycle water shall be designed, constructed and managed in accordance with the local responsible authorities.

56.07-3: Waste Water Management Objective

Sewerage services are available to each of the proposed lots and shall be connected to the satisfaction of the Water Authority and Responsible Authority.

56.07-4: Urban Run-off Management Objectives

The proposed lots are capable of retaining rain water via tanks and permeable areas to reduce the effect of storm water runoff. The site stormwater shall be designed in accordance with the Responsible Authority requirements.

56.08 SITE MANAGEMENT

56.08-1: Site Management Objectives

Minimal site works are required to affect the proposed subdivision. Site management shall be undertaken to the satisfaction of the responsible authority to limit the loss of amenity to adjoining areas.

56.09 UTILITIES

56.09-1: Shared Trenching Objectives

Shared trenching where required shall be undertaken per service provider and local responsible authority requirements.

56.09-2: Electricity, Telecommunications and Gas Objectives

Services shall be provided as per service providers and local responsible authority requirements.

CONCLUSION

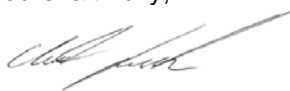
This proposal seeks to undertake a two (2) lot subdivision with common property that shall not affect the streetscape within the historical precinct.

The proposed layout is consistent with prior infill developments within the area and shall allow for varying and sound residential development.

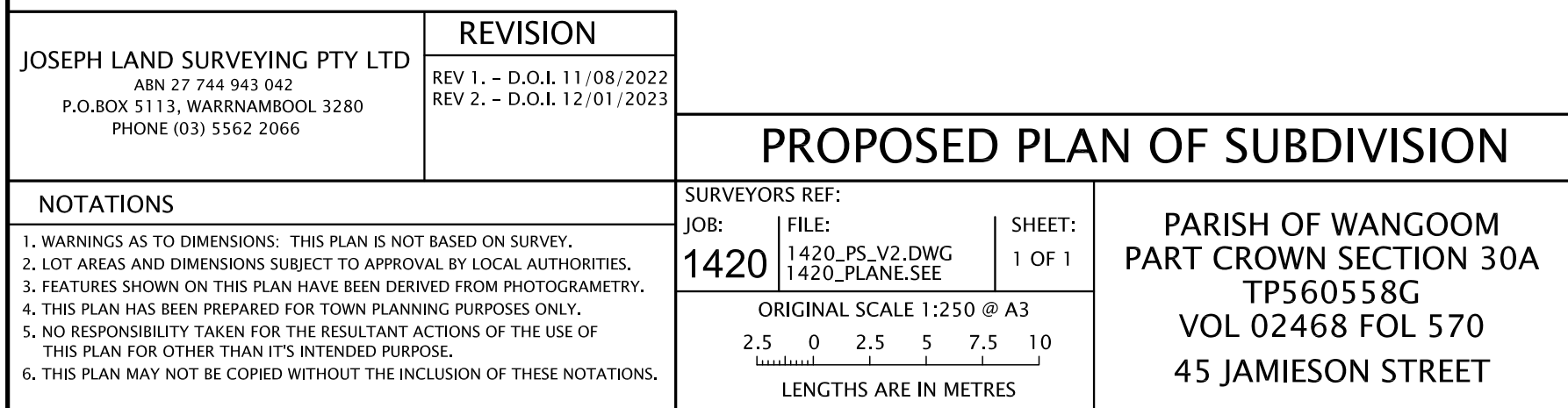
The resultant lots satisfy the planning scheme requirements and present a high quality living environment for future residents and property owners.

It is considered that the subdivision proposal is justified and satisfies the intent of the planning scheme.

Yours faithfully,



Clint Joseph
Licensed Surveyor



7.5. DELEGATIONS & AUTHORISATIONS POLICY

DIRECTORATE: Executive Services

PURPOSE:

This report seeks Council's approval of the attached Delegations and Authorisations Policy

EXECUTIVE SUMMARY

An internal audit into the adequacy of Council's policies and procedures regarding delegated powers was completed in August 2022. The audit resulted in a number of recommendations and findings for Council, including the absence of a formal policy or guidance framework.

The Delegations and Authorisations policy before Council for consideration intends to provide a framework around the delegation of Council power and the appointment of officers to statutory positions. It also intends to address the requirements of other outstanding recommendations from the audit.

MOVED: Cr Max Taylor

SECONDED: Cr Angie Paspaliaris

That Council adopts the Delegations and Authorisations Policy 2023.

CARRIED: 6:0

BACKGROUND

Council as a statutory entity is bestowed with a number of powers, duties, responsibilities, and functions under legislation. Council can only wield these powers through a resolution of Council at a meeting of Council. In order to ensure efficiency and effective functioning, many of these powers need to be delegated as a matter of practical necessity. This devolution of power and authority downwards is affected by the creation and endorsement of Instruments of Delegation and Instruments of Appointment and Authorisation.

Delegation

The *Local Government Act 2020* makes express provision for the appointment of delegates to act on behalf of councils. Section 11 gives Council the authority to delegate any power, duty or function to the CEO or the members of a delegated committee.

Delegations are made by Council resolution, evidenced in an instrument of delegation and remain effective until revoked. When a council delegates a power, duty or function to a member of staff or to a Committee, the decision of the delegate is deemed to be a decision of the council.

Section 47 allows the CEO to delegate any power, duty or function to a member of Council staff. By instrument of delegation, the CEO delegates to various members of staff certain powers, duties and responsibilities in order to fulfil the responsibilities of the day-to-day management of Council's operations.

Appointment of Authorised Officers

Under section 224 of the *Local Government Act 1989*, Council may appoint any person other than a Councillor to be an Authorised Officer for the purposes of the administration and enforcement of any Acts, regulations or local laws which relate to the functions and powers of the council.

Council must maintain a register that shows the names of all people appointed as Authorised Officers. Persons appointed or authorised by a council are acting as holders of statutory powers – they are not acting on behalf of the council. Their powers and responsibilities are different to the powers and responsibilities of the council.

ISSUES

Council's internal auditors completed a delegations audit on the practices of Council regarding the appropriateness of its policies, procedures, and practices surrounding the delegation of Council power.

The objectives of that audit were:

1. Review the adequacy of policies and procedures to ensure compliance with delegated powers.
2. Review the completeness of Instruments of Delegations (IOD's).
3. Identify the processes for temporary and acting position in the management of delegations.
4. Review that management reporting is undertaken regarding delegations.
5. Review the level of training and education provided in relation to the management of assigned delegations.
6. Review operation of compliance and enforcement functions by Authorised Officers.

A key issue identified by the audit was a general lack of formal policies and/or procedures for identifying and allocating responsibilities for legislative compliance. This absence of a framework increases reliance on the expertise and diligence of staff and the risk of departure from established practices in the event of staff turnover or other disruption to work practices. A Delegations and Authorisations Policy seeks to provide a framework to the areas of delegation and authorisation to begin to address this issue. This policy will be the basis for process change and amendments to current procedures to ensure best practice and legislative compliance in this area.

In addition to reviewing the adequacy of policies and procedures, the audit recommended strengthening and reviews in other areas. These include:

- Review the completeness of instruments of delegations
- Identify the processes for temporary and acting position in the management of delegations
- Review the level of training and education provided in relation to the management of assigned delegations
- Review operation of compliance and enforcement functions by Authorised Officers

The policy seeks to address a number of outstanding audit recommendations across these areas.

The policy also addresses the issue of appointment of an Acting CEO and defining which staff members are capable of accepting CEO delegations as recommended by the Local Government Inspectorate.

FINANCIAL IMPACT

There are no financial or resource implications associated with this decision.

LEGISLATION / POLICY / COUNCIL PLAN CONTEXT

5 An effective Council

5.1 Leadership and governance: Council will be a high-functioning team committed to respectful relationships, collaboration and ongoing engagement. It will provide strong, effective leadership, sound governance and informed decision-making

5.4 High-performance culture: Council will foster an organisational culture to support engaged, committed and high-performing staff for the effective delivery of Council's services and programs.

5.6 Risk mitigation: Council will mitigate and manage organisational risks through sound management systems and processes.

COMMUNITY IMPACT / CONSULTATION

This draft policy was presented to Executive Management Team for feedback on 23 May 2023 and discussed with Councillors at an informal meeting of Council on 29 May 2023.

An assessment against Council's Community Engagement Policy and IAP2 approach was undertaken and the recommended level of consultation is inform.

LEGAL RISK / IMPACT

There is significant legal and compliance risk to Council if appropriate processes to manage delegations and authorisations are not in place. An officer carrying out an act without appropriate authority or power will render the act ineffective and may expose Council to litigation. An effective policy framework serves to mitigate this risk.

OFFICERS' DECLARATION OF INTEREST

Nil.

CONCLUSION

The Delegations and Authorisations Policy has been drafted in response to an internal audit and seeks to provide a framework around the delegation of Council power and the appointment of officers to statutory positions. It also intends to address the requirements of other outstanding recommendations from the audit.

ATTACHMENTS

1. Delegations & Authorisations Policy [7.5.1 - 10 pages]



Delegations & Authorisations Policy

POLICY TYPE: COUNCIL

APPROVAL DATE: June 2023

REVIEW DATE: June 2026

DELEGATIONS & AUTHORISATIONS POLICY



DOCUMENT CONTROL

Document Title:	<i>Delegations & Authorisations Policy</i>
Policy Type:	<i>Council</i>
Responsible Branch:	<i>Governance</i>
Responsible Officer:	<i>Manager Governance</i>
Document Status:	<i>DRAFT</i>
Approved By:	<i>COUNCIL</i>
Adopted Date:	<i>June 2023</i>
Review Date:	<i>June 2026</i>

DELEGATIONS & AUTHORISATIONS POLICY



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DELEGATIONS & AUTHORISATIONS POLICY

1. INTRODUCTION

1.1. Purpose

There are many Acts and Regulations that confer responsibility on councils to take action or determine matters. Council as a legal entity can only make decisions or exercise its powers under these Acts and Regulations by a resolution made at a Council meeting. As it is not practical for Council alone to exercise all the powers, duties and functions bestowed on the Council, decision making must be devolved effectively from the central source of authority downwards and powers allocated to certain groups or individuals.

The purpose of this policy is to establish a framework for how delegations of Council authority and the authorisation of officers is to be implemented and managed.

1.2. Scope

This policy applies to the Warrnambool City Council – including staff, authorised officers, and members of delegated committees of Council – and any instruments of delegation or authorisation established by the Council, the Chief Executive Officer, Municipal Building Surveyor, and the Municipal Fire Prevention Officer under the *Local Government Act 2020* and any other Acts or Regulations.

1.3. Definitions

Term	Definition
Authorised Officer	An individual appointed to a position under an Instrument of Appointment and Authorisation who holds and exercises the statutory powers, duties and functions of that position
CEO	Chief Executive Officer
EMT	Executive Management Team
Instrument of Appointment and Authorisation	A document that appoints an officer to a statutory position. Once the person is authorised and appointed by Council, that person has the powers of that statutory position
Instrument of Delegation	A document that appoints an officer to a statutory position.
Legislative CEO powers	Means powers directly bestowed upon the CEO by legislation such as the <i>Local Government Act 2020</i> , as distinct from powers delegated to the CEO by Instruments of Delegation
MBS	Municipal Building Surveyor
MFPO	Municipal Fire Prevention Officer

1.4. References

Building Act 1993
Fire Rescue Victoria Act 1958
Local Government Act 1989
Local Government Act 2020



DELEGATIONS & AUTHORISATIONS POLICY

2. POLICY

Council is a statutory entity. This means that it is only able to do things that statutes confer power upon it to do.

Council's powers and their statutory sources are:

- The general power to do all things necessary or convenient to be done in connection with the performance of its role conferred by section 10(1) of the *Local Government Act 2020*.
- Specific statutory powers conferred by provisions of acts and regulations, such as the *Planning and Environment Act 1987* and *Domestic Animals Act 1994*.
- The power to appoint any person other than a Councillor to be an authorised officer for the purposes of the administration and enforcement of any Act, regulations or local laws which relate to the functions and powers of the Council conferred by section 224(1) of the *Local Government Act 1989*.
- Powers conferred by other forms of statutory instrument.

Using Council power and the power of delegation

Council as a statutory body is not a natural person and can only act by a resolution of its members, or through others acting on its behalf.

Power of the Council to act by resolution

The power of the Council to act by resolution is prescribed by section 59 of the *Local Government Act 2020*:

- 1) *Where a Council is empowered to do any act, matter or thing, the decision to do the act, matter or thing is to be made by a resolution of the Council.*
- 2) *For the purposes of subsection (1), resolution of the Council means the following –*
 - a) *a resolution made at a Council meeting;*
 - b) *a resolution made at a meeting of a delegated committee;*
 - c) *the exercise of a power or the performance of a duty or function of the Council by a member of Council staff or a Community Asset Committee under delegation.*

Power of the Council to delegate

Section 11 of the *Local Government Act 2020* provides that Council may delegate any power, duty or function to the CEO or to members of a delegated committee.

Therefore, the Council may:

- a) Retain a power for a decision by the Council at a council meeting;
- b) Delegate a power to the CEO and/or other officers; or
- c) Delegate a power to a committee of the Council.

The decision of a delegate is considered a decision of Council.

Power of the CEO to sub-delegate and power of the CEO to delegate

Section 47(1) of the *Local Government Act 2020* provides that the CEO may sub-delegate any power, duty or function of the Council that has been delegated to the CEO to staff or to members of a Community Asset Committee, other than the power of delegation.



DELEGATIONS & AUTHORISATIONS POLICY

Section 47(2) of the *Local Government Act 2020* provides that the CEO may delegate any power, duty or function of the CEO to staff, other than the power of delegation.

Power of the Municipal Building Surveyor to delegate powers

Under the *Building Act 1993*, the Municipal Building Surveyor has certain powers by virtue of being an MBS. The MBS has the power to delegate these powers, and to authorise certain persons to exercise some of the powers of the MBS. This is different to the other delegations and authorisations as these powers are specific MBS powers and not powers of Council. More specifically:

- Section 216B of the *Building Act 1993* allows the MBS appointed by Council to delegate their powers (as opposed to the powers of that Council) under that Act or its Regulations to any person employed, or engaged, by the Council who is registered as a building surveyor or building inspector whose registration authorises the carrying out of the work required for performing the functions to be delegated by the MBS; and
- Section 228A of the *Building Act 1993* allows the MBS to authorise a person to be an authorised person for the purpose of exercising the powers of the MBS.

Power of the Municipal Fire Prevention Officer to delegate powers

Under the *Fire Rescue Victoria Act 1958* the MFPO has the power to delegate any of its powers or duties to an Assistant Fire Prevention Officer.

2.1. Delegations

All delegations of Council, CEO, MBS, and MFPO powers, duties and responsibilities will be made by a written Instrument of Delegation.

2.1.1. Instruments of Delegation

A delegation to a position is valid only when it is made or evidenced by either a written Instrument of Delegation made by a Council resolution or a written Instrument of Delegation made by the CEO, MBS or MFPO.

Council Instruments of Delegations are evidenced by a minuted Council resolution and by the Instruments being stamped with the common seal of Council and signed by the CEO. These instruments remain in force until revoked by the Council.

CEO, MBS, and MFPO Instruments of Delegation are evidenced by the instruments being signed by the applicable officer. These instruments remain in force until revoked by the applicable officer.

All Instruments of Delegation will be reviewed by EMT prior to being endorsed by Council, the CEO, the MBS, or the MFPO.

Council's governance unit will review all of Council's Instruments of Delegation once every six months and prepare updated instruments for endorsement as required by changes to legislation or by operational need.

The governance unit will consult relevant Directors and Managers when preparing changes to Instruments of Delegations to ensure the delegations remain appropriate and reflect the responsibilities of positions.



DELEGATIONS & AUTHORISATIONS POLICY

Staff members who have been delegated new powers or had changes made to their delegated powers will be informed of the changes by the governance unit. The affected staff members will acknowledge their awareness of these changes.

Council will maintain a public register of delegations and will make this available on Council's website.

2.1.2. *Delegations to staff*

Delegations are made to staff in relation to a position they occupy and are set out in schedules referenced by Instruments of Delegation.

Unless otherwise explicitly stated, a delegation to a specific position or positions applies to any staff member within that position and includes staff acting in or temporarily holding that position.

Directors and Managers are responsible for ensuring acting position arrangements are in place when required so that delegated authority can continue to be executed.

Acting arrangements should be documented in writing to ensure the transfer of delegated authority is verifiable.

Staff taking on acting or higher duties will be informed of their delegated powers related to their temporary position.

If a position is abolished or re-named, the delegation will be taken to be a reference to the principal successor of the functions of that position until the relevant Instrument of Delegation is amended.

When a position title is changed or a position description is changed Organisational Development will communicate the changes to the governance unit so that a review of delegations can be undertaken where the position has delegated authority.

2.1.3. *Delegations to delegated committees*

When Council delegates a power, duty or function to a special committee it invests the committee with the authority to act as the Council.

The delegation is to the committee, it relates to the committee acting as a body, not to individual members of the committee.

Accordingly, the powers, duties and functions delegated to the committee can only be executed by the committee under delegation when the committee is sitting in a formally constituted meeting.

2.1.4. *Exercising delegated authority*

In exercising a delegation, a delegate must comply with all conditions and limitations of a delegation, relevant legislation, resolutions of Council, and Council's policies and procedures.

Decision Making

A delegate must act impartially and with integrity at all times and adhere to the principles of natural justice when making decisions.



DELEGATIONS & AUTHORISATIONS POLICY

Delegate scope

A delegate should be familiar with the delegated powers issued to them and ensure that decisions or actions taken are within their power to make. Delegates must not exercise delegated authority beyond the scope granted by relevant Instruments of Delegation. Any decisions made beyond the scope of a delegate's delegation will result in that decision being invalid and may potentially expose Council to litigation.

If a delegate is unsure of the extent of their authority to make a particular decision they must seek advice from their manager or the governance unit.

Delegate accountability

The delegate is responsible and accountable for any decision made under a delegation and are required to be able to justify such a decision or action. Delegates must ensure decisions made under delegation are appropriate, fair and documented appropriately.

Conflicts of interest

A person must not exercise a delegation that would create for them a material or general conflict of interest. A person is not obliged to exercise a delegation, where in their reasonable opinion, circumstances exist that would make it more transparent or ethical for the matter to be dealt with by another delegate.

Assistance from non-delegates

Delegated powers, duties and functions described in the Instruments of Delegation relate to the final exercise of those powers, duties and functions. Other staff not holding a delegation can assist a delegate to prepare for the exercise of that power in any way required.

2.1.5. *Delegations training*

All staff will receive information about delegations, authorisations and related processes as part of the induction process.

Newly appointed staff with delegated powers will receive specific delegations training to ensure a clear understanding of their responsibilities and how their powers should be exercised and recorded.

Staff holding positions with delegated powers will be reminded of their responsibilities and the limits of their powers at least once every two years.

2.1.6. *Acting Chief Executive Officer and delegation of CEO position*

The *Local Government Act 2020* allows Council to delegate to the Chief Executive Officer the power to appoint an Acting Chief Executive Officer as well as giving the CEO powers in their own right, including the ability to appoint Council staff.

It is necessary from time to time to appoint an Acting CEO or to delegate legislative CEO powers. When this is necessary the CEO will make reasonable attempts to have the delegations made to a Director. If all Directors are unable to accept the delegation the CEO will make reasonable attempts to have the delegations made to a Manager.

No member of staff holding a position less senior than Manager will be appointed as Acting CEO or accept delegation of legislative CEO powers.



DELEGATIONS & AUTHORISATIONS POLICY

If a Director is appointed as an Acting CEO, that Director will not delegate legislative CEO powers to a Manager who would otherwise normally be under their supervision.

2.1.7. *Referral to Council*

If a delegate considers that the exercise of a delegated power, duty or function would:

- a) raise an issue of significant public interest, concern, or controversy;
- b) give rise to substantial public objection; or
- c) be inconsistent with a previous decision of Council

The delegate should refer that matter to the Council for determination.

2.2. Authorisations

An appointment as an Authorised Officer is made or evidence by a written Instrument of Appointment and Authorisation to an individual by name.

An individual appointed as an Authorised Officer will possess the requisite skills, qualification or experience consistent with the position to which they are appointed.

Managers are responsible for ensuring staff under their supervision, including new staff members and staff in acting position arrangements are appointed or authorised to execute the duties of the position.

Authorised Officers will be issued and carry an identity card as set out by section 224(2) of the *Local Government Act 1989*.

A register showing the names of all people appointed by Council as Authorised Officers will be maintained as set out by section 224(1A) of the *Local Government Act 1989*.

3. GOVERNANCE

3.1. Owner

Manager Governance

3.2. Review

The Manager Governance will review the policy for any necessary amendments no later than three years after its formulation or after the last review.

3.3. Compliance Responsibility

3.3.1. *Management Executive Group (Chief Executive and Directors)*

- Review Instruments of Delegation prior to their adoption
- CEO to seal and sign and all Instruments of Delegation and Instruments of Authorisation

3.3.2. *Managers and Supervisors*

- Ensuring new and existing staff with any delegated or authorised authority read and understand their powers and responsibilities under the relevant instruments
- Ensuring suitable delegation or authorisation exists for officers under their supervision
- Requesting that Governance make amendments to instruments as required



DELEGATIONS & AUTHORISATIONS POLICY

- Ensure staff with delegated power or authority under their supervision exercise powers, duties, and functions in accordance with this policy

3.3.3. Governance

- Maintaining a register of Authorised Officers
- Maintaining a register of delegations
- Coordinating and preparing instruments for endorsement
- Regular reviews of Instruments of Delegation and Instruments of Authorisation
- Education and support across the organisation in relation to delegations and authorisations

3.3.4. All Employees

- Ensuring they understand the content and scope of any delegations or authorisations made to them
- Exercising delegated authority in accordance with this policy and the relevant Instruments of Delegation

3.4. Charter of Human Rights Compliance

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

The *Gender Equality Act 2020* requires Council to undertake gender impact assessments when developing or reviewing any policy, program or service which has a direct and significant impact on the public. The Delegations and Authorisations Policy does not have a direct and significant impact on the public.

7.6. AWARD OF CONTRACT 2023046 - JAPAN STREET LOWER CATCHMENT DRAINAGE UPGRADE

DIRECTORATE: City Infrastructure

PURPOSE:

This report provides information on the award of Contract No. 2023046 – Japan Street Lower Catchment Drainage Upgrade.

EXECUTIVE SUMMARY

- A public tender was advertised on Thursday 6 April 2023 inviting tender submissions from suitably qualified and experienced contractors to undertake the construction of drainage infrastructure in and around Japan Street.
- Close of tenders was 2:00pm 5 May 2023, although many companies downloaded the tender documents through the online portal, only one submission was received. The submission was from Duggan Civil Pty Ltd.
- The submission received has been assessed by the tender assessment panel.
- The price received was in the budget range and what was originally estimated.
- Officers' recommendation is to proceed with the tender offer provided by Duggan Civil Pty Ltd for the tendered amount of \$851,798.00 excluding GST.

MOVED: Cr Ben Blain

SECONDED: Cr Richard Ziegeler

1. **Award Contract No. 2023046 – Japan Street Lower Catchment Drainage Upgrade to Duggan Civil Pty Ltd for the tendered amount of \$851,798.00 (excl. GST), with a total delegated award value of \$936,977.80 (incl. GST).**
2. **Authorise Council Officers to deliver the Japan Street Lower Catchment Drainage Upgrade in accordance with the contract under the financial delegations detailed within the Procurement Policy.**
3. **Accept Schedule 2D Daywork Rates offered to undertake any extra works over and above the lump sum price if required, provided that additional works can be accommodated within the Project budget.**
4. **Authorise the CEO to sign, seal and vary the contract as required.**

CARRIED: 6:0

BACKGROUND

The drainage issues present within the Japan Street area are not recent developments with history showing events as frequent as every two years (50% Annual Exceedance Probability (AEP)) having resulted in damages to the Japan Street residences but also the neighbouring caravan park.

The preceding report by Water Technology, "Proof of Concept Report – Warrnambool Drainage Study Investigation" (2019), highlighted the issues present due to the centralised outfall of the catchment. The central Japan Street Tunnel is the sole point of discharge and, as each report has shown, the demand of Warrnambool has outgrown the 19th century asset. Recommendations of this report included the pit extension to the stormwater pump unit present at 55 Japan Street (Wannon Water Facility) along with cell construction to retain stormwater from the system.

The cell implementation would consist of a two cell structures within Japan Street, between Koroit Street and Barkly Street and achieve a volume capacity of over 900,000 litres of stormwater. The three pits within the caravan park and two within neighbouring Council properties would fast-track

the floodwater entering the system via the stormwater pump, removing it from its above ground presence.

The proposal to implement cell technology, as recently used successfully within Gibson Street, and additional drainage infrastructure will alleviate the more frequent flooding events. The report concludes that if effectively implemented, the proposal will result in level reduction of over 100mm for both biennial (50% AEP) and one in five-year (20% AEP) rainfall events.

ISSUES

The purpose of entering this construction contract is to appoint a suitable contractor to deliver the associated works to the best standard in a safe, timely and efficient manner while minimising the risks to Council.

FINANCIAL IMPACT

Council has previously committed the \$850,000 received from the Australian Governments 'Local Roads and Community Infrastructure Program' Phase 3 for FY22/23. In addition to the Federal funding, Council has contributed \$400,000 of the drainage capital fund for the project.

LEGISLATION / POLICY / COUNCIL PLAN CONTEXT

2 A Sustainable environment

2.3 Environmental impact and a changing climate: Council will encourage innovation and initiatives that minimise Warrnambool's environmental impact.

2.4 Water resource management: Council will promote and encourage awareness of sustainable practices in our work and in the community, including water resource management.

5 An effective Council

5.6 Risk mitigation: Council will mitigate and manage organisational risks through sound management systems and processes.

TIMING

Contract Award	06 June 2023
Practical Completion	27 October 2023
Defects Liability	12 Months

COMMUNITY IMPACT / CONSULTATION

Consultation took place during the design development with the caravan park management around timing, effectiveness of works, future works and business impacts. This has highlighted an optimum construction period of July which is achievable.

Consultation with the broader Japan Street and surrounding community will be carried out in line with the Japan Street Lower Catchment Drainage Upgrade Communication and Engagement Plan.

LEGAL RISK / IMPACT

A key legal risk is the committed federal funding for drainage works within the Japan Street Catchment. Should Council not proceed with the implementation of these works there is an increased chance this money would need to be returned.

OFFICERS' DECLARATION OF INTEREST

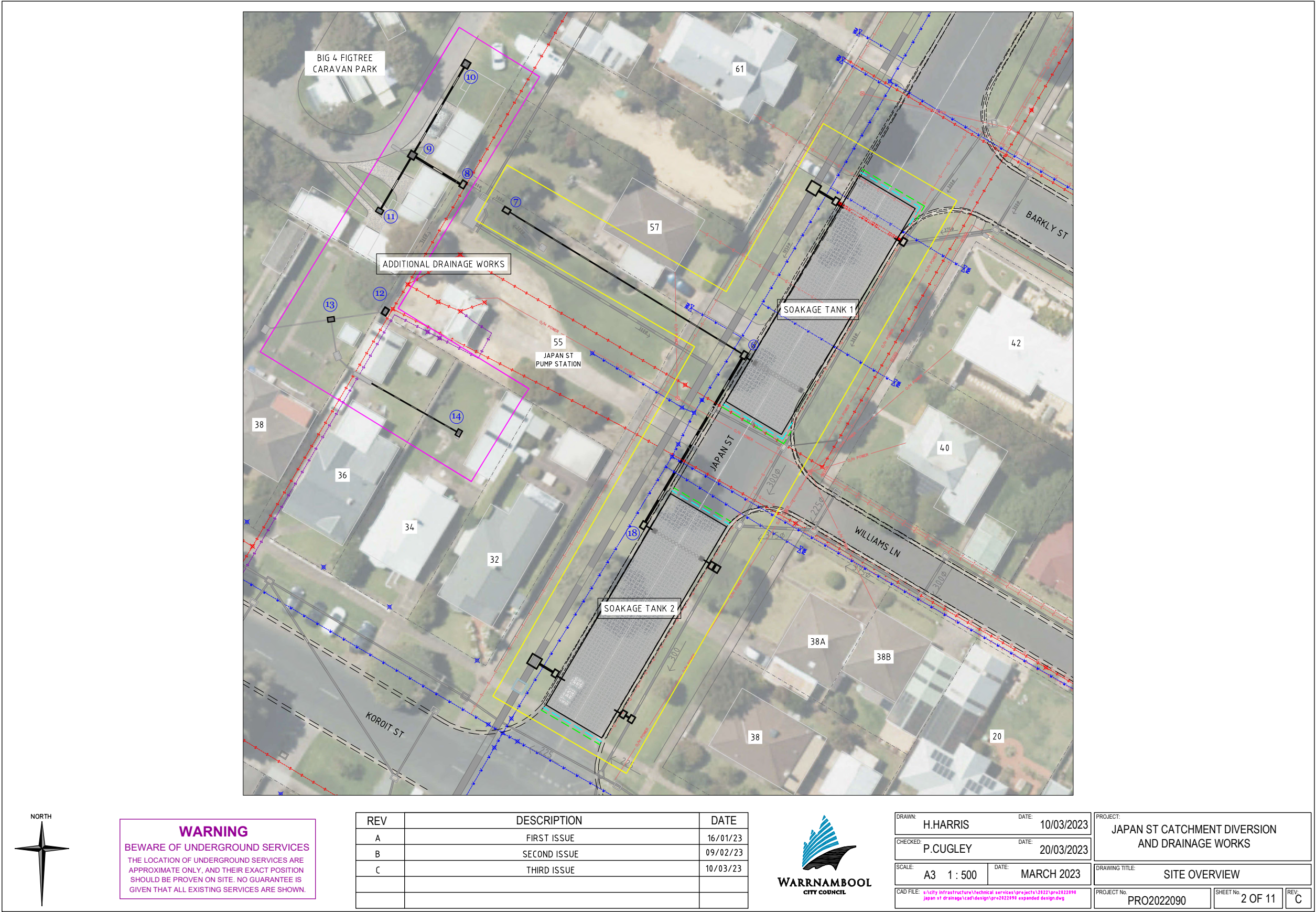
No interests were declared.

CONCLUSION

A full procurement process has been undertaken, with one submission received. After completion of an assessment of the submission by the tender evaluation panel, it is determined that the tender represents best value for Council, and it is recommended that Council award the contract to Duggan Civil Pty Ltd.

ATTACHMENTS

1. 2023046 - Japan St Lower Catchment Drainage Upgrade - Aerial Sheet [7.6.1 - 1 page]



7.7. ADVISORY COMMITTEE REPORTS

DIRECTORATE: Executive Services

PURPOSE

This report contains the record of one Advisory Committee meeting.

EXECUTIVE SUMMARY

- Environment & Sustainability Advisory Committee – 13 April 2023.

ATTACHMENTS

1. Environment & Sustainability Advisory Committee Minutes - 13 April 2023 [7.7.1 - 7 pages]

MOVED: Cr Richard Ziegeler

SECONDED: Cr Ben Blain

That the minutes of the Environment & Sustainability Advisory Committee meeting held on 13 April 2023 received.

CARRIED: 6:0

MINUTES

ENVIRONMENT & SUSTAINABILITY ADVISORY COMMITTEE					
Date:	13 April 2023		Time:	4 PM	Location: Committee Room 1, Warrnambool Civic Centre
Committee Members In Attendance	Shirley Duffield (SD) Geoff Spencer (GS) Chair - Bill Yates (BY)				
Council Officer Attendance	David Leahy (DL) – Director City Infrastructure Lauren Schneider (LS) – Manager Sustainability & Compliance Justin Harzmeyer (JH) – Natural Environment Officer Stephanie Bant (SB) – City Infrastructure Administration Officer				
No.	What	Action			
1.	Welcome & Apologies	<ul style="list-style-type: none"> Jeff Moreland-Hunt, Cr. Richard Ziegeler, and Sabine Schreiber marked as apologies. Chair appointed to Bill Yates as Cr Richard Ziegeler was an apology. Noted that with the late apology won't officially have quorum however meeting will still be held as there has not been a meeting for an extended period. BY welcomed everyone. LS advised that the Environment & Sustainability branch had moved in Council from City Growth to the City Infrastructure Directorate. All attendees introduced themselves. DL advised that Council had advertised twice for more members for the ESAC committee and at the next Council meeting we will appoint 3 new members. 			
2.	Conflict of Interest Declaration	Nil			
3.	Minutes from Previous Meeting – 1 September 2022	Minutes accepted.			
4.	Green Warrnambool Strategy Update <ul style="list-style-type: none"> Albert Park Re-Vegetation Plan (Green) 	Justin Harzmeyer presented. Previously presented the Strategy Update at the November meeting however it has been updated since them.			

	<ul style="list-style-type: none"> • Pest Plant and Animal Framework (Naturally) • Integrated Water Management (IWM) at Lake Pertobe (Blue) • EV Charging Stations (Zero) • Heat Vulnerability Mapping (Wise) • Warrnambool Gardens for Wildlife (Naturally) • Council's Environment Web Page Update 	<ul style="list-style-type: none"> • Albert Park Re-Vegetation Plan (Green) <p>Albert Park Revegetation Plan was endorsed end of last year after community consultation and the plan is now operational. Looking to have weed removal in areas of the park.</p> <p>LS: Asked the committee if they are part of a community group that would like to look after a patch of this area, please submit your expression of interest.</p> <p>JH: Number of community groups that are interested already. Suggested an idea to let areas grow when sites are identified for use to determine what is already growing in certain areas and could potentially be kept before spraying to remove everything.</p> <p>BY: Is Kevin Sparrow interested?</p> <p>JH: Yes and he has been contacted.</p> <p>GS: Have the first nations group been approached?</p> <p>JH: Eastern Maar were asked to provide feedback however may not have due to being very busy at the moment.</p> <p>GS: Suggested this is a great opportunity for a first nation group to become involved.</p> <p>LS: Advised that Eastern Maar have just gained Native Title rights and are the Registered Aboriginal Party for this area. Explained their involvement, roles and responsibilities. Currently building their staff capacity in different areas.</p> <p>DL: Advised there were regular meetings between senior council staff and Eastern Maar. Eastern Maar have been involved in cultural works and vegetation. Suggested to get this item for Albert Park re-vegetation on the agenda for the next meeting with them. Advised that in the last 12 months, Council have appointed an Aboriginal liaison officer to work with Eastern Maar who will spent 1 day a week in their office.</p> <p>SD: Suggested to have no gum trees planted except certain species.</p> <p>JH: Advised that in the plan there were no shade trees next to paths as it was a revegetation plan not a landscape plan.</p>
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		<ul style="list-style-type: none">• Pest Plant and Animal Framework (Naturally) <p>JH presented the Warrnambool Pest Plant and Animal Framework to the group.</p> <p>The framework covers prevention, eradication, containment and long term management.</p> <p>JH: Attended a meeting last week with different agencies. In the meeting, looked at main threats for plants and animals. Weighted the control actions ranked within and across threat categories. The report will be put out for public comment. Will eventually become a framework we can focus on.</p> <ul style="list-style-type: none">• Integrated Water Management (IWM) at Lake Pertobe (Blue) <p>JH: Noted the IWM for Lake Pertobe was similar to what was done at Albert Park. Working with a number of different organisations to develop a vision for the area. Water balance that has been done – the water that enters lake Pertobe is well above what would be required for irrigation of Harris Street reserve, lawn tennis and other nearby areas.</p> <p>Lake Pertobe is often perceived as a natural environment due to modifications at the site. It would be good to improve water quality that goes into the lake as it is just stormwater currently. Suggested sediment could be used. Would be good to have better control over the lakes. Large amount of water comes out the stormwater near Merri Street. No groups are monitoring water currently. Suggested some ideas for use of water are for irrigation, re-charge, roof water harvest to save water going into the stormwater and natural catchments could be used as water storage.</p> <p>DL: Suggested that Lake Pertobe is currently doing its job as a water basin need to make it a legitimate water source.</p> <p>JH: Council in conjunction with CMA will look at the Merri River and future water rise predictions.</p> <p>JH: Good quality vegetation in areas. Would be good to improve native vegetation. Some of the vegetation was planted when Lake Pertobe was originally built.</p>
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		<ul style="list-style-type: none">• EV Charging Stations (Zero) Currently have 1 x 50kw charging station for flagstaff hill. 3x 22kw charging stations for WCC fleet. Anticipate completion at the end of the year.• Other projects:<ul style="list-style-type: none">- WAG Lighting Upgrade- Flagstaff hill lighting upgrade- Fleet Transition plan (with Colac and Golden Plains)- Energy procurement. By July we will have 70% from renewable sources.• Extreme heat vulnerability mapping<ul style="list-style-type: none">- Map shows hot spots – heat measured at 30 metre height- Looking to consult with services that are affected- High level urban forest plan to minimise urban heat affect- SD: Suggested the amount of black roofed houses could affect heat. Can't believe houses don't require veranda.- LS: Suggested there are a lot of urban areas affected by heat. Council have no control over roofs or verandas. More energy efficient house options are being developed in Partnership with Sustainability Victoria and home building companies.- DL: Confirmed Council can have no direction on the building code and health code, the building code dictates requirements for houses. Noted the cooling effect of green canopies. Suggested that large dwellings can have the idea of blocking out heat however can actually contribute to residual heat.
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		<ul style="list-style-type: none">• Gardens for wildlife<ul style="list-style-type: none">- Program for volunteers to show how households can improve their gardens to bring in wildlife. We will look to have the program going by spring. <p>GS: Suggested that Council is progressing better than anticipated in Green Warrnambool. Will this be reviewed or updated?</p> <p>LS: Our first review of the plan is scheduled for 2026.</p> <ul style="list-style-type: none">• Environment Web Page Update <p>JH: Will share link to the web page with minutes. https://www.warrnambool.vic.gov.au/active-community</p> <p>Community groups list will be updated on the page.</p> <p>LS: Often people aren't aware of the community groups we have. Trying to increase awareness amongst the community. Noted they are all volunteer groups, noted issue with the drop off of volunteers in the community.</p> <p>BY: Suggested that Council need to keep it really simple for volunteers who just want to go and do things not be stuck in paperwork. Suggested other organisations have lost a large number of volunteers due to making it too difficult with technology etc.</p> <p>SD: Agreed it can be very difficult when everything is online.</p> <p>LS: Asked the group the best way to increase visibility of community groups?</p> <p>BY: Social media.</p> <p>GS: Promotion of achievements is a good way to show off what is being done by the groups.</p> <p>SD: Questioned why we have to keep street lights on all during the night? Suggested they could be switched off for certain areas during the night.</p> <p>DL: Street lights are required for security and safety purposes.</p>
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		<p>LS: Possibly in the future sensor lights may become an option for footpaths not likely roads.</p> <p>DL: Limited alternate energy providers, apart from use of solar powers on roofs. Suggested the biggest thing we could improve on is increasing the use of electric vehicles.</p> <p>GS: Suggested there was some debate in different areas about making daylight saving all year long.</p> <p>SD: What does daylight saving do for energy saving?</p> <p>DL: Daylight savings is more for life style benefit rather than energy saving purpose.</p>
5.	Maam Reserve Update	<p>LS: Advised that Department of Environment Land Water and Planning (DELWP) were now called Department of Energy, Environment and Climate Action (DEECA). DEECA are undertaking an environmental management site assessment at Maam reserve. Reserve is closed for testing.</p> <p>SD: Who is responsible for the area with the waterway?</p> <p>LS: This is crown land so DEECA. Confirmed that WCC is working in conjunction with DEECA to undertake testing as the gun club was on council land and fed into the reserve.</p> <p>SD: Very passionate about maintaining the site. Concerned that the native vegetation is overgrown with weeds and buffalo grass. Questioned what would happen if lead was discovered?</p> <p>LS: If lead is present there will be management recommendations put in place and it might mean any ground disturbance works is limited. The report from the Department is due by the end of June this year. Council will contact DEECA about maintenance in the meantime.</p> <p>SD: Reinforced concern for weeds at the site and the need to stop spread back to the west. Suggested it was one of the last places the white foot dunnarts were found and should be protected.</p> <p>Action: LS to contact DEECA regarding maintenance of the Maam reserve to assist with weed removal while waiting for the report to be complete.</p>
6.	General Business <ul style="list-style-type: none"> Warrnambool Saleyards 	<p>David Leahy provided an update of progress at the Warrnambool Saleyards.</p> <ul style="list-style-type: none"> DL: Started the dismantling of the saleyards and sample testing of the different areas.

		<ul style="list-style-type: none"> • Pens have been pulled apart and concrete dismantled. • People can view the items at the site that will then be available for purchase via an online auction in early May. • Auctioneers and buyers walkways being dismantled. EOI underway for existing roof. • The truck wash is the second biggest expense at the saleyards which is still in use. • 1/5 of the way through the process for change of use. Assessment of buffer zone land will be interesting to see levels of contamination. No foreseen problem with arsenic levels. Process in play for future use of area and buffer stone. Land capability assessment will done. The land is council owned could eventually become commercial, residential or public. Likely 3 years before a rezoning. <p>SD: What will happen with concrete from the site? Advised there was a large amount of concrete that had been dumped on Horne Road.</p> <p>DL: Suggested the concrete will likely be reused. Concrete from other jobs has been pulled up previously and is then crushed and reused. The contractor doing final demolition will be responsible for this. Confirmed nothing has left the saleyards site yet so the concrete at Horne Road is not from there.</p>
7.	<p>Next Meeting – 29 June 2023</p> <p>28 September 2023</p> <p>30 November 2023</p>	Close of meeting at 5.16pm

7.8. INFORMAL MEETINGS OF COUNCIL REPORTS

DIRECTORATE: Executive Services

PURPOSE

The purpose of this report is to provide Council with copies of Informal Meetings of Council (previously known as “Assembly of Councillor Records”) as previously required under section 80A(2) of the Local Government Act 1989.

BACKGROUND INFORMATION

Section 80A(2) of the Local Government Act 1989 required the record of an Assembly of Councillors to be reported at an ordinary Council meeting.

Assembly of Councillor Records are no longer a requirement in the Local Government Act 2020 as of 24 October 2020. However, under Council's Governance Rules, a summary of the matters discussed at the meeting are required to be tabled at the next convenient Council meeting and recorded in the minutes of that Council meeting.

REPORT

The record of the following Informal Meetings of Council are enclosed:-

- Monday 8 May 2023.
- Monday 15 May 2023.
- Monday 22 May 2023.
- Monday 29 May 2023.

ATTACHMENTS

1. Assembly of Councillors Record 8 May 2023 [7.8.1 - 1 page]
2. Assembly of Councillors Record 15 May 2023 [7.8.2 - 2 pages]
3. Assembly of Councillors Record 22 May 2023 [7.8.3 - 2 pages]
4. Assembly of Councillors Record 29 May 2023 [7.8.4 - 2 pages]

MOVED: Cr Ben Blain

SECONDED: Cr Angie Paspaliaris

That the record of the Informal Meetings of Council held on 8, 15, 22 and 29 May 2023 be received.

CARRIED: 6:0

Informal Meeting of Council Record

Name of Committee or Group (if applicable):	Informal Meeting of Council (Councillor Briefing)
Date of Meeting:	8 May 2023
Time Meeting Commenced:	3.03pm
Councillors in Attendance:	Cr. D. Arnott, Mayor Cr. O. Akoch Cr. B. Blain Cr. V. Jellie AM Cr. A. Paspaliaris (Arrived at 3.15pm) Cr. M. Taylor Cr. R. Ziegeler
Council Officers in Attendance:	Andrew Mason, Chief Executive Officer Peter Utri, Director Corporate Strategies Julie Anderson, Acting Director City Infrastructure Luke Coughlan, Acting Director City Growth Ingrid Bishop, Director Community Development James Plozza, Manager Governance Wendy Clark, Executive Assistant Stephanie Bant, City Infrastructure Administration Officer Thomas Hall, Acting Coordinator Project Management (4.09pm-4.18pm)
Other persons present:	Mark Fidge, CEO, SW TAFE
Apologies	
Matters Considered:	1. SW TAFE Update (3.03pm - 3.44pm) 2. Warrnambool Golf Club Loan Guarantee (3.44pm - 4.09pm) 3. Capital Projects Report Quarter 3 -2022/2023 (4.10pm – 4.18pm)
Council and Officer Items Raised	<ul style="list-style-type: none"> • Correspondence regarding Cannon Hill. • Pooling of water on road between Reid Oval and netball courts. • New officer bearers following Springers AGM. • Further drainage issues with Harrington Road pondage. • Melbourne to Warrnambool cycle race event. • Potential for a Warrnambool chamber of commerce be established. • Federal Government and migration and DAMA. • Mayor and CEO to attend meeting this week with the Roads Minister. • Sovereign Citizens. • Local Roads and Community Infrastructure Fund. • Re-branded Growing Regions Program. • Mayor and CEO attending dKin Difference function at Deakin University.
Councillor Conflicts of interest Disclosures:	Nil.
Councillor /officer Name:	Nil.
Meeting close time:	4.34pm
Record Completed by:	Stephanie Bant City Infrastructure Administration Officer

Informal Meeting of Council Record

Name of Committee or Group (if applicable):	Informal Meeting of Council (Councillor Briefing)
Date of Meeting:	15 May 2023
Time Meeting Commenced:	3.02pm
Councillors in Attendance:	<p>Cr. D. Arnott, Mayor Cr. O. Akoch Cr. B. Blain (Arrived at 3.03pm)</p> <ul style="list-style-type: none"> - (Left at 3.59pm; returned 4.01pm) - (Left at 6.37pm; returned 6.38pm) - (Left meeting at 6.45pm) <p>Cr. V. Jellie AM Cr. A. Paspaliaris Cr. R. Ziegeler</p>
Council Officers in Attendance:	<p>Andrew Mason, Chief Executive Officer Peter Utri, Director Corporate Strategies David Leahy, Acting Director City Infrastructure Luke Coughlan, Acting Director City Growth Ingrid Bishop, Director Community Development James Plozza, Manager Governance Stephanie Bant, Acting Executive Assistant Ashish Sitoula, Manager, Strategic Community Planning & Policy (3.01pm-3.53pm)</p>
Other persons present:	<p>Item 2.1 Native Title Presentation by Maddocks – Via Zoom</p> <ul style="list-style-type: none"> • Michael Winram (Maddocks) • Suzanne Rakoczy (Maddocks) • Representatives from Southern Grampians Shire Council, Colac Otway Shire and Corangamite Shire. <p>Item 2.2 Wannon Water Presentation</p> <ul style="list-style-type: none"> • Andrew Jeffers • Ken King <p>Item 2.3 Warrnambool Golf Club</p> <ul style="list-style-type: none"> • Ashley Scott • Vince Occuhipinti • Paul Blain • Marcus Norton
Apologies	Cr. M. Taylor
Matters Considered:	<ol style="list-style-type: none"> 1. Native Title Presentation by Maddocks (3.03pm – 3.49pm) 2. Wannon Water Presentation (3.59pm – 4.52pm) 3. Warrnambool Golf Club Presentation (4.55pm – 6.01pm) 4. Internal discussion re Warrnambool Golf Club Loan Guarantee (6.02pm – 6.33pm) 5. Hockey Pitch Renewal Update (6.33pm – 6.35pm) 6. Warrnambool Art Gallery Business Case Presentation (6.36pm – 6.49pm)
Council and Officer Items Raised	<ul style="list-style-type: none"> • Sale of Fletcher Jones site. • Commonwealth homes support package. • Scheduled Council Meetings Mayoral Presentation. • Potential to participate in Council Meetings remotely. • Customer complaint re footpath at Fairy Street and Timor Street intersection.

	<ul style="list-style-type: none">• Mayor's upcoming leave from 22 May until 3 June.• Cr Otha Akoch attended Welcoming Cities meeting in Melbourne.
Councillor Conflicts of interest Disclosures: Nil.	
Councillor /officer Name: Nil.	
Meeting close time:	7.02pm
Record Completed by:	Stephanie Bant Acting Executive Assistant

Informal Meeting of Council Record

Name of Committee or Group (if applicable):	Informal Meeting of Council (Councillor Briefing)
Date of Meeting:	22 May 2023
Time Meeting Commenced:	2.58pm
Councillors in Attendance:	<p>Cr. D. Arnott, Mayor Cr. O. Akoch Cr. B. Blain (Left at 3.26pm, returned at 3.28pm) (Left at 4.58pm; returned at 4.59pm) Cr. V. Jellie AM Cr. A. Paspaliaris (Arrived at 3.27pm) Cr. M. Taylor (Left at 4.45pm; returned at 5.24pm) Cr. R. Ziegeler (Left at 4.53pm; returned at 4.55pm)</p>
Council Officers in Attendance:	<p>Andrew Mason, Chief Executive Officer Peter Utri, Director Corporate Strategies David Leahy, Acting Director City Infrastructure Luke Coughlan, Acting Director City Growth Ingrid Bishop, Director Community Development James Plozza, Manager Governance Stephanie Bant, Acting Executive Assistant Tim Brosowsky, Coordinator Local Laws & Emergency Management (3.02pm – 3.58pm) Alison Kemp, Manager Recreation & Culture (4.27pm – 4.54pm) Lauren Schneider, Manager Sustainability & Compliance (4.57pm – 5.26pm) Justin Harzmeyer, Coordinator Natural Environment & Sustainability (4.57pm – 5.26pm)</p>
Other persons present:	<p>Item 6 Police Matters and Sovereign Citizens (3.35pm-3.57pm)</p> <ul style="list-style-type: none"> • Karl Curran • Dave Reither <p>Item 2.6 Protect the West Group – Seismic Surveying Proposed for the Otway Offshore Area (5.08pm-5.25pm)</p> <ul style="list-style-type: none"> • Ernest Healey • Patricia Nesbitt • Mike Coates • Laurie Laurenson
Apologies	Donna Porritt – SWCICTA Joint Venture ERP Project – Recap and Update
Matters Considered:	<ol style="list-style-type: none"> 1. Sovereign Citizens and Boisterous Meetings (2.59pm – 3.10pm) 2. Items raised by Councillors & Officers (3.10pm – 3.26pm) 3. Coastal Processes Study & Adaption Plan – Rock Revetment Adjoining Viaduct Road (3.27pm – 3.29pm) 4. Lighthouse Theatre Operations Update May 2023 (3.29pm-3.31pm) 5. Items raised by Councillors & Officers (3.31pm – 3.35pm) 6. Police Matters and Sovereign Citizens (3.35pm – 3.57pm) 7. Electoral Representation Directions Paper (3.58pm – 4.26pm) 8. Warrnambool Art Gallery Business Case Final Draft (4.27pm – 4.54pm) 9. Seismic Surveying Proposed For the Otway Offshore Area (4.57pm – 5.07pm) 10. Protect the West Group – Seismic Surveying Proposed for the Otway Offshore Area (5.08pm-5.25pm) 11. Items raised by Councillors & Officers (5.26pm-5.36pm)

Council and Officer Items Raised	<ul style="list-style-type: none"> • Cannon restoration. • Meeting with RSL to discuss HMAS Warrnambool memorial. • Warrnambool Football Club and Cricket Club contributions. • Eccles Street housing. • Institute Public Works & Engineering Conference officer attendance. • Mayor and CEO attendance at MAV State Council meeting. • Cr Jellie requested for upcoming events to be emailed to all Councillors. • Cr Paspaliaris questions for Warrnambool Golf Club regarding loan guarantee. • Cr Akoch discussed Welcoming Cities meeting.
Councillor Conflicts of interest Disclosures: Nil.	
Councillor /Officer Name: Nil.	
Meeting close time:	5.36pm
Record Completed by:	Stephanie Bant Acting Executive Assistant

Informal Meeting of Council Record

Name of Committee or Group (if applicable):	Informal Meeting of Council (Councillor Briefing)
Date of Meeting:	29 May 2023
Time Meeting Commenced:	3.00pm
Councillors in Attendance:	<p>Cr. D. Arnott, Mayor (Via Zoom, left meeting at 6.29pm)</p> <p>Cr. O. Akoch</p> <p>Cr. B. Blain</p> <p>(Left at 4.28pm; returned at 4.30pm)</p> <p>(Left at 6.08pm; returned at 6.10pm)</p> <p>Cr. V. Jellie AM</p> <p>(Left at 6.11pm; returned at 6.17pm)</p> <p>Cr. A. Paspaliaris (Arrived at 3.02pm)</p> <p>Cr. M. Taylor</p> <p>(Left at 5.14pm; returned at 5.15pm)</p> <p>Cr. R. Ziegeler</p> <p>(Left at 5.41pm; returned at 5.49pm)</p>
Council Officers in Attendance:	<p>Andrew Mason, Chief Executive Officer</p> <p>Peter Utri, Director Corporate Strategies</p> <p>David Leahy, Acting Director City Infrastructure</p> <p>Luke Coughlan, Acting Director City Growth</p> <p>Ingrid Bishop, Director Community Development</p> <p>James Plozza, Manager Governance</p> <p>Stephanie Bant, Acting Executive Assistant</p> <p>Donna Porritt, Executive Manager IT Strategy & Transformation Shared Services (3.00pm – 3.20pm)</p> <p>Alison Kemp, Manager Recreation & Culture (3.19pm-3.43pm)</p> <p>Lauren Schneider, Manager Sustainability & Compliance (3.44pm – 4.11pm)</p> <p>Justin Harzmeyer, Coordinator Natural Environment & Sustainability (3.44pm - 4.11pm)</p> <p>Nick Higgins, Manager Communications (5.05pm-5.10pm)</p> <p>Wendy McGorm, Coordinator Financial Services (6.01pm – 6.51pm)</p> <p>Julie McLean, Manager City Strategy & Development (6.12pm – 6.17pm)</p> <p>Robert Wandell, Coordinator City Development (6.12pm – 6.17pm)</p>
Other persons present:	<p>3. Basin Regia Marina Seismic Survey Presentation</p> <ul style="list-style-type: none"> Matthew Smith, Environment Manager, CGG Services (Australia) Pty Ltd (3.44pm – 4.04pm) <p>5. South West Healthcare Presentation</p> <ul style="list-style-type: none"> Craig Fraser, Chief Executive Office, South West Healthcare (4.12pm-5.05pm)
Apologies	
Matters Considered:	<ol style="list-style-type: none"> SWCICTA Joint Venture ERP Project – Recap and Update (3.00pm – 3.20pm) Warrnambool Art Gallery Business Case Presentation (3.20pm – 3.43pm) Basin Regia Marina Seismic Survey Presentation (3.45pm-4.03pm) Internal discussion re Seismic Surveys (4.04pm - 4.11pm) South West Healthcare Presentation (4.12pm – 5.05pm) Submissions on Revised Council Plan 2021-2025 and Draft Budget 2023-2024 (5.06pm – 5.10pm) Warrnambool Golf Club Loan Guarantee (5.10pm – 6.00pm) Delegations & Authorisations Policy (6.00pm – 6.07pm)

	<p>9. West Warrnambool Neighbourhood House Construction (6.07pm – 6.11pm)</p> <p>10. Planning Application PP2022-0258 – 45 Jamieson Street Warrnambool (6.12pm – 6.17pm)</p> <p>11. Award of Contract 2023046 – Japan Street Lower Catchment Drainage Upgrade (6.17pm – 6.29pm)</p> <p>12. Environment & Sustainability Advisory Committee Meeting Minutes (6.29pm – 6.30pm)</p> <p>13. April Finance Report (6.30pm – 6.51pm)</p> <p>14. Mayoral Diary Update (6.51pm – 6.52pm)</p> <p>15. Items Raised by Councillors & Officers (6.52pm-7.07pm)</p>
Council and Officer Items Raised	<ul style="list-style-type: none"> • Appropriate use of LinkedIn. • State of Japanese Garden. • Muira Sister Cities update. • Kayak Launch opening. • Councillors request to be invited to events. • Cannon restoration update. • State Budget. • Scheduled Council Meeting arrangements for 5 June. • 19 Preston Street planning application. • Planning Consultation meetings. • Wannon Water Sewerage Treatment Plant. • Saleyards Environment Assessment Plan.
<p>Councillor Conflicts of interest Disclosures: Cr. V. Jellie AM declared conflict for Item 3.5 – Planning Application PP2022-0258 – 45 Jamieson Street Warrnambool.</p>	
<p>Councillor /Officer Name: Cr Vicki Jellie AM</p>	
Meeting close time:	7.07pm
Record Completed by:	Stephanie Bant Acting Executive Assistant

7.9. MAYORAL & CHIEF EXECUTIVE OFFICER COUNCIL ACTIVITIES - SUMMARY REPORT

DIRECTORATE: Executive Services

PURPOSE

This report summarises Mayoral and Chief Executive Officer Council activities since the last Scheduled Meeting which particularly relate to key social, economic and environmental issues of direct relevance to the Warrnambool community.

REPORT

Date	Location	Function
3 May 2023	Warrnambool	Deputy Mayor – Warrnambool Greyhound Racing Club Warrnambool Cup 2023.
4 May 2023	Warrnambool	Mayor & Chief Executive Officer – TAB Warrnambool May Racing Carnival Official Committee function.
8 May 2023	Warrnambool	Mayor & Chief Executive Officer - dKin Difference Event, Deakin University.
10 May 2023	Warrnambool	Mayor – Emmanuel College Science Precinct Official Opening and Blessing.
10 May 2023	Warrnambool	Mayor & Chief Executive Officer – Installation of Home is Where the Art is Community Artwork & Wombat Crossing at Pecten Avenue Playground.
14 May 2023	Warrnambool	Mayor – Opening of the 2023 City of Warrnambool Eisteddfod and Senior Vocal/Aria section.
17 May 2023	Warrnambool	Mayor & Chief Executive Officer – IDAHOBIT Day flag raising.
18 May 2023	Warrnambool	Mayor – Attended the Cost of Living Forum.
18 May 2023	Warrnambool	Cr Zeigler – Represented the Mayor at the National Volunteer Week event.
19 May 2023	Melbourne	Mayor & Chief Executive Officer – MAV State Council Meeting.
25 May 2023	Warrnambool	Chief Executive Officer – Health in a Changing Climate Forum.

MOVED: Cr Angie Paspaliaris

SECONDED: Cr Ben Blain

That the Mayoral & Chief Executive Officer Council Activities – Summary Report be received.

CARRIED: 6:0

8. NOTICE OF MOTION

No Notices of Motion have been received.

9. GENERAL BUSINESS

Nil.

10. URGENT BUSINESS

Nil.

11. CLOSE OF MEETING

The meeting closed at 7.16pm.

CHAIRMAN