Summary of changes to the
Local Government Performance Reporting Framework

2026-2027

Contents

2024 review of the framework

Technical review

Established in 2014, the Local Government Performance Reporting Framework (LGPRF) undergoes a comprehensive review every three years. In 2024, with the support of the Minister for Local Government and the Local Government Performance Reporting Steering Committee (LGPRSC), Local Government Victoria undertook a review of the framework. This included examining its structure, indicators and measures, the governance and management checklist, and the target-setting process.

Submissions for changes were received from nine councils, and three state government departments. These submissions were assessed by a peer panel from 18 councils and one peak body, which developed recommendations for amendments to the framework.

The Steering Committee reviewed and endorsed these recommendations, which were subsequently approved by the Minister for Local Government.

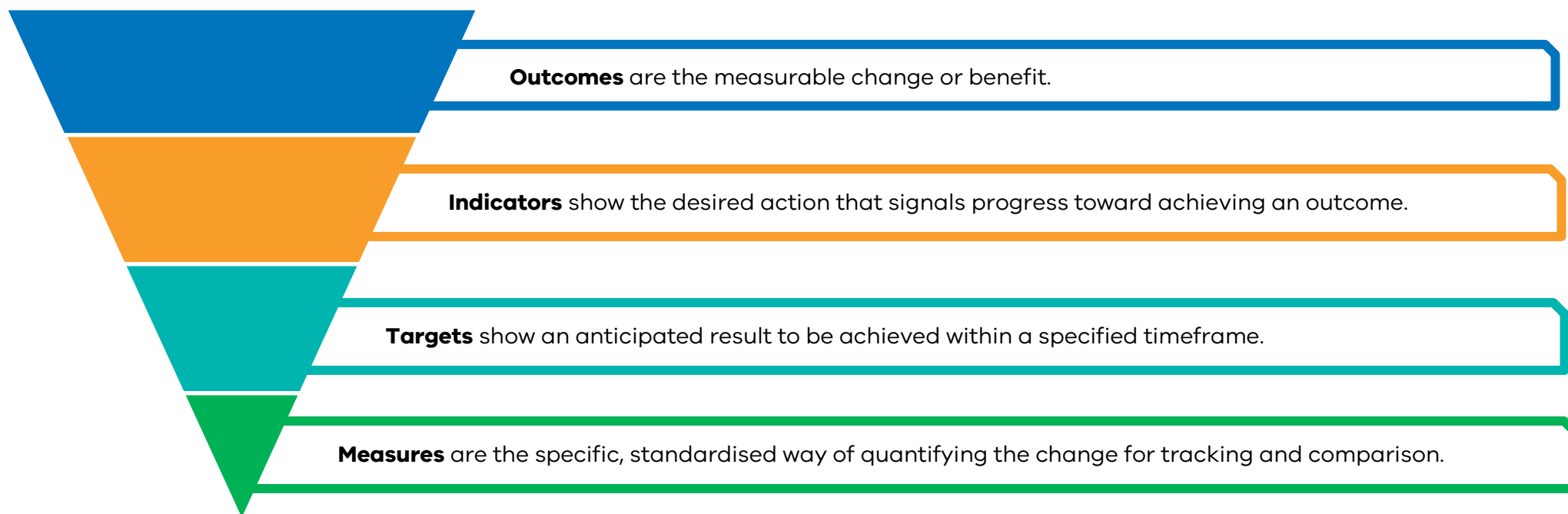The following sections outline the approved changes.

New framework structure

To ensure the framework remains relevant into the future, its structure will shift from a Service/Financial Area–to–Measure model to an Outcome–to–Measure approach, with a stronger focus on common themes of council performance.

Outcome framework

Structure of a domain

The framework is structured into seven domains. Each domain is based around a single outcome, multiple indicators, targets (where required) and several measures. The relationship between each aspect in the domain can be summarised as follows:

Outcomes are the measurable change or benefit.

Indicators show the desired action that signals progress toward achieving an outcome.

Targets show an anticipated result to be achieved within a specified timeframe.

Measures are the specific, standardised way of quantifying the change for tracking and comparison.

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The outcome domains for the LGPRF

The seven domains for the Local Government Performance Reporting Framework (LGPRF) are:

GOVERNANCE   Council ensures good governance, transparency and accountability.

COMMUNITY   Council is building an active, healthy, and engaged community.

ENVIRONMENT   Council supports a safe and climate resilient environment.

RESPONSIVENESS   Council provides timely and efficient services.

COST   Council provides services in a cost-effective manner.

FINANCIAL FORECASTING Council plans for future financial performance.

FINANCIAL MANAGEMENT   Council manages its finances to meet current requirements.

These seven domains will replace the former 15 categories for service areas, financial grouping and sustainable capacity.

For reference purposes, each domain has been given a three-letter prefix. These are:

GOV – Governance	**COM** – Community	**ENV** – Environment	**RSP** - Responsiveness
CST – Cost	**FIF** – Financial Forecasting	**FIM** – Financial management	

Aligning the existing measures to the domains

A key focus of the review working group was assessing how the existing indicators and measures align with the new outcome framework. Each of the 59 existing measures have been assigned to its best-fit domain, with the results summarised below.

Existing service areas and measures to the new domains

Please note, this list is not inclusive of any new indicators. Refer to the Domain sections for more information on new indicators.

Service Area	Measure ID and name	New domain	New ID
Aquatic facilities	AF2 – Health inspections of aquatic facilities	Environment	ENV-AF8
	AF6 – Utilisation of aquatic facilities	Community	COM-AF6
	AF7 – Cost of aquatic facilities	Cost	CST-AF7
Animal management	AM1 – Time taken to action animal management requests	Responsiveness	RSP-AM8
	AM2 – Animals reclaimed	Environment	ENV-AM2
	AM5 – Animals rehomed	Environment	MEASURE REMOVED
	AM6 – Cost of animal management service	Cost	MEASURE REMOVED
	AM7 – Animal management prosecutions	Environment	MEASURE REMOVED
Food safety	FS1 – Time taken to action food complaints	Responsiveness	RSP-FS6
	FS2 – Food safety assessments	Environment	ENV-FS7
	FS3 – Cost of food safety service	Cost	CST-FS3
	FS4 – Critical and major non-compliance outcome notifications	Responsiveness	RSP-FS4

	FS5 – Food safety samples	Environment	ENV-FS5
Governance	G1 – Council resolutions made at meetings closed to the public	Governance	GOV-G1
	G2 – Satisfaction with community consultation and engagement	Governance	GOV-G2
	G3 – Councillor attendance at Council meetings	Governance	GOV-G3
	G4 – Cost of elected representation	Governance	GOV-G4
	G5 – Satisfaction with Council decisions	Governance	GOV-G5
Libraries	LB2 – Recently purchased library collection	Cost	CST-LB2
	LB5 – Cost of library service	Cost	CST-LB5
	LB6 – Library loans per population	Community	COM-LB6
	LB7 – Library membership	Community	COM-LB7
	LB8 – Library visits per population	Community	COM-LB8
Maternal & Child Health	MC2 – Infant enrolments in MCH service	Community	COM-MC2
	MC3 – Cost of MCH service	Cost	CST-MC3
	MC4 – Participation in MCH service	Community	COM-MC4
	MC5 – Participation in MCH service by Aboriginal children	Community	COM-MC5
	MC6 – Participation in 4-week Key Age and Stage visit	Community	COM-MC6
Roads	R1 – Sealed local road requests	Responsiveness	MEASURE REMOVED
	R2 – Sealed local maintained to condition standards	Environment	ENV-R2
	R3 – Cost of sealed local road reconstruction	Cost	CST-R3
	R4 – Cost of sealed local road resealing	Cost	CST-R4

	R5 – Satisfaction with sealed local roads	Environment	ENV-R5
Statutory Planning	SP1 – Time taken to decide planning applications	Responsiveness	RSP-SP1
	SP2 – Planning applications decided within required time frames	Responsiveness	RSP-SP2
	SP3 – Cost of statutory planning service	Cost	CST-SP3
	SP4 – Council planning decisions upheld at VCAT	Responsiveness	RSP-SP4
Waste Management	WC2 – Kerbside collection bins missed	Responsiveness	RSP-WM9
	WC3 – Cost of kerbside garbage bin collection service	Cost	CST-WM6
	WC4 – Cost of kerbside recyclables bin collection service	Cost	MEASURE REMOVED
	WC5 – Kerbside collection waste diverted from landfill	Environment	ENV-WM8
Efficiency	E2 – Expenses per property assessment	Financial management	FIM-E2
	E4 – Average rate per property assessment	Financial management	FIM-E4
Liquidity	L1 – Current assets compared to current liabilities	Financial management	FIM-L1
	L2 – Unrestricted cash compared to current liabilities	Financial management	FIM-L3
Obligations	O2 – Loans and borrowings compared to rates	Financial forecasting	FIF-O6
	O3 – Loans and borrowings repayments compared to rates	Financial forecasting	FIF-O7
	O4 – Non-current liabilities compared to own source revenue	Financial forecasting	FIF-O4
	O5 – Asset renewal and upgrade expense compared to depreciation	Financial forecasting	FIF-O5
Operating position	OP1 – Adjusted underlying surplus (or deficit)	Financial management	FIM-OP1
Stability	S1 – Rates compared to adjusted underlying revenue	Financial management	FIM-S1
	S2 – Rates compared to property values	Financial management	FIM-S2

Sustainable Capacity	C1 – Expenses per head of population	Financial forecasting	FIF-C1
	C2 – Infrastructure per head of population	Financial forecasting	FIF-C2
	C3 – Population density per length of road	Environment	ENV-R7
	C4 – Own source revenue per head of population	Financial forecasting	FIF-C4
	C5 – Recurrent grants per head of population	Financial forecasting	FIF-C5
	C6 – Relative Socio-Economic Disadvantage	Financial forecasting	MEASURE REMOVED
	C7 – Percentage of staff turnover	Governance	GOV-G10

The domains and their associated measures are provided in more detail in the following sections.

Changes within Domain 1 - Governance

Outcome

Council ensures good governance, transparency and accountability.

Changes to Indicator and measures

Indicator	Summary of changes	Measure	Rationale	Guide reference
Community engagement (Council decisions are made and implemented with community input)	⊖ Change to existing measure	GOV-G2 Satisfaction with the opportunities offered by Council to be consulted on or engaged in council decisions (community satisfaction rating out of 100 with the consultation and engagement efforts of Council)	Minor change to the wording. Now focussing on the community's satisfaction with the opportunities offered to them.	Page 8
Transparency (Councillors actively participate in the decision-making process, ensuring that all decisions are made in an	🔄 Retain existing measure	GOV-G1 Council resolutions made at meetings closed to the public (percentage of Council resolutions made at a meeting of Council, or at a meeting of a delegated committee consisting	No change	Page 10

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open and transparent manner)		only of Councillors, closed to the public under section 66(1) of the Act)		
	⟳ Retain existing measure	GOV-G3 Councillor attendance at Council meetings (percentage of attendance at Council meetings by Councillors)	No change	Page 12
	➕ New measure added	GOV-G6 Councillor attendance at councillor briefings (percentage of attendance at Councillor briefings by Councillors)	Designed to demonstrate that councillors are engaged in the decision-making process through active participation in councillor briefings.	Page 14
	➕ New measure added	GOV-G7 Council meeting duration (average length of council meetings for the financial year)	New measure to monitor the depth of discussion and engagement of councillors through the average duration of council meetings.	Page 16
Strategic planning (resourcing is planned and used efficiently in the delivery of services)	⊖ Change to existing measure	GOV-G10 Permanent staff turnover (number of permanent staff resignations and terminations as a percentage of average number of permanent staff)	Change to C7. Moving staff turnover from sustainable capacity grouping into the governance domain. Reflection of council's workforce management.	Page 17

	➕ New measure added	GOV-11 Executive management staff turnover (number of executive management staff resignations, terminations and contract completions as a percentage of average number of executive management staff)	New measure to track staff movement at the executive level.	Page 19
Financial decisions (Council decisions are made to enhance the council's financial position and long-term sustainability)	🔄 Retain existing measure	GOV-G4 Cost of elected representation (direct cost of delivering Council's governance service per Councillor)	No change	Page 21
	➕ New measure added	GOV-G8 Capital works planning (actual capital works expenditure as a percentage of budgeted capital works expenditure for the financial year)	New measure to demonstrate appropriate forecasting, planning and delivery in managing council's capital works.	Page 23
	➕ New measure added	GOV-G9 Total unpaid rates and charges (total unpaid rates and charges and unpaid interest on rates and charges for all financial years as a percentage of all	Measures the council's overall strategy to managing longer term outstanding debts.	Page 24

		rates and charges for the financial year)		
Service planning (Council decisions are made to enhance the council's performance)	⟳ Retain existing measure	GOV-G5 Satisfaction with Council decisions (community satisfaction rating out of 100 with how Council has performed in making decisions in the best interests of the community)	No change	Page 26

Governance measures in the Annual Report

Measures are distributed across the Annual Report as follows:

Measure	Location in Annual Report	Change to location in Annual Report	Mandatory target required
GOV-G2 Satisfaction with the opportunities offered by council to or be consulted on or engaged in council decisions	Performance statement	No change	Yes
GOV-G1 Council resolutions made at meetings closed to the public	Report of operations	No change	No

GOV-G3 Councillor attendance at council meetings	Report of operations	No change	No
GOV-G6 Councillor attendance at councillor briefings	Report of operations	⟶ New measure to Report of operations	No
GOV-G7 Council meeting duration	Report of operations	⟶ Moved to Report of operations	No
GOV-G10 Permanent staff turnover	Report of operations	⟶ Moved to Report of operations	No
GOV-G11 Executive management staff turnover	Report of operations	⟶ Moved to Report of operations	No
GOV-G4 Cost of elected representation	Report of operations	No change	No
GOV-G8 Capital works planning	Report of operations	⟶ Moved to Report of operations	No
GOV-G9 Total unpaid rates and charges	Performance statement	⟶ Moved to Performance statement	No
GOV-G5 Satisfaction with Council decisions	Report of operations	No change	No

Please note, all measures included in the Performance statement are subject to audit.

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Changes within Domain 2 - Community

Outcome

Council is building an active, healthy, and engaged community.

Changes to Indicator and measures

Indicator	Summary of changes	Measure	Rationale	Guide reference
Aquatic facilities (aquatic facilities are accessible and well utilised)	Retain existing measure	COM-AF6 Utilisation of aquatic facilities (number of visits to aquatic facilities per head of population)	Moved to Report of Operations	Page 28
Library services (library services and resources are free, accessible and well utilised)	Retain existing measure	COM-LB6 Library loans per head of population (number of library collection item loans per head of population)	No change	Page 30
	Retain existing measure	COM-LB7 Library membership (percentage of the population that are registered library members)	No change	Page 32

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	⟳ Retain existing measure	COM-LB8 Library visits per head of population (number of library visits per head of population)	No change	Page 34
Maternal and child health services (Councils promote healthy outcomes for children and their families)	⟳ Retain existing measure	COM-MC2 Infant enrolments in MCH service (percentage of infants enrolled in the MCH service)	No change	Page 35
	⟳ Retain existing measure	COM-MC4 Participation in the MCH service (percentage of children enrolled who participate in the MCH service)	No change	Page 37
	⟳ Retain existing measure	COM-MC5 Participation in the MCH service by Aboriginal children (percentage of Aboriginal children enrolled who participate in the MCH service)	No change	Page 38
	⟳ Retain existing measure	COM-MC6 Participation in 4-week key age and stage visit (percentage of infants enrolled in the MCH service who	No change	Page 40

		receive the 4-week key age and stage visit)		
Roads (Councils promote healthy travel options)	➕ New measure added	COM-R6 Active travel infrastructure (length of pedestrian footpaths and bicycle paths per head of population)	New measure to focus on council's commitment to promote healthy activity through active travel infrastructure.	Page 41

Community measures in the Annual Report

Measures are distributed across the Annual Report as follows:

Measure	Location in Annual Report	Change to location in Annual Report	Mandatory target required
COM-AF6 Utilisation of aquatic facilities	Report of operations	⟶ Moved to Report of operations	No
COM-LB6 Library loans per head of population	Report of operations	No change	No
COM-LB7 Library membership	Performance statement	No change	No
COM-LB8 Library visits per head of population	Report of operations	No change	No

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COM-MC2 Infant enrolments in the MCH service	Report of operations	No change	No
COM-MC4 Participation in the MCH service	Performance statement	No change	No
COM-MC5 Participation in the MCH service by Aboriginal children	Performance statement	No change	No
COM-MC6 Participation in 4-week key age and stage visit	Report of operations	No change	No
COM-R6 Active travel infrastructure	Report of operations	⟶ Moved to Report of operations	No

Please note, all measures included in the Performance statement are subject to audit.

Changes within Domain 3 - Environment

Outcome

Council supports a safe and climate resilient environment.

Changes to Indicator and measures

Indicator	Summary of changes	Measure	Rationale	Guide reference
Aquatic facilities (registered aquatic facilities in the municipality are safe from public health risks)	⊖ Change to existing measure	ENV-AF8 Health inspections of council registered aquatic facilities (number of inspections carried out by an authorised officer within the meaning of the Public Health and Wellbeing Act 2008 carried out per council registered category 1 public aquatic facility)	Change from AF2. AF2 focussed on council-owned or operated facilities and did not reflect the wider work carried out by council. The measure now includes all registered category 1 public aquatic facilities.	Page 44
Animal management (Councils promote responsible pet ownership in the municipality)	🔄 Retain existing measure	ENV-AM2 Animals reclaimed (percentage of collected registrable animals under the Domestic Animals Act 1994 reclaimed)	No change	Page 46

	✖ Remove measure	AM5 Animals rehomed (percentage of collected registrable animals under the Domestic Animals Act 1994 that are rehomed)	Council reliance on partner organisations to rehome animals created inconsistencies in reporting.	Not applicable
	✖ Remove measure	AM7 Animal management prosecutions (percentage of animal management prosecutions which are successful)	Results could be volatile due to the low numbers of prosecutions. No direct linear relationship between number of offences committed and the performance of the service.	Not applicable
Energy consumption (Council supports sustainable and efficient energy consumption)	➕ New measure added	ENV-EC1 Water usage (total units of metered water purchased by Council per head of population)		Page 52
	➕ New measure added	ENV-EC2 Electricity usage (total units of metered electricity purchased by Council per head of population)		Page 53
	➕ New measure added	ENV-EC3 Gas usage (total units of metered gas		Page 54

		purchased by Council per head of population)		
Food safety (registered food premises in the municipality are safe from public health risks)	⟳ Retain existing measure	ENV-FS5 Food safety samples (percentage of food samples obtained per required number of food samples)	No change	Page 48
	⊖ Change to existing measure	ENV-FS7 Food safety assessments (percentage of registered class 1 food premises, registered class 2 food premises and registered class 3 food premises that receive an annual food safety assessment or mandatory inspection)	Change from FS2. Changes to the Food Act 1984, has impacted council workload. The inclusion of class 3 food premises and annual food safety assessments and mandatory inspections will better reflect the work undertaken by council.	Page 50
Roads (sealed local roads are maintained and renewed to ensure a safe network)	⟳ Retain existing measure	ENV-R2 Sealed local roads below the intervention level (percentage of sealed local roads that are below the renewal intervention level set by Council and do not require renewal)	No change	Page 55
	⟳ Retain existing measure	ENV-R5 Satisfaction with sealed local roads (community satisfaction rating out of	No change	Page 58

		100 with how Council has performed on the condition of sealed local roads)		
	⊖ Change to existing measure	ENV-R7 Population density per length of road (population per kilometre of local road)	Formerly C3 – Population density per length of road in the Sustainable capacity grouping. Now re-aligned with the environment domain.	Page 59
Waste management (waste is minimised and sustainability is promoted)	⊖ Change to existing measure	ENV-WM8 Kerbside collection waste to landfill per serviced property (amount of waste collected from kerbside waste collection services that is sent to landfill per serviced property)	Change from WC5. Factors such as the Container Deposit Scheme (DCS) have contributed to a decrease in waste diverted. This measure will better reflect the four-bin rollout.	Page 60

Environment measures in the Annual Report

Measures are distributed across the Annual Report as follows:

Measure	Location in Annual Report	Change to location in Annual Report	Mandatory target required
ENV-AF8 Health inspections of council registered aquatic facilities	Report of operations	No change	No
ENV-AM2 Animals reclaimed	Report of operations	No change	No
ENV-EC1 Water usage	Report of operations	⟶ Moved to Report of operations	No
ENV-EC2 Electricity usage	Report of operations	⟶ Moved to Report of operations	No
ENV-EC3 Gas usage	Report of operations	⟶ Moved to Report of operations	No
ENV-FS7 Food safety assessments	Report of operations	No change	No
ENV-FS5 Food safety samples	Report of operations	No change	No

ENV-R2 Sealed local roads below the intervention level	Performance statement	No change	Yes
ENV-R5 Satisfaction with sealed local roads	Report of operations	No change	No
ENV-R7 Population density per length of road	Report of operations	⟶ Moved to Report of operations	No
ENV-WM8 Kerbside collection waste to landfill per serviced property	Performance statement	No change	Yes

Please note, all measures included in the Performance statement are subject to audit.

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Changes within Domain 4 - Responsiveness

Outcome

Council provides timely and efficient services.

Changes to Indicator and measures

Indicator	Summary of changes	Measure	Rationale	Guide reference
Animal management (Councils respond to animal management requests in a timely manner)	⊖ Change to existing measure	RSP-AM8 Time taken to action animal management requests (median number of days it takes for Council to action animal management related requests)	Change to AM1. Move to median number of days to alleviate the influence of outliers.	Page 64
Food safety (Councils respond to food complaints and fulfill their legislative duties in a timely manner)	🔄 Retain existing measure	RSP-FS4 Critical and major non-compliance outcome notifications (percentage of critical and major non-compliance outcome notifications that are followed up by Council)	No change	Page 66

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	⊖ Change to existing measure	RSP-FS6 Time taken to action food complaints (median number of days it takes for Council to action food complaints)	Change to FS1. Move to median number of days to alleviate the influence of outliers.	Page 69
Statutory planning (Councils decide on planning applications and fulfill their legislative duties in a timely manner)	🔄 Retain existing measure	RSP-SP1 Time taken to decide planning applications (median number of days between receipt of planning application and a decision on the application)	No change	Page 71
	🔄 Retain existing measure	RSP-SP2 Planning applications decided within the relevant required time (percentage of planning application decisions made within the relevant required time)	No change	Page 73
	🔄 Retain existing measure	RSP-SP4 Council planning decisions upheld at VCAT (percentage of planning application decisions that were subject to review by VCAT and were not set aside)	No change	Page 75

Roads (road users are satisfied with the sealed local road network)	❌ Remove measure	R1 Sealed local road requests (number of sealed local road requests per 100 kilometres of sealed local road)	Combination of multiple factors makes the measurement unreliable.	Not applicable
Waste management (waste is collected as planned)	➖ Change to existing measure	RSP-WM9 Kerbside collection bins missed (number of kerbside collection bins missed per 10 000 scheduled kerbside collection bin lifts)	Change to WC2. The measure will be expanded to include green organic bins along with the existing garbage and recycling bin services.	Page 77

Responsiveness measures in the Annual Report

Measures are distributed across the Annual Report as follows:

Measure	Location in Annual Report	Change to location in Annual Report	Mandatory target required
RSP-AM8 Time taken to action animal management requests	Report of operations	No change	No
RSP-FS4 Critical and major non-compliance outcome notifications	Performance statement	No change	No

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RSP-FS6 Time taken to action food complaints	Report of operations	No change	No
RSP-SP1 Time taken to decide planning applications	Report of operations	No change	No
RSP-SP2 Planning applications decided within the relevant required time	Performance statement	No change	Yes
RSP-SP4 Council planning decisions upheld at VCAT	Report of operations	No change	No
RSP-WM9 Kerbside collection bins missed	Report of operations	No change	No

Please note, all measures included in the Performance statement are subject to audit.

Changes within Domain 5 - Cost

Outcome

Council provides services in a cost-effective manner.

Changes to Indicator and measures

Indicator	Summary of changes	Measure	Rationale	Guide reference
Aquatic facilities (provision of aquatic facilities is planned and delivered in a cost-efficient manner)	⊖ Change to existing measure	CST-AF7 Cost of aquatic facilities (direct cost of aquatic facilities less any income received from providing aquatic facilities per visit)	Standardisation of costs to be reported, including capital purchases.	Page 80
Animal management (Animal management service is delivered in a cost-efficient manner)	✖ Remove measure	AM6 Cost of animal management service (direct cost of the animal management service per head of population)	Varying mixes of in-house and out-sourced animal management services resulted in incompatible comparisons.	Not applicable

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Food safety (food safety service is planned and delivered in a cost-efficient manner)	⊖ Change to existing measure	CST-FS3 Cost of food safety service (direct cost of the food safety service per food premises registered by Council, or for which Council has received notification, during the financial year)	Standardisation of costs to be reported, including capital purchases.	Page 83
Library services (provision of library services is planned and delivered in a cost-efficient manner)	⊖ Change to existing measure	CST-LB2 Recently purchased library collection (percentage of the library collection that has been purchased in the last 5 years)	Minor change, in alignment with *Standards and Guidelines for Australian Public Libraries*. Measure only applies to physical library material and excludes ebooks and eaudiobooks.	Page 86
	⊖ Change to existing measure	CST-LB5 Cost of library services (direct cost of the library services per head of population)	Standardisation of costs to be reported, including capital purchases.	Page 88
Maternal and child health services (MCH service is planned and delivered in a cost-efficient manner)	⊖ Change to existing measure	CST-MC3 Cost of MCH service (cost of the MCH service per hour of service delivered)	Standardisation of costs to be reported, including capital purchases.	Page 91

Statutory planning (planning application processing and decisions are carried out in a cost-efficient manner)	⊖ Change to existing measure	CST-SP3 Cost of statutory planning service (direct cost of the statutory planning service per planning application)	Standardisation of costs to be reported, including capital purchases.	Page 94
Roads (renewal and maintenance of sealed local roads are undertaken in a cost-efficient manner)	⊖ Change to existing measure	CST-R3 Cost of sealed local road reconstruction (direct reconstruction cost per square metre of sealed local roads reconstructed)	Standardisation of costs to be reported, including capital purchases.	Page 97
	⊖ Change to existing measure	CST-R4 Cost of sealed local road resealing (direct resealing cost per square metre of sealed local roads resealed)	Standardisation of costs to be reported, including capital purchases.	Page 100
Waste management (kerbside collection service is delivered in a cost-efficient manner)	⊖ Change to existing measure	CST-WM6 Cost of kerbside waste collection services (direct cost of kerbside waste collection services per serviced property)	Change to WC3. WC4 and WC3 have been combined to form CST-WM6. This will also support the move towards the four-bin service.	Page 103
	✖ Remove measure	WC4 Cost of kerbside recyclables bin collection service (direct cost of the	WC4 and WC3 have been combined to form CST-WM6.	Not applicable

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		kerbside recyclables bin collection service per kerbside recycling collection bins)		

Cost measures in the Annual Report

Measures are distributed across the Annual Report as follows:

Measure	Location in Annual Report	Change to location in Annual Report	Mandatory target required
CST-AF7 Cost of aquatic facilities	Report of operations	No change	No
CST-FS3 Cost of food safety service	Report of operations	No change	No
CST-LB2 Recently purchased library collection	Report of operations	No change	No
CST-LB5 Cost of library service	Performance statement	⟶ Moved to Performance statement	No
CST-MC3 Cost of the MCH service	Report of operations	No change	No

CST-SP3 Cost of statutory planning service	Report of operations	No change	No
CST-R3 Cost of sealed local road reconstruction	Report of operations	No change	No
CST-R4 Cost of sealed local road resealing	Report of operations	No change	No
CST-WM6 Cost of kerbside waste collection services	Performance statement	⟶ Moved to Performance statement	No

Please note, all measures included in the Performance statement are subject to audit.

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Changes within Domain 6 – Financial forecasting

Outcome

Council plans for future financial performance.

Changes to Indicator and measures

Indicator	Summary of changes	Measure	Rationale	Guide reference
Indebtedness (level of long-term liabilities is appropriate to the size and nature of a Council's activities)	Retain existing measure	FIF-O4 Non-current liabilities compared to own source revenue (non-current liabilities as a percentage of own-source revenue)	No change	Page 107
Asset renewal and upgrade (renewal and upgrade of assets is planned and delivered)	Retain existing measure	FIF-O5 Asset renewal and upgrade compared to depreciation (asset renewal and upgrade expense as a percentage of depreciation)	No change	Page 109

Loans and borrowings (level of interest-bearing loans and borrowings is appropriate to the size and nature of Council's activities)	⊖	Change to existing measure	FIF-O6 Loans and borrowings compared to own source revenue (interest-bearing loans and borrowings as a percentage of own-source revenue)	Change to O2. Expanding the denominator from rates revenue to include all own source revenue.	Page 111
	⊖	Change to existing measure	FIF-O7 Loans and borrowings repayments compared to own source revenue (interest and principal repayments on interest bearing loans and borrowings as a percentage of own-source revenue)	Change to O3. Expanding the denominator from rates revenue to include all own source revenue.	Page 112
Population (population is a key driver of a Council's ability to fund the delivery of services to the community)	🔄	Retain existing measure	FIF-C1 Expenses per head of population (total expenses per head of population)	No change	Page 113
	⊖	Change to existing measure	FIF-C2 Infrastructure per head of population (value of infrastructure per head of population)	Minor change to enhance the definition of infrastructure to explicitly include infrastructure assets.	Page 115

	❌ Remove measure	C6 Relative Socio-Economic Disadvantage (relative socio-economic disadvantage of the municipal district)	While informative, the result is not a direct measure of the council performance.	Not applicable
Revenue and grants (revenue is generated from a range of sources to fund the delivery of services to the community)	🔄 Retain existing measure	FIF-C4 Own-source revenue per head of population (own-source revenue per head of population)	No change	Page 116
	🔄 Retain existing measure	FIF-C5 Recurrent grants per head of population (recurrent grants per head of population)	No change	Page 118

Financial forecasting measures in the Annual Report

Measures are distributed across the Annual Report as follows:

Measure	Location in Annual Report	Change to location in Annual Report	Mandatory target required
FIF-O4 Non-current liabilities compared to own source revenue	Performance statement	No change	No
FIF-O5 Asset renewal and upgrade compared to depreciation	Performance statement	No change	Yes
FIF-O6 Loans and borrowings compared to own source revenue	Performance statement	No change	No
FIF-O7 Loans and borrowings repayments compared to own source revenue	Performance statement	No change	No
FIF-C1 Expenses per head of population	Performance statement	No change	No
FIF-C2 Infrastructure per head of population	Performance statement	No change	No

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FIF-C4 Own-source revenue per head of population	Performance statement	No change	No
FIF-C5 Recurrent grants per head of population	Performance statement	No change	No

Please note, all measures included in the Performance statement are subject to audit.

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Changes within Domain 7 – Financial management

Outcome

Council manages its finances to meet current requirements.

Changes to Indicator and measures

Indicator	Summary of changes	Measure	Rationale	Guide reference
Expenditure and revenue level (resources are used efficiently in the delivery of services)	Retain existing measure	FIM-E2 Expenses per property assessment (total expenses per property assessment)	No change	Page 120
	Retain existing measure	FIM-E4 Average rate per property assessment (general rates and municipal charges per property assessment)	No change	Page 122
Liquidity (sufficient working capital and cash is available to cover expenses)	Retain existing measure	FIM-L1 Current assets compared to current liabilities (current assets as a percentage of current liabilities)	No change	Page 123

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	⊖ Change to existing measure	FIM-L3 Cash compared to current liabilities (cash as a percentage of current liabilities)	Change to L2. Simplification of the former measure and bringing the indicator in alignment with Australian Accounting standards and practices.	Page 125
Operating position (an adjusted underlying surplus is generated in the ordinary course of business)	🔄 Retain existing measure	FIM-OP1 Adjusted underlying surplus (or deficit) (adjusted underlying surplus (or deficit) as a percentage of adjusted underlying revenue)	No change	Page 126
Rates concentration (revenue is generated from a range of sources)	🔄 Retain existing measure	FIM-S1 Rates compared to adjusted underlying revenue (rate revenue as a percentage of adjusted underlying revenue)	No change	Page 128
Rates effort (rating level is set based on the community's capacity to pay)	🔄 Retain existing measure	FIM-S2 Rates compared to property value (rate revenue as a percentage of the capital improved value of rateable properties in the municipal district)	No change	Page 130

Rates collection (rates and charges are being responsibly collected)	➕ New measure added	FIM-S3 Rates and charges debt (unpaid rates and charges as a percentage of all rates and charges)	To demonstrate the council's capacity to manage its rate revenue collection and manage outstanding debts and debtor ratepayers.	Page 132

Financial management measures in the Annual Report

Measures are distributed across the Annual Report as follows:

Measure	Location in Annual Report	Change to location in Annual Report	Mandatory target required
FIM-E2 Expenses per property assessment	Performance statement	No change	Yes
FIM-E4 Average rate per property assessment	Performance statement	No change	No
FIM-L1 Current assets compared to current liabilities	Performance statement	No change	Yes
FIM-L3 Cash compared to current liabilities	Performance statement	No change	No
FIM-OP1 Adjusted underlying surplus (or deficit)	Performance statement	No change	No

FIM-S1 Rates compared to adjusted underlying revenue	Performance statement	No change	Yes
FIM-S2 Rates compared to property values	Performance statement	No change	No
FIM-S3 Rates and charges debt	Performance statement	⟶ Moved to Performance statement	No

Please note, all measures included in the Performance statement are subject to audit.

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Changes to Target Setting

Mandatory targets and selected targets

Councils are required to provide targets for the forthcoming year in their annual budget for:

- the eight mandatory measures consistent with the four service and four financial measures from the previous reporting period,
- In addition to council selecting any other eight measures from the prescribed LGPRF measures.

Council's Annual Budget and Performance Statement must include targets for:

8 Mandatory measures	8 Council selected measures

The prescribed eight mandatory measures for target setting are:

GOV-G2 Satisfaction with the opportunities offered by council to be consulted on or engaged in Council decisions (community satisfaction rating out of 100 with the consultation and engagement efforts of Council)

RSP-SP2 Planning applications decided within the relevant required time (percentage of planning application decisions made within the relevant required time)

Plus: Council to choose any other eight (8) measures from the LGPRF measures:

FIF-O4 Non-current liabilities compared to own-source revenue
FIF-O6 Loans and borrowings compared to own-source revenue
FIF-O7 Loans and borrowings repayments compared to own-source revenue
FIF-C1 Expenses per head of population
FIF-C2 Infrastructure per head of population
FIF-C4 Own-source revenue per head of population
FIF-C5 Recurrent grants per head of population
FIM-E4 Average rate per property assessment
FIM-L3 Cash compared to current liabilities
FIM-OP1 Adjusted underlying surplus (or deficit)

ENV-R2

Sealed local roads below the intervention level (percentage of sealed local roads that are below the renewal intervention level set by Council and do not requir renewal)

ENV-WM8

Kerbside collection waste to landfill per serviced property (amount of waste collected from kerbside waste collection services that is sent to landfill per serviced propertiy)

FIF-O5

Asset renewal and upgrade compared to depreciation (asset renewal and upgrade expense as a percentage of depreciation)

FIM-E2

Expenses per property assessment (total expenses per property assessment)

FIM-L1

Current assets compared to current liabilities (current assets as a percentage of current liabilities)

FIM-S1

Rates compared to adjusted underlying revenue (rate revenue as a percentage of adjusted underlying revenue)

FIM-S2 Rates compared to property value
FIM-S3 Rates and charges debt
GOV-G9 Total unpaid rates and charges
COM-LB7 Library membership
COM-MC4 Participation in the MCH service
COM-MC5 Participation in the MCH service by Aboriginal children
RSP-FS4 Critical and major non-compliance outcome notifications
CST-LB5 Cost of library services
CST-WM6 Cost of kerbside waste collection services
GOV-G1 Council resolutions made at meetings closed to the public
GOV-G3 Councillor attendance at council meetings
GOV-G6 Councillor attendance at councillor briefings
GOV-G7 Council meeting duration
GOV-G10 Permanent staff turnover
GOV-G11 Executive management staff turnover
GOV-G4 Cost of elected representation
GOV-G8 Capital works planning
GOV-G5 Satisfaction with Council decisions
COM-AF2 Utilisation of aquatic facilities
COM-LB6 Library loans per head of population
COM-LB8 Library visits per head of population
COM-MC2 Infant enrolments in the MCH service
COM-MC6 Participation in 4-week key age and stage visit
COM-R6 Active travel infrastructure
ENV-AF8 Health inspections of council registered aquatic facilities
ENV-AM2 Animals reclaimed
ENV-EC1 Water usage
ENV-EC2 Electricity usage
ENV-EC3 Gas usage
ENV-FS7 Food safety assessments
ENV-FS5 Food safety samples
ENV-R5 Satisfaction with sealed local roads

ENV-R7 Population density per length of road
RSP-AM8 Time taken to action animal management requests
RSP-FS6 Time taken to action food complaints
RSP-SP1 Time taken to decide planning applications
RSP-SP4 Council planning decisions upheld at VCAT
RSP-WM9 Kerbside collection bins missed
CST-AF7 Cost of aquatic facilities
CST-FS3 Cost of food safety service
CST-LB2 Recently purchased library collection
CST-MC3 Cost of the MCH service
CST-SP3   Cost of statutory planning service
CST-R3 Cost of sealed local road reconstruction
CST-R4 Cost of sealed local road resealing

As consistent with the existing provisions, council must include these 8 mandatory targets and 8 council selected targets in their council budget and annual report. Breaches of the Act will be referred to the Local Government Inspectorate.

Changes to the Governance and Management Checklist

Checklist items and changes

Checklist item	Summary of changes	Detail of change	Guide reference
Community engagement policy (Policy outlining Council's commitment to engaging with the community on matters of public interest)	Retain existing item	No change	Page 135
Community engagement guidelines (Guidelines to assist staff to determine when and how to engage with the community)	Retain existing item	No change	Page 135
Community Vision (plan under section 88 of the Act describing the community's aspirations for the future of the municipality for at least the next 10 financial years)	New item	Designed to capture Council's compliance with the community vision requirement as outlined in the Act.	Page 135
Financial Plan (Plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years**)**	Retain existing item	No change	Page 137

Asset Plan (Plan under section 92 of the Act setting out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	↻ Retain existing item	No change	Page 137
Revenue and Rating Plan (Plan under section 93 of the Act setting out the rating structure of Council to levy rates and charges)	↻ Retain existing item	No change	Page 138
Annual Budget (Plan under section 94 of the Act setting out the services to be provided and initiatives to be undertaken during the budget year and the funding and other resources required)	↻ Retain existing item	No change	Page 138
Risk policy (Policy outlining Council's commitment and approach to minimising the risks to Council's operations)	↻ Retain existing item	No change	Page 138
Fraud policy (Policy outlining Council's commitment and approach to minimising the risks to Council's operations)	↻ Retain existing item	No change	Page 138
Municipal emergency management planning (Council's participation in meetings of the Municipal Emergency Management Planning Committee (MEMPC))	✗ Remove item	Responsibility for this planning has shifted from a sole function of council to a shared responsibility across a committee.	N/A

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Procurement policy (Policy under section 108 of the Act outlining the principles, processes and procedures that will apply to the purchase of goods and services by the Council)	↻ Retain existing item	No change	Page 139
Business continuity plan (Plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)	➖ Change to existing item	Definition expanded to include "...key services, *systems and processes* continue to operate in the event of a disaster."	Page 139
Disaster recovery plan (Plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	↻ Retain existing item	No change	Page 139
Complaint policy (Policy under section 107 of the Act outlining Council's commitment and approach to managing complaints)	↻ Retain existing item	No change	Page 140
Workforce plan (Plan outlining Council's commitment and approach to planning the current and future workforce requirements of the organisation)	↻ Retain existing item	No change	Page 140
Payment of rates and charges hardship policy (Policy outlining Council's commitment and approach to assisting ratepayers experiencing financial hardship or difficulty paying their rates)	↻ Retain existing item	No change	Page 140

Risk management framework (Framework outlining Council's approach to managing risks to the Council's operations)	🔄 Retain existing item	No change	Page 142
Audit and Risk Committee (see sections 53 and 54 of the Act)	🔄 Retain existing item	No change	Page 142
Internal audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	🔄 Retain existing item	No change	Page 143
Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the Act)	❌ Remove item	Council compliance can be better demonstrated with the presence of a completed performance statement and the report of operations in the annual report.	N/A
Council Plan report (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first 6 months of the financial year)	🔄 Retain existing item	No change	Page 144
Quarterly budget reports (quarterly reports to the Council under section 97 of the Act, comparing actual and	🔄 Retain existing item	No change	Page 144

budgeted results and an explanation of any material variations)			
Risk reports (6-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	⟳ Retain existing item	No change	Page 145
Performance reports (6-monthly reports of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the Act)	✖ Remove item	Not a mandatory requirement. Annual measures may be difficult to report on quarterly or bi-annually.	N/A
Annual report (annual report under sections 98 and 99 of the Act containing a report of operations and audited financial and performance statements)	⟳ Retain existing item	No change	Page 145
Councillor Code of Conduct (Code under section 139 of the Act setting out the standards of conduct to be followed by Councillors and other matters)	⊖ Change to existing item	Due to the introduction of the Model Councillor Code of Conduct, this item will be replaced by: **Councillor internal resolution procedure** (procedure under section 140 of the Act that may be followed to deal with alleged breaches of the Model Code of Conduct.)	Page 146

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Delegations (documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff, in accordance with sections 11 and 47 of the Act)	Retain existing item	Enhanced guidance on reporting against delegations.	Page 146
Meeting procedures (Governance Rules under section 60 of the Act governing the conduct of meetings of Council and delegated committees)	Retain existing item	No change	Page 147

Other changes to the Annual Report

Internal arbitration or council conduct panel matters

If council has undertaken any internal arbitration processes or council conduct panel matters during the financial year, council will be required to report the following in the Report of operations within the Annual Report.

Council must report:

- the number of internal arbitration processes or councillor conduct panel matters completed during the period, and;
- the total costs incurred by the council for any completed matters.

For more information, please refer to the Example Report of operations 2026-27 (due for release in February 2027).

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