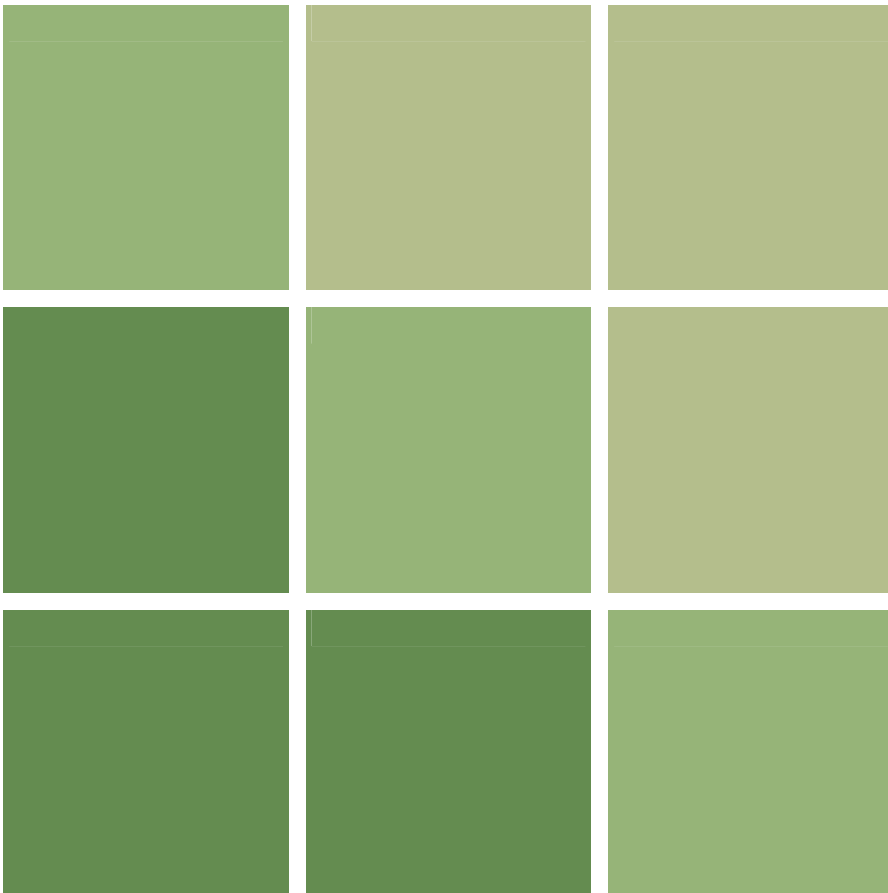


Local Government in Victoria 2006

Attachment





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Authorised by the Victorian Government, 1 Spring Street Melbourne, Victoria 3000

It's the story behind them which counts; and the sharing of that story, which makes the difference.

Indicators are measures of outputs or outcomes. Individually and without associated explanations, they can only ever tell part of the story.

It is important to put indicator results in context and to remember that they only give an indication of where to start looking for the reasons behind differences. The usefulness of indicators is not in the numbers themselves but the analysis of why some local governments may appear to perform better than others, as well as insights as to how to improve their performance.

It may, therefore, be more useful to consider the combined results of several broad indicators in assessing performance rather than any one indicator on its own. When comparing one local government with another or assessing one local government's performance it is important to remember that the indicators do not on their own give the full picture of local governments' performance.

Although indicators show the differences between local governments, they do not explain why these differences have arisen. Differences may arise for many reasons, such as democratic policy choices, geographic and demographic factors, population density and external funding decisions.

The democratic nature of local government is intended to ensure that differences are reflected in different priorities and expenditure. Higher residential rates and charges for example may indicate:

- the provision of better or more extensive services (libraries, leisure centres, child care, urban development) or
- particular problems associated with delivery of services (extensive road networks, footpaths damaged by extensive tree canopies, a high aged care population with high home care needs)
- particular disadvantages (highest Metropolitan Fire Brigade rates)

Local government responsibilities and priorities vary with the circumstances, needs and expectations of their communities. Any evaluation of performance needs to be informed by consideration of the challenges faced by different local governments.

Primary documents for such evaluation include Council Plans (including Strategic Resource Plans), Budgets and Annual Reports (including Best Value Review reports).

Definitions of indicators 2006

Overall performance	Community satisfaction rating for overall performance generally of the council	Council result from the Annual Community Satisfaction Survey for Local Governments (Chart One: Summary of Results - Result No 1), coordinated by Local Government Victoria.
Advocacy	Community satisfaction rating for Council's advocacy and community representation on key local issues	Council result from the Annual Community Satisfaction Survey for Local Governments (Chart One: Summary of Results - Result No 4), coordinated by Local Government Victoria.
Engagement	Community satisfaction rating for Council's engagement in decision making on key local issues	Council result from the Annual Community Satisfaction Survey for Local Governments (Chart One: Summary of Results - Result No 5), coordinated by Local Government Victoria.
All rates	Average rates and charges per assessment	Rates and charges declared as being receivable, in the calculations for the adopted rates, at the beginning of the year, including: <ul style="list-style-type: none"> • general rates and charges declared under ss. 160, 161, 161A of the Local Government Act 1989 • municipal charges and service rates and charges (that is, garbage services) levied under ss. 159, 162 respectively • supplementary rates declared, <i>divided by</i> the number of assessments used in the calculation of the adopted rate (that is, when the rate was struck).
Residential rates	Average residential rates and charges per assessment	Rates and charges declared for all residential assessments (including vacant residential assessments) as defined in "All rates", except for residential assessments only <i>divided by</i> the number of residential assessments used in the calculation of the adopted rate (that is, when the rate was struck).
Operating costs	Average operating expenditure per assessment	Total expenses per the Income Statement (previously known as the statement of financial performance) plus net gain (loss) on disposal of property, plant and equipment infrastructure <i>divided by</i> the number of assessments used in the calculation of the adopted rate (that is, when the rate was struck). <i>Note: Where major factors of expenditure such as devaluations or transfers of assets are excluded, councils should provide a note explaining what has been excluded.</i>

Definitions of indicators 2006

Capital expenditure	Average capital expenditure per assessment	<p>Amount of council's expenditure capitalised to the statement of financial position and contributions by a local government to major assets not owned by the local government, including expenditure on:</p> <ul style="list-style-type: none"> • capital renewal of existing assets which returns the service potential or the life of the asset up to that which it had originally • capital expansion which extends an existing asset at the same standard as currently enjoyed by residents to a new group of users • capital upgrade which enhances an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond that which it had originally <p><i>divided by</i> the number of assessments used in the calculation of the adopted rate (that is, when the rate was struck).</p> <p><i>NB Exactly what is included as capital expenditure will vary according to the local government's policy in defining the 'asset' and its 'life'.</i></p>
Infrastructure	Renewal Renewal and maintenance	<p>Ratio of current spending on capital renewal of existing infrastructure assets which returns the service potential or the life of the asset up to that which it had originally to the AAAC totalled for each and every infrastructure asset to give one ratio.</p> <p>Ratio of current spending on capital renewal of existing infrastructure assets which returns the service potential or the life of the asset up to that which it had originally plus current spending on maintenance to AAAC plus all anticipated planned and unplanned maintenance (that is, the expected level of maintenance which was used in the calculation of the useful life of the asset) totalled for each and every infrastructure asset to give one ratio.</p> <p>The Average Annual Asset Consumption (AAAC) is the amount of a local government's asset base consumed during a year. It is based on the current replacement cost 'as new' <i>divided by</i> useful life.</p>
Debts	Average liabilities per assessment	<p>Total liabilities as per the Balance Sheet (previously known as the statement of financial position) less items held in trust (reflected in assets also held)</p> <p><i>divided by</i> the number of assessments used in the calculation of the adopted rate (that is, when the rate was struck).</p> <p><i>NB Items held in trust does not include employee leave entitlements such as long service leave.</i></p>
Operating result	Operating result per assessment	<p>Surplus (deficit) for the period per the Income Statement (previously known as the Bottom line per statement of financial performance)</p> <p><i>divided by</i> the number of assessments used in the calculation of the adopted rate (that is when the rate was struck)</p> <p>A note should be provided to this indicator explaining any major factors including their dollar amount, which have contributed to the result. For example, capital grants, developers contributions, revaluations of non current assets and what the result would be excluding these major factors.</p> <p><i>NB Surpluses should be shown as positive and losses or deficits as negatives.</i></p>

Source Data 2006

		OVERALL PERFORMANCE	ADVOCACY	ENGAGEMENT	ALL RATES	RESIDENTIAL RATES	OPERATING COSTS	CAPITAL EXPENDITURE
		Community satisfaction overall performance of council	Community satisfaction advocacy & community representation	Community satisfaction engagement in decision-making	Rates and charges per assessment \$	Residential rates and charges per assessment \$	Operating expenditure per assessment \$	Capital expenditure per assessment \$
S	Alpine	66	66	61	1,013	926	2,047	714
S	Ararat	66	70	64	1,163	851	2,426	501
R	Ballarat	62	65	56	1,080	846	2,282	649
I	Banyule	68	64	62	893	860	1,710	198
S	Bass Coast	58	57	53	848	814	1,425	370
L	Baw Baw	68	66	62	1,012	851	1,802	534
I	Bayside	65	61	57	1,109	1,107	1,708	335
S	Benalla	61	62	57	1,188	1,075	2,598	508
I	Boroondara	69	64	63	1,230	1,218	1,862	485
O	Brimbank	64	64	59	1,039	944	1,551	285
S	Buloke	62	64	57	1,057	656	2,370	828
L	Campaspe	66	66	63	1,051	882	2,499	945
O	Cardinia	57	59	53	1,080	858	1,976	846
O	Casey	63	62	57	920	874	1,359	509
S	Central Goldfields	65	64	58	761	831	2,261	602
L	Colac-Otway	65	65	64	964	851	2,141	624
L	Corangamite	66	67	63	1,183	716	3,148	828
I	Darebin	69	67	63	1,002	872	1,660	239
L	East Gippsland	61	60	58	923	883	1,817	353
O	Frankston	64	62	60	940	901	1,714	255
S	Gannawarra	69	64	62	996	815	2,592	706
I	Glen Eira	62	55	53	926	900	1,388	361
L	Glenelg	57	58	54	1,057	618	2,161	619
S	Golden Plains	67	68	63	803	754	1,866	727
R	Greater Bendigo	61	59	53	988	841	1,912	530
O	Greater Dandenong	65	67	60	1,016	675	1,612	590
R	Greater Geelong	57	61	52	1,005	855	1,788	401
R	Greater Shepparton	62	63	55	1,251	884	2,490	602
S	Hepburn	59	59	56	871	788	1,960	311
S	Hindmarsh	67	71	64	814	531	2,096	568
I	Hobsons Bay	66	66	61	1,287	953	1,980	435
R	Horsham	71	70	66	974	892	2,090	1,437

Source Data 2006

RENEWAL	RENEWAL & MAINTENANCE	DEBTS	OPERATING RESULT	COMMENTS
Infrastructure renewal %	Infrastructure renewal & maintenance %	Liabilities per assessment \$	Operating result per assessment \$	Summary of comments provided by councils
90%	112%	684	344	Capital expenditure has increased as a result of extra building projects \$1.7 million and \$0.8 million of road & drainage assets contributed by a developer.
62%	80%	698	(14)	No comment
77%	82%	815	(13)	No comment
18%	60%	204	(55)	No comment
50%	72%	456	200	No comment
107%	104%	953	391	No comment
64%	74%	711	(26)	No comment
83%	91%	1,388	210	No comment
105%	103%	621	30	No comment
44%	72%	740	429	No comment
82%	70%	729	143	No comment
78%	91%	986	295	No comment
20%	47%	2,141	757	No comment
33%	52%	393	536	Operating costs exclude net losses on associates and joint venture \$0.2 million and infrastructure assets disposed \$18.6 million Major factors contributing to the operating result were donated assets \$42.3 million, revaluation - fair value adjustment for investment property \$0.8 million, developer contributions \$5.1 million, capital grants \$5.8 million, as asset write-off \$18.6 million and share of net profits from associates \$0.2 million. Excluding these factors the operating result would be \$115.
27%	30%	872	(144)	No comment
55%	72%	814	127	No comment
49%	58%	826	45	No comment
54%	75%	404	36	No comment
90%	65%	544	197	No comment
43%	51%	359	194	No comment
77%	88%	992	64	No comment
98%	98%	261	70	Operating costs do not include \$1.0 million loss on disposal of fixed assets.
56%	73%	927	268	No comment
45%	66%	567	337	No comment
13%	51%	567	355	No comment
31%	41%	767	306	No comment
47%	62%	544	216	No comment
73%	84%	488	268	No comment
47%	71%	660	(54)	No comment
56%	74%	642	447	No comment
53%	74%	563	23	No comment
46%	64%	996	490	No comment

Source Data 2006

		OVERALL PERFORMANCE	ADVOCACY	ENGAGEMENT	ALL RATES	RESIDENTIAL RATES	OPERATING COSTS	CAPITAL EXPENDITURE
		Community satisfaction overall performance of council	Community satisfaction advocacy & community representation	Community satisfaction engagement in decision-making	Rates and charges per assessment \$	Residential rates and charges per assessment \$	Operating expenditure per assessment \$	Capital expenditure per assessment \$
O	Hume	63	62	60	1,015	881	1,924	204
S	Indigo	60	62	58	937	890	3,117	532
I	Kingston	67	64	61	974	916	1,733	103
O	Knox	72	64	59	957	830	1,508	204
R	Latrobe	61	62	56	1,149	851	2,072	470
S	Loddon	72	73	68	752	499	2,363	986
L	Macedon Ranges	58	57	54	1,135	1,126	2,024	379
O	Manningham	62	66	61	1,170	1,140	1,515	416
S	Mansfield	67	67	61	929	910	1,879	506
I	Maribyrnong				1,345	972	2,098	627
I	Maroondah	69	66	60	949	884	1,640	245
I	Melbourne	62	66	60	2,481	866	4,799	1,838
O	Melton	66	65	61	1,157	1,094	1,993	338
R	Mildura	64	70	64	1,311	1,105	2,358	726
L	Mitchell	62	66	61	920	882	1,888	607
L	Moira	62	58	59	1,091	943	2,055	596
I	Monash	70	66	60	799	769	1,530	265
I	Moonee Valley	65	60	60	1,117	1,058	1,686	341
L	Moorabool	61	62	57	1,092	1,002	1,977	307
I	Moreland	65	63	61	977	951	1,580	247
O	Mornington Peninsula	67	64	64	805	782	1,356	265
S	Mount Alexander	59	61	56	858	810	2,110	219
L	Moyne	62	67	58	984	930	2,501	896
S	Murrindindi	62	63	59	1,030	892	2,221	577
O	Nillumbik				1,337	1,322	2,197	329
S	Northern Grampians	58	60	51	904	870	2,210	501
I	Port Phillip	69	69	64	1,091	953	1,879	301
S	Pyrenees	66	70	64	790	584	2,171	770
S	Queenscliffe	62	57	59	1,257	1,216	2,000	296
L	South Gippsland	56	59	54	1,082	921	1,827	358

Source Data 2006

RENEWAL	RENEWAL & MAINTENANCE	DEBTS	OPERATING RESULT	COMMENTS
Infrastructure renewal %	Infrastructure renewal & maintenance %	Liabilities per assessment \$	Operating result per assessment \$	Summary of comments provided by councils
51%	59%	699	667	No comment
70%	83%	1,011	41	No comment
80%	85%	479	31	No comment
54%	72%	441	1,176	No comment
69%	78%	934	164	No comment
63%	77%	756	133	No comment
25%	61%	967	136	No comment
71%	81%	440	200	No comment
52%	69%	692	271	No comment
46%	50%	1,275	410	*Community satisfaction results not included as the council did not participate in the statewide survey and consequently their individual results are not comparable. Capital expenditure on new assets of \$17 million mainly on the Maribyrnong Aquatic Centre and West Footscray Community Hub.
49%	62%	415	42	No comment
172%	161%	1,039	288	For better comparison to other Councils, the operating costs, capital expenditure, total liabilities and operating result used in these indicators only include the Council figures not the consolidated figures. Capital expenditure per assessment increased largely due to the expenditure on Council's accommodation building and additional expenditure related to the Commonwealth Games.
18%	40%	800	631	No comment
63%	82%	1,313	426	No comment
73%	85%	747	208	No comment
58%	77%	980	200	No comment
56%	70%	450	195	No comment
70%	79%	559	107	No comment
65%	79%	659	(220)	No comment
37%	45%	289	(88)	No comment
38%	69%	710	155	No comment
35%	55%	686	(89)	No comment
83%	89%	549	189	No comment
68%	81%	1,075	140	No comment
53%	70%	756	156	*Community satisfaction results not included as the council did not participate in the statewide survey and consequently their individual results are not comparable.
66%	79%	640	165	No comment
75%	90%	425	134	No comment
83%	89%	717	265	No comment
139%	142%	553	200	No comment
76%	91%	924	214	No comment

Source Data 2006

		OVERALL PERFORMANCE	ADVOCACY	ENGAGEMENT	ALL RATES	RESIDENTIAL RATES	OPERATING COSTS	CAPITAL EXPENDITURE
		Community satisfaction overall performance of council	Community satisfaction advocacy & community representation	Community satisfaction engagement in decision-making	Rates and charges per assessment \$	Residential rates and charges per assessment \$	Operating expenditure per assessment \$	Capital expenditure per assessment \$
L	Southern Grampians	62	69	59	939	712	2,531	1,742
I	Stonnington	70	67	62	1,028	996	1,702	407
S	Strathbogie	59	63	57	1,144	984	2,359	480
L	Surf Coast	60	62	58	1,187	1,117	1,827	517
R	Swan Hill	66	66	61	1,298	960	3,055	705
S	Towong	65	64	61	978	772	2,507	294
R	Wangaratta	67	65	61	1,080	922	2,414	831
R	Warrnambool	68	67	62	1,101	962	2,763	406
L	Wellington	61	62	57	900	723	1,777	525
S	West Wimmera	72	72	69	796	403	2,545	918
I	Whitehorse	74	67	67	770	723	1,780	388
O	Whittlesea	68	67	62	1,107	915	1,948	343
R	Wodonga	72	71	63	1,367	1,206	2,707	760
O	Wyndham	66	64	62	1,165	1,009	2,011	575
I	Yarra	67	64	60	1,329	1,025	2,193	446
O	Yarra Ranges	65	63	61	1,080	1,008	1,678	227
S	Yarriambiack	65	67	63	885	399	2,170	589
		Median	Median	Median	Median	Median	Median	Median
	Sector results	65	64	60	1,016	884	2,000	501
I	Inner metro	68	65	61	1028	951	1710	341
O	Outer metro	65	64	60	1059	908	1696	334
R	Regional cities	64	65	61	1101	892	2358	649
L	Large shires	62	62	58	1051	882	2024	596
S	Small shires	65	64	60	917	814	2215	550

Source Data 2006

RENEWAL	RENEWAL & MAINTENANCE	DEBTS	OPERATING RESULT	COMMENTS
Infrastructure renewal %	Infrastructure renewal & maintenance %	Liabilities per assessment \$	Operating result per assessment \$	Summary of comments provided by councils
70%	84%	1,052	202	No comment
93%	95%	552	135	No comment
58%	85%	1,151	140	No comment
28%	44%	889	430	No comment
60%	81%	1,205	95	No comment
51%	77%	369	57	No comment
28%	46%	1,374	353	No comment
55%	74%	941	106	No comment
39%	59%	611	(2)	No comment
93%	95%	444	243	No comment
95%	97%	354	116	No comment
75%	86%	647	1,565	No comment
44%	60%	2,494	444	<p>Revaluation of asset base resulted in an increase in AAAC.</p> <p>Rates & Charges per assessment - Council has focused its efforts in recent years in attracting commercial and industrial investment to the city to shift the rates burden from residential ratepayers. This has brought results with the establishment of new businesses significantly increasing the rates revenue from the commercial and industrial sector. As a result, the residential rates increases in recent year have been modest - this year the increase is 4.25 per cent, which is well below the state average.</p> <p>Liabilities per assessment - Council has undertaken borrowings to undertake significant projects which will benefit the community into the future . This has included the creation of the LOGIC distribution hub which at cost is valued (conservatively) at significantly more than the debt attributable to it . Significant employment has been created and revenue to Council is being received both in rate revenue and the proceeds of land sales and this will continue to occur into the future</p>
57%	75%	544	864	No comment
103%	103%	796	225	No comment
25%	65%	534	82	No comment
60%	75%	427	130	No comment
Median	Median	Median	Median	
58%	75%	698	194	
70%	79%	479	70	
43%	67%	673	482	
55%	74%	941	268	
65%	77%	889	200	
63%	78%	689	142	

Local Government Victoria
Department of Planning and Community Development
1 Spring Street
Melbourne Victoria 3000
Tel: 03 9208 3430
<http://www.localgovernment.vic.gov.au>

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