

# Local Government Statement of Secure Employment - 2025-26 Guidelines

## Introduction

The Victorian Government has introduced the Local Government Statement of Secure Employment with the aim to improve job security for local government employees by providing greater transparency of local government employment outcomes. Over time, this information will also assist individual councils, the local government sector, and the Victorian Government to make evidence-based decisions about any future programs or reforms designed to improve secure employment for local government workers.

It is recommended that councils read this guidance in conjunction with the *Local Government Better Practice Guide Report of Operations – Example 2025-26 Edition*, and that council prepare its Local Government Statement of Secure Employment as an addendum to the Report of Operations. While the Local Government Statement of Secure Employment is not subject to external audit by the Victorian Auditor-General's Office (VAGO), all efforts should be taken to follow these guidelines to ensure reporting is consistent and accurate.

This report should capture all individuals directly engaged by the council entity during the reporting period, including permanent, fixed-term and casual employees recorded in council payroll and HR systems. It also includes workers engaged through licensed labour hire agencies where the labour hire arrangement is contracted directly between the agency and the council. The report excludes individuals employed by external organisations, subsidiaries, contractors or service providers that operate council-funded services but are not employed or directly engaged by the council (for example, staff of outsourced early years services or contracted facilities management providers).

In line with the principles-based approach of the *Local Government Act 2020*, this document has been prepared as a generalist guide. However, in recognition that 2025-26 is the first year in which this reporting has been requested, a model Local Government Statement of Secure Employment, including example reporting, has been prepared to support councils to prepare their reports. As this is the first year of reporting, a year-on-year comparison has not been included in the 2025–26 reporting template; however, it should be noted that providing data for the prior financial year will be a requirement in future reports.

Councils are encouraged to participate in the preparation of a voluntary Local Government Statement of Secure Employment in 2025-26.

## Definitions

**Apprentice** – A paid council employee engaged under a registered training contract to complete an approved apprenticeship leading to a recognised trade qualification (for example, carpentry, plumbing or horticulture).

**Casual Employee** – For the purpose of this report, a casual employee refers to a person who is directly employed by the council; however, when starting employment, has no firm advance commitment to ongoing work and is entitled to a casual loading or specific casual pay rate under the relevant industrial instrument, typically a collective agreement.

**Consultant** – An independent individual or organisation engaged under a commercial contract to provide specialist expertise, professional advice, or project-based services to council. Consultants operate as external service providers, maintain their own business responsibilities (including insurance and taxation), and are not subject to council's employment conditions or HR frameworks. Their engagement is time-limited, outcome-focused and governed by a contract for services rather than an employment relationship.

**Contracted Services** – Ongoing or periodic operational services delivered to council by a contractor or external provider under a commercial agreement (for example, maintenance, waste collection or security services). These services are delivered under a contract for services rather than through an employment relationship.

**Contractor** – An individual or company engaged by council under a contract for services to deliver defined works or operational services. Contractors typically provide trade-based, technical or service delivery functions rather than advisory or professional expertise and are responsible for delivering agreed outputs in accordance with contractual terms (examples include traffic management, civil works contractors and security services). Contractors operate as independent businesses and are not engaged under an employment relationship with council.

**Expenditure** – Refers to the total actual costs incurred by council in relation to its workforce. For this reporting purpose, it includes base salary and wages of employees including allowances, loadings and any other payments or allowances, council Superannuation contributions, leave entitlements (annual leave, long service leave, parental leave, etc), training and professional development costs, professional indemnity insurance and payroll tax.

**Financial Year** – Refers to the financial year (1 July to 30 June) for which the report is being prepared. This aligns with the requirements for councils in preparing their Annual Reports under the *Local Government Act 2020 (Vic)*.

**Fixed-Term Employee** – A person who is employed under a contract that terminates at the end of a specified period (for example, the contract ends on a set date, or after a set period of time or season).

**Full-Time Equivalent (FTE)** – A standardised measure that converts the part-time hours into full-time roles. To calculate, divide each employee's contracted weekly hours by the council's standard full-time weekly hours.

**Headcount** – The total number of individual employees regardless of whether they work full-time, part-time or are engaged in non-permanent or third-party employment arrangements. To calculate headcount, count every individual employee who is active during the reporting period.

**Labour Hire** – Refers to workers who are employed by a licensed labour hire agency. The agency then hires the worker out to council to perform tasks under the direction and supervision of the council. The worker has an employment contract with the agency, not with the council. Labour hire workers can work full time, part time or on a day hire basis. Council acts as a host, with corresponding obligations to the worker, for instance, workplace health, safety and wellbeing.

**Other Employees** – Refers to individuals engaged by the council who are not Permanent Employees, including fixed-term employees, casual employees and labour hire workers engaged through a labour hire arrangement. This definition excludes apprentices and trainees, contractors, and consultants.

**Permanent Employee** – A person engaged under an ongoing (no end date) contract, whether full-time or part-time, with guaranteed hours, entitlements such as paid leave. Under this arrangement, the contract continues until terminated by resignation, dismissal or redundancy.

**Professional Services** – Specialised, knowledge-based advisory or technical services procured by council that require formal qualifications, accreditation or recognised professional expertise (for example, legal, engineering, planning, audit or architectural services). Professional services are typically delivered by consultants or other appropriately qualified external providers under a commercial contract.

**Trainee** – A paid council employee engaged under a registered training contract to complete an approved traineeship leading to a recognised vocational qualification, typically in a non-trade field (for example, administration, information technology or community services).

## Metric Calculation Methodology

This section outlines the recommended methodology for calculating each reporting metric. It provides councils with clear guidance on how to determine results in line with the reporting framework. Councils may adapt these approaches where operational, system, or data constraints exist, provided that the underlying principles and intent of the methodology are maintained and deviations are documented.

### *Permanent Employees*

**Total headcount of council employees engaged on a permanent basis at the end of the financial year**

**Headcount of permanent employees** = Total full-time permanent employees + Total part-time permanent employees.

**Total FTE of council employees engaged on a permanent basis at the end of the financial year**

**FTE number of permanent employees** = Total full-time permanent employee FTE + Total part-time permanent employee FTE.

**To calculate FTE** = Total ordinary hours worked by permanent employees ÷ Council's standard full-time weekly hours.

**Total expenditure on council permanent employees for the financial year**

**Total expenditure on permanent employees** = Total expenditure on full-time permanent employees (\$) + Total expenditure on part-time permanent employees (\$).

### *Fixed-Term Employees*

**Total headcount of council employees engaged on a fixed-term basis at the end of the financial year**

**Headcount of fixed-term employees** = Total full-time fixed-term employees + Total part-time fixed-term employees.

**Total FTE of council employees engaged on a fixed-term basis at the end of the financial year**

**FTE number of fixed-term employees** = Total full-time fixed-term employee FTE + Total part-time fixed-term employee FTE.

**To calculate FTE** = Total ordinary hours worked by fixed-term employees ÷ Council's standard full-time weekly hours.

**% of fixed-term employee headcount to the total of Permanent Employees and Other Employees at the end of the financial year**

**% of employees on fixed-term contracts** = Headcount of fixed-term employees ÷ Total headcount of permanent employees and other employees X 100

**Total number of fixed-term roles converted to ongoing employment for the financial year**

**Number of fixed-term roles converted** = Total number of fixed-term council roles that were formally converted to ongoing (permanent) roles during the reporting period.

**Note:** A role is considered converted where the position itself is formally reclassified from fixed-term to ongoing status. Excludes employees who independently secure separate ongoing roles.

### **Casual Employees**

#### **Total headcount of direct-hire casual employees at the end of the financial year**

**Headcount of casual employees** = Total number of casual employees actively employed by council at the end of the financial year.

#### **Total FTE of direct-hire casual employees at the end of the financial year**

**FTE number of casual employees** = Total ordinary weekly hours of all casual employees actively employed at the end of the reporting period ÷ Council's standard full-time weekly hours.

#### **Total expenditure on direct-hire casual employees for the financial year**

**Total expenditure on casual employees** = Total expenditure on direct-hire casual employees, including associated on-costs, during the reporting period (\$).

### **Labour Hire**

#### **Total headcount engaged by council through labour hire arrangements of less than 90 days for the financial year**

**Headcount of labour hire engagements (<90 days)** = Count of labour hire engagements during the financial year where the contracted term of the arrangement is less than 90 days.

**Note:** Where the same individual is engaged under multiple separate labour hire arrangements during the financial year, each engagement is counted separately.

#### **Total headcount engaged by council through labour hire arrangements of 90 days or more for the financial year**

**Headcount of labour hire engagements (>90 days)** = Count of labour hire engagements during the financial year where the contracted term of the arrangement is 90 days or more.

**Note:** Where the same individual is engaged under multiple separate labour hire arrangements during the financial year, each engagement is counted separately.

#### **Total expenditure, for the financial year, on workers engaged by council through a labour hire arrangement of less than 90 days**

**Total expenditure on labour hire (<90 days)** = Total amount paid during the financial year where the contracted term of the arrangement is less than 90 days, including labour costs and associated agency fees (\$).

#### **Total expenditure, for the financial year, on workers engaged by council through a labour hire arrangement for 90 days or more**

**Total expenditure on labour hire (>90 days)** = Total amount paid during the financial year where the contracted term of the arrangement is 90 days or more, including labour costs and associated agency fees (\$).

#### **Top 5 functions or departments, based on total expenditure, which utilise labour hire**

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### To calculate the top 5 functions or departments =

1. Obtain the total labour hire expenditure for each council function or department (whichever applies)
2. Rank functions/departments in descending order based on total spend
3. Select the top five functions/departments.

### Ratio between Permanent and Other Employees

**Ratio between council's Permanent Employee headcount and total Other Employees (fixed-term, labour hire and casual)**

**Ratio between Permanent and Other Employees** = Total Permanent Employee headcount at the end of the financial year ÷ Total Other Employees headcount at the end of the financial year.

**Ratio between total expenditure on council's Permanent Employees and total Other Employees (fixed-term, casual and labour hire)**

**Ratio between expenditure on Permanent and Other Employees** = Total expenditure on Permanent Employees for the financial year (\$) ÷ Total expenditure on Other Employees for the financial year (\$).

### Apprentices and Trainees

**Total headcount of new apprentices and trainees engaged for the financial year**

**New apprentices and trainees engaged** = Total number of apprentices engaged during the financial year + Total number of trainees engaged during the financial year.

**Number of apprenticeships and traineeships completed with council for the financial year**

**Number of completions** = Total number of apprenticeships completed with council during the financial year + Total number of traineeships completed with council during the financial year.

**Note:** Include all completions regardless of whether the apprentice or trainee continued employment with council after graduation.

**Top 5 occupation streams for apprenticeships and traineeships completed for the financial year**

**To calculate the top 5 occupation streams =**

1. Obtain the total apprenticeships and traineeships completed across all occupation streams
2. Rank occupation streams in descending order based on number of completions
3. Select the top five occupation streams.

**Number of council employees who completed an apprenticeship or traineeship at the council within the preceding 5 years**

**Number of employee completions within the past 5 years** = Count of council employees with an apprenticeship completion date within the five years immediately preceding the end of the financial year + Count of council employees with a traineeship completion date within the five years immediately preceding the end of the financial year.

**Note:** Only include completions undertaken at the same council that currently employs the individual.

### Consultants and Contractors

**Total expenditure on consultants for the financial year**

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**Total spend on consultants** = Total payments made to all individual consultants (\$) + Total payments made to all consultancy firms (\$) that have been paid during the financial year.

**Note:** For long-term contracts, include only the amounts invoiced and paid during the financial year.

#### **Description of professional services procured**

**Professional services procured (# engagements)** = Legal Services (#) + Audit and assurance services (#) + Strategic and policy consultancy (#) + Financial and accounting advisory (#) + Human resources and recruitment consultancy (#) + IT and digital advisory (#) + Engineering services (excluding operational delivery) (#) + Environmental health services (#) + Other specialist professional services (#).

**Note:** These are examples of professional services procured by councils and are not exhaustive. Councils should include all externally procured professional service engagements, including those not listed above.

#### **Total expenditure on contractors for the financial year**

**Total expenditure on contractors** = Total payments made to all individual contractors (\$) + Total payments made to all contractor companies (\$) for services delivered under a contract for services during the financial year.

**Note:** For long-term contracts, include only the amounts invoiced and paid during the financial year. Exclude any internal staff costs or services classified as professional services.

#### **Description of contracted services procured**

**Total contracted services procured (# contracts)** = Waste collection services (#) + Maintenance services (#) + Traffic management services (#) + Security services (#) + Cleaning services (#) + Horticulture/landscaping services (#) + Other contracted operational services (#).

**Note:** These are examples of contracted services procured by councils and are not exhaustive. Councils should include all externally procured contracted services, including those not listed above, that were delivered under a commercial contract.

## Example report

# Local Government Statement of Secure Employment

[Insert Council Name] is an employer in the municipality.

[Insert Council Name] is committed to providing a safe and secure work environment for its employees.

The following information is provided on [Insert Council Name]'s secure employment indicators for the 2025-26 financial year. It may be read in conjunction with Section 4 in the Report of Operations component of the Annual Report that reports on the human resources of [Insert Council Name].

Indicator	2025-26	Council Comment
<b>Permanent Employees</b>		
Total headcount of council employees engaged on a permanent basis at the end of the financial year	832	
Total FTE of council employees engaged on a permanent basis at the end of the financial year	512.7	
Total expenditure on council permanent employees for the financial year	\$52.36m	
<b>Other Employees</b>		
<b>Fixed-Term Employees</b>		
Total headcount of council employees engaged on a fixed-term basis at the end of the financial year	41	
Total FTE of council employees engaged on a fixed-term basis at the end of the financial year	32	
% of fixed-term employee headcount to the total of Permanent Employees and Other Employees at the end of the financial year	2.3%	
Total number of fixed-term roles converted to ongoing employment for the financial year	5	
<b>Casual Employees</b>		

Total headcount of direct-hire casual employees at the end of the reporting period	75	Council employs casual staff to provide operational flexibility across customer service, libraries, parks and events. Casual employees allow council to respond to seasonal peaks, absences and special events while maintaining service delivery.
Total FTE of direct-hire casual employees at the end of the reporting period	35	
Total expenditure on direct-hire casual employees within the reporting period	\$3.12m	
<b>Labour Hire</b>		
Total headcount engaged by council through labour hire arrangements of less than 90 days for the financial year	9	Labour hire engagements as a total (12 FTE) represents approximately 2.3% of the council's permanent workforce, reflecting a measured and targeted use of temporary resources.
Total headcount engaged by council through labour hire arrangements of 90 days or more for the financial year	3	
Total expenditure, for the financial year, on workers engaged by council through a labour hire arrangement of less than 90 days	\$706,521	
Total expenditure, for the financial year, on workers engaged by council through a labour hire arrangement for 90 days or more	\$621,954	
Top 5 functions or departments, based on total expenditure, which utilise labour hire	<ol style="list-style-type: none"> <li>1. Waste &amp; resource recovery</li> <li>2. Major projects / infrastructure delivery</li> <li>3. Community events &amp; festivals</li> <li>4. Customer service centres</li> <li>5. Parks &amp; gardens</li> </ol>	<p>Short-term labour hire is utilised to maintain service continuity during peak demand periods and to manage temporary staff absences. This approach enables council to respond flexibly to operational pressures, including event delivery and seasonal service peaks.</p> <p>Longer term labour hire engagements are typically associated with major projects or specialist skill requirements, reflecting labour market constraints and the need for time-limited expertise.</p>

### Ratio between Permanent and Other Employees

Ratio between council's Permanent Employee headcount and total Other Employees (fixed-term, labour hire and casual)	6.5 : 1	Permanent: 832 Other employees: 128 <ul style="list-style-type: none"> <li>• Fixed-term: 41</li> <li>• Casual: 75</li> <li>• Labour hire: 12</li> </ul>
Ratio between total expenditure on council's Permanent Employees and total Other Employees (fixed-term, labour hire and casual)	6.8 : 1	Permanent employees: \$52.36m Other employees \$7.719m
<b>Apprentices and Trainees</b>		
Total headcount of new apprentices and trainees engaged within the reporting period	18	
Number of apprenticeships and traineeships completed with council within the reporting period	15	
Top 5 occupation streams for apprenticeships and traineeships completed within the reporting period	<ol style="list-style-type: none"> <li>1. Parks and gardens / horticulture</li> <li>2. Waste management / infrastructure</li> <li>3. Early childhood education</li> <li>4. Civil / construction trades</li> <li>5. Business administration / local government administration</li> </ol>	
Number of council employees who completed an apprenticeship or traineeship at the council within the preceding 5 years	62	Includes the 15 graduates who completed their training this reporting year plus those from previous years.
<b>Consultants and Contractors</b>		
Total actual expenditure on consultants within the reporting period	\$12.43m	
Description of professional services procured	Legal, policy consultancy, accounting, and engineering services	
Total actual expenditure on contractors procured within the reporting period	Waste collection, traffic management, security, and cleaning	

Description of contracted services procured	\$21.66m
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**Additional Council Comments (if required)**