

Local Government Better Practice Guide

Report of Operations 2019-20



Local Government Victoria, February 2020

Author

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Acknowledgment

We acknowledge and respect Victorian Traditional Owners as the original custodians of Victoria's land and waters, their unique ability to care for Country and deep spiritual connection to it. We honour Elders past and present whose knowledge and wisdom has ensured the continuation of culture and traditional practices.

We are committed to genuinely partner, and meaningfully engage, with Victoria's Traditional Owners and Aboriginal communities to support the protection of Country, the maintenance of spiritual and cultural practices and their broader aspirations in the 21st century and beyond.



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Acronyms and Abbreviations

AAS	Australian Accounting Standards
CEO	Chief Executive Officer
EMT	Executive Management Team
LGV	Local Government Victoria
VAGO	Victorian Auditor-General's Office
VCAT	Victorian Civil and Administrative Tribunal

Introduction

Local government in Victoria manages approximately \$103.3 billion¹ of community assets and infrastructure and spends around \$9 billion² on the provision of services annually. Local government, in partnership with other levels of government, is responsible for aspects of everyday life that people care about deeply – from vibrant and safe public spaces, to accessible libraries, to strong local business and employment opportunities. Effective planning and reporting by councils is essential for ensuring transparency and accountability to the community and other levels of government as to how public money is being spent and the quality of services delivered.

The Local Government Act 1989

The *Local Government Act 1989* (the Act) states the primary objective of a council is to endeavour to achieve the best outcomes for the local community having regard to the long-term and cumulative effects of decisions.³ The Act sets out local government in Victoria:

- is a distinct and essential tier of government,⁴ and
- must provide governance and leadership for the local community through advocacy, decision making and action.⁵

The Act also states it is essential there is a legislative framework that provides for councils to be accountable to their local communities in the performance of functions and the exercise of powers and the use of resources.⁶

It is a statutory requirement under the Act that councils prepare and report on medium and short-term plans to discharge their duties of accountability and transparency to their communities.

1. Victorian Auditor-General's Office (2019), Results of 2018-19 Audits: Local Government
2. Victorian Auditor-General's Office (2019), Results of 2018-19 Audits: Local Government
3. Section 3C(1) of the Local Government Act 1989

4. Section 1(1) of the Local Government Act 1989
5. Section 1(4) of the Local Government Act 1989
6. Section 1(5) of the Local Government Act 1989

About this guide

Councils are required to prepare an annual report in respect of each financial year consisting of three parts:

- **Report of operations:** information about the operations of the council
- **Performance statement:** audited results achieved against the prescribed performance indicators and measures
- **Financial statements:** audited financial statements prepared in accordance with the Australian Accounting Standards.

This guide has been developed to help local government in meeting the statutory requirements relating to the preparation of report of operations. Guidance on the preparation of the audited performance statement and audited financial statements can be found at the Local Government website <https://www.localgovernment.vic.gov.au/council-innovation-and-performance/sector-guidance-planning-and-reporting>. The guide is presented in four sections.

1. **Planning and accountability framework** provides an overview of the relationship between the key planning and reporting documents
2. **Report of operations (overview)** provides an overview of the statutory requirements and best practice guidance for preparing a report of operations
3. **Report of operations (guidance)** provides detailed guidance on the preparation of a report of operations, including guidance on the quality and integrity of information and the inclusion of information required by other legislation applicable to local government
4. **Report of operations (full model)** provides a model report of operations for inclusion in the annual report that complies with the Act and Local Government (Planning and Reporting) Regulations 2014 (the regulations)

This guide is intended for use by specialists in the field of local government planning and reporting. It will also be instructive for senior officers including chief executive officers (CEOs) and councillors. Each council retains the responsibility for preparing their report of operations, including the format and the disclosures made. This guide represents the required presentation of LGV.

Within this guide there are references to related information and further guidance. A full list of resources can be found in the reference section. Footnotes are used to reference legislative provisions and other information. Illustrative information and examples are provided in tables and boxed text.

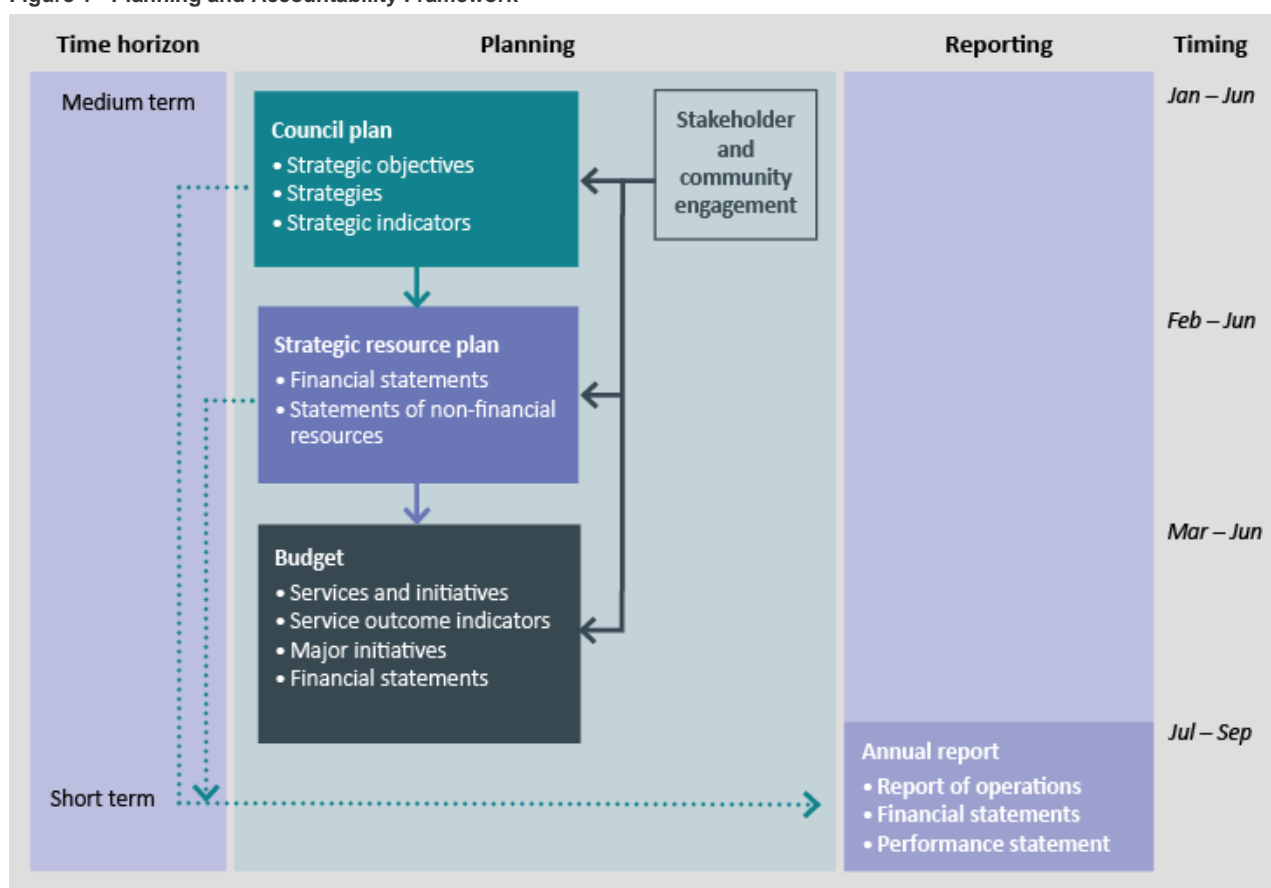
1. Planning and Accountability Framework

The planning and accountability framework is found in part 6 of the Act and in the Local Government (Planning and Reporting) Regulations 2014 (the regulations). The legislation requires councils to prepare the following documents:

- a council plan within the period of six months after each general election or by 30 June, whichever is later,⁷
- a strategic resource plan for a period of at least four years and include this in the council plan,⁸
- a budget for each financial year,⁹ and
- an annual report in respect of each financial year.¹⁰

The following diagram shows the relationships between the key planning and reporting documents that make up the planning and accountability framework for local government. It also shows that there are opportunities for community and stakeholder input and feedback at each stage of the planning and reporting cycle.

Figure 1 - Planning and Accountability Framework



7. Section 125 of the *Local Government Act 1989*

8. Section 126 of the *Local Government Act 1989*

9. Section 127 of the *Local Government Act 1989*

10. Section 131 of the *Local Government Act 1989*

2. Report of Operations (Overview)

Statutory requirements

“The Act requires a council’s annual report to contain a report of operations.”

Sections 131 and 133 of the Act state that:

- the report of operations must contain a statement of progress in relation to the major initiatives identified in the budget, the results of council’s assessment against the governance and management checklist, service performance indicator results and general information on the activities of the council¹¹
- the annual report must be submitted to the Minister for Local Government within three months of the end of each financial year (30 September).¹²

In addition to sections 131 and 133 of the Act, councils should review part four of the regulations for further information required in the performance statement.

Checklist

The report of operations must include:

- ☒ a statement of progress in relation to the major initiatives identified in the budget
- ☒ the results in the prescribed form of council’s assessment against the governance and management checklist
- ☒ the indicators, measures and results of the prescribed service performance indicators and measures.

Better practice guidance

The report of operations is a key section of the annual report whereby council makes itself accountable to the community and contains information about the performance of the council for the financial year.

In 2012, the then Victorian Auditor-General’s Office (VAGO) recommended that all councils should critically review the performance information in their annual reports to ensure it is relevant, balanced, appropriate and clearly aligned with their council plan strategic objectives to ensure performance reporting is meaningful to the community.¹³ In response, the Victorian Government introduced a mandatory system of performance reporting (Local Government Performance Reporting Framework – LGPRF) in 2014-15 which prescribes performance information to be included in council annual reports. Further guidance to assist councils report against the prescribed performance indicators and measures can be found in the *Local Government Performance Reporting Framework Indicator Workbook*.

While councils have flexibility in deciding what should be included in the report of operations, to comply with the statutory requirements it must include:

- a statement of progress in relation to the major initiatives identified in the budget
- the results of council’s assessment against the governance and management checklist

11. Section 131(3) of the Local Government Act 1989

12. Section 133(1) of the Local Government Act 1989

13. Victorian Auditor-General’s Office (2012), Performance Reporting by Local Government

- the results against the prescribed service performance indicators and measures for the financial year and three preceding years along with an explanation of material variances¹⁴
- a statement which reviews the performance of the council against the council plan including outcomes in relation to the strategic indicators in the council plan
- economic or other factors which have had an impact on the council's performance
- major capital works expenditure
- major changes which have taken place during the financial year and the reasons for those changes
- other major achievements
- the services funded in the budget and the persons or sections of the community who are provided the services
- a list of contracts entered into with a value of \$150,000 or more for goods or services, or \$200,000 or more for works without engaging in a competitive process
- information about the councillors, senior management, organisational structure and contact details
- details of current allowances fixed for the mayor and councillors
- details of the expenses including reimbursements of expenses for each councillor and member of a council committee paid by the council
- a list of any special committees established by the council including their purpose
- a summary of the number, gender and employment classification of council staff including details of any equal opportunity program
- a list of any prescribed documents to be made available for public inspection and where they can be inspected or copies obtained.¹⁵

Additional service performance indicators can be included by councils in the report of operations, but they should be consistent with the performance reporting framework.

Councils are also required to disclose other performance related information in the performance statement in the annual report including the prescribed indicators and measures of service performance outcome, financial performance and sustainable capacity and the results for each indicator.¹⁶

The performance information in the report of operations along with that in the performance statement should form part of an overall performance reporting framework with quarterly reporting of performance results to senior management, the audit committee and councillors. Taking an integrated approach to performance reporting can assist councils understand how well their organisations are performing in meeting the needs of their communities as well as achieving the strategic objectives in their council plan.

For further information refer to:

- Department of Environment, Land, Water and Planning (2020), *Local Government Better Practice Guide Performance Reporting Framework Indicator Workbook*, State of Victoria

14. Regulation 13 of the Local Government (Planning and Reporting) Regulations 2014

15. Regulation 14 of the Local Government (Planning and Reporting) Regulations 2014

16. Section 131(4) of the Local Government Act 1989

3. Report of operations (guidance)

Quality and integrity of information

Internal control environment

All performance information reported by a council to the community, ratepayers and other stakeholders should be subjected to a robust review to ensure the factual accuracy and integrity of the information. Internal control environment in this context refers to:

- a council's tone and attitude towards transparent performance reporting
- the level of commitment to high quality internal and external reporting
- the policies, procedures and quality assurance protocols implemented to provide reasonable assurance regarding the accuracy of performance measures reported
- the level of oversight by a council's Executive Management Team (EMT), audit committee and the councillors themselves.

In plain language, what the organisation does to provide councillors with assurance about the performance information the council reports to the community.

Councillors take ultimate responsibility for the performance of a council and are accountable to the ratepayers and community of the municipality. As councillors are not involved in the day-to-day operations of the council, they rely on the organisation's policies, procedures and quality assurance protocols to provide assurance about the information reported to them and that they in turn report to the community and other stakeholders.

Performance reporting by a council in the annual report, whether it is in the report of operations or the performance statement, can often be more readily understood by members of the community than the financial reports. While councils have an extensive and mature environment in place to provide assurance around financial performance information, the environment for reporting non-financial performance information about services and outcomes has not historically been as developed.

Policy

To support the need to have a strong internal control environment around performance reporting, a council should adopt a performance reporting policy providing an overview of a council's attitude and commitment to performance reporting. Suggested content for a performance reporting policy is outlined below.

A performance reporting policy should include:

- ☑ the council's objectives in reporting performance (i.e. is it a compliance exercise, or does council seek internal focus and motivation from performance reporting?)
- ☑ identification of the council's stakeholders (i.e. does compliance with the regulations through the annual report disclosures meet stakeholders' information requirements?)
- ☑ the protocols for the dissemination of performance information by the council in circumstances other than formal published performance reports (i.e. are performance measures reported to the audit committee and councillors throughout the year and how rigorous is the process of verifying the performance measures reported?)
- ☑ whether the council considers the prescribed indicators of service performance, financial performance and sustainable capacity to be a relevant, appropriate and comprehensive set of indicators of the council's performance against its stated strategic objectives (i.e. has

council identified a need to provide additional information, indicators and measures to communicate performance?)

- ☑ the level of assurance that the CEO and principal accounting officer require to enable them to certify the performance statement (i.e. is the assurance provided by a direct review of the supporting evidence by the CEO and principal accounting officer or is assurance provided by the responsible directors for each relevant service area?)
- ☑ the role of the audit committee in advising the council of the adequacy of the council's performance reporting to external stakeholders
- ☑ the level of assurance the councillors require to enable adoption of the performance statement.

Procedures

The council should also document the procedures involved in preparing performance reporting information to build and retain the organisation's knowledge. Formalised procedures can provide efficiency and enhance planning to ensure timeframes are met where performance reporting is prepared infrequently throughout the year or in circumstances of staff transition. Standardised procedures for performance reporting can also enhance consistency of the information reporting, particularly where the measures are reported across a time span of several years. Suggested content for performance reporting procedures is outlined below.

Performance reporting procedures should include:

- ☑ specific sources of data for each indicator (i.e. software, report name, report fields selected, any filters applied and supported with screen captures or hard copy examples)
- ☑ contact details for relevant personnel both internally and where data is provided to the council by third parties (e.g. Department of Health or operators of outsourced services)
- ☑ nomination of officers responsible for the collation and verification of data collected
- ☑ the frequency at which data needs to be collected (i.e. daily, weekly, monthly, quarterly or annually) and the lead time on collecting the data
- ☑ identification of other controls that may exist in the collection and verification of indicator data to ensure it is complete and accurate (e.g. is the data monitored on a regular basis to identify unusual or unexplained variances?)
- ☑ nomination of the council officer responsible for ensuring performance reporting data is centrally collated in time for:
 - internal reporting
 - preparation of the performance statement
 - audit of the performance statement

- ☑ the timing and frequency with which performance indicators and measures are reviewed by the EMT
- ☑ the actions to be taken by the audit committee when reviewing the draft performance statement
- ☑ the format of any formal statements provided by responsible officers to the CEO, principal accounting officer and councillors.

Third party information

Some of the prescribed indicators require the collection of supporting data from sources external to the council. These include:

- annual community satisfaction survey results from LGV
- municipal population and socio-economic disadvantage data from the Australian Bureau of Statistics
- statutory planning results from the Planning Permit Activity Reporting System (PPARS)
- maternal and child health results from the Child Development Information System (CDIS)
- notice of decisions from VCAT hearings.

The planning process for the preparation of performance reporting should separately identify data required from external sources and the reporting timetable and data format requirements should be communicated to the third party data providers to ensure the council receives the correct data at the required time.

The format and content of the data received from third parties should be sufficiently robust to support the level of assurance required by councillors, the CEO and the principal accounting officer in certifying the performance statement. As a number of the indicators will be subject to audit, council officers should request supporting evidence at a level that enables a critical review and assessment of the reliability of the data provided. For example, an email advising a numeric input for a measure's numerator or denominator does not provide the same level of assurance as a copy of the source report from that third party's operational software.

It is not uncommon for a council to outsource the operation of some service areas such as the operation of swimming pools or the kerbside garbage and recycling collections. While a council can outsource some day-to-day operational activities, it still retains responsibility for the oversight of the provision of the service to the community and ultimate risk in the management of facilities and operations.

Councils may need to review and revise service level agreements with contracted service providers to ensure the data required for performance reporting is provided within the council's required timeframe.

Operational control

In some instances, a council that has outsourced the provision of services or transferred the functional operation of facilities through formalised contracts, leases or funding agreements may believe that it no longer has operational control of the service. If a council does not believe it has operational control of one of the prescribed services and does not collect data to facilitate performance reporting, it will need to obtain and document an understanding of the background of the original outsourcing decision and why it does not believe it can influence the outcome of the service delivered. Suggested tests for determining operational control of a service are outlined below.

Tests for operational control of a service:

1. If the service is asset dependent such as in the case of a pool then the first test will be whether all the risks and rewards associated with owning the asset have been transferred away from the council (e.g. this could be done through a lease agreement)
2. The second test relates to whether the council has significant influence over the service outcomes (i.e. does the council have the capacity [ability or power] to substantially affect the outcomes of the service. For example, this might be the case if, despite the council making a financial contribution, decisions over the service outcomes rest with the funding agency).

In many instances a council retains a sufficient level of responsibility and obligation under the formal agreement that would suggest the service is still ultimately under the control of council.

Audit committee

The audit committee is an advisory committee to the council and its membership is usually a combination of councillors and independent advisors. This provides a balance between in-depth understanding of the council's strategic objectives and operations and the independence required to challenge the information presented to the council for consideration. The audit committee should review the service performance indicators and other performance information disclosures in the draft report of operations and consider the results in the context of any interim reports received throughout the year as well as challenge any unusual or unexpected results. The audit committee's review should include an assessment of the materiality thresholds applied for each service performance indicator and the resulting explanations of material variations to ensure the explanations are adequate and consistent with their understanding of the council's performance. It should also review the report of operations as part of the internal control environment to ensure that it is consistent with the audited financial statements and performance statement.

The audit committee's assessment of the quality of the assurance provided to support the performance information will be enhanced if the audit committee receives reports on the service performance indicators and other performance information on at least a quarterly basis throughout the year enabling the members to establish a level of normalised and expected results. The audit committee's charter should include its roles and responsibilities in regard to the council's reporting of performance as part of an overall performance reporting framework.

Events after year end

Occasionally an event will occur after the end of the reporting year that could impact on the manner in which the performance indicators and measures are reported or interpreted (e.g. a particular service provided by the council could cease after 30 June).

The council's framework for performance reporting should include procedures to ensure any events that occur after year end that could impact on the results are identified and brought to the attention of the council, CEO and principal accounting officer prior to adoption of the annual report.

A mechanism for this procedure could be to seek a formal certification from each of the responsible managers/directors dated as close as possible to the date of certification.

Roles and responsibilities

In order to meet the reporting timelines for preparation of the report of operations a council should formally allocate roles and responsibilities across the council. The following table provides a summary of the

responsibilities for each of the key parties in regard to the following performance information disclosed in the report of operations in the annual report:

- governance and management checklist¹⁷
- prescribed indicators and measures of service performance and the results achieved¹⁸
- a statement that reviews the performance of the council against the council plan including results achieved in relation to the strategic indicators included in the council plan.¹⁹

Role	Responsibilities
Service area officer	<ul style="list-style-type: none"> ▪ extract /collate data to calculate results ▪ request and obtain data from third parties (if applicable) ▪ critically review data to ensure the data is accurate and complete ▪ provide supporting evidence in preparation for management review
Service area manager/director	<ul style="list-style-type: none"> ▪ review results ▪ review the supporting source data to verify the calculation of the results ▪ investigate unusual or unexpected results ▪ monitor negative or unanticipated trends and recommend options for an appropriate response ▪ provide explanations for material variations ▪ provide assurance representations to EMT as to the accuracy and completeness of the results and the adequacy of the supporting source data
Performance reporting officer²⁰	<ul style="list-style-type: none"> ▪ prepare the performance reporting workplan and timetable ▪ communicate requirements to responsible service areas ▪ collate quarterly and final results to be reported ▪ provide quarterly performance reports to the EMT, audit committee and Council ▪ prepare the governance and management checklist, service performance indicators and other performance information disclosures for review
Executive Management Team (EMT)	<ul style="list-style-type: none"> ▪ receive and consider quarterly performance reports ▪ consider recommendations for intervention where unfavourable or unanticipated trends are identified ▪ review the draft governance and management checklist, service performance indicators and other performance information disclosures and consider the results in the context of the quarterly reports received throughout the year ▪ identify material variations at the council level for explanation (i.e. in the context of the council's priorities) ▪ review the assurance representations provided by service area managers/directors ▪ provide a recommendation to the CEO and principal accounting officer
Chief Executive Officer (CEO)	<ul style="list-style-type: none"> ▪ review and approve the draft governance and management checklist ▪ review the materiality levels adopted in identifying the variations requiring explanations for the service performance indicators ▪ review and approve the draft explanations for material variations for the service performance indicators ▪ review the recommendation provided by EMT for the draft service performance indicators and other performance information disclosures ▪ provide a recommendation to the audit committee ▪ provide a recommendation to the council ▪ certify the governance and management checklist
Audit committee	<ul style="list-style-type: none"> ▪ receive and consider quarterly performance reports ▪ review the draft governance and management checklist, service performance indicator and other performance information disclosures and consider the results in the context of the quarterly reports received throughout the year challenging any unusual or unexpected results

17. Section 131(3)(ii) of the Local Government Act 1989

18. Section 131(3)(iii) and (iv) of the Local Government Act 1989

19. Regulation 14(2)(a) of the Local Government (Planning and Reporting) Regulations 2014

20. The officer responsible for centrally collating the performance reporting data

	<ul style="list-style-type: none"> enquire as to the internal control framework and level of assurance received around the accuracy and completeness of the information reported review the report of operations to ensure that it is consistent with the audited financial statements and performance statement review the recommendation provided by the CEO for the draft governance and management checklist, service performance indicators and other performance information disclosures
Council	<ul style="list-style-type: none"> receive and consider quarterly performance reports have the mayor certify the governance and management checklist submit the annual report to the Minister consider the annual report at a meeting of the council.

In addition to the above key parties, it is recommended that councils establish a performance reporting team to improve the coordination and integration of the performance reporting process. The team should be made up of the performance reporting officer, service area officers and principle accounting officer.

Each of the parties in the above table also has similar responsibilities in regard to performance information disclosed in the performance statement in the annual report including the prescribed indicators and measures of service performance outcome, financial performance and sustainable capacity and the results for each indicator²¹

For further information refer to:

- Department of Environment, Land, Water and Planning (2020), *Local Government Better Practice Guide Performance Statement*, State of Victoria

Preparation of the report of operations

Form and content

The Act requires a council to include a report of operations in its annual report. While the format of the report of operations is not prescribed, the Act and regulations require the report of operations to contain:

- a statement of progress in relation to the major initiatives identified in the budget
- the results of council's assessment against the governance and management checklist
- the results against the prescribed service performance indicators and measures for the financial year and three preceding years along with an explanation of material variances²²
- a statement which reviews the performance of the council against the council plan including outcomes in relation to the strategic indicators in the council plan
- economic or other factors which have had an impact on the council's performance
- major capital works expenditure
- major changes which have taken place during the financial year and the reasons for those changes
- other major achievements
- the services funded in the budget and the persons or sections of the community who are provided the services
- information about the councillors, senior management, organisational structure and contact details
- a summary of the number, gender and employment classification of council staff including details of any equal opportunity program.²³

Materiality

The regulations require the report of operations to contain an explanation of any material variations in the results against the prescribed service performance indicators and measures. Materiality, in the context of

21. Section 131(4) of the Local Government Act 1989

22. Regulation 13 of the Local Government (Planning and Reporting) Regulations 2014

23. Regulation 14 of the Local Government (Planning and Reporting) Regulations 2014

performance reporting is the threshold at which omission or misstatement of information could influence the decisions made and expectations formed by reference to the data reported. For example:

- a significant change in a service performance result that does not have an explanation could give the reader the impression that the service is not important to the council
- a significant misstatement in a sustainable capacity result could result in incorrect strategic planning decisions being made by the council in the future.

The decision about what is material has both qualitative and quantitative factors. The qualitative factors include:

- the council's overall strategic objectives and priorities as identified in the council plan
- the relative importance of the service to the council in the context of its whole operations
- what is important to the stakeholders and readers of the performance statement
- the relevance and appropriateness of the indicator in accurately reporting performance
- the drivers underlying the calculation of the measure.

An indicator that is more important to a council or its stakeholders will be more sensitive and therefore will have a lower materiality threshold and require more expansive explanations. Conversely a less sensitive indicator can bear a higher materiality threshold and will require less or no explanation of variations.

Quantitative factors are easier to define as indications of materiality, however councils should be aware that even though a variation may not be significantly different when quantified the variation may be important and warrant explanation when assessed against the qualitative materiality factors. The results of the prescribed indicators and measures consist of absolute numbers, percentages, ratios and dollars and accordingly the materiality threshold decision will be different for each indicator.

Section 7 of this guide contains quantitative materiality guidance for explaining material variations in the results of the prescribed performance indicators and measures in the report of operations for the following comparisons:

- current year versus the prior year results
- current year versus the three preceding year results.

Each council will need to make their own assessment of the appropriate materiality threshold taking account both qualitative and quantitative factors and circumstances specific to themselves. While the explanations of material variations will not be subject to audit, they should be capable of substantiation and supported by adequate source documentation.

Material Variations

There is only a minor difference between material variation statements (or 'material variations') and comments. Comments, while not mandatory, are strongly encouraged to allow councils to provide context around their results, especially in cases of particularly high or low results. Material variations on the other hand, are mandatory, and explain a year on year variation exceeding the materiality threshold (which is either set by council or taken from *Local Government Victoria's Report of Operations and Performance Statement Better Practice Guidance*).

Material variation explanations should be provided in the following circumstances:

- material variations between the current year and prior years' results (as explained under 'Materiality'). For the Financial Performance indicators, this will also include material variations between the current year and forecast results.
- zero results. This includes where the Council has operational control over the service but did not provide the service during the reporting period, or is unable to report any data for the service.
- major changes. This includes changes to services or unplanned financial or other events which have impacted the result(s).
- differing figures to annual report. This includes figures published in the annual report and later amended on the Know Your Council website, and figures amended from prior years.

Where results sit inside the materiality threshold, councils are encouraged to provide a qualitative statement. In the case of Council not wishing to make a comment, the material variations section should simply be left

blank in the Performance Reporting template. Councils may wish to publish the term ‘no material variations’ in the Annual Report, however comments with regard to the expected or permissible range should be avoided in both the template and Annual Report. It is recommended that Council consider providing commentary around all indicators where possible, to provide context to readers, even in cases where year on year variances may be immaterial.

The nature of the Know Your Council website is to ensure council performance is accessible to the public, and as such, councils should consider their audience when drafting comments or material variations. LGV allows comments and material variations to differ on the Know Your Council website from the Annual Report, to address different audiences. These comments and material variations should convey the same message, and must be careful not to contradict each other. In the case of website comments, for example, councils may wish to include a URL link to corresponding documents or council where relevant. The link will then appear as a hyperlink on the *Know Your Council* website, however may not be useful in the context of the Annual Report.

In 2016, it was agreed with VAGO that for 2015-16 and 2016-17 previous year results, if incorrect, could be changed by councils to ensure comparable year on year data. In 2018 it was agreed that from 2017-18 onwards there would be no further changes to data from previous years. If information has come to light which changes the result for a previous year following the data being published on the Know Your Council website, councils should reference this in the current year commentary, particularly where it results in a significant year on year variation.

From the 2015-16 year, councils are also required to identify whether data is to be reported for each measure using the DATA APPLICABLE column in the Performance Reporting Template. For each measure, councils must select from the drop-down box either APPLICABLE or NO DATA.

Material variations should be provided in some of these examples, as explained in the following table:

APPLICABLE	Council provides and has operational control of the service, and data will be reported in the template.
NO DATA	Council either provides the service but is unable to report data in the template for the reporting period, or does not have operational control of the service. If council provides the service, but is unable to report data, a material variation/comment must be provided in Input 5 of the template.

In the cases of and ‘No Data’, this should be reflected accordingly in the Annual Report.

For further information refer to:

- Department of Environment, Land, Water and Planning (2020), *Local Government Better Practice Guide Performance Statement*, State of Victoria

4. Report of operations (full model)

Victorian City Council

Report of Operations

For the year ended 30 June 202X



Report of Operations

For the year ended 30 June 202X

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Report of Operations

For the year ended 30 June 20X4

Introduction

BP

Welcome to the report of operations 20X3-X4

Council is committed to transparent reporting and accountability to the community and the Report of Operations 20X3-X4 is the primary means of advising the Victorian City Council community about council's operations and performance during the financial year.

BP

Snapshot of council

Demographic profile:

- Victorian City Council includes the suburbs of Abbotsley, Bradford, Bradford North, Calwood, Crowley, Dodworth, Halifax, Halifax East, Kirkby and Kirkby East, and parts of Gonerby, Setchey and March
- It has an estimated residential population of 186,800 people (as at 30 June 2011) and 20% are aged 60 years and over
- Nearly seven out of ten Victorian City Council residents were born in Australia, but residents were born in more than 150 countries and speak more than 120 languages
- A quarter of Victorian City Council's residents work within the municipality and just under a quarter work in the City of Melbourne
- Victorian City Council households have an income in the top 25% for Victoria.
- Purpose:
- Vision – A vibrant, liveable city which fosters the cultural, environmental, economic and personal wellbeing of our community
- Mission – To provide services, facilities, support and advocacy to enable our community to further its sense of place and feeling of connectedness.
- Values
 - Integrity: Acting honestly and ethically on all occasions. Doing what we say we will do. Ensuring that our service is characterised by openness and transparency
 - Collaboration: Working inclusively with others to identify and meet their needs. Building and sustaining sound relationships. Encouraging effective engagement and participation
 - Accountability: Taking full responsibility for our own decisions and actions. Being professional, thorough and timely in our service delivery. Seeking, providing and responding to feedback
 - Innovation: Demonstrating foresight and creativity in meeting the challenges of the future. Nurturing an environment in which innovative thinking is sought, encouraged and valued. Continuously looking for improvements in our service delivery
 - Respect: Treating all customers, stakeholders and colleagues with equality and consideration. Caring about others and ensuring that they feel valued. Listening, clarifying and responding appropriately when we communicate with others.

Fast facts:

- 110 groups assisted by annual Community Grants
- 6,018 graffiti removal requests completed
- 105 sportsgrounds maintained
- 2,268 kilometres of footpaths maintained
- 340 submissions at Council and Committee meetings
- 123,525 hours of ageing and disability care support provided
- 77,257 tonnes of waste collected
- 77,257 tonnes of waste collected
- 692 kilometres of stormwater pipes maintained
- 2,474 new trees planted
- 205,224 calls answered by the Contact Centre
- 2.48 million library items borrowed
- 1,221 planning applications received
- 72,261 rateable properties

BP	<ul style="list-style-type: none"> 2.53 million attendees at Victorian City Council leisure and aquatic centres.
	<p>Highlights of the year</p> <p>Strategic objective: Strengthening communities We will identify and respond to community needs and provide opportunities to enable people in our community to be supported and involved – See section on Our Performance for details. Achievements:</p> <ul style="list-style-type: none"> Adoption of the Victorian City Council Access and Inclusion Plan 2014–18. Celebrated 10 years of the Victorian City Council Farmers Market. Opened the Halifax Community Precinct. Celebrated the opening of the Calwood Library. Facilitated the Victorian City Council Primary School Short Story Competition. Implemented the Walk, Rest, Talk Project. <p>Strategic objective: Enhancing the environment We will improve our natural and urban environment in a sustainable way – See section on Our Performance for details. Achievements:</p> <ul style="list-style-type: none"> Adoption of the Urban Biodiversity Strategy 2015–25. Introduction of a hard waste collection trial to assist the disposal of hard waste. Awarded the Litter Prevention Award at the Keep Australia Beautiful National Sustainable Cities Awards. Completed the Miner Park Childcare Centre green roof, one of the larger urban green roofs in Australia. Conducted the Victorian City Council Sustainability Awards for schools. <p>Strategic objective: Ensuring liveability and amenity We will protect and improve the character of our neighbourhoods for current and future generations – See section on Our Performance for details. Achievements:</p> <ul style="list-style-type: none"> Installation of emergency markers on the Garden Creek Trail. Introduction of the Smoke-free Areas Local Law 2015. Adoption of the Bradford Access Plan and Parking Precinct Plan. Production of three statutory planning video clips to reduce the complexity of planning matters. Modification of the Heavy Leaf Fall Cleaning Program. <p>Strategic objective: Providing facilities and assets We will proactively manage the ongoing maintenance and development of Council's assets and facilities to meet our community's current and future needs – See section on Our Performance for details. Achievements:</p> <ul style="list-style-type: none"> Improvements to the Calwood Fresh Food Market. Opened the new and improved Hay Grass pavilion. Completed a feasibility study for the Abbotsley Pool and Recreation Centre.
	<p>Strategic objective: Responsible governance and management We will demonstrate responsible governance and management by being consensus oriented, equitable, effective and efficient and ensuring that sound financial and risk management and transparent business practices are carried out – See section on Our Performance for more details. Achievements:</p> <ul style="list-style-type: none"> Upgraded council's document management system.
	<p>Challenges and future outlook</p> <p>Challenges</p> <ul style="list-style-type: none"> Changes to emergency planning in the sector Accessibility and safe infrastructure Ensuring safe facilities e.g. March Aquatic Centre
BP	

-
- Closure of higher education facilities through University/TAFE cuts
 - Enhancing tourism with Calwood Regional Marketing Ltd
 - Advocating for a Recycled Water Pipeline
 - Restructuring the Customer Service team to provide better service to the community
 - Delivering fair and workable planning controls.

The future

- Develop the Children and Young People Strategic Plan
 - Complete the Municipal Emergency Management Plan (MEMP) Audit
 - Develop the Birdsville Structure Plan Develop a Recreation and Open Space Plan
 - Expanding the Footpaths program by adding an additional \$1 million worth of works
 - Completing key community projects commenced in 20X3-X4
 - Implementing the Economic Development Strategy
 - Undertaking service planning for services provided by Council
 - Investigating opportunities for cost saving and service improvements through shared procurement.
-

Better practice commentary

1. The introduction is not required for the purposes of the legislation, however it is considered better practice to provide the reader with contextual information about the purpose of the Report of Operations and an overview of council's operations and performance for the year.

Report of Operations

For the year ended 30 June 20X4

BP
LG3D**The year in review****Mayor's message**

This Annual Report details Victorian City Council's achievement of the 2012 Council Plan strategic objectives and is the third report of this Council. The role of council includes:

- Acting as a representative government by taking into account the diverse needs of the local community in decision making
- Providing leadership by establishing strategic objectives and monitoring their achievement
- Maintaining the viability of the council by ensuring that resources are managed in a responsible and accountable manner
- Advocating the interests of the local community to other communities and governments
- Acting as a responsible partner in government by taking into account the needs of other communities
- Fostering community cohesion and encouraging active participation in civic life.

Highlights

The \$200 million investment we committed to community infrastructure in 2013 to build a better city continues. After six years in a temporary location, the Calwood Library has a new home. The new \$20 million facility and associated office development is now located in the old Calwood Civic Centre. Opened in September 2013, this fabulous first-class library has become a community hub in the heart of Victorian City Council and will serve the community well for generations to come. Similarly, the upgrade of the multi-function Halifax Community Precinct was also completed in September 2015 with the Victorian and Australian governments contributing \$500,000 towards the \$11 million project. In light of our vision and all the hard work that has gone into these redevelopments, it's wonderful to see them now open for the community to enjoy.

Advocacy and engagement

We were pleased to secure changes to the State Government's Green Wedge legislation following our submission in 2014–15. The changes should make life easier for the primary producers in the municipality. Council is also committed to engaging effectively with our communities on decisions that affect them. We continue to improve the process for engagement through the revised Community Engagement Policy. During the past year council has carried out more than 30 planned engagement processes. Council has also engaged with the community on other key projects such as the Skate and BMX Plan Review and the community vision for Halifax Creek and Calwood Valley.

Thankyou

Overall, this year we have delivered on 91% of our council plan commitments and I would like to thank our councillors for their commitment to Victorian City Council and their ongoing efforts on behalf of residents. I also thank businesses, members of community groups and council officers for all having contributed to improving the liveability and amenity of our City.

Cr John Wingman

Mayor

BP
LG94A**CEO's message**

On behalf of Victorian City Council it is a great pleasure to present council's Annual Report for the year 20X3-X4. The Chief Executive Officer is responsible for:

- Establishing and maintaining an appropriate organisational structure for the council
- Ensuring that the decisions of the council are implemented without undue delay
- The day to day management of the Council's operations in accordance with the council plan
- Developing, adopting and disseminating a code of conduct for council staff

- Providing timely advice to the council
- Carrying out the council's responsibilities as a deemed employer with respect to councillors, as deemed workers, which arise under or with respect to the Accident Compensation Act 1985 or the Accident Compensation (WorkCover Insurance) Act 1993.

Highlights

The 20X3-X4 year saw many significant achievements including the opening of the Calwood Library and Office development. This is the permanent home for the Calwood Library including community meeting rooms and new offices for council staff. The majority of Victorian City council staff are now located at our Calwood office which provides greater efficiencies for council service delivery. In April 2015, the Director Strategic Development resigned, this provided an opportunity to review the organisational structure. In July 2015, the Community Planning and Strategic Planning Departments that fell under the responsibility of the Strategic Development Directorate were transferred to the Community Development and City Development and Amenity Directorates respectively. The major projects function was incorporated into the Projects and Strategy Department. Also at this time the City Development and Amenity Directorate changed its name to City Planning.

Organisational performance

At the end of June 2016, council's financial position remains strong with more than \$2.4 billion of community assets under council's stewardship. Operating expenditure for 20X3-X4 was tightly controlled and council's underlying operating income and expenditure were within 1.5% and 0.1% respectively of the Annual Budget adopted in June 2014. In 20X3-X4, council achieved a surplus of \$23.39 million. Council's Long Term Financial Strategy projects that surpluses will continue to grow over the next 10 years to \$56.18 million in 2025–26, providing a sustainable level of funding for the refurbishment and replacement of community assets. At an average of \$62.77 million per annum. Council's Sustainable Excellence program is now in its fourth year and delivering improvements across the organisation. The areas of customer interaction and asset management were key areas for review. Highlights for 20X3-X4 include improving communication between customer service staff to deliver a more timely response to customers and streamlining the management of customer requests relating to trees, traffic and waste and improving timelines for resolving inquiries.

Thankyou

I would like to take the opportunity to acknowledge council, the local community and all Victorian City Council staff who have contributed to delivering our council's vision and council plan.

Phillip Streets

Chief Executive Officer

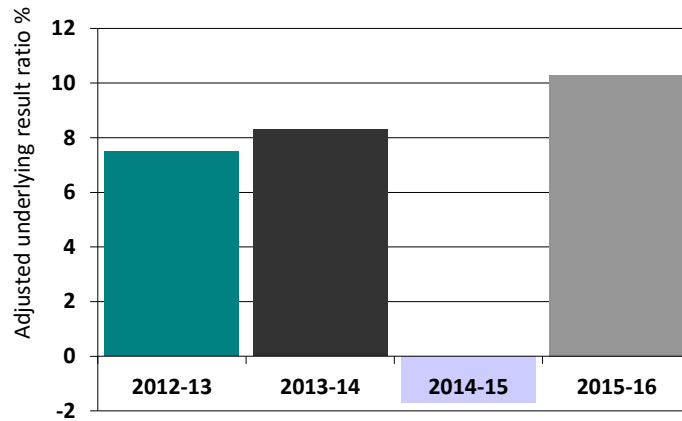
BP

Financial summary

Council's financial position continues to remain sound. A summary of our performance is outlined below. Detailed information relating to council's financial performance is included within the financial statements and performance statement sections of this report.

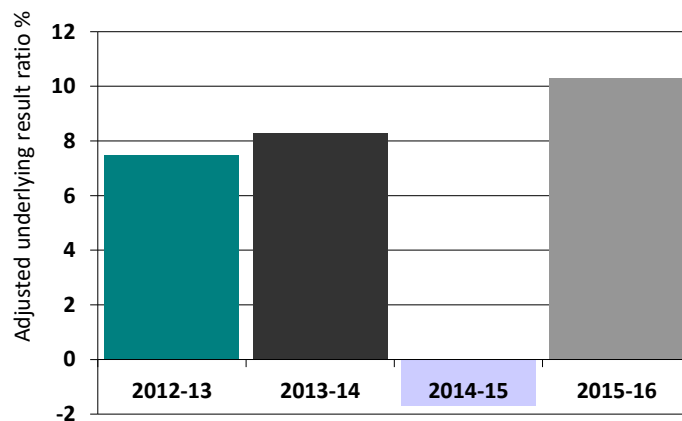
Operating position

Council achieved a surplus of \$23.39 million in 20X3-X4. This surplus compares favourably to the prior year deficit of \$1.93 million. As per the Comprehensive Income Statement in the Financial Report, the favourable variance is due mainly to the requirement to recognise council's obligation to pay \$12.18 million in the 2015-16 year in order to help fund the shortfall in the Local Government Superannuation Defined Benefits Scheme. The adjusted underlying surplus of council, after removing non-recurrent capital grants, cash capital contributions and non-monetary capital contributions, is a surplus of \$18.33 million or 10.3% when compared to adjusted underlying revenue. This compares favourably to the expected target of >0%. Sustaining an adjusted underlying surplus is a critical financial strategy that provides capacity to renew the \$2.49 billion of community assets under council's control.



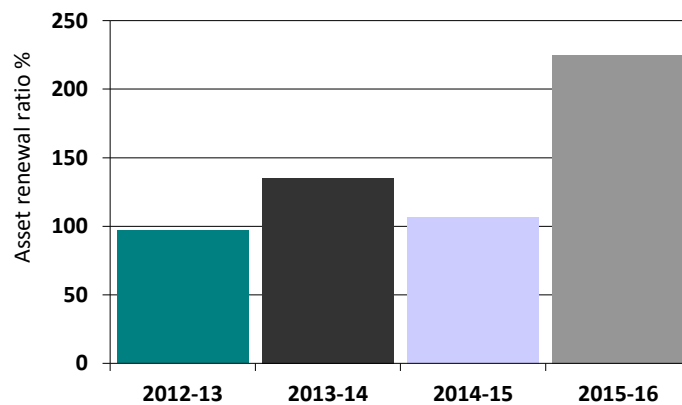
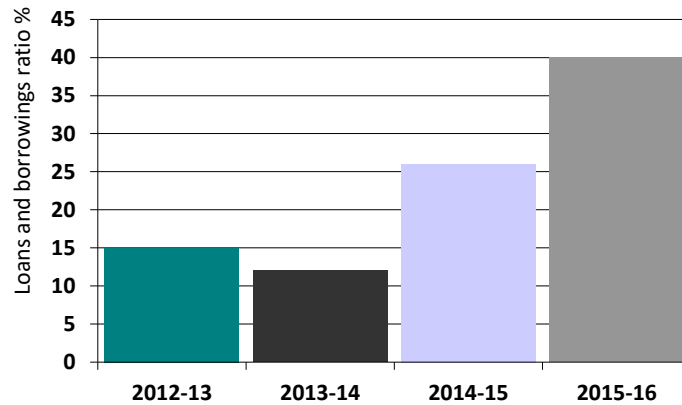
Liquidity

Cash has increased by \$12.24 million from the prior year mainly due to the draw down of \$8.40 million of new borrowings toward the end of 20X3-X4 year for capital works projects to be funded in the 20X3-X4 year. The working capital ratio which assesses council's ability to meet current commitments is calculated by measuring council's current assets as a percentage of current liabilities. Council's result of 145% is an indicator of satisfactory financial position and within the expected target band of 120% to 200%. If the affects of unspent borrowings is removed, council's working capital ratio was 130%.



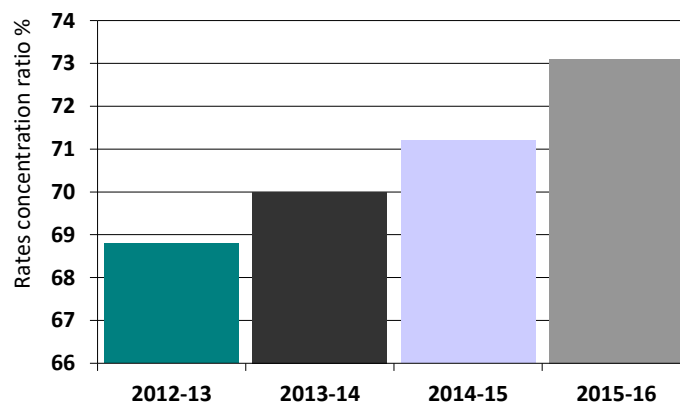
Obligations

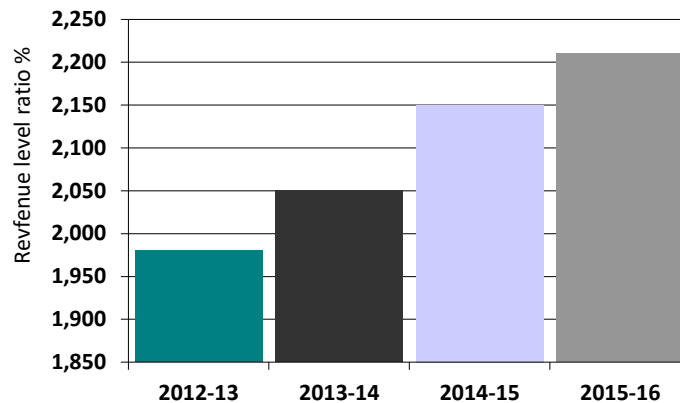
Council aims to ensure that it is able to maintain its infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by the community. To bridge the infrastructure gap, council invested \$61.4 million in renewal works during the 20X3-X4 year. This was funded from operations of \$15.4 million, cash reserves of \$17.0 million and borrowings of \$29.0 million. At the end of the 20X3-X4 year council's debt ratio which is measured by comparing interest bearing loans and borrowings to rate revenue was 39.6% which was within the expected target band of 20%-60%. Council's asset renewal ratio which is measured by comparing asset renewal expenditure to depreciation was 225% which was in excess of the expected target band of 90%-110%. This was mainly due to the renewal of the Calwood Library (\$20.0 million) and the Hawton Aquatic Centre (\$15.0 million).



Stability and efficiency

Council raises a wide range of revenues including rates, user fees, fines, grants and contributions. Despite this, council's rates concentration which compares rate revenue to adjusted underlying revenue was 73% for the 20X3-X4 year which is toward the top end of the expected target band of 40%-80%. Council has focussed on broadening its revenue base and for the 20X3-X4 year was able to keep its rate increase to 5%. This resulted in an average residential rate per residential assessment of \$2,205 which compares favourably to similar councils in the inner metropolitan area.





R14(1)

Description of operations

Victorian City Council is responsible for more than 150 services, from family and children's services, traffic regulation, open space, youth facilities, waste management and community building; to matters concerning business development, planning for appropriate development and ensuring accountability for council's budget. This broad range of community services and infrastructure for residents support the wellbeing and prosperity of our community. Council's vision, strategic objectives and strategies to further improve services and facilities are described in our council plan June 2012 and the associated Budget 20X3-X4 and reported upon in this document. Refer to the section on Our Performance for more information about council services.

The delivery of services, facilities, support and advocacy to achieve the Strategic Objectives is measured by a set of service performance indicators and measures. Council also has a wide range of responsibilities under the Victorian and Australian legislations.

R14(2)(b)

Economic factors

Council was faced with a financial challenge following the unexpected Defined Benefits Superannuation call of \$14.33 million.

R14(2)(b)

Major capital works

During 20X3-X4 the major capital works included the following.

Abbotsley Library and Learning Centre

The Abbotsley Library and adjacent Community Centre is being redeveloped into a vibrant new library and learning centre. The Abbotsley Library and Learning Centre will be an integrated redevelopment with shared access through a new entrance and lounge foyer.

The facility will become a multipurpose community hub that will be available to a diverse range of community groups to support meetings, functions, events and community cultural activities.

The project includes:

- larger floor area
- dedicated quiet study rooms
- purpose built flexible meeting and activity spaces
- environmentally sustainable design features
- new technology.

Contractors commenced work on 8 October 2015, with the demolition works starting in November 2013. It is expected that the library refurbishment will start in September 2016 and be completed in November 2015 at an estimated cost of \$6.00 million.

Calwood Library and Office Precinct

On Friday 14 September 2015 an event was held to celebrate the official opening of the Calwood Library to the public. The library was designed with environmental sustainability in mind, with the key sustainable features including:

- light wells to provide building with natural light

- solar hot water
- use of green and recycled material
- rain water collection from the main roofs for irrigation and toilet flush.

Other features of the library include free Wi-Fi, computers, study areas and places to sit and read. The Barkly Room has remained as a multi-function room and is available to both council and community for use. The final cost of the project was \$20.67 million.

Halifax Aquatic and Leisure Centre

Halifax Aquatic and Leisure Centre (HALC) is being redeveloped as a result of community feedback and engineering assessments which indicated HALC required updating to meet contemporary expectations and program requirements. Once opened HALC will provide gym classes, yoga, pilates, warm water exercise and a flexible program space to accommodate the growing interest in general health opportunities. Contractors have been working since January 2013 on the construction of the new facility which includes:

- 50 metre outdoor pool
- 20 metre and 10 metre indoor heated pool
- expanded fitness program rooms
- crèche facilities
- enlarged gymnasium
- cafe.

Construction of the 50 metre outdoor pool is well underway with the foundations completed and the base poured. The indoor pool is nearing completion with just the final touches and testing to be completed. The roofing has also been completed. The expected completion date for the project is April 2017.

R14(2)(b)

Major changes

In 20X3-X4 council decided to allocate the responsibility of the Strategic Development Directorate across the other directorates. On 2 July 2015, the Community Planning and Strategic Planning Departments that fell under the responsibility of the Strategic Development Directorate were transferred to the Community Development Directorate and City Planning Directorate (formally City Development and Amenity) respectively. The major projects function has been incorporated into the Projects and Strategy Department.

In addition, the functions of the Leisure and Sports Department were allocated to the Family, Youth and Leisure Services Department (formally Family Services) and the Parks and Gardens Department. In November 2014, the functions of Arts and Cultural Services and Library Services and Volunteering departments came together to form one department called Library, Arts and Cultural Services. At the same time the Community Planning Department which now includes the Volunteering function changed its name to Community Planning and Development.

R14(2)(b)

Major achievements

Council prepared a Long Term Financial Strategy for the 10-year period 2015-16 to 2025-26 as part of council's ongoing financial planning to assist in adopting a budget within a longer term framework.

Council developed an action plan for 2015–19, which summarises the outcome of the Our Low Carbon Future Strategy (which sets the direction for council's climate change mitigation response to 2021) three-year review and outlines updated actions for implementation over the next four years.

Better practice commentary

1. The Mayor's Message and CEO's Message are not required for the purposes of the legislation however it is considered better practice to provide the reader with information from the Mayor and CEO about the council's operations and performance for the year.
2. A financial summary is not required for the purposes of the legislation however it is considered better practice to provide an overview of the council's financial performance for the year in plain English to assist readers.

Report of Operations

For the year ended 30 June 20X4

Our council

BP

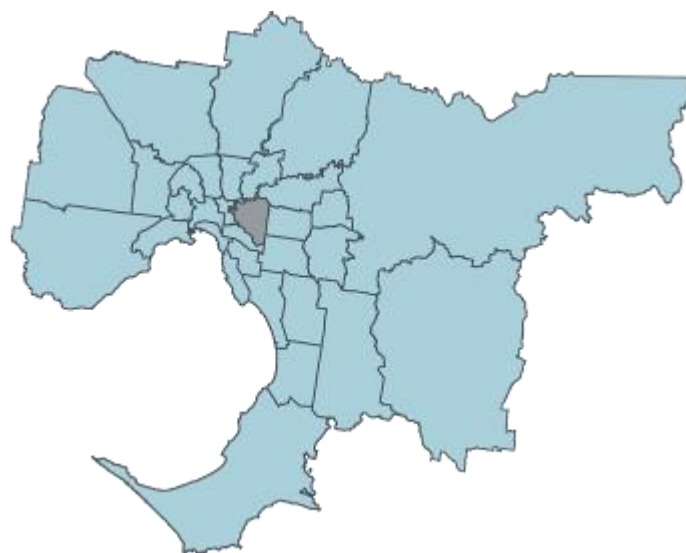
City profile

The Victorian City Council includes the suburbs of Abbotsley, Bradford, Bradford North, Calwood, Crowley, Dodworth, Halifax, Halifax East, Kirkby and Kirkby East, and parts of Gonerby, Setchey and March.

Victorian City Council has an estimated residential population of 186,800 people (as at 30 June 2012) and is one of the most populous local governments in Victoria. Compared to the Melbourne average, the population has a similar proportion of young people, but a larger proportion of people aged over 60 years. Within Victorian City Council, 24% of the population are aged between 0 and 19 years, and 20% are aged 60 years and over. The population has the second largest number of people aged 85 years and over, with 3.7% of the population needing assistance with daily living tasks.

While nearly seven out of ten Victorian City Council residents were born in Australia, the population is becoming more culturally and linguistically diverse. Residents were born in more than 150 countries and speak more than 120 languages. In the last Census, over a quarter of the population was born overseas, with the majority coming from a non-English speaking background. Between 2007 and 2012 there was a large increase in the number of residents born in China and India. In 2013, the majority of migrant settlers to Victorian City Council arrived via the skilled migration stream and were mainly 18 to 44 year olds from China and India.

A quarter of Victorian City Council's residents work within the council and just under a quarter work in the City of Melbourne. Income levels for individuals and households are higher than the metropolitan Melbourne average, and 45% of Victorian City Council households have an income in the top 25% for Victoria. However, 15% of all Victorian City Council households are living on less than \$600 a week.



R14(2)(f)

Council offices

Calwood office
8 Calwood Road, Calwood
Halifax Town Hall

860 Halifax Road, Halifax

Kirkby Library
125 Kirkby Road, Kirkby
Telephone: 9000 0000
Fax: 9000 0001

Email: VictorianCityCouncil@VictorianCityCouncil.vic.gov.au

Website: www.VictorianCityCouncil.vic.gov.au

Postal address:

Private Bag 100
Calwood VIC 3000

R14(2)(d)
LG3D

Councillors

The council was elected to provide leadership for the good governance of the municipal district and the local community. On 27 October 2012 the Victorian City Council community elected this council for a four year term. The municipality is divided into 10 wards, represented by one councillor in each ward. The 10 councillors are the elected representatives of all residents and ratepayers across the City. They have responsibility for setting the strategic direction for the municipality, policy development, identifying service standards and monitoring performance across the organisation. The councillors are listed below.

Cr Jack Wingman

Jade Ward

Date elected: 27 October 2012

E: email@VictorianCityCouncil M: 0440000000



Cr Heinz Kram

Lyre Ward

Date elected: 27 October 2012

E: email@VictorianCityCouncil M: 0440000000



Cr Jim Part

Bella Ward

Date elected: 27 October 2012

E: email@VictorianCityCouncil M: 0440000000



Cr Jane Added

Mailman Ward

Date elected: 27 October 2012

E: email@VictorianCityCouncil M: 0440000000



Cr Judith Vice

Cotter Ward

Date elected: 27 October 2012

E: email@VictorianCityCouncil M: 0440000000



Cr Philip Malan

Maran Ward

Date elected: 27 October 2012

E: email@VictorianCityCouncil M: 0440000000



Cr Coral Rose

Garden Ward

Date elected: 27 October 2012

E: email@VictorianCityCouncil M: 0440000000



Cr Kevin Chad

Solo Ward

Date elected: 27 October 2012

E: email@VictorianCityCouncil M: 0440000000



Cr Steve Hurdle

Glennie Ward

Date elected: 27 October 2012

E: email@VictorianCityCouncil M: 0440000000



Cr Phillip Heals

Studded Ward

Date elected: 12 January 2013

E: email@VictorianCityCouncil M: 0440000000



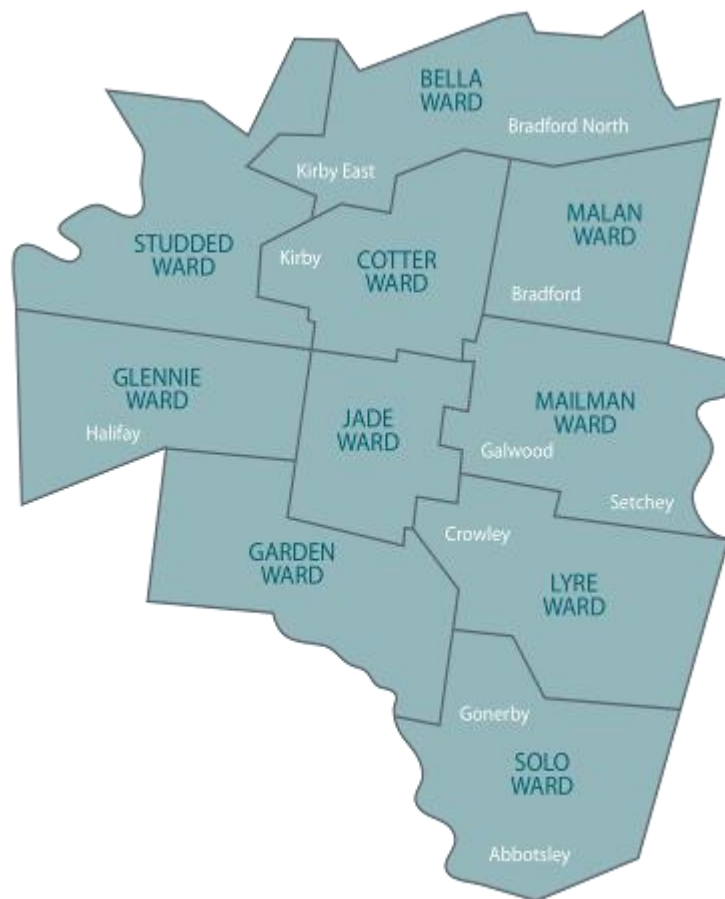
Cr John Melkin

Glennie Ward

Date retired: 31 December 2012

E: email@VictorianCityCouncil M: 0440000000





Better practice commentary

1. The City Profile is not required for the purposes of the legislation however it is considered better practice to provide the reader with contextual information about the purpose council including location, population and demographics.
2. The Regulations require for all councillors disclosure of their names, dates of election and if applicable retirement. Additional information such as photos, profiles, contact details, wards represented (if applicable) and credentials are not required by legislation.
3. In an election year the outgoing and incoming councillors will be disclosed for the purposes of the report of operations due to the timing of the general election.

Report of Operations

For the year ended 30 June 20X4

Our people

R14(2)(e)

Organisational structure

Council is the governing body that appoints a Chief Executive Officer (CEO). The CEO has responsibility for the day to day management of operations in accordance with the strategic directions of the council plan. Four Directors and the CEO form the Executive Management Group (EMG) and lead the organisation. Details of the CEO and senior officers reporting directly to the CEO are set out below.



Chief Executive Officer (CEO)

Phillip Streets

Senior officers reporting directly to the CEO

John Lemporo

Director City Planning

Areas of responsibility:

- Building
- Economic development
- Local laws
- Statutory planning
- Strategic planning



Carolyn McCleash

Director Community Development

Areas of responsibility:

- Planning and development
- Family, youth and leisure
- Aged and disability
- Library, arts and culture



Bruce Denson

Director Corporate Services

Areas of responsibility:

- Business development
- Finance
- Information technology
- People and culture
- Governance



Graeme Ronson

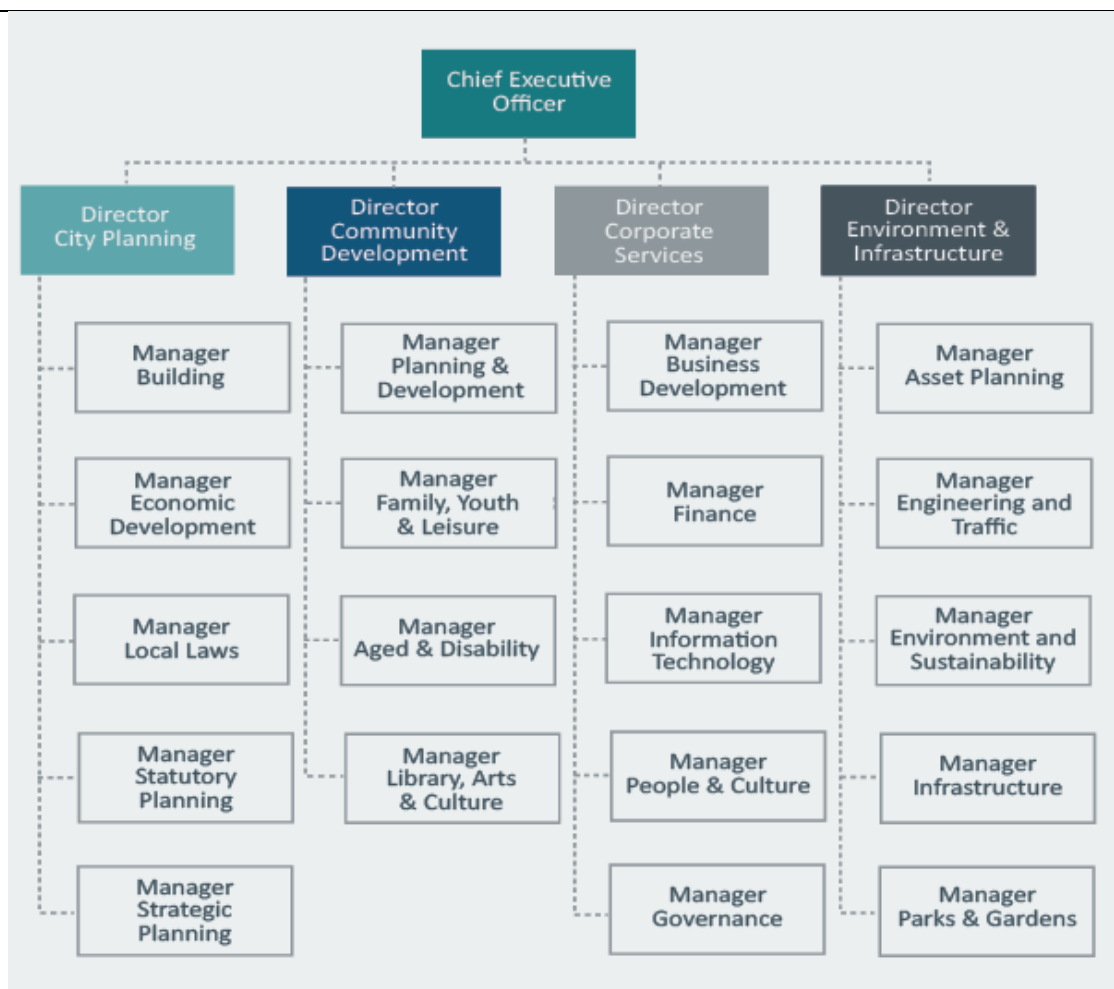
Director Environment and Infrastructure

Areas of responsibility:

- Asset planning
- Engineering and traffic
- Environment and sustainability
- Infrastructure
- Parks and gardens

R14(2)(e)

A chart setting out the organisational structure of the council is shown below.



Council staff

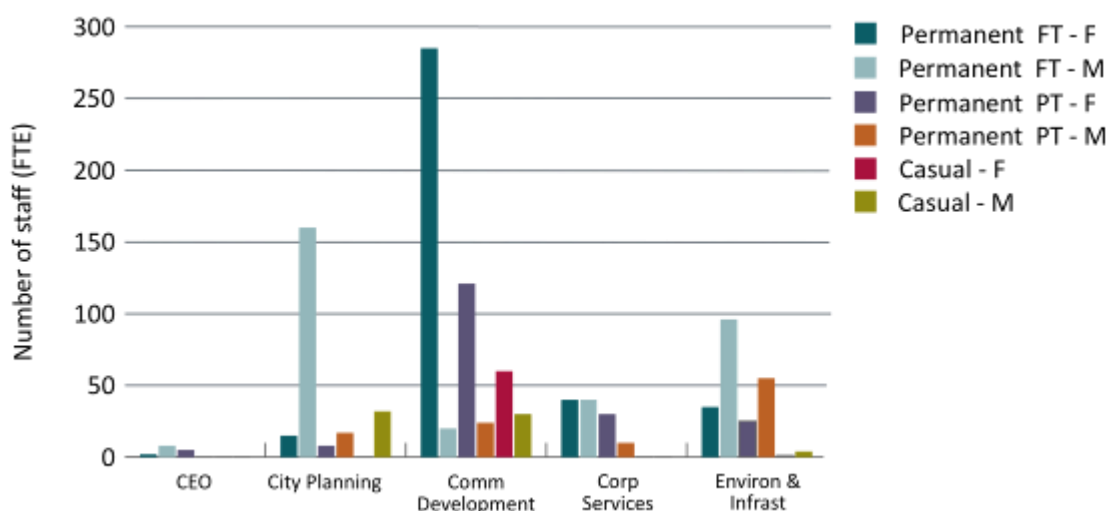
A summary of the number of full time equivalent (FTE) council staff by organisational structure, employment type and gender is set out below.

Employee type/ gender	CEO FTE	City Planning FTE	Comm Develop FTE	Corp Services FTE	Environ & Infrs FTE	Total FTE
Permanent FT – F	2	15	285	40	35	377
Permanent FT – M	8	160	20	40	96	324
Permanent PT – F	5	8	121	30	25	189
Permanent PT – M	0	17	24	10	55	106
Casual – F	0	0	60	0	1	61
Casual - M	0	32	30	0	4	66
Total	15	232	540	120	216	1,123

Legend: FT-Full time PT-Part time F-Female M-Male

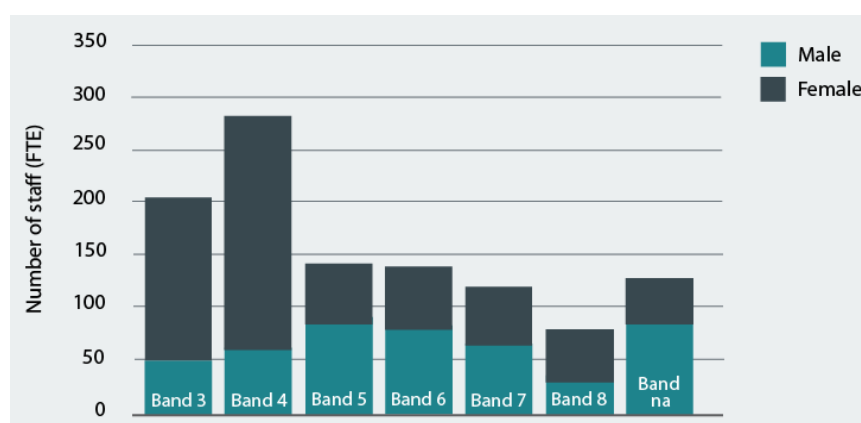
R14(2)(h)

R14(2)(i)



A summary of the number of full time equivalent (FTE) staff categorised by employment classification and gender is set out below.

Employment Classification	Female FTE	Male FTE	Total FTE
Band 3	159	48	207
Band 4	224	63	287
Band 5	55	93	148
Band 6	57	89	146
Band 7	48	74	122
Band 8	42	39	81
Band not applicable	42	90	132
Total	627	496	1,123



R14(3)
LGSch6

Equal employment opportunity program

A council with 40 or more members of staff must have developed and implemented an equal opportunity program. Victorian City Council has implemented an equal employment opportunity program which is designated to eliminate discrimination against and promote equal opportunity for women and persons in designated groups in relation to employment matters.

The objective of council's Equal Employment Opportunity Program is to ensure there is no discrimination relating to the characteristics listed under the *Equal Opportunity Act 2010* such as race, colour, sex, marital status, parenthood, physical or mental impairment, age, religious or political affiliation, gender identity and sexual orientation. Further objectives include ensuring the workplace is free from bullying and harassment.

The indicators that measure the effectiveness of the Program and the results for the year are:

- Indicator: Percentage of new employees receiving equal opportunity training with 6 months of commencement. Target: 100%. Result: 98%
- Indicator: Percentage of existing employees receiving refresher equal opportunity training at least every 2 years. Target: 100%. Result: 87%
- Indicator: Number of contact officers per number of council employees. Target: 1:50. Result: 1:62

The indicators are monitored on an ongoing basis by the Equal Employment Opportunity Committee that meets regularly to promote employee and management awareness, consider relevant issues and contribute to resolution and advice. Council's assessment of the achievement of the program's objectives are that there were no breaches of the *Equal Opportunity Act 2010*.

The actions taken to implement the Program over the past 12 months include the provision of Equal Opportunity Awareness sessions for all new employees and managers, to ensure they are fully aware of their responsibilities in maintaining a workplace free of bullying and harassment.

BP

Other staff matters

Enterprise bargaining agreement

In July 2015, an Enterprise Bargaining Committee comprising management representatives, nominated workplace union delegates and union industrial officers was established to negotiate a new Enterprise Agreement for council employees. As a result, a new Enterprise Agreement was successfully negotiated and approved by Fair Work Australia, with an operative date of 28 June 2016 for a period until 30 September 2018.

Professional development

Victorian City Council offers study assistance for staff undertaking relevant undergraduate or postgraduate studies. In the past year, 21 staff were successful in obtaining this form of support. Council also provides a comprehensive corporate learning program that supports a broad range of staff development needs. This is developed in alignment with strategic priorities as well as in response to needs identified through performance and development plans. A variety of learning methodologies are used including e-learning, facilitated workshops and personal coaching.

Preventing violence against women

The Prevention of Violence Against Women works primarily through promoting gender equity and building respectful and safe relationships and breaking down stereotypes of women. This is a prevention approach consistent with council's health and wellbeing planning approach. This year the partnership achieved significant liaison with council staff to promote gender equity within the workplace. Facilities and programs this year included a whole of staff presentation with guest speaker Phil Cleary including 80 depot staff and the development of tools and training to support council to achieve gender equity and support the community.

Health and safety

Council's aim is to maintain a safety culture that supports an incident and injury-free workplace for all employees, councillors, contractors, visitors and the public. Over the last 12 months, council has maintained a Health and Safety Management System.

Council has been successful in maintaining Advanced Level accreditation in the Safety Management Achievement Program, SafetyMap. SafetyMAP is an audit tool designed by WorkSafe to help workplaces improve their ability to manage health and safety and protect people at work. This accreditation confirms the Health and Safety Management System is embedded throughout each department of the organisation.

Better practice commentary

1. The Other Staff Matters section is not required for the purposes of the legislation however it is considered better practice to provide additional information about council staff employment. Other information that could be considered includes: volunteers; well being; attraction and retention; and recognition of length of service.

Report of Operations

For the year ended 30 June 20X4

BP

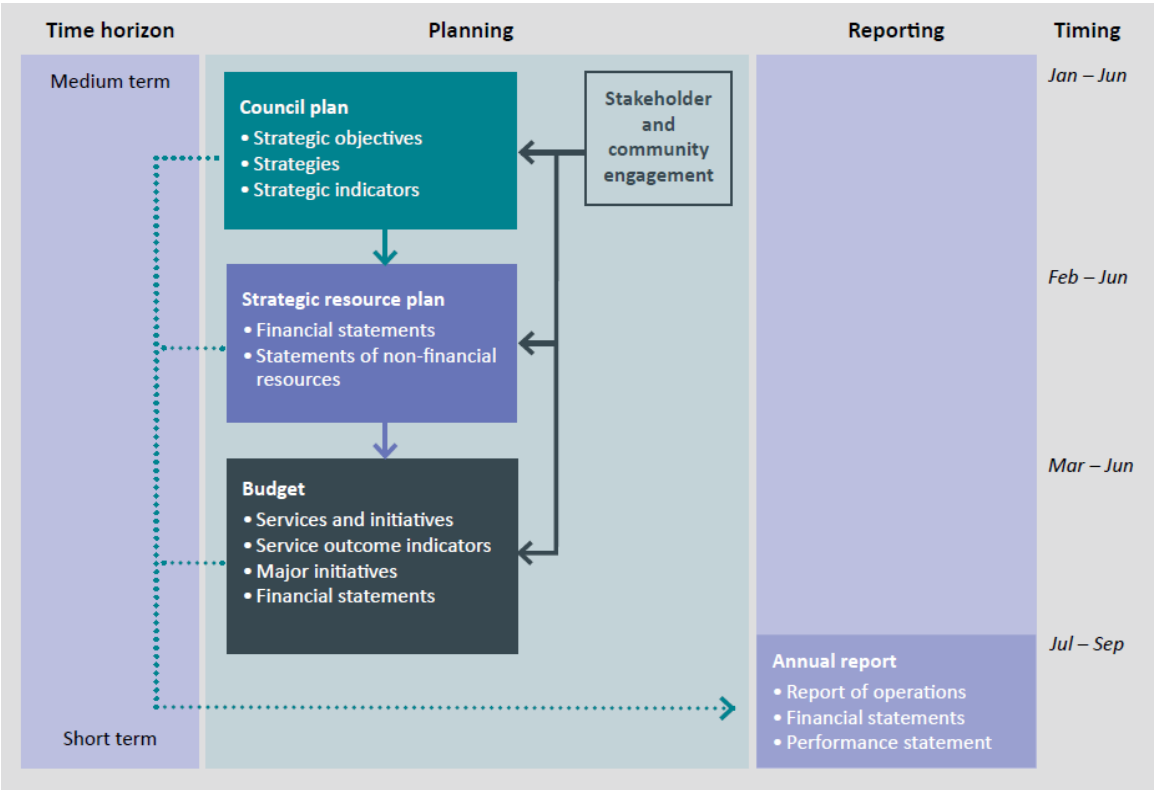
Our performance

Planning and accountability framework

The Planning and Accountability Framework is found in part 6 of the *Local Government Act 1989* (the Act). The Act requires councils to prepare the following planning and reporting documents:

- A council plan within the six months after each general election or by 30 June, whichever is later
- A strategic resource plan for a period of at least four years and include this in the council plan
- A budget for each financial year
- An annual report in respect of each financial year.

The following diagram shows the relationships between the key planning and reporting documents that make up the planning and accountability framework for local government. It also shows that there are opportunities for community and stakeholder input and feedback at each stage of the planning and reporting cycle.






BP
LG25

Council plan

The council plan 2012-16 includes strategic objectives, strategies for achieving these for the four year period, strategic indicators for monitoring achievement of the strategic objectives and a strategic resource plan. The following are the five strategic objectives as detailed in the council plan.

1. Strengthening communities		We will identify and respond to community needs and provide opportunities to enable people in our community to be supported and involved.
2. Enhancing the environment		We will improve our natural and urban environment in a sustainable way.

	3. Ensuring liveability and amenity		We will protect and improve the character of our neighbourhoods for current and future generations.
	4. Providing facilities and assets		We will proactively manage the ongoing maintenance and development of council's assets and facilities to meet our community's current and future needs.
	5. Responsible governance and management		We will demonstrate responsible governance and management by being consensus-oriented, equitable, effective and efficient and ensuring that sound financial and risk management and transparent business practices are carried out.
	Performance Council's performance for the 20X3-X4 year has been reported against each strategic objective to demonstrate how council is performing in achieving the 2012-16 council plan. Performance has been measured as follows:		
R14(2)(a)	<ul style="list-style-type: none"> Results achieved in relation to the strategic indicators in the council plan 		
LG131(3)	<ul style="list-style-type: none"> Progress in relation to the major initiatives identified in the budget 		
R14(2)(c)	<ul style="list-style-type: none"> Services funded in the budget and the persons or sections of the community who are provided those services 		
R13(2)	<ul style="list-style-type: none"> Results against the prescribed service performance indicators and measures. 		

Strategic objective 1: Strengthening communities



R14(2)(a)

Strategic indicators

The following statement reviews the performance of council against the council plan including results achieved in relation to the strategic indicators included in the council plan.

Strategic Indicator/measure	Result	Comments
Consultation and engagement Community satisfaction rating out of 100 with the consultation and engagement efforts of council	63	Overall, 77% of respondents rated council on Community Consultation and Engagement as Very Good, Good or Average

LG131(3)

Major initiatives

The following statement reviews the progress of council in relation to major initiatives identified in the 20X3-X4 budget for the year.

Major Initiatives	Progress
Improve council's online, mobile and digital service offer by implementing the Digital Plan 2015-18 actions including web chat, snap send solve premium service, improved navigation and information architecture (Actual: \$85,000 Budget: \$100,000)	The project is 85% complete at the end of the year. The delay in completion is due to the roll out of the NBN which was slowed as a result of asbestos treatment
Implement the second year actions of the Arts Centre Business Plan (Funded from existing resources)	Complete

R14(2)(c)

Services

The following statement provides information in relation to the services funded in the 20X3-X4 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Communication and engagement	Provision of the following to support council's direct service delivery areas: <ul style="list-style-type: none"> leading a customer responsiveness culture enhancing and protecting the council's reputation developing integrated communication plans for key initiatives linked to the council plan delivering advocacy campaigns in collaboration with the responsible director, CEO and councillors undertaking a corporate research program to inform improved service outcomes creating and maintaining a broad range of information sources to assist customer responsiveness providing an in-house print, design service, writing, editing and digital media service providing translation service and supports multilingual communications 	2,480 <u>2,590</u> 110
Libraries	Provision of the following to the municipal community as a whole: <ul style="list-style-type: none"> providing a wide range of relevant, contemporary library collections and services: in libraries, online and via home library services providing community spaces for individual and group study, reflection, activity and discovery 	6,020 <u>5,959</u> (61)

R13(2)		<ul style="list-style-type: none">▪ promoting, advocating for and supporting literacy development, reader development, lifelong learning, creative and intellectual development▪ providing family, children and adult library programs and activities				
	Community planning	Provision of the following to support council's direct service delivery areas: <ul style="list-style-type: none">▪ working with the community on key community development activities▪ facilitating community connectedness, strengthening community capacity and responding to identified needs through the delivery of programs, partnerships and networking opportunities for the community▪ developing policies, strategies and plans that address community priorities▪ monitoring, forecasting and analysing community change and wellbeing▪ undertaking extensive community research on behalf of council departments and the community▪ preparing council submissions in response to government enquiries and advocating on social issues impacting on the community▪ managing the Community Grants Program	2,780 <u>2,883</u> 103			
	Family and youth	Provision of the following to families, children and youth: <ul style="list-style-type: none">▪ operating Maternal and Child Health, Kindergartens, Long Day Care and Occasional Child Care▪ coordinating Public Health services including Immunisation, Environmental Health and Food Safety▪ providing support and information, activities and programs to young people and their families▪ undertaking strategic planning and policy development to facilitate access to active participation opportunities for the community▪ facilitating the development of integrated and coordinated services for children, young people and their families	3,090 <u>3,192</u> 102			
	Aged, disability and health	Provision of the following to carers, older people and young people with a disability: <ul style="list-style-type: none">▪ providing home support services including Domestic Care, Personal Care and Respite Care, Food Services and Property Maintenance▪ providing volunteer and community transport, and social support▪ undertaking strategy and development with a focus on positive ageing and disability	4,650 <u>4,512</u> (88)			
	Arts and culture	Provision of the following to the municipal community as a whole: <ul style="list-style-type: none">▪ producing cultural programs and events for the community▪ programming and managing cultural facilities at the Town Hall Gallery and Court House▪ providing funding support for community arts and culture groups	1,820 <u>1,785</u> (35)			
	Economic development	Provision of the following to businesses and industry: <ul style="list-style-type: none">▪ strengthening the viability of local businesses, including strip shopping centres▪ facilitating the Business Network, Farmers Market and Craft Market▪ supporting new and established businesses, through training and mentoring▪ facilitating regular networking opportunities for the local business community	610 <u>626</u> 16			
	Service performance indicators					
	The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.					
Results						
	Service/ Indicator/ measure	20X1	20X2	20X3	20X4	Material Variations

Libraries**Utilisation****Physical Library collection usage**

[Number of physical library collection item loans / Number of library physical collection items]

8.60

8.40

8.60

8.60

There were 42,704 printed items, audio-visual and digital materials, and toys and games available in Victoria Council public libraries during the year, and 367,254 loans made. This is an additional 5,390 loans, or 2 per cent increase compared to last year.

Resource standard**Recently purchased library collection**

[Number of library collection items purchased in the last 5 years / Number of library collection items] x100

66.56%

74.23%

72.87%

72.87%

Council allocated additional funding during the 2015-16 year to improve the standard of the library collection

Participation**Active library borrowers in municipality**

[Number of active library borrowers in the last three years / The sum of the population for the last three years] x100

14.36%

15.52%

15.97%

15.97%

Active library membership continues to increase, and as a result, visits to the library service and the online library have also increased. Community members are also using the library for a range of reasons in addition to borrowing library resources. This includes to attend library programs, use computers and wifi, or to read and study.

Service cost**Cost of library service per population**

[Direct cost of the library service / Population]

\$3.94

\$3.81

\$3.76

\$3.76

Council provides a public library service at four locations. The introduction of self-service stations and radio frequency identification in 2014-15, led to reduced staffing demand in 2015-16, resulting in lower operating costs in the past two years.

Maternal and Child Health (MCH)**Service standard****Infant enrolments in the MCH service**

[Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100

94.23%

93.16%

100.00%

100.00%

Council's results have improved as the number of birth notices received remain constant compared to previous years. During 20X3-X4 all eligible families enrolled in the service, which is focused on ensuring healthy outcomes for children. Development and growth assessments, along with health education, are some of the key features of the service.

Service cost**Cost of the MCH service²⁴**

[Cost of the MCH service / Hours worked by MCH nurses]

\$65.39

\$67.89

\$66.93

\$66.93

Victoria Council's maternal and child health (MCH) service provides support and information to families with children aged from

24. Note reporting of this measure was optional in 2014-15

					birth to school age who live within the municipality. We also provide additional services and programs such as drop in breastfeeding clinics and open maternal and child health sessions (with no appointment), parental information sessions and a six-month group. More details can be found on our website: www.victoriacouncil.vic.gov.au/MCH
Participation					
<i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	78.98%	81.42%	98.05%	98.05%	Council achieved an average of 98.05% compliance with the Key Age and Stage framework visits between birth and 8 weeks of age. Overall Participation rates have increased significantly since the implementation of an SMS reminder system to encourage participation.
<i>Participation in the MCH service by Aboriginal children</i> [Number of aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	57.73%	64.19%	62.98%	62.98%	Council's MCH Service is co-located and works closely with the local Aboriginal Health Service to meet the health and development needs of Aboriginal Children and to support families. Many factors influence participation in the MCH Service by Aboriginal families, and there is a known issue around children in Out of Home Care arrangements accessing the service. In addition to the SMS reminder system implementation, we continue to work closely with the Department of Education and Child Protection to streamline the response to new placements of children in Kinship or Out of Home Care.
Satisfaction					
<i>Participation in 4-week Key Age and Stage visit</i> [Number of 4-week key age and stage visits / Number of birth notifications received] x100	79.78%	88.56%	89.27%	89.27%	Council implemented a new program during the 2015-16 year to encourage new mothers to participate in the MCH service
Food Safety Timeliness²⁵ <i>Time taken to action food complaints</i> [Number of days between receipt and first response action for all food complaints / Number of food complaints]	8.40 days	8.40 days	8.10 days	8.10 days	From 1 July 2016, 'Time taken to action food complaints' will be reported by calendar year. Previously this indicator was reported by financial year. This has been implemented to better align reporting with the Department of Health and Human

25. Note reporting of this measure was optional in 2014-15

					Services. This may result in some variances year on year.
Service standard					
Food safety assessments [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the <i>Food Act 1984</i> / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the <i>Food Act 1984</i>] x100	100.00%	100.00%	99.90%	99.90%	The result was just below 100% due to some premises changing ownership.
Service cost					
Cost of food safety service [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the <i>Food Act 1984</i>]	\$557.52	\$594.23	\$580.76	\$580.76	Council's Food Safety service is part of the larger Environmental Health service. As staff work across a range of health services an activity based costing approach has been taken to establish the cost of the service
Health and safety					
Critical and major non-compliance outcome notifications [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about food premises] x100	98.65%	100.00%	99.89%	99.89%	From 1 July 2016, 'Critical and major non-compliance outcome notifications' will be reported by calendar year. Previously this indicator was reported by financial year. This has been implemented to better align reporting with the Department of Health and Human Services. This may result in some variances year on year. Council issued 132 critical and major non-compliance outcomes related to a range of Food Act inspections and assessments, a total of 131 (99%) were followed up. Council assigned more resources to increase food safety inspections during this reporting period.

Strategic objective 2: Enhancing the environment



R14(2)(a)

Strategic indicators

The following statement reviews the performance of council against the council plan including results achieved in relation to the strategic indicators included in the council plan.

Strategic Indicator/measure	Result	Comments
Carbon Dioxide Emissions Tonnes of CO2 emissions from energy used in all council-owned and operated buildings, street lighting, council fleet, taxi and air travel	23,800	Council renegotiated its electricity contract during the financial year and is now using 50% renewable energy for building heating and cooling resulting in large CO2 emission reductions
Waste Diversion Waste diversion from landfill, calculated as the percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill	82%	Council entered into a new contract for the provision of recycling services during the financial year. This is expected to significantly improve the volume of waste diverted from landfill

LG131(3)

Major initiatives

The following statement reviews the progress of council in relation to major initiatives identified in the 20X3-X4 budget for the year.

Major Initiatives	Progress
Identify opportunities for water sensitive urban design (WSUD) infrastructure across the municipality (Actual: \$85,000 Budget: \$90,000)	Completed
Implementing year one of the revegetation of future biodiversity zones outlined in the Biodiversity Asset Management Plan (Actual: \$29,000 Budget: \$28,000)	Completed

R14(2)(c)

Services

The following statement provides information in relation to the services funded in the 20X3-X4 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Environment	Provision of the following to the municipal community as a whole: <ul style="list-style-type: none"> helping the community to live more sustainably in response to emerging environmental challenges such as climate change, water shortage, biodiversity and conservation promoting sustainability within the built and natural environments developing and implementing policies and strategies that set direction in environmental management, public space improvements, conservation of natural resources and sustainable development building the capacity of council to integrate environmental and sustainability issues into its buildings and public space improvements 	980 <u>957</u> (23)
Waste Management	Provision of the following to municipal households: <ul style="list-style-type: none"> managing the Kerbside Bin Garbage, Recycling and Green Waste collections and the Hard Waste collection service operating the council Recycling and Waste Centre 	16,580 <u>16,724</u> 144
Parks and Gardens	Provision of the following to the municipal community as a whole: <ul style="list-style-type: none"> providing street and park trees managing and maintaining parks, gardens and biodiversity sites providing streetscape and landscape features including garden beds, traffic management devices and shopping precincts 	9,620 <u>9,589</u> (31)

R13(2)

Service performance indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/ Indicator/ measure	Results				Material Variations
	20X1	20X2	20X3	20X4	
Waste Collection Satisfaction					
<i>Kerbside bin collection requests</i> [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1,000	82.12	88.87	84.96	84.96	Change of contractor and change to service schedule generated increasing enquiries in the first two months of the new waste collection program in 2015-16. This has improved in the 2017 year. For information about our waste service, see our website www.victoriacouncil.vic.gov.au/waste
Service standard					
<i>Kerbside collection bins missed</i> [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	7.91	8.56	8.14	8.14	There was an increase in 2015-16 compared to 2014-15 in the reported number of kerbside collection bins missed. Options to better track and confirm when kerbside collection bins have been missed are being explored.
Service cost					
<i>Cost of kerbside garbage bin collection service</i> [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$41.23	\$45.71	\$47.02	\$47.02	Victoria Council's kerbside collection includes the weekly garbage waste collection service of 19,189 bins across the municipality. Additional services for residents in Victoria Council, not incorporated in this cost, include an annual hard waste collection service, a no charge green waste disposal weekend and a fortnightly recycling bin collection service.
<i>Cost of kerbside recyclables collection service</i> [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$28.37	\$24.56	\$22.99	\$22.99	Council entered into a new contract for the provision of recycling services during the 2015-16 financial year resulting in a reduction in the unit cost which has been maintained.
Waste diversion					
<i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected]	79.54%	82.27%	87.68%	87.68%	Waste diversion has remained relatively stable over the past 12 years. Ongoing public education on recycling has

	from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	contributed to this stability. On average, household waste to landfill increased by 80 grams per household per week.
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Strategic objective 3: Ensuring liveability and amenity



R14(2)(a)

Strategic indicators

The following statement reviews the performance of council against the council plan including results achieved in relation to the strategic indicators included in the council plan.

Strategic Indicator/measure	Result	Comments
Planning Scheme Outcomes Percentage of planning application decisions subject to review by VCAT that were not set aside	85%	Council introduced new land use policies for height restrictions and heritage overlays in 2014 and 2015. This has significantly improved planning scheme outcomes tested at VCAT
Graffiti Removal Percentage of graffiti removed from council assets within 48 hours	90%	Council introduced a new graffiti removal team during the financial year consisting of council Officers and community volunteers. This has resulted in significant response improvements

LG131(3)

Major initiatives

The following statement reviews the progress of council in relation to major initiatives identified in the 20X3-X4 budget for the year.

Major Initiatives	Progress
Implement system improvements to streamline building services processes and maximise resource utilisation (Actual: \$140,000 Budget: \$210,000)	The project is 70% complete at the end of the year. The delay in completion is due to the tender for procurement of the new building services systems being reissued due to insufficient interest
Develop a Graffiti Strategy and implementation plan for assets managed by other public authorities (Actual: \$120,000 Budget: \$125,000)	Completed

R14(2)(c)

Services

The following statements provide information in relation to the services funded in the 20X3-X4 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Traffic and Transport	Provision of the following to support council's direct service delivery areas: <ul style="list-style-type: none"> developing, assessing and implementing engineering solutions that address the amenity of residential and commercial areas implementing parking and traffic management strategies assessing traffic and parking implications of planning permit and rezoning applications assessing lane and parking bay occupation applications, street party applications and road closure applications investigating black spot accident locations and developing treatment solutions to address any safety issues coordinating and implementing sustainable transport initiatives including Car Share, Travel Smart, green travel plans, and improvements to the bicycle and pedestrian network 	1,310 1,385 75
Strategic Planning	Provision of the following to support council's direct service delivery areas: <ul style="list-style-type: none"> advocating for and preparing land use policy and standards within the context of Victorian state policy 	1,807 1,790 (17)

R13(2)

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Statutory Planning Timeliness

<i>Time taken to decide planning applications</i> [The median number of days between receipt of a planning application and a decision on the application]	78.98	77.23	76.13	76.13	A focus on streamlined planning application processes and decision making times this financial year has led to significantly reduced timeframes for decisions
Service standard <i>Planning applications decided within required timeframes</i> [(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100	72.56%	85.37%	90.43%	90.43%	From 1 July 2016 this indicator will be updated to include VicSmart planning applications which should be assessed within 10 days. This may result in some variances year on year. In 2015-16 council allocated additional resources in the budget to address a backlog in planning applications in 2015-16.
Service cost <i>Cost of statutory planning service</i> [Direct cost of statutory planning service / Number of planning applications received]	\$2,658.52	\$2,820.13	\$2,767.75	\$2,767.75	Victoria Council has a strong commitment to providing an efficient statutory planning service. This year's cost has reduced due to a lower use of contract staff.
Decision making <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	75.89%	85.14%	77.97%	77.97%	Council has significantly improved its results by allocating additional planning advocacy resources to specifically target appeals. This has increased the number of VCAT decisions upheld.
Animal Management Timeliness²⁶ <i>Time taken to action animal management requests</i> [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	4 days	3.56 days	3.21 days	3.21 days	Council's animal management service is responsive to community needs and responds accordingly. Council's performance in animal management generally sits better than average for local governments reflecting community engagement in this space and the importance of Council's responsible pet ownership strategies and programs.
Service standard <i>Animals reclaimed</i>	69.23%	74.49%	72.67%	72.67%	Council takes a proactive approach to promoting responsible pet ownership,

26. Note reporting of this measure was optional in 2014-15

[Number of animals reclaimed / Number of animals collected] x 100					which contributes to more animals being reunited with their owners. Council successfully reclaimed and rehomed 89.2% of dogs impounded across the city.
<i>Animals rehomed</i> [Number of animals rehomed / Number of animals collected] x 100	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>Material variation required?</u>
Service cost					
<i>Cost of animal management service per population</i> [Direct cost of the animal management service / Population]	\$29.74	\$27.51	\$28.67	\$28.67	Council responded to an increased number of after-hours community requests for animal management services that required additional staffing and training to meet community demand. Animal registration has remained relatively stable from previous year, and as such has not offset this additional expense.
Health and safety					
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	17.00	10.00	12.00	12.00	Council conducts community education programs on responsible pet ownership to minimise breaches of the Domestic Animals Act. Council has successfully prosecuted twelve animal matters this year due to an increase in the number of animal cruelty cases prosecuted by council. More information about Council's animal management can be found in our Domestic Animal Management Plan: www.victoriacouncil.vic.gov.au/DAMP

Strategic objective 4: Providing facilities and assets



R14(2)(a)

Strategic indicators

The following statement reviews the performance of council against the council plan including results achieved in relation to the strategic indicators included in the council plan.

Strategic Indicator/measure	Result	Comments
Asset Condition		
Percentage of non-current assets with asset condition assessments completed within the last two years	80%	Condition assessments for Roads and Drains were still in progress at the end of the financial year
Asset Planning		
Percentage of non-current assets with asset plans	100%	Council now has in place Asset Management Plans for all non-current asset categories

LG131(3)

Major initiatives

The following statement reviews the progress of council in relation to major initiatives identified in the 20X3-X4 budget for the year.

Major Initiatives	Progress
Commence the construction of the new centre for early years (Actual: \$2,100,500 Budget: \$3,250,000)	The project is 60% complete at the end of the year. The delay in completion is due to poor weather holding up the commencement of foundation works
Upgrade the health and gymnasium facilities at the council Sports Complex (Actual: \$320,000 Budget: \$330,000)	Completed

R14(2)(c)

Services

The following statement provides information in relation to the services funded in the 20X3-X4 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Asset Management	Provision of the following to the municipal population as a whole: <ul style="list-style-type: none"> providing inspections on council assets to ensure service standards are maintained developing and updating the five-year renewal program for assets managing permits relating to the asset protection local law and stormwater drainage managing Street Lighting implementing strategies and engineering solutions for planning and subdivision permit referrals and development approvals delivering the Capital Works and Building Renewal program maintaining the council's infrastructure including buildings, footpaths, roads, shopping centres, drains, street furniture, signs, playgrounds, barbeques, drinking fountains, park furniture, bins, fences and signs 	16,850 17,270 420
Sport and Leisure	Provision of the following to the municipal population as a whole: <ul style="list-style-type: none"> facilitating recreation and sport activities through sporting clubs and committees of management managing the council's Leisure and Aquatic Centres, Tennis Centre, Skate Parks and Golf Course 	1,820 1,745 (75)

R13(2)

Service performance indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Results

Service/ Indicator/ measure	20X1	20X2	20X3	20X4	Material Variations
Roads					
Satisfaction of use <i>Sealed local road requests</i> [Number of sealed local road requests / Kilometres of sealed local roads] x100	71.23	75.89	69.76	69.76	The number of requests has decreased in 20X3-X4 following reconstruction works in 2015-16.
Condition <i>Sealed local roads maintained to condition standard</i> [Number of kilometres of sealed local roads below the renewal intervention level set by council / Kilometres of sealed local roads] x100	98.15%	84.56%	92.14%	92.14%	The council experienced significant rainfall and subsequent flooding of major local roads during the 2015-16 year which resulted in a long period of detours during the reconstruction
Service cost <i>Cost of sealed local road reconstruction</i> [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$80.21	\$78.95	-	-	No works were required to be undertaken in 20X3-X4.
<i>Cost of sealed local road resealing</i> [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$22.98	\$21.05	\$20.89	\$20.89	As a result of entering into a shared service contractual arrangement with a neighbouring council, a reduction in resealing costs per square metre was achieved in 2015-16 and maintained in 20X3-X4.
Satisfaction <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	57.00	51.00	53.00	53.00	The council experienced significant rainfall and subsequent flooding of major local roads during the 2015-16 year which resulted in a long period of detours during the reconstruction. However, the reconstruction works have resulted in improved satisfaction with the community. Read more about our road network upgrades at www.victoriacouncil.vic.gov.au/roadnetworks
Aquatic Facilities Service standard <i>Health inspections of aquatic facilities</i> [Number of authorised officer inspections of	2.00	4.00	4.00	4.00	Council introduced quarterly inspections at all aquatic facilities during the 2015-16 year

council aquatic facilities /
Number of council
aquatic facilities]

Utilisation

*Utilisation of aquatic
facilities*

[Number of visits to
aquatic facilities /
Municipal population]

7.56

12.81

12.96

12.96

A new indoor aquatic facility was constructed in 2015 to service the population in the west. Both leisure centres are committed to increasing utilisation by the community through facility and service improvements, and marketing programs to encourage community participation.

Service cost

Cost of aquatic facilities

[Direct cost of aquatic
facilities less income
received / Number of
visits to aquatic facilities]

\$17.68

\$19.95

\$18.13

\$18.13

Lower attendances at aquatic facilities have resulted in a higher cost per attendance. Work has begun to reduce costs through improvements identified in an operational and service review. Find out more about our aquatic facilities at www.victoriacouncil.vic.gov.au/aquatics Extended opening hours and an elongated pool season, coupled with a very successful campaign offering reduced cost early bird season passes for pools meant that visitation to pools was higher than in previous years. Labour costs were also reduced through outsourcing.

Strategic objective 5: Responsible governance and management



R14(2)(a)

Strategic indicators

The following statement reviews the performance of council against the council plan including results achieved in relation to the strategic indicators included in the council plan.

Strategic Indicator/measure	Result	Comments
Customer Responsiveness Average time (seconds) callers wait before their call is answered	29	There has been a strong focus on improving customer responsiveness during the financial year. The industry average is 60 seconds
Workforce Turnover Percentage of staff who resigned or were terminated from the organisation	15%	The Chief Executive Officer undertook an organisational restructure during the financial year as part of cost containment measures. This resulted in a number of terminations

LG131(3)

Major initiatives

The following statement reviews the progress of council in relation to major initiatives identified in the 2016-17 budget for the year.

Major Initiatives	Progress
Upgrade council's Document Management System and introduction of a Customer Relationship Management System (Actual: \$610,000 Budget: \$620,000)	Completed

R14(2)(c)

Services

The following statement provides information in relation to the services funded in the 2016-17 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Governance	Provision of the following to support council's direct service delivery areas: <ul style="list-style-type: none"> council, councillors, the Chief Executive Officer and the Executive Management Group and administrative support administering the conduct of council meetings and elections managing Freedom of Information, Information Privacy, protected disclosures and internal ombudsman functions maintaining statutory registers, authorisations and delegations coordinates civic events and citizenship ceremonies 	2,320 <u>2,330</u> 10
Human Resources	Provision of the following to support council's direct service delivery areas: <ul style="list-style-type: none"> delivering occupational health and safety, risk management, human resources and organisation development and learning coordinating recruitment, industrial relations, remuneration, award/agreement interpretation and work evaluation managing enterprise business risk including occupational health and safety, WorkCover, risk management and insurance including council's Disaster Recovery and Business Continuity Plans coordinating staff professional, leadership and cultural development and Health and Wellbeing programs coordinating council's employee performance management system 	4,120 <u>4,080</u> (40)
Finance	Provision of the following to support council's direct service delivery areas: <ul style="list-style-type: none"> delivering phone, online, reception and cashiering customer and engagement services 	2,740 <u>2,810</u> 70

R13(2)

- coordinating Audit Committee and external audit
- managing procurement, conduct of all public tenders and administers the purchasing system and purchasing card systems
- managing financial accounting, accounts payable and receivable and payroll services
- managing rates and property services, including council databases and communication of the rate payment options available to residents
- coordinating fleet

Information Technology	Provision of the following to support council's direct service delivery areas:	7,510
	▪ managing computing and communication systems	7,410
	▪ managing corporate information and archival services	(100)

Service performance indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/ Indicator/ measure	Results				Material Variations
	20X1	20X2	20X3	20X4	
Governance					
Transparency					
<i>Council decisions made at meetings closed to the public</i> [Number of council resolutions made at ordinary or special meetings of council, or at meetings of a special committee consisting only of councillors, closed to the public / Number of council resolutions made at ordinary or special meetings of council or at meetings of a special committee consisting only of councillors] x100	5.74%	4.52%	4.47%	4.47%	Council decisions made at meetings closed to the public reduced in 2015-16 compared to 2014-15 as there were less reports in relation to personnel matters. This was maintained in 2016-17.
Consultation and engagement					
<i>Satisfaction with community consultation and engagement</i> [Community satisfaction rating out of 100 with how council has performed on community consultation and engagement]	65.00	63.00	66.00	66.00	Over the past year, Council has introduced a number of new community engagement initiatives, such as the District Advisory Committees and continuation of the Listening Post program, which has attributed to the increased satisfaction rating. Find out more at www.victoriacouncil.vic.gov.au/engagement
Attendance					
<i>Councillor attendance at council meetings</i> [The sum of the number of councillors who attended each ordinary and special council meeting / (Number of ordinary and special council	78.36%	92.58%	96.89%	96.89%	Cr John took extended leave from office during the 2015 year due to ill health.

meetings) x (Number of councillors elected at the last council general election)] x100

Service cost

Cost of elected representation

[Direct cost of the governance service / Number of councillors elected at the last council general election]

\$42,458.25

\$45,970.56

\$43,970.56

\$43,970.56

The cost of governance was slightly lower due to lower professional development costs.

Satisfaction

Satisfaction with council decisions

[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]

57.00

60.00

61.00

61.00

The council introduced an engagement policy and guidelines in 2014 which has a strong focus on consulting with the community over major decisions resulting in increased engagement, and increased satisfaction.

Better practice commentary

1. The Planning and Accountability Framework and council plan sections are not required for the purposes of the legislation however it is considered better practice to provide the reader with contextual information about the legislative framework and the strategic objectives in the council plan which this part of the report of operations is based. Council may also consider including a description of the planning and reporting framework used internally for the purposes of producing the key planning and reporting documents in the legislation.
2. There are a number of measures in this section that are optional as indicated in the endnotes. Voluntarily reporting against these measures in the annual report is encouraged.

Report of Operations

For the year ended 30 June 20X4

REFERENCES	
Act	LG
Reg	R
Better Practice	BP

Governance, management and other information

BP
LG3D

Governance

The Victorian City Council is constituted under the Act to provide leadership for the good governance of the municipal district and the local community. Council has a number of roles including:

- Taking into account the diverse needs of the local community in decision-making
- Providing leadership by establishing strategic objectives and monitoring achievements
- Ensuring that resources are managed in a responsible and accountable manner
- Advocating the interests of the local community to other communities and governments
- Fostering community cohesion and encouraging active participation in civic life.

Council is committed to effective and sustainable forms of democratic and corporate governance as the key to ensuring that council and its administration meet the community's priorities. The community has many opportunities to provide input into council's decision-making processes including community consultation, public forums such as ward meetings and the ability to make submissions to Special Committees of council.

Council's formal decision-making processes are conducted through council meetings and Special Committees of Council. Council delegates the majority of its decision-making to council staff. These delegations are exercised in accordance with adopted council policies.

BP

Meetings of council

Council conducts open public meetings on the second and fourth Tuesday of each month. Members of the community are welcome to attend these meetings and observe from the gallery. Council meetings also provide the opportunity for community members to submit a question to the council, make a submission or speak to an item. For the 20X3-X4 year council held the following meetings:

- 22 ordinary council meetings
- 2 special council meetings.

The following table provides a summary of councillor attendance at council meetings and Special Council meetings for the 20X3-X4 financial year.

Councillors	Council Meeting	Special Council Meeting	Total
Cr Jack Wingman (Mayor)	22	2	24
Cr Jim Part	21	2	23
Cr Judith Vice	20	2	22
Cr Coral Rose	22	2	24
Cr Steve Hurdle	22	2	24
Cr Heinz Kram	19	1	20
Cr Jane Added	22	2	24
Cr Philip Malan	22	2	24
Cr Kevin Chad	21	2	23
Cr Phillip Heals	12	1	13
Cr John Melkin (ret)	10	1	11

R14(2)(dc)

Special committees

The Act allows councils to establish one or more special committees consisting of:

- Councillors
- Council staff
- Other persons
- Any combination of the above.

The following table contains a list of special committees established by the council that are in operation and the purpose for which each committee was established.

Special committee	Councilors	Officers	Other	Purpose
Hearing of submissions committee	10	0	0	To consider all submissions made under section 223 of the Act
Planning committee ¹	5	0	0	To make planning application decisions
Place naming committee	2	2	0	To recommend to council names for new suburbs and streets within the municipality
Economic development committee	4	2	4	To recommend to council actions to be undertaken to support economic activity within the municipality

¹ Has delegated functions, duties or powers

BP

Code of conduct

The Act requires councils to develop and approve a councillor Code of Conduct within 12 months after each general election. On 29 April 2012, Council adopted a revised Councillor Code of Conduct which is designed to:

- Assist councillors to maintain the highest standards of conduct and behaviour as well as provide a means to deal with problems they may encounter
- Attract the highest level of confidence from Council's stakeholders
- Assist the mayor and councillors to discharge the responsibilities of their public office appropriately.

In addition to setting out the Councillor Conduct Principles, the Code also outlines:

- Other conduct definitions under the Act, such as those relating to misuse of position, improper direction, breach of confidentiality and conflict of interest
- Roles and relationships
- Dispute resolution procedures.

BP

Conflict of interest

Councillors are elected by the residents and ratepayers to act in the best interests of the community. This is a position of trust that requires councillors to act in the public interest. When a council delegates its powers to a council officer or a committee, the committee or officer also needs to act in the public interest.

A conflict of interest occurs when a personal or private interest might compromise the ability to act in the public interest. A conflict of interest exists even if no improper act results from it.

Council has a comprehensive procedure in place to accommodate the disclosure of a conflict of interest. Declaration of a conflict of interest is a standard agenda item for all council and Committee meetings.

While the procedures vary depending on the particular role and circumstances, in general they involve disclosing the relevant interests in a specific way and then stepping aside from the relevant decision-making process or from the exercise of the public duty. A register is maintained to record all disclosed conflict of interests. During 20X3-X4, 18 conflicts of interest were declared at council and Special Committee meetings.

R14(2)(da)

Councillor allowances

In accordance with Section 74 of the Act, councillors are entitled to receive an allowance while performing their duty as a councillor. The Mayor is also entitled to receive a higher allowance.

The State Government sets the upper and lower limits for all allowances paid to councillors and Mayors. Councils are divided into three categories based on the income and population of each council. In this instance Victorian City Council is recognised as a category two council.

For the period 1 July 2014 to 23 December 2014, the councillor annual allowance for a category 2 council (as defined by the Act) was fixed at \$22,405 per annum and the allowance for the Mayor was \$69,325 per annum. The Minister for Local Government approved an annual adjustment of 2.5 per cent to take effect as from 24 December 2015. The annual allowances were adjusted for the period 24 December 2015 to 30 June 2016 at \$22,965 per annum for the councillor allowance and \$71,058 per annum for the mayoral allowance.

The following table contains details of current allowances fixed for the mayor and councillors during the year.

Councillors	Allowance \$
Cr Jack Wingman (Mayor)	54,616
Cr Jim Part	22,706
Cr Judith Vice	22,706
Cr Coral Rose	22,706
Cr Steve Hurdle	22,706
Cr Heinz Kram	22,706
Cr Jane Added	22,706
Cr Philip Malan	22,706
Cr Kevin Chad	22,706
Cr Phillip Heals	11,566
Cr John Melkin (ret)	10,959

Councillor expenses

In accordance with Section 75 of the Act, council is required to reimburse a councillor for expenses incurred whilst performing his or her duties as a councillor. Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for councillors. The policy provides guidance for the payment of reimbursements of expenses and the provision of resources, facilities and other support to the mayor and councillors to enable them to discharge their duties. Council also publishes in its Annual Report the details of the expenses, including reimbursement of expenses for each councillor and member of a council committee paid by the council.

The details of the expenses including reimbursement of expenses for each councillor and member of a council committee paid by the council for the 20X3-X4 year are set out in the following table.

Councillors	TR \$	CM \$	CC \$	IC \$	CT \$	Total \$
Cr Jack Wingman (Mayor)	0	0	0	4,393	5,550	9,943
Cr Jim Part	0	0	0	4,208	0	4,208
Cr Judith Vice	0	0	0	3,755	0	3,755
Cr Coral Rose	0	0	475	4,535	1,560	6,570
Cr Steve Hurdle	0	1,015	0	3,671	0	4,686
Cr Heinz Kram	0	0	0	4,131	0	4,131
Cr Jane Added	0	0	0	3,523	0	3,523
Cr Philip Malan	0	223	0	3,892	0	4,115
Cr Kevin Chad	0	0	0	4,023	980	5,003
Cr Phillip Heals	385	0	0	3,283	0	3,668
Cr John Melkin (ret)	385	0	0	2,900	0	3,285

Legend: TR-Travel CM-Car Mileage CC-Child Care IC-Information and Communication expenses CT-Conferences and Training expenses

Note: No expenses were paid by council including reimbursements to members of council committees during the year

R14(2)(db)

Management

Council has implemented a number of statutory and better practice items to strengthen its management framework. Having strong governance and management frameworks leads to better decision making by council. The Act requires council to undertake an assessment against the prescribed governance and management checklist and include this in its report of operations. Council's Governance and Management Checklist results are set out in the section below. The following items have been highlighted as important components of the management framework.

BP

Audit committee

The Audit Committee's role is to oversee and monitor the effectiveness of council in carrying out its responsibilities for accountable financial management, good corporate governance, maintaining an effective system of internal control and risk management and fostering an ethical environment. The Audit Committee consists of three independent members, Mr David Ashmore (Chair), Mr Todd Davies and Ms Bev Excell, and three councillors. Independent members are appointed for a two-year term, with a maximum of three terms. The chair is elected from amongst the independent members.

The Audit Committee meets four times a year. The Internal Auditor, Chief Executive Officer, Director Corporate Services and Manager Financial Services attend all Audit Committee meetings. Other management representatives attend as required to present reports. The external auditors attend in May and August each year to present the audit plan and independent audit report.

Recommendations from each Audit Committee meeting are subsequently reported to, and considered by council.

BP

Internal audit

Council's internal audit function provides independent and objective assurance that the appropriate processes and controls are in place across council. The department is jointly resourced by an in-house Internal Auditor who has extensive local government experience and an external provider. A risk based three-year Strategic Internal Audit Plan (SIAP) is revised annually to ensure the audit resources remain focused on the appropriate areas. The review process considers council's risk framework, the council plan, the impact of any change on operations, systems or the business environment; prior audit coverage and outcomes and management input. The SIAP is reviewed and approved by the Audit Committee annually.

The Internal Auditor attends each Audit Committee meeting to report on the status of the SIAP to provide an update on the implementation of audit recommendations and to present findings of completed reviews. The responsible Director and Manager for each area reviewed are required to attend the Audit Committee meeting to respond to questions in relation to the review. All audit issues identified are risk rated. Recommendations are assigned to the responsible Manager and tracked in council's performance management system. Managers provide quarterly status updates that are reviewed by the Internal Auditor and reported to the Executive Management Group and the Audit Committee. Quality assurance is measured through client satisfaction surveys for each review, the annual Audit Committee self assessment, completion of the internal audit plan and benchmarking against other internal audit functions.

The SIAP for 20X3-X4 was completed with the following reviews conducted:

- accounts receivable
- asset protection and works permits
- contract management – leisure and aquatic facilities
- fees and charges
- fraud review
- local laws – parking enforcement
- project management – Halifax Aquatic and Leisure Centre
- rates management
- continuous monitoring – data analysis of financial transactions.

BP	<p>External audit</p> <p>Council is externally audited by the Victorian Auditor-General. For the 20X3-X4 year the annual external audit of council's Financial Statements and Performance Statement was conducted by the Victorian Auditor-General's representative. The external auditors attend the May and August Audit Committee meetings to present the annual audit plan and Independent Audit Report. The external audit management letter and responses are also provided to the Audit Committee.</p>
BP	<p>Risk management</p> <p>In October 2014, council adopted the Risk Management Framework and Policy in line with current best practice in the management of business enterprise risks and current AS/NZS 31000 guidelines. The Risk Management Framework and Policy addresses items such as:</p> <ul style="list-style-type: none"> ▪ risk management culture and branding ▪ communication and training ▪ best practice in risk management ▪ responsibilities of and to internal and external stakeholders ▪ risk registers and risk management software development ▪ the council planning cycle, budget cycle and annual audit cycle ▪ a performance measurement system to determine the effectiveness of the framework.
LG131(3)	<p>Governance and management checklist</p> <p>The following are the results in the prescribed form of council's assessment against the prescribed governance and management checklist.</p>

Column 1 Governance and Management Items		Column 2 Assessment
1	Community engagement policy (policy outlining council's commitment to engaging with the community on matters of public interest)	Policy <input checked="" type="checkbox"/> Date of operation of current policy: 21 May 2014
2	Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	No guidelines <input checked="" type="checkbox"/> Reason for no guidelines: Guidelines are currently being developed and are expected to be adopted by the end of 20X3-X4
3	Strategic Resource Plan (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years)	Adopted in accordance with section 126 <input checked="" type="checkbox"/> of the Act Date of adoption: 28 June 2016
4	Annual budget (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Adopted in accordance with section 130 <input checked="" type="checkbox"/> of the Act Date of adoption: 28 June 2016
5	Asset management plans (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Plans <input checked="" type="checkbox"/> Date of operation of current plans: Roads 14 July 2009 Buildings 22 April 2011 Bridges 6 May 2014
6	Rating strategy (strategy setting out the rating structure of council to levy rates and charges)	Strategy <input checked="" type="checkbox"/> Date of operation of current strategy: 28 August 2015
7	Risk policy (policy outlining council's commitment and approach to minimising the risks to council's operations)	Policy <input checked="" type="checkbox"/> Date of operation of current policy: 28 August 2015
8	Fraud policy (policy outlining council's commitment and approach to minimising the risk of fraud)	Policy Date of operation of current policy: 12 October 2013

9	Municipal emergency management plan (plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i> Date of preparation: 23 May 2015
10	Procurement policy (policy under section 186A of the <i>Local Government Act 1989</i> outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with section 186A of the <i>Local Government Act 1989</i> Date of approval: 14 February 2016
11	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)	No plan Reason for no plan: Council has in place an information technology continuity plan and is working toward development of a whole of organisation plan for the 20X3-X4 year
12	Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	No plan Reason for no plan: Council has prepared a draft disaster recovery plan and expects to operationalise the plan in the 20X3-X4 year
13	Risk management framework (framework outlining council's approach to managing risks to the council's operations)	Framework Date of operation of current framework: 14 April 2015
14	Audit Committee (advisory committee of council under section 139 of the Act whose role is to oversee the integrity of a council's financial reporting, processes to manage risks to the council's operations and for compliance with applicable legal, ethical, and regulatory requirements)	Established in accordance with section 139 of the Act Date of establishment: 25 November 2004
15	Internal audit (independent accounting professionals engaged by the council to provide analyses and recommendations aimed at improving council's governance, risk and management controls)	Engaged Date of engagement of current provider: 20 July 2013

<p>16 Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)</p>	<p>Framework</p> <p>Date of operation of current framework: 1 July 2015</p>
<p>17 Council Plan reporting (report reviewing the performance of the council against the council plan, including the results in relation to the strategic indicators, for the first six months of the financial year)</p>	<p>No report</p> <p>Reason for no report: Council is in the process of implementing a new council plan reporting system and will begin 6 monthly reporting in relation the strategic indicators in the 20X3-X4 year</p>
<p>18 Financial reporting (quarterly statements to council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)</p>	<p>Statements presented to council in accordance with section 138(1) of the Act</p> <p>Date statements presented: 7 July 2015, 22 October 2015, 27 January 2016 and 23 April 2016</p>
<p>19 Risk reporting (six-monthly reports of strategic risks to council's operations, their likelihood and consequences of occurring and risk minimisation strategies)</p>	<p>Reports</p> <p>Date of reports: 7 July 2015 and 27 January 2016</p>
<p>20 Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)</p>	<p>Reports</p> <p>Date of reports: 7 July 2015 and 27 January 2016</p>
<p>21 Annual report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements)</p>	<p>Considered at a meeting of council in accordance with section 134 of the Act</p> <p>Date statements presented: 22 October 2015</p>
<p>22 Councillor Code of Conduct (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by councillors)</p>	<p>Reviewed in accordance with section 76C of the Act</p> <p>Date reviewed: 23 April 2014</p>

<p>23 Delegations (a document setting out the powers, duties and functions of council and the Chief Executive Officer that have been delegated to members of staff)</p>	<p>Reviewed in accordance with section 98(6) of the Act Date of review: 23 April 2014</p>
<p>24 Meeting procedures (a local law governing the conduct of meetings of council and special committees)</p>	<p>Meeting procedures local law made in accordance with section 91(1) of the Act Date local law made: 23 April 2014</p>

I certify that this information presents fairly the status of council's governance and management arrangements.

Phillip Streets
Chief Executive Officer
Dated: 24 August 2020

Cr John Wingman
Mayor
Dated: 24 August 2020

Statutory information

The following information is provided in accordance with legislative and other requirements applying to council.

R14(2)(g)

Documents available for public inspection

In accordance with regulation 12 of the Local Government (General) Regulations 2015 the following are prescribed documents that are available for public inspection or copies of the documents can be obtained for the purposes of section 222 of the Act at 8 Calwood Road, Calwood:

- a document containing details of overseas or interstate travel (other than interstate travel by land for less than three days) undertaken in an official capacity by councillor or any member of council staff in the previous 12 months
- minutes of ordinary and special meetings held in the previous 12 months which are kept under section 93 of the Act, other than those agendas and minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act
- the minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months, other than those minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act
- a register of delegations kept under sections 87(1) and 98(4) of the Act, including the date on which the last review took place under sections 86(6) and 98(6), respectively, of the Act
- a document containing details of all leases involving land which were entered into by the council as lessor, including the lessee and the terms and the value of the lease
- a register maintained under section 224(1A) of the Act of authorised officers appointed under that section
- a list of donations and grants made by the council in the previous 12 months, including the names of persons who, or bodies which, have received a donation or grant and the amount of each donation or grant.

BP

Best value

In accordance with section 208B(f) of the Act, at least once every year a council must report to its community on what it has done to ensure that it has given effect to the Best Value Principles. Council incorporates Best Value Principles through regular business planning and performance monitoring processes and through a commitment to continuous improvement and innovation which is supported by our Sustainable Excellence Program. To further reflect council's commitment to Best Value, council has commenced the design and planning of a Service Planning Program which is being rolled out to the whole organisation. This program provides additional review and improvement mechanisms to ensure that council's services achieve best practice standards in regards to service performance.

The following Best Value initiatives were undertaken during 20X3-X4:

- budget process – development of guidelines and processes for fees and charges
- business planning – development and implementation of integrated approach to business planning
- council reform project – review of processes and procedures relating to council agenda and minutes
- customer correspondence centralisation project – improve timelines and accountability for resolving customer enquiries.

14(2)(cb)

Contracts

During the year council did not enter into any contracts valued at \$150,000 or more for services or \$200,000 or more for works or more of a kind specified in section 186(5)(a) and (c) of the Act. It also did not enter into any other contracts valued at \$150,000 or more for goods or services or \$200,000 or more for works without engaging in a competitive process.

Disability Act	<p>Disability action plan</p> <p>In accordance with section 38 of the <i>Disability Act 2006</i>, as council has prepared a Disability Action Plan it must report on the implementation of the Disability Action Plan in its annual report.</p> <p>Council has prepared a Disability Action Plan and implemented the following actions:</p> <ul style="list-style-type: none"> ▪ develop and implement a Volunteer Strategy that integrates the needs of people with a disability ▪ promote events such as Carers Week and International Day of People with a Disability ▪ develop accessible publication guidelines.
Domestic Animals Act	<p>Domestic animal management plan</p> <p>In accordance with the <i>Domestic Animals Act 1994</i>, council is required to prepare a Domestic Animal Management Plan at four yearly intervals and evaluate its implementation in the annual report.</p> <p>Council adopted the Domestic Animal Management Plan 2015–19 in July 2014. The new plan was developed through consultation with council's Animal Management Team and input from other council departments. No actions were completed at the date of this report.</p>
Food Act	<p>Food Act Ministerial directions</p> <p>In accordance with section 7E of the <i>Food Act 1984</i>, council is required to publish a summary of any Ministerial Directions received during the financial year in its annual report. No such Ministerial Directions were received by council during the financial year.</p>

BP	<p>Freedom of information</p> <p>In accordance with section 7(4AA)(a) and 7(4AA)(b) of the <i>Freedom of Information Act 1982</i>, council is required to publish certain statements in their annual report or separately such as on its website, concerning its functions and information available. Council has chosen to publish the statements separately however provides the following summary of the application and operation of the <i>Freedom of Information Act 1982</i>.</p> <p>Access to documents may be obtained through written request to the Freedom of Information Officer, as detailed in section 17 of the <i>Freedom of Information Act 1982</i> and in summary as follows:</p> <ul style="list-style-type: none"> ▪ it should be in writing ▪ it should identify as clearly as possible which document is being requested ▪ it should be accompanied by the appropriate application fee (the fee may be waived in certain circumstances). <p>Requests for documents in the possession of council should be addressed to the Freedom of Information Officer. Requests can also be lodged online or by email.</p> <p>Access charges may also apply once documents have been processed and a decision on access is made (e.g. photocopying and search and retrieval charges).</p> <p>Further information regarding FOI can be found at www.foi.vic.gov.au and on the Victorian City council website.</p>
Protected Disclosure Act	<p>Protected disclosure procedures</p> <p>In accordance with section 69 of the <i>Protected Disclosure Act 2012</i> a council must include in their annual report information about how to access the procedures established by the council under Part 9 of that Act. It is also required to provide certain information about the number and types of protected disclosures complaints investigated during the financial year.</p> <p>The <i>Protected Disclosure Act 2012</i> aims to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and provide protection for people who make disclosures. Procedures on how to make a disclosure are publicly available council's website.</p> <p>During the 20X3-X4 year no disclosures were notified to council officers appointed to receive disclosures, or to IBAC.</p>
Road Management Act	<p>Road Management Act Ministerial direction</p> <p>In accordance with section 22 of the <i>Road Management Act 2004</i>, a council must publish a copy or summary of any Ministerial direction in its annual report. No such Ministerial Directions were received by council during the financial year.</p>
Planning and Environment Act	<p>Infrastructure and development contributions</p> <p>In accordance with section 46GM and 46QD of the <i>Planning and Environment Act 1987</i>, a council that is a collecting or development agency must prepare and give a report to the Minister for Planning on infrastructure and development contributions including levies and works in kind. The report must be published in a council's annual report.</p> <p>For the 20X3-X4 year the following information about infrastructure and development contributions is disclosed.</p>

Infrastructure contributions***Total ICP levies received in 20X3-X4***

ICP name (Year approved)	Levies received in 20X3-X4 financial year \$
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Blossom Peak ICP (2016)	5,000,500
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Wattle Valley ICP (2017)	1,800,500
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Cherry Road ICP (2017)	Nil
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Total	6,801,000
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ICP land, works, services or facilities accepted in-kind in 20X3-X4

ICP name (Year approved)	Project ID	Project description	Item purpose	Project value \$
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Blossom Peak ICP (2016)	L-03	2ha land for intersection at Hill Road and Blossom Blvd (ultimate build out area)	Land to facilitate the construction of arterial to arterial controlled intersection	600,000
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Total				600,000
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Total ICP contributions received and expended to date

ICP name (Year approved)	Total levies received \$	Total levies expended \$	Total works-in-kind accepted \$	Total ICP contributions received (levies and works-in-kind) \$
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Blossom Peak ICP (2016)	5,000,000	4,700,000	1,800,000	6,800,000
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Wattle Valley ICP (2017)	2,600,000	2,000,000	1,500,000	4,100,000
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Cherry Road ICP (2017)	2,400,000	1,000,000	5,600,000	8,000,000
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Total	10,000,000	7,700,000	8,900,000	18,900,000
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Land, works, services or facilities delivered in 20X3-X4 from ICP contributions collected

Project description	Project ID	ICP name (Year approved)	ICP fund expended \$	Works-in-kind accepted \$	Council's contribution \$	Other contributions \$	Total project expenditure \$	Percentage of item delivered
Blossom Peaks community centre including two multi purpose rooms, two kindergarten rooms and one maternal child health care room	C-01 L-02	Blossom Peak ICP (2016)	1,000,000	500,000	500,000		2,000,000	100%
Lakes recreation reserve – construction of AFL/cricket field, pavilion and associated works	AR-01 AR-03 L-01	Wattle Valley ICP (2017) Wattle Flower ICP (2017)	1,800,000		200,000		2,000,000	60%
Hill Road and Blossom Blvd controlled intersection (roundabout)	IN-01 L-03	Blossom Peak ICP (2016)	2,800,000	600,000	200,000		3,600,000	100%
Total			5,600,000	600,000	900,000		7,600,000	

Development contributions

Total DCP levies received in 20X3-X4

DCP name (Year approved)	Levies received in 20X3-X4 financial year \$
Gum River DCP (2016)	1,000,500
Gum Lakes DCP (2015)	1,000,500
Total	2,001,000

DCP land, works, services or facilities accepted in-kind in 20X3-X4

DCP name (Year approved)	Project ID	Project description	Item purpose	Project value \$
Gum River DCP (2016)	L-O1	9.5ha land for road reserve at Nut Road (ultimate build-out area)	Land to facilitate the construction of 2 lane carriageway for 1567m, excluding intersections (interim treatment)	750,000
Total				750,000

Total DCP contributions received and expended to date (for DCPs approved after 1 June 2016)

DCP name (Year approved)	Total levies received \$	Total levies expended \$	Total works-in-kind accepted \$	Total DCP contributions received (levies and works-in-kind) \$
Gum River DCP (2016)	3,000,500	2,950,000	1,750,500	4,751,050
Gum Lakes DCP (2015)	2,800,000	2,000,000	4,800,000	7,600,000
Total	5,800,500	4,950,000	6,550,500	12,351,050

Land, works, services or facilities delivered in 20X3-X4 from DCP levies collected

Project description	Project ID	DCP name (Year approved)	DCP fund expended \$	Works-in-kind accepted \$	Council's contribution \$	Other contributions \$	Total project expenditure \$	Percentage of item delivered
Lakes community centre including two multi purpose rooms and one maternal child health care room	C-01	Gum River DCP (2016)	600,000		250,000		850,000	81%
Lakes recreation reserve – construction of AFL/cricket field, pavilion and associated works	AR-01 AR-03	Gum River DCP (2016) Gum Lakes DCP (2015)	250,000 550,000		300,000	50,000 (State government grant)	950,000	100%
Construction of 2 lane carriageway for 1567m, excluding intersections (interim treatment)	R-01 L-01	Gum River DCP (2016)	1,500,000	750,000	250,000		2,000,000	100%
Total			2,900,000	750,000	800,000	50,000	3,800,000	

Better practice commentary

1. The Governance and Management sections are not required for the purposes of the legislation however it is considered better practice to provide the reader with information about the key framework aspects in place to strengthen the council and management decision making processes.
2. In addition to the legislated and other required information contained in the Statutory information section, councils commonly disclose a range of other information which may be of interest to readers of the Report of Operations. There is no legislative requirement to make the following disclosures and the decision to disclose will be a matter for each council:
 - Charter of Human Rights and Responsibilities commitment
 - Information privacy commitment and complaints received
 - Legislation impacting council including changes during the year
 - Local Laws current at the time of the report
 - National Competition Policy annual statement of compliance.
3. From 2016-17 changes to sections 46GM and 46QM of the *Planning and Environment Act 1987* require councils to provide a report on infrastructure and development contributions if they are considered collecting or development agencies for levies and works in kind. In accordance with Ministerial Reporting Requirements, the report must be included in the report of operations contained in a council's annual report. The new tables included in the Statutory information section under Infrastructure and development contributions are aligned to these reporting requirements. In accordance with the new reporting requirements, a council must report annually on:
 - the levy amounts that it collects in a financial year through Development Contributions Plans and Infrastructure Contributions Plans;
 - any works-in-kind that it accepts in a financial year through Development Contributions Plans and Infrastructure Contributions Plans;
 - the total levy amounts it collected and the total works, services or facilities it accepted, and the total amount of levies it spent through Development Contributions Plans and Infrastructure Contributions Plans; and
 - the use made of any works-in-kind that it accepted and the expenditure of any levy it collected through Development Contributions Plans and Infrastructure Contributions Plans.

5. Materiality guidelines

This section is provided as a guide to establish quantitative materiality thresholds for explaining material variations in results for the following comparisons:

1. Current year result versus the prior year results
2. Current year result versus the three preceding year results

The materiality thresholds in the table below are based on $\pm 10\%$ of the state average results of the indicators and measures in the report of operations for the 2015-16 year. Councils will need to make their own assessment of the appropriate materiality threshold, using their actual 2015-16 results and taking account of both quantitative and qualitative factors and circumstances specific to their council.

SERVICE PERFORMANCE (EXAMPLES)		
Service/indicator/measure	Measure expressed as:	Materiality threshold:
Aquatic Facilities Utilisation Utilisation of aquatic facilities	Number of visits to aquatic facilities per head of municipal population	Movement of ± 0.5 visits (Based on the state average of 5.02 visits multiplied by $\pm 10\%$)
Food Safety Health and safety Critical and major non-compliance outcome notifications	% of critical and major non-compliance outcome notifications that are followed up by council	Movement of $\pm 9\%$ (Based on the state average of 89.90% multiplied by $\pm 10\%$)
Governance Satisfaction Satisfaction with council decisions	Community satisfaction rating out of 100	Movement of ± 5 (Based on the state average of 55 multiplied by $\pm 10\%$)
FINANCIAL PERFORMANCE INDICATORS (EXAMPLES)		
Dimension/indicator/measure	Measure expressed as:	Materiality guideline:
Efficiency Revenue level Average rate per property assessment	Rate revenue per property assessment	Movement of $\pm \$140$ (Based on the state average of \$1,409.36 multiplied by $\pm 10\%$)
Liquidity Working capital Current assets compared to current liabilities	Current assets as a % of current liabilities	Movement of $\pm 23\%$ (Based on the state average of 231.21% multiplied by $\pm 10\%$)
SUSTAINABLE CAPACITY INDICATORS (EXAMPLES)		
Indicator/measure	Measure expressed as:	Materiality guideline:
Population Expenses per head of municipal population	Total expenses per head of municipal population	Movement of $\pm \$180$ (Based on the state average of \$1,805.28 multiplied by $\pm 10\%$)
Disadvantage Relative socio-economic disadvantage	Relative socio-economic disadvantage of the municipality by decile	Movement of ± 1 decile (Based on the state average of 6 multiplied by $\pm 10\%$)

6. Glossary

Act	means the <i>Local Government Act 1989</i>
Annual report	means a report of the council's operations of the previous financial year and contains a report of operations, audited financial statements and an audited performance statement
Appropriateness	means indicators or measures that provide users with sufficient information to assess the extent to which an entity has achieved a pre-determined target, goal or outcome
Budget	means a plan setting out the services and initiatives to be funded for the financial year and how they will contribute to achieving the strategic objectives specified in the council plan
Council plan	means a plan setting out the medium-term strategic objectives, strategies, strategic indicators and resources reflecting vision and aspirations of the community for the next four year
Financial performance indicators	means a prescribed set of indicators and measures that assess the effectiveness of financial management in a council covering operating position, liquidity, obligations, stability and efficiency
Financial statements	means the financial statements and notes prepared in accordance with the Local Government Model Financial Report, Australian Accounting Standards and other applicable standards as they apply to the general purpose financial reports and a statement of capital works and included in the annual report
Financial year	means the period of 12 months ending on 30 June each year
Governance and management checklist	means a prescribed checklist of policies, plans and documents that councils must report the status of in the report of operations, covering engagement, planning, monitoring, reporting and decision making
Indicator	means what will be measured to assess performance
Initiatives	means actions that are one-off in nature and/or lead to improvements in service
Major initiative	means significant initiatives that will directly contribute to the achievement of the council plan during the current year and have a major focus in the budget
Measure	means how an indicator will be measured and takes the form of a computation, typically including a numerator and denominator
Minister	means the Minister for Local Government
Performance statement	means a statement including the results of the prescribed service outcome indicators, financial performance indicators and sustainable capacity indicators for the financial year and included in the annual report

Planning and accountability framework	means the key statutory planning and reporting documents that are required to be prepared by councils to ensure accountability to local communities in the performance of functions and exercise of powers under the Act
Regulations	means the Local Government (Planning and Reporting) Regulations 2014
Relevance	means indicators or measures that have a logical and consistent relationship to an entity's objectives and are linked to the outcomes to be achieved
Report of operations	means a report containing a description of the operations of the council during the financial year and included in the annual report
Services	means assistance, support, advice and other actions undertaken by a council for the benefit of the local community
Service outcome indicators	means the prescribed service performance indicators to be included in the performance statement which measure whether the stated service objective has been achieved
Service performance indicators	means a prescribed set of indicators measuring the effectiveness and efficiency of council services covering appropriateness, quality, cost and service outcomes
Strategic objectives	means the outcomes a council is seeking to achieve over the next four years and included in the council plan
Strategic resource plan	means a plan of the financial and non-financial resources for at least the next four years required to achieve the strategic objectives in the council plan. It is also referred to as a long term financial plan
Strategies	means high level actions directed at achieving the strategic objectives in the council plan
Sustainable capacity indicators	means a prescribed set of indicators measuring whether councils have the capacity to meet the agreed service and infrastructure needs of the local community and absorb foreseeable changes and unexpected shocks into the future covering financial performance, capacity and governance and management

7. References

Department of Environment, Land, Water and Planning (2020), *Local Government Performance Reporting Framework Indicator Workbook*, State of Victoria, <https://www.localgovernment.vic.gov.au/council-innovation-and-performance/sector-guidance-planning-and-reporting>

Department of Environment, Land, Water and Planning (2020), *Local Government Better Practice Guide, Performance Statement*, State of Victoria, <https://www.localgovernment.vic.gov.au/council-innovation-and-performance/sector-guidance-planning-and-reporting>

Department of Environment, Land, Water and Planning (2020), *Local Government Better Practice Guide, Model Financial Report*, State of Victoria, <https://www.localgovernment.vic.gov.au/council-innovation-and-performance/sector-guidance-planning-and-reporting>