



MOORABOOL
SHIRE COUNCIL



Annual Report 2017/18

WELCOME

Moorabool Shire Council's 2017-18 Annual Report reflects Council's performance during the year against the goals set in the Council Plan 2017-2021.

This report is intended as a point of reference for Council, residents and businesses in the Shire, community organisations and Government departments.

The Council Plan 2017-2021 is structured under the following Strategic Framework:

- Providing good governance and leadership
- Minimising environmental impact
- Stimulating economic development
- Improving social outcomes

COUNCIL'S PURPOSE:

OUR VISION:

Viable and vibrant communities with unique identities.

OUR PURPOSE:

1. The Moorabool Shire Council exists to co-design local solutions that enable the Moorabool communities to prosper now and into the future.
2. The Council exists to be in service to the communities of the Moorabool Shire.
3. The Council is accountable to the community and has legislative responsibilities.

OUR VALUES:

INTEGRITY I say what I mean and always do what's right.

CREATIVITY I consider situations from multiple angles and perspectives.

ACCOUNTABILITY I have courage to make decisions and take ownership for their outcomes.

RESPECT I seek to understand and treat people how I would like to be treated.

EXCELLENCE I take calculated risks to seek out better ways of doing things.

These values translate to the acronym I CARE.

Table of Contents

Part One: Introduction

Welcome	2
CEO's Message	4
Mayor's Message	5
Councillors	6
Snapshot of Moorabool	7
Year in Review	9

Part Two: Our Council

Organisational Structure	30
Council Staff	32
Training	33
Staff Development and Staff Matters	34
Risk and Insurance	35

Part Three: Our Performance

Council Plan	38
Performance and KRAs	40

Part Four: Governance, Management and Other Information

Governance	75
------------	----

- Meetings of Council
- Special Delegated Committees
- Advisory Committees
- Code of Conduct
- Conflict of Interest
- Councillor Allowances and Expenses

Management	81
------------	----

- Audit and Risk Committee
- Internal Audit
- External Audit
- Risk Management

Governance and Management Checklist	83
-------------------------------------	----

Statutory Information	87
-----------------------	----

- Documents Available for Public Inspection
- Freedom of Information
- Carers Recognition
- Whistleblowers/Protected Disclosure Procedures

Grant Summary	92
---------------	----

Part Five: Performance Statement	96
-------------------------------------	----

Part Six: Financial Statements	115
-----------------------------------	-----

Mayor's Message

I am pleased to present the Annual Report for the period July 2017 to June 2018.

My thanks go to Cr David Edwards who was Mayor until early November 2017. It has been my privilege to serve as Mayor for the balance of the year.

Of particular note this year is the significant progress we have made in the development of strategic work that assists us in preparing for 2041. The Bacchus Marsh Urban Growth Framework, Housing Strategy, Parwan Employment Precinct and Ballan Strategic Directions document will be finalised by the Minister for Planning in the early part of 2018/19.

The Council has also invested the savings from operations and borrowed significant funds supported by developer contributions to progress major projects.

These include the Halletts Way extension, which links to the VicRoads Western Highway works and the Bacchus Marsh sporting precinct adjacent to large housing developments in West Maddingley.

Council continues to take the lead on major projects to address historical underfunding in Moorabool Shire by successive governments. The Know Your Council website sets out the chronic gap in the grant funds flowing to Moorabool Shire when compared to others across the State. If growth is to continue at the 2–3% levels currently being experienced the population will double to more than 50,000 people by 2041. Unless the infrastructure and services gap is addressed by government the growth may be unsustainable.

I continue to be in awe of the work our volunteers do in the community.

Our community grants program continues to be well received by the 64 hamlets and localities across our 2,000sq km area. The works contributed in kind by our volunteers and their labour gives me confidence that we will continue to enjoy the vibrant and resilient communities in accordance with our vision for the Shire.

Cr Paul Tatchell, Mayor



CEO's Message

This Annual Report sets out the key achievements for the past year.

We have again delivered more than 90% of the planned capital program. This was represented by completing 38 out of a possible 42 projects.

The Council Plan delivery performance was also an improvement on the previous year with a completion rate of 65%. Of the 80 actions 67 were at least 90% completed.

I would like to acknowledge the great effort of all staff in delivering a significant strategic and operational service workload. Details from each of the Council's three general managers is set out on pages 8-27.

The operating result for 2017/18 saw a surplus of \$14.61 million. After allowing for asset revaluations, one off grants and contributions and donated assets the adjusted net surplus was \$3.2 million and highlights the continued improvement in Moorabool Shire's financial performance.

Our Capital Program expenditure in 2017/18 was \$11.664 million and will continue to increase in future years in line with our long term financial plan.

Net assets also increased from \$473 million to \$487 million representing the investment in infrastructure projects and the surplus result. It is also important to note that after many years of responsible budgeting and prudent financial management, Council's cash and working capital levels have improved significantly. This will continue to be brought under pressure by rate capping, low grant levels and increased service expectations of our growing communities. We will continue to review our services and strive for further savings to improve value for the community. More details of our finances and measures for comparison against other Councils are set out from page 97.

This will be my last annual report for the Moorabool Shire as I will retire in October 2018. I would like to thank the Council and the community for the privilege of serving Moorabool.

I trust that you will enjoy the 2017/18 Annual Report.

Rob Croxford, CEO



COUNCILLORS

The current Moorabool Shire was established in 1994 following an Order of Parliament under the Victorian Local Government Act to amalgamate the Shires.

Moorabool Shire is divided into four Council wards. East Moorabool is represented by four Councillors, Central, Woodlands and West Moorabool are each represented by one Councillor.

They are selected by the community for a four-year term and are responsible for setting the overall strategic direction of the Council and overseeing the performance of the organisation on behalf of the community.

Councillors attend Ordinary Meetings of Council on the first Wednesday of every month and make decisions on the items listed in the Council meeting agenda. Where required, they also attend Special Meetings of Council to make decisions on important issues.



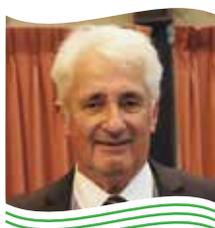
CENTRAL WARD

Cr Paul Tatchell

MAYOR

Phone: 0407 108 025

Email: ptatchell@moorabool.vic.gov.au



EAST MOORABOOL WARD

Cr John Keogh

DEPUTY MAYOR

Phone: 0437 188 261

Email: jkeogh@moorabool.vic.gov.au



EAST MOORABOOL WARD

Cr Jarrod Bingham

Phone: 0429 392 308

Email: jbingham@moorabool.vic.gov.au



EAST MOORABOOL WARD

Cr Tonia Dudzik

Phone: 0407 014 489

Email: tdudzik@moorabool.vic.gov.au



WEST MOORABOOL WARD

Cr Tom Sullivan

Phone: 0418 323 221

Email: tsullivan@moorabool.vic.gov.au



EAST MOORABOOL WARD

Cr David Edwards

Phone: 0435 326 370

Email: dedwards@moorabool.vic.gov.au



WOODLANDS WARD

Cr Pat Toohey

Phone: 0439 009 677 or 5334 0648

Email: ptoohey@moorabool.vic.gov.au

SNAPSHOT OF MOORABOOL

Moorabool Shire is a fast growing semi-rural municipality nestled between Melbourne, Geelong and Ballarat.

It offers residents picturesque and friendly surrounds with the vibrancy of an active, growing community.

The Shire's landscape provides an array of living options. Residents can enjoy an urban lifestyle in towns like Bacchus Marsh (45km west of the Melbourne CBD) and Ballan (70km west of the Melbourne CBD) or take advantage of Moorabool's small towns and hamlets, rural open spaces and natural surrounds.

Moorabool is made up of 64 localities, hamlets and towns. About three quarters of the Shire is water catchments, state forests and national parks. Moorabool boasts breathtaking landscapes, national parks, forests, gorges, mineral springs and tourism attractions. Key attractions include the Wombat State Forest, Brisbane Ranges National Park, Lerderderg State Park, Werribee Gorge State Park and the Bacchus Marsh Avenue of Honour.

Moorabool Shire is positioned along the major road and rail transport corridors between Melbourne and Adelaide.

Moorabool's eastern boundary is located just 40km west of Melbourne's CBD and extends westwards to the City of Ballarat municipal boundary. The Shire straddles Victoria's Western Highway and has excellent transport access to Melbourne, Ballarat and Geelong.

Bacchus Marsh is equi-distant to Melbourne and Avalon airports and close to the sea ports of Geelong and Melbourne.



TRADITIONAL OWNERS

We acknowledge the Indigenous history of Moorabool Shire. The land was traditionally occupied by and connected to a number of Aboriginal communities, most notably the Wathaurung Tribe in the south and west, the Wurundjeri Tribe in the east, and the Dja Dja Wurrung Tribe in the north west.

OUR POPULATION

Moorabool Shire is a popular tree change destination, and is one of the fastest growing municipalities in Victoria.

The official population of Moorabool Shire in 2018 is 34,030. More than half the population lives in Bacchus Marsh and surrounds (18,247). The Shire's second largest population can be found in and around Ballan (2,985). The remaining population is distributed throughout the large number of small towns, hamlets and farming areas within the Shire. The majority of people who relocate to Moorabool Shire are young families seeking a semi-rural lifestyle. Moorabool's demographic reflects this trend.

Population Growth

When considering future growth of Moorabool Shire, Council has identified three key residential locations where the majority of that growth will occur. These locations – Bacchus Marsh, Ballan and Gordon – already have established infrastructure to accommodate new growth. As part of the Moorabool 2041 (Small Towns and Clusters Settlement Strategy) framework, Council is also consulting with other settlements such as Wallace and Bungaree in reference to the growth opportunities.

The population of the Shire is estimated to increase by 72% between 2015 and 2041 to 54,418. The majority of growth during this period will come from the new estates in Maddingley which are forecast to increase by over 174% during this same period.

OUR BUSINESS

Business Profile

Traditional economic drivers such as agriculture, timber, wool and beef production and mineral, stone and water extraction remain extremely important to Moorabool's economy.

Residential growth, construction, retail and service industries, light manufacturing and tourism are emerging factors of growth.

The Shire's growing population provides tremendous opportunities for business growth and investment. The excellent services we provide, and those planned for the future, will see Moorabool become an even more attractive prospect.

YEAR IN REVIEW

The organisation operates under three directorates: Social and Organisational Development, Growth and Development, and Infrastructure. Highlights and challenges throughout 2017/18 are detailed below.

Social and Organisational Development

Achievements

Transition to the National Disability Insurance Scheme (NDIS)

The past year saw 120 clients of Council's Disability Services Clients transition from the Home and Community Care program to the NDIS. Those who were under 65 years of age and not eligible for the NDIS continued to be supported to receive in home services through the Home and Community Care Program for younger people.

Marveloo – Changing Places

The Council was successful in attaining a grant to build a Changing Places Marveloo. Changing places facilities are larger than standard accessible toilets, and have extra features and more space to meet the needs of people with a disability and their carers. Each facility has a height adjustable, adult-sized changing bench, a tracking hoist system, space for two people and a safer and cleaner environment. Changing Places facilities such as Marveloos enable people with disabilities, their carers and families to visit places or attend events that they might not otherwise attend because of inadequate toilet facilities which others take for granted.

Accreditation Achieved

Council's Aged Services unit was rated highly by an independent external audit conducted in September 2017 which saw the unit meet all eighteen standards. The service is effective in meeting clients' needs and is valued highly by the clients. The annual community satisfaction survey results for 2018 showed that the communities of Moorabool highly value the provision of "elderly support services" by Council.

A Focus on the Future

In February 2017, Council determined to move the management of the Bacchus Marsh Leisure Centre and Ballan and Bacchus Marsh Outdoor Pools from external contractor to direct Council management. These facilities have been operated under contract management for over a decade. The transition which took effect on 1 July 2018, involved challenges and difficulties, however the issues are being addressed to ensure that the communities of Moorabool have access to high quality, well managed facilities.

Planning for the Future Recreation Needs

A range of recreation planning and strategic projects over been completed over the past 12 months:

- Indoor Facilities Feasibility study addressing the future infrastructure needs of indoor sport
- Working in collaboration with the Ballan Recreation Reserve Committee of Management to develop a strategic master plan at the reserve
- Splash Parks Feasibility Study looking at aquatic play provision
- Review of the timing for development of an Indoor Aquatic Centre

The strategic work establishes a solid base for Council to continue to improve community and recreation facilities and services into the future and effectively plan for the needs of our growing communities.

Much Needed Facility Improvements

Council has worked extensively with committees of management, clubs and State Government agencies to deliver a range of facility and infrastructure improvements at Council reserves and facilities.

Examples of some of the great outcomes for our community include:

- Lighting upgrade at Masons Lane Reserve
- Completion of the viewing pavilion at Maddingly Park
- Commencement of stage 1 of the Bacchus Marsh Racecourse & Recreation Reserve Master Plan implementation which sees the development of the BMX Track, multi use sports ground for soccer and cricket and relocation of the equestrian areas

Funding applications were lodged with Sport and Recreation Victoria, which were successful in providing grants, which will greatly assist the Council deliver:

- An upgrade to sports lighting at Maddingly Park and "Siberia" ovals
- Construction of 3 additional synthetic grass tennis courts at Bacchus Marsh Tennis Club
- Significant upgrades to netball courts at Ballan Recreation Reserve

Increasing Engagement with Our Communities

In the past year, thirty-one (31) consultation processes have taken place to seek the views of community members on projects and issues considered by the Council. The response from our communities to "Have Your Say" has contributed significantly to many projects and activities of Council.

The "Have Your Say" Community Engagement portal is the ninth most visited section of Council's web site. There were 10,351 total views of the portal from 8,300 individual visitors spending an average time of 2:56 minutes. Both the number of visits and time they are taking on the portal demonstrates that users are engaging with the content. The ten most visited projects are listed below.

Ranking	Project	Page Views
1	Library Service Strategic Plan	2470
2	Bald Hill Activation Project	993
3	Ballan Reserve Master Plan	812
4	Ballarat Rail Line Proposed Works	771
5	Splash Parks Feasibility & Review of Aquatic Centre Timing Consultation	767
6	Indoor Recreation Facilities Feasibility Study	407
7	Splash Parks Feasibility Study Draft Report	376
8	Domestic Animal Management Plan	341
9	Gordon Township Improvement Plan	273
10	Bacchus Marsh Urban Growth Framework	224

Libraries

Thanks to the **Living Libraries grant** from DELWP we now have a fully functioning walk-on mobile library. We have added 2 rural primary schools to our Tuesday schedule and there will be great opportunity for us to visit community events across the Shire, providing a much improved service to all. New "Mobile Library Stop" signs have been designed and printed and are due to be installed in the coming weeks.

The introduction of **extended opening hours** for the Lerderderg Library in Bacchus Marsh for 2 evenings per week has been greatly appreciated by our community. The extended hours are especially popular with students looking for a quiet place to study, and with workers who don't get back into Bacchus Marsh until early evening. We have also been able to extend the opening hours at Ballan and now have the library open all day on a Friday, 9.30am-5pm, although closing for an hour at lunchtime.

The second year of the **Peter Carey Short Story Awards** was an outstanding success, along with the inaugural **Young Writers Awards**. This is a partnership with Moorabool Writers Craft. The presentations were held on a Saturday afternoon in early June, with attendance from the dedicated writers of Moorabool and beyond, at around the 140 mark.

A **Justice of the Peace** is now available in the library each Wednesday morning. This is a wonderful opportunity for our community provided by dedicated volunteers.

Baby Bounce is growing in numbers with the children's area full to overflowing some weeks. It was introduced as a fun way to introduce babies under 12 months, and their parents, to the library.

The establishment of a **Code Club** for primary school aged children has been a great success. It runs on a Monday afternoon for 6 weeks and we have a young volunteer with a passion for computers helping out with this. Having to use the public PCs during the busy after school period has its issues though.

Residents from Providence Aged Care hostel are coming along once a month to sit in on Thursday Storytimes and enjoy all the songs and stories with the children. This has been a great success.

BacchChat was moved to the earlier Saturday time of 10am-12 noon and has seen a pleasing increase in numbers. The range of speakers has continue to be varied and topical.

Monthly **Book Chats** have continued at Lerderderg Library for booklovers who are seeking something less formal than a book club. Lots of chat and camaraderie.



1000 Books before School. The challenge goes on with lots of very proud children bringing in their completed sheets to claim their prize/s. We have had 329 enrolments in 18 months and 25 graduates who have reached the 1000 total, well before they are due to start school!

As part of our promotion of children's literacy we have installed a StoryPOD and a StoryPAD in the children's area, instead of the 2 PCs. They contain a range of Apps for stories in a range of languages. They have recently had a coding program added that is the same one we use for our Coding Club.

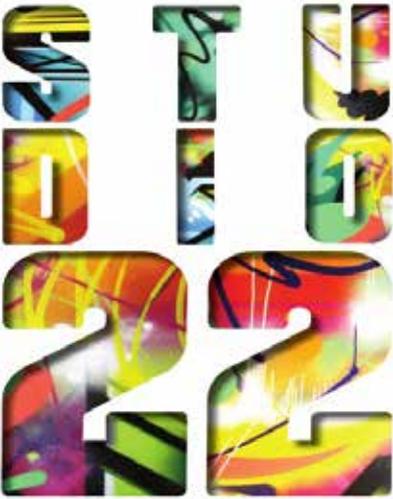
The **Home Library Service** is growing with a 50% increase in deliveries. Our volunteers do a terrific job helping us with deliveries. Demand for home library services in Ballan is increasing so this will have to be addressed in the coming year.

The number of **visitors** to the Lerderderg Library continues to grow nicely and for most of 2018 we have been averaging around 2,000 visitors to the library per week. During one week in early June we had a total of 2,782 visitors through the doors - a very big week indeed!

We have also been showing a very healthy rate for the number of **new members** each month, both at Bacchus Marsh (102 in May, 83 in June) and at Ballan (13 in May, 8 in June) and are very favourable in comparison with other Central Highlands libraries of similar size.

Opening of Studio 22 as a Youth Space

During the September school holidays, the Youth Services Team opened the doors of Studio 22 at the Darley Civic and Community Hub for the very first time as a Youth Space. Studio 22 is open two nights a week during the school term and designated days during the school holidays. A mixture of indoor and outdoor activities enables the program to meet the differing needs of young people attending and includes activities such as cooking, basketball, soccer, football, art activities, art and craft, movies, electronic and board games, pool and air hockey, and assistance with resume writing. The space is open to all young people aged 12- 18 years, with most weeks between 20-30 young people visiting the space which is staffed by Youth Development Officers.



182 HALLETTS WAY DARLEY

YOUTH SPACE for young people aged 12 - 25 years (or in Grade 6 Term 4)

VIDEO GAMES - HOMEWORK & JOB SEARCH SUPPORT - POOL TABLE
AIR HOCKEY - BOARD GAMES - SPORTS - COOKING ACTIVITIES - ART

TUESDAYS & WEDNESDAYS 3:30PM - 6:00PM

Contact Moorabool Shire Council Youth Services for more information and a permission form on 5366 2100 or youthservices@moorabool.vic.au

 like us on facebook to keep up to date with Youth Services Programs & Events
facebook.com/mooraboolyouthservices



Western Bulldogs Leadership Program

The Youth Services team partnered with the Western Bulldogs Community Foundation in a program that targets young people aged 14-16 years. The Western Bulldogs Leadership Program is a dynamic youth leadership program delivered by the Western Bulldogs Football Club Community Foundation in partnership with Councils. The project uses the Western Bulldogs Football Club as a vehicle to inspire, educate and mentor leaders for social change in Victoria's West by providing nominated young people an exciting range of life, civic and sports experiences in which to learn and develop from.

This year Moorabool has six young people participating. The primary outcomes of the project are:

- Development of social leaders
- Increase in self-esteem and self-worth
- Heightened awareness of the world around us
- Sense of group identity
- Increased engagement within the local community

Thank you to Western Screens Blinds & Awnings, Shane Cook Homes, Frist National Rayner, Bacchus Marsh Community Bank, The Moorabool News, Bacchus Marsh Coach's, Boratto Farms, Solahart, What Knots and Bacchus Marsh News Agency.

Youth Mental Health Forum

The Youth Action Group (YAG) in partnership with the youth services team were successful in obtaining a State Government grant to provide a Mental Health Youth Forum to celebrate Victorian Youth Week, in April 2018.

The Youth Mental Health Forum had a great turnout with over one hundred young people in attendance and comprised of an engaging performance, which explored mental health concerns, guest speakers discussing local youth services and roundtable discussions which focused on ideas to promote positive mental health and wellbeing for young people in the community.

Young people worked alongside local service providers to share ideas on how as a community we can work together to better support and promote positive health and wellbeing for young people.

Partnership with WRISC Family Violence for Van Go Project

Van Go Moorabool is a bold and exciting new partnership between Council and WRISC Family Violence Support Inc. A van with a vibrantly painted Van Gogh masterpiece has been created as a mobile therapy space.

A team of creative therapists take the van into schools within rural townships to assist children recover from family violence.

The child focused approach puts children's voices first and foremost within the evaluation framework of the service. Van Go is funded in response to recommendations 11, 23, 104 and 146 (part thereof) of the Royal Commission into Family Violence and references the Ending Family Violence: Victoria's Plan for Change and the Roadmap for Reform: Strong families, safe children, as well as Moorabool Shire Council's Health and Wellbeing Plan.

Van Go provides much needed locally based family violence services to women and children and Moorabool Shire Council is committed to this ongoing partnership to ensure services are provided locally to residents.

Challenges

The **National Aged and Disability** reforms has seen unprecedented change in the sector which has seen the Council responding to the evolving policy changes whilst still providing a high quality service to the community.

The experience of the roll-out of the National Disability Insurance Scheme (NDIS) in Moorabool identified gaps in the provider market, with some individuals assessed as eligible for the NDIS provided a package to purchase services but unable to access service providers which reflects the “thin” market. A key issue has been the pricing structure and the cost of travel not being sufficiently factored into the price. Service providers are having to come from Ballarat and Geelong to service Moorabool clients.

Leisure Facilities Transition

The transition from contract management to direct Council management at Bacchus Marsh Leisure Centre and the outdoor pools has been very challenging for Council. Whilst there have been some operational issues to resolve, community feedback suggests that the facilities are generally on the right track.

In particular a successful outdoor pool season saw attendances increase, the appearance of the grounds improved, and more responsive customer focus at both Ballan and Bacchus Marsh pools.

Keeping up with the pace of rapidly growing communities

Rapid population growth, ageing facilities and infrastructure, high participation levels in active sports and increasing community expectations has presented significant challenges for Council. The Council has worked to address these challenges in a planned and strategic manner. Balancing competing demands, and at times conflicting community needs is a difficult task. Building relationships, partnerships, connections and working collaboratively with the community is critical.



Growth & Development

Achievements

Bald Hill Activation Project

The Bald Hill Activation Project aims to see the activation of a 120ha Council reserve on the western edge of Bacchus Marsh.

In 2017/18, Council completed the Bald Hill Background and Scoping Report that found that the site was suited:

- As a Regional Level facility that caters for:
 - o Recreational walking, running, horse riding and cycling;
 - o Higher intensity trails running and fitness;
 - o Mountain bike facility.
- While constrained under State and Local Planning Studies, there is potential for the northern edge of the reserve adjacent to Swans Road to be considered for inclusion in the future non-urban investigation area.

Community consultation was undertaken, with more than 90% of the 150 responses in favour of Council undertaking further investigations into the development of the site for active recreation. There was also in-principle support for the project from the Moorabool Youth Action Group, Department of Justice and Wurundjeri Tribe Council.

The project will continue with Council providing funding for the completion of a detailed feasibility study, which is expected to be completed early in 2019.



Bacchus Marsh Urban Growth Framework

Overview

Bacchus Marsh is a rapidly growing town, experiencing growth rates well in excess of Melbourne as a whole. This growth needs to be carefully managed and co-ordinated. To address these challenges the Bacchus Marsh Urban Growth Framework (UGF) has been prepared as a high level strategic plan to identify future opportunities for urban growth investigation areas, areas for new economic development investment and required infrastructure (including roads, rail, education, health facilities).

The UGF was the first significant project where Council has worked in partnership with the Minister for Planning and the Victorian Planning Authority to deliver frameworks for growth management to achieve the outcomes set out in Plan Melbourne 2050.

Council resolved at its Ordinary Meeting on 4 September 2017 to seek Ministerial authorisation to prepare and exhibit the amendment needed to implement the UGF (Amendment C81).

On 22 September, 2017 Council was granted authorisation (without conditions) by the Minister to prepare and exhibit the Amendment. Exhibition occurred during November and December 2017 with Planning Panels Victoria holding independent hearings in June 2018. At the time of writing Council is awaiting the Panel report, noting that there is considerable agreement between Council, agencies and landowners in the hearing on key issues and likely solutions.

Key aspects of the UGF include a proposed new train station at Parwan, urban growth investigation areas at Merrimu, Parwan Station and Hopetoun Park as well as an employment precinct at Parwan. An Eastern Link Road to direct north-south traffic out of Gisborne Road and Grant Street is also a key priority along with recognition of the Maddingley Brown Coal operation as a waste hub of State significance.



Challenges

Challenges in delivering the UGF include the number of studies required to resolve key issues – from odour modelling to origin-destination truck movements within the town, land capability, environmental constraints mapping to cultural heritage. Bacchus Marsh also comprises a number of activities of State significance including the Darley sand quarries, the Bacchus Marsh Irrigation District and the Maddingley Brown Coal operation (coal mining, shredder flock recycling and composting).

Protecting these operations whilst accommodating appropriate levels of future growth has been a complex and dynamic planning challenge.

The Bacchus Marsh UGF is likely the most complex strategic planning project undertaken by Council since its inception in 1994.

The resources and support of the Victorian Planning Authority have been instrumental in Council having the capacity and resources to deliver this important piece of work.



Parwan Employment Precinct Business Case

Overview

The Parwan Employment Precinct (PEP) project comprises land generally south of Bacchus Marsh and either side of Geelong-Bacchus Marsh Road. Within the area at present are a large chicken broiler operation, Western Water's Bacchus Marsh Recycled Water Treatment Plant, a mushroom factory and Bacchus Marsh Aerodrome. Council recently rezoned land on the corner of Geelong-Bacchus Marsh Road to facilitate a new abattoir facility.

Council, with support from Regional Development Victoria, commissioned a business case to determine how many jobs could be created within the PEP along with the required infrastructure investment to make the precinct investment ready. A full report on the Business Case was tabled at an Ordinary Meeting of Council in August 2018.

Current projections estimate that up to 1500 full time equivalent jobs can be created in the PEP over a timeline of around 10-12 years, subject to a number of infrastructure investments being delivered including additional gas infrastructure, power supply augmentation and road upgrades.

Challenges

Key challenges in delivering a business case included the development of estimates for infrastructure upgrades prior to applications for development being lodged with Council. The Business Case also relied on significant input from the Victorian Planning Authority, Western Water, VicRoads and Regional Development Victoria.

The finalisation of the business case places Council in a solid position to prioritise investments, clarify advocacy to gain further agency and Government support, and work with landowners in the next 12-24 months on a precinct structure plan (PSP). The PSP process will deliver a road map for all required investment, identify contributions required by landowners and agencies and make the PEP a significant regional opportunity for job creation in the Bacchus Marsh area.

Information, Communication & Technology (ICT)

A major achievement for not only the service unit but the organisation as a whole was the adoption of the ICT Strategy at the Ordinary Meeting of Council in May 2018. This 5 year plan and additional funding provides a clear road map for ICT priorities over this period including reducing the strategic risk exposure of some of the current systems and technology in use and improving services and access to the community.

Complementing the ICT Strategy was the completion of a Records & Information Management review which has identified a number of areas of focus to improve our compliance with State record keeping regulations and requirements as Council transitions from many manual, paper based processes to more online digital services.

A new contract for photocopiers and multi-function devices was finalised in August 2017 with a reduction in the number of copier machines used in Council offices. These new machines also include advanced print management options which allow for secure release of documents and print on demand so that paper is not wasted. This has had the combined effect of over 35,000 less pieces of paper being used for printing and a 450kg reduction in CO2 emissions to the environment. With the higher quality print options available on these new machines, some printing requirements that were being sent offsite to be completed at a higher cost can now be completed in house by staff.

Challenges

The biggest challenge for the ICT teams for the first part of the year had been resourcing to fill vacancies in GIS and maternity leave positions in our Records unit. These have now been filled and we are now benefiting from these recruitments and the improvements to the services.

Emergency Management

Scotsburn Community Recovery Committee "The Journey" was made available to Scotsburn Residents.

The Scotsburn Community Recovery Committee continued "The Journey" to recovery holding educational workshops on farming, gardening and environmental recovery and they organised the 2nd Anniversary Picnic in December 2016.

The Group recently launched the Recovery Book which detailed in photographs and stories the before, during and after phases since the 2015 fires and how the community and volunteers have come together to support each other.



Scotsburn Leadership Program and Fire Game

A group of leaders identified since the 2015 Scotsburn Fires took part in the Scotsburn Leadership Program in 2017, and from that program developed the Scotsburn Fire Game – Should I Stay or Should I Go which was launched at the Scotsburn Primary School in June.

The Game is focussed on educating primary school children on fire preparedness so that they can work with their families on planning for an emergency.

Challenges

The Emergency Management unit has faced challenges this year around resourcing and staff turnover that has seen many well trained staff leave the organisation. There are now gaps in Fire Prevention support and internal roles for the emergency management team that need to be filled.

A further challenge is the rating data that is used for fire prevention activities not being up to date and current, with home sales and purchases making it hard to ensure that fire prevention notices and infringements are directed to the correct property owner. This has a flow on affect to issuing infringements and debtor account charges.



Community Safety

2017/18 was a very challenging year with ever increasing customer requests and expectations placed upon the team. The Community Health and Safety team however, have risen to these challenges and have achieved some excellent results.

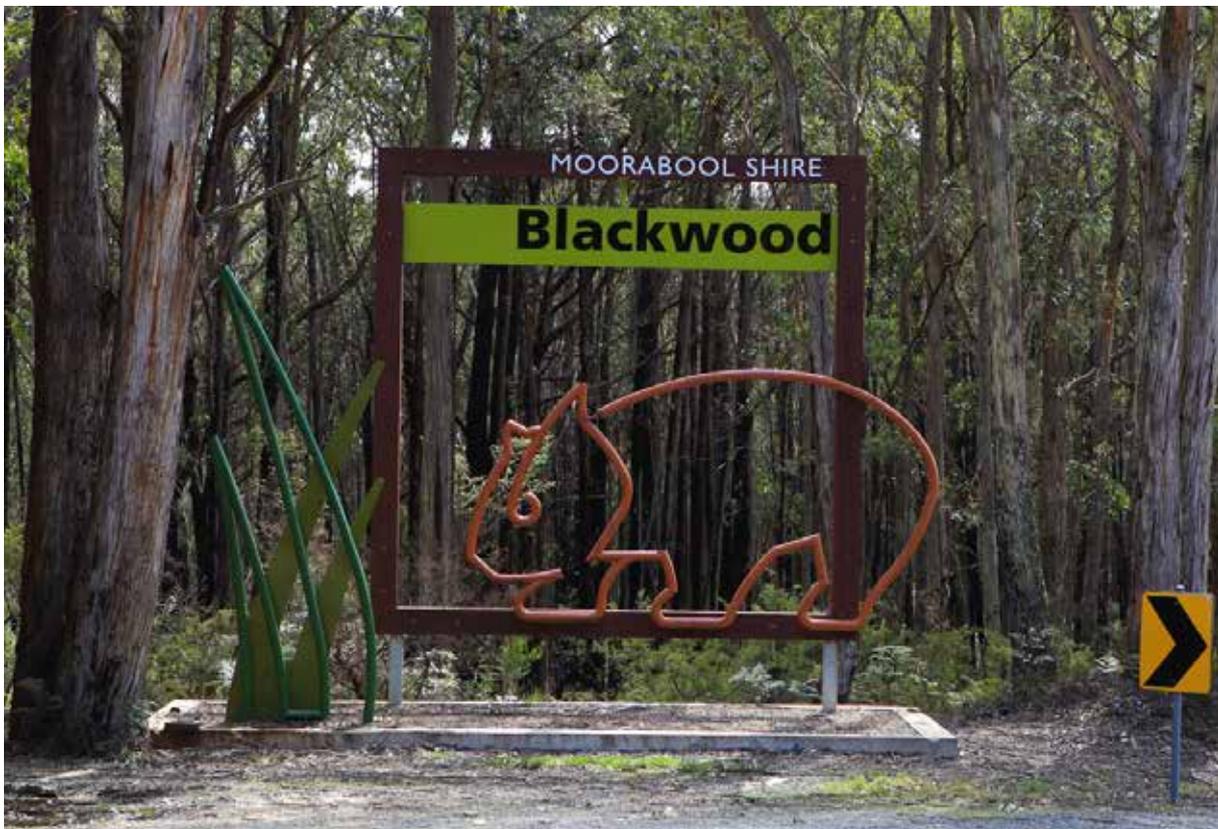
The Blackwood Localised Septic Treatment program continues with over 75 properties being provided with suitable facilities to ensure that they can dispose of their waste safely. The Environmental Health team have continued to work with local businesses to improve food safety whilst also undertaking programs to protect some of our most vulnerable (the under 5's) against the flu.

The Compliance team have continued to work with dog and cat owners to reduce the number of straying animals and work tirelessly to rehome cats and dogs after owners have failed to collect their pets from the pound.

Challenges

The coming year will create many challenges, with the introduction of a new local law and a Domestic Animal Management Plan, the commencement of further initiatives to not only promote safe food but also healthy food and the introduction of a new Domestic Wastewater Management Plan.

All this will occur in the context of increasing demands for service and the expectation of the public and business about the role that Council services can take in ensuring the health, safety and amenity of the area is protected, improved and preserved.



INFRASTRUCTURE

Achievements



Bacchus Marsh Racecourse Recreation Reserve – Stage 1A

Stage 1A of the Bacchus Marsh Racecourse Recreation Reserve Masterplan has commenced on site.

With a project budget of \$4.8M the project provides for:

- Construction of one multi-purpose oval (cricket, football and soccer)
- Multi-purpose sports pavilion
- Relocation of equine facilities including dressage arenas, days yards, cross country course
- Car parks and access roads
- Landscaping and pathways
- Services upgrades
- BMX track
- Irrigation and drainage

Site works for the redevelopment commenced in March 2018. These works included a 65,000m³ bulk earthworks contract for the sports oval, relocation of the equestrian facilities and formation of the new BMX track.

Other components of the project, including sports pavilion and multipurpose oval have been tendered and construction is anticipated to commence later in 2018. The project is scheduled for completion in December 2019.

Adoption of an Open Space Maintenance Management Plan

In May 2018, the Open Space Maintenance Management Plan was adopted by Council. This is an operational document that provides the community with an overview of Council's open space and roadside maintenance practices. A service review was undertaken as the plan was being developed which included a public consultation process.

The service review and adoption of this plan provided budget savings which were then able to be reallocated to provide \$15,000 to fund a new Parks Furniture Maintenance budget, \$22,750 to establish a new Small Town and Reserve improvement budget and an allocation of \$37,000 to subsidise the new budget initiative for an additional staff member in the Parks and Gardens Unit dedicated to new open space assets as part of new subdivisions and estates.



Halletts Way/O’Leary Way Opening

The Halletts/O’Leary Way southern extension project was officially opened in August 2017. This is the largest infrastructure project ever delivered by Council, and has provided a western link road for Bacchus Marsh.

The project was a key priority for Council, building on the existing transport network to accommodate the needs of a rapidly growing community and ease traffic congestion on existing roads.

The link road includes a bridge over the Werribee River into the West Maddingley new residential estates.

The project also included stage 1 of the modernisation of the Bacchus Marsh Irrigation District, future water infrastructure, pedestrian/shared paths, provision for flood protections and stormwater treatment amongst many other components.

To celebrate the achievement, an official opening and community event was held Sunday 13 August 2017, including a Moorabool Run 4 Fun.



Bacchus Marsh Traffic Improvements

Since completion of the Integrated Transport Strategy for Bacchus Marsh, Council has been advocating for traffic improvements for the Bacchus Marsh Network to complement its own works such as the Halletts Way/O’Leary Way southern extension. As a result, a number of significant projects have been funded around the town including:

- Halletts Way Melbourne Bound Freeway Ramps and Pedestrian Bridge
- Intersection works at Gisborne Road / Holts Lane / Western Freeway Interchange
- Funding of a Planning Study for an Eastern Link Road for Bacchus Marsh

These projects align with the objectives of the Integrated Transport Strategy and will assist with managing increased traffic volumes in a growing community.

Road Funding

Council was successful in obtaining \$374,202 in Local Roads to Market funding for Ormond Road at Springbank, which includes widening and sealing a 1.3 kilometre of the road.

The project will include intersection upgrades to improve freight efficiencies as the road is an important route for local freight traffic to markets. The road surface will be widened from 3.6 metres to 6 metres to align with adjacent road segments.

Council has also been offered an amount of up to \$325,000 for widening and sealing a 1.7 kilometre section of Werribee Vale Road, west of the intersection with the newly constructed Halletts Way, from 4.2 metres to 6.2 metres.

Works will widen the seal to 6 metres and funding is still subject to further negotiations.

In addition, \$47,905 was secured from TAC for the installation of a zebra crossing in Bennett Street, Bacchus Marsh.

All these funds supplement Council's own capital improvement program to improve the condition and safety of the road network.

Implementation of an Electronic Maintenance Management System

2017/18 saw the move of many of Council's maintenance activities from a paper based to electronic format through the implementation of a Maintenance Management System and field based mobile devices. The system is used for the planning, recording and monitoring of proactive and reactive maintenance activities, improving the efficiency of existing manual processes. The system also helps to improve data capture and reporting to better inform planning and decision making, and better manage compliance with works programs and legislative requirements. The rolling implementation and further system improvements will continue in 2018/19, with sealed/unsealed local road, footpath, public amenity, playground and tree databases currently being actively utilised by Council staff.

Development of Stage I Bacchus Marsh Local Area Traffic Management (LATM) Study

In early 2018, Council commenced the development of the first in a series of Local Area Traffic Management (LATM) Plans for Bacchus Marsh, being the area north of the CBD. LATM plans address both the technical and community aspects of traffic impacts within a local environment, providing an integrated and consistent approach to managing traffic and safety within the area. The development of the plan has involved extensive community consultation to assist Council to define the existing conditions and issues, and recommend a range of treatment options for implementation into the future.

Development Engineering

In 2017/18 we oversaw the addition of some 320 new residential lots across Moorabool, 295 of which were in the Bacchus Marsh/Darley/Maddingley urban area. Almost two thirds of this activity took place in the Underbank and West Maddingley precincts. Most of the balance, about 80 lots, was "Infill" development around Ballan and Bacchus Marsh. Engineering Services also responded to over 300 statutory planning referrals, and evaluated around 90 sets of engineering plans related to various aspects of development, including road and drainage, public lighting, landscaping and infill development. 2017/18 also saw the arrival of windfarm developments, with Yaloak South (14 turbines) completed, and Lal Lal and Moorabool (around 170 turbines) commencing civil works.

The biggest challenge through 2017 was resourcing the increased development activity within the municipality and continuing to meet developer expectations.

Ballan Streetscape

Streetscape Upgrade works in Inglis Street, Ballan between Stead Street and Fiske Street were completed in 2017/18.

The upgrade was a significant investment by Council into the local community, with many long term benefits including the replacement and widening of existing concrete footpaths and vehicle crossings with asphalt paving, along with the replacement of existing hard surfaces and nature strips with new bluestone paving and asphalt treatments.

As part of the project there was an upgrade of street furniture including seating, garbage bins and bike racks along with new gardens beds and additional street planting to improve Ballan's signature autumn foliage.

Increased pedestrian safety and accessibility, improvements to on-street parking capacity and the installation of electrical conduits and pits for possible future undergrounding of power were all associated aspects of the streetscape project that has transformed the CBD into strong and vibrant area.



Rating Strategy

On 2 May 2018, Council adopted the Rating Strategy 2018/19 for a period of 4 years and was the culmination of an 8 month process.

The review covered a wide range of legislative issues, operational considerations and a number of matters specifically unique to Moorabool Shire, including the impact the Rating Strategy could have on the Council Plan and a number of Council endorsed strategies and policies.

Consideration was also given to the Economic Development Strategy and the Age Well, Live Well Strategy 2015 -2021.

As a result of the detailed review, a number of rate model proposals were prepared and exhibited for community consultation.

Based on the feedback as part of the community consultation, minor amendments were made to the Draft Rating Strategy that was adopted for a period of 4 years.

The Rating Strategy is one of the key strategies which underpins Council's 10 year Strategic Financial Plan.

Policy Development

During the financial year, the Directorate undertook an active program of developing and updating a number of new and existing policies including:

- Debt Policy
- Investment Policy
- Accounts Payable Policy
- Procurement Policy
- Unused Road Reserves Policy
- Traffic Calming Policy

This is part of a continuous program to improve governance that will enable Moorabool Shire to remain at the forefront of public sector best practice.

Strategic Financial Planning

In recent years, in house financial models have been developed that have underpinned the Strategic Financial Plan and the Annual Budget process. In 2017/18, we continued to build on and improve these models to the point that these models now underpin strategic financial discussions.

The work completed in 2017/18 has resulted in the establishment of a robust financial planning and budget process with the following outcomes:

1. Council was able to quickly and efficiently resolve its position on the need to apply for a rate cap for the 2018/19 year.
2. Council and Officers had a clear line of sight which facilitated a smooth 2018/19 budget process.
3. The Strategic Financial Plan has underpinned the continued improvement in Council's financial performance.

The end result has been the establishment of a robust financial planning process which will continue to mature and deliver significant benefit to the community.

Annual Accounts and the Annual Budget Process

The Finance team facilitated and project managed the completion of its two key annual reporting obligations in full compliance with external statutory obligations whilst meeting the quality and performance standards set by the organisation.

Council has prepared a Budget for 2018/19 which is aligned to the vision in the Council Plan 2017/21. It seeks to maintain and improve services and infrastructure as well as deliver projects and services that are valued by our community.

The adopted budget details the resources required over the next year to fund the large range of services we provide to the community. It also includes details of adopted capital expenditure allocations to improve and renew our Shire's physical infrastructure, buildings and operational assets as well as funding proposals for a range of new initiatives.



Challenges

Recycling

It has been widely publicised that changes to China's Recycling Policy have negatively impacted the worldwide recycling market. These changes include banning the import of mixed paper and unprocessed plastics and reducing the allowable level of contamination in recovered paper to 0.05%. The State Government has accepted the premise that the Chinese policies have impacted the market and have encouraged Councils to consider renegotiation of their contracts to set a more realistic pricing mechanism.

This has unfortunately resulted in an increase in the kerbside service charge in 2018/19 for ratepayers but allows for recycling to continue.

Construction Cost

The construction industry is extremely busy with major Government projects in progress across road, rail and other infrastructure. Development and subdivision activity is also at a high. With the industry being so busy, Moorabool has seen an increase in construction costs in the last 12 months and a decrease in the pool of contractors competing for work.

The two fold effect of this is potential over expenditure or completion of less and the timeframes for projects being extended.





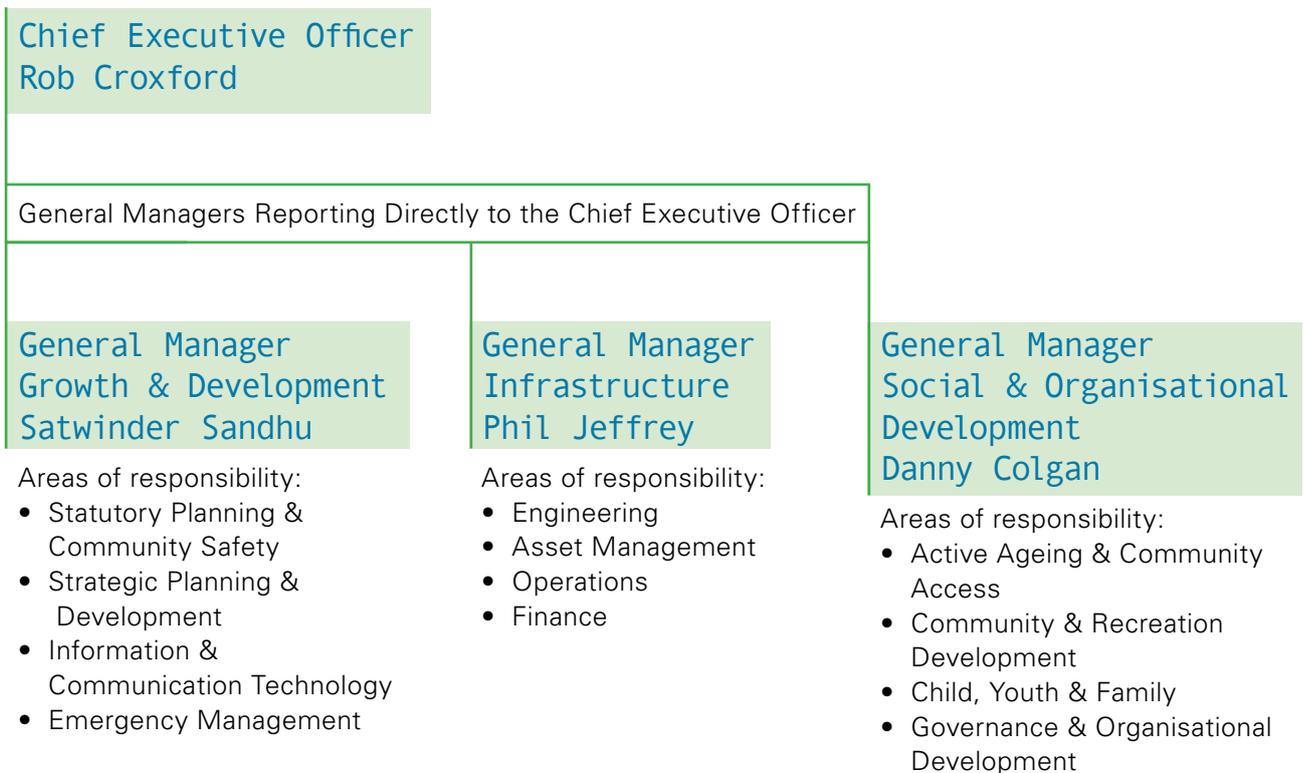
PART TWO: OUR COUNCIL



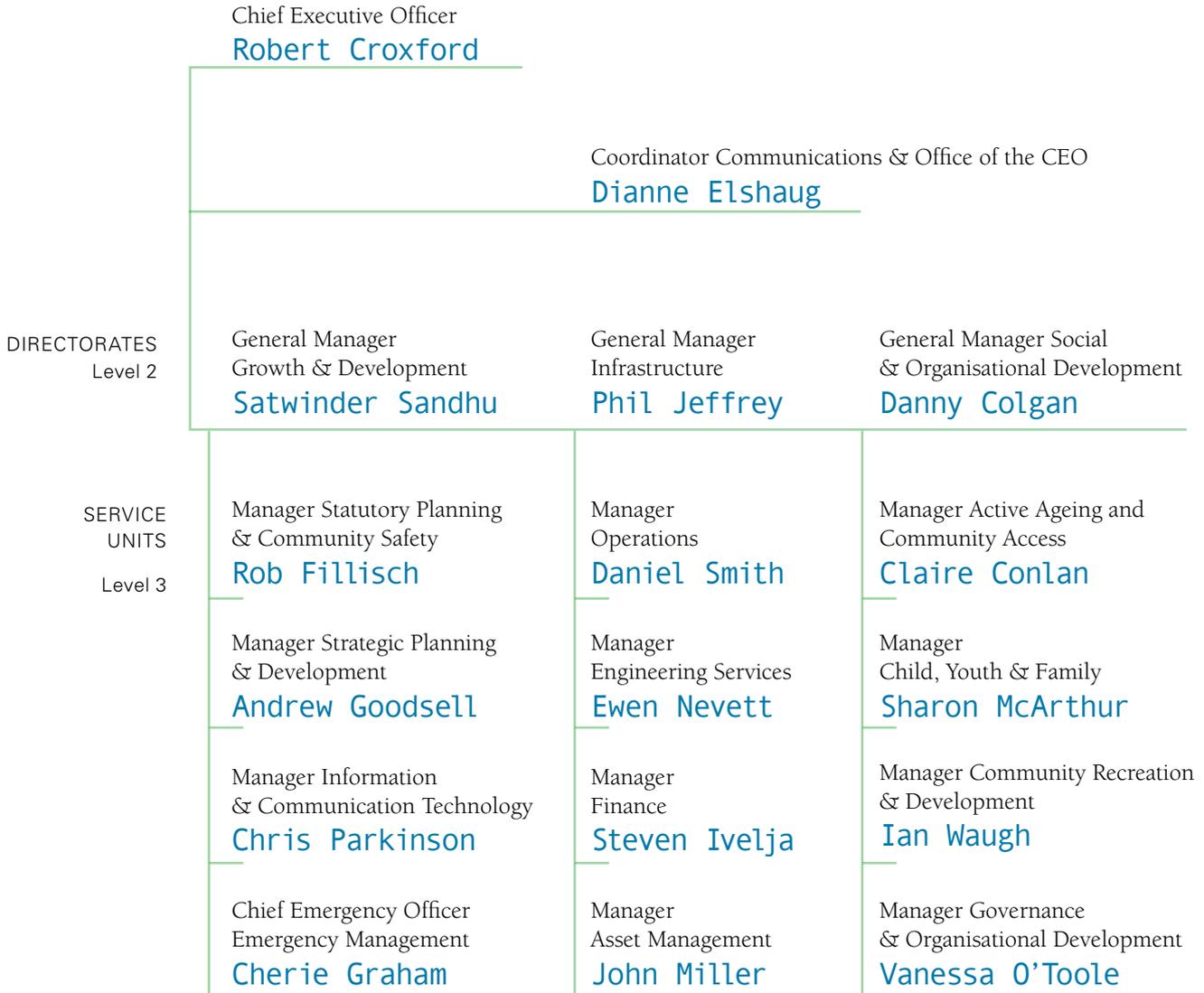
ORGANISATIONAL STRUCTURE

Council appoints a Chief Executive Officer (CEO) who is accountable for the day to day management of operations in accordance with the strategic directions of the Council Plan.

Three General Managers and the CEO form the Executive team responsible for the overall leadership of the organisation. Details of the CEO and General Managers reporting directly to the CEO are set out below.

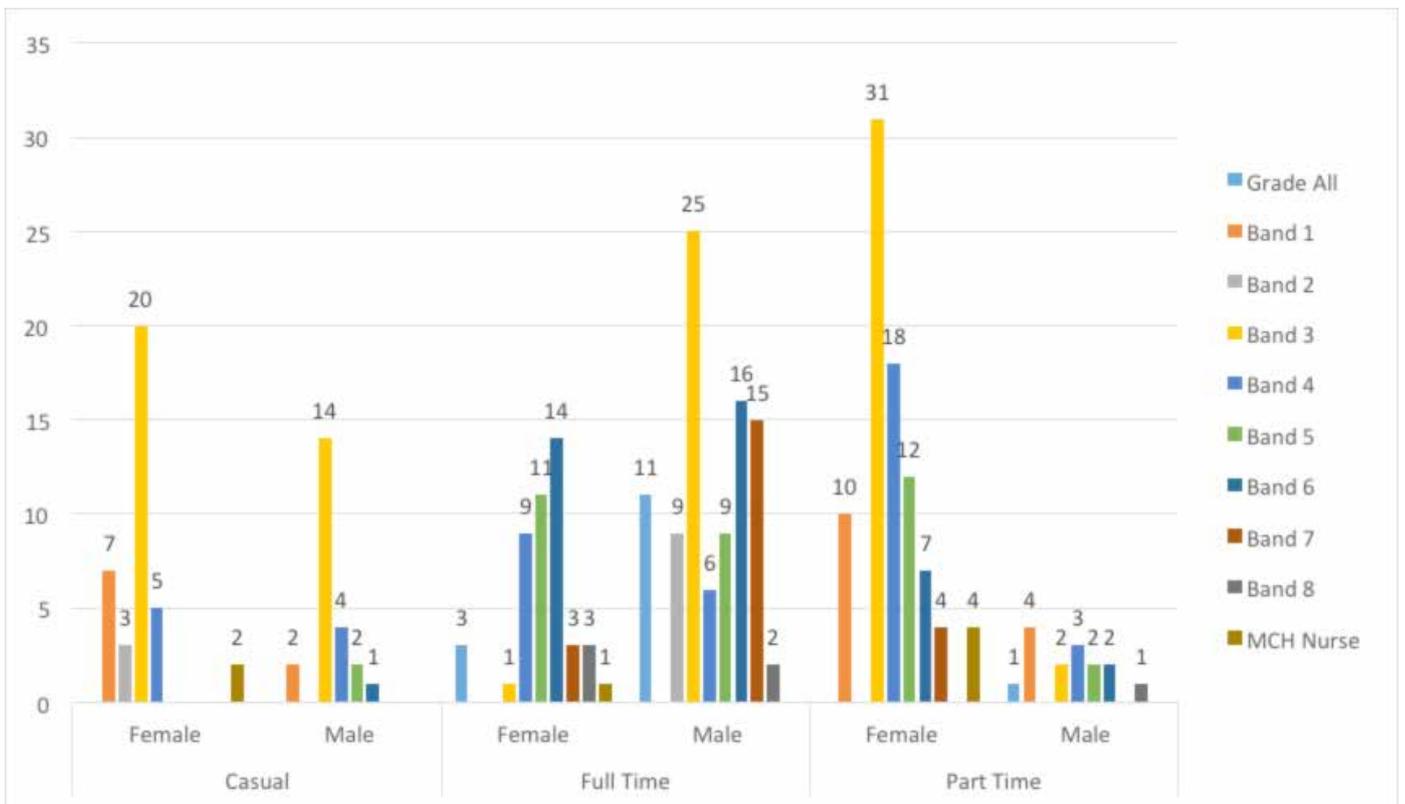


ORGANISATION STRUCTURE



A summary of the number of Council staff categorised by employment classification and gender is set out below.

Employment Type	Grade All	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8	MCH Nurse	Total
Casual		9	3	34	9	2	1			2	60
Female		7	3	20	5					2	37
Male		2		14	4	2	1				23
Full Time	14		9	26	15	20	30	18	5	1	138
Female	3			1	9	11	14	3	3	1	45
Male	11		9	25	6	9	16	15	2		93
Part Time	1	14		33	21	14	9	4	1	4	101
Female		10		31	18	12	7	4		4	86
Male	1	4		2	3	2	2		1		15
Total	15	23	12	93	45	36	40	22	6	7	299



Training

Equal Employment Opportunity Program

The objective of Council's Equal Employment Opportunity Program is to ensure that 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.

Council's Equal Opportunity training program is being revised in line with changes in our internal policies. An online version of the training is also being investigated to offer staff a greater flexibility in terms of delivery and timeframe.

During 2017/2018 no complaints were made to Council's Equal Opportunity Contact Officers.

OHS Training for Supervisors

Council identified that further training was required for our supervisory staff in relation to their health and safety obligations. An external provider facilitated these workshops with a focus on compliance and making safety a priority at Moorabool.

The objective of these OHS training sessions was to increase staff awareness of health and safety with the aim of reducing the risk of incidents and in turn decreasing the potential for WorkCover claims. This training has been undertaken again in 2017/2018.

Risk Management Training for Supervisors

Additional training was also determined in the risk management area for all managers and co-ordinators. The workshop was conducted by an external facilitator focusing on the obligations of supervisors in the area of risk along with practical activities such as how to conduct risk assessments. This training has been undertaken again in 2017/2018.

First Aid and CPR Trainings

Regular First Aid and CPR Training sessions are being conducted by qualified external training providers. This ensures our employees, especially those in the Early Years and Active Ageing & Community Access Units, are up to date with compliance training and are well equipped to take the necessary action in case of an emergency.

Manual Handling Training

The Manual Handling Training is mandatory training conducted every 2 years. The last training was conducted in 2015/2016 for 3 groups of employees which included our outdoor staff as well as Early Years staff. The next training session will be organised later in 2018.

Insurance Training

Insurance training was conducted for all managers and co-ordinators on the application of the insurance rules. This training was conducted by Echelon Services and included a background on the different types of insurance and how to process an insurance claim. Insurance training will be offered to our managers and co-ordinators early in the new financial year.

Fraud Awareness Training

Fraud Awareness training was last conducted with all Council staff in 2017 by Warfield & Associates, a company who has many years' experience in the delivery of fraud training within the local government sector. Training will be provided later in 2018.

Staff Development

Professional Development

Council offers study assistance for permanent staff to undertake relevant undergraduate or postgraduate studies. In the last financial year, four staff members were successful in obtaining this form of support to commence their studies in 2018, and five staff members were provided continued support to pursue their studies that had been previously approved.

Council also provides a comprehensive corporate learning program that supports a broad range of staff development needs. The Corporate Training Calendar is published annually to help staff choose their preferred training. Priorities align with Council's strategic plan as well as responding to identified needs determined through our service planning and individual performances processes. A variety of learning methodologies are used including e-learning, facilitated workshops and personal coaching.

Leadership Development

Leadership development is a critical aspect of our professional development program. Leaders across Council were offered a variety of opportunities internally to develop their skills and expertise including mentoring, attending external training and the option to undertake higher duties.

Council also recognises the importance of succession planning and have focused on developing our supervisors, co-ordinators and team leaders to the next level of leadership within the organisation. Leadership development programs offered in 2017/18 included Managing Performance, Public Administration and Change Management.

Other Staff Matters

Enterprise Bargaining Agreement

Council's current Enterprise Agreement which commenced in July 2013 concluded on June 30th 2017. In the 2016/2017 financial year Council commenced the process of enterprise bargaining to negotiate a new Enterprise Agreement for Council employees. It was anticipated this process would be completed in the first half of the 2017/18 financial year, however delays in the process resulted in Council seeking approval from Fair Work Australia in June 2018. It is expected that the new agreement will not be finalised until later in 2018.

Preventing Violence Against Women

The Prevention of Violence Against Women works primarily through promoting gender equity, breaking down stereotypes of women, along with building respectful and safe relationships. This is a prevention approach that is consistent with Council's approach to planning in the area of health and wellbeing.

Council recognises that employees sometimes face situations of violence or abuse in their personal life that may affect their attendance or performance at work. Therefore, Council is committed to providing support to staff that experience family violence. An employee who is subjected to family violence has access to five days per year of paid special leave for medical appointments, legal proceedings and other activities related to family violence. In addition, an employee who supports a person experiencing family violence may take carer's leave to accompany them to court, to hospital, or to mind children.

Two staff have volunteered to take up the role as contact officers to help staff undergoing family violence and have received training to support them in this role.

Risk and Insurance

Risk Management

Council's Risk Management Strategy was completed in 2014 with a primary focus being the identification of Council's key operational risks along with confirming current controls or establishing those required. The Risk Management Strategy will be updated in 2018-19.

An internal audit of Council's risks strategy undertaken by HLB Mann Judd in May 2018 revealed that Risk Management is embedded in the corporate culture and integrated into Council's processes. Council is now focused on actioning the recommendations from the internal audit.

As part of Council's Risk Management Framework, service unit managers present their operational risks and risk treatment plans on a rotational basis at the Risk Steering Committee.

All of Council's Executive team attend this committee undertaking responsibility for leadership in the area of risk management.

With the introduction of the new software in 2017, all internal incidents, hazards and near misses as well as all public liability incidents are reported via electronic systems.

Health and Safety

Council's Health and Safety Management System draft documentation has been completed with further review and consultation required in 2018/19. In addition Council will focus on the following over the next 12 months:

- Development of safe working procedures
- Finalising the OHS Strategy and Implementation Plan and associated documentation
- Increasing the level of training and induction in health and safety
- Continuing to update and revise OHS Policies and Procedures
- Establishing a rolling calendar of health and safety training in line with our compliance obligations

Insurance

Overall the cost of individual insurance policies has reduced, however a greater number of motor vehicle claims has increased motor vehicle insurance. Council's insurance portfolio is maintained to ensure that corporate risk exposures are minimised.

Business Excellence

Council is committed to delivering the best service possible to its community. The way in which this is done is through our Business Excellence program which encourages a culture of continuous improvement based on seven categories. These categories help guide our work and activities in order to become a high performing organisation.

The Business Excellence Self-Assessment process was conducted in February 2018. This process ensures that we are continually assessing and improving the way in which we deliver services to our community, and that our practices are underpinned by sound business models and planning. The purpose of the exercise is to quantify the work carried out by the Council by scoring the activities against each category.

The opportunities for improvement identified through the Self-Assessment process are then embedded into operational and individual work plans as appropriate.

Protected Disclosures

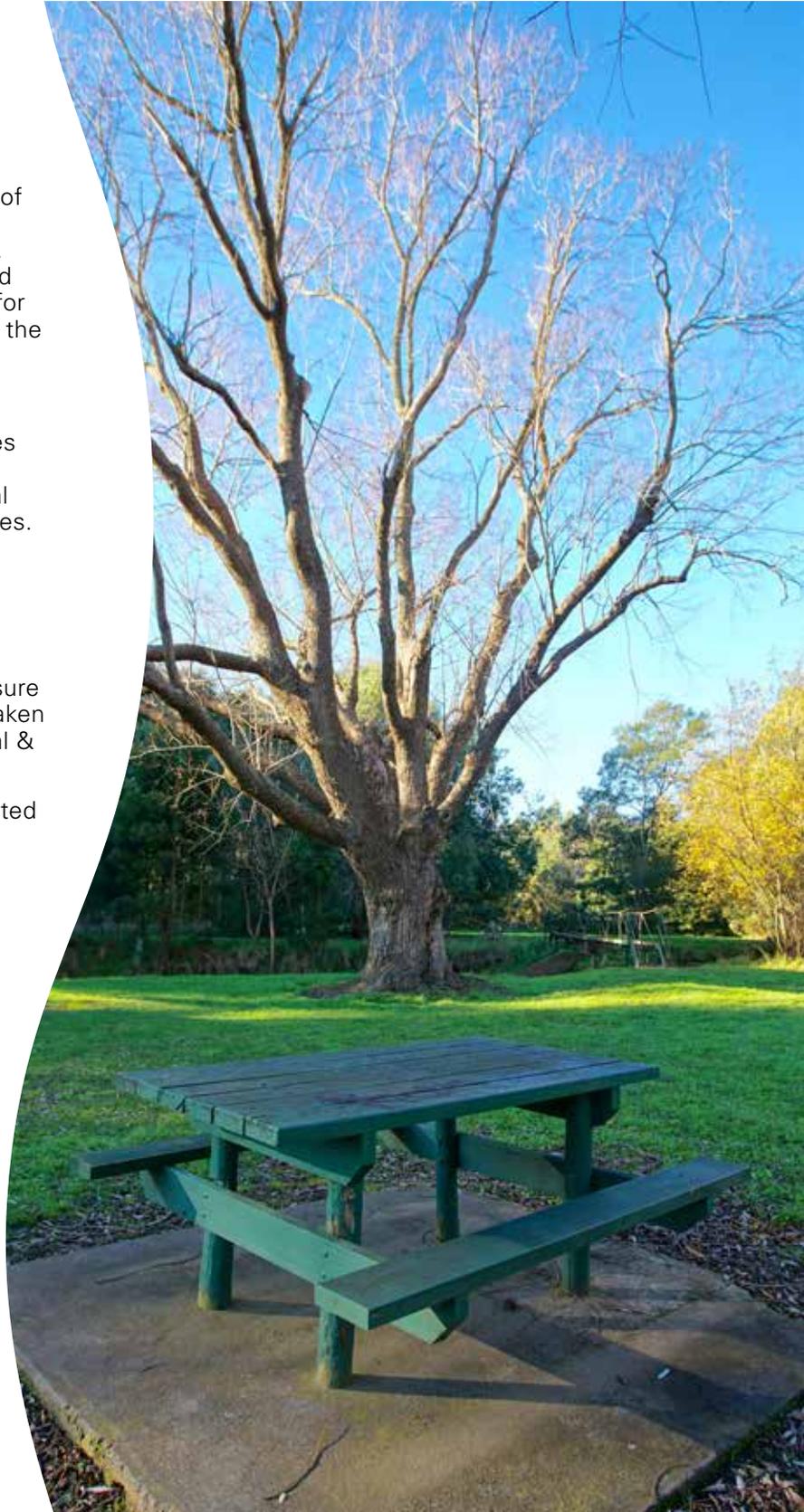
The Protected Disclosure Act came into operation on 10 February 2013.

The purposes of the Act are

1. To encourage and facilitate disclosures of
 - 1.1 improper conduct by public officers, public bodies and other persons, and
 - 1.2 detrimental action taken in reprisal for a person making a disclosure under the Protected Disclosure Act.
2. To provide protection for
 - 2.1 persons who make those disclosures and
 - 2.2 persons who may suffer detrimental action in reprisal for those disclosures.
3. To provide for the confidentiality of the content of those disclosures and the identity of persons who make those disclosures.

Council has appointed a Protected Disclosure Co-ordinator. This role is currently undertaken by Danny Colgan, General Manager, Social & Organisational Development.

In the 2017/2018 financial year one protected disclosure was received.





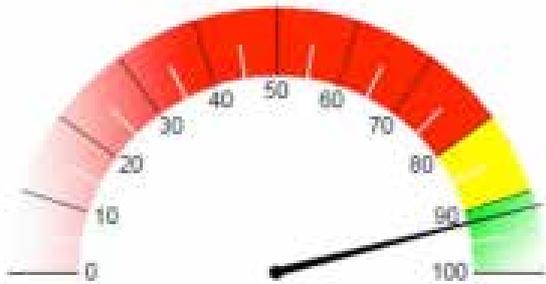
PART THREE: OUR PERFORMANCE



COUNCIL PLAN

The Council Plan 2013-2017 (Revised 2016) includes Key Result Areas, strategic objectives and strategies for achieving these for the four-year period, strategic indicators for monitoring achievement of the strategic objectives and a strategic resource plan.

COUNCIL PLAN ACTION STATUS



- 80** Actions reported on
- 67** At least 90% of action target achieved
- 10** Between 60% and 90% of action target achieved
- 3** Less than 60% of action target achieved
- 0** Actions with no target set

KEY RESULT AREA 1: REPRESENTATION AND LEADERSHIP OF OUR COMMUNITY

In representing and leading our community, Council will continue to improve its understanding of community needs.

We will listen to and recognise the diversity of expectations and priorities across Moorabool, whether in urban centres, small towns and hamlets, or rural areas. In building these relationships, we will communicate effectively and provide fair representation.

STRATEGIC OBJECTIVES:

- Advocate for services and infrastructure that meets the Shire's existing and future needs.
- Good governance through open and transparent processes and strong accountability to the community.
- Leadership through best practice community engagement.
- Provide quality customer services that respond to the needs of our whole community.
- Sound, long term financial management.
- Professional and skilled staff in a safe and supportive environment.
- Effective strategic and business planning for a growing community.

KEY RESULT AREA 2: COMMUNITY WELLBEING

Council recognises the individuality, diversity and identity of each community. We will work together to strengthen each community's capacity to plan, develop and implement projects that build the community they envisage.

STRATEGIC OBJECTIVES:

- Community self-reliance and resilience.
- Inclusive, responsive and accessible community services.
- Increase and encourage participation in a range of sport, recreation and leisure activities.
- A safe community.
- A strong and diverse local economy.

KEY RESULT AREA 3: ENHANCED INFRASTRUCTURE AND NATURAL AND BUILT ENVIRONMENT

We will manage our physical assets such as roads, bridges, drains, footpaths, buildings, structures, community facilities, parks and sports grounds to meet a practical level of service in the most cost effective manner for present and future residents. We will advocate strongly for the resources, infrastructure and strategies required to sustain a quality future for Moorabool.

STRATEGIC OBJECTIVES:

- Effective and integrated strategic planning in place to create sustainable communities.
- Ensure current and future infrastructure meets the needs of the community.
- Management of assets and infrastructure.
- Enhance and protect the long term integrity and biodiversity of the natural environment.
- Effective management of municipal waste and recycling.
- Promote and enhance places of heritage, landscape and environmental significance.
- Effective and efficient land use planning and building controls.



PERFORMANCE

Council's performance for the 2017-18 year has been reported against strategic objectives to demonstrate how Council is performing in achieving the 2017- 2021 Council Plan.

Performance has been measured as follows:

- Results achieved in relation to the strategic objectives in the Council Plan.
- Progress in relation to the major initiatives identified in the Budget.
- Services funded in the Budget and the persons or sections of the community who are provided those services.
- Results against the prescribed service performance indicators and measures.

STRATEGIC OBJECTIVES

STRATEGIC OBJECTIVE 1: PROVIDING GOOD GOVERNANCE AND LEADERSHIP

Context 1A: Our Assets and Infrastructure

Context 1B: Our People

Context 1C: Our Business and Systems

The following statements reviewed the performance of Council against the Council Plan including results achieved in relation to the Strategic Objectives.

2017/18 RESULTS and ACHIEVEMENTS

Strategic Objective Projects	Progress	Comments
Undertake a Road Management Plan Review	Completed	A review of Council's existing Road Management Plan and its associated registers was undertaken and following a public consultation process, the Plan was adopted at the Ordinary Meeting of Council of 7 June 2017.
Review Asset Policy and Strategy including Capitalisation and Revaluation Policy	Completed	The Asset Management Policy was adopted at the Ordinary Meeting of Council in July 2017 and the Asset Management Strategy, Capitalisation and Revaluation Policies were adopted at the Ordinary Meeting of Council in April 2018.

Strategic Objective Projects	Progress	Comments
Produce 10 Year Capital Improvement Programs (2017-2021)	Completed	A draft 10 Year Capital Improvement Program has been developed and was presented to Council as part of the Annual Budgeting Process for 2018/2019 and will continue to form part of the annual budget process.
Deliver Annual Capital Improvement Programs (2017-2021)	Completed	The Capital Improvement Program for 2017/18 achieved completion rate of 93%. The Capital Improvement Program quarterly progress report to Council provides further detail on each individual project.
Develop Infrastructure Policy for Traffic Calming (2017-2021)	Completed	The draft Traffic Calming Policy was developed and presented to the Ordinary Meeting of Council in June 2018 as per policy protocol to 'lay on the table' for Council's consideration. Council resolved for a further report to be presented to the Ordinary Meeting of Council in July 2018 to consider adopting the Policy and this was completed. The Infrastructure Policy for Traffic Calming was adopted at the Ordinary Meeting of July 2018.
Develop Infrastructure Policy for Unmade Road Reserves (2017-2021)	Completed	The Unmade Road Reserve Policy was adopted at the Ordinary Meeting of Council in May 2017.
Councillor Development – Induction and Ongoing Professional Development (2017- 2021)	Completed	An induction program was completed for the Council elected in October, 2016. A report on resources and processes available for Councillors in relation to training, mentoring and support was provided to the Ordinary Meeting of Council in July 2017. Ongoing support and training opportunities are available to Councillors as required. A good governance review was completed with a report presented to the Ordinary Meeting of Council on 20 December, 2017.
Review the PR Communications and Marketing Strategy	Completed	A Council Communications report was adopted at the Ordinary Meeting of Council on 4 April, 2018.
Develop an OHS Strategy	75%	An Occupational Health and Safety Strategy has been drafted with implementation of the Strategy to occur in the first half of the 2018/19 financial year.

Strategic Objective Projects	Progress	Comments
Enhance OHS Systems and Procedures (2017-2021)	Completed	An Occupational Health and Safety system and safe working procedures have been developed based on the work undertaken in the Infrastructure directorate. Consultation with staff across the organisation will commence in 2018/19 to form the next stage of this project.
Review Identified Corporate, Strategic and Operational Risks (2017-2021)	70%	All operational risks are reviewed on an annual basis by service unit managers. Council's Strategic Risk profile is reviewed twice yearly with a report being tabled at the Audit & Risk Committee meetings in May and November each year. A report in relation to corporate risks is being developed with any high or extreme risks reported to Council in the second half of 2018.
Prepare and Implement Child Safety Standards Across the Organisation	Completed	The Child Safety Standards and Reportable Conduct Scheme policies were adopted by Council at the Ordinary Meeting of Council of 2 May 2018. Training will now be delivered to staff.
Review the Local Law	75%	The draft Local Law was presented to the Ordinary Meeting of Council in June 2018 for consideration to commence public consultation. Formal public consultation commenced on 22 June, 2018 for a minimum of 45 days. The review of the Local Law was scheduled for completion within this financial year however competing priorities and resources have led to the project being extended to September 2018 where a final report will be presented to the Ordinary Meeting of Council for consideration.
Review the Municipal Strategic Statement (MSS) (2017-2019)	90%	This project will be delivered over the years 2017 to 2019. As foreshadowed at project commencement there were key projects that needed to be delivered prior to the Municipal Strategic Statement (MSS) being undertaken—C78 Small Towns, C79 Housing Strategy and C81 Urban Growth Framework. These projects are now substantially completed and the brief for the MSS has been finalised. Delivery of the MSS Review will be facilitated and the project finalised in 2018/19.

Strategic Objective Projects	Progress	Comments
Implement Phases 2 and 3 of the Digital Strategy (2017-2019)	40%	<p>Submissions for the Intranet tender closed at the end of March for evaluation by the project control group. The evaluations are taking longer than expected and a preferred supplier and solution is not expected to be chosen until August, 2018.</p> <p>For the second component of this action (replacement of Geographical Information System) a request for quote was released and submissions received in May 2018 which are currently under review. A preferred supplier for this review is to be appointed in August 2018.</p>
Streamline Integrated Corporate Reporting Systems and Methods	75%	<p>A draft report was presented to the meeting of the Executive Management Group in July 2018. The draft report proposes a number of actions to be taken to streamline and better integrate corporate reporting systems and methods including: that reporting be understood as reporting on the performance of Council on agreed objectives, actions and indicators; individual work plan and service unit actions (systems views/operations) be reported on through Interplan; an opportunity for improvement to provide for greater visibility and celebration of the achievement of strategic plan actions is to put the actions into Interplan which are then reported to the Council annually.</p>
Implement the Maintenance Management System	Completed	<p>The Maintenance Management System has been implemented as per the initial scope and is being used for road and footpath inspections and completion of work orders for road maintenance. Since implementation the original scope has grown to include parks and open space, tree management, buildings and essential safety measures, and will continue to grow with further development and integration anticipated over the life of the system.</p>
Develop Service Plans for all Services (2017-2019)	Completed	<p>Service Plans have been developed and each service unit will work to these plans for the 2017/2018 period.</p>

Strategic Objective Projects	Progress	Comments
Undertake Service Reviews in Accordance With the Policy and Framework and as Determined by Council	Completed	At the Ordinary Meeting of Council of 6 December 2017, Council endorsed a report into the review of Aged and Disability Services and the School Crossing Service. At the Ordinary Meeting of Council of 2 May 2018, Council resolved to adopt the Open Space Maintenance Management Plan and the Open Space Mowing Service Review. At the Ordinary Meeting of Council of 7 March 2018, Council resolved to review governance, cleaning of public toilets and the Visitor Information Centre over the next 12 months.
Annually Review the Long Term Financial Plan (2017- 2021)	Completed	A base model has been prepared for the commencement of the 2018/19 Annual Plan & Budget. The model will be used to facilitate high level discussions with Council in ongoing budget discussions and in reviewing the need to make a rate cap variation. The Long Term Financial Plan forms a critical component of the overall budget process. The long term financial plan will be refreshed as part of the annual budget process to ensure that the 2018/19 budget fits within the established financial parameters. The long term financial plan for 2018/19 has been established as part of the 2018/19 draft budget. As a result, this process is now complete.
Annually Review the Need to Make a Rate Cap Variation (2017- 2021)	Completed	At the Special Meeting of Council on Wednesday 20 December, Council considered a report and formally resolved not to apply for a rate cap variation for the 2018/19 financial year. The budget and long term financial plan will be prepared based on a set 2.25% rate cap.
Review the Rating Strategy (2017-2019)	Completed	A draft Municipal Rate Strategy was presented to the Ordinary Meeting of Council of 7 February 2018 with the Strategy subsequently placed on public exhibition for four weeks seeking submissions. The exhibition period closed on 19 March 2018. The Municipal Rating Strategy was adopted by Council for a period of 4 years at the Ordinary Meeting of Council in May 2018.

Strategic Objective Projects	Progress	Comments
Identify and Develop Shared Services with other LGs, Community and Private Sector Organisations (2017-2021)	Completed	<p>A report was endorsed by Council’s Executive Management Group that identified shared service opportunities. The project is being undertaken in phases over the four year life of the Council Plan 2017-2021. Phase one was the preparation of the report to the Executive Management Group; phase 2 is the preparation of scoping/business plans for new or expanded shared service opportunities including the determination of charge out rates and preparation of marketing materials including capability statements; phase three is the implementation of the new or expanded shared service opportunities.</p> <p>Opportunities for shared services with Hepburn Shire Council and Ballarat City Council are progressing in relation to waste, recycling and building surveying services. The Central Highlands Group of Councils are exploring the development of a company limited by guarantee that would engage staff to facilitate the establishment of shared services in the region.</p>



Strategic Objective Projects	Progress	Comments
Seek Funding for New, Upgrade and Renewed Community Facilities (2017-2021)	Completed	<p>An application for funding for the upgrade of the lighting at Maddingley Park Reserve, Bacchus Marsh and resurfacing works at the Bacchus Marsh Tennis Club have been successful with \$100,000 awarded to the Council by the Victorian Government for the lighting project and \$100,000 for the Bacchus Marsh Tennis Court Project.</p> <p>An application for funding for enhancements to the Council's Rural Library Van and service has been successful with \$39,000 awarded to the Council by the Victorian Government.</p> <p>An application to the Department of Health and Human Services under the Changing Places Program has been successful with Council granted \$100,000 for the purchase of a 'Marveloo' Changing Places Facility.</p> <p>A funding application has been submitted to the Building Better Regions Fund for the Bacchus Marsh Racecourse & Recreation Reserve redevelopment.</p> <p>Applications for funding under the Country Football Netball Program have been submitted for the Ballan Recreation Reserve Netball Courts & Lighting Upgrade and Darley Parks Oval Lighting Upgrade Projects.</p> <p>Applications for the Bacchus Marsh Racecourse & Recreation Reserve Stage 1A Pavilion, Elaine Recreation Reserve Irrigation Project and Bald Hill Activation Plan have also been submitted for funding.</p>

Major Initiatives**Progress**

Coordinator Digital Futures - The establishment of this role is pivotal for the future progression of Council's Digital Services Strategy and leading the organisation on its path of a 'Digital First' vision and will assist service areas in the identification of where digital and online services can provide efficiencies, cost savings and streamline the service for them and the community.

10% complete.
This new position was not filled during the 2017/18 year. Advertising for this new position will be done in early 2018/19.

Intranet Design & Implementation - This will involve the development, design and functional requirements for an organisational wide Intranet system. The 2014 Digital Strategy identified a need to develop the requirements and functions of an Intranet that would meet Council staff requirements and enable a common, easily accessible system that provides linkages to policies, procedures, information and news for staff to be kept up to date on.

25% complete.
Still in development phase and will be completed in 2018/19 financial year.

OHS Strategy - The desired project outcome is for Council to have an OHS Management System which meets a number of the key requirements of AS 4801 Workplace Health and Safety. This would include up to date corporate level OHS procedures which provide direction to staff and management who undertake high risk activities, task specific safe work procedures and the provision of training and supervision as required. The key outcome is to have a system that can deliver improved safety to staff and community.

75% complete.
Still in development phase and will be completed in 2018/19 financial year.

Planning Enforcements - Funds will be required to resolve outstanding issues and seek legal advice.

100% complete.

Minor Capital Works Program - Council's Assets department receives numerous requests from both the community and Councillors for the completion of minor projects ranging from signs, minor traffic control devices and furniture. There is currently no budget allocation for these items. This initiative will provide for the delivery of small projects generated from both customer and Councillor requests that do not meet the requirements for referral to the Capital Improvement Program.

100% complete.

Cleaning of Public Toilets - The current budget allocation for the cleaning of public toilets needs to be increased mainly due to the addition of the Moon Reserve toilets and the additional cleaning required of existing toilet facilities for various community events.

100% complete.

Major Initiatives

Progress

Buildings Maintenance Officer - Minor maintenance works are currently carried out by external contractors at escalating costs due to high hourly rates for qualified trades people and distances that need to be travelled. This initiative proposes to create a position for a Buildings Maintenance Officer who will perform all general maintenance tasks for Council buildings including painting, general repairs, replacement of blown globes, small carpentry tasks, furniture relocation, clean up, deliveries, play equipment maintenance etc. This position is solely a change in the way we deliver the service.

100% complete.

Buildings Technical Officer - It is a legislative requirement for Councils to carry out Essential Safety Measures (ESM) inspections on buildings on monthly, 3 monthly and 6 monthly cycles. These inspections are currently carried out and managed by an external contractor with escalating costs. It is proposed to bring this function in house and create a new position for a Buildings Technical Officer who will be responsible to perform these mandatory ESM inspections. In addition to this, they will also be able to carry out JMAPP insurance audits, condition inspections for buildings and play equipment which are also carried out by external consultants.

100% complete.



Service	Description	Net Cost Actual Budget Variance \$000
Governance	This area, being Governance includes the Mayor, Councillors and Chief Executive Officer, General Managers and associated support which cannot be easily attributed to the direct service provision areas.	2,230 <u>2,223</u> (7)
Public Relations and Marketing	Provide an open and accessible communication network that is accurate, accessible, user friendly, relevant and timely.	60 <u>83</u> 23
Personnel Management	To provide, develop and implement strategies, policies and procedures through the provision of human resource and industrial relations services, that minimise the risk to Council.	756 <u>731</u> (25)
Risk Management	To develop, build and identify effective management of Council's exposure to all forms of risk and to foster safer work places and environments within the municipality.	540 <u>553</u> 13
Finance	Financial management and accounting of Council's finances, including property rating and valuation services, collection of revenue and internal support and advice to internal departments. These services will be delivered by increasing the financial knowledge base of the whole of Council through customer awareness, consistency and clearly defined processes.	(5,240) <u>(5,198)</u> 42
Customer Service	Manage service provisions to provide an open and accessible communication network that is accurate, accessible, user friendly, relevant and timely.	662 <u>734</u> 72
Document Management	Electronic document management of Council's external correspondence, maintain an effective and efficient electronic document management system and maintain Council's archive program.	366 <u>291</u> (75)
Information Communication and Technology	To provide a range of services to the organisation that supports its development through the effective management and expansion of Council's information systems and technology.	1,987 <u>2,204</u> 217

Service	Description	Net Cost Actual Budget Variance \$'000
Fleet Management	To provide fleet management services for Council's passenger and light commercial vehicles, buses, trucks, and earthmoving & roadwork machinery.	(954) (889) <u>65</u>
Animal Management and Local Laws Compliance	Deliver and maintain a responsive and proactive animal management service throughout the Shire. Review, develop and implement local laws that promote peace and good order in Moorabool.	259 71 <u>(188)</u>
Building Maintenance	This service prepares maintenance management programs for Council's property assets. These include municipal buildings, pavilions and other community buildings.	1,561 991 <u>(570)</u>
Parks and Gardens	Maintain Council's parks and gardens assets and provide facilities for our residents for the future. Enhance and upgrade the aesthetic appearance of Moorabool townships.	2,924 2,889 <u>(35)</u>
Road Safety	This service is for the provision of street lighting and bus stop maintenance.	339 307 <u>(32)</u>
Asset Management	This service undertakes the design and coordination of Council's Capital Improvement Program.	1,423 1,500 <u>77</u>
Road and Off Road Maintenance	To undertake maintenance to Council's road assets to ensure they are in a safe and serviceable condition for all users. This includes sealed and unsealed roads, bridges, kerb and channel, drainage, footpaths and signage.	4,372 5,150 <u>778</u>
Geographical Information Services	Spatial maintenance of all land parcels.	3 11 <u>8</u>
Property Asset Management	To effectively manage Council land, property leases and licences as per the property register.	149 (76) <u>(225)</u>
Public Toilets	Cleaning and general maintenance of all public toilets.	194 201 <u>7</u>

STRATEGIC OBJECTIVE 2: MINIMISING ENVIRONMENTAL IMPACT

Context 2A: Built Environment

Context 2B: Natural Environment

2017/18 RESULTS and ACHIEVEMENTS

Strategic Objective Projects	Progress	Comments
Develop frameworks for each small town and action plans to address components identified in the Small Towns Strategy, Bacchus Marsh Urban Growth Framework, Ballan Structure Plan, Tree Strategy and Gateways Strategy (2017-2021)	Completed	<p>The Small Towns Strategy has been adopted by Council and was implemented by Amendment C88. This project is at 100% completion.</p> <p>The Bacchus Marsh Urban Growth Framework is being implemented by Amendment C81 which in June 2018 was the subject of a Planning Panel Hearing. The report from the Panel is expected to be delivered in August 2018. It is scheduled that a report on the Panel recommendations will be tabled at an Ordinary Meeting of Council in November 2018. This project is 90% complete.</p> <p>At the Ordinary Meeting of Council of 6 June 2018, Council resolved to progress Amendment C88 by seeking authorisation from Department Environment, Land, Water and Planning. Once authorised, the Amendment will be exhibited in September 2018. The exhibition process and any possible Panel hearing will be undertaken in 2018/19.</p> <p>Council has prepared and adopted a Tree Strategy for the Shire. This project is 100% completed.</p> <p>Council has scheduled a review of the Gateway Strategy and this will occur primarily in 2018/19. This project is at 20%. A report will be provided the Ordinary Meeting of Council in November, 2018.</p> <p>Overall, the work plan for 2017/18 has been completed.</p>

Strategic Objective Projects	Progress	Comments
Implement the Gordon Infrastructure Plan (2017-2019)	Completed	Following a community engagement process in November and December 2017, Council adopted concept plans for Main St, Gordon. Detailed design work is being completed based on the adopted plans and further community information sessions undertaken in late March 2018. Completion of the detailed design work is being undertaken as part of the capital works program with physical works part of the 2018/19 budget, thus being a multi-year project.
Implement the Gordon Structure Plan (2017-2019)	90%	Council has prepared and implemented the Gordon Structure Plan and is actively reviewing the scope for further upgrading of this Plan. A report was presented to the Rural Growth Strategy Committee in February 2018 as a way forward on the potential scope for further refining the plan. The Committee resolved to defer the matter. As requested, a further report and any subsequent actions required will be determined by Council in 2018/19.
Finalise a Review of the Bacchus Marsh Aerodrome	Completed	At a Special Meeting of Council in May 2018 Council resolved to modify the lease terms of the Bacchus Marsh Aerodrome. Negotiations between Council and the current lease holder are ongoing for the purposes of modifying the lease and as per the resolution issued. This should be completed by end of August 2018. A further report will be provided to an Ordinary Meeting of Council once these negotiations are completed. This project is at 100% completion for 2017/18.
Incorporate Flood Mapping into the Planning Scheme (2017-2021)	Completed	A peer review of Melbourne Water's modelling has now been completed by appropriate flooding engineers. A report was tabled at an Assembly of Councillors on 21 February 2018 concerning the outcomes of the review and the next steps in addressing flood risk within the planning scheme. Melbourne Water is the initiator of the Amendment and timing for the Amendment requests is at Melbourne Water's discretion. This project is at 100% for 2017/18.

Strategic Objective Projects	Progress	Comments
Review Bushfire Management Overlays (BMO) (2017-2021)	Completed	The Department of Environment, Land, Water and Planning (DELWP) has undertaken mapping and finalised a planning scheme amendment to include the Bushfire Management Overlay. Council officers notified residents of the State Government driven amendment in October 2017.
Review and Implement a Bacchus Marsh Avenue of Honour Management Plan	60%	A project control group and a working group have been established to review and update the existing draft of the Bacchus Marsh Avenue of Honour Management Plan and to complete a Conservation Management Plan. Consultants have been approached to assist in the development of the latter. The issues associated with the Avenue are complex and therefore a revised completion date towards the end of the 2018 calendar year is now anticipated.
Develop a Resource Plan to Act as Responsible Authority for Administration and Enforcement of Permits in Relation to Windfarms	Completed	Council's website has been updated to provide details of windfarm operators within Moorabool Shire. The allocation of a Wind Farm Officer has been provided for in the 2018/19 Annual Budget. This three day a week position will manage the conditional requirements of the three wind farms located within the Shire.
Prepare and Revise a Rolling Cycle of Reserve Master Plans (2017-2021)	Completed	The Ballan Reserve Master Plan was endorsed by Council at the Ordinary Meeting of Council in June 2018. This is a multi year action.



Strategic Objective Projects	Progress	Comments
Finalise and Implement the Action Plan of the Moorabool Sustainable Environment Strategy (2017-2021)	Completed	<p>This is a multi-year project across the period 2017 to 2021. Within 2017/18 all identified actions have been completed. Projects completed include:</p> <ul style="list-style-type: none"> • Undertook ecological assessments on Council managed reserves. • Supported the delivery of actions by the relevant water authorities. • Supported existing Landcare and other community based environment groups. • Promoted, supported and encouraged existing NRM activities and programs delivered by other agencies. • Endorsed the Western Alliance for Greenhouse Action (WAGA) Low Carbon Strategy 2014. • Finalised a business case from a reputable solar retailer for installing solar PV panels on a number of Council facilities. • Worked with MAV to advocate for improved ecological sustainable design principles in Victorian Planning Provisions.
Determine Council's Position on Hard Waste	Completed	<p>A Council Report was presented to the Ordinary Meeting of Council in May 2018 for consideration, where Council resolved to:</p> <ol style="list-style-type: none"> 1. Not proceed with the implementation of a full hard waste service at this time. 2. Continue its practice of enabling residents to dispose of their hard waste at its transfer stations for prescribed gate fees. 3. Receive a further report on the introduction of issuing transfer station vouchers with rates notices prior to the consideration of the 2019/20 Budget.
Develop an Open Space Integrated Water Management Plan	80%	<p>The Open Space Integrated Water Management Plan is a strategic document that informs the policy, infrastructure and systems required to improve amenity and functionality of the open space areas in Moorabool and manage water resources equitably. The draft strategy has been completed and is currently being reviewed. The strategy is anticipated to be finalised by the end of 2018.</p>

Strategic Objective Projects	Progress	Comments
Develop and Implement a Policy on Allocation, Use and Trading of Water for Council Water Assets	70%	A Water Allocation, Use and Trading policy is currently being developed, alongside the Open Space Integrated Water Management strategy. It is anticipated that both documents will be presented to an Ordinary Meeting of Council by the end of 2018.

MAJOR INITIATIVES

Major Initiatives	Progress
<p>Strategic Waste Projects - This initiative proposes utilising funds from the Closed Landfill Rehabilitation Reserve to employ a fixed term (2 years) Strategic Waste Officer to undertake research into Council's existing landfills, and develop a register of sites, risk analysis and action plan for the ongoing rehabilitation of the landfills. The proposal also includes an allocation of up to \$100,000 to engage suitably qualified consultants to assist with this process. In addition to the above, the officer would work towards a number of key actions outlined within Council's Waste Management & Resource Recovery Policy, as supported by the current Council Plan.</p>	100% complete.
<p>Tree Planting - This New Initiative recommends the establishment of a budget for the planting of new and replacement street and reserve trees within the Shire. Council is responsible for the management and maintenance of over 18,000 urban street and reserve trees. Whilst an annual budget allocation is made towards the maintenance of these trees, at present there is no budget for planting of new or replacement trees.</p>	100% complete.

Service	Description	Net Cost Actual Budget Variance \$000
Waste Management	This unit covers maintenance, collection and disposal of domestic wastes and waste related products, litter and litter bins around the Shire and cleaning of roads and other public places. The unit is responsible for managing recycling, the transfer stations and related services.	3,428
		3,495
		67
Environmental Management	This service develops environmental policy, coordinates and implements environmental projects and works with other services to improve Council's environmental performance.	158
		151
		(7)

STRATEGIC OBJECTIVE 3: STIMULATING ECONOMIC DEVELOPMENT

Context 3A: Land Use Planning

Context 3B: Investment and Employment

2017/18 RESULTS and ACHIEVEMENTS

Strategic Objective Projects	Progress	Comments
Incorporate Strategic Documents into the Planning Scheme – Ballan Structure Plan (2017- 2021)	Completed	<p>Council adopted the Ballan Structure Plan in 2015 and then undertook further refinement of the Plan resulting in the adoption of Ballan Strategic Directions in 2017.</p> <p>Adopting Ballan Strategic Directions and implementing Amendment C88 is a multi-year project (2017 to 2019).</p> <p>Actions for 2017/18 have been completed.</p> <p>Council resolved at the Ordinary Meeting of Council in 6 June 2018 to progress Amendment C88 by seeking authorisation from the Department of Environment, Land, Water and Planning. Once authorised, the Amendment is planned to be exhibited in September 2018. The exhibition process and any possible Panel hearing will be undertaken in 2018/19.</p>
Incorporate Strategic Documents into the Planning Scheme – Housing Strategy (2017-2021)	Completed	<p>Adopting the Bacchus Marsh Housing Strategy and implementing Amendment C89 is a multi-year project.</p> <p>Actions for 2017/18 have been completed.</p> <p>Planning Scheme Amendment C89 was tabled at Planning Panels Victoria Hearings in May 2018. Council is currently awaiting a report from the Panel on this Amendment. That report is scheduled for release in August 2018 at which point the recommendations will be reviewed and a further report provided to an Ordinary Meeting of Council. It is expected to provide final documentation to the Department before the end of 2018.</p>

Strategic Objective Projects	Progress	Comments
Incorporate Strategic Documents into the Planning Scheme – West Moorabool Heritage Study (2017-2021)	90%	Heritage Consultants were engaged in late 2017 to prepare a planning scheme amendment to incorporate the West Moorabool Heritage Study into the Moorabool Planning Scheme. Significant progress has been made on this project during the first six months of 2018. This includes the review and confirmation of all properties to be included in the amendment along with the preparation of amendment mapping. Outstanding tasks include the drafting of amendment documentation. Planning Scheme Amendment C85 to implement the Heritage Study will be tabled at an Ordinary Meeting of Council in November 2018. This report will seek a recommendation to request authorisation from the Department of Environment, Land, Water and Planning to publically exhibit the amendment.
Incorporate Strategic Documents into the Planning Scheme – C58 Cameron's Road (2017-2021)	Completed	The C58 Camerons Road amendment was completed and gazetted on 4 May 2017.
Incorporate Strategic Documents into the Planning Scheme – C73 Land Subject to Inundation (2017-2021)	Completed	The action to incorporate strategic documents into the Planning Scheme C73 Land Subject to Inundation, has been included and flood mapping will be incorporated into the Planning Scheme.
Develop a Program for Services and Utilities in Small Towns (2017-2021)	1%	Based on the Small Town Strategy, a key common infrastructure plan will be developed. Elaine was completed for 2017/18. Gordon is scheduled for 2018/19.
Finalise the Bulky Goods Investigation	95%	The Municipal Strategic Statement C82 will implement a number of strategic actions relating to the adopted Retail Strategy, the adopted Industrial Strategy and the Bulky Goods Strategy for Bacchus Marsh, amongst other matters. Incorporating the findings for the Bulky Goods investigation will ensure that Bacchus Marsh can provide bulky goods development opportunities in appropriate locations consistent with the broader strategic planning being undertaken for the town of Bacchus Marsh.

Strategic Objective Projects	Progress	Comments
Develop and Finalise the Bacchus Marsh Urban Growth Framework Plan in Partnership with the Victorian Planning Authority	90%	The Bacchus Marsh Urban Growth Framework is being implemented by C81 which in June 2018 was the subject of a Planning Panel Hearing. The report from the Panel is expected to be delivered in August 2018. It is scheduled that a report on the Panel recommendations will be tabled at the Ordinary Meeting of Council in November 2018.
Implement the Action Plan of the Economic Development Strategy (2017-2021)	95%	The implementation of the action plan associated with the Economic Development Strategy will continue throughout the 2018-2021 period as scheduled. A report will be tabled at the Ordinary Meeting of Council in September 2018 to assess the various models which could be implemented for the establishment of a trader/retailer group in Bacchus Marsh.
Establish an Economic Development Taskforce	Completed	At the Ordinary Meeting of Council in June 2018, Council resolved to establish the Economic Development Taskforce. Terms of Reference have been established for an Economic Development Taskforce.
Facilitate the Parwan Employment Precinct Planning and Marketing (2017-2021)	95%	This is a multi-year project with 2017/18 delivering a Business Case, Planning Study, Odour Modelling Study and an Original Destination Study (truck movements). This background work positions Council to prepare a Precinct Structure Plan for Parwan in 2018/19 and 2019/20. A funding bid has been made to the Victorian Planning Authority for funding final background studies, including drainage and traffic in 2018/19. The Business Case will be tabled at the Ordinary Meeting of Council in August 2018.
Finalise the Alignment for Bacchus Marsh Eastern Link Road (with VicRoads and VPA) (2017-2021)	Completed	A Steering Group has been established for the project consisting of officers from multiple agencies, including Moorabool Shire Council. This is a multi year project. A project plan and terms of reference have been developed, and it is anticipated that project activity will increase in 2018/19 with community engagement as part of the process. It is expected that this project will consider multiple alignments based on many factors and take two to three years to complete.

Strategic Objective Projects	Progress	Comments
Pursue Gisborne Road/Grant Street Capacity Improvement Projects (with VicRoads) (2017-2021)	Completed	Following the development of the Bacchus Marsh Integrated Transport Study, Council officers are continuing to liaise with VicRoads in relation to priority transport projects in Bacchus Marsh, including at Gisborne Road and Grant Street with a number of options recently investigated by VicRoads in preparation for future funding opportunities. Upgrades to the intersection at Gisborne Road and Holts Lane were also funded as part of the 2017/18 State budget, and has recently commenced construction with completion scheduled mid-2018.
Implement East Bound Freeway Ramps at Halletts Way (with VicRoads) (2017-2021)	Completed	Construction of the freeway ramps were funded by both State and Federal governments following completion of the Bacchus Marsh Integrated Transport Strategy and significant advocacy by Moorabool Shire Council. Construction of the project is being undertaken by VicRoads and is anticipated to be completed by September 2018. This is a two year action that continues into 2018/19 and the project has advanced as scheduled at this point in time.
Refer Council's BMITS Infrastructure Actions to the Long Term Capital Program (2017-2021)	Completed	The infrastructure actions from the Bacchus Marsh Integrated Transport Strategy have been included in Council's Long Term Capital Improvement Program for consideration, along with other priority projects, as part of each annual budget process.
Review and Implement the Action Plan from the Destination Management Plan (Tourism) Review	90%	The project is a multi-year project with the majority of work to be delivered in 2018/19. The Draft Destination Management Plan will be comprehensively reviewed in July 2018 with a presentation to the Ordinary Meeting of Council in November 2018, on findings with an Action Plan for delivery.

Strategic Objective Projects	Progress	Comments
Advocate for Improved Ballarat Rail Line and Integrated Public Transport Outcomes (2017-2021)	Completed	<p>The Ballarat Rail Action Committee (BRAC) has met on several occasions including a strategic planning session with Mayors and Officers. Since the inception of the Committee the Ballarat Line Upgrade Project (\$518 mil) was announced by the State Government. Moorabool Shire Council has some difficulties with aspects of the proposed line upgrade works and is working with other Councils in the rail corridor to plan for future stage two and three works. Rail Futures Consultancy has been engaged by BRAC to provide strategic advice on future upgrade works and advocacy. A report to the 4 April Ordinary Meeting of Council setting out advocacy positions on key aspects of future upgrades was prepared following community consultation. At the request of Council further community consultation has been undertaken and a report was tabled at the Ordinary Meeting of Council held on 6 June, 2018. Officers will continue to engage with our communities on the Ballarat rail line issues, and will add the BRAC information to Council's Advocacy Plan in the lead up to the State and Federal elections.</p>

MAJOR INITIATIVES

Major Initiatives	Progress
<p>Moorabool Strategic Statement (MSS) Review and Amendment Implementation - This review and amendment will update planning scheme strategic directions, whether in terms of key settlements (Bacchus Marsh and Ballan), smaller towns or the Shire as a whole. It is required by legislation to review the performance of the planning scheme regularly. This has not been done comprehensively since 2008. The MSS is a core component of the planning scheme as it signals strategic direction for Council across the Shire.</p>	<p>90% complete. The consultant has been appointed, with the inception meeting held and work program to be finalised in early 2018/19.</p>
<p>Building Inspector - This initiative seeks to continue with the appointment of a temporary contract building inspector for the 2017/18 financial year. This will allow Council to do inspections as required, follow up on outstanding building orders and notices, and comply with legislative requirements.</p>	<p>100% complete.</p>

Major Initiatives

Progress

Bacchus Marsh Town Centre Revitalisation - These funds will lead to the creation of a Bacchus Marsh Town Centre Alliance to direct and advise on Town Centre work that has been previously identified as actions in a range of adopted strategies.

5% complete.
Report being prepared for Section 86 Growth Committee meeting to be held in September 2018.

West Moorabool Heritage Study Amendments - This initiative relates to the implementation of the Heritage Study's recommendations for Heritage Overlays by means of Planning Scheme Amendment. Council has advertised the study, undertaken engagement and completed a review of the study. Council is now required to implement the recommendations.

50% complete.
Seeking authorisation in late 2018 with exhibition and review of submissions to be done by the end of the 2018/19 financial year.

Local Area Traffic Management Study - Moorabool Shire Council has been divided into three main urban local precincts, each one bound by arterial roads or other physical barriers such as creeks or rivers. The Local Area Traffic Management (LATM) Study is concerned with the planning and management of roads that Council is responsible for within these local traffic precincts. Rather than dealing with specific sites or isolated streets LATM studies are an area wide approach that considers neighbourhood traffic related issues and their adopted solutions in the context of the local precinct.

100% complete.

Background Studies for Precinct Structure Plan - Small Towns - There is an urgent need to undertake preliminary background studies (Bungaree, Wallace, Dunnstown) including indicative civil engineering design of drainage, sewer, water, and roads that will enable Council to proceed with Precinct Structure Plans in the 2018/19 financial year.

100% complete.

Annual Update of Housing Land Supply - This initiative will fund a recurrent annual fee to update the land supply data for Council.

100% complete.

Elaine Urban Design Framework - As per adopted Small Towns Strategy, an Urban Design Framework is required for Elaine which identifies key civil works, landscaping and place making projects that enhance the liveability and economic resilience of the settlement.

100% complete.

SERVICES FUNDED IN THE 2017-18 BUDGET

Service	Description	Net Cost Actual Budget Variance \$000
Building Services	Ensure all building permits lodged by private building surveyors are registered in accordance with legislation, and all building department activities are undertaken within legislative timelines.	70 64 <u>(6)</u>
Statutory Planning	Deliver statutory planning functions of Council to ensure responsible land use and development in Moorabool.	356 431 <u>75</u>
Strategic Land Use Planning	Delivery of key strategic policies and projects that assist in the long-term development of the Shire.	1,344 1,285 <u>(59)</u>
Infrastructure Subdivision Development	Provide infrastructure support services for subdivisions and developments, whilst developing guidelines for Council to improve and provide consistency in the planning and delivery of subdivision development.	(247) <u>(2,277)</u> (2,030)
Economic Development and Tourism	The economic development service assists the organisation to facilitate an environment that is conducive to a sustainable and growing local business sector and provides opportunities for local residents to improve their skill levels and access employment. It also aims to develop strategies to bring tourists into Moorabool Shire.	526 423 <u>(103)</u>



STRATEGIC OBJECTIVE 4: IMPROVING SOCIAL OUTCOMES

Context 4A: Health and Wellbeing

Context 4B: Community Connectedness and Capacity

2017/18 RESULTS and ACHIEVEMENTS

Strategic Objective Projects	Progress	Comments
Prepare and Implement an Advocacy and Partnership Plan to Attract Investment in Government and Nongovernment Services in the Municipality (2017-2021)	Completed	Council endorsed advocacy material at the Ordinary Meeting of Council held on the 6 June. The material will form a key part of the Council's advocacy strategy. The aim of the advocacy efforts is to attract investment in government and non government services in the municipality. The purpose of the advocacy is to ensure that the Shire's current and future residents have access to a range of community services needed to maximise their health, safety and wellbeing. The advocacy will be undertaken over the life of the Council Plan 2017-2021.
Adopt a Leadership Statement on the Issue of Violence Against Women to Increase Community Awareness and Demonstrate Council's Commitment to the Issues	Completed	The Health and Wellbeing Plan 2017 - 2021 reflects Council's commitment to preventing violence against women by working with existing services to assist victims of family violence; advocating for enhancement to existing and new services including the delivery of men's behavioural change programs in Moorabool.
Facilitate and Support Existing and Emerging Arts and Cultural Development Groups and Activities Across the Municipality (2017-2021)	Completed	Approval has been granted to the Bacchus Marsh Arts Council to establish a workshop at the Darley Civic & Community Hub. Ongoing support continues to be provided to the Arts Council in building the capacity of its group and examining opportunities for joint projects and funding. Support is being provided to the Arts Council to exhibit art work in the common areas/foyers of the building it is sharing with other groups at the Darley Civic & Community Hub. Council officers are working on a joint proposal with the Bacchus Marsh Arts Council to bring performers to Bacchus Marsh under the Victorian Regional Performers Grant. At the Ordinary Meeting of Council on 6 December 2017, Council allocated \$8,800 in grants to support arts and cultural activities in Ballan and Gordon.

Strategic Objective Projects	Progress	Comments
Adopt a Revised Health and Well Being Plan	Completed	The Council adopted the Health and Wellbeing Plan 2017 - 2021 at the Ordinary Meeting of Council of 6 December 2017.
Implement the Reserve Management Framework (2017- 2021)	90%	The Council Fees and Charges have been issued as per the adopted Recreation Reserve User Fees and Charges Policy. User agreements have been completed for winter season tenants (Mar-Sept). Annual Management Agreements (AMAs) have also been put in place and operational funding provided to committees as per the Recreation Reserve Funding Policy. Acquittals will be received for this funding at the end of the financial year.
Prepare an Indoor Court Feasibility Study	Completed	Council endorsed the final feasibility study report at the Ordinary Meeting of Council in June 2018 with the recommendations referred to the Capital Improvement Program and long term financial plan.
Plan and Construct Stage 1 of the Bacchus Marsh Racecourse Recreation Reserve (2017-2019)	Completed	Stage 1 of the project includes the construction of pony club facilities, a BMX track, sports fields and a pavilion at the Bacchus Marsh Racecourse Recreation Reserve site. Following consultation with user groups, the site layout plan was finalised. The bulk earthwork contract is nearing completion with the equestrian and oval earthworks complete. Formation of the BMX track is scheduled for completion by end June 2018. Detailed design documentation is progressing with tenders for the oval and equestrian cross country scheduled to be advertised in late June 2018. This is a two year action that continues into 2018/19 and the project has advanced as scheduled at this point in time.
Review Feasibility of the Timing of the Proposed Bacchus Marsh Indoor Aquatic Centre and Include a Feasibility Study on the Construction and Location of Splash Parks	Completed	The final feasibility study report was endorsed by Council at the Ordinary Meeting of Council in June 2018 with the recommendations referred to the Capital Improvement Program and long term financial plan.
Prepare a Masterplan for the Ballan Recreation Reserve	Completed	The final master plan report was endorsed by Council at the Ordinary Meeting of Council in June 2018 with the recommendations referred to the Capital Improvement Program and long term financial plan.

Strategic Objective Projects	Progress	Comments
Develop a Plan to Improve, Update and Beautify our Neighbourhood, Passive, Recreation and Other Open Spaces (2017-2019)	Completed	<p>Council adopted the Street Tree Strategy at the Ordinary Meeting of Council of May 2018 with street tree plantings having been completed. This project is at 100% completion.</p> <p>The Bald Hill Activation Project has been progressed as per Council's resolution at the Ordinary Meeting of Council held in March 2018. Funding for development of a feasibility study has been sought for 2018/19 (to inform a master plan design). This is multi-year project and status is 100% completed for 2017/18.</p> <p>As per the adopted Small Towns Strategy, Township Improvement Plans are progressively being implemented across the Shire. The Elaine Township Improvement Plan has been adopted and is now being implemented.</p> <p>The Gordon Township Improvement Plan will be tabled at Ordinary Meeting of Council in August 2018.</p> <p>Other towns including Lal Lal will have Township Improvement Plans in 2018/19 and thereafter according to an agreed work schedule.</p> <p>Grant funding has been received to further upgrade Spargo Creek Mineral Reserve inclusive of preparing access tracks, weeds and fencing.</p>
Prepare a Directions Paper to Deliver Aged Services in a Consumer Directed Care Environment	90%	<p>The Commonwealth is currently consulting with the aged care sector as to what the funding reforms will look like post 2020. In the interim, a directions paper will guide Council's investment and delivery of aged services for the period 2018-2020 and will be completed by July 2018.</p>
Facilitate the Transition of Eligible Clients to the NDIS	Completed	<p>The roll out of the National Disability Insurance Scheme (NDIS) took place in Moorabool between January-December 2017. Sixty of the Council's clients aged under 65 have been assessed as eligible and have transitioned to the NDIS. The staff of the Active Ageing and Community Access Unit have been actively supporting clients to transition.</p>

Strategic Objective Projects	Progress	Comments
Advocate and Support the Development of Programs and Services to Increase Employment Opportunities for Young People (2017-2019)	Completed	Advocacy material has been prepared and will form part of the Council's advocacy strategy. The aim of the project is to increase employment opportunities for young people in Moorabool. The objectives are: increase investment in educational opportunities to improve the educational attainment levels of young people; increase investment in programs and services to support young people experiencing multiple barriers to employment; and develop the capacity and diversity of the Moorabool workforce by developing the skill set of the young people of Moorabool. The advocacy will be undertaken over the life of the Council Plan 2017-2021.
Revise and Adopt the Youth Strategy	85%	The Youth Services team has completed the community engagement plan and consultation with the community was completed between December 2017 - February 2018. The draft Strategy will be presented to the Ordinary Meeting of Council in August 2018 for consideration with the final strategy being presented to the Ordinary Meeting of Council in September 2018.
Revise and Adopt the Library Strategic Plan Inclusive of Undertaking a Feasibility Study to Inform the Future Provision of Library Services in Ballan	90%	A draft strategy and action plan has been prepared for presentation to the Ordinary Meeting of Council in October 2018.
Conduct a Trial Period of Extended Opening Hours for the Lerderderg Library	Completed	The trial commenced on 2 October 2017 with the official launch by the Mayor. During the trial the Library has opened until 8pm on Monday and Thursday evenings and from 9am to 2pm on Saturdays and continues until June 2018. The trial extended opening hours has been well received and visits are being tracked on the Monday & Thursday evenings. Good feedback also received regarding the change to Saturday hours.

Strategic Objective Projects	Progress	Comments
Deliver Community Emergency Management Education Program (2017-2018)	Completed	<p>The Blackwood Community Emergency Planning Group held a Scenario Planning Community Session on 16 November 2017 based on a fire scenario and invited representatives from Scotsburn to give them an update on their preparation, response and recovery since the 2015 fires. The Scotsburn Community Recovery Committee and Leadership Program progressed with the 2nd Anniversary Event held on 15 December 2017 and the Leadership Program focused on the fire game project.</p> <p>The fire mitigation inspection process is well underway and second round inspections will commence in the new year. The Scotsburn Recovery Book was launched at the Scotsburn Hall on 30 May 2018 and the Scotsburn Fire Game was launched at the Scotsburn Primary School on 15 June 2018.</p>



MAJOR INITIATIVES

Major Initiatives	Progress
<p>Aquatic Water Play Strategy - Water Play Parks are becoming increasingly common across Australia with a number of Councils introducing zero depth play features at both existing pool facilities and other local playground and parks. It will identify options for expanding/improving current services and provide direction on the feasibility, locations and concept design for water play parks within Moorabool.</p>	100% complete.
<p>Ballan Recreation Reserve Masterplan - The master plan provides a vision and strategic direction for the Reserve, identifying what it should look like and how it should function into the future. It establishes a strong and consistent direction, providing a framework for ongoing improvement. It considers the interrelationship between:</p> <ul style="list-style-type: none"> - current character and functionality of the landscape - public expectations and needs - emerging issues and trends - the realities of the economic, social, environmental and legislative context of the time <p>The intent of the master plan is to provide a framework for future development of the Reserve over an extended time period so that ad hoc improvements are avoided and community use is maximised. The result is a plan that balances needs across a range of often conflicting interests and builds collaboration between user groups to maximise resources.</p>	100% complete
<p>Library Extended Opening Hours - It is proposed to extend the current opening hours of the Lerderberg Library, on 2 evenings a week, in order to better meet the needs of the local community and to allow them to utilise our resources more fully. Under this proposal the library would open from 8.30am – 8.00pm on 2 days per week, allowing the community to gain much greater value from this precious resource.</p>	100% complete.



SERVICES FUNDED IN THE 2017-18 BUDGET

Service	Description	Net Cost Actual Budget Variance \$000
Aged and Disability Services	This service provides home and community care, assessment and care management, volunteer coordination, and senior citizen clubs.	339 351 <u>12</u>
Planned Activity Groups	To provide social interactions for socially isolated residents in Moorabool Shire.	(30) 13 <u>43</u>
Meals on Wheels	To assist residents at nutritional risk with meals that have been designed by a dietitian.	(70) (60) <u>10</u>
Personal Care	To provide support and personal hygiene to residents that are unable to physically complete their own personal care.	(19) (16) <u>3</u>
Aged and Disability Brokerage	To provide brokerages services to residents that have been allocated aged care packages with physical and social support.	29 (79) <u>(108)</u>
Respite	To provide support to carers of residents with high care needs.	5 (22) <u>(27)</u>
Property Maintenance	Property and home maintenance for residents of Moorabool includes mowing, washers for taps, painting, ramps, rails and bathroom renovations.	(23) (21) <u>2</u>

Service	Description	Net Cost	
		Actual	Budget Variance \$000
Community Development	Community Development is concerned with empowering and enabling the communities of Moorabool to be innovative, engaged, skilled and help them work together to improve their well-being through opportunities for partnerships, better relationships with Council and increased participation in community life.	876	
		916	
		40	
Emergency Management	Emergency Management works to ensure Moorabool has plans in place to engage with the community and assist with preparing resilient communities that can prepare and recover from emergencies.	375	
		122	
		(253)	
Recreation Development	Provide leadership, strengthen networks and partnerships to plan, develop and deliver high quality recreation participation and engagement opportunities that enhance health and wellbeing. Includes Leisure and Pool Facilities.	562	
		648	
		86	
Library Services	Provision of fixed and rural mobile library services to key points throughout the Moorabool area.	424	
		431	
		7	
Youth Services	Enable youth within Moorabool to have a community voice and establish programs and activities that enhance and reward them as people.	242	
		273	
		31	
Environmental Health	Legislative Responsibilities (Food Act 1984 (Food Safety), Health Act 1958, Tobacco Act 1987, Residential Tenancies Act 1997 and Local Government Act 1989). Assessments and installations of septic tanks carried out in accordance with the Environmental Protection Act and the Septic Code of Practice 2003. Ensure children in the Australian Childhood Immunisation Register target group are fully immunised.	20	
		217	
		197	
Early Years Services	Ensure that services and infrastructure provided to children and families are well planned and respond in a way that meets the needs of the local community. Early Years Services delivers a small number of high quality family and children's programs and services that support, promote and strengthen family health and wellbeing.	275	
		323	
		48	

Service	Description	Net Cost Actual Budget Variance \$000
Maternal & Child Health	Provision of a universal service to families with children aged 0-6 years directed at improving outcomes by the prevention, early detection, and intervention of physical, emotional or social factors known to place children at risk of not reaching their potential.	578 593 <hr/> 15
Best Start	A State Government funded early intervention program aimed at reducing disadvantage and enhancing the outcomes of children 0-8 yrs. Best Start supports communities, parents, families and service providers to improve local early years services and support.	22 (3) <hr/> (25)
Education and Care Services	Occasional Care Service provides high quality care for children aged from six months to six years with the opportunity to explore a wide range of experiences, building upon their skills, interests and abilities through play in a calm and happy environment. Supported Playgroups provide support and connection to disadvantaged families through groups and in home support. Kindergarten liaison and support which includes the management of Council owned early years facilities, including kindergarten central enrolment for 4-year-old kindergarten programs and support and management of kindergarten cluster managers/kindergarten committees of management.	127 110 <hr/> (17)
Fire Prevention	Ensure safety around the Moorabool Shire through fire prevention inspections of vacant land in urban and rural living areas.	273 302 <hr/> 29
School Crossings	Provide school crossing supervisors or staff at 13 locations in Ballan and Bacchus Marsh within designated hours.	138 159 <hr/> 21

Carried over actions from 2013-2017 (Revised 2016) Council Plan

Project Action	Progress	Comments
Review & Implement the After-hours Response System as Approved by Council	65%	This action has only been progressed for some departments in the organisation and remains incomplete at 30 June, 2018. Further discussion with internal departments are to be arranged for early in the upcoming financial year. This action will be completed by December 2018.
Investigate Ways to Increase TV and Radio Availability in the Shire to Cover Local Issues	Not started	This project has proven difficult to scope. It is suggested that the project be removed from the Council Plan until budget resources are made available to understand and scope the technical aspects of program transmission.
Implement the Council Endorsed Level of Service Review for 2016/17 Year – Aged & Disability Services	Completed	The service review report was adopted by Council at the Ordinary Meeting of Council on 1 November 2017
Implement the Council Endorsed Level of Service Review for 2016/17 Year – Parks & Gardens	Completed	A level of service review has been undertaken in relation to the management and maintenance of Council's parks and gardens. A draft management plan and service review was presented to the Ordinary Meeting of Council in November 2017 and placed on public exhibition for the purpose of community consultation. The draft management plan and service review was then presented to the Ordinary Meeting of Council in February 2018, at which an alternate report was requested. Further review and modelling was undertaken and a further report was presented to the Ordinary Meeting of Council in May 2018 where the Service Review and Open Space Maintenance Management Plan was adopted.
Implement the Council Endorsed Level of Service Review for 2016/17 Year – School Crossings	Completed	The School Crossings Service Review was presented at the Ordinary Meeting of Council on 6 December 2017 and adopted by Council.

Project Action	Progress	Comments
Investigate Frameworks for Cost Recovery in Terms of Ongoing Monitoring of Domestic Wastewater Management Plan	40%	Investigations have been undertaken and the option of a Local law as a cost recovery mechanism is not possible. Other mechanisms including a service rate per property are now being investigated. A further meeting with internal staff will be arranged early in 2018/19 to discuss the option of a service rate per property with a septic tank.
Complete the Community Infrastructure Plan	90%	Public exhibition was completed in August 2017. Framework adopted at the Ordinary Meeting of Council in September 2017. The Social Infrastructure Planner is preparing the next iteration of the Framework by incorporating building condition audits, fitness or purpose assessments, and utilisation assessments which are due for adoption at the Ordinary Meeting of Council in November 2018.
Finalise key Infrastructure Projects: Halletts Way	Completed	The Halletts/O'Leary Way southern extension project, including road and bridge construction, reached practical completion in August 2017. An official opening and community event was held on Sunday 13 August 2017. A further section of O'Leary Way was constructed by developers and completed in the first half of 2017 thus creating a new western link road through to Griffith Street.
Complete an Information and Communication Technology (ICT) Framework and Systems Review to Produce Strategy and Service Plans that will Provide for Services, Systems and Information Management Towards 2021	Completed	The ICT Strategy 2018 was endorsed by Council at the Ordinary Meeting of Council on 2 May 2018 with approval for additional funding over the next 5 years to complete the majority of the business critical, high risk initiatives. Funded initiatives will now form part of annual service plans for delivery.



**PART FOUR:
GOVERNANCE, MANAGEMENT
AND OTHER INFORMATION**

GOVERNANCE

Residents and ratepayers elect Councillors to advocate for the community's needs and aspirations. Council's authority is exercised as a whole rather than through individual Councillors.

The Moorabool Shire Council consists of seven Councillors who are democratically elected by the constituents of Moorabool Shire in accordance with the Local Government Act 1989 (the Act).

The role of Council is to provide leadership for the good governance of the Moorabool Shire that 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 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; and
- Fostering community cohesion and encouraging active participation in civic life.

The Chief Executive Officer is responsible for:

- Establishing and maintaining an appropriate organisational structure for Council;
- Ensuring that the decisions of Council are implemented without undue delay;
- The day to day management of Council's operations in accordance with the Council Plan; and
- Providing timely advice to Council.



MEETINGS OF COUNCIL

Council conducts open public meetings on the first Wednesday of every month except January, and make decisions on the items listed in the Council Meeting Agenda. 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 Council, make a submission or speak to an item on the Agenda. Where required, Special Meetings of Council may be held to make decisions on important issues in-between times.

For the 2017-18 year Council held the following meetings:

- 11 Ordinary Council Meetings
- 8 Special Council Meetings

The table below depicts each Councillor as present or as an apology for each meeting in the 2017-18 year.

Ordinary Meetings of Council - Councillor Attendance 2017-18

	Cr. David Edwards	Cr. Tonia Dudzik	Cr. Tom Sullivan	Cr. Pat Toohey	Cr. Paul Tatchell	Cr. Jarrod Bingham	Cr. John Keogh
5 Jul 17	1	1	1	1	1	1	1
2 Aug 17	1	1	1	1	1	1	1
6 Sep 17	1	1	1	Apology	1	1	1
4 Oct 17	1	Apology	1	1	1	1	1
1 Nov 17	1	1	1	1	1	1	1
6 Dec 17	1	Apology	1	1	1	1	1
7 Feb 18	1	1	1	1	1	1	1
7 Mar 18	1	1	1	1	1	1	1
4 Apr 18	1	1	Apology	1	1	1	1
2 May 18	1	1	1	1	1	1	1
6 Jun 18	1	1	1	1	1	1	1
Number of Meetings	11/11	9/11	10/11	10/11	11/11	11/11	11/11

* Apology for non attendance due to leave, other representative duties or work commitments

Special Meetings of Council - Councillor Attendance 2017-18

	Cr. David Edwards	Cr. Tonia Dudzik	Cr. Tom Sullivan	Cr. Pat Toohey	Cr. Paul Tatchell	Cr. Jarrod Bingham	Cr. John Keogh
19 Jul 17	1	1	1	1	Apology	1	1
13 Sep 17	1	1	1	1	1	Apology	1
8 Nov 17	1	1	1	1	1	1	1
20 Dec 17	Apology	1	1	1	1	1	1
28 Mar 18	1	1	Apology	Apology	1	1	1
30 May 18	1	1	1	1	1	1	1
20 Jun 18	1	1	1	1	1	1	1
27 Jun 18	1	1	1	1	1	1	1
Number of Meetings	7/8	8/8	7/8	7/8	7/8	7/8	8/8

** Apology for non attendance due to leave, other representative duties or work commitments*



SPECIAL DELEGATED COMMITTEES

Pursuant to the provisions of section 86 of the Local Government Act 1989, Council may establish one or more Special Committees consisting of:

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

Section 86 Special Delegated Committees are established to assist Council with executing specific functions or duties. By instrument of delegation, Council may delegate to the committees such functions and powers of the Council that it deems appropriate, utilising provisions of the Local Government Act 1989.

The Council cannot delegate certain powers as specifically indicated in section 86(4) of the Act.

The following Special Committees have been established by Council under section 86 of the Local Government Act 1989.

- Bacchus Marsh Hall Committee of Management
- Bacchus Marsh Racecourse and Recreation Reserve Committee of Management
- Blacksmith's Cottage and Forge Advisory Committee of Management
- Bungaree Public Hall
- Development Assessment Committee
- Dunnstown Recreation Reserve Committee of Management
- Elaine Recreation Reserve Committee of Management
- Gordon Public Hall Committee of Management
- Greendale Recreation Reserves Committee of Management
- Lal Lal Soldiers' Memorial Hall Committee of Management
- Maddingley Park Committee of Management
- Millbrook Community Centre
- Moorabool Growth Management Committee
- Navigators Community Centre
- Rural Growth Strategy Committee (Discontinued 6/6/2018)
- Urban Growth Strategy Committee (Discontinued 6/6/2018)
- Wallace Recreation Reserve
- Wallace Public Hall



ADVISORY COMMITTEES

In addition to the Special Committees of Council with delegated authority established under the Local Government Act 1989 (section 86), Council has the ability to create Advisory Committees by resolution under the provisions of the Act.

The following committees currently have no specific delegated powers to act on behalf of Council or commit Council to any expenditure unless resolved explicitly by Council following recommendation from the Committee. Their function provides substantial expertise to the Council's planning by way of advisory recommendations.

The following Advisory Committees have been established by Council:

- Audit and Risk Committee
- Bacchus Marsh District Trails Advisory Committee
- Bacchus Marsh Leisure Centre Joint Use Management Agreement Advisory Committee
- Heritage Advisory Committee
- Lal Lal Falls Reserve Advisory Committee of Management
- Moorabool Access and Inclusion Advisory Committee (Discontinued 08/11/2017)
- Moorabool Health and Wellbeing Advisory Committee
- Moorabool Landcare Advisory Committee
- Moorabool Recreation and Leisure Strategic Advisory Committee (Discontinued 8/11/2017)
- Place Making Committee (Discontinued 8/11/2017)
- Social Development Committee (Discontinued 08/11/2017)

COUNCILLOR CODE OF CONDUCT

Moorabool Shire Councillors are bound by a Councillor Code of Conduct. The Code is designed to assist Councillors in maintaining the highest standards of conduct and behaviour as well as providing a means for dealing with conflicts which may occur. The Code is also intended to assist the Mayor, Deputy Mayor and Councillors to discharge their public office appropriately. The Code covers relationships between Councillors and staff, the use of Council resources and dispute resolution procedures. The Councillor Code of Conduct can be viewed on Council's website.

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 interest. During 2017-18, eight (8) conflicts of interest were declared at meetings of Council.

COUNCILLOR ALLOWANCES

In accordance with Section 74 of the Local Government Act 1989, Councillors are entitled to receive an allowance whilst 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 Moorabool Shire Council is recognised as a category two Council.

For the period 1 July 2017 to 30 November 2018, the Councillor annual allowance for a category two (2) Council (as defined by the Local Government Act 1989) was fixed at \$24,730 per annum and the allowance for the Mayor was \$76,521 per annum, in addition to the Councillor and Mayoral allowance the equivalent of the superannuation guarantee contribution (SGC) (currently 9.5%).

COUNCILLOR EXPENSES

In accordance with Section 75 of the Local Government Act 1989, 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 reimbursement of expenses and the provision of resources, facilities and other support to the Mayor and Councillors to enable them to discharge their duties. The details of the expenses, including reimbursement of expenses for each Councillor and member of a Council Committee paid by the Council for the 2017-18 year are set out in the following table.

Councillors	TR \$	CM \$	CC \$	IC \$	T \$	Total \$
Cr. Edwards (Past Mayor)	-	-	-	428	2,085	2,512
Cr. Toohey	-	-	-	1,642	-	1,642
Cr. Sullivan	-	-	-	352	450	802
Cr. Dudzik	-	-	-	453	-	453
Cr. Tatchell (Mayor)	-	-	-	1,035	1,293	2,328
Cr. Bingham	-	251	-	412	-	663
Cr. Keogh	-	-	-	420	1,200	1,620
	-	251	-	4,740	5,027	10,019

Legend: *TR*: Travel, *CM*: Car Mileage, *CC*: Chilcare, *IC*: Information and Communication Expenses, *T*: Training.

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.

AUDIT AND RISK COMMITTEE

The Audit and Risk 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 fostering an ethical environment. The Audit Committee consists of 2 independent members, Mr. Michael Said (Chair) and Ms. Linda MacRae as well as two Councillors. Independent members are appointed for a three year term. Independent members may be appointed for more than one three year term. The chair is elected from among the independent members.

The Audit and Risk Committee meets five times a year. The Internal Auditor, Chief Executive Officer, General Manager Infrastructure and General Manager Social and Organisational Development and Chief Finance Officer attend all Audit Committee meetings. Other management representatives attend as required to present reports.

Resolutions from each Audit Committee meeting are subsequently reported to, and considered by Council.

INTERNAL AUDIT

Council's internal audit function provides independent and objective assurance that the appropriate processes and controls are in place across Council.

The Internal Auditor attends each Audit and Risk Committee meeting to report on the status of the Internal Audit 3 Year Plan, to provide an update on the implementation of audit recommendations and to present findings of completed reviews. The responsible general manager and manager for each area reviewed are required to review recommendations for improvement and determine management action plans. All audit issues identified are risk rated.

Recommendations are assigned to the responsible manager and tracked in Council's corporate reporting system. Managers provide quarterly status updates that are reviewed by the Internal Auditor and reported to the Executive Management Group and the Audit and Risk Committee.

EXTERNAL AUDIT

Council is externally audited by the Victorian Auditor-General. For the 2016-17 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 in February or May each year to present the audit plan and in September each year to present the independent audit report.

The external audit management letter and responses are also provided to the Audit Committee.

RISK MANAGEMENT

Council's Risk Management Strategy was completed in 2015 with a primary focus being the identification of Council's key operational risks along with confirming current controls or establishing those required. An external risk framework audit was completed and a number of recommendations were made. An action plan has been developed to address these priorities.

Risk Management Reports are provided to each Audit and Risk Committee meeting alternating between operational and strategic risk reporting. Internally a Risk Management Steering Committee operates which includes a focus on a review of service unit risk registers.



GOVERNANCE AND MANAGEMENT CHECKLIST

The following are the results in the prescribed form of Council's assessment against the prescribed governance and management checklist.

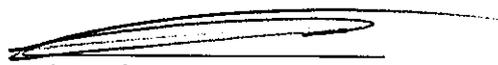
Column 1 Governance and Management Items	Column 2 Assessment	
1 Community Engagement Policy (Policy outlining Council's commitment to engaging with the community on matters of public interest)	Policy Date of operation of current policy: 2/03/2016	☑
2 Community Engagement Guidelines (Guidelines to assist staff to determine when and how to engage with the community)	Guidelines Date of operation of current guidelines: 2/03/2016	☑
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 of the Act Date of adoption: 05/07/2018	☑
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 of the Act Date of adoption: 05/07/2018	☑
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 Date of operation of current plans: Road Asset Management Plan - 5/06/2013 Buildings & Structures Asset Management Plan - 3/12/2014 Drainage Asset Management Plan - 3/12/2014 Recreation & Open Space Asset Management Plan - 3/12/2014	☑

Column 1 Governance and Management Items	Column 2 Assessment	
6 Rating Strategy (Strategy setting out the rating structure of Council to levy rates and charges)	Strategy Date of operation of current strategy: 02/05/2018	☑
7 Risk Policy (Policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy Date of operation of current policy: 12/12/2013	☑
8 Fraud Policy (Policy outlining Council's commitment and approach to minimising the risk of fraud)	Policy Date of operation of current policy: 24/10/2016	☑
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: 19/05/2017	☑
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: 14/10/2017	☑
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)	Plan Date of adoption: 23/06/2016	☑
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 current plan in operation Reason: A Disaster Recovery Plan is currently being developed, and procedures are in place for recovery of business systems and data in the event of disaster.	☒

Column 1 Governance and Management Items	Column 2 Assessment
<p>13 Risk Management Framework (Framework outlining Council's approach to managing risks to the Council's operations)</p>	<p>Framework <input checked="" type="checkbox"/></p> <p>Date of operation of current framework: 25/03/2015</p>
<p>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)</p>	<p>Established in accordance with section 139 of the Act <input checked="" type="checkbox"/></p> <p>Date of establishment: 23/03/2004</p>
<p>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)</p>	<p>Engaged <input checked="" type="checkbox"/></p> <p>Date of engagement: 5/08/2015</p>
<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 <input checked="" type="checkbox"/></p> <p>Date of operation of current framework: 1/07/2018</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>Current Reports <input checked="" type="checkbox"/></p> <p>Date reports presented: Quarter 1 - 1/11/2017 Quarter 2 - 7/02/2018 Quarter 3 - 2/05/2018 Quarter 4 - 4/08/2018</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 <input checked="" type="checkbox"/></p> <p>Date statements presented: Quarter 1 - 1/11/2017 Quarter 2 - 7/02/2018 Quarter 3 - 2/05/2018 Quarter 4 - 5/09/2018</p>

Column 1 Governance and Management Items	Column 2 Assessment
19 Risk Reporting (Six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Six-monthly Reports <input checked="" type="checkbox"/> Date of report: 23/05/2018
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)	Six-monthly Reports <input checked="" type="checkbox"/> Date of reports: Half year (Q2) – 14/02/2018 Full year (Q4) – 04/08/2018
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)	Report presented to Council <input checked="" type="checkbox"/> Date statements presented: 4/10/2017
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)	Reviewed in accordance with section 76C of the Act <input checked="" type="checkbox"/> Date reviewed: 8/02/2017
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)	Reviewed in accordance with section 98(6) of the Act <input checked="" type="checkbox"/> Date of reviews: 5/07/2017
24 Meeting Procedures (A local law governing the conduct of meetings of Council and special committees)	Meeting Procedures Local Law made in accordance with section 91(1) of the Act <input checked="" type="checkbox"/> Date local law made: 29/06/2016

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


Rob Croxford
 Chief Executive Officer
 Dated: 17/8/18


Cr Paul Tatchell
 Mayor
 Dated: 16.8.18

STATUTORY INFORMATION

DOCUMENTS AVAILABLE FOR PUBLIC INSPECTION

In accordance with the Local Government (General) Regulations 2015, the following two registers of prescribed documents are available for public inspection.

I. REGISTER OF INTERESTS

Sections 81(9) and 81(10) of the Local Government Act 1989 Number 11, state that the Chief Executive Officer must maintain a register of interests of Councillors, Special Committee members and nominated officers, and that a person wishing to view the register

must make a written application to the Chief Executive Officer by completing the form Application to Inspect Register of Interests. This form is available from Council upon request, and may also be downloaded from Council's website.



2. PRESCRIBED DOCUMENTS REGISTER

Regulation 12 of the Local Government (General) Regulations 2015, states that Council must make available for public inspection the following prescribed documents:

- (a) A document containing details of overseas or interstate travel (other than interstate travel by land for less than 3 days) undertaken in an official capacity by any Councillor or member of Council staff in the previous 12 months;
- (b) The agendas for, and 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;
- (c) 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;
- (d) 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;
- (e) 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;
- (f) A register maintained under section 224(1A) of the Act of authorised officers appointed under that section;
- (g) 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.

Any person wishing to view Prescribed Documents must make a written application to the Chief Executive Officer by completing the form Application to Inspect Prescribed Documents. This form is available from Council upon request, and may also be downloaded from Council's website.



CARERS RECOGNITION ACT 2012

The Carers Recognition Act 2012 sets out principles that recognise and support people in care relationships and includes obligations for State Government, Councils, and organisations that support people in care relationships.

Moorabool Shire Council meets its obligations by ensuring:

- Carers and families are treated with respect and dignity;
- Carers and families receive a timely response;
- Carers and families feel empowered and we strengthen our relationships with carers over time;
- Approach is individualised, flexible and culturally sensitive;
- Carers and families are well informed of their role and rights;
- Most important is their right to be involved.

Moorabool Shire Council adheres to these policies by:

- Distributing information about the Act and the Charter to carers, and making copies of the Charter available to people.
- Including information about the Act and Charter in existing information kits.
- Putting the Act and Charter poster on notice boards and information in reception areas.
- Using networks such as organisational or carer support groups and programs, to promote the Act and Charter.
- Including the Act and Charter, or making presentations on them, at forums and other events such as local community events.
- Putting information about the Act and Charter in media promotions or community awareness strategies such as Carers Week, National Child Protection Week, International Day of People with Disability, Mental Health Week, World Alzheimer's Day, Dementia Awareness Week, and Seniors Week.
- Reviewing principles, values, ethics, and policies, and consider how they can be aligned with the Act and Charter, for example check that our human resource policies support carers to balance work and their role of carer, by including carers leave and flexible working conditions, and scheduling regular meetings at a time a carer can attend.



FREEDOM OF INFORMATION

In accordance with section 7(4AA)(a) and 7(4AA)(b) of the Freedom of Information Act 1982, 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 Freedom of Information Act 1982.

Access to documents may be obtained through a written request to the Freedom of Information Officer, as detailed in section 17 of the Freedom of Information Act 1982 and in the summary as follows:

- 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).

Requests for documents in the possession of Council should be addressed to the Freedom of Information Officer. Requests can also be lodged by email.

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).

Further information regarding FOI can be found at www.foi.vic.gov.au and on the Moorabool Shire Council website.

In 2017/18, Council administered sixteen (16) Freedom of Information requests with three (3) requests to be administered in the next financial year 2018/19.

Requests granted in full	4
Requests granted in part, subject to specific exemptions	2
Requests denied in full, subject to specific exemptions.	0
Requests being processed as of June 30, 2018	3
Other: (where requests were withdrawn or no documents found under the FOI Act or documents provided outside of the FOI Act)	7
Total	16



WHISTLEBLOWERS/PROTECTED DISCLOSURE PROCEDURES

Protected Disclosure Act 2013

The Protected Disclosure Act 2012 commenced operation on 11 February 2013. The purpose of the Protected Disclosure Act is to encourage and facilitate the making of disclosures of improper conduct by public officers and public bodies. The Act provides protection to whistleblowers who make disclosures in accordance with the Act, and establishes a system for the matters disclosed to be investigated and action to be taken.

Protected Disclosure Act 2012

In accordance with the Protected Disclosure Act 2012, the following specific reporting requirements have been included in Moorabool Shire Council's Annual Report.

Disclosures made to the Council	0
Disclosures referred to Independent Broad-based Anti- corruption Commission (IBAC) for determination as to whether they are public interest disclosures	0
Disclosed matters referred to the Council by IBAC	0
Disclosed matters referred by Council to IBAC or the	0
Ombudsman for investigation	0
Investigations of disclosed matters taken over by IBAC	0
or the Ombudsman from Council	0
Disclosed matters that the Council has declined to investigate	0
Disclosed matters that were substantiated on investigation and the action taken on completion of the investigation	0
Recommendations of IBAC or the Ombudsman under the Act that relate to the Council	0



GRANT SUMMARY

MOORABOOL SHIRE GRANTS RECEIVED 2017-18

The Moorabool Shire relies on funding from other levels of government to deliver community outcomes in services and projects. The following table summarises the grants applied for and a list of those that were successful.

Grant Application Summary for 2017/18 (including 3 grants carried forward from 2016/17)				
Month	New	Successful	Unsuccessful	Pending
July	1	2	0	3
August	5	1	3	4
September	2	2	1	5
October	0	1	0	4
November	0	0	0	3
December	5	3	0	5
January	3	1	0	7
February	1	1	2	4
March	2	1	0	5
April	3	2	0	7
May	0	2	2	7
June	3	0	1	3
End of Year	26	16	9	3

* including current month

Summary of Successful Grants for 2017/18

EMV - Natural Disaster Resilience Grants Scheme

Building Community Resilience after the Scotsburn Fires Project

In support of the Scotsburn Community Recovery Committee (SCRC).

A project to send a group of community champions to fire preparedness training over a six month period, including the development of a Fire Game similar to that of the Surf Coast Shire to promote awareness and preparedness to the community. If successful Council will auspice the funds.

Grant amount: \$30,000; Council & SCRC contribution (in-kind) \$30,000

Total project cost \$60,000

Department of Justice and Regulation (CCPU) - Graffiti Prevention Grants 2017/18

Disengaged Youth Graffiti Education Program

Funding of \$24,936 is sought from the Community Crime Prevention Unit (CCPU) Victoria to support this Moorabool program.

SRV - Community Sports Infrastructure Fund

Bacchus Marsh – Lawn Tennis Resurfacing

Funding of \$100,000 is sought from Community Sports Infrastructure Fund, Sport and Recreation Victoria for the resurfacing of lawn tennis courts.

RDV - Regional Jobs and Infrastructure Fund

Business Case and Economic Analysis for Parwan Employment Precinct Project

Funding of \$30,000 sought from Regional Development Victoria towards this \$50,000 project.

SRV – Country Football Netball Program

Maddingley Park Sports Lighting Upgrade

Funding of \$100,000 is sought from Sport and Recreation Victoria - Country Football Netball Program for the upgrade of sports lighting on the main oval and Siberia at Maddingley Park. Council will provide \$75,000, Bacchus Marsh Football Netball Club up to \$125,000 and \$100,000 SRV if the application is successful.

TAC - Local Government Grants Program - Road Safety

Pedestrian Zebra Crossing at Bennett Street, Bacchus Marsh

Funding of \$47,905 has been secured from the Transport Accident Commission to complete this project. Moorabool will be contributing a matching amount of \$47,905.58.

LGV - 2017 Living Libraries Infrastructure Program

Moorabool Mobile Library Van Upgrade

Funding of \$35,399 has been secured from Local Government Victoria for this project to improve community engagement and access to library resources and services by refitting the Moorabool Mobile Library van.

Summary of Successful Grants for 2017/18

DEDJTR: Agriculture Infrastructure & Jobs Fund – Local Roads to Market Program

Werribee Vale Road Project

This project involves widening of a 1.7km section of Werribee Vale Road, west of the newly constructed Halletts Way, from 4.2m to 6.2m wide. Proposed works include the construction of a 1.5m shoulder on both sides, roadside improvements, installation of guard rail, delineation improvements, and associated works.

DEDJTR: Agriculture Infrastructure & Jobs Fund – Local Roads to Market Program

Ormond Road Project

This project involves the upgrade and widening of a 1.3km section of Ormond Road, south of Linehans Road. Proposed works include strengthening, resurfacing and shoulder widening, as well as intersection improvements and associated works.

DHHS - Engage! 2018-20

Moorabool Youth Engage Program 2018-2020

Funding of \$125,000 has been secured from the Department of Health and Human Services to run this program to provide young people with valuable capacity building opportunities in the local community.

DHHS - National Youth Week 2018

Moorabool Youth Forum Project

Funding of \$2000 provided by the State Government to support this National Youth Week project.

Victorian Mineral Springs Reserves Grants Program

Spargo Creek Mineral Springs Reserve Works

Funding of \$24,000 is sought from DELWP and the Victorian Mineral Springs Committee for works at the Spargo Creek Mineral Springs Reserve.

DHHS - Changing Places Funding Round 2017

Moorabool Marveloo Changing Places Facility

Funding of \$100,000 has been secured from the Department of Health and Human Services for this community project.

Summary of Successful Grants for 2017/18

VicRoads 2018-2018 Building our Regions Project

Bacchus Marsh Footpath Extension and Bus Stop, East of Halletts Way

Funding of \$100,000 has been secured from VicRoads for this infrastructure project.

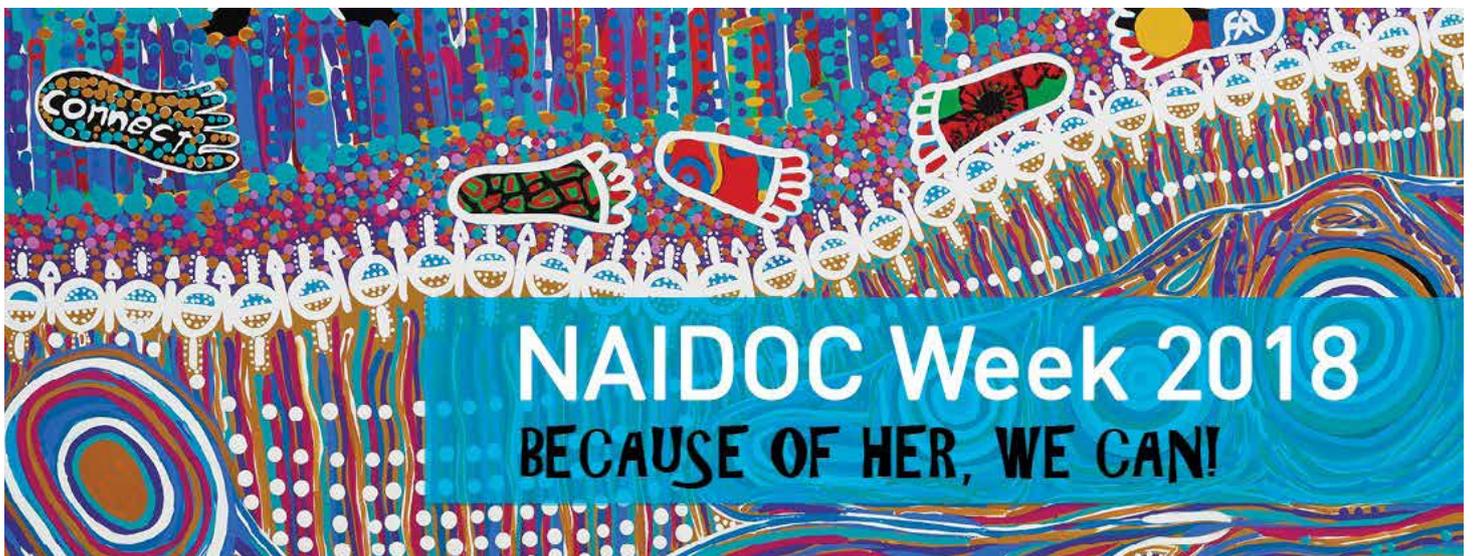
NAIDOC Week Funding

2018 NAIDOC Local Grants Funding (\$3550)

NAIDOC local grants supports activities that celebrate Aboriginal and Torres Strait Islander histories, cultures and achievements, and their continuing contribution to our culture and society.

Walk to School LGA Partnership 2018 and 2019

\$10,000 if successful: The Walk to School program promotes regular physical activity in Victorian primary school students.





PART FIVE: PERFORMANCE



2017-18 Performance Statement

Description of municipality

Moorabool Shire is a fast growing semi-rural municipality nestled between Melbourne, Geelong and Ballarat. Moorabool's eastern boundary is located just 40km west of Melbourne's CBD and extends westwards to the City of Ballarat municipal boundary. The Shire straddles Victoria's Western Highway and has excellent transport access to Melbourne, Ballarat and Geelong.

Spanning more than 2,110 square kilometres, Moorabool is made up of 64 localities, hamlets and towns. More than 74% of the Shire comprises of water catchments, state forests and national parks.

The population of Moorabool Shire in 2016 is 32,311. More than half the population lives in Bacchus Marsh and surrounds (18,535). The Shire's second largest population can be found in and around Ballan (3,010). The population is distributed throughout the large number of small towns, hamlets and farming areas within the Shire.

The population of the Shire is estimated to increase by 65% between 2016 and 2041 to 53,270. The majority of growth during this period will come from the new estates in Maddingley which are forecast to increase by over 200% during this same period.

Sustainable Capacity Indicators - for the year ended 30 June 2018

LGV Ref	Indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
Population						
C1	Expenses per head of municipal population [Total expenses / Municipal population]	\$1,352.32	\$1,410.85	\$1,400.93	\$1,423.25	No Material Variations.
C2	Infrastructure per head of municipal population [Value of infrastructure / Municipal population]	\$12,782.93	\$14,704.57	\$13,417.99	\$13,226.44	No Material Variations.
C3	Population density per length of road [Municipal population / Kilometres of local roads]	21.48	21.97	22.48	23.34	No Material Variations.

2017-18 Performance Statement

LGV Ref	Indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
	Own-source revenue					
C4	Own-source revenue per head of municipal population	\$903.51	\$1,089.31	\$1,042.59	\$1,178.67	In the 2017/18 reporting year, there was a change in the calculation formula for this ratio which resulted in own source revenue being higher in the 2017/18 reporting year. If not for the changes in the basis of calculation for this ratio, there would have been no material variation.
	[Own-source revenue / Municipal population]					
C5	Recurrent grants per head of municipal population	\$431.03	\$268.03	\$445.23	\$329.96	The early payment of Financial Assistance Grants in the 2016/17 year is the primary reason for the increase in this ratio.
	[Recurrent grants / Municipal population]					
	Disadvantage					
C6	Relative Socio-Economic Disadvantage	7.00	7.00	7.00	7.00	No Material Variations.
	[Index of Relative Socio-Economic Disadvantage by decile]					

Sustainable Capacity Indicators – Definitions

"Adjusted underlying revenue" means total income other than:

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to above

"Infrastructure" means non-current property, plant and equipment excluding land

2017-18 Performance Statement

"Local road" means a sealed or unsealed road for which the council is the responsible road authority under the Road Management Act 2004

"Population" means the resident population estimated by council

"Own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)

"Relative socio-economic disadvantage", in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of SEIFA

"SEIFA" means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet website

"Unrestricted cash" means all cash and cash equivalents other than restricted cash.

2017-18 Performance Statement

Service Performance Indicators - for the year ended 30 June 2018

LGV Ref	Service/Indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
	Aquatic Facilities Utilisation					
AF6	Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	0.28	0.23	0.26	0.26	There was a total of 8,535 visits to the aquatic facilities this season - 6,019 visitors attended Bacchus Marsh Outdoor Pool and 2,516 visitors attended Ballan Outdoor Pool in this period.
	Animal Management Health and safety					
AM4	Animal management prosecutions [Number of successful animal management prosecutions]	0.00	0.00	2.00	0.00	No Animal Management prosecutions undertaken during this period.
	Food Safety Health and safety					
FS4	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 a food premises] x100	89.00%	83.33%	94.74%	100.00%	

2017-18 Performance Statement

LGV Ref	Service/indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
G5	Governance 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]	50.00	48.00	49.00	51.00	
H6	Home and Community Care (HACC) Participation Participation in HACC service [Number of people that received a HACC service / Municipal target population for HACC services] x100	30.24%	32.67%	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
H7	Participation Participation in HACC service by CALD people [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	12.98%	18.97%	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
LB4	Libraries Participation Active library members [Number of active library members / Municipal population] x100	12.00%	9.24%	9.18%	9.51%	

2017-18 Performance Statement

LGV Ref	Service/indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
	Maternal and Child Health (MCH)					
	Participation					
MC4	Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	82.00%	76.86%	77.28%	77.92%	
	Participation					
MC5	Participation in the MCH service by Aboriginal children [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	78.00%	71.79%	71.79%	81.97%	
	Roads					
	Satisfaction					
R5	Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	43.00	47.00	43.00	46.00	
	Statutory Planning					
	Decision making					
SP4	Council planning decisions upheld at VCAT [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	89.00%	27.27%	33.33%	66.67%	The small number of VCAT decisions make any change appear to be insignificant.

2017-18 Performance Statement

LGV Ref	Service/indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
WC5	<p>Waste Collection Waste diversion Kerbside collection waste diverted from landfill</p> <p>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</p>	33.00%	35.07%	36.91%	37.56%	Moorabool Shire Council introduced a green waste collection service in their urban areas reducing the volume of waste deposited to landfill.

2017-18 Performance Statement

Service Performance Indicators - Definitions

"Aboriginal child" means a child who is an Aboriginal person

"Aboriginal person" has the same meaning as in the Aboriginal Heritage Act 2006

"Active library member" means a member of a library who has borrowed a book from the library

"Annual report" means an annual report prepared by a council under sections 131, 132 and 133 of the Act

"CALD" means culturally and linguistically diverse and refers to persons born outside Australia in a country whose national language is not English

"Class 1 food premises" means food premises, within the meaning of the Food Act 1984, that have been declared as class 1 food premises under section 19C of that Act

"Class 2 food premises" means food premises, within the meaning of the Food Act 1984, that have been declared as class 2 food premises under section 19C of that Act

"Community Care Common Standards" means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth

"Critical non-compliance outcome notification" means a notification received by council under section 19N(3) or (4) of the Food Act 1984, or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health

"Food premises" has the same meaning as in the Food Act 1984

"HACC program" means the Home and Community Care program established under the Agreement entered into for the purpose of the Home and Community Care Act 1985 of the Commonwealth

"HACC service" means home help, personal care or community respite provided under the HACC program

"Local road" means a sealed or unsealed road for which the council is the responsible road authority under the Road Management Act 2004

"Major non-compliance outcome notification" means a notification received by a council under section 19N(3) or (4) of the Food Act 1984, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken

"MCH" means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age

"Population" means the resident population estimated by council

"Target population" has the same meaning as in the Agreement entered into for the purposes of the Home and Community Care Act 1985 of the Commonwealth

"WorkSafe reportable aquatic facility safety incident" means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the Occupational Health and Safety Act 2004.

2017-18 Performance Statement

Financial Performance Indicators - for the year ended 30 June 2018

LGV Ref	Dimension/indicator/measure	Results		Results	Forecasts			Material Variations and Comments					
		2015	2016		2017	2018	2019		2020	2021	2022		
E1	Efficiency												
	Revenue level Average residential rate per residential property assessment [(Residential rate revenue / Number of residential property assessments)]	\$1,392.85	\$1,460.85	\$1,512.85	\$1,543.84	\$1,578.62	\$1,618.08	\$1,658.56	\$1,700.06				No Material Variations.
E2	Expenditure level Expenses per property assessment [(Total expenses / Number of property assessments)]	\$2,665.52	\$2,677.65	\$2,798.23	\$2,867.61	\$2,834.54	\$2,939.91	\$2,933.53	\$2,994.83				No Material Variations.
	Workforce turnover Resignations and terminations compared to average staff [(Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	8.89%	9.91%	14.98%	12.90%	8.89%	8.68%	8.60%	8.54%				A number of long serving staff retired or left Council during the 2017/18 year.

2017-18 Performance Statement

LGV Ref	Dimension/Indicator/Measure	Results					Forecasts			Material Variations and Comments
		2015	2016	2017	2018	2019	2020	2021	2022	
L1	Liquidity <i>Working capital</i> Current assets compared to current liabilities	183.45%	195.20%	163.58%	192.64%	224.38%	246.28%	196.68%	249.77%	This ratio was favourably impacted by the early payment of Financial Assistance Grants amounting to \$3.18m in the 2017/18 year. This ratio was also unfavourably impacted by timing delays. Council decided to defer \$3.148m in loan borrowings until the 2018/19 year. In addition to this, the construction of Halletts Way in 2016/17 was budgeted to be funded partly from Developer Contributions. As at 30 June 2018, in excess of \$2.0m in Developer Contributions were yet to be received.
	[Current assets / Current liabilities] x 100 Unrestricted cash									

2017-18 Performance Statement

LGV Ref	Dimension/Indicator/measure	Results					Forecasts			Material Variations and Comments
		2015	2016	2017	2018	2019	2020	2021	2022	
L2	Unrestricted cash compared to current liabilities	42.66%	33.65%	37.46%	76.70%	117.40%	135.73%	100.13%	120.48%	The improvement in this ratio is consistent with Council's Strategic Financial Plan and this ratio is expected to significantly improve in future years. Whilst this ratio was favourably impacted by the early payment of Financial Assistance Grants in the 2017/18 year, it was also unfavourably impacted by deferred loan borrowings and delayed developer contributions income amounting to \$3.148m and \$2.0m respectively.
O1	<p>[Unrestricted cash / Current liabilities] x100</p> <p>Obligations</p> <p>Asset renewal</p> <p>Asset renewal compared to depreciation [Asset renewal expense / Asset depreciation] x100</p>	99.79%	118.98%	104.74%	90.25%	107.72%	82.85%	92.15%	110.94%	This ratio was unfavourably impacted due to carried forward capital works. As at 30 June 2018, there was \$4.365m in capital works to be carried forward to the 2018/19 year.

2017-18 Performance Statement

LGV Ref	Dimension/indicator/measure	Results					Forecasts			Material Variations and Comments	
		2015	2016	2017	2018	2019	2020	2021	2022		
	Loans and borrowings										
O2	Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x100	43.54%	51.28%	43.93%	37.85%	50.44%	50.63%	46.25%	31.86%		This ratio was favourably impacted by the deferral of \$3.148m in loan borrowings until the 2018/19 reporting year.
O3	Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100 Indebtedness	8.84%	7.46%	7.17%	6.33%	5.62%	5.52%	4.05%	14.00%		This ratio was favourably impacted by the deferral of \$3.148m in loan borrowings until the 2018/19 reporting year.
O4	Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100	41.11%	44.51%	37.68%	29.49%	44.98%	46.25%	33.04%	31.77%		In the 2017/18 reporting year, there was a change in the calculation formula for this ratio which resulted in own source revenue being higher in the 2017/18 reporting year. If not for the changes in the basis of calculation for this ratio, there would have been no material variation.

2017-18 Performance Statement

LGV Ref	Dimension/Indicator/measure	Results					Forecasts			Material Variations and Comments		
		2015	2016	2017	2018	2019	2020	2021	2022			
	Operating position Adjusted underlying result											
OP1	Adjusted underlying surplus (or deficit)	-0.43%	-2.64%	7.44%	6.37%	2.80%	1.87%	4.32%	4.50%			The improvement in this ratio is consistent with the Strategic Financial Plan and demonstrates a continued improvement in the financial sustainability of Moorabool Shire.
	[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100											
	Stability											
	Rates concentration											
S1	Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100	66.36%	70.41%	63.31%	63.71%	68.41%	68.26%	68.36%	68.51%			No Material Variations.
	Rates effort											
S2	Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.48%	0.50%	0.49%	0.50%	0.51%	0.52%	0.53%	0.54%			No Material Variations.

2017-18 Performance Statement

Financial Performance Indicators – Definitions

"Adjusted underlying revenue" means total income other than:

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to above

"Adjusted underlying surplus (or deficit)" means adjusted underlying revenue less total expenditure

"Asset renewal expenditure" means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability

"Current assets" has the same meaning as in the AAS

"Current liabilities" has the same meaning as in the AAS

"Non-current assets" means all assets other than current assets

"Non-current liabilities" means all liabilities other than current liabilities

"Non-recurrent grant" means a grant obtained on the condition that it be expended in a specified manner and is not expected to be received again during the period covered by a council's Strategic Resource Plan

"Own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)

"Population" means the resident population estimated by council

"Rate revenue" means revenue from general rates, municipal charges, service rates and service charges

"Recurrent grant" means a grant other than a non-recurrent grant

"Residential rates" means revenue from general rates, municipal charges, service rates and service charges levied on residential properties

"Restricted cash" means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year

"Unrestricted cash" means all cash and cash equivalents other than restricted cash.

2017-18 Performance Statement

Other Information - Basis of preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the Local Government Act 1989 and Local Government (Planning and Reporting) Regulations 2014.

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics).

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 27 June 2018 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.

2017-18 Performance Statement

Certification of the performance statement

In my opinion, the accompanying performance statement has been prepared in accordance with the Local Government Act 1989 and the Local Government (Planning and Reporting) Regulations 2014.



Steven Ivelja CPA
Principal Accounting Officer
Dated: 05 September 2018

In our opinion, the accompanying performance statement of the (council name) for the year ended 30 June 2018 presents fairly the results of council's performance in accordance with the Local Government Act 1989 and the Local Government (Planning and Reporting) Regulations 2014.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the council and by the Local Government (Planning and Reporting) Regulations 2014 to certify this performance statement in its final form.



Cr. Tonia Dudzik
Councillor
Dated: 05 September 2018



Cr. Paul Tatchell
Councillor
Dated: 05 September 2018



Rob Croxford
Chief Executive Officer
Dated: 05 September 2018

Independent Auditor's Report

To the Councillors of Moorabool Shire Council

<p>Opinion</p>	<p>I have audited the accompanying performance statement of Moorabool Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • description of municipality for the year ended 30 June 2018 • sustainable capacity indicators for the year ended 30 June 2018 • service performance indicators for the year ended 30 June 2018 • financial performance indicators for the year ended 30 June 2018 • other information and • the certification of the performance statement. <p>In my opinion, the performance statement of Moorabool Shire Council in respect of the year ended 30 June 2018 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 6 of the <i>Local Government Act 1989</i>.</p>
<p>Basis for Opinion</p>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. I and my staff are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria and have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<p>Councillors' responsibilities for the performance statement</p>	<p>The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 1989</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.</p>
<p>Auditor's responsibilities for the audit of the performance statement</p>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists.</p>

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.

As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



MELBOURNE
7 September 2018

Tim Loughnan
as delegate for the Auditor-General of Victoria



PART SIX: FINANCIAL





**MOORABOOL SHIRE COUNCIL
ANNUAL FINANCIAL REPORT**

For the Year Ended 30 June 2018

Moorabool Shire Council
2017/2018 Financial Report
Table of Contents

Financial Report	Page
-------------------------	-------------

FINANCIAL REPORT

Certification of the Financial Statements
Victorian Auditor-General's Office Report

Financial Statements

Comprehensive Income Statement
Balance Sheet
Statement of Changes in Equity
Statement of Cash Flows
Statement of Capital Works

Overview

Notes to Financial Statements

- Note 1 Performance against budget
- 1.1. Income and expenditure
 - 1.2. Capital works
- Note 2 Funding for the delivery of our services
- 2.1. Rates and charges
 - 2.2. Statutory fees and fines
 - 2.3. User fees
 - 2.4. Funding from other levels of government
 - 2.5. Contributions
 - 2.6. Net gain/(loss) on disposal of property, infrastructure, plant and equipment
 - 2.7. Other income
- Note 3 The cost of delivering services
- 3.1. Employee costs
 - 3.2. Materials and services
 - 3.3. Depreciation and amortisation
 - 3.4. Bad and doubtful debts
 - 3.5. Borrowing costs
 - 3.6. Other expenses

Moorabool Shire Council
2017/2018 Financial Report
Table of Contents

Financial Report		Page
Note 4	Our financial position	
	4.1. Financial assets	
	4.2. Non-financial assets	
	4.3. Payables	
	4.4. Provisions	
	4.5. Interest bearing liabilities	
	4.6. Financing arrangements	
	4.7. Commitments	
Note 5	Assets we manage	
	5.1. Non current assets classified as held for sale	
	5.2. Property infrastructure plant and equipment	
Note 6	People and relationships	
	6.1. Council and key management remuneration	
	6.2. Related party disclosure	
Note 7	Managing uncertainties	
	7.1. Contingent assets and liabilities	
	7.2. Change in accounting standards	
	7.3. Financial instruments	
	7.4. Fair value measurement	
	7.5. Events occurring after balance date	
Note 8	Other matters	
	8.1. Reserves	
	8.2. Reconciliation of cash flows from operating activities to surplus/(deficit)	
	8.3. Superannuation	

Certification of the Financial Statements 2017/18

In my opinion the accompanying financial statements have been prepared in accordance with the *Local Government Act 1989*, the *Local Government (Planning and Reporting) Regulations 2014*, Australian Accounting Standards and other mandatory professional reporting requirements.



Steven Ivelja CPA
Principal Accounting Officer

Dated: 5 September 2018
Ballan

In our opinion the accompanying financial statements present fairly the financial transactions of Moorabool Shire Council for the year ended 30 June 2018 and the financial position of the Council as at that date.

As at the date of signing, we are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify the financial statements in their final form.



Tonia Dudzik
Councillor

Dated: 5 September 2018
Ballan



Paul Tatchell
Councillor

Dated: 5 September 2018
Ballan



Rob Croxford
Chief Executive Officer

Dated: 5 September 2018
Ballan

Independent Auditor's Report

To the Councillors of Moorabool Shire Council

Opinion	<p>I have audited the financial report of Moorabool Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2018 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • notes to the financial statements, including significant accounting policies • certification of the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2018 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors
- conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
7 September 2018


Tim Loughnan
as delegate for the Auditor-General of Victoria

Comprehensive Income Statement For the Year Ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
Income			
Rates and charges	2.1	32,359	30,987
Statutory fees and fines	2.2	763	618
User fees	2.3	2,536	2,035
Grants - operating	2.4(a)	9,650	12,858
Grants - capital	2.4(b)	3,983	8,385
Contributions - monetary	2.5	168	190
Contributions - non-monetary	2.5	5,500	4,978
Other income	2.7	3,730	3,942
Total Income		58,689	63,992
Expenses			
Employee costs	3.1	(18,464)	(17,602)
Materials and services	3.2	(17,541)	(18,081)
Depreciation and amortisation	3.3	(8,625)	(8,209)
Bad and doubtful debts	3.4	(156)	(5)
Borrowing costs	3.5	(683)	(790)
Net gain (or Loss) on disposal of property, infrastructure, plant and equipment and investment properties	2.6	(1,396)	(3,866)
Other expenses	3.6	(697)	(616)
Total Expenses		(47,562)	(49,169)
Surplus/(deficit) for the year		11,127	14,823
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	5.2	3,478	-
Total comprehensive result		14,605	14,823

The above statement should be read in conjunction with the accompanying notes

Balance Sheet As at 30 June 2018

	Note	2018 \$'000	2017 \$'000
Assets			
Current assets			
Cash and cash equivalents	4.1(a)	16,578	11,075
Trade and other receivables	4.1(b)	4,864	5,521
Inventories	4.2	18	24
Non-current assets classified as held for sale	5.1	-	-
Other assets	4.2	1,008	2,911
Total current assets		22,468	19,530
Non-current assets			
Trade and other receivables	4.1(b)	145	133
Property, infrastructure, plant and equipment	5.2	488,516	478,226
Total non-current assets		488,661	478,359
Total assets		511,129	497,890
Liabilities			
Current liabilities			
Trade and other payables	4.3(a)	4,975	5,674
Trust funds and deposits	4.3(b)	1,197	736
Provisions	4.4	4,370	4,165
Interest-bearing loans and borrowings	4.5	1,121	1,364
Total current liabilities		11,663	11,939
Non-current liabilities			
Provisions	4.4	488	457
Interest-bearing loans and borrowings	4.5	11,127	12,247
Total non-current liabilities		11,615	12,705
Total liabilities		23,278	24,644
Net assets		487,851	473,246
Equity			
Accumulated surplus		161,446	151,333
Reserves	8.1	326,405	321,913
Total Equity		487,851	473,246

The above balance sheet should be read in conjunction with the accompanying notes

Statement of Changes in Equity For the Year Ended 30 June 2018

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2018					
Balance at beginning of the financial year		473,246	151,333	314,680	7,232
Surplus/(deficit) for the year		11,127	11,127	-	-
Net asset revaluation increment/(decrement)		3,478	-	3,478	-
Transfers to other reserves		-	(3,100)	-	3,100
Transfers from other reserves		-	2,086	-	(2,086)
Balance at end of the financial year		487,851	161,446	318,159	8,246

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2017					
Balance at beginning of the financial year		458,423	138,035	314,680	5,708
Surplus/(deficit) for the year		14,823	14,823	-	-
Transfers to other reserves		-	(2,036)	-	2,036
Transfers from other reserves		-	512	-	(512)
Balance at end of the financial year		473,246	151,333	314,680	7,232

The above statement should be read in conjunction with the accompanying notes

Statement of Cash Flows For the Year Ended 30 June 2018

	2018 Inflows/ (Outflows)	2017 Inflows/ (Outflows)
Note	\$'000	\$'000
Cash flows from operating activities		
Rates and charges	32,354	30,627
Statutory fees and fines	763	618
User fees (inclusive of GST)	3,072	2,283
Grants - operating	9,650	12,858
Grants - capital	3,983	8,385
Contributions - monetary	168	190
Interest received	479	402
Trust funds and deposits taken	732	408
Other receipts (inclusive of GST)	3,520	4,038
Net GST refund/payment	2,727	2,920
Employee costs	(18,227)	(18,053)
Materials and services (inclusive of GST)	(19,212)	(21,311)
Trust funds and deposits repaid	(271)	(452)
Other payments	(858)	(620)
Net cash provided by operating activities	8.2 <u>18,880</u>	<u>22,290</u>
Cash flows from investing activities		
Payments for property, infrastructure, plant and equipment	5.2 (11,664)	(22,674)
Proceeds from sale of property, infrastructure, plant and equipment	334	1,229
Net cash (used in) investing activities	<u>(11,330)</u>	<u>(21,445)</u>
Cash flows from financing activities		
Finance costs	3.5 (683)	(790)
Proceeds from borrowings	-	-
Repayment of borrowings	(1,364)	(1,431)
Net cash (used in) financing activities	<u>(2,047)</u>	<u>(2,222)</u>
Net increase (decrease) in cash and cash equivalents	5,503	(1,377)
Cash and cash equivalents at the beginning of the financial year	11,075	12,452
Cash and cash equivalents at the end of the financial year	4.1 <u>16,578</u>	<u>11,075</u>
Financing arrangements	4.6	
Restrictions on cash assets	4.1	

The above statement should be read in conjunction with the accompanying notes

Statement of Capital Works
For the Year Ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
Property			
Land		50	50
Buildings		431	3,744
Total property		481	3,794
Plant and equipment			
Plant, machinery and equipment		1,096	1,285
Computers and telecommunications		24	59
Library books		89	93
Total plant and equipment		1,209	1,438
Infrastructure			
Roads		6,545	16,036
Bridges		1,093	504
Footpaths and cycleways		723	409
Recreational, leisure and community facilities		1,371	251
Parks, open space and streetscapes		-	124
Other infrastructure		242	119
Total infrastructure		9,974	17,442
Total capital works expenditure		11,664	22,674
Represented by:			
New asset expenditure		2,695	10,253
Asset renewal expenditure		7,784	8,598
Asset upgrade expenditure		1,185	3,823
Total capital works expenditure		11,664	22,674

The above statement should be read in conjunction with the accompanying notes

Introduction

Moorabool Shire Council was established by an Order of the Governor in Council on Friday, 6 May 1994 and is a body corporate. The Council's main office is located at 15 Stead Street, Ballan.

Statement of Compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1989*, and the *Local Government (Planning and Reporting) Regulations 2014*.

Significant accounting policies

(a) Basis of accounting

The accrual basis of accounting has been used in the preparation of these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to note 5.2)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 5.2)
- the determination of employee provisions (refer to note 4.4 (a))

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

(b) Change in accounting policies

There have been no changes in accounting policies from the previous period.

Significant accounting policies (cont.)

(c) Committees of management

All entities controlled by Council that have material revenues, expenses, assets or liabilities, such as committees of management, have been included in this financial report. Any transactions between these entities and Council have been eliminated in full.

(d) Revenue recognition

Income is recognised when the Council obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to the Council and the amount of the contribution can be measured reliably.

Interest

Interest is recognised as it is earned.

Dividends

Dividend revenue is recognised when the Council's right to receive payment is established.

(e) Other financial assets

Other financial assets are valued at fair value, being market value, at balance date. Term deposits are measured at amortised cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

(f) Investment property

Investment property is held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to the Council. Subsequent to initial recognition at cost, investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the comprehensive income statement in the period that they arise. Rental income from the leasing of investment properties is recognised in the comprehensive income statement on a straight line basis over the lease term.

Significant accounting policies (cont.)

(g) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(h) Financial guarantees

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probably that that right will be exercised. Details of guarantees that Council has provided, that are not recognised in the balance sheet are disclosed at Note 7.1 Contingent Liabilities and Contingent Assets.

(i) Contingent assets and contingent liabilities and commitments

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively. Please refer to Note 7.1

Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value by way of note and presented inclusive of the GST payable.

(j) Rounding

Unless otherwise stated, amounts in the financial report have been rounded to the nearest thousand dollars. Figures in the financial statements may not equate due to rounding.

Note 1 Performance against budget (cont.)

1.1.1 Explanation of material variations

Ref	Item	Explanation
1	Statutory fees and fines	The unfavourable variance is primarily due to a reclassification of Food/Health Act registrations (\$132.5k budget). The budget for these is in statutory fees, however the actual income is classified as Council fees. This is partially offset by increases in Statutory Planning Fees (\$9.8k) and Asset Protection Fees (\$9.3k).
2	Grants - capital	Capital grants have increased mainly due to Council receiving additional funding since the adoption of the budget. This includes; Roads to Recovery (\$879k), Bus Shelter Upgrades (\$200k), Bacchus Marsh Road Bus Bay (\$100k), and Maddingley Park Sports Lighting Upgrade (\$90k).
3	Contributions - monetary	The actual is unfavourable by \$1.989 million due to the deferral of Developer Contributions to next financial year (\$2.077 million). This is partially offset by an increase in Public Open Space Contributions (\$52.5k), and a new contribution for Car Parking (\$35k).
4	Contributions - non monetary	Favourable by \$865k compared to budget due to a greater amount of new subdivision assets being handed over to Council than what was originally expected. This is mainly due to some developments being completed earlier than originally expected. These assets include; Roads, Footpaths, Drainage, Land, and Kerb and Channel.
5	Other income	This variance mainly relates to reimbursements for Blackwood Localised Septic Program (\$1.341 million). Council is conducting the work for this project with costs being reimbursed from the Central Highlands Regional Water Authority. There are also reimbursements of \$621k for costs incurred due to Flood/Storm events in September 2016. This work has continued into the 2017/18 financial year and the vast majority of these costs are expected to be reimbursed through claims with the Department of Treasury and Finance. Both of these items were not included in the 2017/18 Adopted Budget. Other increase relate to Insurance Claims (\$51k), Election Fines (\$44k), and Lease Income (\$36k).
6	Materials and services	Unfavourable mainly due to costs incurred for the Blackwood Localised Septic Project (\$974k) and the Flood/Storm events of September 2016 (\$781k). Other significant variances include capital expenditure being transferred to operating expense (\$369k - relates to costs not deemed to be capital in nature), and the continuation/completion of Council approved new initiatives or grant funded projects from prior financial years.

Note 1 Performance against budget (cont.)

Ref	Item	Explanation
7	Depreciation and amortisation	The actual depreciation expense was \$1.039m less than budget. This is mainly due to an overestimation in the budgeted amount for the depreciation of Road Infrastructure Assets. The full year impact of major road capital works will not be accounted for until next financial year.
8	Bad and doubtful debts	Council does not budget for Bad and doubtful debts.
9	Borrowing costs	The favourable variance is due to the deferral of \$3.148 million in loan borrowings from the 2017/18 budget. These borrowings have been deferred to 2018/19 and has resulted in a saving of \$111k in interest repayments during the 2017/18 financial year.
10	Net gain/(loss) on disposal of property, infrastructure, plant and equip.	Favourable by \$104k mainly due to an overestimation in the budget for the Written Down Value of Infrastructure Assets replaced during the 2017/18 year. The main reason for this is the significant capital works completed on Hallett's Way. The majority of the Hallett's Way assets are new and therefore the value of assets being replaced is not substantial.

Note 1 Performance against budget (cont.)

	Budget 2018 \$'000	Actual 2018 \$'000	Variance 2018 \$'000	Ref
1.2 Capital Works				
Property				
Land	-	50	50	
Buildings	1,074	431	(643)	1
Total property	1,074	481	(593)	
Plant and equipment				
Plant, machinery and equipment	2,389	1,096	(1,293)	2
Computers and telecommunications	-	24	24	
Library books	102	89	(13)	
Total plant and equipment	2,491	1,210	(1,281)	
Infrastructure				
Roads	6,076	6,545	469	
Bridges	881	1,093	212	3
Footpaths and cycleways	879	723	(156)	4
Recreational, leisure and community facilities	3,001	1,371	(1,630)	5
Other infrastructure	26	242	216	6
Total infrastructure	10,863	9,974	(889)	
Total capital works expenditure	14,429	11,664	(2,765)	
Represented by:				
New asset expenditure	2,501	2,695	194	
Asset renewal	10,860	7,784	(3,076)	
Asset upgrade	1,068	1,185	117	
Total capital works expenditure	14,429	11,664	(2,765)	

(Explanation of material variations on next page)

Note 1 Performance against budget (cont.)

1.2.1 Explanation of material variations

Ref	Item	Explanation
1	Buildings	Capital expenditure on buildings was \$643k less than budget due to some projects being incomplete at year end and will be completed during the 2018/19 financial year. These include Clarendon Community Hub (\$180k) and Ballan Depot (\$179k). There were also a number of smaller projects reclassified during the year.
2	Plant, machinery and equipment	Actual expenditure was less than budget by \$1.293 million, due to the deferral of a number of large plant purchases to the 2018/19 year.
3	Bridges	Actual expenditure was greater than budget by \$212k mainly due to the completion of works carried over from the 2016/17 financial year. This includes works at Butter Factory Road, Wallace (\$176k).
4	Footpaths and cycleways	Overall capital spend on footpaths was \$156k less than budget. This is primarily due to a project at Inglis Street, Ballan being incomplete at year end. This project is due to be completed in the 2018/19 financial year.
5	Recreational, leisure and community facilities	Actual spend was less than budget by \$1.630 million due to some larger projects being incomplete at year end. These projects include; Bacchus Marsh Racecourse and Recreation Reserve, and Ballan Recreation Reserve - Netball/Tennis Court Reconstruction. The Bacchus Marsh Racecourse and Recreation Reserve is a major project that will continue over a number of financial years.
6	Other infrastructure	Greater than budget by \$216k mainly due to Council receiving new funding during the year for Bus Shelter Upgrades (\$200k).

	2018	2017
	\$'000	\$'000

Note 2 Funding for the delivery of our services

2.1 Rates and charges

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is the market value of the land and all improvements to that land as assessed by a Council appointed valuer.

The valuation base used to calculate general rates for 2017/2018 was \$6,308 million (2016/2017: \$6,204 million).

General Rates	27,662	26,694
Waste / Garbage Charges	4,256	4,049
Supplementary rates and rate adjustments	441	244
Total rates and charges	32,359	30,987

The date of the latest general revaluation of land for rating purposes within the municipal district was 01 January 2018 and the valuation was first applied in the rating year commencing 01 July 2018.

Annual rates and charges are recognised as revenues when Council issues annual rates notices. Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

2.2 Statutory fees and fines

Infringements and costs	176	192
Court recoveries	7	7
Town planning fees	498	348
Land information certificates	44	41
Permits	37	29
Freedom of Information	1	1
Total statutory fees and fines	763	618

Statutory fees and fines (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

2018
\$'000

2017
\$'000

Note 2 Funding for the delivery of our services (Cont.)

2.3 User fees

Aged and health services	687	644
Leisure centre and recreation	194	54
Child care/children's programs	67	66
Registrations and other permits	677	586
Building services	396	224
Waste management services	402	377
Other fees and charges	114	85
Total user fees	2,536	2,035

User fees are recognised as revenue when the service has been provided or Council has otherwise earned the income, whichever first occurs.

2.4 Funding from other levels of government

Grants were received in respect of the following :

Summary of grants

Commonwealth funded grants	9,661	12,944
State funded grants	2,824	8,101
Others	1,148	198
Total	13,633	21,243

(a) Operating Grants

Recurrent - Commonwealth Government

Victoria Grants Commission	6,263	8,929
Commonwealth Home Support Program	1,641	1,642

Recurrent - State Government

Aged care	167	314
School crossing supervisors	111	52
Libraries	259	252
Maternal and child health	535	538
Other	293	298

Total recurrent operating grants **9,270** **12,025**

	2018 \$'000	2017 \$'000
Note 2 Funding for the delivery of our services (Cont.)		
<i>Non-recurrent - State Government</i>		
Emergency management	135	200
Valuations	-	93
Strategic planning and tourism	31	223
Families and youth	17	27
Environment and health	66	104
Community development	3	42
Disability Access	128	137
Other	-	7
Total non-recurrent operating grants	380	833
Total operating grants	9,650	12,858
(b) Capital Grants		
<i>Recurrent - Commonwealth Government</i>		
Roads to recovery	1,757	2,373
Total recurrent capital grants	1,757	2,373
<i>Non-recurrent - State Government</i>		
Community and recreational facilities	523	2,051
Local Roads	555	3,763
<i>Non-recurrent - Other sources</i>		
Sundry capital grants	1,148	198
Total non-recurrent capital grants	2,226	6,012
Total capital grants	3,983	8,385

Grant income is recognised when Council obtains control of the contribution. This is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

	2018	2017
	\$'000	\$'000

Note 2 Funding for the delivery of our services (cont.)

(c) Unspent grants received on condition that they be spent in a specific manner

Balance at start of year	100	306
Received during the financial year and remain unspent at balance date	1,331	1,011
Received in prior years and spent during the financial year	(1,009)	(1,218)
Balance at year end	422	100

2.5 Contributions

Monetary	168	190
Non-monetary	5,500	4,978
Total contributions	5,668	5,168

Contributions of non-monetary assets were received in relation to the following asset classes.

Land	664	365
Infrastructure	4,835	4,612
Total non-monetary contributions	5,500	4,978

Monetary and non monetary contributions are recognised as revenue when Council obtains control over the contributed asset.

2.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment

Proceeds of sale	334	1,229
Written down value of assets disposed	(1,730)	(5,095)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	(1,396)	(3,866)

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

2018
\$'000

2017
\$'000

Note 2 Funding for the delivery of our services (cont.)

2.7 Other income

Interest	479	402
Reimbursements, rebates and recoveries*	2,398	2,620
Recycling income	161	143
Other rent	161	151
Royalties	15	55
Peri-Urban contributions	90	90
Insurance claims	6	6
Sales	58	66
Other	362	409
Total other income	3,730	3,942

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.

* The totals are significant in 2017/18 and 2016/17 due to Reimbursements for Blackwood Localised Septic Project and works for Flood/Storm events from September 2016.

Note 3 The cost of delivering services

3.1 Employee costs

Wages and salaries	15,961	15,277
WorkCover	372	230
Casual staff	651	595
Superannuation	1,478	1,440
Fringe Benefits Tax	2	60
Total employee costs	18,464	17,602

(b) Superannuation

Council made contributions to the following funds:

Defined benefits fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super) at 9.5%	85	99
--	----	----

Employer contributions payable at reporting date	-	-
--	---	---

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super) at 9.5%	872	935
--	-----	-----

Employer contributions to other funds at 9.5%	558	488
	1,430	1,423

Employer contributions payable at reporting date	-	3
--	---	---

Refer to note 8.3 for further information relating to Council's super obligations.

2018
\$'000

2017
\$'000

Note 3 The cost of delivering services (cont.)

3.2 Materials and services

Materials and services	2,936	2,914
Contract payments	7,768	8,990
Building maintenance	545	528
General maintenance	1,245	820
Utilities	584	522
Office administration	613	620
Information technology	827	887
Insurance	535	491
Consultants	1,499	851
Agency staff	291	381
Community grants and advances	698	1,076
Total materials and services	17,541	18,081

3.3 Depreciation and amortisation

Property	817	757
Plant and equipment	967	925
Infrastructure	6,841	6,527
Total depreciation and amortisation	8,625	8,209

Refer to note 5.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

3.4 Bad and doubtful debts

Parking fine debtors	13	1
Other debtors	143	4
Total bad and doubtful debts	156	5

Movement in provisions for doubtful debts

Balance at the beginning of the year	51	57
New provisions recognised during the year	80	2
Amounts already provided for and written off as uncollectible	(25)	(5)
Amounts provided for but recovered during the year	-	(2)
Balance at end of year	106	51

Provision for doubtful debt is recognised when there is objective evidence that an impairment loss has occurred. Bad debts are written off when identified.

	2018	2017
	\$'000	\$'000

Note 3 The cost of delivering services (cont.)

3.5 Borrowing costs

Interest - Borrowings	683	790
Total borrowing costs	683	790

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Except where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised.

Borrowing costs include interest on bank overdrafts, interest on borrowings and finance lease charges.

3.6 Other expenses

Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	45	43
Auditors' remuneration - Internal	33	57
Auditors' remuneration - Other	2	7
Councillors' allowances	246	225
Operating lease rentals	257	195
Bank fees	54	55
Other	60	34
Total other expenses	697	616

2018
\$'000

2017
\$'000

Note 4 Our financial position

4.1 Financial assets

(a) Cash and cash equivalents

Cash on hand	3	3
Cash at bank	8,576	7,072
Term deposits	8,000	4,000
Total cash and cash equivalents	16,578	11,075

Council's cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:

- Trust funds and deposits (Note 4.3b)	1,197	736
- Statutory reserves (Note 8.1)	1,863	1,974
Total restricted funds	3,060	2,710
Total unrestricted cash and cash equivalents	13,518	8,365

Intended allocations

Although not externally restricted the following amounts have been allocated for specific future purposes by Council:

- Cash held to fund carried forward capital works and projects	4,365	3,436
- Recreation facilities reserve	818	857
Total funds subject to intended allocations	5,183	4,294

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.

(b) Trade and other receivables

Current

Statutory receivables

Rates debtors	3,168	3,169
Special rate assessment	38	43
Infringement debtors	279	317
Provision for doubtful debts - infringements	(46)	(8)

Non-statutory receivables

Net GST receivable	514	547
Other debtors	970	1,495
Provision for doubtful debts - other debtors	(60)	(43)
Total current trade and other receivables	4,864	5,521

2018
\$'000

2017
\$'000

Note 4 Our financial position (Cont.)

Non-current

Statutory receivables

Special rate assessment 145 133

Total non-current trade and other receivables 145 133

Total trade and other receivables 5,009 5,654

Receivables are carried at invoice amount as amortised cost using the effective interest rate method. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred.

(i) Ageing of receivables

At balance date other debtors representing financial assets were past due but not impaired. The ageing of the Council's trade & other receivables (excluding statutory receivables) was:

Current (not yet due) 461 1,103

Past due by up to 30 days 268 47

Past due between 31 and 60 days 136 121

Past due between 61 and 90 days 1 11

Past due by more than 90 days 105 215

Total trade and other receivables 970 1,495

(ii) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$98,205 (2017: \$50,884) were impaired. The amount of the provision raised against these debtors was \$98,205 (2017: \$50,884). They have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of receivables that have been individually determined as impaired at reporting date was:

Current (not yet due) - -

Past due by up to 30 days - -

Past due between 31 and 60 days - -

Past due between 61 and 90 days - -

Past due by more than 90 days 98 51

Total Trade & Other Receivables 98 51

2018
\$'000

2017
\$'000

Note 4 Our financial position (cont.)

4.2 Non-financial assets

(a) Inventories

Inventories held for distribution	18	24
Total inventories	18	24

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where Inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

(b) Other assets

Prepayments	185	232
Accrued income	823	2,679
Total other assets	1,008	2,911

4.3 Payables

(a) Trade and other payables

Trade payables	2,256	1,697
Accrued expenses	2,718	3,977
Total trade and other payables	4,975	5,674

(b) Trust funds and deposits

Refundable building deposits	931	590
Refundable contract deposits	12	12
Refundable civic facilities deposits	13	13
Retention amounts	60	68
Fire Services Levy	21	45
Other refundable deposits	159	8
Total trust funds and deposits	1,197	736

Amounts received as deposits and retention amounts controlled by Council are recognised as Trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited.

Note 4 Our financial position (cont.)

Purpose and nature of items

Refundable deposits - Deposits are taken by Council as a form of surety in a number of circumstances, including in relation to building works, tender deposits, contract deposits and the use of civic facilities.

Fire Service Levy - Council is the collection agent for fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the state government in line with that process.

Retention Amounts - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

4.4 Provisions

	Quarry restoration \$ '000	Employee \$ '000	Total \$ '000
2018			
Balance at beginning of the financial year	243	4,379	4,622
Additional provisions	5	2,071	2,075
Amounts used	-	(1,839)	(1,839)
Balance at the end of the financial year	248	4,611	4,859
2017			
Balance at beginning of the financial year	237	4,836	5,073
Additional provisions	6	1,717	1,723
Amounts used	-	(2,174)	(2,174)
Balance at the end of the financial year	243	4,379	4,622

	2018 \$'000	2017 \$'000
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	1,083	948
Long service leave	260	433
Rostered Day Off's (RDO) / Time in lieu	169	156
	1,512	1,537
Current provisions expected to be wholly settled after 12 months		
Annual leave	271	237
Long service leave	2,340	2,148
RDO's / Time in lieu	-	-
	2,611	2,385
Total current employee provisions	4,123	3,922

	2018 \$'000	2017 \$'000
Note 4 Our financial position (cont.)		
Non-current		
Long service leave	488	457
Total non-current employee provisions	488	457
Aggregate carrying amount of employee provisions:		
Current	4,123	3,922
Non-current	488	457
Total aggregate carrying amount of employee provisions:	4,611	4,379

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date:

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulated sick leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Current Liability - unconditional LSL is disclosed as a current liability even when the Council does not expect to settle the liability within 12 months because it will not have the unconditional right to defer settlement of the entitlement should an employee take leave within 12 months.

The components of this current liability are measured at :

- present value - component that is not expected to be wholly settled within 12 months.
- nominal value - component that is expected to be wholly settled within 12 months.

Non-current liability - conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability. There is an unconditional right to defer settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value.

Key assumptions:

- discount rate (12 Years average)	2.36%	2.27%
- inflation rate	3.88%	3.81%

	2018	2017
	\$'000	\$'000

Note 4 Our financial position (cont.)

Retirement Gratuity

Retirement gratuities were provided to certain employees who were employed by the former Shire of Bacchus Marsh. The liability represents a set proportion of accumulated sick leave that is payable on retirement. At balance date, the liability is measured at the nominal value of 14 March 1996.

(b) Quarry restoration

Current	248	243
Non-current	-	-
	<u>248</u>	<u>243</u>

Council is obligated to restore quarry sites to a particular standard. The forecast life of the sites are based on current estimates of remaining capacity and the forecast rate of infill. The provision for quarry restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Key assumptions:

- inflation rate	1.90%	2.10%
- estimated cost to rehabilitate	248	243

4.5 Interest-bearing loans and borrowings

Current

Borrowings - Secured	1,121	1,364
----------------------	-------	-------

Non-current

Borrowings - Secured	11,127	12,247
----------------------	--------	--------

	<u>11,128</u>	<u>12,247</u>
--	---------------	---------------

Total interest-bearing loans and borrowings

	<u>12,248</u>	<u>13,611</u>
--	---------------	---------------

(a) The maturity profile for Council's borrowings is:

Not later than one year	1,121	1,364
Later than one year and not later than five years	6,651	3,077
Later than five years	4,476	9,171
	<u>12,248</u>	<u>13,611</u>

2018
\$'000

2017
\$'000

Note 4 Our financial position (cont.)

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities at initial recognition.

Borrowings are secured by a charge against rate revenue.

4.6 Financing arrangements

Bank overdraft	750	750
Credit card facilities	200	200
Total facilities	950	950
Used facilities	-	-
Unused facilities	950	950

Note 4 Our financial position (cont.)

4.7 Commitments

The Council has entered into the following commitments:

2018	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
Operating					
Garbage Collection	2,275	-	-	-	2,275
Recycling	519	-	-	-	519
Sceptic Program	387	-	-	-	387
Leisure facilities	186	186	-	-	372
Maintenance services	362	84	-	-	446
Consultancies	149	119	124	-	393
Total	3,878	389	124	-	4,392
Capital					
Roads	1,310	-	-	-	1,310
Footpaths and cycleways	870	-	-	-	870
Recreational, leisure and Community	577	-	-	-	577
Total	2,757	-	-	-	2,757
Total	6,635	389	124	-	7,149

Note 4 Our financial position (cont.)

2017	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
Operating					
Garbage Collection	1,140	1,338	-	-	2,478
Recycling	496	519	-	-	1,015
Sceptic Program	97	-	-	-	97
Leisure facilities	-	-	-	-	-
Maintenance services	113	87	15	-	214
Consultancies	162	13	118	13	307
	2,008	1,957	133	13	4,111
Capital	-	-	-	-	-
Total	2,008	1,957	133	13	4,111

(a) Operating lease commitments

At the reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities):

	2018 \$'000	2017 \$'000
Not later than one year	62	86
Later than one year and not later than five years	130	192
Later than five years	-	-
	192	278

Note 5 Assets we manage

5.1 Non current assets classified as held for sale

Balance at beginning of financial year	-	991
Disposals	-	991
Balance at end of financial year	-	-

A non-current asset held for sale (including disposal groups) is measured at the lower of its carrying amount and fair value less costs of disposal, and are not subject to depreciation. Non current assets, disposal groups and related liabilities assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

Note 5 Assets we manage (Cont.)

5.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2017	Acquisitions	Contributions	Revaluation	Depreciation	Disposal	Impairment losses	Transfers	At Fair Value 30 June 2018
Land	44,315	-	664	1,811	-	(275)	-	-	46,515
Buildings	28,470	661	-	(8)	(817)	(495)	-	84	27,897
Plant and Equipment	5,265	1,210	-	-	(967)	(298)	-	18	5,227
Infrastructure	385,485	4,261	4,835	1,675	(6,841)	(380)	-	12,374	401,411
Work in progress	14,691	5,532	-	-	-	(282)	-	(12,475)	7,466
Total	478,226	11,664	5,500	3,478	(8,625)	(1,730)	-	2	488,516

Summary of Work in Progress

	Opening WIP	Additions	Transfers	Write Offs	Closing WIP
Buildings	658	507	(84)	-	1,081
Plant and Equipment	18	-	(18)	-	-
Infrastructure	14,015	5,025	(12,372)	(282)	6,385
Total	14,691	5,532	(12,475)	(282)	7,466

Note 5 Assets we manage (Cont.)

Asset recognition thresholds and depreciation periods

Depreciation periods used are listed below and are consistent with the prior year unless otherwise stated.

	Depreciation Period	Threshold Limit \$'000
Property		
Land	-	5
Land improvements	-	5
Buildings		
Buildings	50-80 years	5
Plant and Equipment		
Plant, machinery and equipment	5-10 years	5
Fixtures, fittings and furniture	3-10 years	5
Computers and telecommunications	1-5 years	5
Library books	10 years	n/a
Infrastructure		
Roads		
- Formation and earthworks	-	5
- Pavement and seals	20-80 years	5
- Substructure	15-30 years	5
- Road kerb, channel and minor culverts	40-70 years	5
Footpaths and cycleways	10-50 years	5
Drainage	25-100 years	5
Bridges		
- Bridges deck	80 years	5
- Bridges substructure	80 years	5
- Major culverts	80 years	5
Recreational, leisure and community facilities	15-40 years	5
Parks, open space and streetscapes	20-100 years	5

Note 5 Assets we manage (Cont.)

(a) Property

	Land - specialised	Land - non specialised	Land improvements	Total Land	Heritage Buildings	Buildings - specialised	Buildings - specialised	Buildings - non specialised	Building Improvements	Leasehold Improvements	Total Buildings	Work In Progress	Total Property
At fair value 1 July 2017	2,049	42,266	-	44,315	-	29,576	15,320	-	-	-	44,896	658	89,869
Accumulated depreciation at 1 July 2017	2,049	42,266	-	44,315	-	(16,170)	(256)	-	-	-	(16,426)	658	(16,426)
Movements in fair value													
Acquisition of assets at fair value	-	-	-	-	-	661	-	-	-	-	661	507	1,169
Contributed assets	275	389	-	664	-	-	-	-	-	-	-	-	664
Revaluation increments/decrements	189	1,622	-	1,811	-	1,606	(821)	-	-	-	785	-	2,596
Fair value of assets disposed	-	(275)	-	(275)	-	(832)	-	-	-	-	(832)	-	(1,107)
Transfers	-	-	-	-	-	84	-	-	-	-	84	(84)	-
	464	1,736	-	2,200	-	1,520	(821)	-	-	-	698	423	3,321
Movements in accumulated depreciation													
Depreciation and amortisation	-	-	-	-	-	(524)	(292)	-	-	-	(817)	-	(817)
Revaluation increments/decrements	-	-	-	-	-	(515)	(277)	-	-	-	(792)	-	(792)
Accumulated depreciation of disposals	-	-	-	-	-	337	-	-	-	-	337	-	337
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	(702)	(570)	-	-	-	(1,272)	-	(1,272)
At fair value 30 June 2018	2,513	44,002	-	46,515	-	31,096	14,498	-	-	-	45,595	1,081	93,190
Accumulated depreciation at 30 June 2018	2,513	44,002	-	46,515	-	(16,873)	(825)	-	-	-	(17,698)	1,081	(17,698)
						14,224	13,673	-	-	-	27,897	1,081	75,492

Note 5 Assets we manage (Cont.)

(b) Plant and Equipment

	Heritage plant and equipment	Plant, machinery and equipment	Fixtures, fittings and furniture	Computers and telecommunications	Library books	Work in Progress	Total plant and equipment
At fair value 1 July 2017	-	8,115	-	321	578	18	9,032
Accumulated depreciation at 1 July 2017	-	(3,277)	-	(199)	(273)	-	(3,749)
	-	4,838	-	122	305	18	5,283
Movements in fair value							
Acquisition of assets at fair value	-	1,096	-	24	89	-	1,210
Contributed assets	-	-	-	-	-	-	-
Revaluation increments/decrements	-	-	-	-	-	-	-
Fair value of assets disposed	-	(688)	-	-	(80)	-	(767)
Transfers	-	18	-	-	-	(18)	-
	-	427	-	24	10	(18)	442
Movements in accumulated depreciation							
Depreciation and amortisation	-	(826)	-	(47)	(94)	-	(967)
Accumulated depreciation of disposals	-	397	-	-	72	-	469
Transfers	-	-	-	-	-	-	-
	-	(429)	-	(47)	(22)	-	(498)
At fair value 30 June 2018	-	8,541	-	345	588	-	9,474
Accumulated depreciation at 30 June 2018	-	(3,706)	-	(246)	(295)	-	(4,248)
	-	4,835	-	99	293	-	5,227

Note 5 Assets we manage (Cont.)

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and Community	Waste Management	Parks open spaces and streetscapes	Aerodromes	Off street car parks	Other Infrastructure	Work in Progress	Total Infrastructure
At fair value 1 July 2017	340,415	31,692	16,995	71,766	2,677	-	3,700	-	-	2,133	14,015	483,393
Accumulated depreciation at 1 July 2017	(48,935)	(5,973)	(7,852)	(17,500)	(2,156)	-	(1,045)	-	-	(431)	-	(83,893)
	291,479	25,719	9,142	54,266	521	-	2,655	-	-	1,702	14,015	399,500
Movements in fair value												
Acquisition of assets at fair value	2,162	1,339	89	214	84	-	374	-	-	-	5,025	9,286
Contributed assets	2,229	-	662	1,903	-	-	42	-	-	-	-	4,835
Revaluation increments/decrements	-	-	-	-	96	-	432	-	-	-	-	528
Fair value of assets disposed	(71)	(516)	-	(29)	(9)	-	-	-	-	-	(282)	(907)
Transfers	4,278	4,666	1,202	2,255	114	-	-	-	-	-	(12,372)	143
	8,598	5,489	1,952	4,343	285	-	847	-	-	-	(7,629)	13,885
Movements in accumulated depreciation												
Depreciation and amortisation	(4,914)	(508)	(416)	(747)	(76)	-	(97)	-	-	(83)	-	(6,841)
Revaluation increments/decrements	-	-	-	-	813	-	334	-	-	-	-	1,147
Accumulated depreciation of disposals	19	217	-	9	1	-	-	-	-	-	-	246
Transfers	(68)	(11)	(56)	(15)	-	-	-	-	-	-	-	(141)
	(4,954)	(303)	(472)	(753)	739	-	237	-	-	(83)	-	(5,589)
At fair value 30 June 2018	349,013	37,182	18,947	76,109	2,962	-	4,547	-	-	2,133	6,385	497,279
Accumulated depreciation at 30 June 2018	(53,889)	(6,276)	(8,324)	(18,253)	(1,417)	-	(808)	-	-	(515)	-	(89,482)
	295,123	30,906	10,623	57,856	1,545	-	3,740	-	-	1,618	6,385	407,797

Note 5 Assets we manage (Cont.)

Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

In accordance with Council's policy, the threshold limits detailed in note 5.2 have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

Land under roads

Council recognises land under roads it controls at fair value. Council does not recognise land under roads that it controlled prior to 1 July 2008 in its financial report.

Depreciation and amortisation

Buildings, land improvements, plant and equipment, infrastructure, and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

Straight line depreciation is charged based on the residual useful life as determined each year.

Note 5 Assets we manage (Cont.)

Repairs and maintenance

Routine maintenance, repair costs and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer (Preston Rowe Paterson (Warrnambool) Pty. Ltd.). The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Specialised land is valued at fair value using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets.

The date of the current valuation is detailed in the following table.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2018 are as follows:

	Level 1	Level 2	Level 3	Valuation Date
Land	-	44,002	-	30/06/2018
Specialised land	-	-	2,513	30/06/2018
Buildings	-	13,673	14,224	30/06/2018
Total	-	57,675	16,737	

Note 5 Assets we manage (Cont.)

Valuation of infrastructure

Valuation of infrastructure assets has been determined in accordance with valuations undertaken by Council staff and expert contractors. The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2018 are as follows:

	Level 1	Level 2	Level 3	Valuation Date
Roads	-	-	295,123	30/06/2016
Bridges	-	-	30,906	30/06/2016
Footpaths and cycleways	-	-	10,623	30/06/2016
Drainage	-	-	57,856	30/06/2016
Recreational, leisure and community facilities	-	-	1,545	30/06/2016
Parks, open space and streetscapes	-	-	3,740	30/06/2018
Other infrastructure	-	-	1,618	30/06/2018
Total	-	-	401,411	

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$1 and \$27 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$1,500 to \$3,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 6 years to 75 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 1 year to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2018	2017
	\$'000	\$'000
Reconciliation of specialised land		
Land under roads	2,513	2,049
Total specialised land	2,513	2,049

Note 6 People and relationships

6.1 Key Management Remuneration **2018** **2017**

(a) Council and Key Management Personnel **No.** **No.**

Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:

Councillors Councillor Paul Tatchell (Mayor from 04 November 2017 to date)
Councillor Tonia Dudzik
Councillor David Edwards (Mayor up to 03 November 2017)
Councillor Tom Sullivan
Councillor Pat Toohey
Councillor John Keogh
Councillor Jarrod Bingham

Chief Executive Officer and other Key Management Personnel

Robert Croxford - Chief Executive Officer
Philip Jeffrey - General Manager Infrastructure
Danny Colgan - General Manager Social and Organisational Development
Satwinder Singh Sandhu - General Manager Growth and Development

Total Number of Councillors	7	9
Chief Executive Officer and other Key Management Personnel	4	4
Total Key Management Personnel	11	13

(b) Remuneration of Key Management Personnel **2018** **2017**
\$'000 **\$'000**

Total remuneration of key management personnel was as follows:

Short-term benefits	1,071	1,025
Long-term benefits (Long Service Leave accruals in the current reporting period)	22	21
Total	1,093	1,046

Note 6 People and relationships (Cont.)

The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:

	2018	2017
	No.	No.
Income Range:		
\$9,999 - \$19,999	-	5
\$20,000 - \$29,999	5	3
\$40,000 - \$49,999	1	-
\$60,000 - \$69,999	1	1
\$180,000 - \$189,999	2	2
\$190,000 - \$199,999	1	1
\$250,000 - \$259,999	1	1
	11	13

(c) Senior Officer Remuneration

A Senior Officer is an officer of Council, other than Key Management Personnel, who:

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) whose total annual remuneration exceeds \$145,000 (2017 - \$142,000)

The number of Senior Officers, other than the Responsible Persons, are shown below in their relevant income bands:

	2018	2017
	No.	No.
Income Range:		
\$145,000 - \$149,999	1	1
\$150,000 - \$159,999	1	-
	2	1
	\$'000	\$'000
Total Remuneration for the reporting year for Senior Officers included above, amounted to:	299	148

Note 6 People and relationships (Cont.)

6.2 Related party disclosure

(a) Transactions with related parties

During the period Council entered into the following transactions with

	2018	2017
Responsible Person / Related Party	\$'000	\$'000
Helen Tatchell - The Moorabool News (Ballan News Pty Ltd)		
- Sale of goods and services *	34	36
Tonia Dudzik - Bacchus Marsh Community Radio		
- Lease of Building **	6	-
- Community training workshop	3	-

* Moorabool Shire utilises services provided by the Moorabool News Pty Ltd. A public sector tender process was undertaken for the provision of media services and a contract is in place between the two entities. All transactions entered into between the two entities are in accordance with the terms and conditions of the contract.

** Moorabool Shire Council has a contract in place with Bacchus Marsh Community Radio for the lease of office space at the Darley Civic and Community Hub. The lease has been provided as per the terms of the original agreement when the building was purchased by Council. The lease is for a term of 3 years with an option to renew for a further 2 years.

(b) Outstanding balances with related parties

There was no outstanding balance with related parties at balance date.

(c) Loans to/from related parties

No loans have been made, guaranteed or secured by the Council to a Responsible Person during the reporting year.

(d) Commitments to/from related parties

There was no commitments in existence at balance date that have been made, guaranteed or secured by the council to/from a related party.

Note 7 Managing uncertainties

7.1 Contingent Assets and liabilities

(a) Contingent assets

Infrastructure assets from new subdivisions (constructed by developers) expected to be accounted for by Council in 2018/2019 total \$4.739 million (actual 2017/2018 \$5.500 million).

Council expects to receive \$124,594 in reimbursements from the Department of Treasury and Finance for works carried out in relation to Storm/Flood events in September 2016. This will be the final claim from a total of \$2.387 million in costs incurred by Council.

Operating lease receivables

The Council has entered into commercial property leases on its investment property. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. Most leases include a CPI based revision of the rental charge annually.

Lease payments for operating leases are required by the accounting standard to be recognised on a straight line basis, rather than expensed in the years in which they are incurred.

Future minimum rentals receivable under non-cancellable operating leases are as follows:

	2018	2017
	\$'000	\$'000
Not later than one year	171	159
Later than one year and not later than five years	411	296
Later than five years	528	507
	<u>1,110</u>	<u>961</u>

Guarantees for loans to other entities

Council has a bank guarantee to the value of \$15,000 in favour of the Department of Environment and Primary Industries. This guarantee is for an extractive mining licence in relation to the Allen's Gravel Pit.

(b) Contingent liabilities

Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined in Note 8.3. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

Future superannuation contributions

In addition to the disclosed contributions, Council has paid unfunded liability payments to Vision Super totalling \$60,168 (2016/17 \$69,099.64). There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2018. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2019 are \$48,000.

Note 7 Managing uncertainties (Cont.)

7.2 Change in accounting standards

The following new AAS's have been issued that are not mandatory for the 30 June 2018 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

Revenue from contracts with customers (AASB 15) (applies 2019/20)

The standard shifts the focus from the transaction-level to a contract-based approach. Recognition is determined based on what the customer expects to be entitled to (rights and obligations), while measurement encompasses estimation by the entity of the amount expected to be entitled for performing under the contract. The full impact of this standard is not known however it is most likely to impact where contracts extend over time, where there are rights and obligations that may vary the timing or amount of the consideration, or where there are multiple performance elements. This has the potential to impact on the recognition of certain grant income.

Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities (AASB 2016-7) (applies 2019/20).

This Standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019.

Leases (AASB 16) (applies 2019/20)

The classification of leases as either finance leases or operating leases is eliminated for lessees. Leases will be recognised in the Balance Sheet by capitalising the present value of the minimum lease payments and showing a 'right-of-use' asset, while future lease payments will be recognised as a financial liability. The nature of the expense recognised in the profit or loss will change. Rather than being shown as rent, or as leasing costs, it will be recognised as depreciation on the 'right-of-use' asset, and an interest charge on the lease liability. The interest charge will be calculated using the effective interest method, which will result in a gradual reduction of interest expense over the lease term.

Council has a significant number of operating leases that will be impacted as a result of this change. This will see assets and liabilities of approximately \$157,966 recognised.

Income of Not-for-Profit Entities (AASB 1058) (applies 2019/20)

This standard replaces AASB 1004 Contributions and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable to not-for-profit entity to further its objectives.

Note 7 Managing uncertainties (Cont.)

7.3 Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the Notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of our financial instruments will fluctuate because of changes in market prices. The Council's exposures to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1989*. We manage interest rate risk by adopting an investment policy that ensures:

- diversification of investment product,
- monitoring of return on investment,
- benchmarking of returns and comparison with budget.

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

Note 7 Managing uncertainties (Cont.)

(c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause us to make a financial loss. We have exposure to credit risk on some financial assets included in our balance sheet. To help manage this risk:

- we have a policy for establishing credit limits for the entities we deal with;
- we may require collateral where appropriate; and
- we only invest surplus funds with financial institutions which have a recognised credit rating specified in our investment policy.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.

We may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 7.1 (b).

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

(d) Liquidity risk

Liquidity risk includes the risk that as a result of our operational liquidity requirements we will not have sufficient funds to settle a transaction when required, we will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 7.1, and is deemed insignificant based on prior periods' data and current assessment of risk.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 4.5.

Unless otherwise stated, the carrying amount of financial instruments reflect their fair value.

Note 7 Managing uncertainties (Cont.)

(f) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of +1% and -1% in market interest rates (AUD) from year-end rates of 2.5%.

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

7.4 Fair value measurement

Fair value hierarchy

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy, Council's financial assets and liabilities are measured at amortised cost.

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. AASB 13 Fair value measurement, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Note 7 Managing uncertainties (Cont.)

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset. Further details regarding the fair value hierarchy are disclosed at Note 5 Property, infrastructure, plant and equipment, and infrastructure.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis up to every 5 years. The valuation is performed either by experienced Council officers or independent experts.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets' carrying value over its recoverable amount is expensed to the Comprehensive Income Statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

7.5 Events occurring after balance date

No matters have occurred after balance date that require disclosure in the financial report.

Note 8 Other matters

8.1 Reserves

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
(a) Asset revaluation reserves			
2018			
Property			
Land	24,859	1,622	26,482
Land under roads	258	189	447
Buildings	611	(8)	603
	<u>25,728</u>	<u>1,803</u>	<u>27,531</u>
Infrastructure			
Roads	239,955	-	239,955
Bridges	18,063	-	18,063
Drainage	27,483	-	27,483
Recreation, leisure and community facilities	3,390	1,675	5,065
Kerb & channel	62	-	62
	<u>288,952</u>	<u>1,675</u>	<u>290,627</u>
Total Asset Revaluation Reserves	314,680	3,478	318,159
2017			
Property			
Land	24,859	-	24,859
Land under roads	258	-	258
Buildings	611	-	611
	<u>25,728</u>	<u>-</u>	<u>25,728</u>
Infrastructure			
Roads	239,955	-	239,955
Bridges	18,063	-	18,063
Footpaths and cycleways	-	-	-
Drainage	27,483	-	27,483
Recreation, leisure and community facilities	3,390	-	3,390
Kerb & channel	62	-	62
	<u>288,952</u>	<u>-</u>	<u>288,952</u>
Total Asset Revaluation Reserves	314,680	-	314,680

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

Note 8 Other matters (Cont.)

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
(b) Other reserves				
2018				
Car park reserve	43	35	-	78
Recreation facilities	857	133	(172)	818
Development works	1,755	-	(1,755)	-
Industrial estate	-	1,631	-	1,631
Social infrastructure reserve	18	-	(12)	6
Storm water management	73	-	-	73
Closed landfill	728	130	(41)	817
Defined benefits	248	70	-	318
Community seed funding	199	70	-	270
Capital works contributions reserve	14	-	-	14
Developer contribution reserve	987	-	(106)	880
Essence Estate Playground	-	-	-	-
LGFV Loan repayment reserve	2,311	1,031	-	3,342
Total statutory and other reserves	7,232	3,100	(2,086)	8,246
2017				
Car park reserve	43	-	-	43
Recreation facilities	868	197	(207)	857
Development works	1,800	46	(91)	1,755
Social infrastructure reserve	212	-	(194)	18
Storm water management	73	-	-	73
Closed landfill	597	130	-	728
Defined benefits	180	67	-	248
Community seed funding	132	67	-	199
Capital works contributions reserve	14	-	-	14
Developer contribution reserve	987	-	-	987
Essence Estate Playground	20	-	(20)	-
LGFV Loan repayment reserve	783	1,528	-	2,311
Total statutory and other reserves	5,708	2,036	(512)	7,232

Note 8 Other matters (Cont.)

Car park reserve

The purpose of this reserve is to provide improved parking facilities in urban areas.

Recreation facilities reserve

The purpose of this reserve is to provide funding for recreational facilities. Funded from developer contributions this reserve requires that recreation facilities be established within the proximity of the relevant new subdivision.

Industrial estate reserve

The purpose of this reserve is to fund future opportunities for industrial subdivision or economic development activity of a capital nature in and around Bacchus Marsh. This reserve is funded from the net proceeds of land sold in the Council developed Industrial Estate (the final parcel of land sold was in the 2013/14 financial year).

Development works reserve

At the June 2018 Ordinary Meeting of Council it was resolved that this reserve be closed off and the remaining balance (excluding the Industrial Estate portion) be allocated to the 2018/19 Community Grants Program.

Social Infrastructure reserve

The purpose of this reserve is to provide funding for increased social infrastructure requirements arising out of new subdivisions and developments and is funded by a levy on developers.

Storm water management reserve

The purpose of this reserve is to provide funding for future storm water management works which will be required for future subdivisions at the western end of Holts Lane in Darley.

Closed landfill reserve

The purpose of this reserve is to provide funding for future site remediation works related to closed landfills within Moorabool Shire.

Defined benefits reserve

The purpose of this reserve is to provide funding for future liability calls related to the Defined Benefits Superannuation scheme.

Community seed funding reserve

The purpose of this reserve is to provide a funding platform for the planning and advancement of future Capital Works projects.

Capital works contributions reserve

The purpose of this reserve is to provide funding for future capital works, such as road works, associated with specific developments funded by contributions from the developer.

Developer contribution reserve

The purpose of this reserve is to provide funding for various agreed infrastructure requirements arising from new developments and is funded from developer contributions.

Essence Estate Playground

The purpose of this reserve is to provide funding towards the construction of a playground at the Stage 5 Reserve in Essence Estate, Bacchus Marsh.

Local Government Funding Vehicle (LGFV) loan repayment reserve

The purpose of this reserve is to provide funding for the repayment of the principal component of loans held through the LGFV. These loans are interest only until maturity.

Note 8 Other matters (Cont.)

8.2 Reconciliation of cash flows from operating activities to surplus/(deficit)

	2018	2017
	\$'000	\$'000
Surplus/(deficit) for the year	11,127	14,823
Depreciation/amortisation	8,625	8,209
(Profit)/loss on disposal of property, infrastructure, plant and equipment	1,396	3,866
Contributions - non-monetary assets	(5,500)	(4,978)
Interest expense - Borrowing Cost	683	790
Work in progress from previous year expensed	-	247
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	641	(550)
(Increase)/decrease in prepayments	46	(74)
(Increase)/decrease in accrued income	1,856	(1,425)
Increase/(decrease) in trade and other payables	(238)	1,834
(Increase)/decrease in inventories	6	(2)
Increase/(decrease) in provisions	237	(451)
Net cash provided by/(used in) operating activities	18,880	22,290

8.3 Superannuation

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in the Comprehensive Income Statement when they are made or due.

Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2018, this was 9.5% as required under Superannuation Guarantee legislation).

Note 8 Other matters (Cont.)

Defined Benefit

Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

Funding arrangements

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary.

As at 30 June 2017, an triennial/full actuarial investigation was completed. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 103.1%. To determine the VBI, the fund Actuary used the following long-term assumptions:

Net investment returns 6.5% pa

Salary information 3.5% pa

Price inflation (CPI) 2.50% pa.

Vision Super has advised that the estimated VBI at June 30 2018 was 106%. The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 30th June 2017 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

Regular contributions

On the basis of the results of the 2017 full actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2018, this rate was 9.5% of members' salaries (9.5% in 2016/2017). This rate will increase in line with any increase to the contribution rate. In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

Note 8 Other matters (Cont.)

Funding calls

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall. Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up. If there is a surplus in the Fund, the surplus cannot be returned to the participating employers. In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

2017 full actuarial investigation surplus amounts

The Fund's full actuarial investigation as at 30 June 2017 identified the following in the defined benefit category of which Council is a contributing employer:

- A VBI surplus of \$69.8 million; and
- A total service liability surplus of \$193.5 million.
- A discounted accrued benefits surplus of \$228.8 million

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2017. The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses. Council was notified of the 30 June 2017 VBI during August 2017.

2018 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2018 as the fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2018.