



MOORABOOL SHIRE COUNCIL
ANNUAL REPORT
2015/16



WELCOME

Moorabool Shire Council's 2015-16 Annual Report reflects Council's performance during the year against the goals set in the Council Plan 2013-2017 (Revised 2015).

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 2013-2017 (Revised 2015) is structured under three Key Result Areas (KRAs):

- Representation and leadership in our community
- Community wellbeing
- Enhanced infrastructure and natural and built environment

Detailed explanations of the KRAs can be found in section three of this Annual Report.

COUNCIL'S PURPOSE

OUR VISION:

Viable and vibrant communities with unique identities.

OUR MISSION:

Working with our people to deliver valued outcomes that improve community wellbeing and are economically responsible.

OUR VALUES:

Respect – Treat others the way you want to be treated

Integrity – Do what is right

Practicality – Always be part of the solution

Excellence – Continually improve the way we do business

Equity – Fair distribution of resources

This Annual Report can be viewed online at www.moorabool.vic.gov.au or can be obtained from all Council offices.

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 Moorabool Shire Council

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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 elected by the community for a four-year term and are responsible for setting the overall strategic direction of 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 in-between times.



EAST MOORABOOL WARD

Cr Allan Comrie
MAYOR

Phone: 0408 022 233 or 5367 6134
Email: acomrie@moorabool.vic.gov.au

Councillor 2002-2004 and 2008-current.
Mayor 2015-2016.



CENTRAL MOORABOOL WARD

Cr Paul Tatchell
DEPUTY MAYOR

Phone: 0407 108 025
Email: ptatchell@moorabool.vic.gov.au

Councillor 2012-current.
Mayor 2013-2014.



EAST MOORABOOL WARD

Cr Tonia Dudzik

Phone 0407 014 489
Email: tdudzik@moorabool.vic.gov.au

Councillor 2012-current.



EAST MOORABOOL WARD

Cr John Spain

Phone: 0408 434 792
Email: jspain@moorabool.vic.gov.au

Councillor 2012-current.



EAST MOORABOOL WARD

Cr David Edwards

Phone: 0435 326 370
Email: dedwards@moorabool.vic.gov.au

Councillor 2012-current.



WOODLANDS WARD

Cr Pat Toohey

Phone: 0439 009 677 or 5334 0648
Email: ptoohey@moorabool.vic.gov.au

Councillor 2004-current.
Mayor 2009 and 2012.



WEST MOORABOOL WARD

Cr Tom Sullivan

Phone: 0418 323 221
Email: tsullivan@moorabool.vic.gov.au

Councillor 1996-current.
Mayor 1998-1999.

MAYOR'S MESSAGE

Welcome to the 2015/16 Annual Report on the activities of the Moorabool Shire Council.

This is the final year of the Council Plan 2013-2017 and I am proud to look back on four years of achievements in strategically planning for our communities to 2041, improving our financial position and delivering the largest capital program in the Shire's history.

I would also like to acknowledge the hard work of my Councillor colleagues and the effort of officers in delivering outcomes in the community.

Some of the highlights of the year are set out on pages 8 -13 in this report.

The year was marked by the Scotsburn fires that impacted so many of our smaller communities and those in neighbouring City of Ballarat. 19 December 2015 will go down as a day on which emergency services crews responded magnificently and the community rallied around and supported each other in a recovery process that has seen many families starting to return to a new normal. There are also many who continue to receive our support and assistance in the coming months and years.

Previous reports have reflected on the impacts of the freeze on government grants, rate capping and low levels of grant funding. This continues to be an issue for our long term financial sustainability.

With several large capital works well underway at 30 June 2016, we look forward to providing completed photos in next year's report. These projects will continue to enhance the liveability of Moorabool Shire and confirm its status as one of the most desirable places to live, work and invest.

CR ALLAN COMRIE Mayor



CEO'S MESSAGE

This annual report sets out our achievements over the past financial year and also reflects on the past four years of the current Council term.

Part three of this report, commencing on page 29, provides the detail of our performance that was set by the Council Plan.

It is pleasing to note that 79% of all projects were completed with the balance scheduled to be completed in a short time post 30 June.

Our capital program of \$13.6 million was a standout with 93% completed on time and under budget.

The above delivery was in the context of the Scotsburn fires of December 2015 and the submission of a rate capping variation in March 2016. Both of these events were a key unplanned focus of the organisation during the year.

Our financial sustainability shows a continued positive trend as we use our business excellence program to focus on continuous improvement and cost reduction.

The financial statements continue to show an underlying deficit. This is not helped by the inconsistent timing of the Victorian Grants Commission payment of \$2.8 million. A payment in the current financial year would have seen an underlying surplus on operations. The future outlook for this measure is positive and reflects the continued strategic focus of the Council over the last 4 years in improving its financial sustainability.

Our net financial position continues in a positive trend. Our sustainability rating is improving year on year and the forward outlook indicates that Council is tracking in a positive financial direction.

In summary, the results to 30 June 2016 were positive however we will strive to find alternative revenue sources, drive down operating costs and consult the community about the levels of services they value and are prepared to pay for through their rates and user charges.

ROB CROXFORD CEO



SNAPSHOT OF MOORABOOL

DEMOGRAPHIC PROFILE

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.

A stunning Shire 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. Moorabool boasts breathtaking landscapes, national parks, forests, gorges, mineral springs and tourism attractions. Some of its 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.

The district was settled by Europeans between 1830 and 1850 and the character of our towns and surrounding areas reflect this era.

Gold was discovered in the region and a timber industry quickly developed. The availability of water attracted many people and resulted in pastoral and agricultural development led by pioneers such as Sir William Henry Bacchus, who in 1834 settled on the fertile soil of what is now the township of Bacchus Marsh.

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 Dja Dja Wurrung in the North West. In February 2015, the Council adopted a Statement of Commitment to Indigenous People.

OUR POPULATION

Moorabool Shire is a popular tree change destination, growing as fast as any other local government area in inland regional Victoria.

The estimated population of Moorabool Shire in 2016 was 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 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 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.

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.

The key drivers of Moorabool's regional economy in terms of regional exports, employment, value added and local expenditure on goods and services are: Agriculture, Forestry and Fishing (Output \$131.541m); Construction (Output \$196.656m); Health Care and Social Assistance (\$78.179m); and Education and Training (\$67.714m). Once all industry sectors are included, the total output, based on gross revenue generated by businesses and organisations within Moorabool, is estimated at \$1,442 million (REMPAN 2014, based on 2011 Census data).

EMPLOYMENT PROFILE

Between the last two Census periods the employment base of Moorabool Shire changed substantially. The most significant shifts in employment by industry sector included a lower share of employment in agriculture, forestry and fishing (-84 persons) manufacturing (-142 persons); and a higher proportion of jobs in construction (+396 persons), health care and social assistance (+251 persons), public administration and safety (+177 persons) and accommodation and food services (+166 persons).

An analysis of the jobs held by the resident population in Moorabool Shire in 2011 showed the top ranking industry sectors were:

- Construction (1,639 people or 12.3%)

- Health care and social assistance (1,397 people or 10.5%)
- Retail (1,307 people or 9.8%)
- Manufacturing (1,248 people or 9.4%)
- Education and training (1,115 people or 8.4%)
- Transport, postal and warehousing (1,018 people or 7.6%)
- Public administration and safety (935 people or 7.0%)
- Accommodation and food services (682 people or 5.1%)
- Professional, scientific and technical services (674 people or 5.1%)
- Agriculture, forestry and fishing (580 people or 4.4%)

More industry and commercial development is required to meet the needs of the rising population. The existing industrial estates, such as Ballan Industrial Estate and the Kennedy Place Industrial Estate in Bacchus Marsh are near capacity. To meet this need, Council is developing a plan for economic development over the next 10 years and investigating the future demand and supply for industrial land and how potential development locations like Parwan and Ballan will attract investment and cater for job growth.

Moorabool Shire is well positioned to capture new business opportunities from the digital economy with the early rollout of the National Broadband Network which delivers faster, more reliable broadband speeds than that available in metropolitan areas.

TRANSPORT

Moorabool Shire is well connected to Melbourne, Geelong and Ballarat, with easy access to major highways.

Improvements to the Western Highway, the main arterial road between Melbourne and Adelaide, upgraded with the recently completed Deer Park Bypass and the realignment of Anthony's Cutting east of Bacchus Marsh makes Moorabool increasingly accessible to Melbourne. The establishment of vehicle bypasses for Bacchus Marsh, in particular an alternative heavy vehicle north-south route, would dramatically increase the amenity of the town.

The rail link between Ballarat and Melbourne services Moorabool residents with scheduled stops at Ballan and Bacchus Marsh. Public Transport Victoria announced an expansion to bus services in Bacchus Marsh, adding increased frequency, new routes and improved coordination with the train network. Furthermore, Bacchus Marsh is included as part of an integrated metropolitan public transport ticketing system, providing seamless public transport access to metropolitan Melbourne.

Council recognises the need for further connections in the more remote communities to link up with the existing public service network and is advocating for new services. Council has implemented Transport Connections projects to provide practical solutions that relieve transport issues in many of Moorabool's smaller communities.



KEY ACHIEVEMENTS BY DIRECTORATE

2015/16 Highlights – Social and Organisational Development

COMMUNITY DEVELOPMENT STRATEGY 2015-2021

This was adopted by Council in October 2015 and is a six year plan developing community capacity and social sustainability in the Shire. Council plays a key role in supporting and developing collaborative, resilient and inclusive communities across the Shire. The aim of the strategy is to support and work in partnership with the community to foster community wellbeing, social inclusion and social sustainability across our diverse Shire.

The strategy supports the delivery of services and activities for the community, including the well-known and supported Community Grants program; support to Committees of Management; library services; Community Development Fund and Community Engagement. The strategy will build on these existing successes for the future sustainability and liveability of our communities.

The Council adopted a revised Community Engagement Policy and Framework in March 2016. The Community Engagement Policy outlines Council's ongoing commitment to high quality engagement processes. The Policy provides a definition of community engagement, examples of engagement opportunities and a Vision for Engagement.

The Community Engagement Framework includes planning tools, supports the implementation of the Community Engagement Policy by providing Council Officers with a consistent approach to planning for genuine and meaningful engagement processes. The Policy and Framework include a Vision for Engagement in 2021. The Vision is as follows:

In 2021, Moorabool will be a leading regional Council in effective engagement both internally and externally by:

- Embedding engagement as integral to core business.
- Building and maintaining meaningful relationships with all stakeholders where feedback is both considered and valued.
- Informing our community and ensuring their opinions are acknowledged and considered in decision making.
- Providing feedback around the final decision making process.

VOLUNTEER STRATEGY 2015-2021

Council adopted this in October 2015 as a six year plan to develop community capacity and social sustainability for volunteerism in the Shire. Council plays a key role in supporting and encouraging volunteerism in the Moorabool community. Volunteers in our Shire provide a significant contribution to making our communities vibrant and enjoyable places to live and work.

The strategy sets out the vision for volunteering in Moorabool and provides an action plan for continuing to support and develop volunteering opportunities in the Shire over the next six years. The strategy recognises the hard work and dedication of volunteers across Moorabool Shire and recognises the

continual need for ongoing support and encouragement. Moorabool Shire already has a strong network of volunteers and this plan will build on that for the future.

RECREATION AND LEISURE STRATEGY 2015 – 2021

This was adopted by Council in September 2015 and provides the guiding framework for the future planning, provision, development and management of sporting, recreation and leisure opportunities throughout the Shire. It provides an evidence-based approach for Council to respond to the needs and aspirations of the community, and has established a framework and principles to inform Council decision-making, facilitate partnerships, and prioritise the allocation of Council resources towards the greatest need.

Recreation and leisure contribute important physical, social, health and lifestyle benefits to residents. The varied sporting and recreation facilities and open spaces available throughout the Shire creates an ongoing challenge for Council and the community to manage, fund and maintain them in an efficient, equitable and sustainable manner.

AGE WELL LIVE WELL STRATEGY AND ACCESS AND INCLUSION PLAN 2015-2021

This was adopted by Council in November 2015 and represents an integrated approach by Council in planning for the provision of services, programs and infrastructure to meet the needs of a diverse and changing population over the coming decades of 2021, 2031 and 2041 in line with Council's planning cycle. The Strategy focuses on those sections of the population living in Moorabool Shire who are over 50 years of age, those who have a disability or carer responsibilities. This population group has diverse needs and aspirations that will change over their life course in the future. Transformations in government policy and funding arrangements for services provided by local government including Home and Community Care (HACC), mean that Council will need to plan ahead to ensure it is able to meet its obligations regarding equitable access to services and supporting community wellbeing. Council plays a key role in supporting our residents that are ageing, living with a disability and their carers.

SERVICE REVIEW AND PLANNING POLICY & FRAMEWORK

This was adopted by Council in April 2016 and sets out the Council's commitment to ongoing service reviews and planning to ensure that each service is aligned to Council's strategic direction, valued by its communities, and delivered in the most responsible and sustainable manner. Council has a responsibility to provide and/or support value for money services to our communities in accordance with the Council Plan.

When making service delivery related decisions, Council and its officers will use the Service Review and Planning Framework and address the following key principles: services will reflect current and future community needs and expectations balanced against the resource capacity of Council; services will have regard to the strategic work of Council to 2041; service reviews will involve determining if Council is the most appropriate

agency to deliver the service; and service reviews will identify the most appropriate service model and levels of service.

MUNICIPAL EARLY YEARS PLAN 2015-2021

This plan was adopted by Council July in 2015. The plan is a local area plan that provides a future vision and strategic direction for the municipality in the development, enhancement, coordination and planning of early year's services for children aged from birth to 12 years, and their families. The plan outlines Council's commitment to prioritise the planning and provision of Early Years Services within the municipality. Council is committed to ensuring that every four year old child living in Moorabool Shire has access to a funded four year old kindergarten program in the year before they commence primary school.

A key action in the Plan is to plan and construct the Darley Early Years Hub, in line with an evidence-based model of integrated service delivery. Construction is currently underway, and upon completion in November 2016 the Darley Early Years Hub will provide the community with an additional 54 four year old kindergarten places. A total of 274 four year old kindergarten places will be provided in Bacchus Marsh and surrounds to meet the needs of the growing community. This will include 154 four year old kindergarten places at the Darley Early Years Hub and 120 kindergarten places at Young Street Kindergarten.

2015/16 Highlights – Growth and Development

ECONOMIC DEVELOPMENT STRATEGY

A strategy to guide the Economic Development within the Shire over the next decade was completed during the 2014/2015 Financial Year and was adopted in December 2015. Its core objectives are new local jobs for local people; a diverse and entrepreneurial local industry base and facilitate the capacity and diversity of our workforce.

BACCHUS MARSH HOUSING STRATEGY

In September 2015 the Bacchus Marsh Housing Strategy project commenced. Key elements include neighbourhood character mapping for all precincts, preferred zones and controls to enable managed growth and change.

SUSTAINABLE ENVIRONMENT STRATEGY

The draft Moorabool Sustainable Environment Strategy has been developed. The Draft Strategy aims to identify the role of Council to control, influence and advocate for the natural assets within the Shire as well as actions to reduce energy and water use at Council owned and managed assets.

WEST MOORABOOL HERITAGE STRATEGY (WMHS)

Council resolved late in April 2016 to release the WMHS for public comment. At the time of writing this has included placing the document on the Council website, and placing copies in Ballan, Darley and at the Lerderberg Library. Copies of the individual heritage citations were mailed to affected property owners.

BACCHUS MARSH AERODROME

The Draft Bacchus Marsh Aerodrome Master Plan 2016-2036 has been completed and is currently under review by key stakeholders. The Draft Master Plan outlines strategies, facilities and land use requirements for the long term sustainability and compliance of the aerodrome. A comprehensive review of the aerodrome lease and management structure of the aerodrome has been completed. The current lease is due to expire in 2018.

PARWAN EMPLOYMENT PRECINCT

Ongoing advocacy work regarding infrastructure requirements needed for the successful development of the Parwan Employment Precinct have been completed. Negotiations are continuing with relevant authorities and a working group established between Regional Development Victoria and Council to progress the project as a priority development project for the region.

BALLAN STRUCTURE PLAN

Council resolved in December 2015 to adopt the Ballan Structure Plan and to seek authorisation from the Minister for Planning to prepare and exhibit a planning scheme amendment to implement the key policy changes within the document into the Moorabool Planning Scheme. The Structure Plan provides detailed policy direction and urban design requirements for residential, commercial and industrial development including addressing image, character and design responses. It will help guide Council's consideration of proposed re-zonings and applications for planning permits. Implementation of the Ballan Structure Plan will provide certainty for residents, landowners and developers regarding the future planning direction for the township. It is anticipated that the planning scheme amendment to implement the recommendations of the Ballan Structure Plan will be exhibited in the second half of 2016.

MOORABOOL 2041 FRAMEWORK

Pivotal research, studies and projects were undertaken during 2015/16 financial year to progress the growth strategy for the Shire's future— Moorabool 2041.

A. Urban Growth Strategy - Bacchus Marsh District

During 2015/16 Council undertook the following:

- Received Ministerial support in December 2015 for MPA engagement with Council in preparing the Urban Growth Framework.
- Commissioned and completed environmental mapping of the Bacchus Marsh district.
- Met with all key agencies at MPA Offices to workshop the key issues facing Bacchus Marsh to 2041.
- Commissioned Aboriginal cultural heritage and post contact heritage audit of the study area (funded by MPA).
- Met with key local businesses and industries including all three sand mine operators to the north as well as Maddingley Brown Coal to the south.
- Finalised the work plan.

KEY ACHIEVEMENTS BY DIRECTORATE

B. Small Towns Strategy (STS)

During 2015/16 Council undertook the following:

- Revisited the towns of Elaine, Myrning, Bungaree, Wallace and Dunnstown in December 2015 to hold community workshops.
- Commissioned and substantially finalised a draft business case for servicing Bungaree, Wallace, Dunnstown and Myrning.
- Prepared a draft Small Towns Strategy for public comment in July 2016 complete with analysis of the constraints and opportunities in over 15 towns and settlements, and the likely future of each to 2041. Within this work is also a series of actions by Council to deliver on these visions.

C. Other Background Studies/Strategies

The following key studies were undertaken to inform the Urban Growth and Small Towns Strategies:

- Parwan Employment Precinct Agribusiness Analysis – adopted December 2015.
- Retail Strategy – adopted April 2016.
- Industrial Strategy – adopted December 2015.

Both the retail and industrial strategies directly inform the 2041 growth frameworks.

PLANNING SCHEME AMENDMENTS

Planning scheme policy and amendments processed during the period included:

Approved

- Amendment C51 Bacchus Marsh Activity Centre Structure Plan.
- Amendment C62 Underbank Residential Development.
- Amendment C70 Corrections (Anomalies).

Public Exhibition and Panel Hearing

- Amendment C58 Camerons Road Rural Living Area. DELWP conditions are presently being worked through to enable submission to the Minister for approval.

Process commenced but abandoned following public exhibition:

- Amendment C71 Bunnings at Bacchus Marsh.
- Amendment C73 Land Subject to Inundation Overlay – Werribee River and Little River Catchments.

NATURAL ENVIRONMENT PROGRAM

The following weed and rabbit control programs were held during the period:

- Gorse, Serrated Tussock and Rabbit treated on 618km of Council managed roads.
- Gorse, Serrated Tussock, Blackberry and Boxthorn control activity on 229.3ha of Council managed reserves.
- Rabbit warren destruction, rabbit baiting and fumigation undertaken on 97.3ha of four Council managed reserves.
- Supported Grow West, Landcare and Friends groups to deliver revegetation and environmental protection projects, including land management training for local land owners and managers.

COMMUNITY INFRASTRUCTURE PLANNING

Development of the Community Infrastructure Framework throughout 2015-16 focused on the design and testing of new internal planning processes and data tools.

A cross-departmental planning framework for identifying and prioritising community infrastructure projects and attracting external development funding was designed and a complete database register of all the Shire's community facilities was linked to Council's Geographic Information System (GIS).

Council is currently building an enhanced pilot version of a spatial data model for a partnership between the Metropolitan Planning Authority and the cities of Monash, Kingston and Greater Dandenong. Discussions are currently underway with the State Government and various potential funding bodies to determine whether the model can be developed for wider use by local governments across Victoria.

MOORABOOL MUNICIPAL FIRE MANAGEMENT PLAN AUDIT

There was a successful Audit and Certification of the Moorabool Municipal Fire Management Plan by the CFA undertaken. The plan complies with section 55A and section 55B of the Country Fire Authority Act 1958. This is an integrated plan developed in conjunction with all agencies involved in fire management planning.

COMMUNITY EMERGENCY RISK ASSESSMENT

The Community Emergency Risk Sub-committee with agency and community input, completed the Community Emergency Risk Profiling and assessment toolkit for Moorabool.

COMMUNITY EMERGENCY BASED PLANNING

A pilot project centred on Community Emergency Management Planning and building resilience was launched in the Blackwood area. The pilot profiled the community, identified risk and resulted in the formation of a community planning committee and calendar of events.

REGIONAL COMMUNITY RELIEF CENTRE PROJECT

As part of a group of five Councils that form the Central Victorian Municipal Emergency Management Enhancement Group, Council successfully obtained a Natural Disaster Resilience Grant to review the region's relief centres and develop uniform plans and operating procedures.

TOURISM EVENT GRANTS

Two new tourism funding programs were implemented: The Existing Major Tourism Events Program and the New Tourism Events Program. Both programs provide triennial funding opportunities for tourism events within the Shire.

SOCIAL MEDIA & DIGITAL STRATEGY

Council commenced corporate communication via social media platforms Facebook and Twitter, and adopted a Social Media Policy to guide its use. Currently in process is development of a new website in line with the recently adopted Digital Strategy.

ANIMAL ADOPTION PROGRAM

Council was a finalist in the LGPro Awards, in the category of Special Project Initiative – the Service Delivery for the Animal Adoption Program.

There is overwhelming community support for the animal adoption program with high number of hits on the Pet Adoption Facebook page, and Council runs an excellent education and registrations program for domestic animal.

2015/16 Highlights - Infrastructure

POLICY AND STRATEGY DEVELOPMENT

During 2015/16 a number of policy and strategy documents from the infrastructure department have been reviewed or developed to ensure that they meet the current needs of Council and the community. A copy of the policies and strategies referred to below can be found on Council's website.

PROCUREMENT POLICY

Council has developed a policy to ensure that best practice principles and processes for the procurement of goods, services and works are in place. The policy assists Council to achieve sustainable and socially responsible procurement, bottom line cost savings and support local economies, while addressing risks associated with each stage of the procurement process. The updated policy was adopted by Council in July 2015.

RATE DEBT MANAGEMENT POLICY

The purpose of this policy is to establish a framework for Council to manage and implement a consistent approach to the collection of property rates and charges, and supports sound long term financial management. The updated policy was adopted by Council in July 2015, and this version includes additional payment options to assist and support Moorabool ratepayers with the payment of municipal rates.

STREET CLEANING MAINTENANCE MANAGEMENT PLAN (SCMMP)

Council is responsible for the provision of maintenance services for a variety of assets, and seeks to provide a clean, safe and attractive environment for both residents and visitors. The SCMMP identifies the responsibilities of Council as well as the maintenance standards and frequencies required to manage the Shire's assets into the future.

Council has recognised the anticipated growth rate, particularly in Bacchus Marsh and Ballan, and produced the plan to accommodate future growth within its existing resources. The Plan was formally adopted by Council in June 2015.

URBAN TREE MANAGEMENT POLICY & APPROVED STREET TREE SPECIES GUIDE

Trees provide significant economic, social, environmental, ecological and aesthetic benefits to our communities and assist in the creation of neighbourhood character and identity of our urban streets. The Council recognises trees as a living asset, and understands ongoing maintenance, renewal and management is required for long-term sustainability and community benefit.

This policy was adopted by Council in June 2016 and provides the direction for the planting and continued management of trees located on Council managed land as well as a basis to make decisions on the management of trees. The policy also contains an approved street tree species list that have been selected to suit particular climate and soil zones within the Shire.

BACCHUS MARSH INTEGRATED TRANSPORT STRATEGY

As the Shire's largest and one of Victoria's fastest growing regional towns, Bacchus Marsh has increasing demands on its transport network. Council is planning for the future of Bacchus Marsh by building on the existing transport network to accommodate the needs of a growing population.

The Bacchus Marsh Integrated Transport Strategy was adopted by Council in December 2015 and presents actions that will guide future transport planning and development to deliver a sustainable, integrated network with better active transport options for the community. Key focus areas of the strategy include active transport (walking and cycling), public transport (bus and rail) and road network (traffic and freight). A comprehensive list of actions associated with each key focus area is listed in the strategy and Council will continue to work in partnership with the Victorian Government, businesses and the community to deliver those actions.

GREENWASTE AND HARDWASTE SERVICE PROVISION

Council's Waste Management and Resource Recovery Policy and Strategy outline a number of actions regarding the provision of waste service. One of these actions was to ascertain the level of community demand for greenwaste and hardwaste services. Following a survey of residents, Council resolved to introduce a non-compulsory kerbside greenwaste collection in the urban areas of the Shire. Residents will be able to opt to receive the fortnightly service, which will commence in January 2017 on a trial basis.

UPGRADE TO ENERGY EFFICIENT STREET LIGHTING

Council provides a safe environment for its community through the provision of public lighting under the guidelines of its Street and Public Place Lighting Policy. Over recent years, technology around street lighting has improved considerably, resulting in the opportunity for significant cost and greenhouse emission savings through the upgrade of the existing street lights to LED lamps. At the Ordinary Meeting of Council in May 2016, Council resolved to support the upgrade of street and public place lighting to LED technology where practicable, as part of the 2017/18 budget. It is anticipated that the costs of the replacement project would be wholly recovered through a reduction in ongoing costs over the following 10 year period.

SUBMISSION TO THE REGIONAL NETWORK DEVELOPMENT PLAN

In 2015, the Victorian Government commenced the development of a Regional Network Development Plan, setting out the long term public transport priorities for Regional Victoria. The plan takes into account the different needs of individual communities and will deliver a regional public transport network where train, coach and bus services work

KEY ACHIEVEMENTS BY DIRECTORATE

together to get people where they need to go.

Moorabool developed a submission to the plan that outlined its public transport objectives and made recommendations on future rail and bus initiatives. In the 2015 State budget, it was pleasing to see a number of the initiatives funded as part of the Ballarat Rail upgrade.

MAJOR CONSTRUCTION PROJECTS

HALLETT'S WAY EXTENSIONS

A significant amount of engineering work was undertaken during 2015/16 to enable construction of the extension of Halletts Way at both the north and south ends to occur. The projects will complete a western link road for Bacchus Marsh to help alleviate traffic congestion in the town.

HALLETT'S WAY NORTHERN EXTENSION

The scope of this project included the extension of Halletts Way from the existing road termination at Ramsay Crescent through to Links Road in Darley. Following a lengthy process to align key stakeholders and funding contributions, the project was constructed during 2015 and a community BBQ was held to open the road to traffic in November. In addition, a dedicated shared user path for walking and cycling has been incorporated into the project.

The \$1.5 million project was jointly funded between Council and contributions from Melbourne Water and local developers. It marks the first significant milestone in the biggest infrastructure project undertaken by Council to date.

HALLETT'S WAY SOUTHERN EXTENSION

The scope of this project involved undertaking a complex road and bridge design of Halletts Way from the existing road termination south of Bacchus Marsh Road, over Werribee River and through to the West Maddingley Estate. The design included all civil engineering components, flood and drainage, street lighting, bridge and structural engineering and procurement of all statutory and authority approvals for the project. The project is currently under construction, with anticipated completion and the road and bridge opened to traffic in early 2017.

HALLETT'S WAY FREEWAY RAMPS

Following years of advocacy from Moorabool, an official announcement for funding of east bound freeway ramps at Halletts Way was made in February 2016. The works will include Melbourne bound entry and exit freeway ramps and a new shared user pedestrian bridge over the freeway to significantly improve pedestrian safety at this location and assist in reduction of traffic congestion in Bacchus Marsh. The project is currently going through a procurement process and works are anticipated to commence in early 2017.

DARLEY CIVIC HUB COMMUNITY FACILITY DEVELOPMENT

This year has seen the commencement of two major projects within the Darley Civic and Community Hub Precinct.

DARLEY EARLY YEARS HUB

Construction of the Darley Early Years Hub has commenced that will see integrated, inclusive and collaborative early years services that offer families and children access to high quality, health, education, care and other children and family services in Moorabool.

The facility will provide three and four year old kindergarten programs, playgroups, maternal and child health services, toy library, family services, occasional care and community spaces. The project is currently under construction, with anticipated completion in late 2016.

DARLEY MULTIPURPOSE PAVILION

Construction of the Darley Multipurpose Pavilion is also in progress and will provide the necessary support infrastructure for future competition sports to be conducted at the Darley Civic Hub Precinct. The project will provide an all year round sporting facility with required amenity to support both training and competition usage of the sportsground. The facility will comply with AFL facility guidelines and provide female friendly change amenities and umpires rooms, kitchen, public amenities, storage and multipurpose community space. The project is currently under construction, with anticipated completion in late 2016.

2015/16 CAPITAL IMPROVEMENT PROGRAM

The 2015/16 Capital Improvement Program (CIP) included \$14.7 million of improvements to Council's infrastructure throughout the municipality.

Under the CIP, the Sealed Roads Program included the rehabilitation of road pavements and seals to maintain the condition of the overall network. Improvements included rehabilitation of existing pavement, drainage upgrades, safety improvements and resurfacing. A budget of \$10.47M provided for 4.83km of road reconstruction and 47.4km of resurfacing which improved the condition and safety for road users.

The Unsealed Roads Program included rehabilitation of Council's gravel roads and shoulders, the placement of gravel, improvements to drainage, installation of culverts and tree trimming. Of the total unsealed road network of 560km, the 2015/16 program saw 16.2km of gravel road resheeting and 14.7km of unsealed shoulder resheeting works. These works have contributed to improvement of the condition and safety for road users.

This means Council provided some form of treatment to a total of 83.2km (5.8%) of Moorabool Shire Council's 1440km road network, this financial year.

Council delivered an extensive pathways program, kerb and channel network upgrades and a range of improvements and upgrades to community land and buildings. The completion of these projects provided many benefits to the community including better functionality, improvements to health and safety and a greater opportunity to use recreational facilities.

A range of improvements and upgrades also occurred to community land and buildings, including toilets at Moon Reserve, improvements at Bacchus Marsh Public Hall that comprised of replacement of the existing kitchen to commercial standard, reconfiguration of the toilet amenities and internal and external painting. The Bacchus Marsh Senior Citizens building also received improvements including replacement of the roof and gutters. The completion of these projects provided many benefits to the community including better functionality and improvements to health and safety.



SCOTSBURN FIRE

On 19 December 2015, a fire started in the area around Scotsburn which affected Clarendon, Durham Lead and Elaine and burnt out 4,674 hectares, destroyed 11 homes and damaged two others over the two weeks the fire was alight.

In the initial stages of the fire, Moorabool Shire Council had more than 17 officers from the works team in the fire area building fire breaks, reducing timber loads and enhancing the efforts of the CFA to save properties. Council also established and staffed a Municipal Emergency Coordination Centre which was staffed around the clock by a team of dedicated officers.

There have been more than 70 Council officers involved in emergency response and recovery efforts for this community. Since the emergency, many in the community have remarked on the willingness of Council staff to give up personal time, Christmas celebrations and other activities in the lead up to Christmas so they could protect and support this community.

In the weeks following the fire, the Post Impact Assessment Report for Moorabool confirmed:

- 11 houses were destroyed, 1 damaged and uninhabitable and 1 damaged but habitable.
- 55 outbuildings were lost (including sheds, shacks, bungalows, cabins, garages, wool sheds and hay sheds).
- 45 water tanks were affected and required cleaning and refilling.
- Approximately 4,000 animals were destroyed following the fires.
- Hundreds of kilometres of fencing were destroyed.

The fire also destroyed three homes and affected two more in the City of Ballarat.

In the days following the fire, the work undertaken by Moorabool Shire Council staff and other agencies included:

- Setting up a Relief and Recovery Centre in Buninyong.
- Providing shelter, food, clothes, drinking water and supplies to those who required it.
- Organising animal feed.
- Organising rubbish removal.
- Assessing damage to homes and trees ensuring affected areas were safe.

- Helping livestock and wildlife.
- Setting up an appeal fund for people who wanted to donate money to help affected residents.
- Bringing support services to the affected residents.
- Managing donations of material aid.

On 1 January 2016, Moorabool Shire Council's efforts moved from emergency response and relief to recovery, and focused on providing support and information for residents, primarily around health and wellbeing, clean-up and rebuilding. Council also took on an active advocacy role at this time and has been working to ensure the residents affected by this fire are appropriately supported by the State Government and other bodies.

The Recovery effort is still continuing nine months on, and will remain a priority for Council and the Community Recovery Committee who have worked closely with Council to develop and deliver a range of recovery events in the first half of 2016 which will culminate in an Anniversary Picnic and Art Exhibition on the weekend of 17 and 18 December. Other community events have included a number of arts sessions and classes, a visit by the Firefoxes and the sessions with Dr Rob Gordon.

The community has also been fortunate to have a monthly dinner get together at Scotsburn Hall that has been coordinated by the Scotsburn Hall Committee and the Upper Williamsons Creek Landcare Group.

The community and Moorabool Shire Council have also been supported by a range of exceptional individuals, agencies and organisations including: Dr Rob Gordon, Red Cross, BlazeAid, CFA, Victoria Police, Buninyong Lions Club, Need for Feed, Bendigo Bank, several State Government departments, the City of Ballarat, St Vincent de Paul, Victorian Council of Churches, FireFoxes, Scotsburn Hall Committee, Upper Williamsons Creek Landcare Group, Buninyong IGA, Jims Mowing, Leigh Catchment Group, Bylsma Hire, Suez, Porter Plant and a range of other organisations and contractors.

The way in which this community has moved through this event and progressed with recovery is testament to the strong local community and the willingness of others to lend a hand. It has been a privilege for Moorabool Shire Council to work closely with the community during these tough times.

GRANT SUMMARY

| Grant Summary 2015/16 | Status |
|---|------------|
| <p>VicRoads – AusLink Black Spot Program 2015-2016 Bacchus Marsh-Balliang and Glenmore Road Intersection, Rowsley</p> <p>Funding of \$1,281,765 was provided by VicRoads for this road safety improvement project. Works include the construction of a new roundabout, kerb and channel, drainage and the installation of guardrail.</p> | Successful |
| <p>VicRoads – AusLink Black Spot Program 2015-2016 Clarendon Blue Bridge Road, Clarendon</p> <p>Funding of \$250,000 was provided by VicRoads for this road safety improvement project. Works included widening of the existing pavement and construction of shoulders, line marking and the installation of signage and guardrail.</p> | Successful |
| <p>VicRoads – AusLink Black Spot Program 2015-2016 Lerderderg Gorge Road, Darley</p> <p>Funding of \$339,353 was provided by VicRoads for this road safety improvement project. Works included construction of shoulders, intersection improvements at Camerons Road, kerb and channel, line marking and the installation of signage and guardrail.</p> | Successful |
| <p>Country Fire Authority – Fire Access Road Subsidy Scheme (FARSS) 2014-15 Upgrade of Skinners Road Blackwood</p> <p>Funding provided to construct Skinners Road to provide a fire access track for emergency service vehicles.</p> | Successful |
| <p>Regional Development Victoria – Regional Jobs and Infrastructure Fund Ballan Industrial Estate Development</p> <p>Funding of \$0.45M was granted by RDV to contribute toward the further development of the Ballan Industrial Estate. The overall project includes upgrades to the access road and extension of services to the estate.</p> | Successful |
| <p>Department of Health and Human Services – FReeZA Funding 2016/2018 Offtap FReeZA Program</p> <p>Funding of \$58,000 over 3 years was provided toward further development of the Offtap FReeZA Program.</p> | Successful |
| <p>DELWP – Victorian Mineral Springs Reserves Grants Program 2015-16 Ballan Mineral Springs Improvement Project</p> <p>Funding of \$25,000 was provided from the State Government, with \$10,500 in-kind being provided by the Moorabool Shire Council. The project aims to increase awareness, and improve access and visibility of the mineral springs to residents and visitors, while ensuring the natural values within the reserve are maintained and enhanced.</p> | Successful |
| <p>DELWP – Victorian Mineral Springs Reserves Grants Program 2015-16 Spargo Creek Mineral Springs Improvement Project</p> <p>Funding of \$25,000 was provided from the State Government, with \$12,000 in-kind provided by the Moorabool Shire Council. The project aims to increase awareness, and improve access and visibility of the mineral springs to residents and visitors, while ensuring the natural values within the reserve are maintained and enhanced.</p> | Successful |
| <p>Melbourne Water – Living Rivers Grants Program 2015-2016 Moorabool Shire Water Asset Strategy</p> <p>Funding of \$50,000 was provided by Melbourne Water, to contribute towards the development of a Water Asset Strategy for Moorabool. The strategy will determine the policy, infrastructure and systems required to improve amenity and functionality of the community open space areas in Moorabool, and manage scarce water resources equitably.</p> | Successful |
| <p>Country Fire Authority – Fire Access Road Subsidy Scheme (FARSS) 2015-2016 Construction of a Static Water Supply Tank</p> <p>Funding was provided to install a tank at East Balliang to provide a strategic water supply and reduce refilling time for CFA tankers. The Victorian Government provided a grant of \$7,257, towards the total project cost of \$10,886.</p> | Successful |

GRANT SUMMARY

| Grant Summary 2015/16 | Status |
|--|------------|
| <p>DELWP - Victorian Climate Change Grants Scheme 2015</p> <p>Sustainable Buildings Initiative</p> <p>Funding of \$10,000 provided, with \$2,000 in-kind from Council, to carry out an assessment of at least two Council owned buildings and identify (with costings) priority actions to reduce Council emissions and expenditure.</p> | Successful |
| <p>DEDJTR - Transport Investing in Regions Initiative</p> <p>Bacchus Marsh Station Street - Pedestrian Access Improvements</p> <p>Funding of \$137,500 was provided by DEDJTR towards the total cost of improving pedestrian access to the Bacchus Marsh station, including the construction of new shared paths and associated drainage.</p> | Successful |
| <p>Dept. Health and Human Services – National Youth Week 2016 Grants Program</p> <p>All Abilities Youth AFL Clinic & Community Match Project</p> <p>Funding of \$2,000 was provided, with \$1,500 provided by Council (\$1,000 in funds & \$500 in kind), to run this All Abilities Skills Development Clinic & Community Match at Darley Park during National Youth Week in 2016.</p> | Successful |
| <p>Melbourne Water - River Health Incentive Program</p> <p>Peppertree Park, Bacchus Marsh, Revegetation Project</p> <p>Funding of \$5,775 was provided towards this \$13,550 project, to install localised plantings at the top of the river bank in areas of erosion to assist with bank stabilisation, and also to assist with continued weed control.</p> | Successful |
| <p>VicHealth – Walk to School Grants 2016</p> <p>Walk to School Program</p> <p>Funding of \$9,600 was provided towards delivering engagement activities with local primary schools and undertaking community initiatives to support active travel among primary-school children and their families in October 2016.</p> | Successful |
| <p>Regional Development Victoria - Barnawartha and Scotsburn 2015 Bushfire Recovery Fund</p> <p>Moorabool Scotsburn Bushfire Recovery</p> <p>Funding of \$65,000 was granted in April by the Minister for Agriculture and Regional Development to support the Moorabool Shire Council bushfire recovery effort for the 2015 Scotsburn fires.</p> | Successful |
| <p>Department of Health and Human Services – Moorabool Shire and Ballarat City Council Scotsburn 2015 Bushfire Recovery Funding</p> <p>Moorabool Scotsburn Bushfire Recovery - MEC Centre</p> <p>Funding of \$180,000 was granted in February by the Minister for Emergency Services to support the Moorabool Shire Council and Ballarat City Council to employ a Fire Recovery Coordinator to work across both municipalities and a part time Case Worker for Moorabool Shire Council.</p> | Successful |
| <p>Department of Infrastructure and Regional Development - Stronger Communities Program (SCP)</p> <p>Bacchus Marsh Senior Citizens - Kitchen Upgrade</p> <p>Funding of \$12,500 from Council and \$2,200 from BM Senior Citizens, was spent on a kitchen upgrade project.</p> | Successful |
| <p>Dept. Health and Human Services – Age Friendly Communities Grants Program 2016</p> <p>Age Friendly Communities, Planning and Support</p> <p>Funding of \$100,000 was provided to support better service planning for seniors and boost good health, security and community participation as they age. A collaborative project with other local governments to address the needs of our rural and remote areas along the borders.</p> | Successful |
| <p>Dept. of Premier and Cabinet Veterans Council – ANZAC Centenary Community Grants Program</p> <p>Lal Lal ANZAC Memorial Park Project</p> <p>The Lal Lal ANZAC Commemorations Committee successfully obtained grant funding of \$12,000, to establish an ANZAC Memorial Park in the centre of the Lal Lal Township recognising local residents who served in World War One and subsequent wars. The Memorial Park will provide an area for reflection and provide a place for ANZAC Day and Remembrance Day ceremonies.</p> | Successful |

| Grant Summary 2015/16 | Status |
|---|------------|
| <p>Department of the Prime Minister and Cabinet - NAIDOC Week Grants 2016 Moorabool NAIDOC Week Celebrations Funding of \$1,000 was provided to support NAIDOC Week celebrations taking place from the 3 – 9 July 2016 in the Moorabool Shire with the support of Djerrirwarh Health Services. The activities included a Flag Raising Ceremony and an Indigenous Cultural day which showcased Indigenous movies, documentaries and music.</p> | Successful |
| <p>Melbourne Water - River Health Incentives Program Moorabool Corridors of Green Project Funding of \$5,775 was provided towards this \$13,575 weed control and revegetation project, with \$6,200 being provided by Council and \$1,600, from the Bacchus Marsh Friends of the Werribee River.</p> | Successful |
| <p>Public Transport Victoria - Minor Works Program Bus Stop Relocation - Main Road, Mount Egerton Funding of \$7,000 was provided by PTV to facilitate the relocation of this public bus stop and ensure compliance with the Disability Discrimination Act 1992.</p> | Successful |
| <p>Department of Infrastructure and Regional Development - National Stronger Regions Fund (NSRF) Moorabool Regional Community Sports Hub Funding of \$3,725,000 has been sought towards this \$7,450,000 project, to upgrade existing and construct new infrastructure, creating a Regional Community Sports Hub. The hub would provide for equestrian activities, and include a BMX track and multi-purpose oval and pavilion to cater for the growing needs of the area.</p> | Pending |
| <p>Department of Infrastructure and Regional Development - National Stronger Regions Fund (NSRF) Ballan Industrial Estate Funding of \$2,645,000 has been sought towards this \$5,290,000 project, to construct the extension and connection of roads, utilities and services to the existing Ballan Industrial Estate. This will support expansion of existing business and encourage new businesses into Ballan.</p> | Pending |
| <p>SRV - Community Sport Infrastructure Fund (CSIF) - Round 2 BMRR Reserve Sporting Facilities - Moorabool Regional Community Sports Hub Implement stage one of the Moorabool Regional Community Sports hub consistent with The National Stronger Region Funds Round 3 application that is currently pending. Project Budget \$7,450,000, Council Contribution \$3,025,000, NSRF \$3,725,000, Community User Groups \$50,000, CSIF Funding \$650,000.</p> | Pending |
| <p>SRV - Community Sport Infrastructure Fund (CSIF) - Round 2 Masons Lane Oval 1 Sportsground Lighting Install sportsground lighting at Masons Lane Oval 1 to provide increased usage opportunities to meet demands. Project Budget \$200,000, Council Contribution (2015/16 CIP) \$140,000, CSIF Funding \$100,000. Applied for June 2016.</p> | Pending |
| <p>SRV - Community Sport Infrastructure Fund (CSIF) - Round 2 Bacchus Marsh BMX Track Development Project Construction of BMX track at the BM Racecourse Recreation Reserve. Project Budget \$130,000, Council Contribution (2015/16 CDF) \$25,000, BM BMX Club In-kind \$55,000, CSIF Funding \$50,000. Applied for June 2016.</p> | Pending |
| <p>SRV - Community Sport Infrastructure Fund (CSIF) - Round 2 BMRR Reserve - Cricket Development Project Implement Stage 1 of the Moorabool Regional Community Sports Hub, development of sportsground with 2 soccer pitch overlay. Project Budget \$570,000, Council \$470,000, CSIF \$100,000.</p> | Pending |
| <p>SRV - Community Sport Infrastructure Fund (CSIF) - Round 2 Moorabool Indoor Stadium Feasibility Study Undertake an Indoor Recreation Facility feasibility study to determine the future provision / location of Indoor Recreation Facilities across the Shire. Project Budget \$45,000, Council \$15,000, CSIF \$30,000.</p> | Pending |

GRANT SUMMARY

| Grant Summary 2015/16 | Status |
|---|--|
| <p>VicRoads - AusLink Black Spot Program 2015-2016 Bradys Lane, Greendale Funding of \$290,000 sought for this road safety improvement project.</p> | Unsuccessful |
| <p>VicRoads - AusLink Black Spot Program 2015-2016 Nerowie Road, Parwan Funding of \$248,000 sought for this road safety improvement project.</p> | Unsuccessful |
| <p>DELWP - Office of Living Victoria - Living Local Fund Ballan Local Whole of Water Cycle Management Plan Expression of interest submitted, with the support of Central Highlands Water, for \$250,000 to develop a water cycle management plan to support planning for future growth in Ballan.</p> | Unsuccessful (OLV Living Local Fund has been discontinued) |
| <p>DELWP - Office of Living Victoria - Living Local Fund Bacchus Marsh Local Whole of Water Cycle Management Plan Expression of interest submitted, with the support of Central Highlands Water, for \$250,000 to develop a water cycle management plan to support planning for future growth in Bacchus Marsh.</p> | Unsuccessful (OLV Living Local Fund has been discontinued) |
| <p>Country Fire Authority – Fire Access Road Subsidy Scheme (FARSS) 2014-15 Tank for the Balliang East Bore Funding sought to install a tank at the Balliang East Bore to provide a strategic water supply and reduce refilling time for tankers.</p> | Unsuccessful |
| <p>Department of Infrastructure and Regional Development – National Stronger Regions Fund Moorabool Regional Community Sports Hub Funding of \$3.075M was sought toward the construction of Stage 1 of the project at the Bacchus Marsh Racecourse Recreation Reserve.</p> | Unsuccessful |
| <p>Department of Infrastructure and Regional Development – National Stronger Regions Fund Ballan Industrial Estate Development Funding of \$2.24M was sought toward further development of the Ballan Industrial Estate including upgrades to the entrance road and extension of services to the estate.</p> | Unsuccessful |
| <p>Department of Justice and Regulation Community Safety Fund – Baby Makes 3 Funding of \$10,000 sought for Baby Makes 3 program, a program for first-time parents led by trained male and female facilitators. It is a primary prevention program that seeks to prevent violence before it occurs, by promoting equal and respectful relationships between men and women during the transition to parenthood.</p> | Unsuccessful |
| <p>VicRoads - AusLink Black Spot Program 2016-2017 Bennett and Gell Street Intersection, Bacchus Marsh Funding of \$565,000 sought for construction of a roundabout at this intersection.</p> | Unsuccessful |
| <p>VicRoads - AusLink Black Spot Program 2016-2017 Ingliston Road, Ballan Funding of \$750,000 sought for pavement widening, delineation improvements and associated works.</p> | Unsuccessful |
| <p>VicRoads - AusLink Black Spot Program 2016-2017 Nerowie Road, Parwan Funding of \$570,000 sought for pavement widening, installation of guardrail, delineation improvements and associated works.</p> | Unsuccessful |
| <p>Department of Justice and Regulation - Public Safety Infrastructure Grant Program 2015/16 Maddingley Park Pathway Safety Lighting Project Funding of \$91,532 was sought for this public safety project.</p> | Unsuccessful |

| Grant Summary 2015/16 | Status |
|---|---------------------|
| <p>Dept. Health and Human Services – Sport and Recreation Victoria, Community Sports Infrastructure Fund</p> <p><u>Darley Civic Hub Multipurpose Pavilion Development Project</u></p> <p>Redevelop an existing building at the Darley Civic Hub into a multi-purpose community facility / pavilion to support training and competition for active sport on the Civic Hub sportsground. Grant of \$100,000 sought, with Council providing \$808,500, towards the total \$908,500 project cost.</p> | Unsuccessful |
| <p>Dept. Health and Human Services – Sport and Recreation Victoria, Community Sports Infrastructure Fund</p> <p><u>Masons Lane Sportsground Lighting Development Project</u></p> <p>Install sportsground lighting to Sportsground 1 at Masons Lane Recreation Reserve. Grant of \$100,000 sought, with Council providing \$140,000, towards the total \$240,000 project cost. Applied for November 2016.</p> | Unsuccessful |
| <p>Dept. Health and Human Services – Sport and Recreation Victoria, Community Sports Infrastructure Fund</p> <p><u>Bacchus Marsh BMX Track Development Project</u></p> <p>Design and construct a purpose built BMX Race/Training Facility at Bacchus Marsh Racecourse and Recreation Reserve. Grant of \$60,000 sought, with Council providing \$25,000 (Community Development Fund) and \$50,000 in-kind, towards the total \$135,000 project cost. Applied for November 2016.</p> | Unsuccessful |
| <p>Dept. Health & Human Services - Rural and Regional Local Government Youth Engagement Program 2015</p> <p><u>Youth Engagement Program</u></p> <p>Funding sought to promote Youth Engagement activities across the shire.</p> | Unsuccessful |
| <p>SRV - Country Football Netball Program 2016</p> <p><u>Stage 1 - Maddingley Park Community Facility Redevelopment</u></p> <p>Funding of \$100,000 sought, with the BM Football and Cricket clubs contributing \$25,000 each (\$50K in total), to extend the existing clubhouse to provide an inclusive outdoor spectator shelter and upgrade the kitchen and canteen facilities.</p> | Unsuccessful |

| Grant Application Summary for 2015/16 (includes 9 grants carried forward from 14/15) | | | | |
|--|-----------|------------|--------------|----------|
| Month | New | Successful | Unsuccessful | Pending |
| July | 1 | 0 | 0 | 9 |
| Aug | 3 | 4 | 3 | 5 |
| Sep | 4 | 0 | 3 | 7 |
| Oct | 4 | 0 | 1 | 10 |
| Nov | 4 | 2 | 0 | 12 |
| Dec | 0 | 1 | 0 | 11 |
| Jan | 3 | 4 | 3 | 7 |
| Feb | 2 | 1 | 0 | 8 |
| March | 3 | 1 | 0 | 10 |
| April | 1 | 1 | 3 | 7 |
| May | 4 | 4 | 1 | 6 |
| June | 9 | 5 | 3 | 7 |
| Totals | 38 | 23 | 17 | - |



PART TWO
Our Council



ORGANISATIONAL STRUCTURE

Council is the governing body that appoints a Chief Executive Officer (CEO). The CEO has responsibility for the day to day management of operations in accordance with the strategic directions of the Council Plan. Three General Managers and the CEO form the Executive Group (EG) and lead the organisation.

Details of the CEO and General Managers reporting directly to the CEO are set out below.

CHIEF EXECUTIVE OFFICER

ROB CROXFORD

GENERAL MANAGER GROWTH & DEVELOPMENT

SATWINDER SANDHU

Areas of responsibility:

- Statutory Planning & Community Safety
- Strategic & Sustainable Development
- Economic Development & Marketing
- Emergency Management
- Customer & Business Services
- Information Technology

GENERAL MANAGER INFRASTRUCTURE

PHIL JEFFREY

Areas of responsibility:

- Engineering Services
- Asset Management
- Operations
- Finance

GENERAL MANAGER SOCIAL & ORGANISATIONAL DEVELOPMENT

DANNY COLGAN

Areas of responsibility:

- Active Ageing & Community Access
- Community Development
- Youth & Recreation Development
- Early Years
- People & Organisational Development

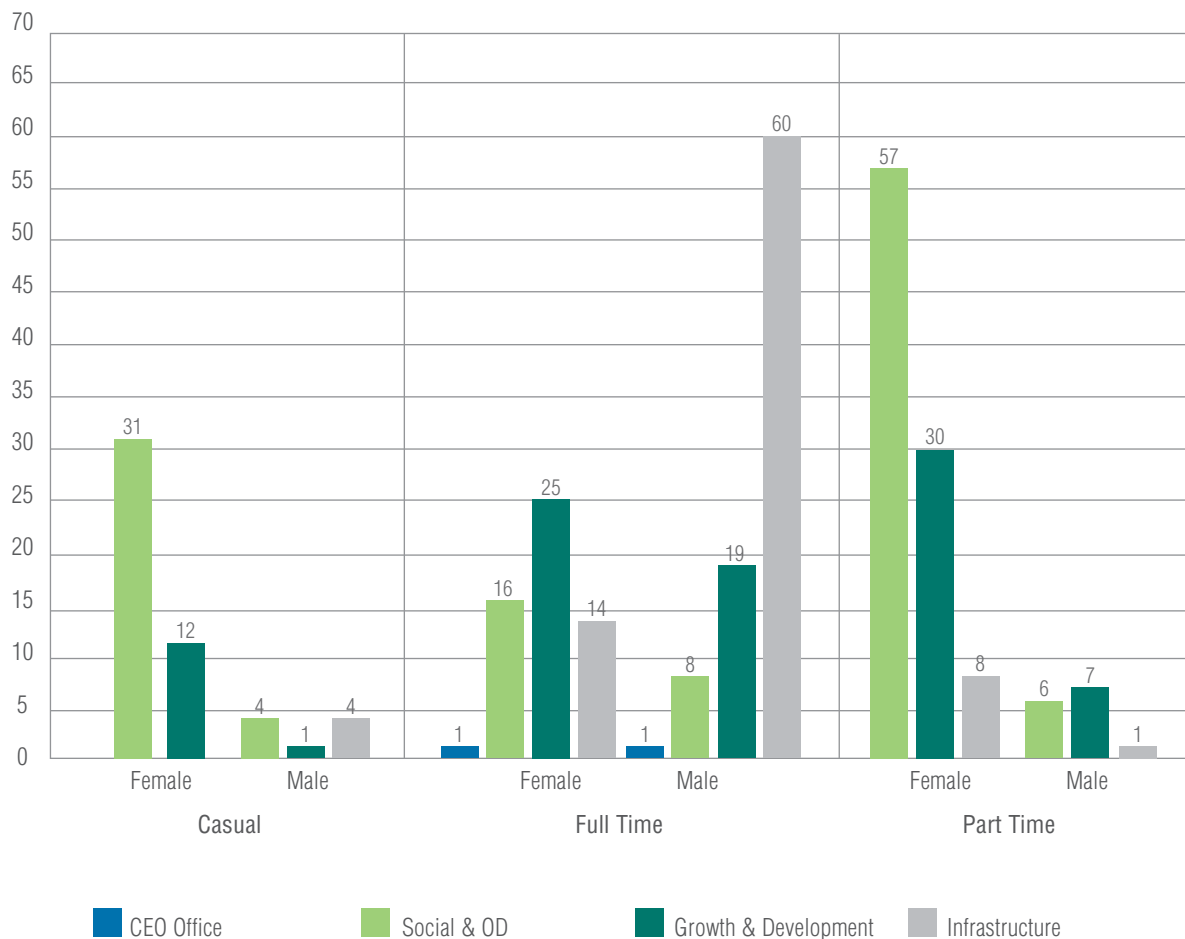
ORGANISATIONAL CHART



COUNCIL STAFF

A summary of the number of Council staff by directorates, employment type and gender is set out below.

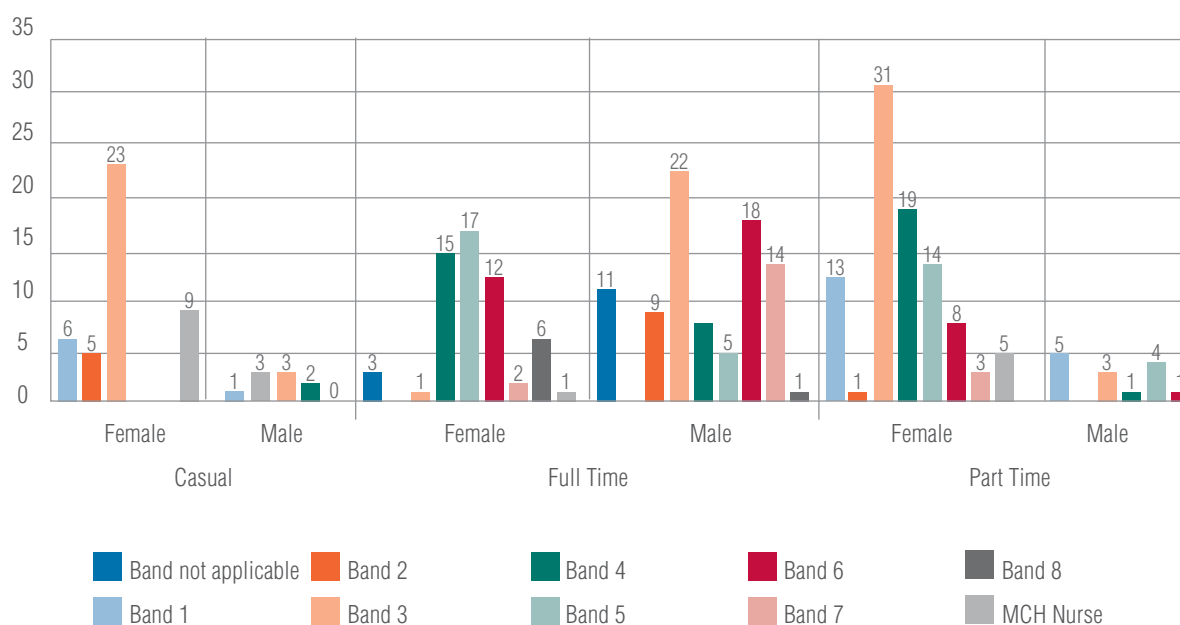
| Employment Type | CEO Office | Community Services | Growth & Development | Infrastructure | Total |
|-----------------|------------|--------------------|----------------------|----------------|-------|
| Casual | | 35 | 13 | 4 | 52 |
| Female | | 31 | 12 | | 43 |
| Male | | 4 | 1 | 4 | 9 |
| Full Time | 2 | 24 | 44 | 74 | 144 |
| Female | 1 | 16 | 25 | 14 | 55 |
| Male | 1 | 8 | 19 | 60 | 86 |
| Part Time | | 63 | 37 | 9 | 109 |
| Female | | 57 | 30 | 8 | 94 |
| Male | | 6 | 7 | 1 | 14 |
| Total | 2 | 122 | 94 | 87 | 305 |



COUNCIL STAFF

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

| Employment Type | Gender | Band N/A | Band 1 | Band 2 | Band 3 | Band 4 | Band 5 | Band 6 | Band 7 | Band 8 | MCH Nurse | Total |
|-----------------|--------|----------|--------|--------|--------|--------|--------|--------|--------|--------|-----------|-------|
| Casual | Female | | 6 | 5 | 23 | | | | | | 9 | 43 |
| | Male | | 1 | 3 | 3 | 2 | | | | | | 9 |
| Casual Total | | | 7 | 8 | 26 | 2 | | | | | 9 | 52 |
| Full Time | Female | 3 | | | 1 | 15 | 17 | 12 | 2 | 6 | 1 | 57 |
| | Male | 11 | | 9 | 22 | 8 | 5 | 18 | 14 | 1 | | 88 |
| Full Time Total | | 14 | | 9 | 23 | 23 | 22 | 30 | 16 | 7 | 1 | 145 |
| Part Time | Female | | 13 | 1 | 31 | 19 | 14 | 8 | 3 | | 5 | 94 |
| | Male | | 5 | | 3 | 1 | 4 | 1 | | | | 14 |
| Part Time Total | | | 18 | 1 | 34 | 20 | 18 | 9 | 3 | | 5 | 108 |
| Total | | 14 | 25 | 18 | 83 | 45 | 40 | 39 | 19 | 7 | 15 | 305 |





TRAINING

There is an increased focus on training across all service units. This includes training offered to Health & Safety Representatives, Fire Wardens, Contact Officers, First Aid Officers along with Mental Health First Aid Officers.

EQUAL EMPLOYMENT OPPORTUNITY PROGRAM

The objective of Moorabool Shire 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 offered every two years. The next set of workshops are due later in 2016. An online version of the training is also being developed to offer staff a greater flexibility in terms of delivery and timeframes.

During 2015/2016 no complaints were made to Council's Equal Opportunity Officer.

OHS TRAINING FOR SUPERVISORS

Further education was undertaken 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.

RISK MANAGEMENT TRAINING FOR SUPERVISORS

Additional education was provided 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.

FIRST AID AND CPR TRAINING

In 2015/16, regular First Aid and CPR Training sessions were conducted by qualified external training providers. This ensured our employees, especially those in the Early Years and Aged & Disability areas, are up to date with compliance training and are well equipped to take the necessary action in case of an emergency.

MANUAL HANDLING TRAINING

In 2015/16, Manual Handling Training was conducted for Outdoor and Early Years staff.

FRAUD AWARENESS TRAINING

Along with other mandatory training programs scheduled in 2016/17, Moorabool Shire Council is committed to roll out the Fraud Awareness Training in the coming months.

STAFF DEVELOPMENT

PROFESSIONAL DEVELOPMENT

Council offers study assistance for staff undertaking relevant undergraduate or postgraduate studies. In the past year, two staff were successful in obtaining this form of support to commence their studies in 2016 and three staff were provided continued support to pursue their studies that were 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.

One such program conducted in 2015/16 was a three-part series of workshops on Effective Business and Report Writing which were attended by managers, co-ordinators and staff.

LEADERSHIP DEVELOPMENT

Leadership development is a critical aspect of our professional development program. Leaders across the organisation were offered a variety of opportunities internally to develop their skills and expertise. In 2015/16, our managers attended a conflict management workshop.

Moorabool Shire 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. Training programs like DiSC Analysis and 7 Pillars of Management were held for the up and coming leaders.

In 2015/16, we participated in a Mentoring Program organised in collaboration with Melton City Council. This provided one of our employees to be mentored by a Melton manager and one of our managers to act as a mentor for a Melton staff member. Both recognised the professional benefits from this activity.

Team Moorabool also participated in 'The Emerging Leaders Challenge' program hosted by Melton City Council. This program provided a wonderful opportunity for participants to network with other Councils, develop their leadership capacity and grow as individuals.

OTHER STAFF MATTERS

ENTERPRISE BARGAINING AGREEMENT

Council's current Enterprise Agreement which commenced in July 2013 will conclude on June 30th 2017. In the 2016/2017 financial year Council will commence the process of enterprise bargaining which will negotiate a new Enterprise Agreement for Council employees. In undertaking this process, Council will seek the input of employee representatives to develop a mutually acceptable agreement. Once this has been successfully negotiated, Council will seek approval by Fair Work Australia.

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 prevention approach is consistent with Council's approach to planning in the area of health and wellbeing.

Moorabool Shire 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, the 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 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 next stage undertaken by Council followed an audit undertaken by Deloitte in February 2015 which recommended the identification of Council's strategic risks. A workshop facilitated by an external provider resulted in a report outlining Council's strategic risk profile. Eleven areas were nominated including financial, reputational and fraud; each area outlined controls and future strategies to minimise risk to Council. The strategic risk profile will be reviewed annually with actions being incorporated within operational plans.

As outlined above, fraud has been identified as one of Council's strategic risks with the revised Fraud Prevention Plan and Policy being endorsed in June 2016 by Council's Executive. Fraud awareness training will be undertaken with Council staff in the new financial year.

HEALTH AND SAFETY

Work on Council's Health and Safety Management System is progressing with a gap analysis being completed in relation to Council's policies and procedures. As a result of additional resourcing to this area Council will focus on the following over the next 12 months:

- Development of safe working procedures.
- Implementation of an electronic health and safety system.
- Increasing the level of training and induction in health and safety.

The number of reported work place incidents in 2015/2016 was 50.

INSURANCE

Overall the cost of individual insurance policies has reduced however there has been an increase in the number of motor vehicle claims, which has increased motor vehicle insurance. Council's insurance portfolio is maintained to ensure that corporate risk exposures are minimised.

BUSINESS EXCELLENCE

Moorabool Shire Council is committed to delivering the best service possible to its community. In its fifth year our Business Excellence Program is embedded within Council both from an operational and a strategic perspective. Business Excellence encourages a culture of continuous improvement based upon nine principles.

In addition to the Business Excellence principles, Council's staff members use the FISH principles every day at work:

- Choose Your Attitude;
- Be Present;
- Make Their Day; and
- Have Fun.

These principles are the basis of our interactions with our colleagues and our community being reinforced through special staff morning and afternoon teas, and other activities and through regular staff newsletters.

To support Council's implementation of the business excellence strategy three working groups have been formed, each one led by a General Manager. The focus of these are continuous improvement, service review and planning and staff development.

OUR ACHIEVEMENTS IN 2015/16 IN BUSINESS EXCELLENCE:

INTEGRATED PLANNING AND DEVELOPMENT FRAMEWORK

Council officers developed the Integrated Planning and Development Framework (IPDF). The IPDF outlines Council's strategies which cascade from its Project 2041, to various strategic plans, through annual service unit operational plans, and finally to individual plans. With this, each employee has a clear line of sight and awareness of their individual contribution towards the Council Plan.

SERVICE REVIEW & PLANNING

The Service Review and Planning strives to align each service to Council's strategic direction and deliver the most responsible and sustainable manner.

SYSTEMS VIEW

The Systems View provides a snapshot of all activities within a service unit, its customers, services provided, processes, measures and targets.

This plan outlines the operational and improvement activities for the financial year including targets, timeframes, and objectives along with process owner, budget, required staffing levels etc.

PROCESS MAPPING

The processes scoped in the systems view are mapped in Promapp. Promapp is used to document, improve, and share processes and process knowledge. Currently Council has 400 processes published in Promapp with each process containing associated documents like forms, policies and procedures.

SYSTEMS THINKING

Business Excellence offers Council a platform to create a culture of systems thinking which helps Council to:

- Understand interconnections between individuals, teams and the organisation.
- Recognise the current situation within the context of the larger system.
- Facilitate conversations based on data with all stakeholders to determine the root cause of issues.
- Drive behaviour leading to sustainable improvements to the whole system.
- Maximise value to all stakeholders.
- Optimise enterprise outputs and synergies.





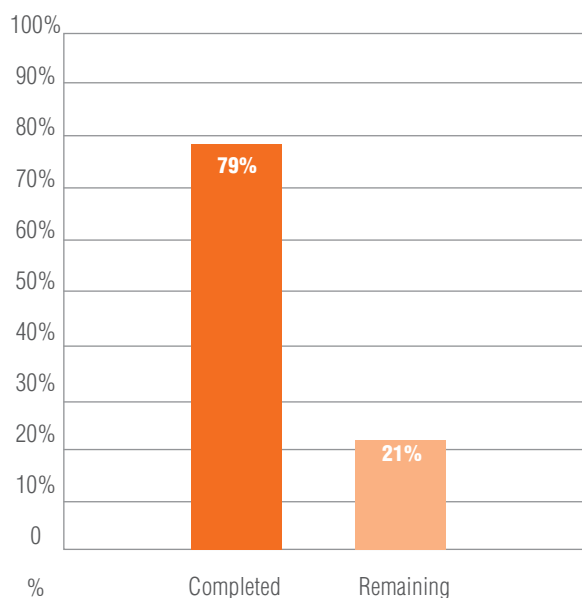
PART THREE

Our Performance

COUNCIL PLAN

The Council Plan 2013-2017 (Revised 2015) 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



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 2015-16 year has been reported against each key result area to demonstrate how Council is performing in achieving the 2013-17 Council Plan (Revised 2015).

PERFORMANCE HAS BEEN MEASURED AS FOLLOWS:

- Results achieved in relation to the strategic indicators 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.

KEY RESULTS AREAS

KEY RESULT AREA 1: REPRESENTATION AND LEADERSHIP OF OUR COMMUNITY

The following statements reviewed the performance of Council against the Council Plan including results achieved in relation to the Key Result Areas.

2015/16 RESULTS AND ACHIEVEMENTS

| Key Result Area Project | Progress | Comments |
|---|-----------|--|
| Finalise Meeting Procedure Local Law | Completed | The finalised Local Laws Meeting Procedure was adopted by Council on 29 June 2016. |
| Finalise General Local Laws | 30% | Due to staff vacancies and other strategic work this project will be finalised by the end of the 2016/17 financial year. |
| Enhance strategic partnerships with other organisations, e.g.: Melbourne Planning Authority | Completed | Strategic Partnerships have been developed with: <ul style="list-style-type: none"> • MPA • Melton City Council • Golden Plains Shire Council • Wyndham City Council • Hepburn Shire Council • Water Authorities • VicRoads |
| Prepare and present to Council a Service Review Policy Framework and Prioritisation Plan | Completed | Council adopted the Service Review and Planning Policy and Framework at its Ordinary Meeting on 6 April 2016. |
| Undertake a review and implement shared services with other organisations | Completed | Agreement reached in partnership with Hepburn Council to trial shared services for payroll functions. This arrangement will commence in late July. |

MAJOR INITIATIVES

| Major Initiatives | Progress |
|---|--|
| <p>Increase in Resources for Information Management</p> <p>This initiative will provide resourcing to develop and maintain a central information management environment which will support Council's Digital Strategy, Information Management and GIS Strategy. This central point of information will result in more accurate information and more flexible systems leading to improved levels of customer service.</p> | <p>The Information Management Position has been filled and work has commenced on the major outcomes of improved name and address quality across Council systems which will be used as a foundation for improved online services for the community.</p> |

SERVICES FUNDED IN THE 2015/16 BUDGET

| Service | Description | Net Cost Actual Budget Variance \$000 |
|---|--|---|
| Governance | 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. | 2,101 <u>2,170</u> 69 |
| Public Relations and Marketing | Provide an open and accessible communication network that is accurate, accessible, user friendly, relevant and timely. | 550 <u>631</u> 81 |
| 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. | 695 <u>621</u> (74) |
| 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. | 527 <u>577</u> 50 |
| 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. | 86 <u>(2,845)</u> 2,931 |
| Customer Service | Manage service provisions to provide an open and accessible communication network that is accurate, accessible, user friendly, relevant and timely. | 924 <u>843</u> (81) |
| 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. | 284 <u>276</u> (8) |
| 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. | 1,760 <u>1,955</u> 195 |



KEY RESULT AREA 2: COMMUNITY WELLBEING

2015/16 RESULTS AND ACHIEVEMENTS

| Key Result Area Project | Progress | Comments |
|--|-----------|--|
| Finalise the Digital Strategy and implement key actions including the corporate website and Information Management Officer to improve communications and customer service outcomes | 90% | The Digital Strategy has been finalised, and the corporate website is near completion, and it is expected to go live in the second half of 2016. Council has engaged an Information Management Officer. |
| Undertake Community Emergency Management Planning (CEMP) Pilots in Moorabool | Completed | The Blackwood Project is currently in progress. Identified localised risks through a community workshop. Businesses and other community groups have been involved in engagement. First draft Blackwood Community Emergency Plan developed. Bushfire Building Council of Australia and CSIRO representatives attending 3 December Meeting. A meeting was held on 4 February where scenario planning for an October township exercise was discussed. Scenarios for October exercise being developed. Planning for the annual phoenix modelling scenario training and education session for the full community has commenced. |
| Construct the Darley Civic and Community Hub | Completed | The scope of this project includes the construction of a multi-purpose facility at the Darley Civic and Community Hub. The facility will support sporting and community activities on the site and include change space, amenities, social room and kitchenette. Work scheduled for 2015/16 has been completed on time. |
| Construct the Darley Early Years Hub | Completed | The scope of this project includes the construction of the Darley Early Years Hub at the Darley Civic and Community Hub. The integrated facility includes kindergarten, occasional care, multipurpose space, toy library, maternal and child health and staff offices. Work scheduled for 2015/16 has been completed on time. |
| Finalise the Ageing Well Strategy (Live Well Age Well) | Completed | The Age Well Live Well Strategy and Access and Inclusion Plan was adopted by the Council at its meeting in November 2015. |
| Finalise the Access and Inclusion Plan | Completed | The Access and Inclusion Plan has been combined with the Age Well, Live Well Plan and was adopted by the Council at its meeting in November 2015. |
| Finalise the Community Development Strategy | Completed | The Community Development Strategy was presented to Council at the 7 October Ordinary Meeting of Council and was adopted. |
| Review the Community Engagement Policy and Framework | Completed | The Community Engagement Framework and Policy were endorsed by the Council at its meeting on 2 March 2016. |
| Prepare a Community Facilities Funding Policy | Completed | The Community Facilities Funding Policy has been prepared as part of the new Reserve Management Framework. The Council at its Ordinary Meeting on the 6 April 2016 resolved to endorse the draft Community Facilities Funding Policy for the purpose of community exhibition for a period of 8 weeks. The policy was adopted by Council at its 3 August Ordinary Meeting. |
| Review the Appointments and Delegations Policy | Completed | The Appointments and Delegation Policy was adopted by Council at its 3 August Ordinary Meeting. |
| Finalise the Recreation and Leisure Strategy | Completed | The Recreation and Leisure Strategy 2015-2021 was adopted by Council at the September 2015 Ordinary Meeting of Council. |

| Key Result Area Project | Progress | Comments |
|---|-----------|--|
| Prepare a Fees and Charges Policy for Recreation Reserves | Completed | The Recreation Reserve User Fees and Charges Model has been prepared as part of the Recreation Reserve Management Framework. Council at its Ordinary Meeting in April 2016 resolved to endorse the draft Fees and Charges. The final draft policy was presented to the August Ordinary Meeting of Council and was adopted. |

MAJOR INITIATIVES

| Major Initiatives | Progress |
|---|---|
| <p>Increase in Resources for Maternal and Child Health</p> <p>Council will continue to be able to run a Maternal and Child Health service that is able to meet the demands of an increase in population.</p> | This initiative was 100% complete at year end. |
| <p>Implementation of Digital Strategy and New Corporate Website</p> <p>This initiative will provide for development of Council's corporate website to enable more transactions to be performed online, compatibility with tablets and mobile devices and improve the accessibility of the website.</p> | <p>This initiative was 90% complete at year end.</p> <p>The final testing stages of the new corporate website are underway and the project is forecast to be completed early in the 2016/17 financial year as a major action of the Digital Strategy to provide a more accessible website and improved online services.</p> |

SERVICES FUNDED IN THE 2015/16 BUDGET

| Service | Description | Net Cost Actual Budget Variance \$000 |
|-------------------------------------|---|---|
| Aged and Disability Services | This service provides a range of services for the aged and disabled including day programs, meals on wheels, home and community care, personal care, respite care, assessment and care management, volunteer coordination, home maintenance and senior citizen clubs. | 261 <u>235</u> (26) |
| Community Development | Consult with Moorabool residents on a range of community priorities so that their needs are understood and Council's initiatives are promoted and establish community reference groups that will advise Council on key community projects. | 781 <u>778</u> (3) |
| Arts and Culture | Council has established: The Arts and Culture Strategy, an Arts, Culture and Events Advisory Committee, and a Community Events and Celebrations Funding Program. | 19 <u>20</u> 1 |
| 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, including leisure and pool facilities. | 1,371 <u>1,317</u> (54) |
| Library Services | Provision of fixed and rural mobile library services to key points throughout Moorabool. | 377 <u>319</u> (58) |
| Youth Services | Enable youth within Moorabool to have a community voice and establish programs and activities that enhance and reward them as people. | 253 <u>252</u> (1) |

| Service | Description | Net Cost Actual Budget Variance \$000 |
|--|--|---|
| 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. | 289 <u>304</u> 15 |
| Early Years Services | Deliver high quality family and children's programs and services that support, promote and strengthen family health and wellbeing, including Child and Family advocacy and planning, Maternal and Child Health Service, and Occasional Care. | 921 <u>1,030</u> 109 |
| Fire Prevention | Ensure safety in Moorabool Shire through fire prevention inspections of vacant land in urban and rural living areas. | 253 <u>288</u> 35 |
| 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. | 237 <u>186</u> (51) |
| School Crossings | Provide school crossing supervisors or staff at 13 locations in Ballan and Bacchus Marsh within designated hours. | 167 <u>190</u> 23 |
| Emergency Relief | Support community groups who provide help to residents in need of emergency assistance. | 8 <u>7</u> (1) |
| 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. | 84 <u>70</u> (14) |

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

2015/16 RESULTS AND ACHIEVEMENTS

| Key Result Area Project | Progress | Comments |
|--|-----------|---|
| Finalise and endorse the Economic Development Strategy | Completed | The MSC Economic Development Strategy was adopted at the Ordinary Meeting of Council on Wednesday 2 September, 2015. |
| Investigate frameworks for cost recovery in terms of ongoing monitoring of Domestic Wastewater Management Plan | 60% | Options have been investigated in reference to cost recovery, however in order to implement any changes this work has been undertaken in conjunction with the finalising of 'General Local Laws' which will be undertaken in 2016/2017. |
| Develop the Urban Growth Framework in conjunction with Metropolitan Planning Authority | Completed | Development of the Bacchus Marsh Framework Plan is incorporated into the Metropolitan Planning Authority work plan and was endorsed by the Hon Richard Wynne, Minister for Planning. |

| Key Result Area Project | Progress | Comments |
|--|-----------|--|
| Undertake Bacchus Marsh Urban Zone review based on the Housing and Retail Strategies | 75% | The Housing Strategy was adopted by Council at its Ordinary Meeting on August 3 2016. |
| Finalise the Parwan Employment Strategy (Investment Attraction) | Completed | The Parwan Employment Precinct Strategy adopted by Council at its Ordinary Meeting on 2 December 2015. |
| Prepare amendment to Ballan Structure Plan for inclusion in the Planning Scheme | Completed | Council adopted the Ballan Structure Plan on 17 December, 2015. Amendment has been drafted and authorisation sought. |
| Complete a Moorabool 2041 framework based on Council adopted work program | 80% | Council has made significant progress with the M2041 framework. This includes completion of the housing strategy. The retail strategy was adopted in April 2016 and the activity amendment C51 was approved by the Minister for Planning in June 2016. |
| Complete the Community Infrastructure Plan | 80% | Council will be briefed on the methodology and progress of the Community Infrastructure Framework. There has been significant development of the framework including development of a partnership and financial support from the MPA and a number of metropolitan Councils. A report will presented to Ordinary Meeting of Council in late 2016. |
| Progress the West Moorabool Heritage Study | Completed | The West Moorabool Heritage Study was put out for exhibition for 3 months closing 31 August 2016. |
| Undertake planning scheme amendments as per Council approved work plan | Completed | C69 Ballan Structure Plan - Authorisation has been received. Project is now progressing. C58 Camerons Road - Have received letter from Department concerning outstanding issues. Council officers to complete documentation. C70 Anomalies - Approved. C71 Bunnings – Abandoned. C73 Land Subject to Inundation Overlay - abandoned. Meeting scheduled with Melbourne Water to resolve mapping issues. |
| Commence the construction of Halletts/O'Leary Way (south) Extension | Completed | The scope of this project includes the construction of Halletts Way from the existing road termination south of Main Street, over Werribee River and through to the West Maddingley Estate. The detailed design is now complete, including the design of all civil engineering aspects, flood and drainage, street lighting, structural engineering, geotechnical investigation and procurement of all statutory and authority approvals for the project. Following a procurement process, a construction contractor has been appointed and commenced ground works on site. The project is anticipated to be complete by end 2016. |
| Complete the construction of Halletts Way (north) Extension | Completed | The scope of this project included the construction of the extension of Halletts Way from the existing road termination at Ramsay Crescent through to Links Road in Darley. Following a lengthy process to align key stakeholders and funding contributions, the project was completed and opened to the community in November 2015. |
| Resolve Council's position in relation to energy efficient street lighting | Completed | Over recent years, technology around street lighting has improved considerably, resulting in the opportunity for significant cost and greenhouse emission savings through the upgrade of the existing street lights to LED lamps. At the Ordinary Meeting of Council in May 2016, Council resolved to support the upgrade of street and public place lighting to LED technology where practicable, as part of the 2017/18 budget. |

| Key Result Area Project | Progress | Comments |
|---|-----------|---|
| Survey residents and resolve Council's position in relation to green waste and hard waste | Completed | A community survey to ascertain the level of demand for greenwaste and hardwaste services in the Shire was made available to residents in late 2015. Informed by the results of that survey, Council resolved to introduce a non-compulsory kerbside greenwaste collection in the urban areas of the Shire on a trial basis. Residents will be able to opt to receive the fortnightly service, which will commence in January 2017. |
| Develop a Street Tree Policy | Completed | This policy was adopted by Council in June 2016 and provides the direction for the planting and continued management of trees located on Council managed land as well as a basis to make decisions on the management of trees. The policy also contains an approved street tree species list that have been selected to suit particular climate and soil zones within the Shire. |
| Prepare a Water Asset Strategy including allocations for sports grounds and irrigation | 40% | A working group has been established to progress this action. The working group is currently finalising the project scope and plan to commence the project. Further water management initiatives including purchasing additional water rights has commenced along with auditing of existing irrigation requirements at reserves. This project is ongoing and will be completed in the 2016/17 financial year. |

MAJOR INITIATIVES

| Major Initiatives | Progress |
|---|--|
| <p>More Funding Allocated for Proactive Building, Recreation and Open Space Maintenance</p> <p>This initiative will allow for pro-active maintenance to be carried out on Council owned assets to improve amenity, safety, and longevity of community assets.</p> | This initiative was 100% complete at year end. |
| <p>Increased Resources for Tree Maintenance</p> <p>This initiative will give Council the ability to respond to maintenance requirements in a more efficient and timely manner.</p> | This initiative was 100% complete at year end. |
| <p>Funding for a New Maintenance Management System</p> <p>A new Maintenance Management System will schedule, track and record maintenance tasks to ensure Council is compliant with its maintenance and legislative requirements and enable more efficient use of resources. It will cover the full cycle of maintenance management including inspection, proactive, cyclical and reactive maintenance, work orders, scheduling and reporting.</p> | <p>This initiative was 10% complete at year end.</p> <p>Procurement for a system has been undertaken and is currently being evaluated. The project is scheduled to progress over 2016/17 financial year.</p> |
| <p>Contract a Building Inspector for a Period of Two Years</p> <p>This initiative will engage a Building Inspector to conduct inspections as required, follow up on outstanding building orders and notices and develop documented processes and operating procedures to ensure the building department can successfully manage its day to day operations while complying with legislative requirements.</p> | This initiative was 100% complete at year end. |
| <p>Conduct a Moorabool 2041 Rural Growth Strategy</p> <p>The Rural Growth Strategy builds on the shire wide strategy work and towns consultations to develop place making action plans for our towns and strategies for growth at targeted locations.</p> | This initiative was 100% complete at year end. |

| Major Initiatives | Progress |
|--|--|
| <p>Moorabool 2041 Metropolitan Planning Authority Commitments</p> <p>Council contribution towards work being undertaken by the Metropolitan Planning Authority on the Urban Growth Strategy.</p> | <p>This project will continue into the 2016/17 financial year.</p> |
| <p>Provide Ongoing Support for Moorabool Heritage Advisory Committee</p> <p>This initiative will provide funding for the Heritage Advisory Committee to operate the annual Margaret Moritz Award as well as pursue approved projects.</p> | <p>This initiative was 100% complete at year end.</p> |
| <p>Conduct a Housing Strategy</p> <p>This initiative is to develop a Housing Strategy which will guide how residential development in Moorabool will be planned and managed over the next 25+ years, as well as address the appropriate location and type of residential development required in order to meet the changing needs and expectations of the community while ensuring development is consistent with and enhances Moorabool's valued rural character, manages any associated environmental risk and is appropriately serviced.</p> | <p>This initiative was 100% complete at year end.</p> |
| <p>Increase in Resources for Strategic Planning</p> <p>This initiative will assist the Strategic & Sustainable Development team to prepare and deliver significant future planning projects, as well as provide additional technical support for the delivery of key Moorabool 2041 initiatives.</p> | <p>This initiative was 100% complete at year end.</p> |
| <p>Increase in Funding for Planning Scheme Amendments</p> <p>This initiative is to provide funding to meet the costs of preparing amendments, the panel, and statutory fees associated with them to allow implementation of various plans, frameworks and proposals.</p> | <p>The additional funding for Planning Scheme Amendments will be spent in the 2016/17 financial year. The timing of panel hearings was originally expected to occur in the 2015/16 financial year.</p> |



SERVICES FUNDED IN THE 2015/16 BUDGET

| 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. | (965) <u>(807)</u> 158 |
| Property Asset Management | To effectively manage Council land, property leases and licences as per the property register. | 158 <u>(106)</u> (264) |
| Building Maintenance | This service prepares maintenance management programs for Council's property assets. These include municipal buildings, pavilions and other community buildings. | 1,182 <u>1,170</u> (12) |
| 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. | 2,475 <u>2,295</u> (180) |
| Road Safety | This service is for the provision of street lighting and bus stop maintenance. | 311 <u>320</u> 9 |
| 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. | 3,051 <u>3,185</u> 134 |
| Asset Management | This service undertakes the design and coordination of Council's Capital Improvement Program. | 1,257 <u>1,221</u> (272) |
| 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. | 84 <u>98</u> 14 |
| 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. | 3,688 <u>3,416</u> (272) |
| Statutory Planning | Deliver statutory planning functions of Council to ensure responsible land use and development in Moorabool. | 344 <u>659</u> 315 |

| Service | Description | Net Cost Actual Budget Variance \$000 |
|---|---|---|
| Environmental Management | This service develops environmental policy, coordinates and implements environmental projects and works with other services to improve Council's environmental performance. | 258 <u>308</u> 50 |
| Strategic Land Use Planning | Delivery of key strategic policies and projects that assist in the long-term development of the Shire. | 1,045 <u>1,199</u> 154 |
| Public Toilets | Cleaning and general maintenance of all public toilets. | 171 <u>155</u> (16) |
| 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. | (6,597) <u>(5,400)</u> 1,197 |
| Geographical Information Services | Spatial maintenance of all land parcels. | 103 <u>105</u> 2 |



SERVICE PERFORMANCE INDICATORS

This Local Government Performance Reporting Framework (LGPRF) contains service performance indicators across ten broad service areas. These services have the following important features:

- Their key objectives are common or similar across Councils (lending themselves to comparative performance reporting).
- Councils have primary control and/or statutory responsibility for delivery of selected services.
- Services are viewed as important to the community.
- They make an important contribution to the community and/or economy (meaning there are potentially significant gains from improved effectiveness or efficiency).

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

| Ref | Service/indicator/measure | Results 2014/15 | Results 2015/16 | Material Variations |
|-----|---|-----------------|-----------------|---|
| AF1 | <p>Aquatic Facilities Satisfaction <i>User satisfaction with aquatic facilities (optional)</i> [User satisfaction with how Council has performed on provision of aquatic facilities]</p> | N/A | N/A | No figure reported for this optional measure |
| AF2 | <p>Service standard <i>Health inspections of aquatic facilities</i> [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]</p> | 1.00 | 1.00 | No Material Variations |
| AF3 | <p>Health and Safety <i>Reportable safety incidents at aquatic facilities</i> [Number of WorkSafe reportable aquatic facility safety incidents]</p> | 2.00 | 0.00 | There were no reportable safety incidents for the 2015/16 period |
| AF4 | <p>Service cost <i>Cost of indoor aquatic facilities</i> [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]</p> | N/A | N/A | MSC do not have any indoor aquatic facilities |
| AF5 | <p>Service Cost <i>Cost of outdoor aquatic facilities</i> [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]</p> | \$22.22 | \$27.45 | Costs have increased due in part to a change in contract. A new contract commenced last financial year for a period of 2 years concluding on June 30 2017. |
| AF6 | <p>Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]</p> | 0.28 | 0.23 | Our facilities are outdoors, and are affected by factors such as weather and days the facility is open. They are governed by a weather policy, where they remain closed if thresholds are not met. This and other seasonal variations have led to a decline in patronage for this period. |
| AM1 | <p>Animal Management Timeliness <i>Time taken to action animal management requests</i> [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]</p> | N/A | 5.74 | No Material Variations |

| Ref | Service/indicator/measure | Results 2014/15 | Results 2015/16 | Material Variations |
|-----|--|-----------------|-----------------|--|
| AM2 | <p><u>Service standard</u> <i>Animals reclaimed</i> [Number of animals reclaimed / Number of animals collected] x100</p> | 45.00% | 53.82% | There has been a positive trend in the number of animals reclaimed this year. |
| AM3 | <p><u>Service cost</u> <i>Cost of animal management service</i> [Direct cost of the animal management service / Number of registered animals]</p> | \$61.14 | \$70.61 | Council has maintained its level of service delivery through the budget which includes proactive measures for compliance. This approach appears to have reduced the number of complaints registered with Council while maintaining the same budget. This results in an increase in the cost of dealing with registered complaints. |
| AM4 | <p><u>Health and safety</u> <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]</p> | 0.00 | 0.00 | There were no animal management prosecutions for the 2015/16 period |
| FS1 | <p><u>Food Safety</u> <u>Timeliness</u> <i>Time taken to action food complaints</i> [Number of days between receipt and first response action for all food complaints / Number of food complaints]</p> | N/A | 4.41 | No Material Variations |
| FS2 | <p><u>Service standard</u> <i>Food safety assessments</i> [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100</p> | 100.00% | 100.00% | No Material Variations |
| FS3 | <p><u>Service cost</u> <i>Cost of food safety service</i> [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]</p> | \$1,577.78 | \$1,466.41 | No Material Variations |
| FS4 | <p><u>Health and safety</u> <i>Critical and major non-compliance outcome notifications</i> [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</p> | 89.00% | 83.33% | No Material Variations |

| Ref | Service/indicator/measure | Results 2014/15 | Results 2015/16 | Material Variations |
|-----|---|-----------------|-----------------|---|
| G1 | <p>Governance Transparency <i>Council decisions made at meetings closed to the public</i> [Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x100</p> | 13.00% | 9.97% | There have been fewer confidential contract matters this year, leading to a reduction in decisions at closed meeting. |
| G2 | <p>Consultation and engagement <i>Satisfaction with community consultation and engagement</i> Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement</p> | 51.00 | 49.00 | No Material Variations |
| G3 | <p>Attendance <i>Councillor attendance at Council meetings</i> [The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)] x100</p> | 91.00% | 93.14% | No Material Variations |
| G4 | <p>Service cost <i>Cost of governance</i> [Direct cost of the governance service / Number of Councillors elected at the last Council general election]</p> | \$39,891.45 | \$40,298.92 | No Material Variations |
| G5 | <p>Satisfaction <i>Satisfaction with Council decisions</i> [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]</p> | 50.00 | 48.00 | No Material Variations |
| HC1 | <p>Home and Community Care (HACC) Timeliness <i>Time taken to commence the HACC service</i> [Number of days between the referral of a new client and the commencement of HACC service / Number of new clients who have received a HACC service]</p> | N/A | 4.10 | No Material Variations |
| HC2 | <p>Service standard <i>Compliance with Community Care Common Standards</i> [Number of Community Care Common Standards expected outcomes met / Number of expected outcomes under the Community Care Common Standards] x100</p> | 89.00% | 88.89% | No Material Variations |
| HC3 | <p>Service cost <i>Cost of domestic care service</i> [Cost of the domestic care service / Hours of domestic care service provided]</p> | N/A | \$81.95 | No Material Variations |
| HC4 | <p>Service cost <i>Cost of personal care service</i> [Cost of the personal care service / Hours of personal care service provided]</p> | N/A | \$31.78 | No Material Variations |

| Ref | Service/indicator/measure | Results 2014/15 | Results 2015/16 | Material Variations |
|-----|--|-----------------|-----------------|--|
| HC5 | <p><u>Service cost</u> <i>Cost of respite care service</i> [Cost of the respite care service / Hours of respite care service provided]</p> | N/A | \$46.33 | No Material Variations |
| HC6 | <p><u>Participation</u> <i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100</p> | 30.24% | 32.67% | No Material Variations |
| HC7 | <p><u>Participation</u> <i>Participation in HACC service by CALD people</i> [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100</p> | 12.98% | 18.97% | The increase since last year is due both to an increase in CALD people moving to Moorabool, and extra funding from DHHS and other sources allowing us to extend existing programs and add new ones, resulting in more clients being served. |
| LB1 | <p><u>Libraries</u> <u>Utilisation</u> <i>Library collection usage</i> [Number of library collection item loans / Number of library collection items]</p> | 3.95 | 4.76 | Loans stats have risen over the past year due to an increase in the population leading to a corresponding increase in membership. The library has also had excellent attendances at a range of events which usually results in increased loans on related topics. |
| LB2 | <p><u>Resource standard</u> <i>Standard of library collection</i> [Number of library collection items purchased in the last 5 years / Number of library collection items] x100</p> | 78.00% | 63.38% | The previous Ballarat Library collection purchasing subsidy has now ceased, fewer items were purchased in this period, however our collection is slightly larger overall. |
| LB3 | <p><u>Service cost</u> <i>Cost of library service</i> [Direct cost of the library service / Number of visits]</p> | \$6.25 | \$7.02 | No Material Variations |
| LB4 | <p><u>Participation</u> <i>Active library members</i> [Number of active library members / Municipal population] x100</p> | 12.00% | 9.24% | The library system was unable to narrow the parameters to exactly match the indicator definition in the 2014/15 year, this inability to exclude certain transactions resulted in a higher figure. The system has since been improved to provide more accurate results, which give the appearance of a drop in active membership for this period, whereas there has been no real decline. |

| Ref | Service/indicator/measure | Results 2014/15 | Results 2015/16 | Material Variations |
|-----|---|-----------------|-----------------|---|
| MC1 | <p>Maternal and Child Health (MCH)</p> <p>Satisfaction</p> <p>Participation in first MCH home visit [Number of first MCH home visits / Number of birth notifications received] x100</p> | 103.00% | No data | In 2016 there was an initiative to transition the majority of Victorian Councils offering Maternal and Child Health services to a new database. The database is not expected to provide reliable information until the end of September 2016. Therefore Council is unable to report this data for the 2015-2016 financial year. |
| MC2 | <p>Service standard</p> <p>Infant enrolments in the MCH service [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100</p> | 100.00% | No data | In 2016 there was an initiative to transition the majority of Victorian Councils offering Maternal and Child Health services to a new database. The database is not expected to provide reliable information until the end of September 2016. Therefore Council is unable to report this data for the 2015-2016 financial year. |
| MC3 | <p>Service cost</p> <p>Cost of the MCH service [Cost of the MCH service / Hours worked by MCH nurses]</p> | N/A | \$60.98 | No Material Variations |
| MC4 | <p>Participation</p> <p>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</p> | 82.00% | No data | In 2016 there was an initiative to transition the majority of Victorian Councils offering Maternal and Child Health services to a new database. The database is not expected to provide reliable information until the end of September 2016. Therefore Council is unable to report this data for the 2015-2016 financial year. |
| MC5 | <p>Participation</p> <p>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</p> | 78.00% | No data | In 2016 there was an initiative to transition the majority of Victorian Councils offering Maternal and Child Health services to a new database. The database is not expected to provide reliable information until the end of September 2016. Therefore Council is unable to report this data for the 2015-2016 financial year. |
| R1 | <p>Roads</p> <p>Satisfaction of use</p> <p>Sealed local road requests [Number of sealed local road requests / Kilometres of sealed local roads] x100</p> | 18.04 | 19.34 | No Material Variations |

| Ref | Service/indicator/measure | Results 2014/15 | Results 2015/16 | Material Variations |
|-----|--|-----------------|-----------------|---|
| R2 | <p>Condition</p> <p>Sealed local roads below the intervention level [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100</p> | 96.00% | 91.79% | No Material Variations |
| R3 | <p>Service cost</p> <p>Cost of sealed local road reconstruction [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]</p> | \$69.10 | \$59.13 | Several 2015/16 reconstruction works still in progress are being carried over into the 2016/17 financial year, resulting in a lower figure for this period. Subsequently the figure for next year is expected to be higher as a consequence. |
| R4 | <p>Service Cost</p> <p>Cost of sealed local road resealing [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]</p> | \$4.02 | \$4.18 | No Material Variations |
| R5 | <p>Satisfaction</p> <p>Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]</p> | 43.00 | 47.00 | There has been an improvement in community satisfaction for this period. |
| SP1 | <p>Statutory Planning</p> <p>Timeliness</p> <p>Time taken to decide planning applications [The median number of days between receipt of a planning application and a decision on the application]</p> | 63.00 | 73.00 | In order to improve times in deciding applications Council has concentrated on resolving a number of long outstanding applications. These application are ones that have been placed on hold either at the request of the applicant or by referral authorities due to concerns. By concentrating on these applications it has resulted in a higher number than usual of applications being determined in excess of 200 days, which has subsequently resulted in an overall increase in time to decide planning applications. The benefit of this is that Council anticipates a reduction in this figure in next year's results. |

| Ref | Service/indicator/measure | Results 2014/15 | Results 2015/16 | Material Variations |
|-----|---|-----------------|-----------------|--|
| SP2 | <p>Service standard</p> <p>Planning applications decided within 60 days [Number of planning application decisions made within 60 days / Number of planning application decisions made] x100</p> | 70.00% | 39.76% | Council had difficulties in replacing a Senior Planner due to a shortage of suitably qualified people in the market. This resulted in the reliance on contractors which added to the time in assessing applications. There was also an increase in more complex applications requiring additional external referrals and notification. |
| SP3 | <p>Service cost</p> <p>Cost of statutory planning service [Direct cost of the statutory planning service / Number of planning applications received]</p> | \$3,028.18 | \$2,129.04 | In the previous year Council had difficulties in sourcing suitably qualified replacement staff, which resulted in the reliance on contractors at much higher cost. Council is now appropriately staffed. |
| SP4 | <p>Decision making</p> <p>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</p> | 89.00% | 27.27% | There were a number of contentious applications which were determined by Council. During the VCAT process further negotiation was undertaken by both parties resulting in variations to Council's original determination. |
| WC1 | <p>Waste Collection Satisfaction</p> <p>Kerbside bin collection requests [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000</p> | 23.45 | 34.01 | The opening of many new subdivisions since last period, together with another area moving from fortnightly 240ltr to weekly 120ltr collections, has contributed to an increase in collection requests. |
| WC2 | <p>Service standard</p> <p>Kerbside collection bins missed [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000</p> | 2.26 | 1.41 | The positive trend in this indicator cannot be related to a particular cause. |
| WC3 | <p>Service cost</p> <p>Cost of kerbside garbage bin collection service [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]</p> | \$59.69 | \$63.40 | No Material Variations |
| WC4 | <p>Service cost</p> <p>Cost of kerbside recyclables collection service [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]</p> | \$34.64 | \$34.82 | No Material Variations |
| WC5 | <p>Waste diversion</p> <p>Kerbside collection waste diverted from landfill [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% | No Material Variations |

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;
- 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. Where required, Special Meetings of Council may be held to make decisions on important issues in-between times.

For the 2015-16 year Council held the following meetings:

- 11 Ordinary Council Meetings.
- 14 Special Council Meetings.

The table below depicts each Councillor as present or as an apology for each meeting in the 2015-16 year.

ORDINARY MEETINGS OF COUNCIL - COUNCILLOR ATTENDANCE 2015-16

| | Cr. Allan Comrie | Cr. David Edwards | Cr. John Spain | Cr. Tonia Dudzik | Cr. Tom Sullivan | Cr. Pat Toohey | Cr. Paul Tatchell |
|--------------------|------------------|-------------------|----------------|------------------|------------------|----------------|-------------------|
| 1-Jul-15 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 5-Aug-15 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 2-Sep-15 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 7-Oct-15 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 4-Nov-15 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 2-Dec-15 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 3-Feb-16 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 2-Mar-16 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 6-Apr-16 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 4-May-16 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 1-Jun-16 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | Leave of Absence |
| Number of Meetings | 11/11 | 11/11 | 11/11 | 11/11 | 11/11 | 11/11 | 10/11 |

SPECIAL MEETINGS OF COUNCIL - COUNCILLOR ATTENDANCE 2015-16

| | Cr. Allan Comrie | Cr. David Edwards | Cr. John Spain | Cr. Tonia Dudzik | Cr. Tom Sullivan | Cr. Pat Toohey | Cr. Paul Tatchell |
|-----------------------|------------------|-------------------|----------------|------------------|------------------|----------------|-------------------|
| 26-Aug-15 | ✓ | ✓ | ✓ | ✓ | ✓ | Apology | ✓ |
| 9-Sep-15 | ✓ | ✓ | ✓ | ✓ | Apology | ✓ | ✓ |
| 28-Oct-15 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 28/10/15 Stat meeting | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 25-Nov-15 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 17-Dec-15 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 21-Dec-15 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 20-Jan-16 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 10-Feb-16 | ✓ | Apology | ✓ | ✓ | ✓ | Apology | ✓ |
| 23-Mar-16 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 25-May-16 | ✓ | ✓ | ✓ | ✓ | ✓ | Apology | Leave of Absence |
| 22-Jun-16 | ✓ | Apology | ✓ | ✓ | ✓ | Apology | Leave of Absence |
| 29-Jun-16 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | Leave of Absence |
| 29-Jun-16 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | Leave of Absence |
| Number of Meetings | 14/14 | 12/14 | 14/14 | 14/14 | 13/14 | 10/14 | 10/14 |

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; and
- 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 Inc.
- Greendale Recreation Reserves Committee of Management
- Lal Lal Soldiers' Memorial Hall Committee of Management
- Maddingley Park Committee of Management
- Millbrook Community Centre
- Navigators Community Centre
- Rural Growth Strategy Committee
- Urban Growth Strategy Committee
- 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
- Moorabool Health and Wellbeing Advisory Committee
- Moorabool Landcare Advisory Committee
- Moorabool Recreation and Leisure Strategic Advisory Committee
- Place Making Committee
- Rural Advisory Committee
- Social Development Committee

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 Code was extensively reviewed earlier this year leading to a revised Code being adopted on 29 June 2016. This followed the introduction of new provisions in the Local Government Act 1989 in late 2015 and start of 2016.

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 2015-16, 22 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 2015 to 30 November 2015, the Councillor annual allowance for a category two (2) Council (as defined by the Local Government Act 1989) was fixed at \$23,539 per annum and the allowance for the Mayor was \$72,834 per annum. The Minister for Local Government approved an adjustment factor increase of 2.5% effective from 1 December 2015 under Section 73B(4) of the Local Government Act 1989. The annual allowances were adjusted for the period 1 December 2015 to 30 June 2016 to \$24,127 per annum for the Councillor allowance and \$74,655 per annum for the Mayoral allowance.

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 2015-16 year are set out in the following table.

| Councillors | TR \$ | CM \$ | CC \$ | IC \$ | CT \$ | Total \$ |
|--------------|----------|----------|----------|--------------|--------------|---------------|
| Cr. Edwards | - | - | - | 141 | - | 141 |
| Cr. Toohey | - | - | - | 1,802 | 4,873 | 6,675 |
| Cr. Sullivan | - | - | - | 1,327 | - | 1,327 |
| Cr. Comrie | - | - | - | 483 | 1,343 | 1,826 |
| Cr. Dudzik | - | - | - | 514 | - | 514 |
| Cr. Spain | - | - | - | 519 | - | 519 |
| Cr. Tatchell | - | - | - | 2,424 | - | 2,424 |
| | | | | 7,210 | 6,217 | 13,427 |

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

NOTE: No expenses were paid by Council including reimbursements to members of Council committees during the year.



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 Growth and Development and Manager Finance 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 2015-16 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 an 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.

| Governance and Management Items | Assessment | |
|--|---|---|
| 1. Community Engagement Policy (Policy outlining Council's commitment to engaging with the community on matters of public interest) | 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) | 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: 29/06/2016 | ✓ |
| 4. Annual Budget (Plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required) | Adopted in accordance with section 130 of the Act Date of adoption: 29/06/2016 | ✓ |
| 5. Asset Management Plans (Plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years) | Plans 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 | ✓ |
| 6. Rating Strategy (Strategy setting out the rating structure of Council to levy rates and charges) | Strategy Date of operation of current strategy: 04/05/2016 | ✓ |
| 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: 1/08/2014 | ✓ |
| 9. Municipal Emergency Management Plan (Plan under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery) | Prepared and maintained in accordance with section 20 of the Emergency Management Act 1986 Date of preparation: 20/03/2014 | ✓ |
| 10. Procurement Policy (Policy under section 186A of the Local Government Act 1989 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 Local Government Act 1989 Date of approval: 3/06/2015 | ✓ |
| 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. | ✗ |
| 13. Risk Management Framework (Framework outlining Council's approach to managing risks to the Council's operations) | Framework Date of operation of current framework: 25/03/2015 | ✓ |

| Governance and Management Items | Assessment | |
|--|--|---|
| 14. Audit Committee (Advisory Committee of Council under section 139 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements) | Established in accordance with section 139 of the Act Date of establishment: 23/03/2004 | ✓ |
| 15. Internal Audit (Independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls) | Engaged Date of engagement: 5/08/2015 | ✓ |
| 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) | Framework Date of operation of current framework: 1/07/2014 | ✓ |
| 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) | Current Reports Date reports presented: Quarter 1 - 4/11/2015, Quarter 2 - 3/02/2016, Quarter 3 - 4/05/2016, Quarter 4 - 3/08/2016 | ✓ |
| 18. Financial Reporting (Quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure) | Statements presented to Council in accordance with section 138(1) of the Act Date statements presented: Quarter 1 - 4/11/2015, Quarter 2 - 3/02/2016 Quarter 3 - 4/05/2016, Quarter 4 - 3/08/2016 | ✓ |
| 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 Date of reports: Half year (Q2) - 10/02/2016, Full year (Q4) - 10/08/2016 | ✓ |
| 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 Date of reports: Half year (Q2) - 3/02/2016, Full year (Q4) - 3/08/2016 | ✓ |
| 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 Date statements presented: 7/10/2015 | ✓ |
| 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 Date reviewed: 29/06/2016 | ✓ |
| 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 Date of reviews: 5/12/2012, 4/09/2013 and 2/07/2014 | ✓ |
| 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 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: 7/9/2016


Cr Allan Comrie

Mayor

Dated: 7/9/2016

STATUTORY INFORMATION

DOCUMENTS AVAILABLE FOR PUBLIC INSPECTION

New Local Government (General) Regulations came into effect in 2015, which included changes to the documents required to be made available for public inspection. The following two document registers are prescribed in the revised regulations.

1. 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.

CONTRACTS

During the year Council did not enter into any contracts valued at \$150,000 or more for any goods and services or works (ie construction/ building) that will exceed \$200,000 or more without first engaging in a competitive process. These figures are GST inclusive and are for the value of the life of the goods, services and works.

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.

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 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 2015/16, Council administered eleven (11) Freedom of Information requests. Two requests were carried out from the 2014/15 period, and one request was transferred to another agency.

| | |
|---|-----------|
| Requests granted in full | 2 |
| Requests granted in part, subject to specific exemptions | 1 |
| Requests denied in full, subject to specific exemptions | 1 |
| Requests being processed as of June 30 2015 | 2 |
| Other: (where requests were withdrawn, not proceeded with, under the FOI Act or no documents existed) | 4 |
| Total | 10 |

WHISTLEBLOWERS/PROTECTED DISCLOSURE PROCEDURES

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.

Under the Protected Disclosure Act 2012, Council had one disclosure made in 2015/16.

| | |
|--|---|
| Disclosures made to the Council | 1 |
| Disclosures referred to Independent Broad-based Anti-corruption Commission (IBAC) for determination as to whether they are public interest disclosures | 1 |
| Disclosed matters referred to the Council by IBAC | 0 |
| Disclosed matters referred by Council to IBAC or the Ombudsman for investigation | 0 |
| Investigations of disclosed matters taken over by IBAC 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 |





PART FIVE
Performance Statement

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 remaining 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 2016

| LGV Ref | Indicator / measure | Results 2015 | Results 2016 | Material Variations and Comments |
|---------|--|--------------|--------------|--|
| C1 | Population <i>Expenses per head of municipal population</i> [Total expenses / Municipal population] | \$1,352.32 | \$1,410.85 | No Material Variations |
| C2 | <i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population] | \$12,782.93 | \$14,704.57 | The increase is the result of a large capital works budget for 2015/16, and the effect of asset revaluations for some asset classes in the 2015/16 year. |
| C3 | <i>Population density per length of road</i> [Municipal population / Kilometres of local roads] | 21.48 | 21.97 | No material variation |
| C4 | Own-source revenue <i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population] | \$903.51 | \$1,089.31 | Own source revenue per head of population has increased in the 2015/16 year due to the reimbursement of costs incurred for the Scotsburn Fires being included in the calculation base. |
| C5 | Recurrent grants <i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population] | \$431.03 | \$268.03 | The early payment of \$2.8M in Victorian Grants Commission funding has negatively impacted the 2016 Actual |
| C6 | Disadvantage <i>Relative Socio-Economic Disadvantage</i> [Index of Relative Socio-Economic Disadvantage by decile] | 7.00 | 7.00 | No Material Variations |

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.

“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.

SERVICE PERFORMANCE INDICATORS - FOR THE YEAR ENDED 30 JUNE 2016

| LGV Ref | Service / Indicator / measure | Results 2015 | Results 2016 | Material Variations and Comments |
|---------|--|--------------|--------------|---|
| AF6 | <p>Aquatic Facilities Utilisation</p> <p><i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]</p> | 0.28 | 0.23 | Our facilities are outdoors, and are affected by factors such as weather and days the facility is open. They are governed by a weather policy, where they remain closed if thresholds are not met. This and other seasonal variations have led to a decline in patronage for this period. |
| AM4 | <p>Animal Management Health and safety</p> <p><i>Animal management prosecutions</i> [Number of successful animal management prosecutions]</p> | 0.00 | 0.00 | There were no animal management prosecutions for the 2015/16 period. |
| FS4 | <p>Food Safety Health and safety</p> <p><i>Critical and major non-compliance outcome notifications</i> [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</p> | 89.00% | 83.33% | No Material Variations |
| G5 | <p>Governance Satisfaction</p> <p><i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]</p> | 50.00 | 48.00 | No Material Variations |
| HC6 | <p>Home and Community Care (HACC) Participation</p> <p><i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100</p> | 30.24% | 32.67% | No Material Variations |
| HC7 | <p>Participation</p> <p><i>Participation in HACC service by CALD people</i> [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100</p> | 12.98% | 18.97% | The increase since last year is due both to an increase in CALD people moving to Moorabool, and extra funding from DHHS and other sources allowing us to extend existing programs and add new ones, resulting in more clients being served. |

SERVICE PERFORMANCE INDICATORS - FOR THE YEAR ENDED 30 JUNE 2016

| LGV Ref | Service / Indicator / measure | Results 2015 | Results 2016 | Material Variations and Comments |
|---------|--|--------------|--------------|--|
| LB4 | <p>Libraries Participation Active library members [Number of active library members / Municipal population] x100</p> | 12.00% | 9.24% | The library system was unable to narrow the parameters to exactly match the indicator definition in the 2014/15 year, this inability to exclude certain transactions resulted in a higher figure. The system has since been improved to provide more accurate results, which give the appearance of a drop in active membership for this period, whereas there has been no real decline. |
| MC4 | <p>Maternal and Child Health (MCH) Participation 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</p> | 82.00% | No data | In 2016 there was an initiative to transition the majority of Victorian councils offering Maternal and Child Health services to a new database. The database is not expected to provide reliable information until the end of September 2016. Therefore Council is unable to report this data for the 2015-2016 financial year. |
| MC5 | <p>Participation 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</p> | 78.00% | No data | In 2016 there was an initiative to transition the majority of Victorian councils offering Maternal and Child Health services to a new database. The database is not expected to provide reliable information until the end of September 2016. Therefore Council is unable to report this data for the 2015-2016 financial year. |
| R5 | <p>Roads Satisfaction Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]</p> | 43.00 | 47.00 | There has been an improvement in community satisfaction for this period. |
| SP4 | <p>Statutory Planning Decision making 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</p> | 89.00% | 27.27% | There were a number of contentious applications which were determined by Council which had the potential for determining either way. During the VCAT process further negotiation was undertaken by both parties resulting in variations to Council's original determination. |
| WC5 | <p>Waste Collection Waste diversion Kerbside collection waste diverted from landfill [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% | No Material Variations |

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.



FINANCIAL PERFORMANCE INDICATORS - FOR THE YEAR ENDED 30 JUNE 2016

| LGV Ref | Dimension/ indicator/measure | Results 2015 | Results 2016 | F/ casts 2017 | 2018 | 2019 | 2020 | Material Variations |
|---------|--|-----------------|-----------------|---------------------|------------|------------|------------|--|
| E1 | Efficiency Revenue level <i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments] | \$1,392.85 | \$1,460.85 | \$1,511.94 | \$1,564.82 | \$1,619.57 | \$1,676.30 | No Material Variations |
| E2 | Expenditure level <i>Expenses per property assessment</i> [Total expenses / Number of property assessments] | \$2,665.52 | \$2,677.65 | \$2,724.55 | \$2,818.73 | \$2,890.28 | \$2,952.32 | No Material Variations |
| E3 | Workforce turnover <i>Resignations and terminations compared to average staff</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100 | 8.89% | 9.91% | 8.70% | 8.62% | 8.53% | 8.44% | A number of long-serving staff retired during the 2015/16 year. |
| L1 | Liquidity Working capital <i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100 | 183.45% | 195.20% | 130.72% | 174.85% | 194.68% | 222.37% | No Material Variations |
| L2 | Unrestricted cash <i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100 | 42.66% | 33.65% | 48.31% | 92.92% | 115.63% | 143.10% | <p>The 2016 Actual was impacted by the Scotsburn Fires. As a result, Council was required to fund restoration and remedial works through cash and working capital. Council has submitted a claim for costs of \$1.031M and is expecting to receive the funds in the 2016/17 financial year. In addition to this, unrestricted cash was negatively impacted by the delay in the sale of a significant land parcel. The land sale is now expected to be settled in the 2016/17 financial year. After taking into account these timing delays, council's levels of unrestricted cash would have improved.</p> |

FINANCIAL PERFORMANCE INDICATORS - FOR THE YEAR ENDED 30 JUNE 2016

| LGV Ref | Dimension/ indicator/measure | Results 2015 | Results 2016 | F/ casts 2017 | 2018 | 2019 | 2020 | Material Variations |
|---------|--|-----------------|-----------------|---------------------|--------|--------|--------|--|
| 01 | <p>Obligations Asset renewal Asset renewal compared to depreciation [Asset renewal expense / Asset depreciation] x100</p> | 99.79% | 118.98% | 91.48% | 76.30% | 65.52% | 86.32% | Asset renewal expenditure for the 2016 Actual was greater than anticipated due in large part to the receipt of additional Blackspot funding. The 2017 forecast will also be favorably impacted by the receipt of additional Roads to Recovery grant funding. Over the long term, asset renewal expenditure is expected to progressively increase. This is due to an increase in Councils capacity to internally fund asset renewal with a reduced reliance on government grants to fund future programs. |
| 02 | <p>Loans and borrowings Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x100</p> | 43.54% | 51.28% | 52.83% | 50.62% | 49.43% | 44.52% | In the 2015/16 financial year, Council took up additional borrowings to progress a number of important projects including the Darley Early Years Hub and the construction of Halletts Way. Council is likely to continue to utilise debt borrowings as a source of project funding to fund the development of strategically important projects to the community. |
| 03 | <p>Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100</p> | 8.84% | 7.46% | 7.53% | 6.90% | 5.77% | 5.34% | Loans taken up in 2014/15 and 2015/16 are interest-only, with principal due on maturity, which differs from earlier borrowings which included both principal and interest repayments on a periodic basis. In addition, council has benefitted from falling interest rates in recent years. |
| 04 | <p>Indebtedness Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100</p> | 41.11% | 44.51% | 48.49% | 47.33% | 46.30% | 42.93% | No Material Variations |

FINANCIAL PERFORMANCE INDICATORS - FOR THE YEAR ENDED 30 JUNE 2016

| LGV Ref | Dimension/ indicator/measure | Results 2015 | Results 2016 | F/ casts 2017 | 2018 | 2019 | 2020 | Material Variations |
|---------|--|-----------------|-----------------|---------------------|--------|--------|--------|---|
| OP1 | <p>Operating position Adjusted underlying result Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100</p> | -0.43% | -2.64% | 3.50% | -1.09% | 0.12% | 1.66% | The early payment of 2015/16 Victorian Grants Commission funding into the previous financial year has impacted the results of both 2014/15 and 2015/16 financial years. As a result of this, Council is reporting a small adjusted underlying deficit in 2015/16. The future outlook for this measure is improving. |
| S1 | <p>Stability Rates concentration Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100</p> | 66.36% | 70.41% | 67.34% | 70.57% | 70.38% | 70.21% | Moorabool Shire has a relatively high reliance on Rates. This is primarily due to Moorabool receiving significantly lower levels of recurrent government funding on a per capita basis as compared to the Victorian average. Moorabool Shire also has a limited capacity to raise significant levels of income through user fees and statutory charges. |
| S2 | <p>Rates effort Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality] x100</p> | 0.48% | 0.50% | 0.52% | 0.53% | 0.54% | 0.55% | No Material Variations |



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.

OTHER INFORMATION

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 29 June 2016 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.

2015-16 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: 7 September 2016

In our opinion, the accompanying performance statement of the (council name) for the year ended 30 June 2016 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: 7 September 2016

Cr. David Edwards
Councillor
Dated: 7 September 2016

Rob Croxford
Chief Executive Officer
Dated: 7 September 2016

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Moorabool Shire Council

The Performance Statement

I have audited the accompanying performance statement for the year ended 30 June 2016 of the Moorabool Shire Council which comprises the statement, the related notes and the certification of the performance statement has been audited.

The Councillors' Responsibility for the Performance Statement

The Councillors of the Moorabool Shire Council are responsible for the preparation and fair presentation of the performance statement in accordance with the *Local Government Act 1989* and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the performance statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Local Government Act 1989*, my responsibility is to express an opinion on the performance statement based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the performance statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the performance statement. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the performance statement, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the performance statement 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 entity's internal control. An audit also includes evaluating the overall presentation of the performance statement.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independent Auditor's Report (continued)

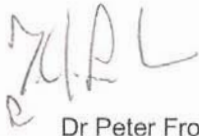
Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, I and my staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the performance statement of the Moorabool Shire Council in respect of the 30 June 2016 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

MELBOURNE
9 September 2016



Dr Peter Frost
Acting Auditor-General



PART SIX
Financial Statements

Moorabool Shire Council
2015/2016 Financial Report
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Comprehensive Income Statement For the Year Ended 30 June 2016

| | Note | 2016 \$'000 | 2015 \$'000 |
|--|-------|-----------------|-----------------|
| Income | | | |
| Rates and charges | 3 | 29,331 | 27,633 |
| Statutory fees and fines | 4 | 448 | 482 |
| User fees | 5 | 1,918 | 1,716 |
| Grants - operating | 6 | 6,518 | 11,822 |
| Grants - capital | 6 | 4,699 | 4,961 |
| Contributions - monetary | 7 | 1,254 | 933 |
| Contributions - non-monetary | 7 | 5,481 | 3,848 |
| Net gain (loss) on disposal of property, infrastructure, plant and equipment and investment properties | 8 | (1,682) | (3,612) |
| Other income | 9 | 2,612 | 1,723 |
| Total Income | | 50,579 | 49,507 |
| Expenses | | | |
| Employee costs | 10 | (17,729) | (17,094) |
| Materials and services | 11 | (15,854) | (15,428) |
| Bad and doubtful debts | 12 | (58) | (22) |
| Depreciation and amortisation | 13 | (7,398) | (7,708) |
| Borrowing costs | 14 | (724) | (777) |
| Loss on revaluation | | (324) | - |
| Other expenses | 15 | (667) | (793) |
| Total Expenses | | (42,755) | (41,823) |
| Surplus/(deficit) for the year | | 7,825 | 7,684 |
| Other comprehensive income | | | |
| Items that will not be reclassified to surplus or deficit in future periods | | | |
| Net asset revaluation increment/(decrement) | 27(a) | 15,707 | 14,616 |
| Total comprehensive Result | | 23,532 | 22,300 |

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

Balance Sheet As at 30 June 2016

| | Note | 2016 \$'000 | 2015 \$'000 |
|--|------|----------------|----------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 16 | 12,452 | 12,173 |
| Trade and other receivables | 17 | 4,978 | 4,377 |
| Other financial assets | 18 | - | - |
| Inventories | 19 | 21 | 21 |
| Non-current assets classified as held for sale | 20 | 991 | 991 |
| Other assets | 21 | 1,412 | 306 |
| Total current assets | | 19,854 | 17,868 |
| Non-current assets | | | |
| Trade and other receivables | 17 | 126 | 122 |
| Property, infrastructure, plant and equipment | 22 | 463,135 | 438,127 |
| Total non-current assets | | 463,261 | 438,249 |
| Total assets | | 483,115 | 456,117 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 23 | 3,795 | 3,856 |
| Trust funds and deposits | 24 | 781 | 599 |
| Provisions | 25 | 4,164 | 3,820 |
| Interest-bearing loans and borrowings | 26 | 1,431 | 1,464 |
| Total current liabilities | | 10,171 | 9,740 |
| Non-current liabilities | | | |
| Provisions | 25 | 909 | 919 |
| Interest-bearing loans and borrowings | 26 | 13,611 | 10,567 |
| Total non-current liabilities | | 14,520 | 11,486 |
| Total liabilities | | 24,692 | 21,226 |
| Net assets | | 458,423 | 434,891 |
| Equity | | | |
| Accumulated surplus | | 138,035 | 131,611 |
| Reserves | 27 | 320,388 | 303,281 |
| Total Equity | | 458,423 | 434,891 |

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

Statement of Changes in Equity For the Year Ended 30 June 2016

| 2016 | Note | Total \$'000 | Accumulated Surplus \$'000 | Revaluation Reserve \$'000 | Other Reserves \$'000 |
|---|------|-----------------|----------------------------------|----------------------------------|-----------------------------|
| Balance at beginning of the financial year | | 434,891 | 131,611 | 298,973 | 4,307 |
| Surplus/(deficit) for the year | 27a | 7,825 | 7,825 | - | - |
| Net asset revaluation increment/(decrement) | | 15,707 | - | 15,707 | - |
| Transfers to other reserves | 27b | - | (2,455) | - | 2,455 |
| Transfers from other reserves | 27b | - | 1,055 | - | (1,055) |
| Balance at end of the financial year | | 458,423 | 138,035 | 314,680 | 5,708 |

| 2015 | Note | Total \$'000 | Accumulated Surplus \$'000 | Revaluation Reserve \$'000 | Other Reserves \$'000 |
|---|------|-----------------|----------------------------------|----------------------------------|-----------------------------|
| Balance at beginning of the financial year | | 412,592 | 124,985 | 284,358 | 3,249 |
| Surplus/(deficit) for the year | 27a | 7,684 | 7,684 | - | - |
| Net asset revaluation increment/(decrement) | | 14,616 | - | 14,616 | - |
| Transfers to other reserves | 27b | - | (1,374) | - | 1,374 |
| Transfers from other reserves | 27b | - | 315 | - | (315) |
| Balance at end of the financial year | | 434,891 | 131,611 | 298,973 | 4,307 |

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

Statement of Cash Flows For the Year Ended 30 June 2016

| | 2016 | 2015 |
|---|-------------------------|------------------------|
| | Inflows/ (Outflows) | Inflows/ (Outflows) |
| Note | \$'000 | \$'000 |
| Cash flows from operating activities | | |
| Rates and charges | 29,209 | 27,480 |
| Statutory fees and fines | 448 | 481 |
| User fees (inclusive of GST) | 1,546 | 1,624 |
| Grants - operating | 6,518 | 12,172 |
| Grants - capital | 4,699 | 4,961 |
| Contributions - monetary | 1,254 | 933 |
| Interest received | 431 | 469 |
| Trust funds and deposits taken | 634 | 117 |
| Other receipts (inclusive of GST) | 2,286 | 1,293 |
| Net GST refund/payment | 2,555 | 1,938 |
| Employee costs | (17,394) | (16,798) |
| Materials and services (inclusive of GST) | (19,774) | (20,515) |
| Trust funds and deposits repaid | (452) | (331) |
| Other payments | (725) | (815) |
| Net cash provided by (used in) operating activities | 28 <u>11,233</u> | <u>13,008</u> |
| Cash flows from investing activities | | |
| Payments for property, infrastructure, plant and equipment | (13,606) | (9,194) |
| Proceeds from sale of property, infrastructure, plant and equipment | 364 | 228 |
| Net cash provided by (used in) investing activities | <u>(13,242)</u> | <u>(8,966)</u> |
| Cash flows from financing activities | | |
| Finance costs | (724) | (777) |
| Proceeds from borrowings | 4,476 | 1,000 |
| Repayment of borrowings | (1,464) | (1,667) |
| Net cash provided by (used in) financing activities | <u>2,287</u> | <u>(1,444)</u> |
| Net increase (decrease) in cash and cash equivalents | 279 | 2,598 |
| Cash and cash equivalents at the beginning of the financial year | 12,173 | 9,576 |
| Cash and cash equivalents at the end of the financial year | 16 <u>12,452</u> | <u>12,173</u> |
| Financing arrangements | 29 | |
| Restrictions on cash assets | 16 | |

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

Statement of Capital Works For the Year Ended 30 June 2016

| | Note | 2016 \$'000 | 2015 \$'000 |
|--|------|----------------|----------------|
| Property | | | |
| Land | | 50 | 133 |
| Buildings | | 460 | 507 |
| Total property | | <u>510</u> | <u>640</u> |
| Plant and equipment | | | |
| Plant, machinery and equipment | | 1,382 | 1,521 |
| Computers and telecommunications | | 12 | 16 |
| Library books | | 100 | 143 |
| Total plant and equipment | | <u>1,494</u> | <u>1,680</u> |
| Infrastructure | | | |
| Roads | | 7,674 | 5,740 |
| Bridges | | 809 | 157 |
| Footpaths and cycleways | | 826 | 166 |
| Drainage | | 144 | 84 |
| Recreational, leisure and community facilities | | 1,908 | 520 |
| Parks, open space and streetscapes | | - | 45 |
| Other infrastructure | | 242 | 163 |
| Total infrastructure | | <u>11,603</u> | <u>6,875</u> |
| Total capital works expenditure | | <u>13,606</u> | <u>9,194</u> |
| Represented by: | | | |
| New asset expenditure | | 2,175 | 971 |
| Asset renewal expenditure | | 8,802 | 7,692 |
| Asset upgrade expenditure | | 2,628 | 531 |
| Total capital works expenditure | | <u>13,606</u> | <u>9,194</u> |

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.

Note 1 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 1 (k))
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 1 (l))
- the determination of employee provisions (refer to note 1 (r))

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.

(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.

Rates and charges

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.

Statutory fees and fines

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.

User fees

User fees are recognised as revenue when the service has been provided or the payment is received, whichever first occurs.

Grants

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.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in note 6. The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

Note 1 Significant accounting policies (cont.)

(d) Revenue recognition (cont.)

Contributions

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

Sale of property, infrastructure, plant and equipment

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

Interest

Interest is recognised as it is earned.

Dividends

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

Other Income

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.

(e) Fair value measurement

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.

(f) Cash and cash equivalents

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.

(g) Trade and other receivables

Receivables are carried at 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.

(h) 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.

(i) Inventories

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. Inventories are measured at the lower of cost and net realisable value.

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.

Note 1 Significant accounting policies (cont.)

(j) Non-current assets classified as held for sale

A non-current asset held for sale (including disposal groups) is measured at the lower of its carrying amount and fair value less costs to sell, 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.

(k) Recognition and measurement of property, plant and equipment, infrastructure, intangibles

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 amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

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 1(l) have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

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 22, 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.

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.

(l) Depreciation and amortisation of property, plant and equipment, infrastructure

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 1 Significant accounting policies (cont.)

(l) Depreciation and amortisation of property, plant and equipment, infrastructure (cont.)

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

Asset recognition thresholds and depreciation periods

| | 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 | Infinite | 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 |

(m) 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.

(n) Investment property

Investment property, comprising freehold office complexes, 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.

(o) 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 to sell 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.

(p) Trust funds and deposits

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 (refer to note 24).

Note 1 Significant accounting policies (cont.)

(q) Borrowings

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.

Borrowing costs

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.

(r) Employee costs and benefits

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 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.

Classification of employee costs

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.

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.

(s) Quarry rehabilitation provision

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.

(t) Leases

Operating leases

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

Note 1 Significant accounting policies (cont.)

(u) 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.

(v) 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 probable 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 33 Contingent Liabilities and Contingent Assets.

(w) 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.

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.

(x) Pending accounting standards

Certain new AAS's have been issued that are not mandatory for the 30 June 2016 reporting period. Council has assessed these pending standards and has identified that no material impact will flow from the application of these standards in future reporting periods.

(y) 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 2 Budget Comparison

The budget comparison notes compare Council's financial plan, expressed through its annual budget, with actual performance. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$1,000,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 3 June 2015. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

These notes are prepared to meet the requirements of the Local Government Act 1989 and the Local Government (Planning and Reporting) Regulations 2014.

| | Budget | Actual | Variance | |
|---|-----------------|-----------------|--------------|-----|
| a) Income and Expenditure | 2016 | 2016 | 2016 | Ref |
| | \$'000 | \$'000 | \$'000 | |
| Income | | | | |
| Rates and charges | 29,113 | 29,331 | 218 | |
| Statutory fees and fines | 600 | 448 | (152) | 1 |
| User fees | 1,654 | 1,918 | 264 | 2 |
| Grants - operating | 8,701 | 6,518 | (2,183) | 3 |
| Grants - capital | 4,517 | 4,699 | 182 | |
| Contributions - monetary | 780 | 1,254 | 474 | 4 |
| Contributions - non monetary | 4,500 | 5,481 | 981 | 5 |
| Net gain/(loss) on disposal of property, infrastructure, plant and equip. | (1,491) | (1,682) | (191) | 6 |
| Interest received | 397 | 431 | 35 | |
| Other income | 1,026 | 2,181 | 1,155 | 7 |
| Total income | 49,797 | 50,579 | 783 | |
| Expenses | | | | |
| Employee costs | (17,735) | (17,729) | 6 | |
| Materials and services | (14,292) | (15,854) | (1,562) | 8 |
| Bad and doubtful debts | - | (58) | (58) | |
| Depreciation and amortisation | (8,595) | (7,398) | 1,196 | 9 |
| Borrowing costs | (864) | (724) | 140 | 10 |
| Loss on revaluation | - | (324) | (324) | |
| Other expenses | (782) | (667) | 115 | 11 |
| Total expenses | (42,268) | (42,755) | (487) | |
| Surplus/(deficit) for the year | 7,529 | 7,825 | 296 | |

Note 2 Budget Comparison (cont.)

(i) Explanation of material variations

| Ref | Item | Explanation |
|-----|--|---|
| 1 | Statutory fees and fines | Variance primarily due to reclassification of Local Laws permits (\$15k budget) and Food/Health Act registrations (\$105k budget). The budget for these is in statutory fees, however the actual income is classified as Council fees. In addition to this, there was unexpected income in planning enforcement (\$33k) relating to court costs awarded. |
| 2 | User fees | As per item 1 above, variance primarily due to reclassification of Local Laws permits (\$15k budget) and Food/Health Act registrations (\$105k budget). In addition to this, there are a number of other variances, the larger being an additional \$60k in agency receipts from Ballan Health and Care and \$32k for Meals on Wheels (these are both offset by increased costs), an additional \$35k in income from animal registrations and higher than expected takings from Bacchus Marsh transfer station (\$21k). |
| 3 | Grants - operating | Variance is primarily due to receiving \$1.98m in Financial Assistance Grants and \$895k in local roads funding relating to 2015/16 in the previous financial year. |
| 4 | Contributions - monetary | Actual is greater than budget by \$474k overall mainly due to increases in Public Open Space Contributions (\$256k) and Developer Contributions (\$200k). |
| 5 | Contributions - non monetary | Due to the highly unpredictable nature of non-monetary contributions, an estimate of potential value was made for budget purposes, however the actual value of these contributions came in higher than what was originally estimated. |
| 6 | Net gain/(loss) on disposal of property, infrastructure, plant and equipment | Overall the variance is not significant and mainly relates to the write off of various Parks and Reserves infrastructure that was no longer deemed Council assets. |
| 7 | Other income | This variance relates to a reimbursement claim of \$1.031m for costs incurred during the Scotsburn fire in December 2015. |
| 8 | Materials and services | Variance is primarily due to unbudgeted costs of \$1.023m for Scotsburn Fire relief and recovery efforts. As per item 7 above, the majority of these expenses will be reimbursed. |
| 9 | Depreciation and amortisation | The actual depreciation expense was \$1.196m under budget primarily due to the budget containing the assumption that the scheduled revaluations on infrastructure assets would be done as at 1 July 2015. The actual date of the revaluation was 30 June 2016. Therefore, the impact on depreciation expense of the new valuations will not be brought to account until the 2016/17 financial year. The 2015/16 Budget also assumed a significantly larger revaluation increment than what actually occurred. |
| 10 | Borrowing costs | Loan interest came in under budget as the loan budgeted to be taken up during 2015/16 was taken up later in the year than originally proposed in the budget. |
| 11 | Other expenses | Variance is primarily related to savings in Server leases (\$71k) as a number of leases were bought out or completed during 2015. In addition, sitting fees for Planning Scheme amendments were not used as no panels were held during the year (\$34k). |

Note 2 Budget Comparison (cont.)

| | Budget 2016 \$'000 | Actual 2016 \$'000 | Variance 2016 \$'000 | Ref |
|--|--------------------------|--------------------------|----------------------------|-----|
| b) Capital Works | | | | |
| Property | | | | |
| Land | - | 50 | 50 | |
| Buildings | 240 | 460 | 220 | 1 |
| Total property | 240 | 510 | 270 | |
| Plant and equipment | | | | |
| Plant, machinery and equipment | 1,367 | 1,382 | 15 | |
| Computers and telecommunications | - | 12 | 12 | |
| Library books | - | 100 | 100 | |
| Total plant and equipment | 1,367 | 1,494 | 127 | |
| Infrastructure | | | | |
| Roads | 7,981 | 7,674 | (307) | |
| Bridges | 175 | 809 | 634 | 2 |
| Footpaths and cycleways | 207 | 826 | 619 | 3 |
| Drainage | 90 | 144 | 54 | 4 |
| Recreational, leisure and community facilities | 5,145 | 1,908 | (3,237) | 5 |
| Parks, open space and streetscapes | - | - | - | |
| Other infrastructure | 8 | 242 | 234 | 6 |
| Total infrastructure | 13,606 | 11,603 | (2,003) | |
| Total capital works expenditure | 15,213 | 13,606 | (1,607) | |
| Represented by: | | | | |
| New asset expenditure | 6,975 | 2,175 | (4,800) | |
| Asset renewal | 5,947 | 8,802 | 2,856 | |
| Asset upgrade | 2,291 | 2,628 | 337 | |
| Total capital works expenditure | 15,213 | 13,606 | (1,607) | |

(i) Explanation of material variations

| Ref | Item | Explanation |
|-----|--|--|
| 1 | Buildings | Capital expenditure on buildings was \$220k greater than budget due to the completion of projects carried forward from prior years. The most significant project being the Bacchus Marsh Public Hall Kitchen Upgrade. |
| 2 | Bridges | Capital expenditure on bridges was \$634k greater than budget due to the completion of projects carried forward from prior years. These projects include Lees Road, Clarendon-Blue Bridge Road, and various other rehabilitation works. |
| 3 | Footpaths and cycleways | Actual expenditure exceeded budget by \$619k mainly due to the completion of footpath works in Main Street, Bacchus Marsh. This project was carried forward from 2014/15. Other completed projects from prior years include Halletts Way, Links Road, and Fitzroy Street. |
| 4 | Drainage | Overall capital spend on drainage was \$54k over budget primarily due to an overspend on a project at Cowie Street, Ballan. This overspend has been funded from savings in other areas of the capital program. |
| 5 | Recreational, leisure and community facilities | Actual spend is less than budget by \$3.237m due to some larger projects being incomplete at year end. These projects will be completed in the 2016/17 financial year and include; Darley Children's Hub, and the Civic Oval Public Toilets and Change Room Amenities. |
| 6 | Other infrastructure | Actual spend on other infrastructure was \$234k over budget due to the completion of a new toilet facility at Moon Reserve, Bacchus Marsh. This project was not included in the original budget for 2015/16 as it was approved and budgeted for in the 2014/15 financial year. |

2016
\$'000

2015
\$'000

Note 3 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 2015/2016 was \$5,710 million (2014/2015 \$5,254 million).

| | | |
|--|---------------|---------------|
| General Rates | 25,460 | 23,767 |
| Waste / Garbage Charges | 3,660 | 3,633 |
| Supplementary rates and rate adjustments | 211 | 233 |
| Cultural and recreational | - | - |
| Revenue in lieu of rates | - | - |
| Total rates and charges | 29,331 | 27,633 |

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2014 and the valuation was first applied in the rating year commencing 1 July 2014.

Note 4 Statutory fees and fines

| | | |
|---------------------------------------|------------|------------|
| Infringements and costs | 95 | 147 |
| Court recoveries | 37 | 25 |
| Town planning fees | 254 | 255 |
| Land information certificates | 34 | 29 |
| Permits | 27 | 25 |
| Freedom of Information | 1 | 1 |
| Total statutory fees and fines | 448 | 482 |

Note 5 User fees

| | | |
|--|--------------|--------------|
| Aged and health services | 574 | 531 |
| Leisure centre and recreation | 40 | 30 |
| Child care/children's programs | 62 | 59 |
| Animal registrations and other permits | 492 | 450 |
| Building services | 332 | 236 |
| Waste management services | 325 | 335 |
| Other fees and charges | 94 | 75 |
| Total user fees | 1,918 | 1,716 |

Note 6 Grants

Grants were received in respect of the following :

Summary of grants

| | | |
|----------------------------|---------------|---------------|
| Commonwealth funded grants | 5,573 | 11,326 |
| State funded grants | 5,085 | 5,428 |
| Others | 559 | 29 |
| Total | 11,217 | 16,783 |

| | 2016 \$'000 | 2015 \$'000 |
|--|----------------|----------------|
| Note 6 Grants (cont.) | | |
| (a) Operating Grants | | |
| <i>Recurrent - Commonwealth Government</i> | | |
| Victoria Grants Commission | 2,942 | 8,629 |
| <i>Recurrent - State Government</i> | | |
| Aged care | 1,871 | 1,752 |
| School crossing supervisors | 49 | 54 |
| Libraries | 246 | 245 |
| Maternal and child health | 511 | 435 |
| Other | 312 | 336 |
| Total recurrent operating grants | 5,932 | 11,451 |
| <i>Non-recurrent - Commonwealth Government</i> | | |
| Healthy Ageing | 120 | - |
| Healthy Communities | 1 | (34) |
| <i>Non-recurrent - State Government</i> | | |
| Emergency management | 246 | 240 |
| Valuations | - | 93 |
| Strategic planning and tourism | 13 | 15 |
| Families and youth | 39 | 3 |
| Environment and health | 167 | 51 |
| Community development | - | 1 |
| Other | - | 2 |
| Total non-recurrent operating grants | 586 | 371 |
| Total operating grants | 6,518 | 11,822 |
| (b) Capital Grants | | |
| <i>Recurrent - Commonwealth Government</i> | | |
| Roads to recovery | 2,510 | 879 |
| <i>Recurrent - State Government</i> | | |
| Local roads | - | 1,000 |
| Total recurrent capital grants | 2,510 | 1,879 |
| <i>Non-recurrent - Commonwealth Government</i> | | |
| Emergency recovery | - | 1,853 |
| <i>Non-recurrent - State Government</i> | | |
| Community and recreational facilities | 244 | 232 |
| Local Roads | 1,386 | 969 |
| <i>Non-recurrent - Other sources</i> | | |
| Sundry capital grants | 559 | 29 |
| Total non-recurrent capital grants | 2,189 | 3,083 |
| Total capital grants | 4,699 | 4,961 |

| | 2016 \$'000 | 2015 \$'000 |
|--|----------------|----------------|
| Note 6 Grants (cont.) | | |
| Unspent grants received on condition that they be spent in a specific manner | | |
| Balance at start of year | 1,015 | 665 |
| Received during the financial year and remain unspent at balance date | 612 | 900 |
| Received in prior years and spent during the financial year | (970) | (550) |
| Balance at year end | <u>656</u> | <u>1,015</u> |

| | | |
|-----------------------------|--------------|--------------|
| Note 7 Contributions | | |
| Monetary | 1,254 | 933 |
| Non-monetary | 5,481 | 3,848 |
| Total contributions | <u>6,735</u> | <u>4,781</u> |

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

| | | |
|---|--------------|--------------|
| Land | 562 | 266 |
| Infrastructure | 4,919 | 3,455 |
| Other | - | 127 |
| Total non-monetary contributions | <u>5,481</u> | <u>3,848</u> |

| | | |
|--|----------------|----------------|
| Note 8 Net gain (loss) on disposal of property, infrastructure, plant and equipment | | |
| Proceeds of sale | 364 | 313 |
| Written down value of assets disposed | (2,046) | (3,925) |
| Total net gain/(loss) on disposal of property, infrastructure, plant and equipment | <u>(1,682)</u> | <u>(3,612)</u> |

The loss on disposal of assets primarily relates to the value of road infrastructure written off as a result of its capital renewal

| | | |
|---|--------------|--------------|
| Note 9 Other income | | |
| Interest | 431 | 469 |
| Reimbursements, rebates and recoveries* | 1,396 | 413 |
| Recycling income | 124 | 132 |
| Other rent | 219 | 108 |
| Royalties | 55 | 64 |
| Peri-Urban contributions | 90 | 90 |
| Insurance claims | 5 | 76 |
| Sales | 71 | 63 |
| Other | 221 | 309 |
| Total other income | <u>2,612</u> | <u>1,723</u> |

* The increase in reimbursements relates to a claim of \$1.031m for costs incurred during and following the Scotsburn Fires in December 2015.

| | | |
|-----------------------------------|---------------|---------------|
| Note 10 (a) Employee costs | | |
| Wages and salaries | 15,167 | 14,523 |
| WorkCover | 384 | 362 |
| Casual staff | 719 | 758 |
| Superannuation | 1,415 | 1,348 |
| Fringe Benefits Tax | 45 | 104 |
| Total employee costs | <u>17,729</u> | <u>17,094</u> |

| | 2016 \$'000 | 2015 \$'000 |
|--|----------------|----------------|
| Note 10 (b) Superannuation | | |
| Council made contributions to the following funds: | | |
| Defined benefits fund | | |
| Employer contributions to Local Authorities Superannuation Fund (Vision Super) at 9.5% | 157 | 148 |
| Employer contributions payable at reporting date | - | (5) |
| Accumulation funds | | |
| Employer contributions to Local Authorities Superannuation Fund (Vision Super) at 9.5% | 1,267 | 1,066 |
| Employer contributions to other funds at 9.5% | 582 | 564 |
| | <u>1,849</u> | <u>1,630</u> |
| Employer contributions payable at reporting date | 146 | 49 |

Refer to note 32 for further information relating to Council's super obligations.

| | | |
|---------------------------------------|---------------|---------------|
| Note 11 Materials and services | | |
| Materials and services | 2,163 | 2,086 |
| Contract payments | 7,850 | 7,124 |
| Building maintenance | 506 | 514 |
| General maintenance | 795 | 840 |
| Utilities | 483 | 461 |
| Office administration | 626 | 640 |
| Information technology | 837 | 816 |
| Insurance | 502 | 511 |
| Consultants | 1,074 | 1,374 |
| Agency staff | 320 | 315 |
| Community grants and advances | 699 | 748 |
| Total materials and services | <u>15,854</u> | <u>15,428</u> |

| | | |
|---------------------------------------|-----------|-----------|
| Note 12 Bad and doubtful debts | | |
| Parking fine debtors | - | 1 |
| Other debtors | 58 | 21 |
| Total bad and doubtful debts | <u>58</u> | <u>22</u> |

| | | |
|--|--------------|--------------|
| Note 13 Depreciation and amortisation | | |
| Property | 723 | 720 |
| Plant and equipment | 902 | 828 |
| Infrastructure | 5,774 | 6,160 |
| Total depreciation and amortisation | <u>7,398</u> | <u>7,708</u> |

Refer to note 22 for a more detailed breakdown of depreciation and amortisation charges

| | | |
|--------------------------------|------------|------------|
| Note 14 Borrowing costs | | |
| Interest - Borrowings | 724 | 777 |
| Total borrowing costs | <u>724</u> | <u>777</u> |

| | 2016 \$'000 | 2015 \$'000 |
|---|----------------|----------------|
| Note 15 Other expenses | | |
| Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals | 40 | 38 |
| Auditors' remuneration - Internal | 32 | 80 |
| Councillors' allowances | 250 | 232 |
| Operating lease rentals | 257 | 325 |
| Bank fees | 55 | 57 |
| Other | 34 | 61 |
| Total other expenses | 667 | 793 |

| | | |
|--|---------------|---------------|
| Note 16 Cash and cash equivalents | | |
| Cash on hand | 2 | 2 |
| Cash at bank | 6,450 | 8,171 |
| Term deposits | 6,000 | 4,000 |
| Total cash and cash equivalents | 12,452 | 12,173 |

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 24) | 781 | 599 |
| - Statutory reserves (Note 27 (b)) | 2,004 | 1,644 |
| Total restricted funds | 2,785 | 2,243 |
| Total unrestricted cash and cash equivalents | 9,667 | 9,930 |

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 | 5,588 | 4,875 |
| - Recreation facilities reserve | 868 | 715 |
| - Halletts Way road works | - | 372 |
| Total funds subject to intended allocations | 6,455 | 5,961 |

| | | |
|--|--------------|--------------|
| Note 17 Trade and other receivables | | |
| <i>Current</i> | | |
| Rates debtors | 2,814 | 2,696 |
| Special rate assessment | 44 | 45 |
| Infringement debtors | 240 | 246 |
| Provision for doubtful debts - infringements | - | (7) |
| Net GST receivable | 370 | 469 |
| Other debtors | 1,566 | 953 |
| Provision for doubtful debts - other debtors | (57) | (25) |
| Total current trade and other receivables | 4,978 | 4,377 |
| <i>Non-current</i> | | |
| Special rate assessment | 126 | 122 |
| Total non-current trade and other receivables | 126 | 122 |
| Total trade and other receivables | 5,104 | 4,499 |

| | 2016 \$'000 | 2015 \$'000 |
|--|----------------|----------------|
|--|----------------|----------------|

Note 17 Trade and other receivables (cont.)

(a) Ageing of receivables

At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Council's trade & other receivables (excluding statutory receivables) was:

| | | |
|--|--------------|------------|
| Current (not yet due) | 1,331 | 224 |
| Past due by up to 30 days | 78 | 529 |
| Past due between 31 and 60 days | 51 | 26 |
| Past due between 61 and 90 days | 6 | 11 |
| Past due by more than 90 days | 101 | 162 |
| Total trade and other receivables | <u>1,566</u> | <u>953</u> |

(b) Movement in provisions for doubtful debts

| | | |
|---|-----------|-----------|
| Balance at the beginning of the year | 32 | 150 |
| New Provisions recognised during the year | 35 | 15 |
| Amounts already provided for and written off as uncollectible | (7) | (132) |
| Amounts provided for but recovered during the year | (3) | (1) |
| Balance at end of year | <u>57</u> | <u>32</u> |

(c) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$56,585 (2015: \$31,845) were impaired. The amount of the provision raised against these debtors was \$56,585 (2015: \$31,845). 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 | 57 | 32 |
| Total Trade & Other Receivables | <u>57</u> | <u>32</u> |

Note 18 Other financial assets

| | | |
|-------------------------------------|---|---|
| Term deposits | - | - |
| Managed funds | - | - |
| Total other financial assets | - | - |

Note 19 Inventories

| | | |
|-----------------------------------|-----------|-----------|
| Inventories held for distribution | 21 | 21 |
| Inventories held for sale | - | - |
| Total inventories | <u>21</u> | <u>21</u> |

| | 2016 \$'000 | 2015 \$'000 |
|--|---|----------------|
| Note 20 | Non-current assets classified as held for sale | |
| Balance at beginning of financial year | 991 | 991 |
| Disposals | - | - |
| Balance at end of financial year | <u>991</u> | <u>991</u> |
| Note 21 | Other assets | |
| Prepayments | 158 | 139 |
| Accrued income | 1,254 | 167 |
| Total other assets | <u>1,412</u> | <u>306</u> |

* The increase in accrued income relates to a reimbursement claim of \$1.031m for costs incurred during and following the Scotsburn Fires in December 2015.

Note 22 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

| | 2016 | | | | 2015 | | | | |
|---------------------|-------------------------------|-----------------------------|---------------------|-------------------------------|-----------------------------|---------------------|-------------------------------|-----------------------------|---------------------|
| | At Fair Value 30 June 2016 | Accumulated Depreciation | WDV 30 June 2016 | At Fair Value 30 June 2015 | Accumulated Depreciation | WDV 30 June 2015 | At Fair Value 30 June 2015 | Accumulated Depreciation | WDV 30 June 2015 |
| Land | 44,136 | - | 44,136 | 42,802 | - | 42,802 | 39,864 | 14,679 | 25,185 |
| Buildings | 39,353 | 15,669 | 23,684 | 39,864 | 14,679 | 25,185 | 8,172 | 3,453 | 4,719 |
| Plant and Equipment | 8,677 | 3,560 | 5,117 | 8,172 | 3,453 | 4,719 | 447,838 | 84,564 | 363,273 |
| Infrastructure | 458,556 | 77,888 | 380,668 | 447,838 | 84,564 | 363,273 | 9,530 | - | 2,148 |
| Work in progress | 9,530 | - | 9,530 | 2,148 | - | 2,148 | 560,252 | 97,117 | 463,135 |
| Total | 560,252 | 97,117 | 463,135 | 540,823 | 102,696 | 438,127 | | | |

Summary of Work in Progress

| | Opening WIP | Additions | Transfers | Write Offs | Closing WIP |
|---------------------|--------------|--------------|------------|------------|--------------|
| Buildings | 709 | 352 | 150 | - | 912 |
| Plant and Equipment | 76 | - | 76 | - | - |
| Infrastructure | 1,363 | 7,872 | 617 | - | 8,618 |
| Total | 2,148 | 8,224 | 842 | - | 9,530 |

Note 22 Property, infrastructure, plant and equipment (cont.)

| | Land - specialised | | Land improvements | Total Land | Heritage Buildings | | Buildings - specialised | | Buildings - non specialised | | Building Improvements | Leasehold Improvements | | Total Buildings | Work in Progress | Total Property |
|--|--------------------|------------------------|-------------------|------------|-------------------------|-----------------------------|-------------------------|--------------|-----------------------------|---|-----------------------|------------------------|---|-----------------|------------------|----------------|
| | Land - specialised | Land - non specialised | | | Buildings - specialised | Buildings - non specialised | Improvements | Improvements | | | | | | | | |
| Land and Buildings | | | | | | | | | | | | | | | | |
| At fair value 1 July 2015 | 1,568 | 41,234 | - | 42,802 | - | 29,001 | 10,863 | (14,677) | (2) | - | - | - | - | 39,864 | 709 | 83,375 |
| Accumulated depreciation at 1 July 2015 | - | - | - | - | - | (14,677) | (2) | (14,679) | - | - | - | - | - | (14,679) | - | (14,679) |
| Movements in fair value | | | | | | | | | | | | | | | | |
| Acquisition of assets at fair value | 17 | 328 | - | 345 | - | 890 | - | - | - | - | - | - | - | 890 | 352 | 1,588 |
| Contributed assets | 148 | 414 | - | 562 | - | - | - | - | - | - | - | - | - | - | - | 562 |
| Revaluation increments/decrements | 89 | 679 | - | 768 | - | (421) | (980) | - | - | - | - | - | - | (1,401) | - | (634) |
| Fair value of assets disposed | - | (341) | - | (341) | - | - | - | - | - | - | - | - | - | - | - | (341) |
| Impairment losses recognised in operating result | - | - | - | - | - | - | - | - | - | - | - | - | - | - | (150) | (150) |
| Transfers | 4 | (4) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | 258 | 1,076 | - | 1,334 | - | 469 | (980) | - | 2 | - | - | - | - | (511) | 203 | 1,026 |
| Movements in accumulated depreciation | | | | | | | | | | | | | | | | |
| Depreciation and amortisation | - | - | - | - | - | (723) | - | (723) | - | - | - | - | - | (723) | - | (723) |
| Revaluation increments/decrements | - | - | - | - | - | (269) | 2 | (267) | - | - | - | - | - | (267) | - | (267) |
| Accumulated depreciation of disposals | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Impairment losses recognised in operating result | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers | - | - | - | - | - | (992) | 2 | (990) | - | - | - | - | - | (990) | - | (990) |
| At fair value 30 June 2016 | 1,826 | 42,310 | - | 44,136 | - | 29,470 | 9,883 | (15,669) | - | - | - | - | - | 39,353 | 912 | 84,401 |
| Accumulated depreciation at 30 June 2016 | - | - | - | - | - | (15,669) | - | (15,669) | - | - | - | - | - | (15,669) | - | (15,669) |
| | 1,826 | 42,310 | - | 44,136 | - | 13,801 | 9,883 | - | - | - | - | - | - | 23,684 | 912 | 68,732 |

Note 22 Property, infrastructure, plant and equipment (cont.)

| | Note | Heritage plant | Plant, | Fixtures, fittings | Computers and | Library books | Work in | Total plant |
|--|------|----------------|---------------|--------------------|---------------|---------------|---------------|-------------|
| | | and equipment | machinery and | and furniture | telecomms | Progress | and equipment | |
| | | and equipment | equipment | | | | Progress | |
| Plant and Equipment | | | | | | | | |
| At fair value 1 July 2015 | | - | 7,393 | - | 232 | 547 | 76 | 8,247 |
| Accumulated depreciation at 1 July 2015 | | - | (3,080) | - | (124) | (248) | - | (3,453) |
| | | - | 4,312 | - | 108 | 298 | 76 | 4,795 |
| Movements in fair value | | | | | | | | |
| Acquisition of assets at fair value | | - | 1,458 | - | 12 | 100 | - | 1,570 |
| Contributed assets | | - | - | - | - | - | - | - |
| Revaluation increments/decrements | | - | - | - | - | - | - | - |
| Fair value of assets disposed | | - | (955) | - | - | (109) | - | (1,064) |
| Impairment losses recognised in operating result | | - | - | - | - | - | (76) | (76) |
| Transfers | | - | 502 | - | 12 | (8) | (76) | 430 |
| Movements in accumulated depreciation | | | | | | | | |
| Depreciation and amortisation | | - | (775) | - | (44) | (83) | - | (902) |
| Accumulated depreciation of disposals | | - | 697 | - | - | 98 | - | 794 |
| Impairment losses recognised in operating result | | - | - | - | - | - | - | - |
| Transfers | | - | (79) | - | (44) | 15 | - | (108) |
| At fair value 30 June 2016 | | - | 7,895 | - | 244 | 539 | - | 8,677 |
| Accumulated depreciation at 30 June 2016 | | - | (3,159) | - | (168) | (233) | - | (3,560) |
| | | - | 4,736 | - | 76 | 305 | - | 5,117 |

Note 22 Property, infrastructure, plant and equipment (cont.)

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer (Opteon (Victoria) 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 unserved) 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.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2016 are as follows:

| | Level 1 | Level 2 | Level 3 |
|------------------|----------|---------------|---------------|
| Land | - | 42,310 | - |
| Specialised land | - | - | 1,826 |
| Buildings | - | 9,883 | 13,801 |
| Total | - | 52,193 | 15,627 |

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 2016 are as follows:

| | Level 1 | Level 2 | Level 3 |
|--|----------|----------|----------------|
| Roads | - | - | 288,702 |
| Bridges | - | - | 25,347 |
| Footpaths and cycleways | - | - | 8,154 |
| Drainage | - | - | 53,370 |
| Recreational, leisure and community facilities | - | - | 575 |
| Parks, open space and streetscapes | - | - | 2,775 |
| Other infrastructure | - | - | 1,745 |
| Total | - | - | 380,668 |

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.

| | 2016 | 2015 |
|------------------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| Reconciliation of specialised land | | |
| Land under roads | 1,826 | 1,568 |
| Total specialised land | 1,826 | 1,568 |

| | 2016 \$'000 | 2015 \$'000 |
|---|----------------|----------------|
| Note 23 Trade and other payables | | |
| Trade payables | 414 | 621 |
| Accrued expenses | 3,381 | 3,235 |
| Total trade and other payables | 3,795 | 3,856 |

| | | |
|---|------------|------------|
| Note 24 Trust funds and deposits | | |
| Refundable building deposits | 594 | 464 |
| Refundable contract deposits | 26 | 26 |
| Refundable civic facilities deposits | 13 | 11 |
| Retention amounts | 74 | 73 |
| Fire Services Levy | 66 | 19 |
| Other refundable deposits | 7 | 6 |
| Total trust funds and deposits | 781 | 599 |

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.

Note 25 Provisions

| | Quarry restoration \$ '000 | Employee \$ '000 | Total \$ '000 |
|--|-------------------------------|---------------------|------------------|
| 2016 | | | |
| Balance at beginning of the financial year | 231 | 4,507 | 4,739 |
| Additional provisions | 6 | 2,054 | 2,060 |
| Amounts used | - | (1,726) | (1,726) |
| Balance at the end of the financial year | 237 | 4,836 | 5,073 |
| 2015 | | | |
| Balance at beginning of the financial year | 228 | 4,215 | 4,443 |
| Additional provisions | 3 | 1,889 | 1,893 |
| Amounts used | - | (1,597) | (1,597) |
| Balance at the end of the financial year | 231 | 4,507 | 4,739 |

| | 2016 \$'000 | 2015 \$'000 |
|--|----------------|----------------|
| (a) Employee provisions | | |
| Current provisions expected to be wholly settled within 12 months | | |
| Annual leave | 918 | 1,099 |
| Long service leave | 210 | 351 |
| RDO's / Time in lieu | 168 | 160 |
| | 1,296 | 1,610 |
| Current provisions expected to be wholly settled after 12 months | | |
| Annual leave | 312 | 143 |
| Long service leave | 2,318 | 1,836 |
| RDO's / Time in lieu | - | - |
| | 2,631 | 1,979 |
| Total current employee provisions | 3,927 | 3,589 |
| Non-current | | |
| Long service leave | 909 | 919 |
| Total non-current employee provisions | 909 | 919 |

| Note 25 Provisions (cont.) | | 2016 | 2015 |
|---|--|--------------|--------------|
| | | \$'000 | \$'000 |
| Aggregate carrying amount of employee provisions: | | | |
| Current | | 3,927 | 3,589 |
| Non-current | | 909 | 919 |
| Total aggregate carrying amount of employee provisions: | | <u>4,836</u> | <u>4,507</u> |
| The following assumptions were adopted in measuring the present value of employee benefits: | | | |
| Weighted average increase in employee costs | | 4.44% | 4.44% |
| Weighted average discount rates | | 1.79% | 2.53% |
| (b) Quarry restoration | | | |
| Current | | 237 | 231 |
| Non-current | | - | - |
| | | <u>237</u> | <u>231</u> |

Council is required to rehabilitate the land once the useful life of the gravel quarry comes to an end.

| Note 26 Interest-bearing loans and borrowings | | 2016 | 2015 |
|--|--|---------------|---------------|
| Current | | | |
| Borrowings - Secured (1) | | 1,431 | 1,464 |
| | | <u>1,431</u> | <u>1,464</u> |
| Non-current | | | |
| Borrowings - Secured (1) | | 13,611 | 10,567 |
| | | <u>13,611</u> | <u>10,567</u> |
| Total interest-bearing loans and borrowings | | <u>15,043</u> | <u>12,032</u> |
| (1) All Council borrowings are secured by a charge against rate revenue. | | | |
| (a) The maturity profile for Council's borrowings is: | | | |
| Not later than one year | | 1,431 | 1,464 |
| Later than one year and not later than five years | | 4,331 | 5,036 |
| Later than five years | | 9,280 | 5,531 |
| | | <u>15,043</u> | <u>12,032</u> |

Note 27 Reserves

| | Balance at beginning of reporting period \$'000 | Increment (decrement) \$'000 | Balance at end of reporting period \$'000 |
|--|--|---------------------------------|--|
| (a) Asset revaluation reserves | | | |
| 2016 | | | |
| Property | | | |
| Land | 24,180 | 679 | 24,859 |
| Land under roads | 170 | 89 | 258 |
| Buildings | 2,279 | (1,668) | 611 |
| | <u>26,629</u> | <u>(900)</u> | <u>25,728</u> |
| Infrastructure | | | |
| Roads | 220,608 | 19,348 | 239,955 |
| Bridges | 22,261 | (4,198) | 18,063 |
| Footpaths and cycleways | 767 | (767) | 0 |
| Drainage | 24,902 | 2,581 | 27,483 |
| Recreation, leisure and community facilities | 3,390 | - | 3,390 |
| Kerb & channel | 418 | (356) | 62 |
| | <u>272,344</u> | <u>16,608</u> | <u>288,952</u> |
| Total Asset Revaluation Reserves | 298,973 | 15,707 | 314,680 |
| 2015 | | | |
| Property | | | |
| Land | 24,180 | - | 24,180 |
| Land under roads | 170 | - | 170 |
| Buildings | 2,279 | - | 2,279 |
| | <u>26,629</u> | <u>-</u> | <u>26,629</u> |
| Infrastructure | | | |
| Roads | 220,608 | - | 220,608 |
| Bridges | 22,261 | - | 22,261 |
| Footpaths and cycleways | 767 | - | 767 |
| Drainage | 10,286 | 14,616 | 24,902 |
| Recreation, leisure and community facilities | 3,390 | - | 3,390 |
| Kerb & channel | 418 | - | 418 |
| | <u>257,729</u> | <u>14,616</u> | <u>272,344</u> |
| Total Asset Revaluation Reserves | 284,358 | 14,616 | 298,973 |

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

Note 27 Reserves (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 | | | | |
| 2016 | | | | |
| Car park reserve | 43 | - | - | 43 |
| Recreation facilities | 715 | 316 | (163) | 868 |
| Development works | 1,885 | 65 | (151) | 1,800 |
| Social infrastructure reserve | 174 | 38 | - | 212 |
| Storm water management | 73 | - | - | 73 |
| Closed landfill | 372 | 225 | - | 597 |
| Defined benefits | 116 | 64 | - | 180 |
| Capital works seed funding | 116 | 64 | (48) | 132 |
| Capital works contributions reserve | 14 | - | - | 14 |
| Developer contribution reserve | 799 | 880 | (693) | 987 |
| Essence Estate Playground | - | 20 | - | 20 |
| LGFV Loan repayment reserve | - | 783 | - | 783 |
| Total statutory and other reserves | 4,307 | 2,455 | (1,055) | 5,708 |
| 2015 | | | | |
| Car park reserve | 43 | - | - | 43 |
| Recreation facilities | 914 | 74 | (273) | 715 |
| Development works | 1,907 | 21 | (42) | 1,885 |
| Social infrastructure reserve | 127 | 46 | - | 174 |
| Storm water management | 73 | - | - | 73 |
| Closed landfill | 72 | 300 | - | 372 |
| Defined benefits | 56 | 60 | - | 116 |
| Capital works seed funding | 56 | 60 | - | 116 |
| Capital works contributions reserve | - | 14 | - | 14 |
| Developer contribution reserve | - | 799 | - | 799 |
| Total statutory and other reserves | 3,249 | 1,374 | (315) | 4,307 |

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.

Development works reserve

The purpose of this reserve is to provide improved facilities within the municipality, funded through funds allocated to the reserves by Council.

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.

Capital works 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.

Note 27 Reserves (cont.)

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.

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 Local Government Funding Vehicle (LGFV). These loans are interest only until maturity.

| | 2016 \$'000 | 2015 \$'000 |
|--|----------------|----------------|
| Note 28 Reconciliation of cash flows from operating activities to surplus/(deficit) | | |
| Surplus/(deficit) for the year | 7,825 | 7,684 |
| Depreciation/amortisation | 7,398 | 7,708 |
| (Profit)/loss on disposal of property, infrastructure, plant and equipment | 1,682 | 3,612 |
| Contributions - non-monetary assets | (5,481) | (3,848) |
| Interest expense | 724 | 777 |
| Movement in receivables relating to asset sales | - | 85 |
| Loss on revaluation of assets | 324 | - |
| Work in progress from previous year expensed | 18 | 7 |
| <i>Change in assets and liabilities:</i> | | |
| (Increase)/decrease in trade and other receivables | (605) | (430) |
| (Increase)/decrease in prepayments | (19) | (43) |
| (Increase)/decrease in accrued income | (1,087) | (140) |
| Increase/(decrease) in trade and other payables | 121 | (2,696) |
| (Increase)/decrease in inventories | (1) | (4) |
| Increase in provisions | 334 | 296 |
| Net cash provided by/(used in) operating activities | 11,233 | 13,008 |

Note 29 Financing arrangements

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

Note 30 Commitments

The Council has entered into the following commitments

| 2016 | 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 | 2,005 | 983 | 1,044 | - | 4,032 |
| Recycling | 473 | 496 | 519 | - | 1,488 |
| Leisure facilities | 493 | 521 | - | - | 1,014 |
| Maintenance services | 169 | 28 | - | - | 196 |
| Consultancies | 44 | 44 | - | - | 88 |
| | <u>3,183</u> | <u>2,071</u> | <u>1,563</u> | <u>-</u> | <u>6,818</u> |
| Capital | | | | | |
| | - | - | - | - | - |
| Total | <u>3,183</u> | <u>2,071</u> | <u>1,563</u> | <u>-</u> | <u>6,818</u> |

| 2015 | 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 | 1,923 | 2,005 | 2,027 | - | 5,954 |
| Recycling | 452 | 473 | 1,015 | - | 1,941 |
| Leisure facilities | 447 | 478 | - | - | 925 |
| Maintenance services | 217 | 138 | 94 | - | 449 |
| Consultancies | 404 | - | - | - | 404 |
| Cleaning contracts for Council buildings | 105 | - | - | - | 105 |
| | <u>3,547</u> | <u>3,094</u> | <u>3,135</u> | <u>-</u> | <u>9,777</u> |
| Capital | | | | | |
| Plant replacement | 190 | - | - | - | 190 |
| | <u>190</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>190</u> |
| Total | <u>3,737</u> | <u>3,094</u> | <u>3,135</u> | <u>-</u> | <u>9,966</u> |

Note 31 Operating leases

| (a) Operating lease commitments | 2016 \$'000 | 2015 \$'000 |
|--|----------------|----------------|
| 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): | | |
| Not later than one year | 59 | 159 |
| Later than one year and not later than five years | 73 | 121 |
| Later than five years | - | - |
| | <u>132</u> | <u>279</u> |

(b) Operating lease receivables

The Council has entered into commercial property leases on its investment property, consisting of surplus freehold office complexes and land. 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.

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

| | | |
|---|------------|------------|
| Not later than one year | 176 | 81 |
| Later than one year and not later than five years | 286 | 251 |
| Later than five years | 443 | 414 |
| | <u>906</u> | <u>746</u> |

Note 32 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 2016, this was 9.5% as required under Superannuation Guarantee legislation).

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 2015, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 105.8%. To determine the VBI, the fund Actuary used the following long-term assumptions:

Net investment returns 7.00% pa
Salary information 4.25% pa
Price inflation (CPI) 2.50% pa.

Vision Super has advised that the estimated VBI at June 30 was 102%. The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 2015 interim 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 2015 interim 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 2016, this rate was 9.5% of members' salaries (9.5% in 2014/2015). 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.

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.

2015 Interim actuarial investigation surplus amounts

The Fund's interim actuarial investigation as at 30 June 2015 identified the following in the defined benefit category of which Council is a contributing employer:

A VBI surplus of \$130.8 million; and
A total service liability surplus of \$239 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 2015. 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 2015 VBI during August 2015.

Future superannuation

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2017 is \$110,000.

Note 33 **Contingent liabilities and contingent assets**

Contingent liabilities

- 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.
- 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 32. 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.

Contingent assets

- Subdivision developments expected to be accounted for by Council in 2016/2017 total \$4.635 million (actual 2015/2016 \$5.481 million).

Note 34 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 Note 1 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 rate.

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.

(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 33.

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 33, 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 26.

Note 34 Financial instruments (cont.)

e) Fair value

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

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.

(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.

Note 35 Related party transactions

(i) Responsible persons

Names of persons holding the position of a Responsible Person at Moorabool Shire Council at any time during the year are:

Councillors Councillor Paul Tatchell
Councillor Allan Comrie (Mayor)
Councillor Tonia Dudzik
Councillor David Edwards
Councillor John Spain
Councillor Tom Sullivan
Councillor Pat Toohey

Chief Executive Officer Rob Croxford

(ii) Remuneration of Responsible Persons

The numbers of Responsible Persons whose total remuneration from Council and any related entities, excluding retirement benefits, fall within the following bands:

| | 2016 | 2015 |
|--|--------|--------|
| | No. | No. |
| <\$20,000 | - | - |
| \$20,000 - \$29,999 | 5 | 6 |
| \$40,000 - \$49,999 | 1 | - |
| \$60,000 - \$69,999 | 1 | - |
| \$70,000 - \$79,999 | - | 1 |
| \$230,000 - \$239,999 | - | 1 |
| \$240,000 - \$249,999 | 1 | - |
| | 8 | 8 |
| | \$'000 | \$'000 |
| Total Remuneration for the reporting year for Responsible Persons included above amounted to | 493 | 469 |

(iii) Senior Officers Remuneration

A Senior Officer, other than a Responsible Person, is an officer of Council who:

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) whose total annual remuneration exceeds \$139,000 (2015 - \$136,000)

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

| | 2016 | 2015 |
|---|--------|--------|
| | No. | No. |
| Income Range: | | |
| <\$139,000 | - | 2 |
| \$139,000 - \$139,999 | - | - |
| \$140,000 - \$149,999 | 3 | - |
| \$160,000 - \$169,999 | 1 | 1 |
| \$170,000 - \$179,999 | - | 1 |
| \$180,000 - \$189,999 | 1 | 1 |
| \$190,000 - \$199,999 | 1 | - |
| | 6 | 5 |
| | \$'000 | \$'000 |
| Total Remuneration for the reporting year for Senior Officers included above, amounted to | 972 | 650 |

(iv) Responsible persons retirement benefits

No retirement benefits have been made by the Council to a Responsible Person.

(v) Loans to responsible persons

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

Note 35 Related party transactions (cont.)

(vi) **Transactions with responsible persons**

During the period Council entered into the following transactions with responsible persons or related parties of responsible persons.

| | 2016 | 2015 |
|---|--------|--------|
| | \$'000 | \$'000 |
| Responsible Person / Related Party | | |
| Helen Tatchell | | |
| The Moorabool News (Ballan News Pty Ltd) | | |
| - Sale of goods and services | 36 | 45 |

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.

Note 36 Events occurring after balance date

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

Certification of the Financial Statements 2015/16

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: 7 September 2016
Gordon

In our opinion the accompanying financial statements present fairly the financial transactions of Moorabool Shire Council for the year ended 30 June 2016 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: 7 September 2016
Gordon



David Edwards
Councillor

Dated: 7 September 2016
Gordon



Rob Croxford
Chief Executive Officer

Dated: 7 September 2016
Gordon

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Moorabool Shire Council

The Financial Report

I have audited the accompanying financial report for the year ended 30 June 2016 of the Moorabool Shire Council which comprises the comprehensive income statement, balance sheet, statement of changes in equity, statement of cash flows, statement of capital works, notes comprising a summary of the significant accounting policies and other explanatory information, and the certification of the financial statements.

The Councillors' Responsibility for the Financial Report

The Councillors of the Moorabool Shire Council are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.

The Councillors are responsible for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Audit Act 1994* and the *Local Government Act 1989*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Councillors, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independent Auditor's Report (continued)

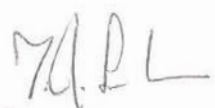
Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, I and my staff and delegates complied with the applicable independence requirements of the Australian Auditing Standards and relevant ethical pronouncements.

Opinion

In my opinion the financial report presents fairly, in all material respects, the financial position of the Moorabool Shire Council as at 30 June 2016 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.

MELBOURNE
9 September 2016



Dr Peter Frost
Acting Auditor-General



MOORABOOL
SHIRE COUNCIL