



MARIBYRNONG CITY COUNCIL

Annual Report

2014/2015



Maribyrnong
CITY COUNCIL

ENGLISH

This is Maribyrnong City Council's 2014-15 Annual Report. The Annual Report contains a report of Council's operations for the past 12 months and audited Standard and Financial statements. If you would like to know more about the information in this Annual Report, please call the Telephone Interpreter Service on 131 450 and have them call Maribyrnong City Council on 9688 0200.

ARABIC

هذا هو التقرير السنوي لمجلس مدينة ماريبيرنونج (Maribyrnong) 2014-15. يحتوي التقرير السنوي على تقرير عن عمليات المجلس خلال الأشهر الـ 12 الماضية والبيانات العادية والمالية التي تم تدقيقها. إذا كنت ترغب في معرفة المزيد عن المعلومات الواردة في هذا التقرير السنوي، يرجى الاتصال بخدمة الترجمة الهاتفية على الرقم 131 450 ودعمهم يتصلون بمجلس مدينة ماريبيرنونج على الرقم التالي 9688 0200.

CHINESE

这是Maribyrnong市政府的2014-15年度报告，年度报告汇报了市政府在过去12月里的作业情况并包括经过审计的标准和财务报表。如果您想进一步了解该年度报告的信息内容，请拨打电话翻译服务处131 450并请他们转接Maribyrnong市政府的电话9688 0200。

GREEK

Αυτή είναι η Ετήσια Έκθεση 2014-15 του Δημοτικού Συμβουλίου του Maribyrnong. Η Ετήσια Έκθεση περιέχει τον απολογισμό των λειτουργιών του Δημοτικού Συμβουλίου για τους τελευταίους 12 μήνες και ελεγμένες απλές και οικονομικές καταστάσεις. Αν θέλετε να μάθετε περισσότερα για τις πληροφορίες που περιέχονται σε αυτήν την Ετήσια Έκθεση, σας παρακαλούμε να καλέσετε την τηλεφωνική υπηρεσία διερμηνέων στο 131 450 και ζητήστε να σας συνδέσουν με το Δήμο του Maribyrnong στο 9688 0200.

HINDI

यह मैरीबर्नाग सिटी काउंसिल की 2014-15 की वार्षिक रिपोर्ट है। वार्षिक रिपोर्ट में काउंसिल के पिछले 12 महीनों के क्रिया-कलापों की रिपोर्ट और लेखा-परीक्षित मानक और वित्तीय विवरण (ऑडिटेड स्टैंडर्ड और फ़ाइनेन्शियल स्टेटमेंट्स) शामिल हैं। यदि आप इस वार्षिक रिपोर्ट में दी गई जानकारी के बारे में अधिक जानना चाहते / चाहती हैं तो कृपया 'टेलीफोन इंटरप्रेटर सर्विस' को 131 450 पर फ़ोन कज़िये और उनसे मैरीबर्नाग सिटी काउंसिल से 9688 0200 सम्पर्क करवाने के लिए कहिये।

ITALIAN

Questa è la Relazione annuale 2014-15 del Comune di Maribyrnong. La relazione annuale contiene un resoconto delle operazioni del Comune per i 12 mesi passati oltre a rendiconti contabili standard e finanziari revisionati. Se desideri saperne di più sulle informazioni contenute in questa Relazione annuale puoi chiamare il Servizio telefonico interpreti al numero 131 450 e chiedere che sia chiamato il Comune di Maribyrnong al numero 9688 0200.

MACEDONIAN

Ова е годишен извештај на Општината Марибирнонг за 2014-15 година. Годишниот извештај содржи извештај за работењето на Општината за изминатите 12 месеци и редовни проверки на извештаите за работа и за финансии. Ако сакате да знаете повеќе за информациите во овој годишен извештај, ве молиме јавете се на Телефонската преведувачка служба на 131 450 и побарајте тие да се јават на Општината Марибирнонг на 9688 0200.

SPANISH

Este es el Informe Anual para 2014-15 del Municipio de la Ciudad de Maribyrnong. El Informe Anual contiene información sobre las operaciones del Municipio en los últimos 12 meses y los Estados Financieros y Estándar auditados. Si usted desea saber más sobre la información presentada en este Informe Anual, por favor llame al Servicio de Intérpretes Telefónicos marcando el 131 450 y solicíteles que llamen al Municipio de la Ciudad de Maribyrnong al 9688 0200.

VIETNAMESE

Đây là Phúc trình Thường niên năm 2014-15 của Hội đồng Thành phố Maribyrnong. Phúc trình này bao gồm phần báo cáo hoạt động của Hội đồng Thành phố trong 12 tháng qua và các bản tường trình về Tiêu chuẩn và Tài chính đã được kiểm toán. Nếu muốn biết thêm thông tin trong Phúc trình Thường niên này, xin quý vị gọi điện thoại cho Dịch Vụ Thông Dịch Điện thoại số 131 450 và yêu cầu họ gọi Hội đồng Thành phố Maribyrnong số 9688 0200.



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01

About the annual report

As the closest level of government to the community, local government is best placed to know about local and diverse community needs.

As such, the role of local government is one of leadership and involves a range of functions including:

- » planning for and providing services and facilities to the local community
- » regularly consulting with the community about service and program delivery
- » building and maintaining assets
- » ensuring resources are managed efficiently and responsibly, and
- » advocating for important issues on behalf of the community.

Maribyrnong City Council is also responsible for roads, parks, waste collection, land use, local laws, urban planning, personal and home care, early years services, recreation, events, community development, health protection and emergency management.

We are accountable to the community in our performance, governance and use of resources. This annual report focuses on our role as a representative government for the local community and demonstrates that accountability.

This report provides an overview of operations and financial performance from 1 July 2014 to 30 June 2015.

OUR VISION

A diverse and vibrant city dedicated to community wellbeing through democracy, sustainable growth and opportunity for all.

Information about our performance is structured around the four year strategic directions outlined in Council Plan 2013-2017 and Budget 2014/2015. Our overall performance is reported for each Council Plan strategic direction.

STRATEGIC OBJECTIVES

Council Plan 2013-2017 sets the strategic directions for Council, with a focus on six strategic objectives:

- » Urban growth
- » Liveability
- » Economic prosperity
- » Transport
- » Environmental sustainability, and
- » Organisational accountability.



Quick facts about the City of Maribyrnong:

The City of Maribyrnong is located 5km from Docklands, at the edge of Melbourne's CBD. The city is recognised in the Victorian Government's 'Plan Melbourne' as part of Central Sub Region.

- » The municipality covers 31sq km area, and is made up of suburbs that vary in demographic, population and size.
- » The current residential population is forecast at 85,312 in 2015¹ (i.d consulting Population Forecast for the City of Maribyrnong), and is forecasted to grow to over 110,000 by 2031 –population increase of over a quarter.
- » The average age of a Maribyrnong resident is 34 years and almost one-third of people living in the city currently attend an education institution.
- » We have two Victoria University campuses in Footscray, with a combined student population of approximately 20,000, and an employed population of approximately 1,000 staff.
- » Maribyrnong has more than 30,000 registered businesses.
- » 3,100 new businesses were established in 2014.
- » The city is known for its rich industrial history.
- » Our community is very culturally and linguistically diverse, with almost 40 per cent of our residents born overseas. This makes it the third most culturally and linguistically diverse city in Victoria.
- » 53.1 per cent of Maribyrnong households either own or have purchased their property.
- » The city has become known as the Festival City and is host to many festivals and events including the Big West Festival, East Meets West, Quang Minh Tet Festival, Fringe out West, New Year Eve Festival, Emerge in the West, Wominjeka and Jazz out West.

¹ Population and household forecasts, 2011 to 2031, prepared by .id, the population experts, May 2012

02

A message from the Mayor and CEO

It is with great pride and pleasure that we present Maribyrnong City Council's 2014/2015 Annual Report. The Annual Report provides details of outcomes we have achieved, the projects we have delivered, the partnerships we have forged, and how Council has continued to work to support and enhance the lifestyle of our residents here in the City of Maribyrnong.

In 2014/2015 Council continued to build a better Maribyrnong by delivering a capital works program focussed on maintaining and enhancing our City's assets. Major spending areas included roads, drains and footpaths; sports and community facilities; parks, gardens and playgrounds; and the walking and cycling pathways connecting these public spaces.

Council consulted the community on a range of programs and initiatives during the year to help ensure our services and programs continue to meet and exceed the needs and aspirations of our residents and community.

The City of Maribyrnong occupies a highly sought after inner Melbourne location that offers a thriving arts and culture scene, robust business enterprise and a strong community focus.

With significant population growth forecasted in the coming years, Council's challenge will be to meet increased demand for services whilst maintaining our assets and infrastructure and sound financial management.

Council's financial management success is demonstrated by the financial results of the 2014/2015 year; our financial position is better than ever and our debt levels continue to reduce, currently at \$3.5 million.

The Council Plan 2013-17 has set the strategic direction for Council, and the Annual Report demonstrates that Council has continued to meet the needs of the community, delivering 92% of the 96 actions committed to in the 2014/2015 period.

This high level of achievement shows Council's commitment to delivering priority projects that make a real difference in the lives of our residents and community.

Our most significant project this year was the opening of the new Braybrook Community Hub. With a range of much needed and dynamic services, the Hub has truly enlivened the Braybrook community. The Hub is part of the Revitalising Braybrook Project that delivered other key outcomes, such as the innovative Braybrook Leadership Program which empowers the people of Braybrook to bring about positive change in the community.

The Active Maribyrnong program, in its second year, has delivered countless events and programs that saw over 5,000 of our residents and visitors get involved, engaging in a more active lifestyle, and enjoying the many health and wellbeing benefits as a result.

Festival City, our richly diverse events program, has engaged over 200,000 community members through the delivery of 22 festivals. The economic boost these events provide, along with

the promise of future growth, make it an invaluable program and one that is treasured by our community for its landmark 'festival flavour' events.

We have delivered effective advocacy campaigns on major community issues, such as poker machines being inappropriately placed in our City and heavy trucks on our roads. Some very positive outcomes have resulted from these campaigns such as the implementation of expanded truck curfews on Moore Street, Footscray and Somerville Road, Yarraville.

Our commitment to being a Zero Carbon Council has come to fruition. By undertaking a range of environmentally sustainable programs such as Lighting the West and the Empowering Maribyrnong program, we are proud to say that we have officially arrived at carbon neutrality.

Council commenced work on the Little Saigon project, specifically the Welcome Arch design and naming. The Footscray traders and our local arts organisations have been an intrinsic part of this project and we look forward to delivering the Welcome Arch that will honour Maribyrnong's Vietnamese community.

Council's partnership with Victoria University continues to grow with the Footscray University Town activities being a priority for both organisations.

As the new CEO of Maribyrnong City Council, along with the Mayor, we are pleased with the range of projects, services, programs and advocacy issues we have delivered to the community over the past twelve months. We have developed a strong focus on customer service, quality services and continuous improvement. We are always looking at ways of doing things better and improving the way we engage with our community.



Cr Nam Quach
Mayor



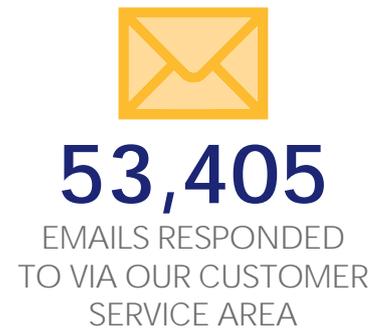

Stephen Wall
Chief Executive Officer



2014/15 HIGHLIGHTS



OPENED OUR NEW \$12.5 MILLION BRAYBROOK COMMUNITY HUB



DELIVERED 2014-15 PARKS IMPROVEMENT PLAN CONSISTING OF:



DELIVERED 22 FESTIVALS, ATTRACTING OVER



COMMUNITY MEMBERS

03

3.1 Achieving Council Plan strategic objectives

In 2014/2015 Council committed to 96 actions across six key strategic objectives. Overall, 92 per cent of these actions were delivered.

STRATEGIC OBJECTIVE

URBAN GROWTH

We will create a well planned city that facilitates change while respecting our heritage and neighbourhood character.

HIGHLIGHTS

Braybrook Community Hub

The \$12.5 million Braybrook Community Hub opened with official fanfare and community celebrations. This innovative, new community facility provides a range of Council and community services, all located in the same building. Services include Braybrook's first ever library, a community centre, co-health public health services, community spaces, Braybrook Men's Shed, sporting pavilion, maternal and child health, occasional child care and kindergarten (provided by Melbourne City Mission).

Maidstone Child and Family Centre

We undertook a significant \$4.7 million redevelopment of the Maidstone Child and Family Centre, featuring maternal and child health services, kindergarten programs, playgroups, new parent programs, specialist consulting rooms, a community room with an outdoor BBQ and a toy library for families in Maidstone and the surrounding areas.

Ballarat Street Park

Council transformed Ballarat Street, in the heart of the Yarraville Village, into a green open space with the installation of a permanent park. We replaced the asphalt roadway with synthetic turf and installed large pot plants, tables, chairs and umbrellas. This was built in response to positive community feedback about the Ballarat Street Pop Up Park.

Little Saigon Precinct Activation

Council released the design of the Welcome Arch in Footscray which is part of the broader Little Saigon Precinct Activation Project, and will include new retail and car parking facilities, a public plaza, upgrades and additional street trees and on street car parks. The proposed Welcome Arch celebrates the significant cultural and economic contribution the Vietnamese community has made to Footscray.

The Vietnamese community, trader groups and arts organisations were involved in the design. Council, the State Government and the local Vietnamese community funded the project. The construction phase of the Project is anticipated to begin in late 2015.

Highpoint Planning and Urban Design Framework

Council undertook community consultation and endorsed the Highpoint Planning and Urban Design Framework to advance it to the State Government as part of the Planning Scheme Amendment C135 process.

Under the Highpoint Planning and Urban Design Framework, the Highpoint area is envisioned to transform into a vibrant hub with abundant places for living, working and socialising.



03

3.1 Achieving Council Plan strategic objectives

STRATEGIC OBJECTIVE

LIVEABILITY

We will foster a connected and welcoming city for all by providing well designed places and quality services.



HIGHLIGHTS

Anzac Day event and tree planting Avenue of Honour

Spotted and Lemon Scented Gum trees were planted along Geelong Road, between Ballarat Road and Gordon Street in Footscray, to commemorate the centenary ANZAC Day. The revival of the Geelong Road Avenue of Honour remembers those who lost their lives fighting for our country.

Active Maribyrnong events/programs

The Active Maribyrnong Program saw widespread community participation in its second year, with over 5,000 community members getting active. Throughout the year, we delivered a range of Active Maribyrnong events including the six week long Spring into Summer Series, with 12 free activities including yoga, tai chi, pilates and self defence for over 500 participants. The Get Active! Expo was a free 5½ week program of clinics, events and 'come and try' days, engaging over 1,500 participants.

Graffiti strategy

Council joined forces with the community and Footscray traders to address graffiti in Footscray. Professional cleaning materials were used and participants had demonstrations from graffiti removal experts. The blitz is planned to be just the first of a series of graffiti removal events planned to show the community and visitors that we are proud of our city and that we say a collective 'NO' to graffiti.

Medibank Muttaborrasaurus playground

A new dinosaur-themed playground opened in McNish Avenue Yarraville, offering children a unique play experience not found anywhere else in Melbourne. The playground features a 6 metre long, 3 metre high dinosaur made by local artists at BIGfiSh Workshop. The dinosaur has already been nicknamed 'Mimi', and is a Muttaborrasaurus, a herbivorous dinosaur that lived in the northern parts of Australia nearly 100 million years ago. 'Mimi' is the centrepiece of the playground, and is set in a natural setting surrounded by a low ropes course, eggshells that can be used as seats, cubbies and clambering rocks. The playground has been funded by Medibank with assistance from Council.

Enough pokies campaign

Maribyrnong joined with other councils from across Victoria, the Municipal Association of Victoria (MAV) and the Salvation Army, in a campaign to seek government action to better protect vulnerable communities from inappropriate placement of poker machines. The campaign was run in the lead up to the Victorian Government election.

Melbourne Renegades cricket event

The City of Maribyrnong hosted elite cricket team, the Melbourne Renegades, with a T20 practice match and family fun day at Footscray's Merv Hughes Oval. The match was an outcome of the Active Maribyrnong program and a partnership between Council, Victoria University and the Melbourne Renegades. The Melbourne Renegades beat the Bartercard Premier Cricket All Stars.

F5 Footscray in transition

Currently in its fourth year, the F5 2015 project saw artist James Voller present an evocative photographic exhibition featuring stunning images of iconic Footscray locations. James created in-situ installations at four sites across Footscray including Footscray Town Hall, Nicholson Mall, Metrowest and the Footscray Hotel. The installations blended each site with an image of an archetypal Footscray housing facade.

StreetWORKS

Council implemented a second year of the street art project, StreetWORKS, a project that creates innovative visual street art to enliven spaces and discourage graffiti and tagging. Selected artists created art works at six locations across the City, with works that were either inspired by or relevant to our local community and our City. The six StreetWORKS locations included:

- » Nutrition and Acupuncture Clinic, Footscray
- » ASRC, Footscray
- » Centrelink, Footscray
- » Pho Chu The (Vietnamese Restaurant), Footscray
- » The Village Store, Yarraville, and
- » Somerville Road Bridge (Woods Street Tunnel), Yarraville.



STRATEGIC OBJECTIVE

ECONOMIC PROSPERITY

In partnership with our community and stakeholders, we will support local business, attract investment and employment opportunities and improve pathways for education and training.



HIGHLIGHTS

Footscray University Town (FUT)

Footscray University Town is a partnership between Maribyrnong City Council and Victoria University that sees education, jobs, creativity and opportunity at the heart of Footscray's future. FUT aims to blur the boundaries between VU and Footscray, by bringing VU, its facilities and its people to central Footscray to involve the citizens of this great town in local university life. The combined strengths of Footscray and the University include creative industries, sports and recreation, knowledge enterprises and a proud industrial heritage. Key achievements to date include VU@Metrowest, Game Changers event series, master planning, joint parking solutions and successfully bidding for the 2016 Southern University Games.

New Year's Eve

A crowd of 17,000 people welcomed 2015 at Council's family-friendly NYE fireworks celebrations, held for the second successful year in Footscray Park. The crowd of festive partygoers enjoyed a balmy evening on picnic rugs and chairs, with entertainment for the kids, food trucks serving up various cuisines and entertainment from local favourite and event MC, Denise Drysdale. The highlight of the evening was the series of headline musical acts getting the crowd on their feet, followed by sensational fireworks that lit up the summer night sky.

Small Business Festival

Council partnered with Victoria University to run seven events for local small businesses as part of the Victorian Government's Small Business Festival. The festival provided an opportunity for small businesses to learn practical new skills, access new ideas to start and grow their businesses, practical advice on how to achieve long term goals and network with other local businesses.

Enterprise Maribyrnong

The Enterprise Maribyrnong Special Committee was established to guide Economic Development. The Committee will assist Council to achieve its vision of Maribyrnong being a leader in urban economic transition and renewal.

Small Business Training in partnership with State Government

Council have delivered a growing program of business training events in partnership with the State Government. Business breakfasts have provided opportunities for our local businesses to network. Training sessions have ranged from starting a business to winning successful tenders to social media and secrets of successful businesses.

Braybrook on Board

Working with Victoria University, Council has delivered an exciting leadership program, Braybrook on Board. The program has given 15 community members, who are passionate about Braybrook, the opportunity to develop their leadership skills and contribute to change in the local community. Participants have been able to think about Braybrook's future through the program as well as develop an understanding of community systems and how to influence and network within them. Braybrook's newest local leaders will apply this learning through the design and implementation of community focused projects that will continue to grow and develop skills and support community development. The course is linked to a Certificate III in Community Services Work offered by Victoria University.

The Braybrook on Board community leadership program will run again in 2016 engaging and supporting passionate local residents who would like to be a part of strengthening community and creating and supporting positive change.

Open Space Contribution Strategy

Council developed Open Space Contributions Strategy which has been informed through extensive community consultation process. The Strategy includes clear guidelines on developer contributions for open space to ensure that everyone in Maribyrnong has access to high quality open space.

Maribyrnong Economic and Industrial Development Strategy (MEIDS)

Council developed a plan to guide sustainable economic and industrial development in the city called the Maribyrnong Economic and Industrial Development Strategy (MEIDS). The Strategy is in the process of being incorporated into the Maribyrnong Planning Scheme.

03

3.1 Achieving Council Plan strategic objectives

STRATEGIC OBJECTIVE

TRANSPORT

We will plan and advocate for a functional, sustainable and safe, bike and pedestrian friendly transport and traffic management system that meets the community's needs.

HIGHLIGHTS

Trucks and the Inner West: Truck curfews and school speed signs

Curfews are now in place on Moore Street in Footscray between Ballarat Road and Hopkins Street, during evenings Mondays to Fridays from 8pm to 6am, and continuing into the weekend from 1pm on Saturday through to 6am on Monday. On Somerville Road in Yarraville, curfews are in place during busy school drop offs between 8am and 9.30am, and again for afternoon pickups between 2.30pm and 4pm.

Bike infrastructure upgrades

The following projects have been implemented:

- » The Ashley St shared path in Braybrook, connecting Tottenham railway station with Central West Shopping Centre and South Rd.
- » Newells Paddock shared path in Footscray, connecting the main park path to Leunig Place.
- » Shade tree planting along a number of bicycle paths, including parts of Rupert St and Ashley St.
- » A deluxe bike repair stand and pump installed on the Maribyrnong River Trail, in Pipemakers Park.
- » Bicycle lane line marking installed or upgraded, green surfaces installed in lanes and intersections and bicycle parking for 60 bikes at various locations.
- » An extension of the kerb to accommodate a Parkiteer bicycle cage, at Yarraville Train Station. The Parkiteer cage was installed in September 2015.

ENVIRONMENTAL SUSTAINABILITY

In partnership with our community and stakeholders we will educate and promote environmental sustainability.



Zero Carbon Maribyrnong

In line with our goal to become carbon neutral by 2015, we have become a Zero Carbon Council.

As part of this program, two projects were completed that received funding from the Federal Government.

- » The Lighting the West project – Lights in residential streets were replaced with T5 fluorescent, lamps and new fittings. The 4164 light fittings have the capability to be upgraded to LED lights when the T5 lamps need replacing in 4 years' time. The Lighting the West energy efficient light project is expected to save 1164 tonnes of CO2 emissions per annum.
- » The empowering - Maribyrnong program aimed to increase the energy efficiency in Council buildings with a particular focus on improving those used by some of our more vulnerable communities.

Footscray litter campaign

The anti-litter campaign, "Don't mess with Footscray" calls on Footscray traders and the community to support the campaign by ensuring litter and food waste is disposed of properly and not poured into stormwater drains. We installed signage on rubbish bins, featuring local traders involved in the campaign, as well as installing innovative footpath designs promoting the anti-litter message.

My Smart Garden

The My Smart Garden program is a partnership between Maribyrnong, Hobsons Bay and Moonee Valley City Councils that offers residents the opportunity to participate in workshops across the three municipalities.

My Smart Garden promotes a different type of garden - one that helps residents adapt to the hotter days and more variable rainfall as a result of our changing climate.

A total of 30 workshops were delivered through the My Smart Garden program in 2014/2015 (13 hosted by Maribyrnong City Council).



STRATEGIC OBJECTIVE

ORGANISATIONAL ACCOUNTABILITY

We will implement a transparent, engaging and accountable governance structure to deliver this Council Plan.

HIGHLIGHTS

Your Community, Your Voice engagement site

Your City, Your Voice is our new online community engagement site. Residents can comment on current projects and contribute their ideas and feedback. They can also register to receive regular updates about new consultations and ways to get involved. The site went live in March 2015.

Community Panel

Council has set up a new Community Voice Panel of approximately 170 members to provide feedback on a range of community issues. Members are residents of Maribyrnong with a passion for their local community and will provide a way for the community to be actively involved in policy development and the decision making of Council.

Civic awards

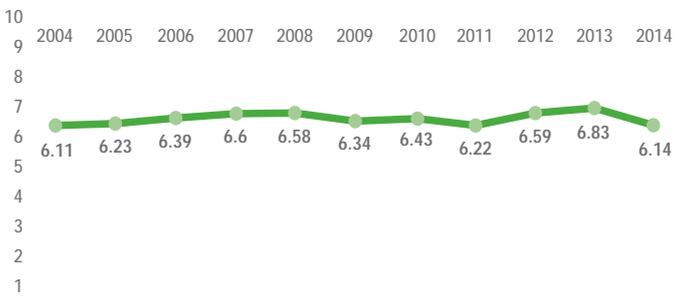
The Australia Day celebrations in Coulson Gardens saw 52 new Australians take the oath of citizenship and Uncle Roy Alexander announced as Maribyrnong's Citizen of the Year for 2015. The new residents received their citizenship certificates before the crowd of around 500 local residents who joined in the family friendly celebrations.



03

3.2 Community satisfaction

Council conducts its comprehensive annual community survey through an independent research company. Over the last eleven years the satisfaction level has remained above 6 index score with the highest recorded in 2013 (6.83) and the lowest in 2004 (6.11). The 2014 score of 6.14 is categorised as 'solid'.



Further results from the 2014 Annual Community Survey are presented in Section 6.



3.3 Financial highlights

During the 2014/2015 financial year Council updated our Long Term Financial Strategy 2015-2025 (LTFS). The LTFS has provided Council with a 10 year blue print to meet the increased infrastructure and service needs of a diverse and growing community.

Long term financial sustainability is the key objective of Maribyrnong Council's long term financial strategy. With good planning, the community can be assured that Council has the financial resources to achieve the objectives set out in the Council Plan.

The Long-Term Financial Strategy (LTFS) 2015-2025 will be revised annually in October/November in accordance with the Council Plan. It will comply with the requirements set by the Victorian Auditor-General's (VAGO) Financial Sustainability Indicators and Maribyrnong City Council's best practice indicators.

The LTFS Objectives and Goals record the fundamental approach of Council to good financial management. To enable the Council to measure achievement of the Goals, a number of Financial Strategy Targets have been developed.

The financial modelling that occurs during the development of current and future budgets provides outputs in a form that are readily comparable to the targets and ensures that targets are met.

The LTFS targets are:

Balanced Budget

- » Positive Underlying Result Ratio;
- » Self-financing Ratio greater than 20%;
- » Indebtedness Ratio less than 40%; and
- » No deficit budgets unless liquidity targets are achieved

Liquidity

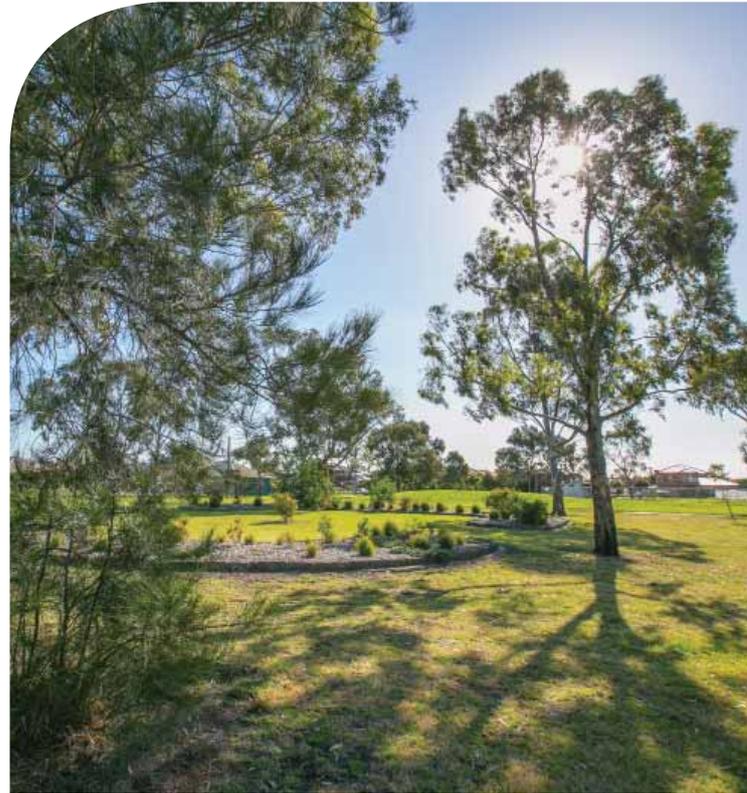
- » Working Capital Ratio greater than 140%; and
- » Adjusted Working Capital Ratio greater than 175%

Sustainability

- » Investment Gap Ratio greater than 150%;
- » Infrastructure Renewal Ratio greater than 100%;
- » Sustainability Assessment by the Victorian Auditor-General as low risk; and
- » A minimum 30% of Rates revenue applied to Capital.

The results achieved in the 2014/2015 Annual Report provide a sound base to ensure the long term financial strategy's goals and objectives are achievable. These are:

- » Council has achieved a surplus during the 2014/2015 financial year of \$19.131m.
- » Council has achieved an underlying surplus during the 2014/2015 financial year \$18.433m.
- » Council has expended in excess of \$26.4m on its capital and improvement program.
- » Cash holdings continue to grow to a level which ensures all reserves and provisions are fully cashed back.
- » Borrowings – Council's debt has reduced to \$3.46m at the end of the 2014/2015 financial year.
- » Working capital ratios are a measure of Council's liquidity position. The current ratio of 3.0:1 is seen as a positive result to achieve the goals and objectives of the LTFS.



03

3.3 FINANCIAL HIGHLIGHTS

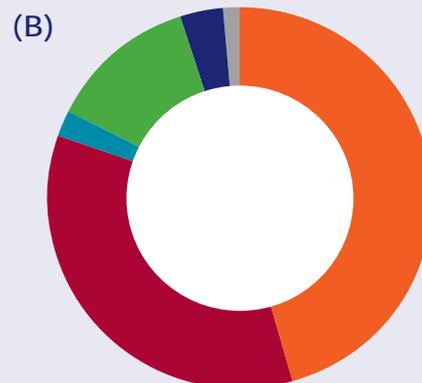
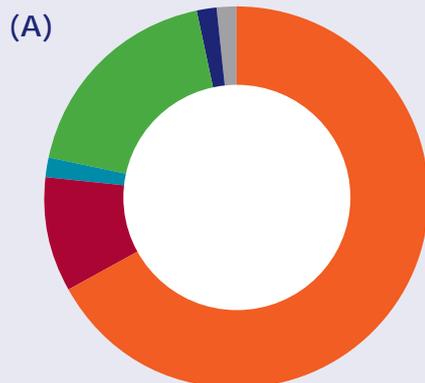
COUNCIL INCOME

Council Income Sources 2014/2015 (A)

| INCOME | \$000 | % TOTAL REVENUE |
|--|----------------|-----------------|
|  Rates | 83,507 | 66.99 |
|  Grants | 12,231 | 9.81 |
|  Interest | 2,179 | 1.75 |
|  User Charges & Statutory Fees | 22,631 | 18.16 |
|  Contribution & Reimbursements | 2,268 | 1.82 |
|  Other Income | 1,834 | 1.47 |
| TOTAL INCOME | 124,650 | 100.00 |

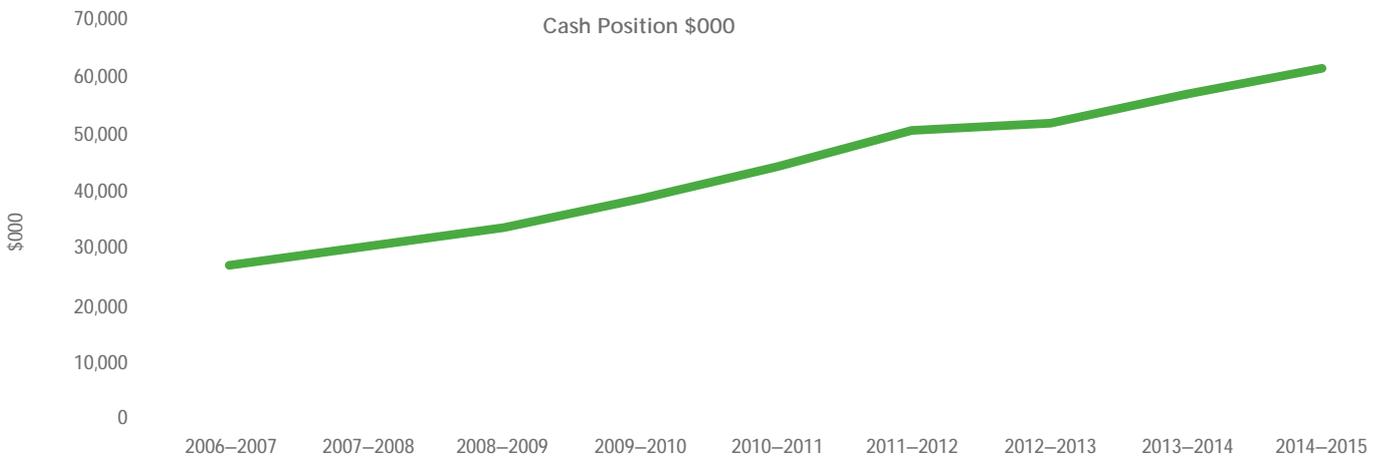
Council Expenditure 2014/2015 (B)

| EXPENDITURE | \$000 | % TOTAL EXPENDITURE |
|--|----------------|---------------------|
|  Employee Benefits | 49,379 | 45.66 |
|  Materials & Services | 37,616 | 34.78 |
|  Bad & Doubtful Debts | 2,459 | 2.27 |
|  Depreciation | 13,576 | 12.55 |
|  Net Loss on disposal Assets | 3,799 | 3.51 |
|  Other Expenses | 1,327 | 1.23 |
| TOTAL | 108,156 | 100.00 |



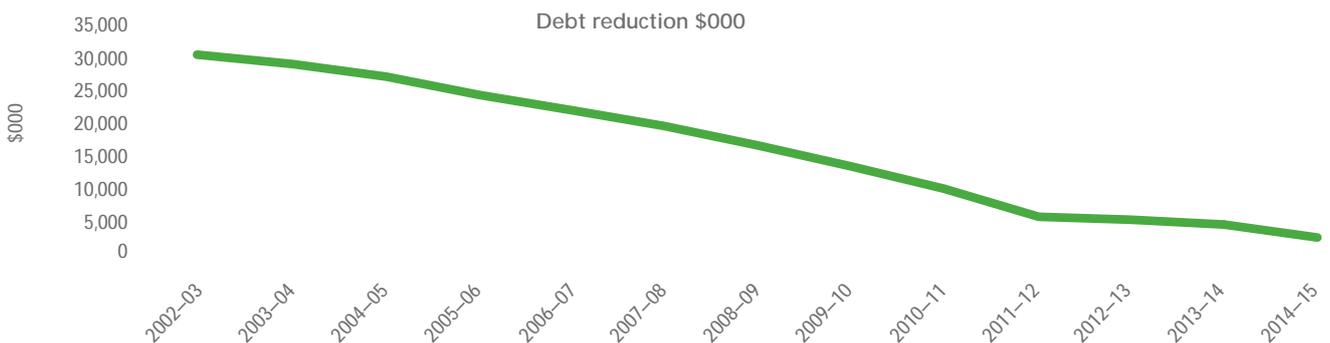
CASH POSITION

Council continues to improve its cash position with all reserves and provisions being fully funded allowing Council to plan for major projects in the future.



COUNCIL DEBT

Council's continued adherence to its long term financial plan has seen debt reduced to \$3.5 million as of 30th June 2015.



Council Investments

Council restricts this investment to authorised deposit institutions as listed by Australian Prudential Regulations Authority (APRA).

Currently Council's investments are held in accordance with its investment strategy in the following institutions:

- » Commonwealth Bank of Australia.
- » Australia & New Zealand Banking Group Ltd.
- » National Australia Bank Ltd.
- » Westpac Banking Corporation, and
- » Bendigo & Adelaide Bank.

Government Funding

Maribyrnong City Council acknowledges the support of the Victorian and Federal Government, as shown below.

| | |
|----------------------------|---------------------|
| Commonwealth funded grants | \$6,833,000 |
| State funded grants | \$5,404,000 |
| TOTAL | \$12,237,000 |

These grants enabled the delivery of a number of projects and programs including: aged services, school crossing supervisors, libraries, Maternal and Child Health services, community safety, environmental planning, capital works projects, etc.

03

3.4 What we delivered to the community

Council provides more than 80 services to the community. Below is a snapshot of some of the different types of services provided, and the community has accessed, during 2014/2015.

| | 2011/12 | 2012/13 | 2013/14 | 2014/15 |
|--|-----------|-----------|-----------|-----------|
| OUR CUSTOMER SERVICE | | | | |
| Customer requests | 29,304 | 33,302 | 40,441 | 37,165 |
| Counter enquiries | 84,603 | 93,137 | 103,783 | 102,694 |
| Phone enquiries | 75,119 | 131,050 | 165,167 | 152,025 |
| Emails responded to (via Council's primary email address) ² | 36,529 | 37,643 | 47,586 | 53,405 |
| UNIVERSAL SERVICES | | | | |
| Number of trees maintained in reserves, parks, playgrounds (including street trees) | 43,600 | 44,000 | 45,231 | 46,463 |
| Kilometres of drains maintained | 356km | 357km | 357km | 357km |
| Number of registered dogs and cats | 9,643 | 9,351 | 8,450 | 9,682 |
| COMMUNICATING WITH LOCAL COMMUNITIES | | | | |
| Number of publications translated into community languages | 144 | 310 | 235 | 152 |
| Number of web page views | 1,990,976 | 1,881,384 | 2,105,026 | 2,154,600 |
| SUPPORTING LOCAL COMMUNITIES | | | | |
| Community grants - total funds available | \$134,000 | \$134,986 | \$134,943 | \$139,970 |
| Festival grants – total funds available | \$271,737 | \$288,787 | \$303,787 | \$312,900 |
| COMMUNITY WELLBEING | | | | |
| Number of visits to Maribyrnong Aquatic Centre | 1,037,853 | 1,033,435 | 979,545 | 972,704 |
| Council's ranking for immunisation rates (% of children aged 12 to 15 months fully immunised) | 94.23% | 92.68% | 93.12% | 93.85% |
| Number of frail aged and older adults and people with disabilities who have used home and community support services | 2,540 | 3,028 | 3064 | 2891 |
| Number of hours of care provided to frail and older adults and people with disabilities | 134,882 | 128,641 | 128,830 | 121,150 |
| Number of visits to libraries ³ | 543,842 | 553,045 | 565,969 | 633,966 |
| Number of visits to community centres ⁴ | 252,869 | 343,194 | 283,708 | 111,520 |
| Number of loans from libraries | 844,377 | 787,143 | 758,581 | 718,740 |
| Number of people who attended programs at libraries | 14,508 | 19,681 | 20,190 | 19,210 |

² It does not include emails sent directly to departments or individual officers

³ The reduction in loans may reflect an emerging trend in patterns of library use with an increasing demand for activities and programs around learning and literacy.

⁴ Reduced capacity due to the construction of the Braybrook Community Hub.

| | 2011/12 | 2012/13 | 2013/14 | 2014/15 |
|---|--------------|---------|---------|-----------|
| PRACTISING ENVIRONMENTAL SUSTAINABILITY | | | | |
| Total greenhouse emissions in tonnes CO ₂ e | 11,778 | 12,911 | 11,937 | 11,367 |
| Minus use of Greenpower | 4,333 | 4,333 | 3,754 | 11,367 |
| Total net greenhouse emissions in tonnes CO ₂ | 7,445 | 8578 | 8,185 | 0 |
| Water consumption in megalitres | 178 | 195 | 209 | 243 |
| Number of households subscribing to green waste bins | 5,430 | 5,865 | 5,841 | 6,454 |
| Tons of waste to landfill | 34,334 | 20,754 | 22,917 | 20,411.89 |
| Recycling in tonnes | 8,154 | 7,269 | 8,067 | 7,835.62 |
| Green waste processed (includes at-call hard and green waste and user pays green waste) | 2,066 | 1,815 | 2,151 | 2,011.36 |
| Hard waste collections completed – residential properties | Not reported | | 6,812 | 6,882 |
| Hard waste collections completed – multi unit developments | Not reported | | 1,899 | 1,965 |



04

Our city today and tomorrow

The City of Maribyrnong is a thriving hub of arts, culture, cuisine, retail, education and innovation. It is home to a growing number of people who choose Maribyrnong to live, work, study and do business. It is well and truly established as an inner city destination of choice. The eclectic streetscapes are alive with vibrant public artworks, diverse enterprise, multicultural activities and engaging green places and spaces. Maribyrnong is a great place to nurture community life, to raise a family, to generate new business, and a great incubator for learning and creativity.

It is a place of diversity and opportunity. Located only five kilometres west of Melbourne's CBD, its 31sq km area is made up of suburbs that vary in demographic, profile and character. From its beginnings as the home and land of the Kulin Nations, the city now incorporates nine suburbs including Footscray, West Footscray, Yarraville, Seddon, Kingsville, Maribyrnong, Maidstone, Braybrook and Tottenham.

An inner city oasis offering a vibrant yet affordable lifestyle, Maribyrnong is now part of the Victorian Government's Central Melbourne Region scheme, which also includes the cities of Melbourne, Port Phillip, Stonnington and Yarra.

Maribyrnong has 151 open space reserves, covering 307.9 hectares of land area, which equates to 9.9 per cent of the municipality.

Maribyrnong has deeply embedded roots in its strong history in both industrial activity and the military forces, a past that has been embraced by the community, evoking a strong sense of pride amongst the city's residents. Although many of its former industrial and military sites have been rezoned to residential, the city still offers a large employment base.

The City continues to attract new residents, new business and enterprise, as well as new educational and creative endeavours. Residents and visitors are drawn here because of the proximity to central Melbourne, the unique mix of urban and period homes, access to public transport, state of the art sporting facilities, our focus on community and learning and our natural assets, such as the Maribyrnong River and stunning parks and gardens. Transformation will continue with the Footscray University Town partnership between Council and Victoria University taking shape and the Festival City program, which attracts cultural activity for the benefit of the community, residents and traders.

Population Growth

The City of Maribyrnong population is forecasted to grow by 30% from 85,312 in 2015 to over 110,000 in 2031. The largest forecast population growth will be in Footscray, which will see a 65% increase to 30,862 by 2031. The suburb of Maribyrnong will also see a forecast increase of 42% to 19,252 by 2031.

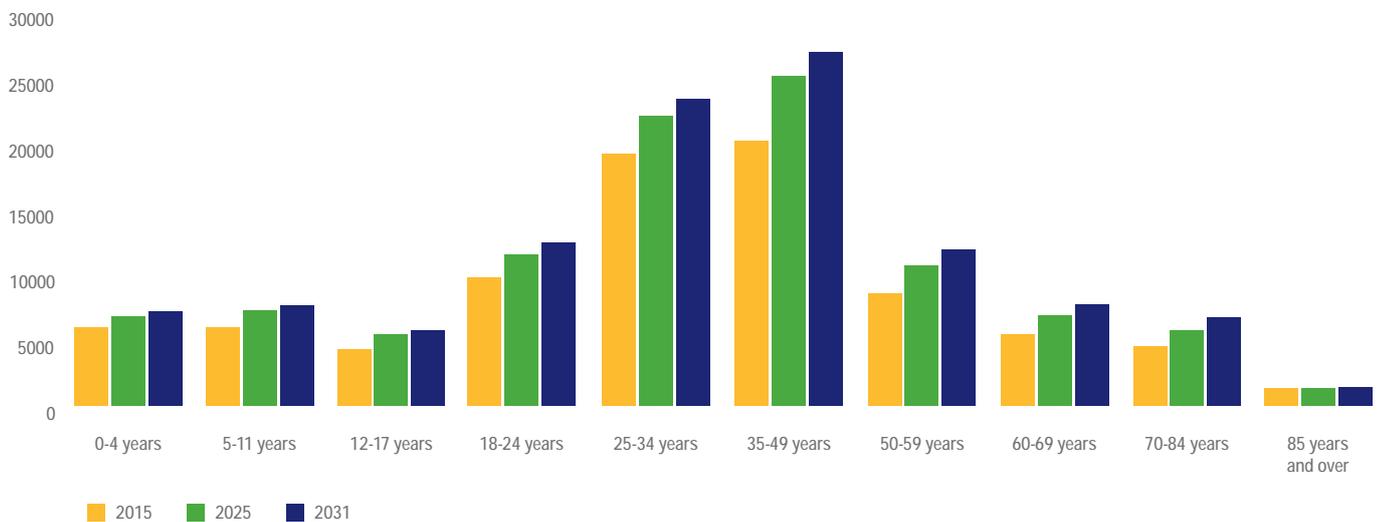
The following table outlines the growth in population by suburb in the City of Maribyrnong by 2031.

TABLE 1. POPULATION FORECASTS FOR THE CITY OF MARIBYRNONG

| SUBURB | 2015 | 2025 | 2031 | PERCENTAGE INCREASE 2015-2031 |
|----------------------------|---------------|----------------|----------------|-------------------------------|
| Braybrook | 9,244 | 10,563 | 10,702 | 16% |
| Footscray | 18,748 | 27,474 | 30,862 | 65% |
| Kingsville | 3,790 | 3,731 | 3,707 | -2% |
| Maidstone | 8,619 | 10,181 | 10,640 | 23% |
| Maribyrnong | 13,556 | 16,961 | 19,252 | 42% |
| Seddon | 5,249 | 5,423 | 5,503 | 5% |
| West Footscray | 11,352 | 11,641 | 12,062 | 6% |
| Yarraville | 14,754 | 17,051 | 18,460 | 25% |
| CITY OF MARIBYRNONG | 85,312 | 100,041 | 111,189 | 30% |

The forecast population growth by age shows the biggest increase in population will be in the 25-34 age group (30%) and the 35-49 age group (26%) by 2031.

City of Maribyrnong Population Forecasts by Age 2015 – 2031



Changing Economic Trends

The local economy of Maribyrnong is in transition from one focused on production to one focused on services. The number of traditional production jobs in the area has reduced in response to changes in technology and competition from lower cost producers based overseas. At the same time, the proportion of service sector jobs locally has been increasing, with demand for a wide array of services. Many residential services, such as retail, personal services, health and education, are growing. Other, knowledge intensive services, such as information, communication, creative industries, business and financial sectors, are also increasing. As this transition continues, challenges and opportunities are being created in these sectors of the economy. Manufacturers in Maribyrnong are adapting to these changing conditions and the prospects for high value-adding, knowledge intensive manufacturing sectors will continue to grow. Manufacturing employment will be based on skills, knowledge and innovation.

Community Profile

New Maribyrnong residents are more likely to be younger, wealthier, better educated and earning higher incomes. The average age of a Maribyrnong resident is 34 years old and almost one-third of people living in the city currently attend an education institution (post secondary school).

Maribyrnong is no longer metropolitan Melbourne's most disadvantaged municipality using the SEIFA index of social and economic disadvantage. Based on 2011 ABS census data, the City of Maribyrnong has a SEIFA⁵ ranking of 974, which resulted in the municipality being ranked the fourth most disadvantaged city in metropolitan Melbourne.

Parts of the city are still characterised by poverty, unemployment, low education levels and incomes, public housing and low levels of health. The suburb of Braybrook is the fourth most disadvantaged suburb in metropolitan Melbourne, with a SEIFA ranking of 801.1.

The city also continues to attract new cultural groups who bring with them diversity and a new dynamic. More than 83 languages from 135 countries are now spoken in Maribyrnong. The top six emerging country of birth groups outside of Australia are: India, Vietnam, China, Burma, Bangladesh and Ethiopia.

5 SEIFA – Socio Economic Index for Advantage (Australian Bureau of Statistics measure of disadvantage)

05

Good Governance

Council is committed to meeting high standards of democratic and corporate governance and makes decisions in an open and engaging manner. Excellence in governance occurs when it is underpinned by accountability, integrity and openness.⁶

Councillors and Wards

Since the 2012 election, the municipality has been divided into the River, Stony Creek and Yarraville wards. River and Stony Creek wards have two councillors each and Yarraville has three.

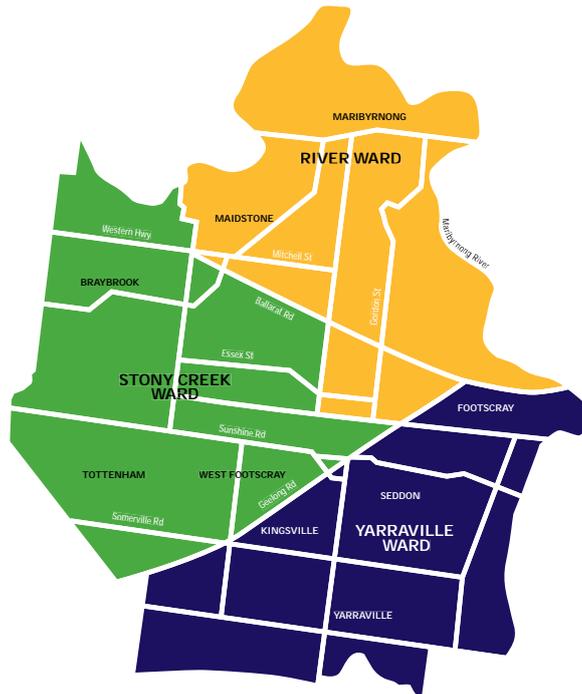
| | | |
|----------------------|--|------------------|
| Cr Sarah Carter | | River Ward |
| Cr Cameron McDonald | Deputy Mayor – from October 2014 | River Ward |
| Cr Catherine Cumming | | Stony Creek Ward |
| Cr Nam Quach | Mayor – from October 2014 Deputy Mayor – until October 2014 | Stony Creek Ward |
| Cr Michael Clarke | | Yarraville Ward |
| Cr Grant Miles | Mayor – until October 2014 | Yarraville Ward |
| Cr Martin Zakharov | | Yarraville Ward |

6 Excellence in Governance for Local Government (CPA)

Councillors elected on 27 October, 2012, left to right: Grant Miles, Sarah Carter, Martin Zakharov, Cameron McDonald, Nam Quach, Catherine Cumming, Michael Clarke.



WARD BOUNDARIES



Councillor allowance

In accordance with Section 74 of the Local Government Act 1989, Councillors are entitled to receive an allowance while performing their duty as a Councillor. The Mayor is also entitled to receive a higher allowance.

The Minister for Local 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. Maribyrnong City Council is a category two council.

For the period 1 July 2014 to 30 November 2014, the councillor annual allowance for a category 2 Council (as defined by the *Local Government Act 1989*) was fixed at \$22,965 per annum and the allowance for the Mayor was \$71,058 per annum. The Minister for Local Government approved an annual adjustment of 2.5 per cent to take effect from 1 December 2014. The annual allowances were adjusted for the period 1 December 2014 to 30 June 2015 to be \$23,539 per annum for the councillor allowance and \$72,834 per annum for the Mayoral allowance.

The following table is a summary of the allowances and superannuation paid to each Councillor during the financial year.

| COUNCILLORS | ALLOWANCE AND SUPERANNUATION \$ |
|---|---------------------------------|
| Cr Sarah Carter | \$27,700.85 |
| Cr Cameron McDonald | \$27,700.85 |
| Cr Catherine Cumming | \$27,700.85 |
| Cr Nam Quach (Mayor 29 October 2014 to 30 June 2015) | \$68,398.18 |
| Cr Michael Clarke | \$27,700.85 |
| Cr Grant Miles (Mayor 1 July 2014 to 29 October 2014) | \$45,014.32 |
| Cr Martin Zakharov | \$27,700.85 |

05

05 GOOD GOVERNANCE

Councillor expenses

In accordance with Section 75 of the *Local Government Act 1989*, we are required to reimburse a Councillor for expenses incurred whilst performing their duties as a Councillor. Council is also required to adopt and maintain a policy to provide guidance for the reimbursement of expenses and the provision of resources, facilities and other support to the Mayor and Councillors to enable them to discharge their duties. Details of expenses for the 2014-15 year are provided in the following table.

| COUNCILLORS | TR \$ | CC \$ | IC \$ | CT \$ | TOTAL \$ |
|----------------------|------------|-------------|------------|------------|--------------------|
| Cr Sarah Carter | \$1,089.11 | - | \$1,524.72 | \$1,649.00 | \$4,262.83 |
| Cr Cameron McDonald | \$22.56 | \$310.00 | \$99.34 | \$1,275.00 | \$1,706.90 |
| Cr Catherine Cumming | \$68.40 | \$10,130.00 | \$779.76 | \$1,000.00 | \$11,978.16 |
| Cr Nam Quach | \$5,442.77 | - | \$1,719.73 | \$7,715.00 | \$14,877.50 |
| Cr Michael Clarke | \$943.96 | - | \$1,341.26 | \$1,911.93 | \$4,197.15 |
| Cr Grant Miles | \$4,341.90 | - | \$474.55 | - | \$4,816.45 |
| Cr Martin Zakharov | \$217.10 | - | \$159.55 | \$65.00 | \$441.65 |

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

Councillor Code of Conduct

In accordance with the Local Government Act 1989, Council reviewed and adopted the Councillor Code of Conduct in March 2013 (within 12 months of the municipal election).

The community expects the business of Council to be conducted with efficiency, transparency and impartiality. The Code of Conduct articulates the framework through which Councillors' expected standards of conduct and behaviour, accountability and responsibilities are displayed to ensure public confidence in Council is maintained.

Strong performance in customer service

Our Customer Service Charter includes standards and principles to guide high quality services to our customers. It states our commitment to simplifying processes, finding solutions and continuously improving.

The 2014 annual community satisfaction survey demonstrated high levels of customer satisfaction.

We continue to promote the variety of ways customers can make contact with our organisation including a mobile application that allows customers to

- » submit a request for service using smart phone, iPad or Blackberry mobile phone
- » take photos and attach these to requests for service, and
- » track the progress of requests.

5.1 CORPORATE GOVERNANCE

Maribyrnong City Council is constituted under the *Local Government Act 1989* (the Act) to provide democratic local government to its community. The purposes and objectives of Council, as well as the functions and powers of local government, are also defined in the Act.

The roles of Council are:

- » acting as a representative government by taking into account the diverse needs of the local community in decision making
- » providing leadership by establishing strategic objectives and monitoring their achievement
- » maintaining the viability of Council by ensuring that resources are managed in a responsible and accountable manner
- » advocating the interests of the local community to other communities and governments
- » acting as a responsible partner in government by taking into account the needs of other communities, and
- » fostering community cohesion and encouraging active participation in civic life.

Council's formal decision making processes are conducted at public Council and Special Committee meetings. There are also extensive delegations in place to enable the Chief Executive Officer and key Council staff to carry out their responsibilities. These delegations are exercised in accordance with adopted Council policies and through formal instruments of delegation, in accordance with the Act.

Council adopted a number of significant policies, strategies and plans during 2014/2015- including:

- » Council Plan 2015/16 Priority Actions
- » Council Budget 2014/15
- » Good Design Standard, a design standard to improve the quality of residential development in Maribyrnong
- » Maribyrnong Open Space Strategy
- » Graffiti Management Plan
- » Waste Minimisation Strategy
- » Maribyrnong Strategy for Young People, and
- » Maribyrnong Family Strengthening Program.

Council also supported the Australian Local Government Association's campaign to restore the Financial Assistance Grants and made submissions to the Royal Commission into Family Violence and the State Government regarding Rate Capping.

Council meetings

Council meetings are held on a monthly cycle. Generally, Ordinary Council Meetings are held on the third Tuesday of the month.

Chair of Council Meetings

July 2014 to October 2014 – Cr Grant Miles, Mayor.

November 2014 to June 2015 – Cr Nam Quach, Mayor.

Chair of Community and Services Special Committee

July 2014 to December 2014 – Cr Catherine Cumming.

(Committee was dissolved, effective 10 December 2014).

Chair of City Development Special Committee

July 2014 to October 2014 – Cr Cameron McDonald.

November 2014 to June 2015 – Cr Grant Miles.

Planning forums

Planning forums are held as required throughout the year. This forum enables Councillors and officers to meet with planning permit applicants and objectors to hear firsthand about proposed developments and issues of concern before decisions are made.

Special Committees

In February 2012 Maribyrnong Council established the Community and Services Special Committee and the City Development Special Committee as section 86 Committees under the Local Government Act.

In December 2014 the Community and Services Special Committee was dissolved and items which were previously considered by this Committee have since been considered at the Ordinary Council Meetings which are held monthly.

The City Development Special Committee has delegated authority to make decisions on behalf of Council and meetings are held on the fourth Tuesday of each month.

No Council or Special Committee Meetings were held during school holiday periods to maximise possible community participation.

In May 2015, Council resolved to establish another section 86 Committee - the Enterprise Maribyrnong Special Committee to promote and guide economic development within the City.

The committee will assist Council in achieving its vision of Maribyrnong as a leader in urban economic transition and renewal, and to create vibrant and successful urban places with excellent business opportunities and meaningful employment.

The committee will commence meeting in late 2015 following the appointment of Committee members.

Inner Melbourne Action Plan

Inner Melbourne Action Plan Making Melbourne More Liveable



This committee has delegated powers, duties and functions directly relating to, or ancillary to, overseeing implementation of the Inner Melbourne Action Plan (IMAP). The Inner Melbourne Action Plan is the successful collaboration between the cities of Melbourne, Port Phillip, Yarra, Maribyrnong and Stonnington and is established under section 86 of the Local Government Act 1989. The Committee meets quarterly with governance and administration support provided by the IMAP Executive Officer based at the City of Stonnington.

IMAP seeks to help foster creativity, liveability, prosperity and sustainability across the inner Melbourne region. Key strategic directions are transport and connectedness, housing affordability, environmental sustainability and liveability.

05

05 GOOD GOVERNANCE

The Inner Melbourne Action Plan identified 11 regional strategies and 57 actions for implementation across the inner Melbourne region. Now in its ninth year, the IMAP partnership has around 75% of these actions being implemented or completed. Key focus areas during 2014-15 have been around:

- » affordable housing and Infrastructure
- » sustainability
- » regional tourism, and
- » looking ahead.

Planning forums

Planning forums are held as required throughout the year. These forums enable Councillors and officers to meet with planning permit applicants and objectors to hear firsthand about proposed developments and issues of concern before decisions are made.

Human rights framework

The Human Rights and Social Justice Steering Group is chaired by the Chief Executive Officer, Stephen Wall. The Steering Group members are drawn from across the organisation and the group met four times in 2014-15.

The Steering Group has supported opportunities to promote an understanding of human rights and social justice to Council staff and the wider community, including:

- » Human Rights Conversation Series Panel Discussion on Challenging Racism in the West as part of the *Racism It Stops With Me* campaign for Human Rights Day 10 December 2014
- » Youth Services Team Raw Elements *Racism It Stops With Me* presentation to Victorian Equal Opportunity and Human Rights Commission. The group received an award from the *Human Rights Commission* and were presented with the award by the Racism Discrimination Commissioner Dr Tim Soutphommasane
- » submission to the Victorian Government Review of the Victorian Charter of Human Rights and Responsibilities
- » Victorian Equal Opportunity and Human Rights Commission Victorian Charter for Human Rights and Responsibilities Training for Corporate Management Team on 17 June 2015
- » Human Rights Conversation Series Panel Discussion for Refugee Week: *Journeys of Change, Representations of Asylum Seekers in the Australian Community*, MetroWest Footscray, 19 June 2015, and
- » development of Human Rights and Social Justice Calendar of Activities which provides an outline of all Council activities relating to human rights.

How Council communicates with its community

Council makes decisions in an open and transparent manner. We communicate using tools such as:

- » our new 'Your City Your Voice' community engagement website
- » Annual Community Survey
- » our customer service centre at Maribyrnong City Council offices in Footscray
- » our website www.maribyrnong.vic.gov.au
- » our customer service phone service
- » our customer service email address
- » our official blog site www.cityofmaribyrnong.com.au
- » weekly advertisements in local newspapers
- » monthly *City News* advertisements in local newspapers and newspapers in other languages
- » *Maribyrnong News* residents' newsletter delivered four times a year to local residents and businesses
- » *Footscray Life* newsletter and website www.footscraylife.com.au
- » our official social media pages on Facebook and Twitter
- » media releases and responding to media requests
- » community information stands at events and facilities
- » community information forums, consultations, events and activities
- » our official Youtube video sharing platform
- » posters and fliers in local cafes, and
- » information featured on large boards at key high traffic outdoor locations across the city.

Community participation and funding

Council provided annual financial support for festivals, community projects and local initiatives that contribute to Council Plan priorities and enhance life for Maribyrnong communities. In 2014/2015 Council allocated \$509,520 across two programs – a 16% increase from the previous year.

- » The Festival City Grants Program allocated \$369,550 in financial support to 20 festivals, including successful new comer to the partner producer stream Comedy Out West, part of Melbourne International Comedy Festival. We also produced programs within the Melbourne Fringe Festival (*Fringe Out West*), and Melbourne Food and Wine Festival (*Be Our Guest Out West*). Community favourites such as *Wominjeka Festival*, the *Ethiopian New Year Festival* and *Carols in the Gardens* ensured diversity within the municipality was celebrated. Street based festivals such as *East Meets West Lunar New Year*, *Yarraville* and *Seddon Festivals* ensured the City was promoted as a cosmopolitan municipality.
- » The Community Grants Program provided \$139,970 to 50 projects and initiatives funded across seven categories, including small grants, seniors, community development, arts and culture, environment and large grants.
- » In the 2014/15 the funding amount requested increased by 63.8% from the 2013/14 program and the number of applications increased by 20.17%, marking an unprecedented demand for Community Grant Program funding requests.

In 2014, the crowds increased to more than 17,000 people coming together to celebrate New Year's Eve Fire Works with a family friendly event in Footscray Park. This represents 42% increase from last year.

Committees and advisory groups

An important part of the role of a Councillor is to represent the community on special interest committees and advisory groups. Each year, Councillors are appointed to committees that have a local or regional focus.

There is a requirement that Councillors report back to the community and Council at Ordinary Council Meetings each month, via a delegates' report, as part of Council's commitment to govern responsibly and transparently.



05

05 GOOD GOVERNANCE

Councillors on committees – July 2014 to June 2015

| Committee | July 2014 to December 2014 | January 2015 to June 2015 |
|---|--|---|
| Annual Youth Forum | Cr Quach | Cr Quach |
| Audit Committee | Mayor ex-officio Cr McDonald Cr Clarke | Mayor ex-officio Cr McDonald Cr Miles |
| Brooklyn Community Reference Group | Cr Clarke | Cr Clarke |
| Chief Executive Officer Performance Review Committee (From 2015 known as Chief Executive Officer Employment Matters Committee) | Mayor ex-officio Cr Carter Cr McDonald Cr Cumming | Mayor and Councillors |
| Disability Advisory Committee | Mayor ex-officio | Mayor ex-officio |
| Heritage Advisory Committee | Cr McDonald | Cr McDonald |
| Inner Melbourne Action Plan Implementation Committee | Mayor ex-officio | Mayor ex-officio |
| LeadWest Board | Cr Carter Cr Zakharov (substitute) | Cr Carter Cr Zakharov (substitute) |
| Maribyrnong Arts and Cultural Advisory Committee | Cr Zakharov Cr Cumming | Cr Zakharov Cr Cumming |
| Maribyrnong Rail Impacts Community Group | Cr Miles Cr Zakharov | Committee ceased |
| Metropolitan Local Governments' Waste Forum | Cr Cumming | Cr Carter |
| Metropolitan Transport Forum | Cr Zakharov Cr Cumming | Cr Zakharov Cr Cumming |
| Municipal Association of Victoria | Cr Clarke Cr Carter (substitute) | Cr Cumming Cr Clarke (substitute) |
| Older Persons Reference Group | Cr McDonald | Cr McDonald |
| Port of Melbourne Project Liaison Group | Cr Quach Cr Zakharov | Cr Quach Cr Zakharov |
| Regional Rail Link Community Reference Group | Cr Miles | Committee ceased |
| Roadsafe Westgate Community Road Safety Council | Cr Quach | Cr Quach |
| Victorian Local Governance Association | Cr Carter Cr Miles (substitute) | Cr Carter Cr Miles (substitute) |
| Western Melbourne Tourism Board | Cr Carter | Cr Carter |

Governance and management checklist

The following are the results of Council's assessment against the prescribed governance and management checklist, as outlined in the Local Government Performance Reporting Framework.

| Governance and Management Items | Assessment |
|---|---|
| 1. Community engagement policy (policy outlining council's commitment to engaging with the community on matters of public interest) | Policy Date of adoption: 22 July 2014 |
| 2. Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community) | No guidelines Reason for no guidelines: Toolkit and matrix used by staff |
| 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: 16 June 2015, Ordinary Council Meeting |
| 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: 16 June 2015, Ordinary Council Meeting |
| 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 adoption of current plans: Asset Management Policy 9 December 2014, Asset Management Improvement Strategy 21 July 2015, Building Asset Management Plan 11 September 2012, Open Space Asset Management Plan 16 October 2013, Road and Footpath Asset Management Plan 1 September 2007 and is currently under review, Bridge Asset Management Plan 11 September 2012, Road Management Plan 17 May 2013. |
| 6. Rating strategy (strategy setting out the rating structure of Council to levy rates and charges) | Strategy Date of adoption: 16 June 2015, Ordinary Council Meeting |
| 7. Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations) | Policy Date of adoption: 21 September 2010, Fraud Control Group |
| 8. Fraud policy (policy outlining council's commitment and approach to minimising the risk of fraud) | Policy Date of adoption: 23 July 2013, Fraud Control Group |
| 9. Municipal emergency management plan (plan under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery) | Adopted in accordance with section 20 of the Emergency Management Act Date of adoption: 21 September 2010, Ordinary Council Meeting |
| 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 S186A of the Act Date of adoption: 20 May 2014 for application 1 July 2014 to 30 June 2015, Ordinary Council Meeting |

05

05 GOOD GOVERNANCE

Governance and management checklist continued

| Governance and Management Items | Assessment |
|---|---|
| 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: 5 June 2013, Executive Management Team |
| 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) | Plan Date of adoption: 5 June 2013, Executive Management Team |
| 13. Risk management framework (framework outlining council's approach to managing risks to the Council's operations) | Framework Date of adoption: 10 September 2013, Fraud Control Group |
| 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: 1 October 1995 |
| 15. Internal audit (independent accounting professionals engaged by the council to provide analyses and recommendations aimed at improving council's governance) | Engaged Date of engagement of current provider: 23 April 2013 |
| 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 adoption: 13 May 2015, Executive Management Team |
| 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) | Report Date of adoption: 25 June 2013, Special Council Meeting On an annual basis the Council Plan Priority actions are reviewed and developed, with quarterly progress reporting to Council. |
| 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: 14 October 2014, 18 November 2014, 17 February 2015 and 19 May 2015 |
| 19. Risk reporting (six-monthly reports of strategic risks to council's operations, their likelihood and consequences of occurring and risk minimisation strategies) | Report Date of report: 16 April 2015, Risk Management and Fraud Control Group |
| 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) | Reports Quarterly Performance Reports were tabled 5 November 2014, 17 February 2015, 21 April 2015, Ordinary Council Meetings |
| 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) | Adopted in accordance with section 134 of the Act. Date of adoption: 26 August 2014, Special Council Meeting |
| 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 and adopted in accordance with section 76C of the Act. Date of adoption: 19 March 2013, Ordinary Council Meeting |



Governance and Management Items

Assessment

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 adoption:

The Instrument of Delegation from Council to the CEO was reviewed and adopted on 26 February 2013. The Instrument of Delegation from Council to Council staff was reviewed and adopted on 29 November 2013.

24. **Meeting procedures** (a local law governing the conduct of meetings of council and special committees)

Adopted in accordance with section 91(1) of the Act
Local Law was adopted by Council 19 April 2011, which incorporated by reference the Meeting Procedures, and has been amended by Council at Meetings held on 21 February 2012 and 18 February 2014

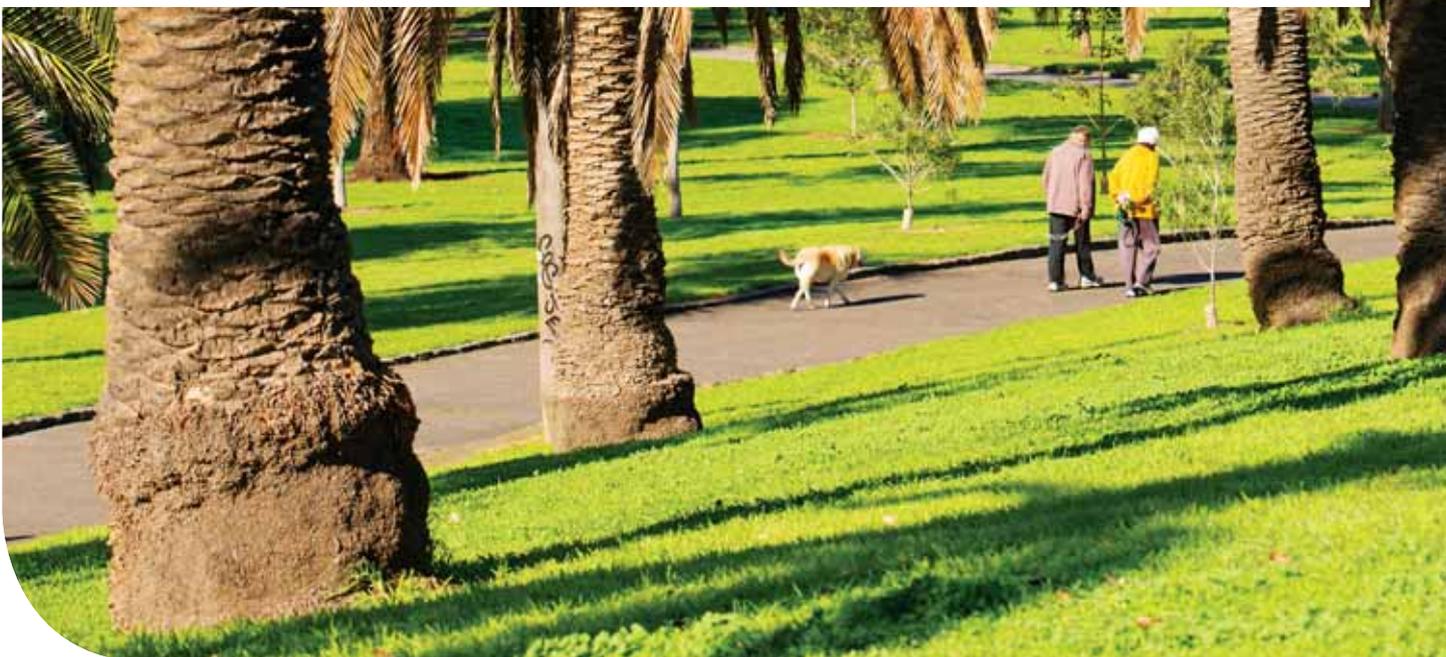
I certify that this information presents fairly the status of Council's governance and management arrangements.

Stephen Wall
Chief Executive Officer

Dated: 23 August 2015

Cr Nam Quach
Mayor

Dated: 23 August 2015



06

Report of operations – how we delivered on Council Plan 2013-2017

Local Government Act S131 (2) (b)

The following section provides an overview of the past 12 months of operations at Maribyrnong City Council, specifically:

- » our overall achievement as guided by the Annual Action Plan 2014/2015
- » our wellbeing outcomes in support of our integrated Municipal Public Health and Wellbeing Plan
- » our projects, and
- » our assets and capital improvement program.

Each of the key commitments in the Council Plan has a number of strategies and actions to help achieve them.

Our Long Term Financial Strategy is the guiding document for Council's finances. The Strategy is reviewed annually and addresses many challenges, most significantly the problem of cost shifting from other levels of government, repaying Council's inherited debt and managing asset renewal. Council's Long Term Financial Strategy relies, in part, on income from other levels of government.

The report of operations also provides information about services and the organisation in accordance with the requirements of the *Local Government Act 1989*.

Planning and accountability framework

Council is committed to transparency and accountability to the community and other levels of government about how the community's rates money is spent and the quality of services delivered.

The following diagram shows the relationship between the key statutory planning and reporting documents that make up the planning and accountability framework⁷.



⁷ Adopted from Department of Transport, Planning and Local Infrastructure, 2014

The Victorian Government has introduced a new Local Government Performance Reporting Framework, which measures performance across four indicator sets - governance and management, service performance, financial performance and sustainable capacity.

We have strengthened our systems and processes in order to report, for the first time, on the 66 indicators measuring services (48 indicators), finances (12 indicators) and sustainable capacity (6 indicators), as outlined in the Local Government Performance Reporting Framework. The results for these indicators are presented in the next section of the Annual Report and Performance Statement.



6.1 COUNCIL PLAN

Development of the Council Plan 2013-2017, incorporating Council's Municipal Public Health and Wellbeing Plan, involved extensive community consultation through workshops, activities and a survey. More than 600 people and organisations took part in the consultation, which helped set our vision and priority areas for the next four years.

The Council Plan 2013-2017 was adopted by Council on 25 June 2013.

The plan outlines the vision, strategic objectives and wellbeing outcomes and states our vision for the four years to 2017:

A diverse and vibrant city dedicated to community wellbeing through democracy, sustainable growth and opportunity for all.

The plan commits to six strategic objectives and these provide the primary direction for our Council and organisation. They are:



URBAN GROWTH – We will create a well planned city that facilitates change while respecting our heritage and neighbourhood character.



LIVEABILITY – We will foster a connected and welcoming city for all by providing well designed places and quality services.



ECONOMIC PROSPERITY – In partnership with our community and stakeholders we will support local business, attract investment and employment opportunities and improve pathways for education and training



TRANSPORT – We will plan and advocate for a functional, sustainable and safe bike and pedestrian friendly transport and traffic management system that meets the community needs.



ENVIRONMENTAL SUSTAINABILITY – In partnership with our community and stakeholders we will educate and promote environmental sustainability.



ORGANISATIONAL PERFORMANCE – We will implement a transparent, engaging and accountable governance structure to deliver this Council Plan.

Each strategic objective is supported by a number of strategies, actions and indicators to help measure progress.

06

06 REPORT OF OPERATIONS – HOW WE DELIVERED ON COUNCIL PLAN 2013-2017

Wellbeing outcomes

The integration of the Municipal Public Health and Wellbeing Plan acknowledges Council's commitment to the wellbeing of our community and our primary objective to promote and protect that wellbeing. Individual and community wellbeing is achieved when everyone has, and feels they have, the ongoing opportunity to reach their full potential in all aspects of their life.

Council is committed to creating and improving the physical, social, natural, cultural and economic environments that keep people well now and into the future.

Everything we do has an impact on community wellbeing and every Council policy, strategy, decision and action is informed by our commitment.

Nine wellbeing outcomes underpin the Council Plan, as shown below.



WELL PLANNED CITY – Well planned neighbourhoods, city design and development that are attractive and provide safe and accessible spaces for all.



LIVEABILITY – A city that has liveable places and community infrastructure that promotes social connections and improves quality of life for everyone.



CULTURAL VIBRANCY – A city that respects, celebrates and protects the history and diversity of our heritage, cultural precincts, the arts and community spaces.



ENVIRONMENTAL SUSTAINABILITY – A city and organisation that implements environmentally sustainable policies, practices and procedures that protect the environment and promote the sustainable use of natural resources.



ECONOMIC PROSPERITY – Economic activity that supports local investment, local employment and access to income as well as pathways to education and training.



SUSTAINABLE TRANSPORT – Accessible, affordable and safe transport options for all community members that encourage sustainable and active transport around the municipality.



EQUITY – Equitable access to quality resources that support individual and community wellbeing now and into the future.



EFFICIENT WORKFORCE – An effective and efficient workforce that demonstrates engagement, innovation, accountability, transparency, good governance and sustainable economic practices that ultimately build and support municipal-wide wellbeing.



COMMUNITY HARMONY – A strong sense of community built on diversity of gender, age, culture, ability, lifestyle and faith that support social inclusion and community decision making.

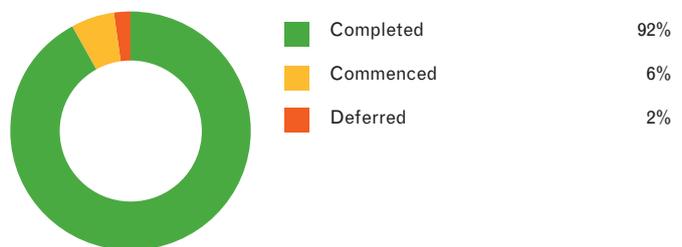
Report on 2014/2015 actions

Council's performance for the 2014/15 year has been reported against each strategic objective to demonstrate how we are performing in achieving the 2013-17 Council Plan. Performance has been measured as follows:

- » results achieved in relation to the actions and strategic indicators in the Council Plan
- » progress in relation to the major initiatives identified in the budget, and
- » results against the prescribed service performance indicators and measures.

As part of annual planning, we committed to 96 actions across six key strategic objectives. Our progress on these actions has been reported to Council quarterly.

The chart to the right shows the proportion of actions completed, commenced or deferred.



Legend



Two projects have been deferred to 2015/16

1. to complete the interior design for the new Yarraville library and Community space.
2. to implement a Commercial Priority Planning Process for planning applications that generate significant local employment and investment.



06

06 REPORT OF OPERATIONS – HOW WE DELIVERED ON COUNCIL PLAN 2013-2017

The next section will provide an overview of achievements against each of the six strategic objectives, grouped under the following headings

- a) achievements of actions by strategy
- b) contribution to wellbeing outcomes
- c) major initiatives
- d) service performance indicators
- e) strategic indicators

6.2 Urban Growth

Strategic objective

We will create a well planned city that facilitates change while respecting our heritage and neighbourhood character.

6.2.1 Achievements of action by strategy

Of the 19 actions, 89% have been completed. The table below provides a summary of each action and percentage completed.

| Actions | % completed |
|---|-------------|
| Strategy: Build a well planned city for our growing population that is respectful of all people. | |
| Implemented the Gender Equity Strategy to ensure Council's principles, practice, policies and services consider gender equity. | 100% |
| Developed the 2015-2019 Maribyrnong Gambling Policy. | 90% |
| Implemented the Maribyrnong Early Years Service and Spatial Planning Report. | 100% |
| Completed the design stage for the installation of a synthetic sporting field in Maribyrnong. Completed two synthetic soccer pitches on Robert Barrett Reserve. | 100% |
| Completed the design stage for Kingsville Tennis Club extension. | 100% |
| Effectively managed planning applications against the requirements of the Planning and Environment Act and the Maribyrnong Planning Scheme. | 100% |
| Managed the Food Act 1984 and Public Health and Wellbeing Act 2008. | 100% |
| Managed the Maribyrnong Integrated Rooming House Framework. | 100% |
| Managed the Building Act. | 100% |
| Prepared a Planning Scheme Amendment to introduce a planning and design frame work for the Highpoint Precinct. | 100% |
| Prepared a Planning Framework Plan for the Gordon Street and Mephan Street Strategic Employment Investigation Area. | 100% |
| Strategy: Establish benchmarks for provision of facilities and infrastructure in new developments. | |
| Commenced implementation of Good Design Guidelines. Tracking of applications us utilising the Good Design Standards is progressing. | 100% |

| Actions | % completed |
|---|-------------|
| Strategy: Champion innovative best practice design. | |
| Implemented the traffic management prioritisation system. | 100% |
| Design of the Footscray Community Hub in Paisley Street Footscray. | 80% |
| Strategy: Protect the city's heritage, unique neighbourhood character and waterway environments. | |
| Undertook an assessment of the significance of the potential heritage places as identified in the Footscray Heritage Gap Study – Footscray Central Activities Area. | 100% |
| Strategy: Develop social spaces that facilitate use by the community including securing new and improved open spaces to meet increasing population needs. | |
| Restored the 100 year old Maidstone Tennis Pavilion for community use. Detailed design completed. Works to be undertaken during 2015/16. | 75% |
| Investigated land for new open space in the Joseph Rd Precinct, Footscray. Land in the ownership of VicTrack and the State Government identified. | 100% |
| Constructed a permanent park in Ballarat Street Yarraville. | 100% |
| Constructed Major building projects (eg. Braybrook Community Hub, Burns St Early Years Hub in Maidstone). | 100% |

6.2.2 Contribution to wellbeing outcomes

The actions delivered under the Urban Growth strategic objective contributed to achieving wellbeing outcomes in 'well planned city', 'cultural vibrancy' and 'liveability'.





6.2.3 Major initiatives

| INITIATIVES | ACHIEVEMENTS |
|--|--|
| Prepare a Planning Scheme Amendment to introduce a planning and design framework for the Highpoint Precinct. | The Highpoint Planning and Urban Design Framework and Planning controls have been completed. Amendment C135 Highpoint Planning Scheme Amendment was exhibited. A five day Panel Hearing was held in March to consider the amendment and submissions. The Independent Panel report supported the Amendment with some modifications. |
| Design of the Footscray Community Hub in Paisley Street Footscray. | Design development phase completed with construction documentation due in December 2015. |

6.2.4 Service performance indicators

The following table provides the results of the prescribed LGPRF service performance indicators and measures including explanation of material variations, where appropriate.

| SERVICE/INDICATOR/MEASURE | RESULT | MATERIAL VARIATIONS |
|---|---------|---|
| Statutory Planning | | |
| Timeliness <i>Time taken to decide planning applications</i> [The median number of days between receipt of a planning application and a decision on the application] | 82 days | Maribyrnong City is experiencing a significant growth rate which results in an increased number of planning applications. |
| Service standard <i>Planning applications decided within 60 days</i> [Number of planning application decisions made within 60 days / Number of planning application decisions made] x100 | 54% | This result is reflective of the increased number of planning applications received over the previous two calendar years. |
| Service cost <i>Cost of statutory planning service</i> [Direct cost of statutory planning service / Number of planning applications received] | \$1,776 | No material variations. |
| Decision making <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100 | 70% | This result demonstrates that decisions are being made in line with the Maribyrnong Planning Scheme. |

6.2.5 Strategic indicators



The 2014 results show a slight decline in satisfaction scores for 'services for the seniors' and 'services for children', and a marginal decline in 'Council's decision making/seeking community opinion'.



The 2014 results show a slight decline in satisfaction for 'services for youth' and the 'Maribyrnong Aquatic Centre'. There was an increase in satisfaction for 'feeling safe (during day)' – the score is categorised as 'excellent'.



06 REPORT OF OPERATIONS – HOW WE DELIVERED ON COUNCIL PLAN 2013-2017

6.3 Liveability

Strategic objective

We will foster a connected and welcoming city for all by providing well designed places and quality services.

6.3.1 Achievements of actions by strategy

Of the 29 actions, 93% have been completed. The table below provides a summary of each action and percentage completed.

| Actions | % completed |
|--|-------------|
| Strategy: Improve the city's amenity to create safe, high quality and inviting public places, services and facilities for all. | |
| Installed outdoor wall art in prominent graffiti affected locations to improve the visual amenity and deter graffiti. Six sites completed as part of Street Works Program. | 100% |
| Deferred to 2015/16. Complete the interior design for the new Yarraville library and Community space. | 25% |
| Delivered the 2014-15 Capital Works and Improvement program. | 70% |
| Undertaken an annual review of the Domestic Animal Management Plan. | 100% |
| Implemented Stage 1 landscape works from the Footscray River Edge Masterplan. Completed works include Landscaping of Bunbury Street, design of Newell's Paddock Access Trail, new park infrastructure at Newell's Paddock, a new access path linking the Footscray Community Arts Centre to Maribyrnong Street and the upgrading of the fence along river trail. | 100% |
| Implemented Stage 1 works for the Mills Close Precinct upgrade (Footscray University Town). | 100% |
| Designed of the Angliss Reserve Sports Pavilion in Yarraville. | 100% |
| Implemented the Byron St carpark project/Saigon Project. Multi-level car park and open space redevelopment. Traffic and Parking precinct works completed. Design development and tender documentation have been completed. Tree Planting design has been completed. Property title consolidation is progressing. Construction to commence late 2015. | 100% |
| Secured Committee of Management responsibilities for PipeMakers Park and Burndap Park. | 100% |
| Strategy: Celebrate and promote our history, creativity and diversity. | |
| A program of bus tours was delivered for international students as part of the Footscray University Town project. This includes a bus tour for 24 newly arrived international students from Adult Multicultural Education Services (AMES) and Victorian University was conducted. | 100% |

| Actions | % completed |
|--|-------------|
| Strategy: Increase opportunities for community participation in Council's decision making. | |
| Best-practice research on local government youth participation models completed. A Youth Leadership Conference was developed and delivered. A new Youth Advisory Committee was established and will be formalised in 2015/16. | 100% |
| The "Engaging Children in Decision Making" tool was used to direct the consultation process with 800 local children to support the development of the Maribyrnong Children's Strategy. | 100% |
| Completed a Municipal Sports Development Strategy. | 95% |
| Completed the 2014 Annual Community Survey. | 100% |
| Increased the frequency of Maribyrnong News, Council's official newsletter, as a means of better enabling the community to be aware of Council programs and civic engagement. Five editions have been produced during 2014/15. | 100% |
| Strategy: Advocate on issues of importance to our community. | |
| Continued Council's participation in White Ribbon Day and International Women's Day to highlight activities that promote gender equity and prevent violence against women. Activities included: Pedalling Footscray's Food Icons, Ladies Night out (100 people attended), New street art wall in Footscray, Launch of Westartnow Boundless series, Launch of FridaFreda and photography project. | 100% |
| Undertaken a Human Rights and Social Justice Conversation Series to promote community understanding and action on Human Rights and Social Justice issues. Events include: 'Racism It Stops With Me' and 'Journey to Change discussion panel'. | 100% |
| Implemented the Maribyrnong Family Strengthening Framework with local agencies to support parenting and family wellbeing. | 100% |
| Contributed to the new Inner Melbourne Action Plan to fully involve Maribyrnong in opportunities relating to inner city areas. | 100% |

| Actions | % completed |
|--|-------------|
| Strategy: Develop strong partnerships with a range of organisations and stakeholders to provide social, economic, built and cultural environments that support community wellbeing. | |
| Implemented Year Two of the Revitalising Braybrook Action Plan 2013-2015 including implementation of the Braybrook Leadership initiative. | 100% |
| Facilitated the implementation of the Maribyrnong Strategy for Young People (2014-18) first year actions with the Maribyrnong Alliance for Young People. | 100% |
| Implemented priorities from the updated Maribyrnong Early Years Plan (2014-2018) in partnership with the Maribyrnong Early Years Alliance. | 100% |
| Facilitated integration of early years services at the Braybrook Community Hub with Western Region Health Centre and Dinjerra Primary School partners. | 100% |
| Established a Friendly Neighbours Program for older persons and people with disabilities in the Braybrook area. | 100% |
| Delivered Seniors Expos in various locations. | 100% |
| Established and developed partnerships with a range of community organisations through joint projects including the inaugural children's story writing competition (Yarrville Rotary), ANZAC 100 year commemoration (RSL). | 100% |
| Implemented the 'Active Maribyrnong Program' to provide and promote accessible sport and recreation opportunities to the community. | 100% |
| Worked in partnership with the Western Bulldogs to deliver the Whitten Youth Leadership Project and the Sons of the West program. | 100% |
| Developed a Language Policy to better equip staff to communicate with our diverse community. | 100% |

6.3.2 Contribution to Wellbeing outcomes

The 19 actions delivered under 'Liveability' strategic objective contributed to achieving wellbeing outcomes in 'equity', 'cultural vibrancy' and 'liveability' – as shown below.



EQUITY



CULTURAL VIBRANCY



LIVEABILITY

6.2.3 Major initiatives

| INITIATIVES | ACHIEVEMENTS |
|---|--|
| Install outdoor street art in prominent graffiti affected locations to improve the visual amenity and deter graffiti. | Six sites completed as part of the StreetWORKS Program. |
| Implement the 'Active Maribyrnong Program' to provide and promote accessible sport and recreation opportunities to the community. | Participants in the Active Maribyrnong Program was approximately 5,000 people. It included events such as Active Expo, Spring into Summer and ongoing programs such as the Park Run and netball clubs. |
| Contribute to the new Inner Melbourne Action Plan to fully involve Maribyrnong in opportunities relating to inner city areas. | Significant cross-Council participation in the Inner Melbourne Action Plan (IMAP), including representation as part of the Implementation Committee and IMAP review theme working groups and individual project groups including Urban Manufacturing, Livability, Tourism, Wayfinding, and Open Space. |

6.2.4 Service performance indicators

The following table provides the results of the prescribed LGPRF service performance indicators and measures including explanation of material variations, where appropriate.

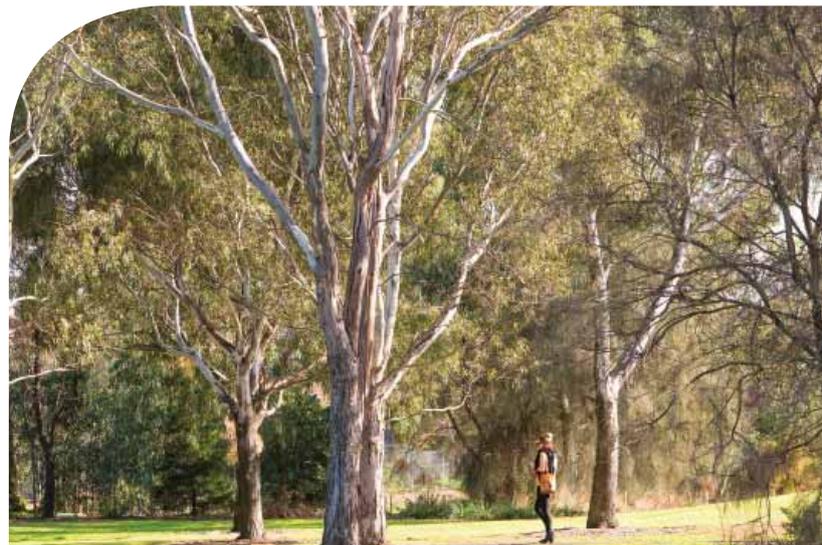
| SERVICE/INDICATOR/ MEASURE | RESULT | MATERIAL VARIATIONS |
|---|--------|--|
| Libraries | | |
| Utilisation <i>Library collection usage</i> [Number of library collection item loans / Number of library collection items] | 4 | Collection usage is linked to the provision of relevant and up to date materials that meet the needs of the community, and to Council's ongoing budget commitments to continuously improve library collections. |
| Resource standard <i>Standard of library collection</i> [Number of library collection items purchased in the last 5 years / Number of library collection items] x100 | 82% | The library collections were assessed and updated before the implementation of self check (RFID) technology in 2014. As all items needed to be modified with new barcodes in order to work with the new technology, any out of date/irrelevant material was removed from the collection before this process began. |

06

06 REPORT OF OPERATIONS – HOW WE DELIVERED ON COUNCIL PLAN 2013-2017

| SERVICE/INDICATOR/MEASURE | RESULT | MATERIAL VARIATIONS |
|---|--------|--|
| Libraries | | |
| Service cost <i>Cost of library service</i> [Direct cost of the library service / Number of visits] | \$6 | From 2010 to 2015, Council has increased library branch opening hours, the size of collections, and opened an additional branch in the municipality. Despite increasing all these areas of service, Council continues to provide a highly cost-effective library service. |
| Participation <i>Active library members</i> [Number of active library members / Municipal population] x100 | 18% | Library members use the library for a number of reasons including collection utilisation, events, programs, internet access, and the free, safe spaces provided in our branches. A new library facility has been opened in Braybrook which will provide opportunities for higher participation in a range of library services. |
| Maternal and Child Health (MCH) | | |
| Satisfaction <i>Participation in first MCH home visit</i> [Number of first MCH home visits / Number of birth notifications received] x100 | 104% | No material variations. |
| Service standard <i>Infant enrolments in the MCH service</i> [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100 | 100% | No material variations. |
| Service cost <i>Cost of the MCH service</i> [Cost of the MCH service / Hours worked by MCH nurses] | \$0 | Exempt. Reporting to commence from 1 July 2015. |
| Participation <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100 | 79% | Participation in the Maternal and Child Health Service can be impacted by families moving from the municipality following the birth of their child. |

| SERVICE/INDICATOR/MEASURE | RESULT | MATERIAL VARIATIONS |
|---|---------|--|
| Maternal and Child Health (MCH) | | |
| 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 | 67% | Participation in the Maternal and Child Health Service can be impacted by families moving from the municipality and attending more culturally relevant services. |
| Food Safety | | |
| Timeliness <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] | 0 | Exempt. Reporting to commence from 1 July 2015. |
| Service standard <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 | 88% | All food premises registered with Council falling into Class 1 and Class 2 food premises, are scheduled for food assessments each year. The schedule is set by Calendar year with a great deal of work being undertaken to ensure all premises are assessed. All assessments will be completed prior to December 2015. |
| Service cost <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] | \$1,024 | No material variations. |



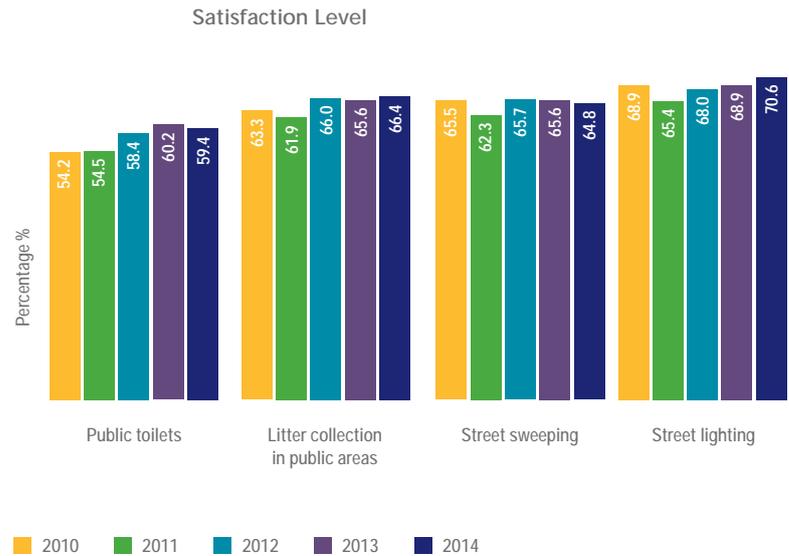


| SERVICE/INDICATOR/ MEASURE | RESULT | MATERIAL VARIATIONS |
|--|--------|---|
| Food Safety | | |
| Health and safety <i>Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about food premises] x100 | 51% | This figure is not a true reflection of Council's follow up inspections. While all inspections were completed, previous reporting did not differentiate between inspection types required for LGPRF (new State Government reporting). As part of Council's commitment to continuous improvement, significant improvements have been made in our data collection processes to accurately capture the data required to report on the LGPRF. Since implementation, a 100% follow up of critical and major non-compliant outcome notifications between April and June 2015 has been achieved. |
| Aquatic Facilities | | |
| Service standard <i>Health inspections of aquatic facilities</i> [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities] | 1 | Council's Health Department undertake inspections at the Aquatic Centre to independently verify the Centre's high standards of health and safety. |
| Reportable safety incidents at aquatic facilities [Number of WorkSafe reportable aquatic facility safety incidents] | 0 | There were no reportable safety incidents. |
| Service Cost of indoor aquatic facilities [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities] | 0 | No material variations. |
| Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population] | 12 | Utilisation of the Aquatic Facility is high demonstrating its significance and value to the community. |

| SERVICE/INDICATOR/ MEASURE | RESULT | MATERIAL VARIATIONS |
|---|--------|--|
| Home and Community Care | | |
| Timeliness <i>Time taken to commence the HACC service</i> [Number of days between the referral of a new client and commencement of HACC service / Number of new clients who have received a HACC service] | N/A | Exempt. Reporting to commence from 1 July 2015. |
| 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 | 89% | Council was audited against the Common Care Standards. The result complies with 16 out of the 18 standards. |
| Service cost <i>Cost of domestic care service</i> [Cost of the domestic care service / Hours of domestic care service delivered] | N/A | Exempt. Reporting to commence from 1 July 2015. |
| Cost of personal care service [Cost of the personal care service / Hours of personal care service delivered] | N/A | Exempt. Reporting to commence from 1 July 2015. |
| Cost of respite care service [Cost of the respite care service / Hours of respite care service delivered] | N/A | Exempt. Reporting to commence from 1 July 2015. |
| Participation in HACC service [Number of people that received a HACC service / Municipal target population for HACC services] x100 | 23% | HACC Services are provided in line with access and equity principles. |
| Participation in HACC service by CALD people [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100 | 15% | Council provides a range of support services, in line with access and equity principles, for people from Culturally and Linguistically Diverse (CALD) backgrounds. |

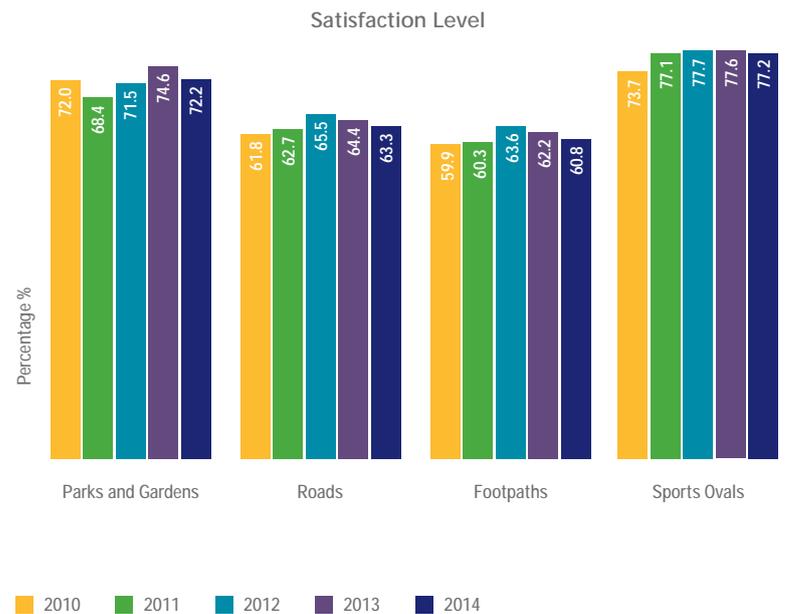


6.3.5 Strategic indicators



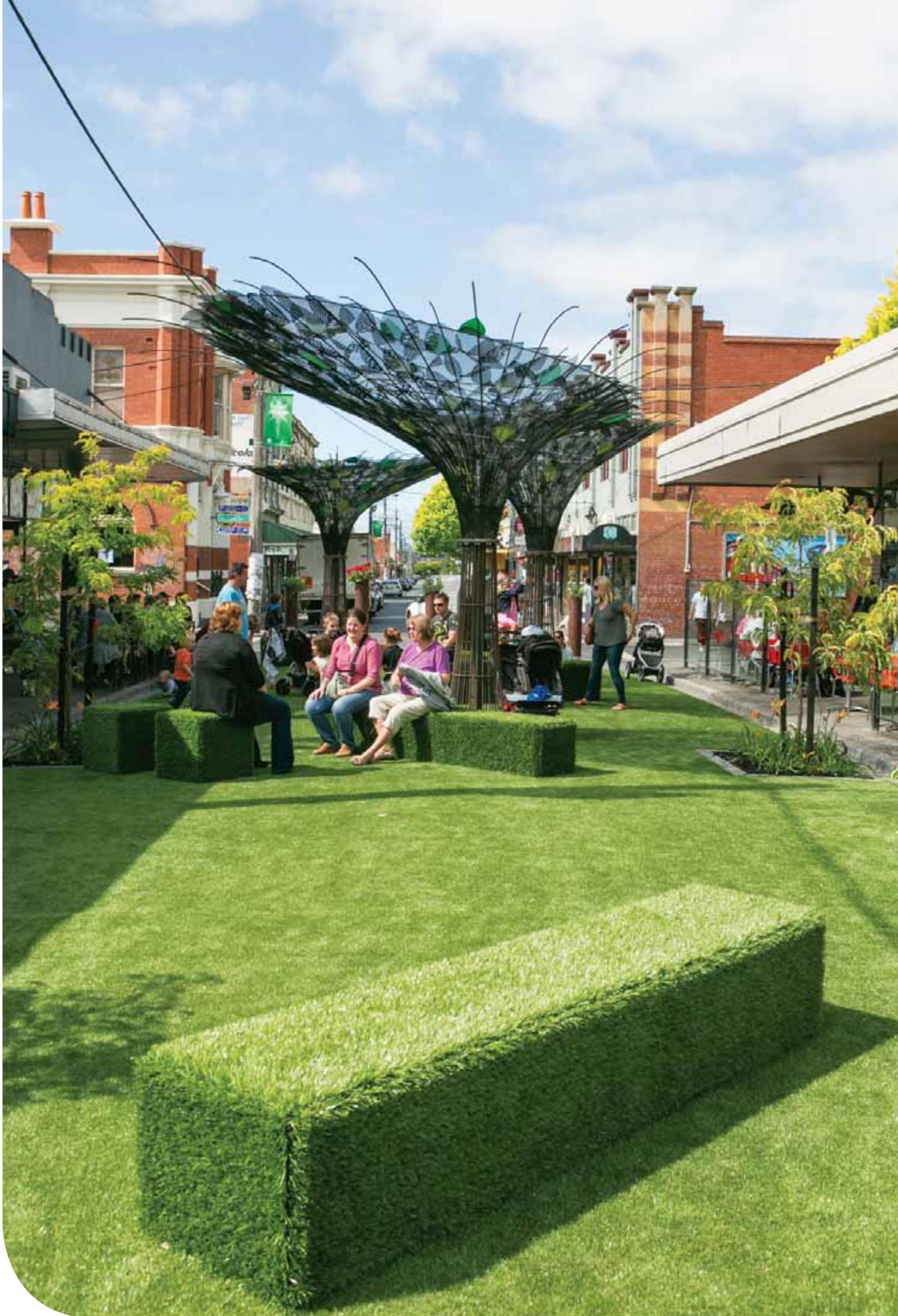
Source: Maribyrnong Annual Community Survey

The 2014 results show an increase in satisfaction for 'litter collection' and 'street lighting', and a fairly stable scores for 'public toilets' and 'street sweeping' – the scores are categorised as 'good'.



Source: Maribyrnong Annual Community Survey

The 2014 results show a fairly stable scores on satisfaction for all four areas; however there was a slight decline in satisfaction for 'parks and gardens' and 'footpaths'.



06

06 REPORT OF OPERATIONS – HOW WE DELIVERED ON COUNCIL PLAN 2013-2017

6.4 Economic Prosperity

Strategic objective

In partnership with our community and stakeholders we will support local business, attract investment and employment opportunities and improve pathways for education and training.

6.4.1 Achievements of actions by strategy

Of the 15 actions, 87% have been completed. The table below provides a summary of each action and percentage completed.

| Actions | % completed |
|---|-------------|
| Strategy: Promote and advocate for life long learning. | |
| Delivered the Braybrook Family Inclusive Language and Literacy Support Program. | 100% |
| Strategy: Support new industries and sectors that create a variety of local employment opportunities and encourage skill development. | |
| Promoted and developed local employment through the "Maribyrnong Jobs" project. A total of 101 participants are engaged in project to date with 53 placed into employment. The next phase focuses on recruitments at Highpoint leading up to Christmas retail period and at Graincorp (approximately 10 positions). | 100% |
| Investigated opportunities to partner with Melbourne's broader festival community and commercial operators to deliver high impact festivals in our Municipality. | 100% |
| Deferred to 2015/16. Implement a Commercial Priority Planning Process for planning applications that generate significant local employment and investment. | 50% |
| Delivered, in partnership with the State Government, small business training and mentoring programs. | 100% |
| Delivered, in partnership with the State Government, business development programs such as "Grow Your Business" for medium sized enterprises. | 80% |
| Prepared a series of Economic Business Newsletters. | 100% |
| Strategy: Promote Footscray as a university/knowledge city. | |
| Presented a series of visual art and performances in the Footscray Park and University campus precinct In partnership with Victoria University. | 100% |
| Delivered marketing campaigns that was specific to VU students and staff. | 100% |

| Actions | % completed |
|--|-------------|
| Strategy: Encourage greater investment in the city through creative industries, the festival city program and safe, attractive places. | |
| Installed the Braybrook Public Art pieces at the Braybrook Community Hub. | 100% |
| Council has continued to attract and secure events in Maribyrnong such as the NAB AFL Cup game, Community World Cricket Cup, Family Cricket Day, Maribyrnong Cup Game, Cyclo Cross and Southern University Games 2016. | 100% |
| Conducted an economic impact study on key components of the Festival City Program. | 100% |
| Strategy: Develop a more sustainable and equitable municipal economy and work with neighbouring councils to promote economic activity. | |
| Promoted Maribyrnong as a destination for the VFR (visiting friends and relatives) community. | 100% |
| Delivered a marketing campaign to promote Footscray, focusing on its fresh food markets and leveraging off the completion of major rail and building projects. | 100% |
| Further expanded Festive Season decorations to include key retail areas outside of Footscray. | 100% |

6.4.2 Contribution to wellbeing outcomes

The actions delivered under the Economic Prosperity strategic objective contributed to achieving wellbeing outcomes in 'economic prosperity' and 'equity'.



6.4.3 Major initiatives

| INITIATIVES | ACHIEVEMENTS |
|---|--|
| Implement a Commercial Priority Planning Process for planning applications that generate significant local employment and investment. | Initial work has commenced on this project, and further work will continue in the 2015/16 as part of service review program. |

6.4.5 Strategic indicators



The 2014 results show a significant increase in satisfaction for 'community centres'. A slight drop in satisfaction for 'library services' and a noticeable drop in satisfaction 'promoting local economic development activity' was recorded.



06

06 REPORT OF OPERATIONS – HOW WE DELIVERED ON COUNCIL PLAN 2013-2017

6.5 Transport

Strategic objective

We will plan and advocate for a functional, sustainable and safe bike and pedestrian friendly transport and traffic management system that meets the community needs.

6.5.1 Achievements of actions by strategy

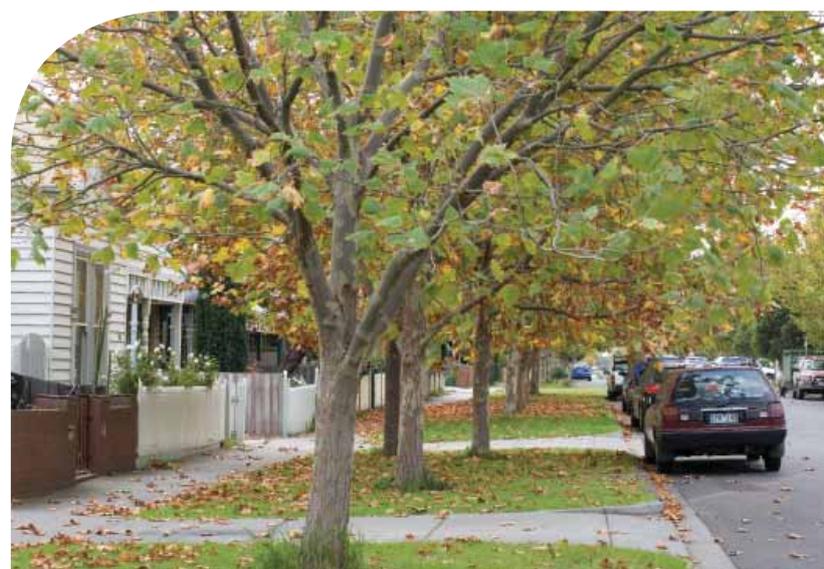
Of the 9 actions, 100% have been completed. The table below provides a summary of each action and percentage completed.

| Actions | % completed |
|--|-------------|
| Strategy: Create a connected, pedestrian focused and bicycle friendly city. | |
| Implemented the funded Year One actions from the new Maribyrnong Bicycle Strategy 2014. | 100% |
| Strategy: Improve amenity and reduce impacts of traffic congestion on our community through traffic management measures. | |
| Implemented recommendations outlined in the Yarraville and Angliss Estate precinct, Footscray, Local Area Traffic Management study report and Edgewater LATM. | 90% |
| Strategy: Advocate for a safe, efficient, accessible and sustainable transport system to avoid adverse health and safety impacts on residential communities. | |
| Delivered the following improvements as part of the 2014-15 Program: | 100% |
| » MITS / NMITS implementation Projects Year 3 | |
| » Safe Travel Plan Implementation | |
| » Walking Strategy Initiatives | |
| » Public Lighting Improvement program. | |
| Worked in partnership with key stakeholders to identify and mitigate the health issues associated with truck pollution. | 100% |
| Advocated to State Government via Inner Melbourne Action Plan (IMAP) and Metropolitan Transport Forum. | 100% |
| Strategy: Support an expansion of safe and accessible train, tram and bus services that facilitate population and employment growth. | |
| Advocated for improvements to public transport and the following key major projects: | 100% |
| » East West Transport Link (western section) | |
| » Westgate truck ramps/Westgate Distributor | |
| » Western Intermodal Freight Hub | |
| » Melbourne Metropolitan Rail Project. | |
| Continued to liaise with Public Transport Operators seeking service improvements and operational initiatives that benefit the travelling public. | 100% |
| Continued to work with Regional Rail Authority on finalising this key infrastructure project to ensure Council's assets are protected and enhanced and that agreed community outcomes are delivered. | 100% |

| Actions | % completed |
|---|-------------|
| Strategy: Support the efficient movement of freight on designated routes across the municipality. | |
| Developed an agreed Action Plan with State Government and key stakeholders on ways to manage heavy freight vehicles through our municipality. Through the Western Transport Alliance, VicRoads, Western Region Councils and Maribyrnong's neighbours work has continued on the Principal Freight Network, project priority development and key freight route identification for the Western Region. The 'Trucks in Inner West Project' also continues. Protection of residential areas such as Moore Street, Francis Street and Somerville Road from the impact of heavy freight has been included and is high on the list for addressing with viable alternative truck routes. | 100% |

6.5.2 Contribution to wellbeing outcomes

The actions delivered under Transport contributed to achieving wellbeing outcomes in 'well planned city', 'liveability' and 'sustainable transport'.



6.5.3 Major initiatives

| MAJOR INITIATIVES | ACHIEVEMENTS |
|---|---|
| Implement the funded Year One actions from the new Maribyrnong Bicycle Strategy 2014. | <p>The following projects have been implemented:</p> <ul style="list-style-type: none"> » The Ashley St shared path in Braybrook, connecting Tottenham railway station with Central West Shopping Centre and South Rd. » Newells Paddock shared path in Footscray, connecting the main park path to Leunig Place. » Shade tree planting along a number of bicycle paths, including parts of Rupert St and Ashley St. » A deluxe bike repair stand and pump installed on the Maribyrnong River Trail, in Pipemakers Park. » Bicycle lane line marking installed or upgraded, green surfaces installed in lanes and intersections and bicycle parking for 60 bikes at various locations. » An extension of the kerb to accommodate a Parkiteer bicycle cage, at Yarraville Train Station. The Parkiteer cage will be installed in August/September. |
| Develop an agreed Action Plan with State Government and key stakeholders on ways to manage heavy freight vehicles through our municipality. | A partnership has been formed between Vic Roads, EPA Victoria, Council and Department of Health to seek short term solution to address increased volume of truck travelling through and impacting upon the local community of Footscray and Yarraville. |

6.5.4 Service performance indicators

The following table provides the results of the prescribed LGPRF service performance indicators and measures including explanation of material variations, where appropriate.

| SERVICE/INDICATOR/ MEASURE | RESULT | MATERIAL VARIATIONS |
|--|--------|--|
| Roads | | |
| Satisfaction of use <i>Sealed local road requests</i> [Number of sealed local road requests / Kilometres of sealed local roads] x100 | 95 | No material variations. |
| Condition <i>Sealed local roads below the intervention level</i> [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100 | 94% | As Maribyrnong is a historical and urban council, many assets are at the end of their lifecycle which means the rate of deterioration is higher. Council is committed to asset renewal and applying best practise asset management principles. |
| Service cost <i>Cost of sealed local road reconstruction</i> [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed] | \$177 | In the 2014/2015 financial year, Council focus for capital road expenditure was on road reconstruction. A large proportion of road infrastructure is at the end of it's lifecycle due to the age of the municipality. At the end of a road's lifecycle, maintenance techniques such as resurfacing become increasingly ineffective and therefore the road is flagged for reconstruction. |
| Cost of sealed local road resealing [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed] | \$20 | Roads typically require resurfacing every 15-25 years as part of ensuring that the road meets it's overall lifespan of 80-100 years. |
| Satisfaction <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads] | 63% | Council engages an independent research company to undertake its annual community survey. The survey methodology has been reviewed by Council auditors and is consistent with the methodology adopted by Local Government Victoria. The question asked relating to this measure is: 'Satisfaction with road maintenance and repair'. |



06

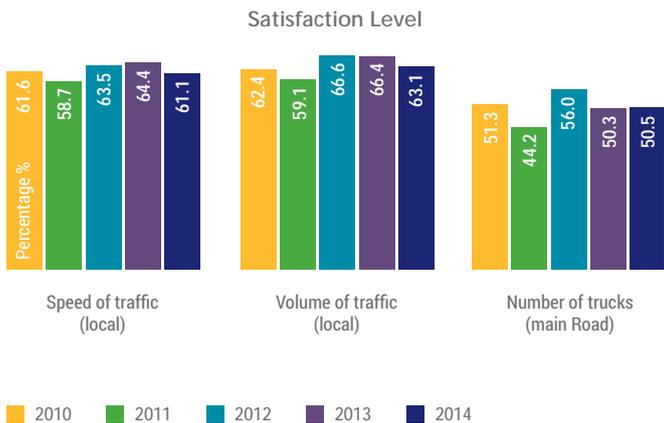
06 REPORT OF OPERATIONS – HOW WE DELIVERED ON COUNCIL PLAN 2013-2017

6.5.5 Strategic indicators



Source: Maribyrnong Annual Community Survey

The 2014 results shows a stable score in satisfaction for 'on and off road bike paths' and a slight drop in satisfaction for 'traffic management' and 'parking enforcement' – the score is categorised as 'poor' for parking enforcement.



Source: Maribyrnong Annual Community Survey

The 2014 results show a stable score for satisfaction in 'number of trucks' and is considered as a 'poor' score. There has been a decline in satisfaction for 'speed of traffic' and 'volume of traffic on local roads'.

6.6 Environmental Sustainability

Strategic objective

In partnership with our community and stakeholders we will educate and promote environmental sustainability.

6.6.1 Achievements of actions by strategy

Of the eight actions, 88% have been completed. The table below provides a summary of each action and percentage completed.

| Actions | % completed |
|---|-------------|
| Strategy: Collaborate with the community and key stakeholders to support local sustainability initiatives. | |
| Developed an independent community-based governance structure to operate and manage the newly established Yarraville Community Garden. | 100% |
| Strategy: Educate the community on environmental issues and best practice in waste management. | |
| Undertaken a communications program to improve recycling and waste management by sports clubs. | 100% |
| Delivered community education program on environmental issues. Monthly workshops have been rolled out as part of Sustainable Living and the My Smart Kitchen theme. | 100% |
| Strategy: Ensure all new Council buildings meet high environmental design standards. | |
| Improved the environmental performance of Council buildings. Energy efficient upgrades of seven Council buildings. | 100% |
| Strategy: Protect our natural environment through sustainable practices to create a Greener city. | |
| Continued to develop and Implement the My Smart Garden Program in partnership with other western region Councils. | 100% |
| Collaborated with the community and key stakeholders to support local sustainability initiatives. | 100% |
| Delivered 2014-15 Parks Improvement Plan consisting of 50 projects worth over \$2.5 million. | 95% |
| Strategy: Manage issues relating to landfill and contamination. | |
| Delivered Council's 2014-15 Land Contamination Program. | 75% |

6.6.2 Contribution to wellbeing outcomes

The actions delivered under the Environmental Sustainability strategic objective contributed to achieving wellbeing outcomes in 'liveability', 'environmental sustainability' and 'sustainable transport'.



6.5.4 Service performance indicators

The following table provides the results of the prescribed LGPRF service performance indicators and measures including explanation of material variations, where appropriate.

| SERVICE/INDICATOR/ MEASURE | RESULT | MATERIAL VARIATIONS |
|--|--------|---|
| Roads | | |
| Satisfaction <i>Kerbside bin collection requests</i> [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1,000 | 185 | Council's waste collection service is provided by an external contractor. |
| Service standard <i>Kerbside collection bins missed</i> [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000 | 10 | No material variations. |
| Service cost <i>Cost of kerbside garbage collection service</i> [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins] | \$121 | No material variations. |
| Cost of kerbside recyclables collection service [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins] | \$39 | No material variations. |
| Waste Diversion <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100 | 34% | Council is committed to diverting waste from landfill in line with our Waste Minimisation Strategy. |

6.6.4 Strategic indicators



Source: Maribyrnong Annual Community Survey

The 2014 results show a slight increase in satisfaction for 'green waste' and 'regular recycling'. A slight drop in satisfaction for 'responsibilities towards the environment'. The scores are categorised as 'very good'.



06

06 REPORT OF OPERATIONS – HOW WE DELIVERED ON COUNCIL PLAN 2013-2017

6.7 Organisational Accountability

Strategic objective

We will implement a transparent, engaging and accountable governance structure to deliver this Council Plan.

6.7.1 Achievements of actions by strategy

Of the 14 actions, 93% have been completed. The table below provides a summary of each action and percentage completed.

| Actions | % completed |
|---|-------------|
| Strategy: Create an engaging, transparent and accountable organisation, focusing on sustainability, leadership and service improvements. | |
| Commenced developing Workforce Planning Strategy to ensure Council is positioned for growth and change. This work will continue in 2015/6. | 70% |
| Developed Council's Leadership Development Framework. | 100% |
| Developed and implemented key organisational leadership programs. | 100% |
| Reviewed and updated Organisational Risk Management Planning Arrangements, including transition to electronic risk management platform. | 100% |
| Strategy: Report on the wellbeing outcomes committed to in the Council Plan. | |
| Developed a Framework for reporting on the wellbeing outcomes. Seven of the wellbeing outcomes are now included in the draft Wellbeing and Liveability Snapshot 205. | 95% |
| Strategy: Implement the new technology and systems required to support business transformation, innovation and service delivery. | |
| Implemented the new technology and systems to support Business Transformation. | 90% |
| Implemented an integrated asset management and maintenance system to support the ongoing delivery of best practice asset management. | 90% |
| Strategy: Continue to measure and improve our performance through our service review program. | |
| Undertaken Best Value Service Reviews in accordance with the Council's Service Review and Business Transformation programs. | 100% |
| Prepared Business Plans and performance reviews in line with Council Plan strategic objectives and other key Strategies/Policies. | 100% |
| Designed and implemented Council's process mapping framework and methodology in line with the Business Transformation Program and Best Value reviews. Focus has been on customer service processes. | 100% |
| Managed the Infringements Act requirements for requests for reviews and appeals lodged. | 100% |

| Actions | % completed |
|---|-------------|
| Strategy: Improve our relationship with our community and stakeholders by fostering partnerships and encouraging the use of social media. | |
| Conducted community consultation with Maribyrnong Flood Plain Community in partnership with VICSES on flood awareness/ preparedness. | 100% |
| Implemented the Community Engagement Policy, including staff training module and toolkit. 76 staff have been trained. An on line engagement tool has been developed 'Your City Your Voice'. Established Community Voice Panel with 170 community members. | 100% |
| Promoted a new on-line blog site to feature community information and stories by using community voices and experts to promote Maribyrnong and its strengths. On average, the blog has 3,500 unique visits per month. | 100% |

6.7.2 Contribution to wellbeing outcomes

The actions delivered under the Organisational Accountability strategic objective contributed to achieving wellbeing outcomes in 'cultural vibrancy', 'community harmony' and 'efficient workforce'.



CULTURAL VIBRANCY COMMUNITY HARMONY EFFICIENT WORKFORCE

6.7.3 Major initiatives

| MAJOR INITIATIVES | ACHIEVEMENTS |
|--|--|
| Implement the new technology and systems to support Business Transformation. | Assets, TRIM and Customer Request Management modules have been implemented as part of Business Transformation. |
| Undertake Best Value Service Reviews in accordance with the Council's Service Review and Business Transformation programs. | A total of 10 service reviews have been completed during 2014/15. |
| Review and update Organisational Risk Management Planning Arrangements including transition to an electronic risk management platform. | Risk Management software has been developed and installed across the organisation. |



6.7.4 Service performance indicators

The following table provides the results of the prescribed LGPRF service performance indicators and measures including explanation of material variations, where appropriate.

| SERVICE/INDICATOR/MEASURE | RESULT | MATERIAL VARIATIONS |
|---|----------|--|
| Governance | | |
| Transparency <i>Council resolutions 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 | 4% | Very few decisions are made at closed meetings. Of those that are, most relate to contractual matters and/ or legal advice. |
| Consultation and engagement <i>Satisfaction with community consultation and engagement</i> [Community satisfaction rating out of 100 with how council has performed on community consultation and engagement] | 65% | Council engages an independent research company to undertake its annual community survey. The survey methodology has been reviewed by Council auditors and is consistent with the methodology adopted by Local Government Victoria. The question asked relating to this measure is: 'Satisfaction with making decisions in the interest of the community'. |
| Attendance <i>Council 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) x (Number of councillors elected at the last council general election)] x100 | 97% | Councillor attendance is very high. The vast majority of meetings have a 100% attendance rate. |
| Service cost <i>Cost of governance</i> [Direct cost of the governance service / Number of councillors elected at the last council general election] | \$47,262 | Mayoral and Councillor allowances are determined by the Minister and the Local Government Act 1989. The Act requires Council to reimburse Councillors for reasonable out-of-pocket expenses incurred while performing their duties. Council publishes Councillor expenses on its website on a quarterly basis. |

| SERVICE/INDICATOR/MEASURE | RESULT | MATERIAL VARIATIONS |
|---|--------|---|
| Governance | | |
| 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] | 60% | Council engages an independent research company to undertake its annual community survey. The survey methodology has been reviewed by Council auditors and is consistent with the methodology adopted by Local Government Victoria. The question asked relating to this measure is: 'Satisfaction with seeking community opinion and feedback'. |

6.7.5 Strategic indicators



Source: Maribyrnong Annual Community Survey

The 2014 results show a decline in satisfaction for 'responsiveness to local community needs', 'representation, lobbying and advocacy' and 'maintaining trust and confidence of local community'. There was minimal change in satisfaction for 'seeking community opinion and feedback'.

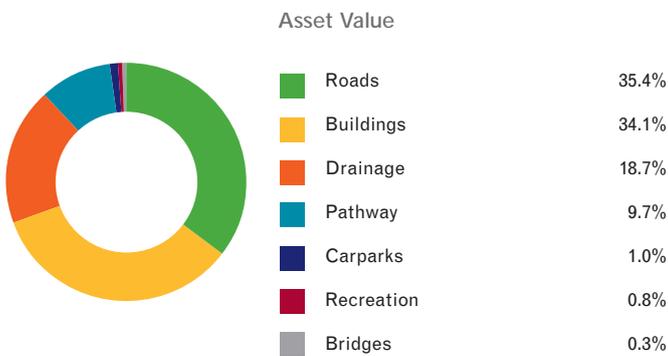
07

Our assets

Asset management

Council's total assets are valued at \$707 million. This includes the major asset classes such as roads, parks, drains, buildings, footpaths and bridges. This figure excludes fleet, information technology and library book assets. If these assets were included the total value would be approximately \$740 million.⁸

The chart below presents a breakdown of asset value by major asset class.



From a strategic angle, we have adopted an Asset Management Policy (December 2014) and an Asset Management Improvement Strategy (June 2015). In-line with each document, we are working toward improving not only the standard of its current asset base but the rigor and reporting around how they are managed.

From an operational angle, Council has implemented a new enterprise software system called Authority. This integrated system includes customer service, registers, financial requisitioning, electronic document management and asset management.

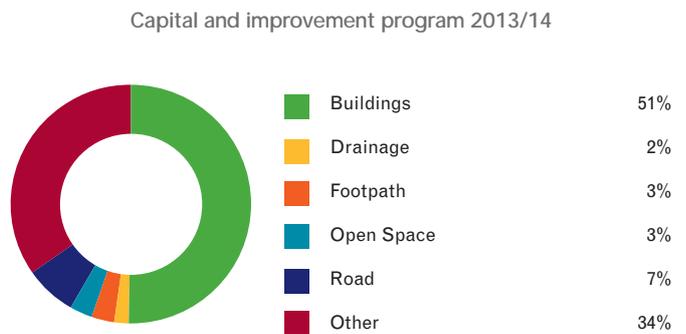
The asset management component of Authority empowers Council to:

- » structure the management of assets uniformly for the whole organisation
- » link all activities and information directly to assets for example documents, accounts, capital projects and mapping information
- » record information about assets including location, value and attribute information, and
- » use strategic asset modelling at the asset level and encourage further innovation around capital planning.

⁸ Note this value excludes the value of Council owned Land (property)

Capital and improvement

The following chart presents the 2014/2015 Capital and Improvement Program breakdown of actual expenditure by major asset class.



Examples of projects completed in Council's Capital and Improvement Program are:

Parks and reserves

Pipemakers Parks Shared Path Upgrade

This project included the reconstruction of the shared user path. It also included park furniture installation and fencing renewal.

Mclvor Reserve Improvement Works

This project included the construction of a new pathway, fencing renewal, landscaping and the installation of park furniture.

Fordham Reserve Upgrades

The Fordham Reserve Upgrades included park and playground improvements, as well as a new path linkage between Ryan Street and Shelley Street.



Roads

Council reconstructed 13 local roads, totalling 17,506 square metres and re-sheeted 4 roads totalling approximately 5,664 square metres.

Footpaths

Council constructed a new bicycle path on Ashley Street, totalling 220 metres in length, as well as the renewal of footpaths in 28 streets across the municipality.

Buildings

A new Maidstone Family and Children's Centre

This project included a complete redevelopment of the existing Family and Children's centre, with the addition of a child care, maternal child health clinic and a functions hall facility.

Redevelopment of Braybrook Community Hub

The redevelopment consisted of new childcare centre, Braybrook Men's shed, a sporting facility and the Braybrook Library.

Upgrade to Maidstone Community Centre

Structural remedial works were done, along with renewal of the existing kitchen, which is famous for hosting the annual Harmony Feast community event.

Upgrade to Yarraville tennis club

The upgrades included upgrading the existing male, female and accessible change rooms. A new lounge area was constructed for the club users.

Structural remediation of Maribyrnong Community Centre

This project involved a foundation remediation and minor civil works including a drainage upgrade.

Contamination

The rehabilitation works at Quarry Park in Footscray included the construction of passive gas ventilation system and ground water monitoring to help diagnose ground water conditions on a yearly basis. Various environmental consultation companies have been engaged to perform monthly site testing and to monitor soil and water conditions.



08

Our Organisation

Our executive team

The current Executive Management Team, as at 30 June 2015, has six members.



Stephen Wall

Chief Executive Officer

The Chief Executive Officer has overall responsibility for the implementation of the Council Plan and providing timely advice to the Council on the performance of the organisation.

Nigel Higgins

Acted as CEO from 10 July until 19 October 2014.



Arden Joseph

Director Community Wellbeing

Community Wellbeing plans and provides services and functions that support the community, enhance wellbeing and provide opportunities to participate in the life of the city.

The directorate delivers a range of services to support the community in all stages of their lives: early childhood services, including maternal and child health, through to services for young people, families and older members of the community. The directorate is also responsible for recreation services including Maribyrnong Aquatic Centre.

Areas of responsibility

- » Aged & diversity
- » Family & youth services
- » Community learning & libraries
- » Leisure services
- » Community infrastructure & social development



Celia Haddock

Director Corporate Services

Corporate Services provides services essential to maintaining the organisation's operation and sustainable development.

Services include information technology, communications, governance, property management, contracts and procurement, customer service, Council planning and performance reporting, and managing the Council in a financially responsible and sustainable manner.

Areas of responsibility

- » Information technology services
- » Finance
- » Governance & customer service
- » Commercial services
- » Strategic marketing, Communications & advocacy
- » Human resource management



Ian Butterworth
Director Infrastructure & Engineering

Infrastructure and Engineering is responsible for strategic planning and development of physical assets in the city. This includes assets such as local roads, paths, drains, laneways and buildings. It is also responsible for transport planning, parking management, traffic engineering, risk management, public lighting and operations, waste and cleansing services and maintenance of parks and gardens.

- Areas of responsibility
- » Asset management & construction
 - » Capital projects delivery
 - » Civil design & transport
 - » Engineering projects
 - » Operations & maintenance
 - » Sustainability & environment



Nigel Higgins
Director Sustainable Development

Sustainable Development promotes the long-term sustainable development of the city. The directorate focuses on planning for sustainable developments, creating improvements and the renewal of public realms, increasing economic development and providing urban planning and building services. It is responsible for regulatory services in the areas of building services, environmental health and traffic and local law and compliance.

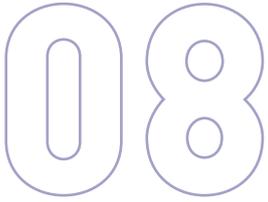
- Areas of responsibility
- » City strategy
 - » Urban planning
 - » City design
 - » Development facilitation
 - » Regulatory services (Building Services, Traffic and Local Law Laws, Environmental Health)



Marnie Williams
Executive Manager Organisational Development & Business Transformation

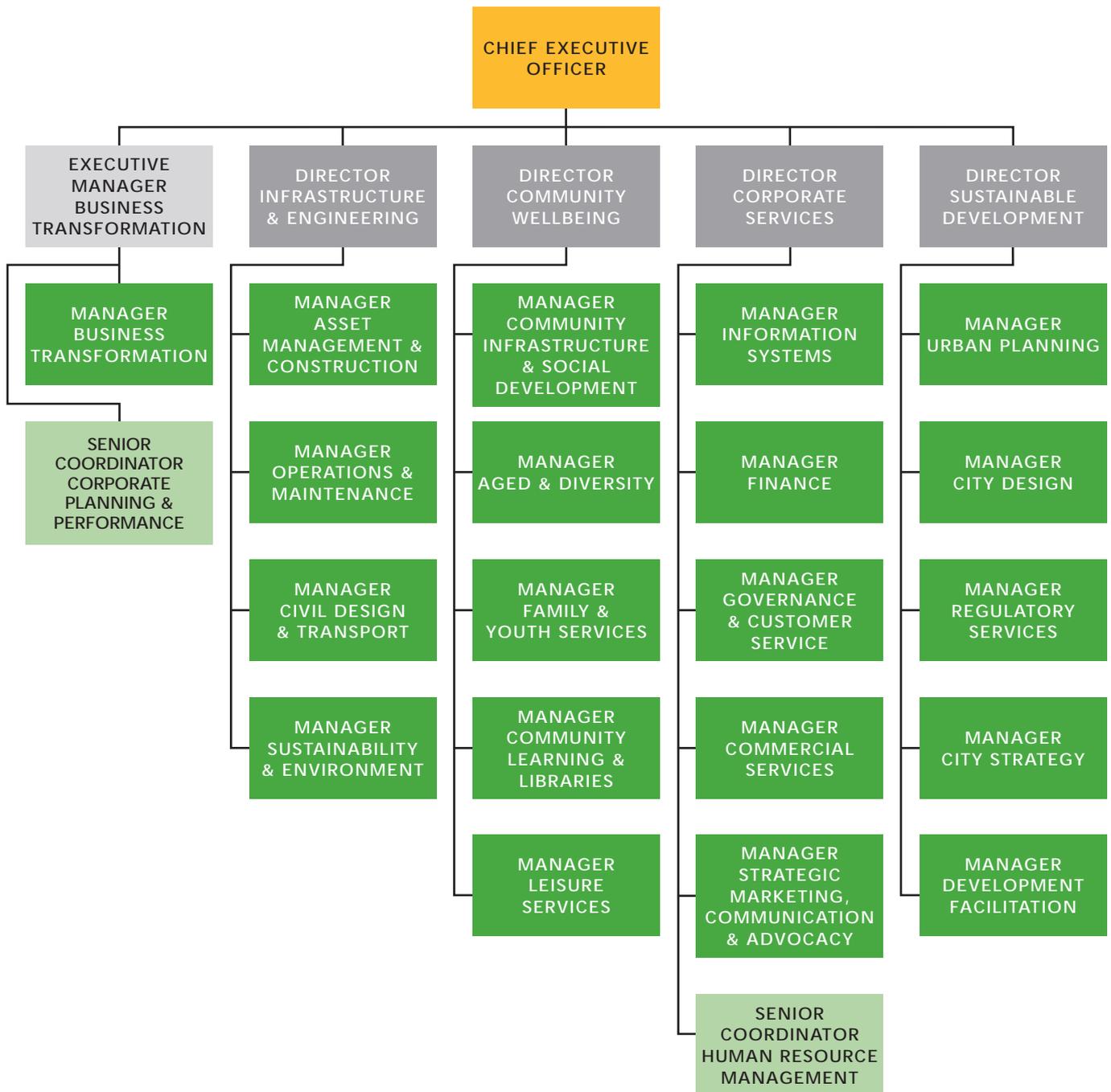
Organisational Development and Business Transformation (OD/BT) is responsible for the continuing development of our organisation. OD/BT focuses on organisational development, corporate planning, Best Value service review, continuous improvement and business transformation, and the implementation of business processes and systems.

- Areas of responsibility
- » Business transformation
 - » Corporate planning & performance
 - » Organisational development



08 OUR ORGANISATION

Organisational Structure



Organisational effectiveness

The *Local Government Act 1989* requires us to prepare a strategic resource plan which includes both the financial and non-financial resources required to achieve the strategic objectives of the Council Plan.

Council's capacity to deliver these objectives is based on our service culture, people, good governance, business systems and technology, asset management, risk and environmental management, competent financial planning and the application of Best Value principles.

Our organisational values

A set of organisational values guide the behaviour of our staff.

Respect

This includes the promotion of inclusiveness, empathy, communication and goodwill.

Courage

This includes the promotion of innovation, considered risk, creativity, problem solving, initiative accountability and responsibility.

Integrity

This includes the promotion of honesty, loyalty, ethical behaviour and trustworthiness.

8.2 OUR STAFF

As at the end of June 2015, we had 462 FTE.

Of this number, 53 per cent were female and 47 per cent were male.

Staff employment status

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

| Employee type/gender | CEO FTE | Community Wellbeing FTE | Corporate Services FTE | Infrastructure and Engineering FTE | Sustainable Development FTE | Total FTE (less Casuals) |
|----------------------------------|-----------|-------------------------|------------------------|------------------------------------|-----------------------------|---------------------------|
| Permanent FT – Female | 6 | 50.82 | 28.00 | 15.92 | 26.00 | 126.74 |
| Permanent FT – Male | 5 | 14.92 | 27.00 | 100.94 | 40.00 | 187.86 |
| Permanent PT – Female | 0 | 94.45 | 10.05 | 2.47 | 11.81 | 118.78 |
| Permanent PT – Male | 0 | 20.84 | 0.80 | 0.80 | 7.01 | 29.45 |
| Casual – Female | 0 | 141.00 | 8.00 | 2.00 | 8.00 | 159.00 |
| Casual - Male | 0 | 53.00 | 3.00 | 0.00 | 2.00 | 58.00 |
| Total (less casual count) | 11 | 181.03 | 65.85 | 120.13 | 84.82 | 462.83⁹ |

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

Note – the casual numbers are actual numbers not FTE as this employment status does not form part of the calculation for FTE and they are not added to the total figures.

⁹ This figure does not include casuals or temporary positions

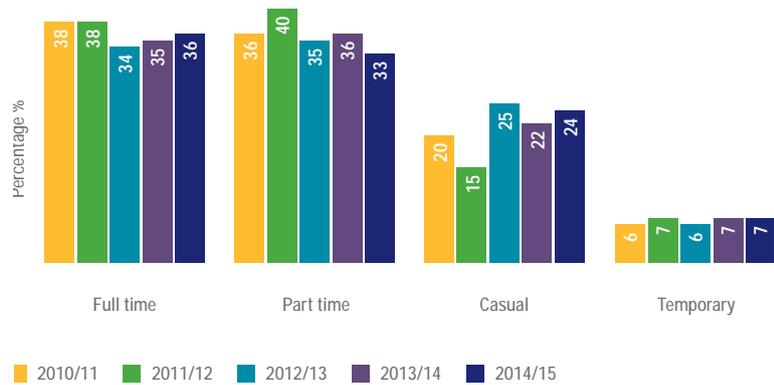
08

08 OUR ORGANISATION

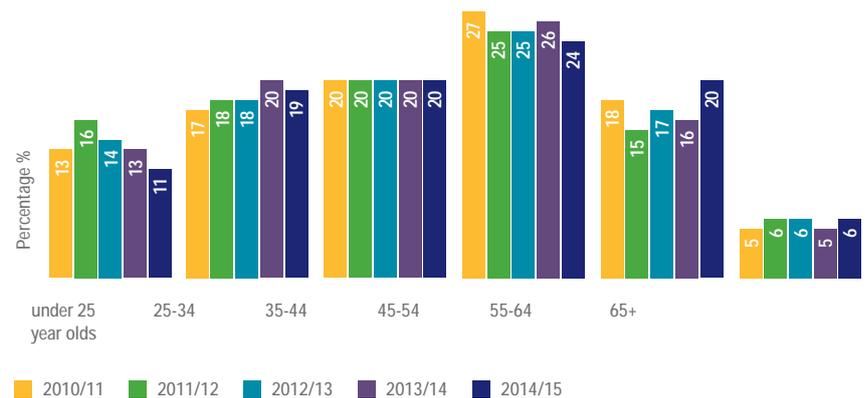


| Employment Classification | Female FTE | Male FTE | Total FTE |
|---------------------------|--------------|--------------|---------------|
| Band 3 | 56.12 | 18.43 | 74.55 |
| Band 4 | 33.32 | 22.48 | 55.80 |
| Band 5 | 51.16 | 33.92 | 85.08 |
| Band 6 | 38.18 | 40.61 | 78.79 |
| Band 7 | 11.74 | 15.00 | 26.74 |
| Band 8 | 9.60 | 2.00 | 11.60 |
| Band not applicable | 44.65 | 85.65 | 130.30 |
| Total | 244.8 | 218.1 | 462.83 |

Employment Status



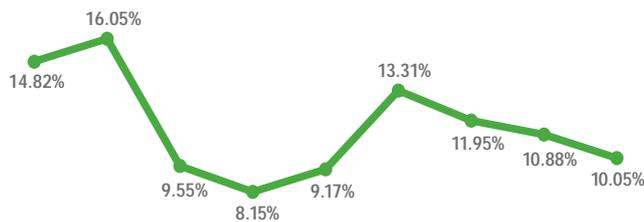
Age Group of Staff



Staff turnover

Staff turnover rate slightly decreased from 10.88 per cent in 2013/2014 to 10.05 per cent in 2014/15.

This figure is lower than the Victorian average of 12 per cent.



0 2006/7 2007/8 2008/9 2009/10 2010/11 2011/12 2012/13 2013/14 2014/15

8.3 ORGANISATIONAL CULTURE

Organisational culture and capability at Maribyrnong

Council continued to invest in development, leadership and wellbeing programs for our staff members.

Council are committed to a workplace culture where the growth of our employees is valued and encouraged. Quality, equitable and meaningful programs are part of our approach to meeting the needs of our growing city and community.

A range of learning and development programs is provided to staff, including

- » open learning to address our broad learning and development needs
- » Occupational Health and Safety compliance training
- » acting, secondment and mentoring opportunities
- » study assistance for higher education, and
- » targeted training to respond to departmental or service needs.

We strive to continually improve and a key focus has been on leadership development for all staff. Our leadership program targets staff at all levels to identify and develop our emerging leaders and enhance the capabilities of our current leaders.

Business transformation

In June 2012, we commenced our Business Transformation Program. This program is in the final year of implementation.

The program is a whole of organisation culture change targeting four key planks

- » Continuous Improvement and Best Value: our commitment to business excellence through innovative solutions
- » People and Performance: strengthening our people and performance capacity and capability
- » Culture and Capability: a resilient, adaptive and innovative customer-focussed organisational culture, and
- » Systems and Process: excellence in organisational design of business processes and systems.



Vital to our transformation program is our new comprehensive IT system. The new system streamlines our internal processes and improves customer experience for our residents, ratepayers, stakeholders and the broader community. In 2014/15, we successfully implemented the final major modules of the new system, including document management, asset management, building and planning, and customer service.

08

08 OUR ORGANISATION

Awards

During 2014/15 five staff/team members have been either nominated or won an award, as shown in the table below:

| Award Type | Who was the award received from | What project was the award received for | Officer / Team who received the award |
|--|---|--|---------------------------------------|
| Award for Excellence. Finalist Capital Projects Category | Institute of Public Works Engineering Australia | Quarry Park Rehabilitation Former Footscray Quarry | Asset Management and Construction |
| 2015 Awards of Excellence | Parks and Leisure Australia (VIC/TAS) | Inclusive and Connected Communities | Leisure Services |
| Finalist – Heart Foundation Local Government Awards | Heart Foundation | Active Maribyrnong | Recreation Services Team |
| Finalist – LG Pro Young Achiever of the Year Award | LG Pro | Individual award | Rick Morris |
| Winner - Parks and Leisure Victoria/Tasmania – Inclusive Communities Award | Parks and Leisure Victoria/Tasmania | Maribyrnong/Moonee Valley Community Cricket Cup | Recreation Services Team |



09

Compliance and accountability

Risk management

A new Enterprise Risk Register was developed following a comprehensive review and analysis of Council's Risk Register. The Enterprise Risk Register incorporates risks that have the potential for significant and organisational wide impact on Council. It separates the risks that have the capacity to negatively affect our ability to operate and sustain our services to the community, from the day to day risks that have continuous control mechanisms applied to them by various departments.

Procurement policy

Council's Procurement Policy was developed, reviewed and amended under Section 186A of the *Local Government Act 1989*. This section of the Act requires us to prepare, approve and comply with a procurement policy encompassing the principles, processes and procedures applied to all purchases of goods, services and works by Council. The policy applies to all contracting and procurement activities and is binding upon Councillors, officers and temporary employees, contractors and consultants while engaged by Council.

Equal Employment Opportunity Program

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

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

Council does many things to promote and encourage Equal Employment Opportunities for all future and current employees. The below statement is on our Careers Homepage - *Council encourages young people, people with disability, Aboriginal and Torres Strait Islander peoples and people from culturally diverse backgrounds to apply.*

New employees receive an email to complete an online induction and EEO course, as well as other compliance modules.

We also have a Respect in the Workplace Policy and Code of Conduct, which outlines the expected behaviours and responsibilities of all employees to behave in accordance with these policies.

Human Resource Management conduct quarterly face to face Corporate Inductions and provide new employees with a Handbook in their employment pack prior to their commencement with Council.

Human Resource Management recently facilitated re-induction sessions at the Operations Centre with all outdoor staff (many of whom are long term employees), which covered EEO, Respect in the Workplace, Code of Conduct, etc.

We have delivered refresher equal opportunity training in the past. A new program of EEO Refresher training is currently being developed and will be tailored to each department and delivered over the next six months.

An information session for the Executive and Leadership Group will be delivered during 2015.

Council currently has eight Employee Contact Officers. Contact Officers are from various departments and locations across Council. Contact Officers undertake refresher training annually with the opportunity to liaise with each other.

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

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



09

09 COMPLIANCE AND ACCOUNTABILITY

Occupational Health and Safety (OHS)

Workplace health and safety is a major priority for Council's Executive Management Team.

Council continue to strive for a proactive and preventative safety programs aimed at improving safety culture and awareness throughout the organisation and community. The OHS function is to improve workplace health and safety by placing emphasis on the physical environment, overall employee health and wellbeing as well as the psychosocial environment.

Highlights of our OHS services and program for 2014/2015 include:

- » continuation of our Health and Wellbeing Program for all staff.
- » significantly reducing days lost by employees through workplace injuries and early intervention thereby reducing out total WorkCover premium.
- » follow up sessions for Healthy Carer Program for the continued improvement of the overall health and injury prevention within our home support teams
- » updated safe work procedures and risk assessments for majority of Operations and Maintenance Department teams.
- » conduct of electrical test and tag programs throughout the organisation.
- » emergency management procedures updated for Town Hall and implemented Emergency Procedures for the Braybrook Community Hub.

Best Value and Continuous Improvement

In accordance with section 208B(f) of the *Local Government Act 1989*, at least once every year a Council must report to its community on what it has done to ensure that it has given effect to the Best Value Principles. We incorporate Best Value Principles through regular business planning and performance monitoring processes and through a commitment to continuous improvement and innovation which is supported by our Sustainable Excellence Program. To further reflect our commitment to Best Value, we have commenced the design and planning of a Service Planning Program. This program provides additional review and improvement mechanisms to ensure that our services achieve best practice standards in regards to service performance.

Current legislation requires Councils to report annually to their communities on Best Value principles. This means

- » all services provided by Council must meet quality and cost standards
- » each service provided by Council must be accessible to those members of the community for whom the service is intended
- » all services provided by Council must be responsive to the needs of the community
- » Council must provide continual improvement in the provision of services to its community, and
- » Council must develop a program of regular consultation with its community, and report back regularly on its achievements, in relation to the principles.

In 2011, we developed and implemented our Continuous Improvement / Best Value Service Review Framework as a foundation for organisational culture change. The Framework sought an integrated and consistent approach to service planning and reviews. Its implementation strategy was designed for the adoption of continuous improvement practices in organisational accountability, performance and engagement.

The Continuous Improvement Program is driven by

- » ensuring Council is demonstrably meeting the requirements of the *Local Government Act 1989*, which requires councils to apply Best Value principles to their services
- » embedding the principles of Continuous Improvement into everyday practice and organisational culture
- » testing current service levels and standards to identify opportunities for better management and use of our assets, workforce and finances, and
- » clarifying priorities to ensure services are high in quality, value for money and responsive to change.



A total of 31 service reviews have been completed since the program commenced in 2011.

Below is a list of completed service reviews.

- Learning and Development
- Injury Management
- Payroll
- Rates
- Emergency Management
- Arts and Culture
- Community Centres Network
- Diversity Services
- Early Years
- Libraries
- Maternal and Child health
- MAC (reviewed by an independent consultant)
- Positive Ageing Services
- Recreation Services
- Safer Communities and Health Promotion
- Youth Services
- Community Grants Program
- Library programmes
- Building Maintenance
- Irrigation
- Rapid Response
- Sustainability and Environment
- Transport
- Civil Design and Development
- Design / Construction – systems and processes
- Parks and Gardens (tree maintenance)
- City Design
- Traffic and Local Laws - Animal Management and Compliance
- Urban Planning
- City Strategy (includes Economic Development)
- Service Review Framework

Most of the teams that have undertaken service reviews are now implementing their "Improvement Plans" and business processes. The focus of improvements can be grouped under nine key headings:

- » Building organisational capabilities: skills, leadership, multi skilling
- » Service models: levels, -staffing, clarity of roles
- » Improving Internal Collaboration: cross departmental, partnership, communication
- » Mobility solutions: use of the new technology, links with Business Transformation
- » Setting clear strategic directions: evaluation, reviewing plans
- » Improving existing business processes: systems, use / access to equipment, Promapp
- » Strengthening external communication: promoting our services
- » Improved work practices: efficiency / cost effectiveness, and
- » Measuring Performance: having appropriate Key Performance Indicators.



10

Statutory information

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

Documents available for public inspection

In accordance with section 222 of the *Local Government Act 1989* ('the Act') and part 5 of the *Local Government (General) Regulations 2004*, the following is a list of the prescribed documents that Council must make available for public inspection at Maribyrnong City Council offices, corner Napier and Hyde Streets, Footscray, during office hours:

- (a) details of current allowances fixed for the Mayor and Councillors;
- (b) the total annual remuneration for all senior officers in respect of the current financial year and the previous financial year, set out in a list that states—
 - (i) ranges of remuneration of senior officers, where the difference between the lower amount and the higher amount in each range must not exceed \$10 000; and
 - (ii) the number of senior officers whose total annual remuneration falls within the ranges referred to in subparagraph (i);
- (c) details of overseas or interstate travel (with the exception of interstate travel by land for less than 3 days) undertaken in an official capacity by Councillors or any member of Council staff in the previous 12 months, including the names of the Councillors or members of Council staff and the date, destination, purpose and total cost to the Council of the overseas or interstate travel, including accommodation costs;
- (d) names of Council officers who were required to submit a return of interest during the financial year and the dates the returns were submitted;
- (e) names of Councillors who submitted returns of interest during the financial year and the dates the returns were submitted;
- (f) agendas for and minutes of ordinary and special meetings held in the previous 12 months except if the minutes relate to parts of meetings which have been closed to members of the public;
- (g) a list of all special committees established by Council and the purpose for which each committee was established;
- (h) a list of all special committees established by the Council which were abolished or ceased to function during the financial year;
- (i) minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months except if the minutes relate to parts of meetings which have been closed to members of the public;
- (j) a register of delegations including the dates on which the last reviews took place;
- (k) submissions received in accordance with section 223 of the Act during the previous 12 months;
- (l) agreements to establish regional libraries;
- (m) details of all property, finance and operating leases involving land, buildings, plant, computer equipment or vehicles entered into by the Council as lessor or lessee, including the name of the other party to the lease and the terms and the value of the lease;
- (n) a register of authorised officers appointed under section 224 of the Act;
- (o) a list of donations and grants made by the Council during the financial year, including the names of persons or bodies which have received a donation or grant and the amount of each donation or grant;
- (p) a list of the names of the organisations of which the Council was a member during the financial year and details of all membership fees and other amounts and services provided during that year to each organisation by the Council; and
- (q) a list of contracts valued at \$150,000 (including GST for contracts for the purchase of goods or services) or \$200,000 (including GST for contracts for the carrying out of works)—
 - (i) which the Council entered into during the financial year without first engaging in a competitive process; and
 - (ii) which are not contracts referred to in section 186(5) or (5A) of the Act.

An inspection of these documents can be arranged by contacting the Manager Governance & Customer Service on 9688 0200.

Freedom of Information

The Freedom of Information Act 1982 (FOI Act) provides for access to documents in Council's possession, subject to certain exemptions. Council has a duty under the FOI Act to assist a person wishing to make a request. Requests for access to documents under the FOI Act must:

1. Be in writing;
2. Identify, as far as possible, the particular document/s being sought; and
3. Include payment of the prescribed application fee. (The fee from 1 July 2015 is \$27.20).

FOI requests must be addressed to the FOI Officer, Maribyrnong City Council, PO Box 58, Footscray Vic 3011. An application form and further information can be found on Council's website.

During 2014-15, Council received 10 FOI requests.

National Competition Policy

Maribyrnong City Council continues to comply with the requirements of the National Competition Policy and Competition and Consumer Act 2010 in the operation of our business. Maribyrnong's significant businesses operate in accordance with the principles of competitive neutrality to ensure that Council does not unduly influence the private market in the operation of the government provided services.

Local Laws

There were no Local Laws reviewed during the year requiring a National Competition Policy assessment.

Local Laws current at the end of the financial year are:

Governance Local Law (2011) – including by reference Council's Meeting Procedure (as amended February 2014)

Local Law No 6: General Purposes Local Law - currently being reviewed.

Protected Disclosure Act 2012

The purpose of the Protected Disclosure Act 2012 (the Act) is to encourage and facilitate disclosures of improper conduct by public officers and public bodies, and to establish a system for matters of improper conduct to be investigated.

The Act provides protection for any person affected by a protected disclosure regardless of whether it is a person who makes a disclosure, a witness to the improper conduct, or a person who is the subject of investigation.

The Act also provides for the protection of anonymity of people making, witnessing or are the subject of investigation of disclosures. The Act was proclaimed on 10 February 2013 and supersedes the Whistleblowers Protection Act 2001.

Council has a nominated Protected Disclosure Coordinator. A copy of Council's Procedures have been available from Council's Protected Disclosure Coordinator and on Council's website throughout 2014-2015.

As required by Section 70 of the Act, it is reported that:

- » Council has established procedures under Part 9 (Section 58) of the Act to deal with any disclosures made under the Act. These procedures are available to the public.
- » For the period 1 July 2014 to 30 June 2015 two disclosures were received by Council.

- » Two assessable disclosures were referred by Council to IBAC under section 21(2) for determination as to whether they were protected disclosures or protected disclosure complaints during the financial year.

For the financial year to 30 June 2015 there were no disclosed matters substantiated on investigation or action taken on completion of investigation.

- » There were no recommendations of IBAC or other investigating entity under the Protected Disclosure Act that relate to Council during the financial year.

Road Management Act Ministerial direction

In accordance with section 22 of the Road Management Act 2004, Council must publish a copy or summary of any Ministerial direction in its annual report. No such Ministerial Directions were received by Council during the financial year

Carers Recognition

In accordance with the Carers Recognition Act 2012, Council has taken all practicable measures to comply with its responsibilities. Council has promoted the principles of the Act to Home Support Officers and to the wider community by; Distributing printed material, conducting relevant training sessions with staff and providing information to organisations represented in Council and community networks and advisory committees.

Council has taken all practicable measures to ensure staff and volunteers are informed about the principles and obligations of the Act by including information on the care relationship in Council induction and training programs. Council regularly reviews Aged & Diversity policies and procedures to make sure that recognition of the care relationship is maintained.



10

10 STATUTORY INFORMATION



Disability Action Plan

In accordance with section 38 of the Disability Act 2006, Council reports annually on the implementation of our Disability Action Plan.

In 2014-15 Council implemented the following actions

- » continued to advocate to the State Government on the provision of accessible public transport services and facilities in the municipality
- » finalised a Community Engagement Strategy and toolkit for use by council staff, to actively promote and support community participation in decision-making
- » continued to support the Disability Advisory Committee (DAC) as it provides advice on issues of importance for people with a disability, their families and carers
- » investigated options for developing council traineeship opportunities to enable people with a disability to obtain work experience and develop skills
- » explored opportunities to increase reading aids available at library branches (e.g. CCTV, iPads, magnifying sheets)
- » explored opportunities to support young people with disabilities and young carers of people with disabilities in partnership with other organisations
- » celebrated International Day for People with a Disability with a range of inclusive activities
- » arranged for the provision of targeted access/inclusion training for council departments on request
- » reviewed Council's Code of Conduct and identify any other opportunities to further develop council's access and inclusion policies, and
- » developed guidelines to ensure that Business Planning and Service Review processes incorporate actions stated in the Disability Action Plan, and where relevant, address issues relating to people with a disability.

Food Act 1984

Maribyrnong City Council is diligent in observing and meeting the legislative requirements of the Food Act 1984. Throughout 2014/15, in excess of 181 food samples were procured for the reportable period. The procurement of food samples is part of a State-wide food surveillance program that ensures food safety and quality for all consumers, both locally and abroad.

Food Act Ministerial Directions

In accordance with section 7E of the Food Act 1984, Council is required to publish a summary of any Ministerial Directions received during the financial year in its annual report.

No such Ministerial Directions were received by Council during the financial year.

Performance statement 2014/15

PERFORMANCE STATEMENT

For the year ended 30 June 2015

Description of municipality

The City of Maribyrnong is located just seven kilometres west of Melbourne and covers an area of 32 square kilometres. Maribyrnong has an Estimated Residential Population of approximately 81,059 residents (as at June 30, 2014).

Maribyrnong has a diverse population. According to the 2011 census, 40 per cent of population were born overseas and 43 per cent speak a language other than English at home. The city also continues to attract new cultural groups who bring with them diversity and a new dynamic. More than 83 languages from 135 countries are now spoken in Maribyrnong. The top six emerging country of birth groups outside of Australia are: India, Vietnam, China, Burma, Bangladesh and Ethiopia.

Maribyrnong City Council provides more than 80 high quality services and facilities across a range of areas including Community Services, Environmental Services, Customer Services, Health and Wellbeing, Planning and Building, Parks and Gardens and more. The existing open space network comprises 151 open space reserves that are accessible to the public at all times, covering 307.9 hectares of land area, which equates to 9.9 per cent of the municipality.

SUSTAINABLE CAPACITY INDICATORS

For the year ended 30 June 2015

| Indicator/measure | Results 2015 | Material Variations |
|--|--------------|---------------------|
| Own-source revenue <i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population] | \$1,326.00 | |
| Recurrent grants <i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population] | \$125.00 | |
| Population <i>Expenses per head of municipal population</i> [Total expenses / Municipal population] | \$1,275.00 | |
| <i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population] | \$5,916.00 | |
| <i>Population density per length of road</i> [Municipal population / Kilometres of local roads] | 268 | |
| Disadvantage <i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile] | 3 | |

*As there is no base year council has made a number of comments under 'Material Variations' to assist readers interpret the results.

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 in paragraphs (a) and (b)

"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.



11 PERFORMANCE STATEMENT 2014/15

SERVICE PERFORMANCE INDICATORS

For the year ended 30 June 2015

| Service/indicator/measure | Results 2015 | Material Variations |
|--|--------------|---|
| GOVERNANCE 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] | 60% | We engage an independent research company to undertake its annual community survey. The survey methodology has been reviewed by Council auditors and is consistent with the methodology adopted by Local Government Victoria. The question asked relating to this measure is: 'Satisfaction with making decisions in the interest of the community'. |
| STATUTORY PLANNING Decision making <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100 | 70% | This result demonstrates that decisions are being made in line with the Maribyrnong Planning Scheme. |
| ROADS Satisfaction <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads] | 63% | We engage an independent research company to undertake its annual community survey. The survey methodology has been reviewed by Council auditors and is consistent with the methodology adopted by Local Government Victoria. The question asked relating to this measure is: 'Satisfaction with road maintenance and repair'. |
| LIBRARIES Participation <i>Active library members</i> [Number of active library members / Municipal population] x100 | 18% | Library members use the library for a number of reasons including collection utilisation, events, programs, internet access, and the free, safe spaces provided in our branches. A new library facility has been opened in Braybrook which will provide opportunities for higher participation in a range of library services. |
| WASTE COLLECTION Waste diversion <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100 | 34% | We are committed to diverting waste from landfill in line with our Waste Minimisation Strategy. |
| AQUATIC FACILITIES Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population] | 12 | Utilisation of the Aquatic Facility is high demonstrating its significance and value to the community. |
| ANIMAL MANAGEMENT Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions] | 2 | Whilst Animal Management Officers have investigated a number of incidents involving dogs, most matters have been resolved through Penalty Notices, voluntary surrender and community education. |
| FOOD SAFETY Health and safety <i>Critical and major non-compliance notifications</i> [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100 | 51% | This figure is not a true reflection of Council's follow up inspections. While all inspections were completed, previous reporting did not differentiate between inspection types required for LGPRF (new State Government reporting). As part of Council's commitment to continuous improvement, significant improvements have been made in our data collection processes to accurately capture the data required to report on the LGPRF. Since implementation, a 100% follow up of critical and major non-compliant outcome notifications between April and June 2015 has been achieved. |



| Service/indicator/measure | Results 2015 | Material Variations |
|---|--------------|--|
| HOME AND COMMUNITY CARE Participation <i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100 | 23% | HACC Services are provided in line with access and equity principles. |
| Participation <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 | 15% | We provide a range of support services, in line with access and equity principles, for people from Culturally and Linguistically Diverse (CALD) backgrounds. |
| MATERNAL AND CHILD HEALTH Participation <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100 | 79% | Participation in the Maternal and Child Health Service can be impacted by families moving from the municipality following the birth of their child. |
| Participation <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100 | 67% | Participation in the Maternal and Child Health Service can be impacted by families moving from the municipality and attending more culturally relevant services. |

* As there is no base year council has made a number of comments under 'Material Variations' to assist readers interpret the results.

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
 "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*.

11

11 PERFORMANCE STATEMENT 2014/15

SERVICE PERFORMANCE INDICATORS

For the year ended 30 June 2015

| Dimension/indicator/measure | Results | | Forecasts | | | Material Variations |
|---|---------|---------|-----------|---------|---------|---|
| | 2015 | 2016 | 2017 | 2018 | 2019 | |
| OPERATING POSITION Adjusted underlying result <i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100 | 13.00% | 6.00% | 8.00% | 8.00% | 9.00% | A positive underlying result indicates a strong cash position and lower debt. |
| LIQUIDITY Working capital <i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100 | 297.96% | 175.02% | 188.71% | 194.51% | 199.31% | This is a strong result enabling Council to meet its future commitments. |
| Unrestricted cash <i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100 | 142.95% | 101.64% | 111.02% | 120.11% | 126.57% | This is a strong result enabling Council to meet its future commitments. |
| OBLIGATIONS Loans and borrowings <i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100 | 4.17% | 3.04% | 1.99% | 0.98% | 0.00% | Council has a position of no new borrowings at this time. |
| <i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100 | 4.17% | 3.04% | 1.99% | 0.98% | 0.00% | Council has a position of no new borrowings at this time. |
| Indebtedness <i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100 | 3.34% | 2.41% | 1.67% | 0.95% | 1.01% | Council is in a strong position to meet its non-current liabilities as they fall due. |
| Asset renewal <i>Asset renewal compared to depreciation</i> [Asset renewal expenses / Asset depreciation] x100 | 79.32% | 131.26% | 126.95% | 133.04% | 139.33% | A number of Capital projects were delayed and will be completed in 2015/16. |
| STABILITY Rates concentration <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100 | 69.24% | 69.69% | 71.36% | 72.03% | 72.68% | Rate income is a secure and predictable source of revenue. A low ratio can warn of undue reliance on forms of revenue which may not be sustainable. |
| Rates effort <i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100 | 0.37% | 0.40% | 0.40% | 0.41% | 0.41% | |



| Dimension/indicator/measure | Results | | Forecasts | | | Material Variations |
|---|------------|------------|------------|------------|------------|---------------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 | |
| EFFICIENCY | | | | | | |
| Expenditure level | \$2,746.24 | \$3,091.81 | \$3,060.82 | \$3,002.41 | \$3,019.57 | |
| <i>Expenses per property assessment</i> [Total expenses / Number of property assessments] | | | | | | |
| Revenue level | \$1,815.38 | \$1,866.52 | \$1,902.62 | \$1,918.21 | \$1,935.42 | |
| <i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments] | | | | | | |
| Workforce turnover | 13.12% | 13.84% | 13.62% | 13.41% | 13.20% | |
| <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 | | | | | | |

* As there is no base year council has made a number of comments under 'Material Variations' to assist readers interpret the results.

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 in paragraphs (a) and (b)

"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.

11

11 PERFORMANCE STATEMENT 2014/15

OTHER INFORMATION

For the year ended 30 June 2015

1. Basis of preparation

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

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

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

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 16 June 2015 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.





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*.



Mr Bryan Stone
Principal Accounting Officer
Date: 15 September 2015

In our opinion, the accompanying performance statement of the *(council name)* for the year ended 30 June 2015 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.

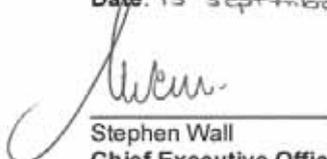
We have been authorised by the council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify this performance statement in its final form.



Cameron McDonald
Councillor
Date: 15 September 2015



Grant Miles
Councillor
Date: 15 September 2015



Stephen Wall
Chief Executive Officer
Date: 15 September 2015



Victorian Auditor-General's Office

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Melbourne VIC 3000
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Website www.audit.vic.gov.au

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Maribyrnong City Council

The Performance Statement

The accompanying performance statement for the year ended 30 June 2015 of the Maribyrnong City Council which comprises the statement, the related notes and the Council approval of the performance statement has been audited.

The Councillors' Responsibility for the Performance Statement

The Councillors of the Maribyrnong City 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)

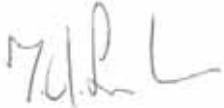
Independence

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, the Auditor-General, his 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 Maribyrnong City Council in respect of the 30 June 2015 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

MELBOURNE
17 September 2015


John Doyle M.Acc FCA
Auditor-General



12

Finance Report

FINANCIAL OVERVIEW

During the 2014/2015 financial year Council updated its Long Term Financial Strategy (LTFS). The structure of the LTFS includes objectives and targets which will ensure Council's long term sustainability. A part of the strategy includes Council's Long Term Financial Plan which was first implemented in July 2000. This Plan is reviewed annually as a part of the Long Term Financial Strategy.

The Long Term Financial Plan was initially used as a tool to ensure the management of Council's debt. Council's outstanding debt has reduced from \$33.019 million in June 2000 to \$3.460 million in June 2015.

Council's investments are currently held with the four major banks and 1 community bank.

This report provides an overview of the major results portrayed in Council's Financial Statements for the year ended June 30 2015.

Surplus (Deficit) For The Period

The surplus (deficit) for the reporting period represents accrual accounting treatments which includes depreciation but excludes expenditure on capital items, loan repayments and transfers to and from reserves. Council budgeted for a \$8.3 million surplus in the 2014/2015 financial year and has achieved a \$19.131 million surplus.

An explanation of the major variances are reported in note 2 of the Financial Statements.

This surplus is reported in the Comprehensive Income Statement as presented in the Annual Financial Report.

Capital Expenditure

Council's capital expenditure for the 2014/2015 financial year was \$26.4 million. A further \$5.1 million has been expended on assets but not capitalised.

Cash Holdings

Council's cash & investments at 30 June was \$62.193 million an increase over the previous financial year of \$5.454 million. This increase is mainly made up of projects budgeted for and not completed as at 30th June and grants received in advance.

The level of Council's cash and investments has seen the continuance of the Major Projects Program and all reserves and provisions being fully funded.

Assets – Property, Plant & Equipment

The level of Council assets has increased by \$40.7 million. The major cause of this increase is the increased level of capital works completed of \$26.4 million and land and building revaluation of \$29.6 million less depreciation, etc.

Outstanding Debtors (Receivables)

Council's debtors have increased by \$283k. There has been a marginal decrease in payments relating to parking fines and Council rates

Borrowings

Council has not borrowed during the financial year, and repayments have occurred in line with Council's commitments. The outstanding amount at the end of the financial year was \$3.5 million.

Working Capital & Liquidity

The Working Capital Ratio or Liquidity position is a ratio of 2.99:1 at June 30th 2015, compared to 2.62:1 at June 30th 2014. This ratio is used to assess Council's ability to meet its current liabilities, by using its current assets. The ratio indicates \$2.99 of current assets for every \$1 of current liabilities. The current position is seen to be adequate and provide Council with an opportunity to pursue its major projects program in to the future.

A Guide to the Financial Statements

Council prepares the Financial Statements and follows a statutory approvals process as set out in the Local Government Act 1989. The Financial Statements are based on requirements set out in the Act, Australian Accounting Standards and the Local Government Model Accounts. To produce these Statements the following processes have been undertaken:

- » Council's Audit Committee met to consider the draft statements and the preliminary recommendation made by the external Auditor.
- » The Audit Committee was satisfied to recommend that the statements be approved.
- » Two Councillors' were authorised to certify the statements in their final form.
- » The Statements were then submitted to the Auditor General for review and certification.
- » The Financial Performance Statements and all other parts of the Annual Report are required to be lodged with the Minister for Local Government prior to 30 September annually.

For the 2014/2015 financial year, Maribyrnong City Council has received a clear audit of its Financial Statements.

Financial Statements

The five main Statements are the Comprehensive Income Statement, the Balance Sheet, the Statement of Changes in Equity Cash Flow Statement and the Statement of Capital Works. The notes detail Council's accounting policies and the make-up of values contained in the Statements. The notes should be read in conjunction with the four main statements.

Comprehensive Income Statement

The Comprehensive Income Statement shows the sources of Council's revenue received and the expenditure incurred, under various headings, over the year.

Balance Sheet

The Balance Sheet is a one-page snapshot of the financial situation as at 30 June 2015. It shows what the Council owns as assets and what it owes as liabilities. The bottom line of this Statement is net assets. This is the Council's net worth, which has been built up over many years.

Statement of Changes in Equity

Over the year the value of total equity as set out in the Balance Sheet changes. The Statement of Changes in Equity shows the movement in equity from the profit or loss from operations, the use of monies to and from Council's reserves and the revaluation of fixed assets.

Cash Flow Statement

The Cash Flow Statement summarises Council's cash payments and cash receipts for the year.

Statement of Capital Works

The Statement of Capital Works details all expenditure by Council on Capital Works. The Statement does not include any maintenance costs or other non capital items.



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12 FINANCE REPORT

AUDIT COMMITTEE ANNUAL REPORT for year ending 30 June 2014

The Maribyrnong City Council Audit Committee Charter, states that the Audit Committee shall:-

“report annually to the Council summarising the activities of the Committee during the previous financial year”

Meetings

The Committee met seven times during the period under review, on the following dates:-

1 July 2014 (Extra Ordinary)

19 August 2014 (Special)

30 September 2014

18 November 2014

17 February 2015

21 April 2015

16 June 2015

Meeting Attendance

Six Committee meetings were conducted with a quorum of at least one independent and one Councillor. The meeting held on 30 September 2014 did not have a quorum and a “record of discussion” was kept in lieu of minutes.

| Members | Eligible to Attend | Attended |
|-------------------------------------|--------------------|----------|
| Cr. Grant Miles, Mayor (Ex Officio) | 3 | 1 |
| Cr. Nam Quach, Mayor (Ex Officio) | 4 | 4 |
| Cr. Grant Miles | 3 | 2 |
| Cr Cameron McDonald, Member | 7 | 6 |
| Cr Michael Clarke, Member | 4 | 2 |
| Linda MacRae, Chair Person | 7 | 7 |
| Mark Anderson, Independent Member | 7 | 7 |

The Chief Executive Officer and members of the executive management team (EMT), Finance Manager and Management Accountant were regularly in attendance. At least one representative from the Internal Auditors, DFK Collins, was also in attendance at each meeting.

Council's External Auditors, HLB Mann Judd, who are appointed by the Victorian Auditor General (VAGO) attended the 19 August 2014 meeting to discuss the 2013/2014 Annual Financial Statements. The External Auditors also attended the meeting on the 21 April 2015 to discuss the 2014/2015 Audit Strategy and the 2014/2015 Interim Management Letter.

Other Senior Officers of the Council were in attendance at Audit Committee meetings, as required when specific matters or reports were under discussion.

Independent Members

The independent members have appropriate financial and industry expertise. All independent members are financially literate and have an appropriate knowledge of the operations of the Council.

In accordance with the Audit Committee Charter 2.2 (d) Membership. “Appointment of external persons shall be made by Council for a minimum term of three years. Appointments of external persons will be for a maximum of seven years. The term of the appointment should be arranged to ensure an orderly rotation and continuity of membership despite changes to Council's elected representatives”.

Ms. Linda MacRae after serving a term as the independent member assumed the role of Chair in 2012. Mr. Mark Anderson was appointed to the Committee as an independent member in September 2012.

Duties and Responsibilities

It is considered that the Duties and Responsibilities, as detailed in Sub-section 2.5 (o) (i) to (xvii) inclusive of the Audit Committee's Terms of Reference were adequately fulfilled during the review period. The following reports were considered by the Committee:

Internal Audit Reports Considered

The following Internal Audit Reports were presented by the Internal Auditors – DFK Collins - to the Audit Committee for consideration and comment:

- » Fleet Management
- » Contract tendering
- » Contract management
- » Councillor expenses
- » Data analysis
- » Purchasing and credit cards
- » Internal audit program status report
- » Internal audit 2015/2016 audit plan

External Audit Reports

The External Auditors HLBB Mann Judd discussed:

- » 2013/2014 Financial Statements and Performance Statements
- » VAGO Final Management Letter – Financial Audit 2013/2014
- » Audit Strategy for the financial year ending 30th June 2015
- » 2014/2015 VAGO Interim Management Letter

Other Regular and Special Reports

Management Reports covered:

- » Overdue Debtors Reports
- » Asset Management Processes and Procedures
- » Overdue Annual Leave
- » Business Transformation
- » Review of Council's Risk Management Framework and Implementation of the Monitoring Process
- » Fraud and Corruption Control Update and Procedures
- » Status Report - Contamination Of Maribyrnong Land And Buildings
- » Council's Road Management Plan
- » Business Continuity Plan
- » Quarterly Finance And Performance Reports To Council
- » Councillor Support And Expenses Quarterly Report
- » Actions Taken In Response To Internal Audit Comments
- » Braybrook Community Hub Update
- » Contract Variations
- » Management Actions in Response to VAGO reports
- » VAGO Appointment of External Audit Contractor
- » Consideration of 2015/2016 Budget Timetable

Emerging Issues Discussed

The following emerging issues are being watched and evaluated for their impact on Council:

- » Local Government performance reporting framework
- » Impact of rate capping
- » Aged care reform
- » Victorian Grants Commission (freezing of grants)
- » 2015/2016 Proposed Budget

General Comments

The 2014/2015 year was again a very productive year with the Committee considering a large range of reports and issues relating to Council's reporting, accountability, control and risk management objectives and obligations. The Audit Committee continues to provide a valuable oversight of Council's internal control procedures and risk management processes. Council's internal control environment is maintained and improved by the value added process of ongoing continuous improvement recommendations made by Council's Internal and External Auditors, which are acted upon by the Committee and Council.

I thank the Committee for its support of me as Chair. It has been my privilege to undertake this role. I thank my fellow Audit Committee Members, Councillors and Independent members for their participation, diligence, professionalism and contribution throughout 2014/2015.

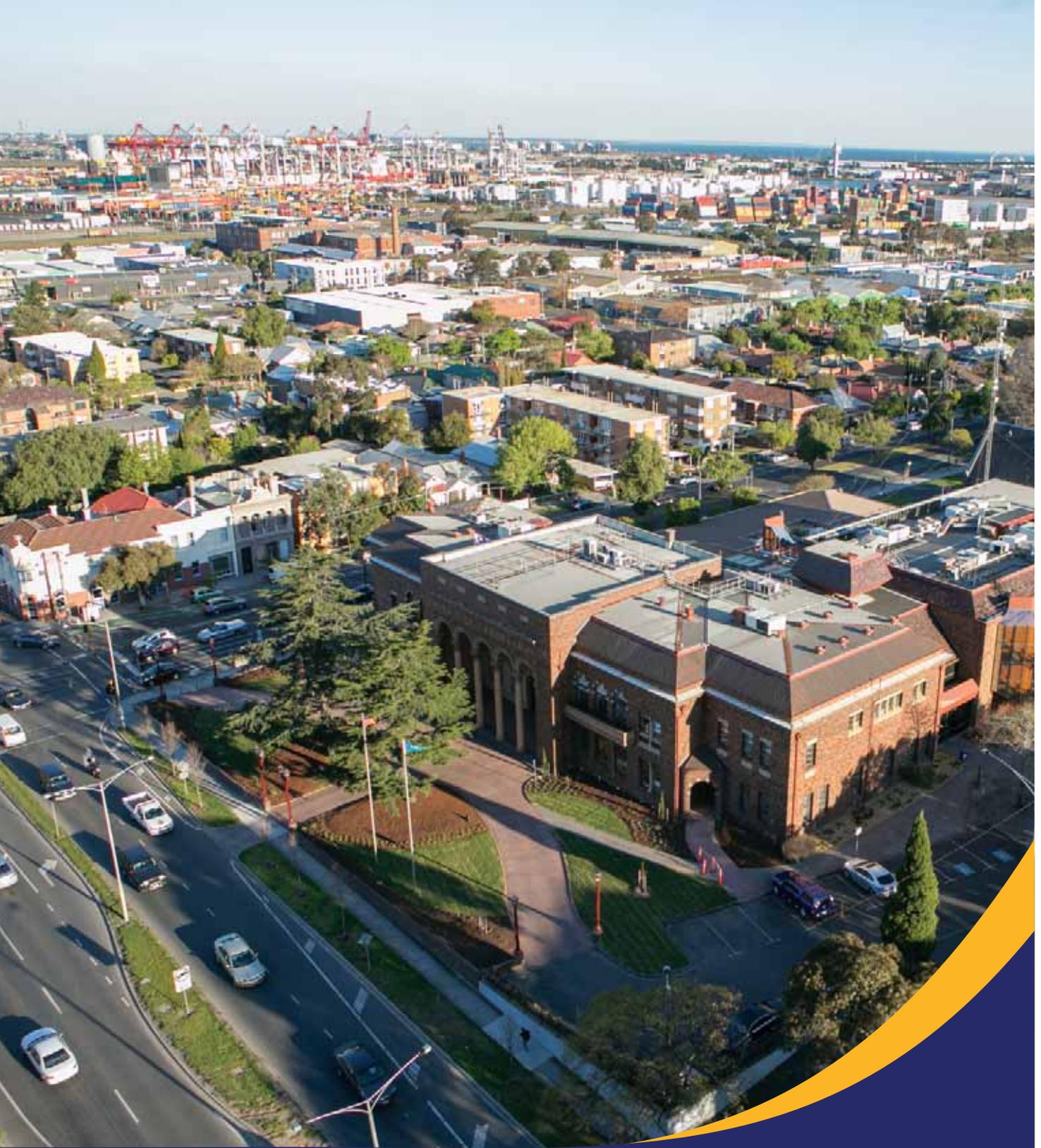
I express my sincere thanks to the Victorian Auditor General's appointed external audit agents, HLB Mann Judd and Council's Internal Auditor, DFK Collins for their considerable work and contribution to the achievement of the Committee's objectives and outcomes.

The Committee was professionally supported by The Chief Executive Officer, the Manager Finance and other Senior Staff throughout the year who focus on achieving continuous improvement outcomes with their professional advice and input.



Linda MacRae

**Independent Audit Committee Member & Chair
Maribyrnong City Council Audit and Risk Committee**



MARIBYRNONG CITY COUNCIL

Annual Financial Report

For the Year Ended 30 June 2015

**Maribyrnong City Council
Financial Report
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12 FINANCE REPORT

Maribyrnong City Council 2014/2015 Financial Report

Comprehensive Income Statement For the Year Ended 30 June 2015

| | Note | 2015 \$'000 | 2014 \$'000 |
|--|------|----------------|----------------|
| Income | | | |
| Rates and charges | 3 | 83,507 | 77,764 |
| Statutory fees and fines | 4 | 11,102 | 10,976 |
| User fees | 5 | 11,529 | 11,065 |
| Grants operating | 6 | 10,371 | 8,144 |
| Grants capital | 6 | 1,860 | 1,294 |
| Contributions monetary | 7 | 2,268 | 1,819 |
| Contributions non-monetary | 7 | 449 | 890 |
| Other income | 8 | 6,201 | 4,676 |
| Total income | | 127,287 | 116,628 |
| Expenses | | | |
| Employee costs | 10 | 49,379 | 48,651 |
| Materials and services | 11 | 37,615 | 37,075 |
| Bad and doubtful debts | 12 | 2,459 | 1,138 |
| Depreciation and amortisation | 13 | 13,576 | 14,501 |
| Borrowing costs | 14 | 231 | 278 |
| Other expenses | 15 | 1,096 | 1,109 |
| Loss on disposal of property, infrastructure, plant and equipment | 9 | 3,799 | 11,747 |
| Total expenses | | 108,155 | 114,499 |
| Surplus/(deficit) for the year | | 19,132 | 2,129 |
| Other comprehensive income | | | |
| Items that will not be reclassified to surplus or deficit in future periods | | | |
| Net asset revaluation increment/(decrement) | 26 | 29,574 | 35,010 |
| Total comprehensive result | | 48,706 | 37,139 |

The above comprehensive income statement should be read in conjunction with the

Balance Sheet
As at 30 June 2015

| | Note | 2015 \$'000 | 2014 \$'000 |
|--|------|----------------|----------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 16 | 20,193 | 51,739 |
| Other financial assets | 17 | 42,000 | 5,000 |
| Trade and other receivables | 18 | 10,040 | 9,757 |
| Inventories | 19 | 14 | 16 |
| Other assets | 20 | 1,602 | 868 |
| Total current assets | | 73,849 | 67,380 |
| Non-current assets | | | |
| Trade and other receivables | 18 | 88 | 76 |
| Property, infrastructure plant and equipment | 21 | 925,721 | 885,011 |
| Total non-current assets | | 925,809 | 885,087 |
| Total assets | | 999,658 | 952,467 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 22 | 7,689 | 9,715 |
| Trust funds and deposits | 23 | 3,064 | 2,646 |
| Provisions | 24 | 13,244 | 12,617 |
| Interest-bearing loans and borrowings | 25 | 787 | 740 |
| Total current liabilities | | 24,784 | 25,718 |
| Non-current liabilities | | | |
| Provisions | 24 | 947 | 741 |
| Interest-bearing loans and borrowings | 25 | 2,673 | 3,460 |
| Total non-current liabilities | | 3,620 | 4,201 |
| Total liabilities | | 28,404 | 29,919 |
| Net assets | | 971,254 | 922,548 |
| Equity | | | |
| Accumulated surplus | | 299,307 | 286,770 |
| Reserves | 26 | 671,947 | 635,778 |
| Total Equity | | 971,254 | 922,548 |

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

**Maribyrnong City Council
2014/2015 Financial Report**

**Statement of Changes in Equity
For the Year Ended 30 June 2015**

| | | Total \$'000 | Accumulated Surplus \$'000 | Revaluation Reserve \$'000 | Other Reserves \$'000 |
|---|----|-------------------------|---|---|--------------------------------------|
| 2015 | | | | | |
| Balance at beginning of the financial year | | 922,548 | 286,770 | 600,161 | 35,617 |
| Surplus/(deficit) for the year | | 19,132 | 19,132 | - | - |
| Net asset revaluation increment/(decrement) | 26 | 29,574 | - | 29,574 | - |
| Transfers to other reserves | 26 | - | (23,625) | - | 23,625 |
| Transfers from other reserves | 26 | - | 17,030 | - | (17,030) |
| Balance at end of the financial year | | 971,254 | 299,307 | 629,735 | 42,212 |

| | | Total \$'000 | Accumulated Surplus \$'000 | Revaluation Reserve \$'000 | Other Reserves \$'000 |
|---|----|-------------------------|---|---|--------------------------------------|
| 2014 | | | | | |
| Balance at beginning of the financial year | | 885,409 | 274,999 | 575,181 | 35,229 |
| Surplus/(deficit) for the year | | 2,129 | 2,129 | - | - |
| Net asset revaluation increment/(decrement) | 26 | 35,010 | - | 35,010 | - |
| Transfers from revaluation reserve | | - | 10,030 | (10,030) | - |
| Transfers to other reserves | 26 | - | (13,151) | - | 13,151 |
| Transfers from other reserves | 26 | - | 12,763 | - | (12,763) |
| Balance at end of the financial year | | 922,548 | 286,770 | 600,161 | 35,617 |

The above statement of changes in equity should be read with the accompanying notes.

Statement of Cash Flows
For the Year Ended 30 June 2015

| | | 2,015 | 2,014 |
|---|-------------|--------------------------------|--------------------------------|
| | | Inflows/ (Outflows) | Inflows/ (Outflows) |
| | | \$'000 | \$'000 |
| Cash flows from operating activities | Note | | |
| Rates and charges | | 82,749 | 76,903 |
| Statutory fees and fines | | 8,299 | 9,606 |
| User fees | | 13,303 | 11,136 |
| Grants operating | | 10,371 | 8,144 |
| Grants capital | | 1,860 | 1,294 |
| Contributions monetary | | 2,268 | 1,819 |
| Interest received | | 1,973 | 2,060 |
| Other receipts | | 1,834 | 2,567 |
| Trust funds and deposits taken | | 2,408 | 1,256 |
| Net GST refund/payment | | 5,323 | 4,321 |
| Employee costs | | (48,214) | (47,615) |
| Materials and services | | (46,462) | (39,955) |
| Other payments | | (1,096) | (697) |
| Trust funds and deposits repaid | | (1,990) | (1,548) |
| Net cash provided by/(used in) operating activities | 27 | 32,626 | 29,291 |
| Cash flows from investing activities | | | |
| Payments for property, infrastructure, plant and equipment | 21 | (26,415) | (24,225) |
| Proceeds from sale of property, infrastructure, plant and equipment | | 214 | 355 |
| Payments for financial investments | | (161,000) | (5,000) |
| Proceeds from sale of financial investments | | 124,000 | - |
| Net cash provided by/(used in) investing activities | | (63,201) | (28,870) |
| Cash flows from financing activities | | | |
| Finance costs | | (231) | (278) |
| Repayment of borrowings | | (740) | (695) |
| Net cash provided by/(used in) financing activities | | (971) | (973) |
| Net increase (decrease) in cash and cash equivalents | | (31,546) | (552) |
| Cash and cash equivalents at the beginning of the financial year | | 51,739 | 52,291 |
| Cash and cash equivalents at the end of the financial year | 16 | 20,193 | 51,739 |
| Financing arrangements | 29 | | |
| Restrictions on cash assets | 16 | | |

The above statement of cash flow should be read with the accompanying notes.

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Maribyrnong City Council 2014/2015 Financial Report

Statement of Capital Works For the Year Ended 30 June 2015

| | Note | 2015 \$'000 | 2014 \$'000 |
|--|------|----------------|----------------|
| Property | | | |
| Buildings | | 12,637 | 1,514 |
| Works in progress | | 26 | 7,772 |
| Total buildings | | <u>12,663</u> | <u>9,286</u> |
| Total property | | <u>12,663</u> | <u>9,286</u> |
| Plant and equipment | | | |
| Plant, machinery and equipment | | 629 | 1,383 |
| Computers and telecommunications | | 3,433 | 1,051 |
| Library books | | 600 | 509 |
| Works in progress | | - | 2,213 |
| Total plant and equipment | | <u>4,662</u> | <u>5,156</u> |
| Infrastructure | | | |
| Roads | | 2,428 | 3,535 |
| Footpaths and cycleways | | 1,997 | 960 |
| Drainage | | 1,249 | 480 |
| Recreational, leisure and community facilities | | - | 1,237 |
| Waste management | | 164 | - |
| Parks, open space and streetscapes | | 467 | - |
| Off street car parks | | 65 | - |
| Other infrastructure | | 1,088 | - |
| Works in progress | | 1,632 | 3,666 |
| Total infrastructure | | <u>9,090</u> | <u>9,878</u> |
| Total capital works expenditure | | <u>26,415</u> | <u>24,320</u> |
| Represented by: | | | |
| New asset expenditure | | 5,457 | 1,912 |
| Asset renewal expenditure | | 10,619 | 15,687 |
| Asset upgrade expenditure | | 10,339 | 6,721 |
| Total capital works expenditure | | <u>26,415</u> | <u>24,320</u> |

The above statement of capital works should be read with the accompanying notes.

Introduction

The Maribyrnong City Council was established by an Order of the Governor in Council on 15th December 1994 and is a body corporate. The Council's main office is located at 61 Napier Street Footscray.

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

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) Changes in accounting policies

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

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Maribyrnong City Council
2014/2015 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2015

Note 1 Significant accounting policies (cont.)

(c) 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.

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.

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.

Note 1 Significant accounting policies (cont.)

(d) 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.

(e) 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.

(f) 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.

(g) 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.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value.

12 FINANCE REPORT

Note 1 Significant accounting policies (cont.)

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

A non-current asset classified as 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 and 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.

(j) 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 amount for which the assets could be exchanged between 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 21, Property, infrastructure, plant and equipment, and infrastructure.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 2 to 5 years. The valuation is performed either by experienced council officers or independent experts.

Note 1 Significant accounting policies (cont.)

(j) Recognition and measurement of property, plant and equipment, infrastructure, intangibles (cont.)

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 for all acquisitions after 1 July 2008.

(k) Depreciation and amortisation of property, infrastructure, plant and equipment and intangibles

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.

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

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

12 FINANCE REPORT

Maribyrnong City Council
2014/2015 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2015

Note 1 Significant accounting policies (cont.)

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

| Asset recognition thresholds and depreciation periods: | Depreciation Period | Threshold \$000 Limit |
|--|---------------------|-----------------------|
| Property | | |
| land | n/a | 10 |
| land improvements | 10-25 yrs | 10 |
| buildings | 50-100 yrs | 10 |
| building improvements | 10-25 yrs | 10 |
| leasehold improvements | 5-20 yrs | 10 |
| Plant and Equipment | | |
| plant, machinery and equipment | 2-10 yrs | 1 |
| computers and telecommunications | 3-10 yrs | 1 |
| library books | 1-10 yrs | 1 |
| Infrastructure | | |
| road pavements and seals | 13-25 yrs | 10 |
| road substructure | 50-80 yrs | 10 |
| road kerb, channel and minor culverts | 50 yrs | 10 |
| bridges | 50-100 yrs | 10 |
| footpaths and cycleways | 50 yrs | 10 |
| drainage | 30-100 yrs | 10 |
| recreational, leisure and community facilities | 5-50 yrs | 10 |
| waste management | 3 yrs | 10 |
| parks, open space and streetscapes | 5-30 yrs | 10 |
| off street car parks | 20-80 yrs | 10 |

(l) 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.

(m) 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.

(n) 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 23).

Note 1 Significant accounting policies (cont.)

(o) 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.

(p) 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 and annual 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.

12 FINANCE REPORT

Maribyrnong City Council
2014/2015 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2015

Note 1 Significant accounting policies (cont.)

(p) Employee costs and benefits (cont.)

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.

(q) Leases

Operating leases

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

Leasehold improvements

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter. At balance date, leasehold improvements are amortised over a 1 to 20 year period.

(r) 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 Tax 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.

(s) 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.

(t) Pending accounting standards

Certain new AAS's have been issued that are not mandatory for the 30 June 2015 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.

(u) Rounding

Unless otherwise stated, amounts in the financial report have been rounded to the nearest thousand dollars. Figures in the financial statement 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 \$1m 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 24 June 2014. 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.

| a) Income and Expenditure | Budget | Actual | Variance | |
|--|----------------|----------------|-----------------|------------|
| | 2015 | 2015 | 2015 | Ref |
| | \$'000 | \$'000 | \$'000 | |
| Income | | | | |
| Rates and charges | 82,067 | 83,507 | 1,440 | |
| Statutory fees and fines | 9,449 | 11,102 | 1,653 | 1 |
| User fees | 11,707 | 11,529 | (178) | |
| Grants - operating | 8,573 | 10,371 | 1,798 | 2 |
| Grants - capital | 1,396 | 1,860 | 464 | |
| Contributions - monetary | - | 2,268 | 2,268 | 3 |
| Contributions - non monetary | - | 449 | 449 | |
| Other income | 3,800 | 6,201 | 2,401 | 4 |
| Total income | 116,992 | 127,287 | 10,295 | |
| Expenses | | | | |
| Employee costs | 51,338 | 49,379 | 1,959 | |
| Materials and services | 42,506 | 37,615 | 4,891 | 5 |
| Bad and doubtful debts | 1,347 | 2,459 | (1,112) | 6 |
| Depreciation and amortisation | 12,310 | 13,576 | (1,266) | 7 |
| Borrowing costs | 710 | 231 | 479 | |
| Other expenses | 443 | 1,096 | (653) | |
| Loss on disposal of property, infrastructure, plant and equipment | - | 3,799 | 3,799 | 8 |
| Total expenses | 108,654 | 108,155 | 499 | |
| Surplus/(deficit) for the year | 8,338 | 19,132 | 10,794 | |

12 FINANCE REPORT

Maribyrnong City Council
2014/2015 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2015

Note

2 Budget comparison (cont)

a) Income and Expenditure (cont.)

(i) Explanation of material variations

Variance Ref

Item

Explanation

| | | |
|---|---|--|
| 1 | Statutory fees and fines | There was an increase in parking fines and permits. |
| 2 | Grants - operating | Council received an advanced payment of Victorian Grants Commission (VGC) and an increase in the aged care (HAAC) grant. |
| 3 | Contributions - monetary | This income is not budgeted due the uncertainty of timing and amount receivable. |
| 4 | Other income | A number of cycleways and paths were brought to account as found assets. |
| 5 | Materials and services | Many maintenance projects were not finished and have been carried forward until next year. |
| 6 | Bad and doubtful debts | Increased fines and reduced collections have resulted in an increase in provisions. |
| 7 | Depreciation and amortisation | Infrastructure assets have been revalued thereby increasing the depreciation expense. |
| 8 | Loss on disposal of property, infrastructure, plant and equipment | Infrastructure demolishes are not budgeted. |

Note

2 Budget comparison (cont)

| b) Capital Works | Budget | Actual | Variance | |
|--|---------------|---------------|-----------------|-----|
| | 2015 | 2015 | 2015 | |
| | \$'000 | \$'000 | \$'000 | Ref |
| Property | | | | |
| Land | 750 | - | (750) | |
| Total Land | 750 | - | (750) | |
| Buildings | 12,743 | 12,637 | (106) | |
| Works in progress | - | 26 | 26 | |
| Total Buildings | 12,743 | 12,663 | (80) | |
| Total Property | 13,493 | 12,663 | (830) | |
| Plant and Equipment | | | | |
| Plant, machinery and equipment | 1,257 | 629 | (628) | |
| Computers and telecommunications | 4,059 | 3,433 | (626) | |
| Library books | 600 | 600 | - | |
| Total Plant and Equipment | 5,916 | 4,662 | (1,254) | |
| Infrastructure | | | | |
| Roads | 7,806 | 2,428 | (5,378) | 1 |
| Bridges | 30 | - | (30) | |
| Footpaths and cycleway | 1,850 | 1,997 | 147 | |
| Drainage | 700 | 1,249 | 549 | |
| Recreational, leisure and community facilities | 1,310 | - | (1,310) | 2 |
| Waste management | 145 | 164 | 19 | |
| Parks, open space and streetscapes | 5,290 | 467 | (4,823) | 3 |
| Off street car parks | 1,250 | 65 | (1,185) | 4 |
| Other infrastructure | 3,650 | 1,088 | (2,562) | 5 |
| Works in progress | - | 1,632 | 1,632 | 6 |
| Total Infrastructure | 22,031 | 9,090 | (12,941) | |
| Total Capital Works Expenditure | 41,440 | 26,415 | (15,025) | |
| Represented by: | | | | |
| New asset expenditure | 10,514 | 5,457 | (5,057) | |
| Asset renewal expenditure | 19,206 | 10,619 | (8,587) | |
| Asset expansion expenditure | 4,580 | - | (4,580) | |
| Asset upgrade expenditure | 7,140 | 10,339 | 3,199 | |
| Total Capital Works Expenditure | 41,440 | 26,415 | (15,025) | |

12 FINANCE REPORT

Maribyrnong City Council
2014/2015 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2015

Note

2 Budget comparison (cont)

b) Capital Works (cont.)

(i) Explanation of material variations

**Variance Ref
Item**

Explanation

| | | |
|---|--|--|
| 1 | Roads | Many projects not finished this year and have been carried forward until next year. |
| 2 | Recreational, leisure and community facilities | A few projects have been carried forward until next year, while the landscaping and playing field projects have been expensed. |
| 3 | Parks, open space and streetscapes | Many projects were not finished this year and others have been carried forward. |
| 4 | Off street car parks | These projects were not commenced and have been carried forward till next year. |
| 5 | Other infrastructure | Many projects were not finished this year and have been carried forward till next year. |
| 6 | Works in progress | The works in progress amounts are off set in the budgeted assets types above. |

| Note | 2015 \$'000 | 2014 \$'000 |
|---|----------------|----------------|
| 3 Rates and charges | | |
| Council uses Net annual Value (NAV) as the basis of valuation of all properties within the municipal district. The NAV of a property is the value of the rent at which the land might reasonably be expected to return. | | |
| The valuation base used to calculate general rates for 2014/15 was \$1,163,341 million (2013/14 \$1,077,596 million). The 2014/15 rate in the NAV dollar was 7.04924 (2013/14, 6.989). | | |
| General rates | 81,271 | 74,844 |
| Waste management charge | 520 | 490 |
| Supplementary rates and rate adjustments | 1,716 | 2,430 |
| Total rates and charges | 83,507 | 77,764 |
| The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2014, and the valuation will be first applied in the rating year commencing 1 July 2014/15. | | |
| 4 Statutory fees and fines | | |
| Infringements and costs | 6,994 | 6,797 |
| Court recoveries | 1,775 | 1,872 |
| Land information certificates | 80 | 70 |
| Permits | 1,449 | 1,310 |
| Town planning fees | 614 | 783 |
| Fees | 190 | 144 |
| Total statutory fees and fines | 11,102 | 10,976 |
| 5 User fees | | |
| Aged and health services | 774 | 792 |
| Leisure centre and recreation | 4,729 | 4,630 |
| Child care/children's programs | 91 | 101 |
| Parking | 3,951 | 3,603 |
| Registration and other permits | 428 | 517 |
| Building services | 30 | 61 |
| Waste management services | 74 | 74 |
| Other fees and charges | 1,452 | 1,287 |
| Total user fees | 11,529 | 11,065 |

12 FINANCE REPORT

| Maribyrnong City Council 2014/2015 Financial Report | Notes to the Financial Report For the Year Ended 30 June 2015 | |
|--|--|----------------|
| Note | 2015 \$'000 | 2014 \$'000 |
| 6 Grants | | |
| Grants were received in respect of the following : | | |
| Summary of grants | | |
| Commonwealth funded grants | 6,833 | 4,666 |
| State funded grants | 5,404 | 4,772 |
| Total | 12,237 | 9,438 |
| Grants operating | | |
| Recurrent - Commonwealth Government | | |
| Victoria Grants Commission | 3,758 | 1,214 |
| Family day care | - | 314 |
| General home care | 1,162 | 1,140 |
| Recurrent - State Government | | |
| Aged care | 1,906 | 1,928 |
| School crossing supervisors | 145 | 142 |
| Libraries | 527 | 506 |
| Maternal and child health | 627 | 625 |
| Community safety | 200 | 120 |
| Other | 975 | 1,014 |
| Total recurrent operating grants | 9,299 | 7,003 |
| Non-recurrent - Commonwealth Government | | |
| Environmental planning | 31 | - |
| SES | 16 | 16 |
| Caps | 214 | 275 |
| Aged care | 498 | 642 |
| Non-recurrent - State Government | | |
| Family and children | 25 | - |
| Other | 288 | 208 |
| Total non-recurrent operating grants | 1,072 | 1,141 |
| Total operating grants | 10,371 | 8,144 |
| Grants capital | | |
| Recurrent - Commonwealth Government | | |
| Roads to recovery | 233 | 233 |
| Recurrent - State Government | | |
| Local roads | 705 | 229 |
| Total recurrent capital grants | 938 | 462 |
| Non-recurrent - Commonwealth Government | | |
| Buildings | 200 | 832 |
| Plant, machinery and equipment | 659 | - |
| Footpaths and cycleways | 63 | - |
| Total non-recurrent capital grants | 922 | 832 |
| Total capital grants | 1,860 | 1,294 |

| Note | 2015 \$'000 | 2014 \$'000 |
|--|----------------|----------------|
| 6 Grants (cont) | | |
| Conditions on grants | | |
| Grants recognised as revenue during the year that were obtained on condition that they be expended in a specified manner that had not occurred at balance date were: | 1,574 | 6,640 |
| Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were: | (948) | (5,692) |
| Net increase/(decrease) in restricted assets resulting from grant revenues for the year: | <u>626</u> | <u>948</u> |
| 7 Contributions | | |
| Contributions monetary | 2,268 | 1,819 |
| Contributions non-monetary | 449 | 890 |
| Total contributions | <u>2,717</u> | <u>2,709</u> |
| Contributions of non monetary assets were received in relation to the following asset classes. | | |
| Infrastructure | 449 | 890 |
| | <u>449</u> | <u>890</u> |
| 8 Other income | | |
| Interest received | 2,179 | 2,308 |
| Other rent | 39 | 326 |
| Found assets | 2,188 | - |
| Other | 1,795 | 2,042 |
| Total other income | <u>6,201</u> | <u>4,676</u> |
| 9 Loss on disposal of property, infrastructure, plant and equipment | | |
| Proceeds of sale | (214) | (355) |
| Write down value of assets disposed | 4,013 | 12,102 |
| Total net loss on disposal of property, infrastructure, plant and equipment. | <u>3,799</u> | <u>11,747</u> |
| 10 Employee costs | | |
| (a) Wages and salaries | 40,954 | 41,010 |
| Casual staff | 2,175 | 1,960 |
| Superannuation | 4,048 | 3,453 |
| Fringe benefits tax | 297 | 285 |
| WorkCover | 1,262 | 1,174 |
| Other | 643 | 769 |
| Total employee costs | <u>49,379</u> | <u>48,651</u> |

12 FINANCE REPORT

Maribyrnong City Council
2014/2015 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2015

| Note | 2015 \$'000 | 2014 \$'000 |
|---|----------------|----------------|
| 11 Materials and services | | |
| Contract payments | 11,388 | 8,959 |
| Building maintenance | 2,164 | 1,894 |
| General maintenance | 380 | 434 |
| Consultants | 2,181 | 3,027 |
| Materials and services | 13,843 | 11,647 |
| Utilities | 2,286 | 3,000 |
| Office administration | 3,473 | 3,239 |
| Information technology | 1,031 | 3,996 |
| Insurance | 869 | 879 |
| Total materials and services | 37,615 | 37,075 |
| 12 Bad and doubtful debts | | |
| Parking fine debtors | 2,459 | 1,138 |
| Total bad and doubtful debts | 2,459 | 1,138 |
| 13 Depreciation and amortisation | | |
| Property | 2,574 | 2,480 |
| Plant and equipment | 2,701 | 2,192 |
| Infrastructure | 8,301 | 9,829 |
| Total depreciation and amortisation | 13,576 | 14,501 |
| Refer Note21 for a more detailed breakdown of depreciation and amortisation charges. | | |
| 14 Borrowing costs | | |
| Interest - Borrowings | 231 | 278 |
| Total borrowing costs | 231 | 278 |
| 15 Other expenses | | |
| Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquitals. | 82 | 41 |
| Auditors' remuneration - Internal | 144 | 150 |
| Councillors' allowances | 232 | 226 |
| Operating lease rentals | 630 | 684 |
| Other miscellaneous costs | 8 | 8 |
| Total other expenses | 1,096 | 1,109 |

| Note | 2015 \$'000 | 2014 \$'000 |
|--|----------------|----------------|
| 16 Cash and cash equivalents | | |
| Cash on hand | 11 | 10 |
| Cash at bank | 2,182 | 2,229 |
| Term deposits | 18,000 | 49,500 |
| | <u>20,193</u> | <u>51,739</u> |
| Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include: | | |
| - Trust funds and deposits (Note 23) | 3,064 | 2,646 |
| - Long service leave (Note 24) | 8,498 | 7,854 |
| - Mausoleum trust (Note 26) | 574 | 574 |
| - Open space contributions (Note 26) | 6,720 | 5,494 |
| - Developer contribution plans (Note 26) | 2,901 | 2,709 |
| - Grants received in advance for which there is an obligation to complete (Note 26) | 2,824 | 2,456 |
| Total restricted funds | <u>24,581</u> | <u>21,733</u> |
| Total unrestricted cash and cash equivalents | <u>(4,388)</u> | <u>30,006</u> |
| Intended allocations | | |
| Although not externally restricted the following amounts have been | | |
| - Cash held to fund carried forward capital works | 29,193 | 25,892 |
| - Annual leave and gratuity provisions | 5,693 | 9,375 |
| Total funds subject to intended allocations | <u>34,886</u> | <u>35,267</u> |
| 17 Other financial assets | | |
| Term deposits | 42,000 | 5,000 |
| Total other financial assets | <u>42,000</u> | <u>5,000</u> |
| 18 Trade and other receivables | | |
| Current | | |
| Rates debtors | 4,034 | 3,288 |
| Parking infringement debtors | 11,769 | 9,584 |
| Provision for doubtful debts - parking infringements | (7,729) | (5,888) |
| Other debtors | 1,210 | 1,903 |
| Net GST receivable | 756 | 870 |
| Total current trade and other receivables | <u>10,040</u> | <u>9,757</u> |
| Non-current | | |
| Deferred rates | 88 | 76 |
| Total non-current trade and other receivables | <u>88</u> | <u>76</u> |
| Total trade and other receivables | <u>10,128</u> | <u>9,833</u> |

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Maribyrnong City Council
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Notes to the Financial Report
For the Year Ended 30 June 2015

18 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) | 1,087 | 1,120 |
| Past due by up to 30 days | 41 | 486 |
| Past due between 31 and 60 days | 18 | 199 |
| Past due by more than 60 days | 64 | 98 |
| Total trade & other receivables | 1,210 | 1,903 |

19 Inventories

| | | |
|---------------------------|-----------|-----------|
| Inventories held for sale | 14 | 16 |
| Total inventories | 14 | 16 |

20 Other assets

| | | |
|---------------------------|--------------|------------|
| Prepayments | 1,061 | 533 |
| Accrued income | 541 | 335 |
| Total other assets | 1,602 | 868 |

Note Property, infrastructure plant and equipment

21

| Land and Buildings | Land under roads | Land - specialised | Total Land | Buildings - specialised | Building Improvements | Leasehold Improvements | Work In Progress | Total Buildings | Total Property |
|--|------------------|--------------------|----------------|-------------------------|-----------------------|------------------------|------------------|-----------------|----------------|
| At fair value 1 July 2014 | 513 | 440,921 | 441,434 | 239,180 | - | 1,227 | 8,597 | 249,004 | 690,438 |
| Accumulated depreciation at 1 July 2014 | - | - | - | (85,963) | - | (470) | - | (86,433) | (86,433) |
| | 513 | 440,921 | 441,434 | 153,217 | - | 757 | 8,597 | 162,571 | 604,005 |
| Movements in fair value | | | | | | | | | |
| Acquisition of assets at fair value | - | - | - | 12,637 | - | - | 26 | 12,663 | 12,663 |
| Revaluation increments/decrements | - | - | - | - | - | - | - | - | - |
| Fair value of assets disposed | - | - | - | (1,767) | - | - | (71) | (1,838) | (1,838) |
| Transfers | - | - | - | 7,777 | - | - | (8,494) | 717 | (717) |
| | - | - | - | 18,647 | - | - | (8,539) | 10,108 | 10,108 |
| Movements in accumulated depreciation | | | | | | | | | |
| Depreciation and amortisation | - | - | - | (2,385) | - | (189) | - | (2,574) | (2,574) |
| Accumulated depreciation of disposals | - | - | - | 680 | - | - | - | 680 | 680 |
| | - | - | - | (1,705) | - | 189 | - | (1,894) | (1,894) |
| At fair value 30 June 2015 | 513 | 440,921 | 441,434 | 257,827 | - | 1,227 | 58 | 259,112 | 700,546 |
| Accumulated depreciation at 30 June 2015 | - | - | - | (87,668) | - | (659) | - | (88,327) | (88,327) |
| | 513 | 440,921 | 441,434 | 170,159 | - | 568 | 58 | 170,785 | 612,219 |

Maribyrnong City Council
2014/2015 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2015

Note Property, infrastructure plant and equipment (cont.)

21

Plant and Equipment

| | Plant machinery and equipment | Computers and telecomms | Library books | Work In Progress | Total plant and equipment |
|--|--|-------------------------------|------------------|---------------------|------------------------------|
| At fair value 1 July 2014 | 10,601 | 3,034 | 3,109 | 2,213 | 18,957 |
| Accumulated depreciation at 1 July 2014 | (6,230) | (1,621) | (1,751) | - | (9,602) |
| | 4,371 | 1,413 | 1,358 | 2,213 | 9,355 |
| Movements in fair value | | | | | - |
| Acquisition of assets at fair value | 629 | 3,433 | 600 | - | 4,662 |
| Fair value of assets disposed | (1,044) | | | - | (1,044) |
| Transfers | - | 2,213 | - | (2,213) | - |
| | 415 | 5,646 | 600 | 2,213 | 3,618 |
| Movements in accumulated depreciation | | | | | - |
| Depreciation and amortisation | (1,303) | (745) | (653) | - | (2,701) |
| Accumulated depreciation of disposals | 937 | - | - | - | 937 |
| | (366) | (745) | (653) | - | (1,764) |
| At fair value 30 June 2015 | 10,186 | 8,680 | 3,709 | - | 22,575 |
| Accumulated depreciation at 30 June 2015 | (6,596) | (2,366) | (2,404) | - | (11,366) |
| | 3,590 | 6,314 | 1,305 | - | 11,209 |

Notes to the Financial Report
For the Year Ended 30 June 2015

Maribyrnong City Council
2014/2015 Financial Report

Note Property, infrastructure, plant and equipment (cont.)
21

| Infrastructure | Roads | Bridges | Footpaths and cycleways | Drainage | Recreational, leisure and Community | Waste Management | Off street car parks | Parks open spaces | Other Infrastructure | Work In Progress | Total Infrastructure |
|--|----------|---------|-------------------------|----------|-------------------------------------|------------------|----------------------|-------------------|----------------------|------------------|----------------------|
| At fair value 1 July 2014 | 232,467 | 2,354 | 54,922 | 132,070 | 5,853 | - | 6,854 | 2,164 | 5,090 | 4,523 | 446,297 |
| Accumulated depreciation at 1 July 2014 | (92,470) | (1,387) | (23,310) | (50,846) | (2,089) | - | (1,689) | (1,250) | (1,605) | - | (174,646) |
| | 139,997 | 967 | 31,612 | 81,224 | 3,764 | - | 5,165 | 914 | 3,485 | 4,523 | 271,651 |
| Movements in fair value | | | | | | | | | | | |
| Acquisition of assets at fair value | 2,428 | - | 1,997 | 1,249 | - | 164 | 65 | 467 | 1,088 | 1,632 | 9,090 |
| Revaluation increments/decrements | 12,176 | - | 13,403 | - | - | - | - | - | - | - | 25,579 |
| Fair value of assets | (829) | - | (438) | - | (28) | - | - | (795) | (1,805) | (257) | (4,152) |
| Contributions | 380 | - | 69 | - | - | - | - | - | - | - | 449 |
| Found | 294 | - | 1,894 | - | - | - | - | - | - | - | 2,188 |
| Transfers | 1,358 | - | - | 484 | - | - | 1,492 | 123 | 717 | 3,457 | 717 |
| | 15,807 | - | 16,925 | 1,733 | (28) | 164 | 1,557 | 205 | - | (2,082) | 33,871 |
| Movements in accumulated depreciation | | | | | | | | | | | |
| Depreciation and | (4,872) | (23) | (1,282) | (1,378) | (384) | - | (98) | (67) | (197) | - | (8,301) |
| Accumulated depreciation of | 287 | - | 261 | - | 17 | - | - | 512 | - | - | 1,077 |
| Revaluation increments/decrements Acc. | 11,075 | - | (7,080) | - | - | - | - | - | - | - | 3,995 |
| | 6,490 | (23) | (8,101) | (1,378) | (367) | - | (98) | 445 | (197) | - | (3,229) |
| At fair value 30 June 2015 | 248,274 | 2,354 | 71,847 | 133,803 | 5,825 | 164 | 8,411 | 1,959 | 5,090 | 2,441 | 480,168 |
| Accumulated depreciation at 30 June 2015 | (85,980) | (1,410) | (31,411) | (52,224) | (2,456) | - | (1,787) | (805) | (1,802) | - | (177,875) |
| | 162,294 | 944 | 40,436 | 81,579 | 3,369 | 164 | 6,624 | 1,154 | 3,288 | 2,441 | 302,293 |

12 FINANCE REPORT

Maribyrnong City Council
2014/2015 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2015

Note

21 Property, infrastructure, plant and equipment (cont.)

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer Mr Vin Bourke, Certified Practising Valuer (CPV) and principle of Rating Valuation services. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2015 are as follows:

| | Level 1 | Level 2 | Level 3 |
|------------------------|----------|----------------|----------------|
| Land specialised | - | 440,921 | 513 |
| Buildings specialised | - | 22,347 | 147,870 |
| Leasehold improvements | - | - | 568 |
| Total | - | 463,268 | 148,951 |

Valuation of infrastructure

Valuation of infrastructure assets has been determined in accordance with an internal valuation overseen by the Manager Asset Management and Construction – Paris Zenonos BCivil Eng (Hons), 22 years experience in Asset Management, Contracts Management, Project Management and revaluation.

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 2015 are as follows:

| | Level 1 | Level 2 | Level 3 |
|--|----------|----------|----------------|
| Roads | - | - | 164,735 |
| Bridges | - | - | 944 |
| Footpaths and cycleways | - | - | 40,436 |
| Drainage | - | - | 81,579 |
| Recreational, leisure and community facilities | - | - | 3,369 |
| Waste management | - | - | 164 |
| Parks, open space and streetscapes | - | - | 1,154 |
| Off street car parks | - | - | 6,624 |
| Other infrastructure | - | - | 3,288 |
| Total | - | - | 302,293 |

| Note | 2015 \$'000 | 2014 \$'000 |
|--|----------------|----------------|
| 21 Property, infrastructure, plant and equipment cont'd | | |
| 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 0% 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 \$100 and \$5,000 per square metre. | 441,434 | 441,434 |
| 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 \$425 to \$38,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 50 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 buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings. | 170,217 | 153,217 |
| 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 asses are determined on the basis of the current condition of the asset and vary from 5 years 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. Current replacement costs are calculated on a range from \$20 square metre to \$934 per cubic metre. | 302,293 | 271,651 |
| Reconciliation of specialised land | | |
| Land - specialised | 440,921 | 440,921 |
| Land under roads | 513 | 513 |
| Total specialised land | 441,434 | 441,434 |

12 FINANCE REPORT

Maribyrnong City Council 2014/2015 Financial Report

Notes to the Financial Report For the Year Ended 30 June 2015

| Note | 2015 \$'000 | 2014 \$'000 |
|---------------------------------------|----------------|----------------|
| 22 Trade and other payables | | |
| Trade payables | 5,925 | 8,262 |
| Accrued expenses | 1,764 | 1,453 |
| Total trade and other payables | 7,689 | 9,715 |
| 23 Trust funds and deposits | | |
| Refundable deposits | 1,766 | 2,369 |
| Retention amounts | 360 | 2 |
| Fire Service Levy | 599 | - |
| Other refundable deposits | 339 | 275 |
| Total trust funds and deposits | 3,064 | 2,646 |

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.

24 Provisions

| | Annual leave | Retirement gratuity | Long service leave | Total |
|---|-----------------|------------------------|--------------------------|---------------|
| 2015 | \$ '000 | \$ '000 | \$ '000 | \$ '000 |
| Balance at beginning of the financial year | 4,606 | 898 | 7,854 | 13,358 |
| Additional provisions | 3,761 | 19 | 1,129 | 4,909 |
| Amounts used | (3,551) | (40) | (636) | - 4,227 |
| Increase in the discounted amount arising because of time and the effect of any change in the discount rate | - | - | 151 | 151 |
| Balance at the end of the financial year | 4,816 | 877 | 8,498 | 14,191 |
| 2014 | | | | |
| Balance at beginning of the financial year | 4,320 | 1,001 | 7,354 | 12,675 |
| Additional provisions | 3,437 | 9 | 1,294 | 4,740 |
| Amounts used | (3,151) | (112) | (842) | (4,105) |
| Increase in the discounted amount arising because of time and the effect of any change in the discount rate | - | - | 48 | 48 |
| Balance at the end of the financial year | 4,606 | 898 | 7,854 | 13,358 |

Maribyrnong City Council
2014/2015 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2015

| Note | 2015 | 2014 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| 24 Provisions (cont.) | | |
| | 2015 | 2014 |
| | \$'000 | \$'000 |
| (a) Employee provisions | | |
| Current provisions expected to be wholly settled within 12 months | | |
| Annual leave | 3,341 | 3,169 |
| Retirement gratuity | 52 | 57 |
| Long service leave | 935 | 999 |
| | 4,328 | 4,225 |
| Current provisions expected to be wholly settled after 12 months | | |
| Annual leave | 1,475 | 1,437 |
| Retirement gratuity | 825 | 841 |
| Long service leave | 6,616 | 6,114 |
| | 8,916 | 8,392 |
| Total current provisions | 13,244 | 12,617 |
| Non-current | | |
| Long service leave | 947 | 741 |
| Total non-current provisions | 947 | 741 |
| Aggregate carrying amount of employee provisions: | | |
| Current | 13,244 | 12,617 |
| Non-current | 947 | 741 |
| Total aggregate carrying amount of employee provisions | 14,191 | 13,358 |
| The following assumptions were adopted in measuring the present value of employee benefits: | | |
| Weighted average increase in employee costs | 3.40% | 3.40% |
| Weighted average discount rates | 3.03% | 3.60% |
| Weighted average settlement period | 17 yrs | 17 yrs |
| 25 Interest-bearing loans and borrowings | | |
| Current | | |
| Borrowings - secured | 787 | 740 |
| | 787 | 740 |
| Non-current | | |
| Borrowings - secured | 2,673 | 3,460 |
| | 2,673 | 3,460 |
| Total | 3,460 | 4,200 |
| The maturity profile for Council's borrowings is: | | |
| Not later than one year | 787 | 740 |
| Later than one year and not later than five years | 2,673 | 3,460 |
| | 3,460 | 4,200 |
| Aggregate carrying amount of interest-bearing loans and borrowings: | | |
| Current | 787 | 740 |
| Non-current | 2,673 | 3,460 |
| | 3,460 | 4,200 |

12 FINANCE REPORT

Maribyrnong City Council
2014/2015 Financial Report

Notes to the Financial Report
For the Year Ended 30 June

Note

26 Reserves

| | Balance at beginning of reporting period | Increment (decrement) | (Disposal) | Balance at end of reporting period |
|---|---|--------------------------|-----------------|--|
| (a) Asset revaluation reserves | \$'000 | \$'000 | \$'000 | \$'000 |
| 2015 | | | | |
| Property | | | | |
| Land | 358,130 | - | - | 358,130 |
| Buildings | 101,665 | - | - | 101,665 |
| | 459,795 | - | - | 459,795 |
| Infrastructure | | | | |
| Roads | 86,830 | 23,251 | - | 110,081 |
| Footpaths and cycleways | 12,587 | 6,323 | - | 18,910 |
| Drainage | 40,949 | - | - | 40,949 |
| | 140,366 | 29,574 | - | 169,940 |
| Total asset revaluation reserves | 600,161 | 29,574 | - | 629,735 |
| 2014 | | | | |
| Property | | | | |
| Land | 355,253 | 12,907 | (10,030) | 358,130 |
| Buildings | 79,562 | 22,103 | - | 101,665 |
| | 434,815 | 35,010 | (10,030) | 459,795 |
| Infrastructure | | | | |
| Roads | 86,830 | - | - | 86,830 |
| Footpaths and cycleways | 12,587 | - | - | 12,587 |
| Drainage | 40,949 | - | - | 40,949 |
| | 140,366 | - | - | 140,366 |
| Total asset revaluation reserves | 575,181 | 35,010 | (10,030) | 600,161 |

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

Note

26 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 | | | | |
| 2015 | | | | |
| Statutory reserves | | | | |
| Mausoleum trust | 574 | - | - | 574 |
| Open space | 5,494 | 2,071 | (845) | 6,720 |
| DCP reserves | 2,709 | 192 | - | 2,901 |
| Discretionary reserves | | | | |
| Carried forward grants | 948 | 2,824 | (948) | 2,824 |
| Carried forward Council funds | 2,456 | 10,483 | (2,258) | 10,681 |
| Major projects | 23,436 | 8,055 | (12,979) | 18,512 |
| Total Other reserves | 35,617 | 23,625 | (17,030) | 42,212 |
| 2014 | | | | |
| Statutory reserves | | | | |
| Mausoleum trust | 574 | - | - | 574 |
| Open space | 4,755 | 1,668 | (929) | 5,494 |
| DCP reserves | 2,558 | 151 | - | 2,709 |
| Discretionary reserves | | | | |
| Carried forward grants | 5,692 | 948 | (5,692) | 948 |
| Carried forward Council funds | 2,742 | 2,456 | (2,742) | 2,456 |
| Major projects | 18,908 | 7,928 | (3,400) | 23,436 |
| Total Other reserves | 35,229 | 13,151 | (12,763) | 35,617 |

The purpose of the mausoleum trust reserve is for the future maintenance of the cemetery.

The open space reserve is to segregate the levies collected until required for major works.

The developer contributions reserves segregate the levies collected until required.

The purpose of carried forwards is to segregate unspent project funds for future expenditure.

The purpose of the major programs is to segregate funds until commencement of works.

12 FINANCE REPORT

Maribyrnong City Council
2014/2015 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2015

| | 2015 \$'000 | 2014 \$'000 |
|---|----------------|----------------|
| Note | | |
| 27 Reconciliation of cash flows from operating activities to surplus/(deficit) | | |
| Surplus/(deficit) for the year | 19,132 | 2,129 |
| Depreciation/amortisation | 13,576 | 14,501 |
| Profit/(loss) on disposal of property, infrastructure, plant and equipment | 3,799 | 11,747 |
| Contributions - Non-monetary assets | (449) | (890) |
| Other | (2,054) | (109) |
| Change in assets and liabilities: | | |
| (Increase)/decrease in trade and other receivables | (283) | (2,133) |
| (Increase)/decrease in inventories | 2 | 3 |
| (Increase)/decrease in prepayments | (528) | (62) |
| Increase/(decrease) in accrued income | 206 | 46 |
| Increase/(decrease) in trade and other payables | (2,026) | 3,376 |
| Increase/(decrease) in other liabilities | 418 | - |
| Increase/(decrease) in provisions | 833 | 683 |
| Net cash provided by/(used in) operating activities | <u>32,626</u> | <u>29,291</u> |
| 28 Reconciliation of cash and cash equivalents | | |
| Cash and cash equivalents (see note 16) | 20,193 | 51,739 |
| | <u>20,193</u> | <u>51,739</u> |
| 29 Financing arrangements | | |
| Bank overdraft | 200 | 200 |
| Unused facilities | <u>200</u> | <u>200</u> |

Note

30 Commitments

The Council has entered into the following commitments:

| 2015 | Not later than 1 year \$'000 | Later than | Later than 2 | Later than 5 years \$'000 | Total \$'000 |
|--|------------------------------------|--|--|---------------------------------|-----------------|
| | | 1 year and not later than 2 years \$'000 | years and not later than 5 years \$'000 | | |
| Operating | | | | | |
| Corporate business applications | 343 | 297 | 329 | - | 969 |
| Co-generation | 83 | 83 | 247 | 461 | 874 |
| Cleaning contracts for council buildings | 415 | - | - | - | 415 |
| Library management system | 82 | 82 | 41 | - | 205 |
| Other | 93 | 32 | 18 | - | 143 |
| Total | 1,016 | 494 | 635 | 461 | 2,606 |

| | | | | | |
|--------------------------|--------------|------------|----------|----------|--------------|
| Capital | | | | | |
| Buildings | 301 | 19 | - | - | 320 |
| Roads | 970 | - | - | - | 970 |
| Communications equipment | 43 | 43 | - | - | 86 |
| Street trees | 565 | 205 | - | - | 770 |
| Other | 578 | 16 | - | - | 594 |
| Total | 2,457 | 283 | - | - | 2,740 |

| 2014 | Not later than 1 year \$'000 | Later than | Later than 2 | Later than 5 years \$'000 | Total \$'000 |
|--|------------------------------------|--|--|---------------------------------|-----------------|
| | | 1 year and not later than 2 years \$'000 | years and not later than 5 years \$'000 | | |
| Operating | | | | | |
| Cleaning contracts for council buildings | 100 | - | - | - | 100 |
| Community centres | 295 | 83 | 248 | 543 | 1,169 |
| Library management system | 59 | 60 | 77 | - | 196 |
| Library RFID | 98 | 68 | - | - | 166 |
| Corporate business applications | 1,064 | - | - | - | 1,064 |
| Other | 180 | 30 | - | - | 210 |
| Total | 1,796 | 241 | 325 | 543 | 2,905 |

| | | | | | |
|--------------------------|--------------|------------|------------|----------|--------------|
| Capital | | | | | |
| Buildings | 6,388 | 23 | - | - | 6,411 |
| Communications equipment | 44 | 44 | 43 | - | 131 |
| Street trees | 346 | 274 | 330 | - | 950 |
| Other | 130 | 39 | - | - | 169 |
| Total | 6,908 | 380 | 373 | - | 7,661 |

12 FINANCE REPORT

Maribyrnong City Council **Notes to the Financial Report**
2014/2015 Financial Report **For the Year Ended 30 June 2015**

| Note | 2015 \$'000 | 2014 \$'000 |
|--|----------------|----------------|
| 31 Operating leases | | |
| (a) Operating lease commitments | | |
| At the reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities): | | |
| Not later than one year | 483 | 537 |
| Later than one year and not later than five | 527 | 564 |
| Later than five years | - | 296 |
| | <u>1,010</u> | <u>1,397</u> |

(b) Operating lease receivables

The Council has entered into commercial leases on its properties mainly for telecommunication towers. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 8 years.

Future minimum rentals receivable under non-cancellable operating leases are fixed or annual CPI and are as follows:

| | | |
|---|------------|------------|
| Not later than one year | 284 | 142 |
| Later than one year and not later than five | 326 | 389 |
| Later than five years | 98 | 84 |
| | <u>708</u> | <u>615</u> |

32 Contingent liabilities and contingent assets

Contingent assets

Contributed assets include roads, drains, footpaths and parks which may be created in the approval and construction of large scale residential developments. On completion of the development they are donated to the Council for ongoing maintenance and replacement. Contributed assets are valued at their current replacement cost.

Contributed assets that may be received in 2015/2016 (subject to unknown developments) and are not recognised in this financial report is \$449K, 2014/2015 \$3m.

Note

33 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 Comprehensive Operating Statement when they are made or due.

Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receives 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 2015, this was 9.5% required under Superannuation Guarantee legislation (for 2013/14, this was 9.25%)).

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 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's Actuary.

The Fund's latest actuarial investigation was held as at 30 June 2014 and it was determined that the vested benefit index (VBI) of the defined benefit category of which Council is a contributing employer was 103.4%. 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) | 2.75% pa. |

(a) Superannuation

Vision Super has advised that the estimated VBI at June 2015 was 105.8%.

The VBI is to be used as the primary funding indicator. Because the VBI was above 100 %, the 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.

12 FINANCE REPORT

33 Superannuation (continued)

Employer

Regular contributions

On the basis of the results of the most recent full actuarial investigation conducted by the Fund's Actuary as at 30 June 2014, 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 2015, this rate was 9.5% of members' salaries.

This rate will increase in line with any increase to the Superannuation Guarantee (SG) 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 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 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.

Latest actuarial investigation surplus amounts

The Fund's latest actuarial investigation as at 30 June 2014 identified the following in the defined benefit category of which Council is a contributing employer:

- A VBI surplus of \$77.1 million; and a total service liability surplus of \$236 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 2014.

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 results of the actuarial investigation during January 2015.

33 Superannuation (continued)

(b) Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2015 are detailed below:

| Scheme | Type of scheme | Rate | 2015 | 2014 |
|---------------|-----------------------|-------------|-------------|-------------|
| Vision Super | Defined | 9.5% | 378 | 399 |
| Vision Super | Accumulation | 9.5% | 3,144 | 2,687 |
| Other funds | Accumulation | 9.5% | 524 | 370 |

[In addition to the above contributions, Council has paid unfunded liability payments to Vision Super totalling \$nil paid during the 2014/15 year (2013/14 \$nil amount paid during the 2013/14 year).

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2015.

The expected contributions to be paid to the defined benefit category of Vision Super for the year ending 30 June 2016 is \$391.

12 FINANCE REPORT

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. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk / 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.

Note

34 Financial instruments (cont)

(c) Credit risk (cont.)

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 32.

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 or 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 a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- 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 37, 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 25.

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

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.

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.

12 FINANCE REPORT

Maribyrnong City Council
2014/2015 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2015

Note

35 Related party transactions

(i) Responsible Persons

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

Councillors

Sarah Carter
Michael Clarke
Catherine Cumming
Cameron McDonald
Grant Miles
Nam Quach
Martin Zakharov

Chief Executive Officer

Stephen Wall
Vince Haining

(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:

| | 2015 | 2014 |
|---|-------------|-------------|
| | No. | No. |
| \$20,000 - \$29,999 | 5 | 5 |
| \$40,000 - \$49,999 | 1 | 1 |
| \$50,000 - \$59,999 | - | 1 |
| \$60,000 - \$69,999 | 1 | - |
| \$190,000 - \$199,999 | 1 | - |
| \$200,000 - \$209,999 | 1 | - |
| \$320,000 - \$329,999 | - | 1 |
| | <u>9</u> | <u>8</u> |
| Total Remuneration for the reporting year for Responsible Persons included above amounted to: | 661 | 571 |

Note

35 Related party transactions (cont'd)

(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 \$136,000

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

| Income Range: | 2015 | 2014 |
|-----------------------|-------------|-------------|
| | No. | No. |
| \$136,000 - \$139,999 | 3 | 7 |
| \$140,000 - \$149,999 | 11 | 9 |
| \$150,000 - \$159,999 | 6 | 4 |
| \$160,000 - \$169,999 | 2 | 1 |
| \$170,000 - \$179,999 | 1 | 1 |
| \$180,000 - \$189,999 | - | 1 |
| \$200,000 - \$209,999 | 1 | 2 |
| \$210,000 - \$219,999 | 2 | 2 |
| \$230,000 - \$239,998 | 1 | - |
| \$250,000 - \$259,999 | 1 | - |
| | <u>28</u> | <u>27</u> |

Total Remuneration for the reporting year for Senior Officers included above, amounted to:

| | |
|-------|-------|
| 4,566 | 4,381 |
|-------|-------|

(iv) Responsible persons retirement benefits

No retirement benefits have been made by Council to a Responsible Person during the reporting year (\$Nil 2013/14).

(v) Loans to responsible persons

No loans have been made, guaranteed or secured by the Council to a Responsible Person during the reporting year (\$Nil 2013/14).

(vi) Transactions with responsible persons

No transactions other than remuneration payments or the reimbursement of approved expenses were entered into by Council with Responsible Persons, or Related Parties of such Responsible Persons during the reporting year (\$Nil 2013/14).

36 Events occurring after balance date

No events occurred after balance date that have any material or significant effect on the financial report.

12 FINANCE REPORT

Maribyrnong City Council 2014/2015 Financial Report

Certification of the Financial Statements

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.



Bryan Stone CPA
Principal Accounting Officer

Date : 15 September 2015

In our opinion the accompanying financial statements present fairly the financial transactions of Maribyrnong City Council for the year ended 30 June 2015 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.



Cameron McDonald
Councillor

Date : 15 September 2015



Grant Miles
Councillor

Date : 15 September 2015



Stephen Wall
Chief Executive Officer

Date : 15 September 2015



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INDEPENDENT AUDITOR'S REPORT

To the Councillors, Maribyrnong City Council

The Financial Report

The accompanying financial report for the year ended 30 June 2015 of the Maribyrnong City 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 has been audited.

The Councillors' Responsibility for the Financial Report

The Councillors of the Maribyrnong City 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.

12 FINANCE REPORT

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, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Opinion

In my opinion the financial report presents fairly, in all material respects, the financial position of the Maribyrnong City Council as at 30 June 2015 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
17 September 2015


R John Doyle M.Acc FCA
Auditor-General



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