



ANNUAL
REPORT
2017-2018

YEAR AT A GLANCE



COUNCIL PLAN GOAL – ENGAGED, CONNECTED COMMUNITIES		
ACHIEVEMENTS	CHALLENGES	THE YEAR AHEAD
<ul style="list-style-type: none"> Adopted Health and Wellbeing Plan 2017-2021, developed an action plan to support its implementation, and commenced implementation. The Eltham Community and Reception Centre was re-opened following an extensive internal refurbishment of this facility. Developed the 'Participate Nillumbik' online engagement portal which was launched during the community engagement process to develop a design for the Eltham North Playground rebuild. Established the first LGBTI working group, celebrated IDAHOBIT (17 May) and launched a grant program to support LGBTI community groups. 	<ul style="list-style-type: none"> A high reliance on grants and external funding to resource community programs. Commonwealth Government is introducing significant reforms to aged care services across the country which impacts Council service delivery. 	<ul style="list-style-type: none"> Commence preparation of the 2050 Shire/Community Plan, building on the development of other key strategies. Deliver the Hurstbridge streetscape enhancements. Review Council's community transport service so older residents in remote townships and rural areas have improved access. Progress the development of an integrated community infrastructure plan.



COUNCIL PLAN GOAL – ACTIVE & CREATIVE PEOPLE		
ACHIEVEMENTS	CHALLENGES	THE YEAR AHEAD
<ul style="list-style-type: none"> Continued implementation of the Recreation Trails Strategy, including completion of the Cherry Tree Road trail, progressing the Diamond Creek Trail through approval of Planning Scheme Amendment C107 and securing some funding towards the trail's extension. Developed and adopted Arts and Culture Plan 2018-2022 and commenced implementation of the first-year actions. Commenced detailed concept planning for various sports facilities, including Diamond Creek netball, Eltham Central community/sports hub and sportsground, Marngrook Oval pavilion, and the Diamond Valley Sports and Fitness Centre. Progressed delivery of the Eltham Leisure Centre aquatics redevelopment and stadium upgrade, and finalised upgrades to the health and fitness facility. 	<ul style="list-style-type: none"> Many community infrastructure projects are reliant on being successful in achieving significant external funding. An arson attack on the Eltham North Adventure Playground has required the unplanned use of resources and additional funding. The volume of capital works and compressed timeframes due to grant funding obligations. Redevelopment of Diamond Creek Netball pavilion has been delayed due to an objection from Melbourne Water on risk of flooding grounds.v 	<ul style="list-style-type: none"> Commence review and update of the Open Space and Recreation Strategy. Open the Eltham Leisure Centre aquatic facilities to the public in September. Commence works to implement the Plenty Park Masterplan. Expected completion of the Eltham North and Research sporting pavilions, Eltham North Adventure Playground rebuild, Civic Drive precinct community facilities, as well as progress design of the Diamond Valley Sports and Fitness Centre redevelopment.



COUNCIL PLAN GOAL – SAFE & HEALTHY ENVIRONMENTS		
ACHIEVEMENTS	CHALLENGES	THE YEAR AHEAD
<ul style="list-style-type: none"> Endorsed the program and associated timeframes for the Green Wedge Management Plan. Delivered new footpaths in Yarrambat, Wattle Glen, Research, and Hurstbridge. Adopted the Domestic Animal Management Plan 2017-2021 and implemented first-year actions of the plan. 	<ul style="list-style-type: none"> Ensuring that the Fire Mitigation Strategy in development reflects a truly comprehensive approach to fire mitigation and allows for community consultation. 	<ul style="list-style-type: none"> Following wider community engagement and consultation, adopt a new Green Wedge Management Plan. Review the graffiti management removal policy and service contract. Review and update the Domestic Wastewater Management Plan and continue to advocate to Yarra Valley Water for prioritisation and extensions to the sewer network, including current Eltham South proposal. Complete detailed design for the Operations Centre Masterplan.



COUNCIL PLAN GOAL – A PROSPEROUS ECONOMY		
ACHIEVEMENTS	CHALLENGES	THE YEAR AHEAD
<ul style="list-style-type: none"> Completed streetscape works at Pantom Hill. Adopted and commenced an implementation plan for the St Andrews township. Progressed the review of Eltham & Diamond Creek Structure Plans. Completed the Diamond Creek streetscape beautification plan. 	<ul style="list-style-type: none"> Implementation/delivery of many township and strategic plans are contingent on external funds. The proposed amendment to the Yarrambat Township Plan was slated for re-scoping following advice given by the office of the Minister for Planning. 	<ul style="list-style-type: none"> Adopt a new Nillumbik Economic Development Strategy and create a set of indicators to measure success. Begin community engagement in late July/August for both Diamond Creek and Eltham Activity Centres review. Develop a new Hurstbridge township plan. Explore the development of the former Eltham Shire offices and adjacent land, and undertake public realm improvements to support the activity centre plans.



COUNCIL PLAN GOAL – RESPONSIBLE LEADERSHIP		
ACHIEVEMENTS	CHALLENGES	THE YEAR AHEAD
<ul style="list-style-type: none"> Delivered a zero rate increase in 2017-2018. Commenced developing the Customer Experience Strategy, including implementing enhancements to online payment processes for customers. Progress towards having a fleet of low emission vehicles. A major restructure of the organisation ensuring the necessary skills to deliver the Council Plan 2017-2021. 	<ul style="list-style-type: none"> Contingency planning has commenced around the anticipated introduction of the Local Government Bill 2018. Advocacy on key issues ahead of the 2018 Victorian state election. 	<ul style="list-style-type: none"> Ensure that residential rate increases are at least 0.25 per cent below the legislated rate cap in 2019-2020. Ramp up advocacy on key issues ahead of the 2019 Commonwealth election. Seek authorisation from Minister for Planning to commence a planning scheme amendment to rezone 14 Council-owned properties to Public Park and Recreation Zone. Building organisational capability in community engagement and customer service. Taking innovative approaches to improving efficiency.

ABOUT THE ANNUAL REPORT

Nillumbik Shire Council's Annual Report 2017-2018 is an important part of Council's commitment to open and accountable governance.

The report informs our community and stakeholders – including residents, ratepayers, businesses, visitors, prospective staff, government agencies and other interested groups – and reflects Council's commitment to making Nillumbik a better place for current and future generations.

The Annual Report is a thorough overview of the Council's performance in the 2017-2018 financial year against the five strategic objectives set out in the Council Plan 2017-2021 and Budget 2017-2018.

The report details Council's operations and performance during

the financial year consistent with the State Government's Local Government Performance Reporting Framework (LGPRF), which came into effect on 1 July 2014.

The report highlights achievements and challenges in key operational areas and provides comprehensive corporate governance information as well as audited financial statements.

It includes issues impacting the sustainability of Nillumbik and our organisation, and our financial and sustainability performance.

The report also includes statutory reporting and legislative information, and fulfils Council's statutory responsibilities under the *Local Government Act 1989* and other legislation. The previous annual report was published in September 2017.

The structure of this report

This report is divided into four broad sections:

1. An overview of Nillumbik Shire Council and the community we serve (pages 2-51)
2. Our performance against the five strategic objectives of the Council Plan 2017-2021 (pages 52-91)
3. Corporate information and statutory reporting (pages 92-111)
4. Financial and performance statements (pages 112-171).

How to obtain copies of this Annual Report

Additional copies of this Annual Report can be obtained by:

1. Logging onto the publications section of Council's website: nillumbik.vic.gov.au
2. Telephoning Customer Service on 9433 3111
3. Sending an email to nillumbik@nillumbik.vic.gov.au
4. Writing to Nillumbik Shire Council, PO Box 476 Greensborough VIC 3088.

Nillumbik welcomes your feedback and ideas about this report. If you want to provide feedback or would like more information on any matters contained in this report, please contact the Organisational Performance department on 9433 3111 or email nillumbik@nillumbik.vic.gov.au.

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SNAPSHOT OF THE SHIRE

The Shire of Nillumbik is known as the Green Wedge Shire and covers an area of 432 square kilometres 25 kilometres north east of Melbourne.

Nillumbik has a population of 64,720 people who enjoy a healthy, safe, family-friendly lifestyle within close-knit communities.

Nillumbik is a collection of townships, each with its own unique identity and heritage, including the tiny villages of Smiths Gully, Watsons Creek, Arthurs Creek, Strathewen, Panton Hill, Christmas Hills, Kangaroo Ground and St Andrews, as well as the very rural township of Hurstbridge.

The major activity centres are Eltham, Diamond Creek and Hurstbridge. Our townships offer residents and visitors distinctive village-style shopping, access to professional services and public transport, and places to meet and socialise.

Striking mud-brick buildings and award-winning wineries complement the Shire's unique and diverse landscape. Residents feel connected to their local townships and have a strong sense of community.

The community values and wants to enhance the Green Wedge with its history and diversity, its open spaces, bushland environment and artistic heritage.

Council and private landholders work collaboratively to act as custodians of the Green Wedge.

The Shire of Nillumbik has a relatively healthy and affluent community which lives largely in family units in single-dwelling properties.

Our community has a high rate of employment with 95.7 per cent of our residents employed either full or part time. Of those, 76 per cent drive their car to work. More than 85 per cent of our residents own or are purchasing their home.

Profile in brief

Area	431.94km ²
Total population	64,720
Rateable properties	23,383
Percentage of population aged 0-17 years	24.2%
Percentage of population aged 60 years and over	19.8%
High income households (\$2,500 per week or more)	35%
Low income households (less than \$650 per week)	9.9%
Couples with children	47%
Couples without children	24.7%
Medium and high density housing	6.5%
Households with a mortgage	47.8%
Households renting	9.3%
Households speaking a language other than English at home	9%
University qualification (Bachelor or higher)	28.4%
Unemployment	4.3%
People who travelled to work by car (either as driver or passenger)	80%



MAYOR'S MESSAGE

COUNCILLOR PETER CLARKE
Nillumbik Shire Council Mayor

I'm proud to have led a team of Councillors who have continued to drive positive change within Nillumbik. A Council that has put ratepayers first, continued to deliver our low rating strategy, reduce the debt burden, deliver on a number of much-needed community infrastructure projects and upgrades, and drive a customer first and customer service culture.

First year of new Council Plan 2017-2021

Our four-year Council Plan is an ambitious plan for our Shire. A plan the organisation has been working on relentlessly in order to realise our vision of Australia's most liveable Shire. The Council Plan has five key strategic objectives that we believe will help us – in collaboration with the community – reach our vision. They include:

- Engaged and connected communities
- Active and creative people
- Safe and healthy environments
- A prosperous economy
- Responsible leadership.

I congratulate and thank the dedicated staff who continue to deliver on the 117 priority actions in the Council Plan.

There were a number of highlights in the 2017-2018 financial year.

Financial

Council delivered a zero rates rise. This was a first for Nillumbik and the only Council in Victoria to do so. We were proud to have delivered this achievement and, as a result, have gained huge respect from councils around the state. Through strong and responsible financial management, we achieved this while managing to increase the services we provide to the community. We also continued to deliver on a large debt reduction program – a burden left by previous councils.

Green Wedge Management Plan

I have been humbled by the response to the priority given to the increased and thorough community engagement and consultation. The Green Wedge Management Plan Review project has commenced, with the endorsement of a four-stage community engagement process. This will be the largest community consultation ever undertaken by Nillumbik Shire Council. We look forward to watching the Community Panel, represented by about 40 randomly and independently selected residents from the Shire, make recommendations to Council on updating the Green Wedge Management Plan.

Community engagement

We successfully implemented a new online engagement tool for the community – 'Participate Nillumbik' – which was used on several community engagement projects. The platform has been used to undertake significant community engagement on a number of key projects, including North East Link Advocacy, Building Nillumbik, Eltham North Adventure Playground redevelopment, Green Wedge Management Plan Review and Hurstbridge Open Space Precinct Master Plan.

More than 100,000 participants engaged with the Arts and Cultural Development program, with the year heralding an exciting new era for this sector with the adoption of the Arts and Cultural Plan 2018-2022.

Capital works and infrastructure

Capital works and infrastructure programs remain a focus for Council, with new footpaths in Yarrambat, Wattle Glen, Research, and Hurstbridge, and completed streetscape beautification works at Panton Hill and Diamond Creek. The delivery of the Eltham Leisure Centre aquatics redevelopment is also imminent.

We have commenced detailed concept planning for various sports facilities, including Diamond Creek netball, Eltham Central community/sports hub

and sportsground, Marngrook Oval pavilion and the Diamond Valley Sports and Fitness Centre.

Throughout the year, our advocacy has secured more than \$8 million from various State Government infrastructure funds to contribute towards more than \$18 million of investment in nine community infrastructure priorities to support greater participation in a range of recreation pursuits, particularly for women and girls.

Council has endorsed a program and timeframes to deliver the Diamond Creek Trail extension for completion by mid-2020, subject to securing external funding. An advocacy campaign was developed to support this initiative which resulted in securing \$4 million from the State Government to fund sections of the Diamond Creek Trail.

Support has been provided to the Diamond Creek Men's Shed to improve their facility, and the Eltham Men's Shed has moved into their new home located at the previous Wattleree Road pre-school site.

CEO changes

We accepted the resignation of CEO Mark Stoermer in June 2018. Mark was widely praised for his hands-on leadership style and focused the organisation on continuous improvement. Mark led the team to embed a cultural change and was integral in the organisation's

transition to focus on innovation. Mark has moved to tropical north Queensland and taken on the role of CEO at the Douglas Shire Council. We thank Mark for his dedication to the organisation and to our community, and wish him every success in his new role.

Council has appointed Carl Cowie as the new CEO commencing October 2018. Carl comes to Nillumbik from the CEO role at Mornington Peninsula Shire Council. Carl was born in Scotland and has an MBA as well as qualifications in economics and finance. His international experience ranges from healthcare, facilities management, transport, manufacturing and construction project management, and managing large diverse workforces and budgets. We look forward to Carl's arrival and the stability and leadership he will offer the organisation and wider community.

I am proud of the great things this Council has achieved and what we have to look forward to in the coming years.

I thank my fellow councillors and council officers for their hard work and dedication that has gone into helping ensure we deliver for our community. It is an exciting time to live in our Shire and I look forward to playing our part in making Nillumbik Australia's most liveable Shire.

Cr Peter Clarke
Mayor



CEO'S MESSAGE

MARK STOERMER
Nillumbik Shire Council CEO

This Annual Report represents the first year of delivery of the Council Plan 2017-2021. I am pleased that Council has been able to deliver another strong financial result, outperforming budget expectations by \$9 million, whilst delivering a zero per cent rate increase. However, Council's financial sustainability continues to require active management year-on-year. The challenge remains to source alternate funding streams to maintain Council's infrastructure portfolio to meet the future needs of the community.

Consultation and engagement

Improved communication and community engagement continue to be some of the biggest priorities for Council. An example of this is the engagement phase of the Green Wedge Management Plan which has and will continue to provide many opportunities for the community to share their thoughts and experiences about the green wedge. Recruitment started in June for the innovative Community Panel, which began meeting in August 2018 and will make recommendations to Council that will help to form the draft Green Wedge Management Plan.

In addition, Council has run sessions on the Hurstbridge Streetscape Master Plan, the Hurstbridge Open Space Precinct Plan, the Graysharps Road Master Plan, the Diamond Creek Activity Centre Plan, Eltham precincts 3 and 4, Eltham North Adventure Playground and several road sealing projects involving special charge schemes.

Two significant plans involving consultation and engagement were completed and launched this year: the Health and Wellbeing Plan (2017-2021) and the Arts and Culture Plan (2018-2022).

Annual community survey

The results from the 2018 Annual Community Survey of 500 randomly selected Nillumbik households showed an overall increase in satisfaction with Council. Residents rate our core services as excellent and are largely happier with these services than in the previous year. In particular, customer satisfaction improved across all measures, and the public indicated that Council is headed in the right direction.

Customer experience

A current priority focus for Council is Customer Experience. 'Customer Experience' can be defined as the ongoing interaction between Council and our customers throughout the duration of our relationship. Positive Customer Experience now extends beyond traditional customer or provider transactions (for example, applying for a planning permit or paying rates). Today, it is about the entire experience our customers have with us.

Council recently received results from a study on customer service in which we were benchmarked against other councils across Australia. Nillumbik scored the highest in Australia on ease of doing business and highest in Victoria on

overall satisfaction. The study provides insights into specific actions which can be taken to improve scores further.

As an organisation, we have the aspiration of a customer first culture, where we continuously seek to improve, innovate and generate tangible improvements or outcomes for our customers across the business. A big focus for our organisation is to align Customer Experience with the customer delivery functions of the organisation. Council will be undertaking further work to ensure we listen and adapt to the way we interact with our customers to ensure the experiences we deliver are positive, solutions-focused, respectful, accessible, and add value.

Gender equity

I have been incredibly proud to provide leadership and support to Council's Gender Equity Working Group. This is hugely important work and while we have made a great start, we have a very long way to go as an organisation and a community. You might have seen our garbage truck carrying an eye-catching sticker to support Council's advocacy in this space. It is hoped the stickers will be rolled out on more trucks.

The messaging on the truck is part of a wider Gender Equity campaign for Council which includes the '16 Days of Activism against gender-based violence' campaign. This campaign will continue to be a priority for Council as we work with the community to make Nillumbik safer and an equal place for all.

The year ahead

Much of the first-year delivery of the Council Plan 2017-2021 has involved the scoping and planning of key projects and actions. The second year will focus more on the actual delivery of key projects and actions. The adopted Annual Plan 2018-2019 contains 51 priority actions to deliver. In partnership with Council and the community, there is a lot of work for the administration to do. Some key headlines to look forward to in the next year include:

- Progress the development of an integrated community infrastructure plan
- Finalise Hurstbridge streetscape design and develop a new Hurstbridge township plan
- Commence the review and update of the Open Space and Recreation Strategy
- Start works to implement the Plenty Park Masterplan
- Following the wider community engagement and consultation, adopt a new Green Wedge Management Plan
- Adopt a new Nillumbik Economic Development Strategy and create a set of indicators to measure success
- Begin community engagement in late July for the review of both Diamond Creek and Eltham Activity Centres
- Ensure that residential rates increases are at least 0.25 per cent below the legislated rate cap in 2019-2020.

All this while delivering quality services that meet the needs and expectations of our community.

Thank you and good-bye

I will be leaving Nillumbik in early September to move up north and take up the role of CEO at Douglas Shire Council. This has been a long-term ambition of mine, as I own a house there. This role came up and I felt I could not pass up the opportunity, as vacancies in this area are rare. As I complete my time at Nillumbik Shire Council, I would like to thank the Councillors for supporting me. The Council Plan 2017-2021 includes a big agenda to deliver. However, the Councillors have been highly engaged and provided a clear direction. A CEO could not ask for any more.

I would also like to thank the staff for their professionalism and hard work throughout a time of significant organisational change. It has been an honour and a pleasure to work with such talented and dedicated people. Given the number of staff within Council's administration, it is truly amazing what this organisation is able to deliver. I am incredibly proud of this year's achievements, and I am confident that the staff will continue their hard work into the future and play an important role in realising Council's vision of Nillumbik being Australia's most liveable Shire.

It has been a genuine pleasure to serve as the CEO of Nillumbik Shire Council, and I wish the community, Councillors and the administration all the very best.

Mark Stoermer
Chief Executive Officer



Grading Council's road network is important for many residents

FINANCIAL SUMMARY

Council's financial sustainability continues to require active management year-on-year. The challenge remains to source alternate funding streams to maintain Council's infrastructure portfolio to meet the future needs of the community.

Overview

Financial sustainability is a challenge for all councils, and sound financial planning is a cornerstone of good governance.

Council achieved an operating surplus of \$16.56 million in 2017-2018. This strong result exceeds the adopted budgeted surplus of \$7.1 million. The positive result is driven primarily by contributions received during the year comprising monetary developer contributions and non-monetary contributions in the form of assets. The result is buoyed by active management of operational expenditure across Council where actual spend overall is reflective of the adopted budget.

Council has continued to improve on a past strong cash position ending the year with \$46.7 million. The funds are held in short-term investments in compliance with the *Local Government Act 1989*. Of the total cash balance, \$36.49 million or 78 per cent is held for a specific purpose, restricting the use of these funds.

The overall debt position of Council continues to improve. No new borrowings were taken out during the year and the existing loan portfolio is diminishing. Council foresees no risk in its ability to service the existing loans and does not expect to take out any new loans.

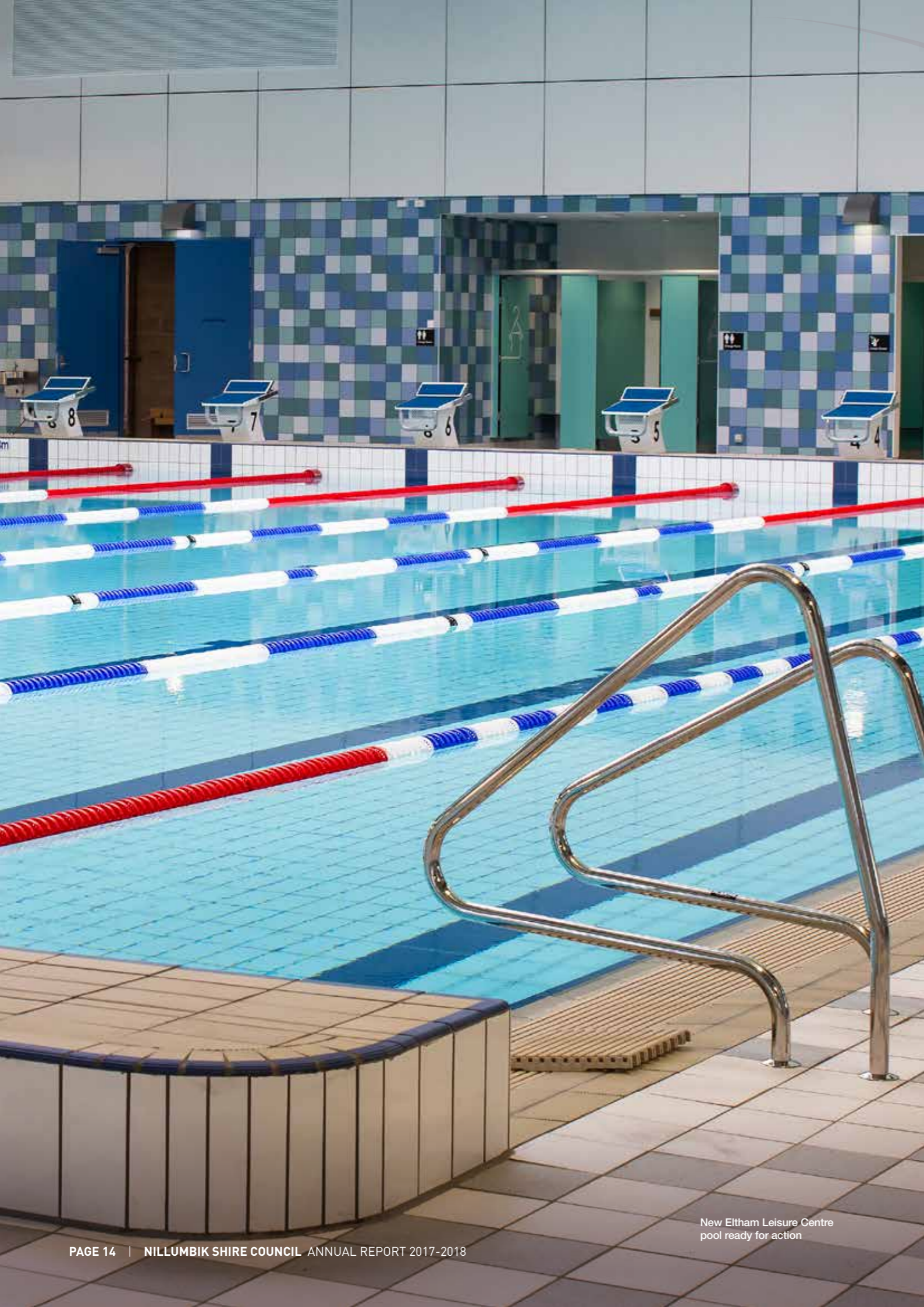
The balance sheet illustrates a strengthening financial position through the growth in net assets. This growth is largely promoted through the continued work undertaken on Council's extensive property and infrastructure portfolio totalling \$922 million. The ongoing work has seen Council maintain, improve and expand facilities for the community.

The healthy financial position continues to be seen when measuring Council's ability to meet its short-term financial obligations. The liquidity ratio result indicates Council has sufficient levels of cash to cover short-term financial obligations. This ratio is considered important in the assessment of Council being able to continue operations from a financial perspective.

	2018 \$'000	2017 \$'000
Surplus	16,557	15,922
Cash	46,670	37,910
Debt	12,736	13,460
Net Assets	951,601	776,063
Liquidity	3.37*	3.53

*estimated result at time of publishing

The overall financial outlook of Council for the 2017-2018 year has shown a positive result and places Council in a strong position to continue financially sustainable operations into the future.



New Eltham Leisure Centre pool ready for action

MAJOR CAPITAL WORKS

PROJECT NAME	DESCRIPTION	BUDGET	PROGRESS
Civic Drive Precinct upgrade	<p>Upgrade of the community facilities at Civic Drive including passive spaces and Outdoor Performance Centre.</p> <p>Proposed works include:</p> <ul style="list-style-type: none"> • Levelling of southern space, installation of irrigation system and planting of new grass • Construction of path network • Installation of new playground and exercise equipment in the northern space adjacent to Outdoor performance centre • Installation of new irrigation system and planting of trees • Construction of new half-court basketball court in front of Outdoor Performance Centre and path network around space. 	<p>Total budget: \$1,285,000</p> <p>Council: \$335,000</p> <p>Growing Suburbs Fund: \$950,000</p>	<ul style="list-style-type: none"> • Project documentation completed in May 2017 • Permits obtained in early August • Commenced construction in October 2017 • Site designer engaged in April 2018 • Design work completed in July 2018 • Tender for works closed in July 2018 • Contractor appointed in August 2018 • Construction expected to commence in September 2018 • Project completion estimated to be in December 2018.
Diamond Creek Netball Pavilion redevelopment	<p>Redevelopment of the Diamond Creek Netball Pavilion and expansion of the car park.</p> <p>Redevelopment program includes:</p> <ul style="list-style-type: none"> • Demolish existing pavilion and construct a new larger pavilion compliant to Netball Victoria facility standards and agreed club requirements • A new social / community space • Modification and expansion of the existing car park. 	<p>Total budget: \$3,106,025</p> <p>Council: \$200,000</p> <p>Growing Suburbs Fund: \$2,826,025</p> <p>DC Netball Association contribution: \$80,000</p>	<ul style="list-style-type: none"> • Initial concept design completed in October 2017 • Invited tenders in January 2018 • Appointed contractor in February 2018 • Concept design endorsed in April 2018 • Detailed design work delayed due to objection from Melbourne Water to redevelopment • State government funding withheld due to project uncertainty.
Diamond Creek Trail extension	<p>This project extends Diamond Creek Trail eight kilometres from Diamond Creek to Hurstbridge.</p> <p>The recreation trail will be suitable for horse riders, cyclists and pedestrians.</p> <p>Extending the trail – one of the highest priority trail infrastructure projects in the region – will expand the network with connections to trails through the Shire’s Artisan Hills and Melbourne CBD via the Yarra Main Trail.</p>	<p>(Total cost): \$11,000,000</p> <p>Council: \$4,000,000</p> <p>State Government Active Transport Fund: \$4,000,000</p> <p>Funding shortfall: \$3,000,000</p>	<ul style="list-style-type: none"> • Planning Scheme Amendment gazetted in December 2017 • Council secured \$4 million in the 2018 State budget • Council was unsuccessful in securing a Growing Suburbs Fund grant in the 2017 round • Resubmitted an application in the 2018 round • Council advocated to State and Federal Governments for funding • Officers undertook preliminary work to commence the land acquisition process.

MAJOR CAPITAL WORKS



New construction underway at Edendale Farm

PROJECT NAME	DESCRIPTION	BUDGET	PROGRESS
Diamond Valley Sports & Fitness Centre redevelopment	<p>This project will redevelop the Centre into a modern, responsibly designed, fit-for-purpose, accessible facility that meets the standards of Council, the Victorian Government and peak sporting bodies. Redevelopment program includes:</p> <p>Stage 1A:</p> <ul style="list-style-type: none"> Priority Works (lift from ground level to court level) <p>Stage 1B:</p> <ul style="list-style-type: none"> Mid-level change room upgrade / refurbishment <p>Stage 2:</p> <ul style="list-style-type: none"> New, larger entrance off the existing car park, including reception, foyer and café New athlete/referee change facilities and increased storage Improved accessible facilities to assist with pedestrian traffic flow Improved basketball administration and social space Improved first aid facilities Court compliance works to court five. 	<p>Total budget: \$6,500,000</p> <p>Council: \$4,000,000</p> <p>Growing Suburbs Fund: \$2,500,000</p>	<ul style="list-style-type: none"> Project plan and grant submissions completed in 2017 Concept plans completed in June 2018 Detailed designs for Stage 1A completed in June 2018 Commenced Stage 1A construction in August 2018 Project completion expected by end of 2020.
Edendale Farm works	<p>The construction of a new kiosk, nursery point of sale and teaching shelters at Edendale Farm. Revised scope of works includes the construction of:</p> <ul style="list-style-type: none"> A nursery/shed Additional amenities Additional teaching shelters A kiosk and deck area. 	<p>Total budget: \$895,000</p> <p>Council: \$395,000</p> <p>Growing Suburbs Fund: \$500,000</p>	<ul style="list-style-type: none"> Commenced project in December 2017 Works completed by August 2018.

MAJOR CAPITAL WORKS

PROJECT NAME	DESCRIPTION	BUDGET	PROGRESS
Eltham Central Pavilion redevelopment	<p>Redevelopment of the Eltham Central Pavilion. Redevelopment program includes:</p> <ul style="list-style-type: none"> Demolish and reconstruct the existing change rooms Extension and internal refurbishment of the existing social / community space. 	<p>Total budget: \$3,652,000</p> <p>Council: \$2,452,000</p> <p>Growing Suburbs Funding: \$1,200,000</p>	<ul style="list-style-type: none"> Invited tender in early February 2018 Architects appointed late February 2018 Concept Plan completed April 2018 Application for planning permit submitted in late April 2018 Planning permit granted in August 2018 Invited tenders for construction in July-August 2018 Construction tender expected to be awarded in September 2018.
Eltham Leisure Centre redevelopment	<p>Major redevelopment of the Eltham Leisure Centre, with a new state-of-the-art aquatic facility incorporating:</p> <ul style="list-style-type: none"> A 25m x 15m pool, leisure water/learn to swim pool and a warm water program pool Associated concourse and spectator areas Sauna, steam room and spa facilities Necessary amenities and change areas Ancillary spaces such as first aid facilities and storage areas Integration with existing food and beverage / wet Lounge areas Other rooms such as plant rooms, balance tank areas and consulting rooms. <p>The centre's gymnasium was upgraded earlier in 2018 and is now open around-the-clock.</p>	<p>Total budget: \$20,200,000</p> <p>Council: \$13,400,000</p> <p>Growing Suburbs Fund: \$3,800,000</p> <p>Community Facility Funding Program (Better Pools): \$3,000,000</p>	<ul style="list-style-type: none"> Architects appointed in June 2015 Contract was awarded in August 2016 Demolition completed in October 2016 Construction commenced in November 2016 Official opening planned for 22 September 2018.
Eltham Lower Park change rooms redevelopment	<p>The redevelopment of four change rooms to achieve a female friendly facility.</p> <p>Four unisex change rooms, construct shower cubicles, unisex toilet cubicles including ambulant facilities, introduction of accessible change facility and development of an umpires change room.</p>	<p>Total budget: \$275,500</p> <p>Council: \$103,000</p> <p>Sport and Recreation Victoria funding: \$100,000</p> <p>Club contributions: \$72,500</p>	<ul style="list-style-type: none"> Request for quote completed in March 2018 Contractor appointed in June 2018 Preliminary design completed and signed off in July 2018 Detailed designs completed in August 2018 Completion of construction expected in March 2019.
Eltham North Adventure Playground rebuild	<p>The Eltham North Adventure Playground was destroyed by fire on 16 December 2017. The purpose of this project is for Council to rebuild this iconic and much loved community asset. Redevelopment program includes:</p> <ul style="list-style-type: none"> Demolish the destroyed playground and make the site safe Rebuild the playground like-for-like Design process to include community feedback and consultation prior to construction Build to standards and make accessible Develop funding strategy, including fundraising, insurance, donations and in-kind Consider traffic and car parking requirements. 	<p>Total budget: \$907,573</p> <p>Council: \$150,000</p> <p>State government grant: \$50,000</p> <p>Bendigo Bank contribution: \$16,444</p> <p>Insurance settlement: \$691,129</p>	<ul style="list-style-type: none"> Site demolition completed in January 2018 Initial community engagement & consultation in March 2018 Invited tenders for design and construction in April 2018 Appointed contractor in May 2018 Concept design approved in June 2018 Car park works commenced in July 2018 Construction of main playground commenced in August 2018.

MAJOR CAPITAL WORKS

PROJECT NAME	DESCRIPTION	BUDGET	PROGRESS
Eltham North Reserve Pavilion upgrade	<p>Upgrade of the existing pavilion and hall facilities for the soccer club, cricket club, scouts and community hall.</p> <p>Proposed works include: the demolition of the existing sports pavilion, the construction of new pavilion facilities, modifications to the scout storage areas, and improvements to the foyer, kitchen and toilets that service the community hall. Some car parking will need to be reinstated as part of the project.</p>	<p>Total budget: \$4,696,416</p> <p>Council: \$2,026,416</p> <p>State Government Election Commitment: \$2,000,000</p> <p>Club contributions: \$520,000</p> <p>Other: \$150,000 (Note: the \$520,000 club contribution will offset Council's contribution if the entire amount of \$4,696,416 is not required)</p>	<ul style="list-style-type: none"> Activity schedule and schematic plans completed in December 2017 Tender documentation completed in March 2018 Contractor appointed in June 2018 Construction commenced in August 2018 Completion expected in late August 2018.
Marngrook Oval Pavilion development	<p>Development of a new pavilion to provide a new home for female and junior-focussed seasonal sporting clubs.</p> <p>Sports pavilion to include four change rooms, storage, public toilets, first aid room, umpires room and kiosk.</p>	<p>Total budget: \$1,626,908</p> <p>Council: \$1,210,258</p> <p>Growing Suburbs Fund: \$416,650</p>	<ul style="list-style-type: none"> Completed initial concept design in October 2017 Invited tenders in January 2018 Appointed contractor in February 2018 Concept design approved in April 2018 Detailed design completed in late June 2018 Invited tenders for construction in July 2018 Construction contractor appointed in late August.
Research Park Pavilion redevelopment	<p>The pavilion requires redevelopment to improve building accessibility and to meet current building standards in relation to universal design and sporting association standards.</p> <p>The new change facilities will also cater for the increasing number of female members playing cricket and football at the clubs and encourage more females to participate in sport.</p> <p>Upgrading the social rooms will provide a new meeting space for wider community use.</p>	<p>Total budget: \$3,035,000</p> <p>Council: \$1,925,000</p> <p>Sporting Clubs: \$160,000</p> <p>Sports and Recreation Victoria Female Friendly Facilities Grant: \$100,000</p> <p>Government Election Commitment: \$200,000</p> <p>Growing Suburbs Fund: \$650,000</p>	<ul style="list-style-type: none"> Concept design signed off in July 2017 Detailed design work signed off in December 2017 Contract awarded in May 2018 Preliminary works commenced in July 2018 Construction is estimated to be completed in March 2019.

MAJOR CAPITAL WORKS



Wattle Glen Memorial Park pavilion

PROJECT NAME	DESCRIPTION	BUDGET	PROGRESS
Susan Street Reserve Pavilion upgrade	<p>The Susan Street Reserve Pavilion female-friendly facilities upgrade will redevelop the existing change rooms to create two female friendly change rooms with ambulant access, reconfigure referee change room to include female friendly cubicles and upgrade public toilets to be female-friendly, accessible and safe. The scope of works include:</p> <ul style="list-style-type: none"> Redevelopment of existing change-rooms to create two female-friendly change rooms with ambulant accessibility Reconfiguration of referee change room to include female-friendly cubicles Public toilets to be designed to be female-friendly, contemporary accessibility, safety and comfort Facilities designed according to Universal Design and Ecologically Sustainable Development specifications. 	<p>Total budget: \$315,000</p> <p>Council: \$95,000</p> <p>Sport and Recreation Victoria funding: \$100,000</p> <p>Club contributions: \$80,000</p> <p>Other funding for disability access work: \$40,000</p>	<ul style="list-style-type: none"> Request for tender completed in March 2018 Contractor appointed in June 2018 Preliminary designs completed and signed off in July 2018 Detailed design scheduled completed in early September 2018 Project completion expected in late March 2019.
Wattle Glen Pavilion extension	<p>Extension of the existing Wattle Glen Pavilion to provide female-friendly change facilities.</p> <p>Construct a new player change facility adjacent to the existing pavilion.</p> <p>The player change facility will include: two female-friendly change facilities and amenities, umpire change facilities, accessible change facilities, first aid and club storage.</p> <p>The player change facility will connect into the existing pavilion's deck.</p>	<p>Total budget: \$750,000</p> <p>Council: \$650,000</p> <p>Sports and Recreation Victoria Female Friendly Facilities Grant: \$100,000</p>	<ul style="list-style-type: none"> Contract awarded in November 2017 Preliminary works commenced in March 2018 Construction is estimated to be completed in November 2018 Handover is estimated to be in December 2018.

SUSTAINABILITY INITIATIVES

Environmental sustainability

Community Bank Stadium – renewable energy innovation

Community Bank Stadium (CBS) is about to undergo an innovative renewable energy upgrade, thanks to a \$234,000 New Energy Jobs Fund Grant awarded during 2017-2018. Council support has boosted the budget to \$442,023.

Installation of 99.96 kW of rooftop solar PV, 106 Kwh of Lithium Ion batteries and Council's first electric vehicle charging station will be completed in the first half of 2018-2019.

The solar PV system is anticipated to generate about 146,000 kWh per year (146 MWh/yr) toward electricity

requirements and supplying up to 75 per cent of the stadium's peak demand. The batteries alone are anticipated to contribute 23,900 kWh per year (23.9 MWh/yr).

Overall reduction in grid demand will be around 49 per cent, with electricity bill cost savings calculated to be at least \$640,340 over the life of the system.

CBS is also an Emergency Relief Centre and, in the event of an emergency, the electrical system will continue operating during grid failure. This unique islanding capacity is generating much interest among other councils and businesses across the region.

Leading the way with green cars

Council has entered into a 12-month pilot program with Hyundai Australia as part of a wider Low Emissions Fleet Assessment Project. Council now has three Hyundai Ioniq Hybrid vehicles that are used as pool vehicles.

These vehicles are powered by a combination of unleaded fuel and an on-board battery pack that charges itself when coasting down hills or braking. Early fuel consumption reports show a fuel economy of around 5 litres per 100 km.

Business energy efficiency

More than 30 food businesses are participating in Council's Enabling Business Energy Efficiency program which assists local restaurants and cafes to improve the energy efficiency of their business. This project is funded by Sustainability Victoria and aims to help businesses help themselves.

Eight workshops have been run to train business owners in how to save on their power bills, with two businesses already taking steps which will save them \$6,000 per year by making small changes.

Following the workshops, participants receive support in their businesses to help them identify opportunities to save.

Rivers to Ranges Peri-Urban Weed Management Partnership Initiative

This initiative, with \$572,385 of funding from the Department of Environment, Land, Water and Planning (DELWP) over four years, is a regional collaboration led by Nillumbik Council with other councils in the region (Whittlesea and Manningham) and other government and private land managers.

The aim of this partnership is to reduce the threat of weeds to key biodiversity assets on public land and improve habitat corridor function at a landscape scale between the Yarra River corridor and Kinglake Ranges.

There is strong engagement with residents across the region, particularly through Landcare, to encourage and enable complementary weed control and biodiversity protection.

In addition to the core funding, this collaboration has leveraged significant additional funding and resources for the protection of biodiversity across the region.



The Eltham Copper Butterfly

Conservation futures – threat reduction

This 2017-2018 biodiversity protection and enhancement project received funding of \$125,000 from the Department of Environment, Land Water and Planning and is led by Nillumbik Council with partners including the Nillumbik Landcare Network, Trust for Nature, and Parks Victoria.

The focus is on ground works to assist in the conservation of nine key threatened species in Nillumbik and surroundings.

These species include Brush-tailed Phascogale, Slender-tailed Dunnart, Eltham Copper Butterfly, Round-leaf, Pomaderris, Matted Flax-lily, Clover Glycine, Rosella Spider Orchid, Charming Spider Orchid and Wine-lipped Spider Orchid.

The project provides funding to public land managers, Landcare groups and land owners to achieve 1,450 hectares of fox control, 370 hectares of weed control, fencing important vegetation and enhancement plantings.

Land management incentives

Council provides grants to private land owners and community groups for land management activities, including erosion control, biodiversity fencing, rabbit control, weed control, revegetation and other land protection projects.

In addition, Council provides rate rebates to promote sustainable agricultural practices (Sustainable Agriculture Rebate) and for private land owners with Trust for Nature covenants on their property.

The following table shows the type of incentive and the number provided for the past two years:

INCENTIVE	MEASURE	2016-17	2017-18
Land Management Incentive Program grants	No of grants to individuals or community groups	67	61
	Value of grants	\$99,162	\$92,748
Sustainable Agriculture Rebate	No of agricultural businesses receiving the rebate	48	48
	Value of rebate	\$47,167	\$47,167
Trust for Nature Covenant Rebate	No of properties receiving the rebate	54	54
	Value of rebate	\$16,405	\$16,405

Social sustainability

Volunteering

Volunteering is at the heart of community-building. It encourages people to be responsible and active citizens and provides them with an environment where they can be engaged and make a difference. Additionally, research supports the concept that high levels of volunteering equate with higher levels of general health and wellbeing within the community.

The opportunities for volunteering in Nillumbik are vast, including volunteering with the Country Fire Authority (CFA) or State Emergency Services (SES), participating in activities with Landcare groups, to mentoring learner drivers through the L2P Learner Driver Program, being a member of a theatre group or engaging with the broader community through the involvement with community and farmers’ markets.

The Shire of Nillumbik has traditionally had, and continues to have, high volunteer and civic participation rates. The 2016 Census showed that 24 per cent of Nillumbik residents volunteered in the previous 12 months compared to 19.2 per cent for Victoria and 19 per cent nationally. Nillumbik also rates relatively high in community indicators in the areas of community connectedness and general health.

Each year, through the thousands of hours volunteers contribute to the Nillumbik community, we know that social connectedness is enhanced and quality of life outcomes are improved.

Female participation in sport

Council secured more than \$8 million from the Victorian State Government’s Growing Suburbs Fund, Community Sports Infrastructure Fund and Female

Friendly Facilities Fund towards more than \$18 million investment in nine community infrastructure priorities to support greater participation in a range of recreation pursuits, particularly by women and girls. Cross-government investment delivers:

- Upgrades to sportsground lighting at Eltham Central Oval, Eltham and Marnbrook Oval, Diamond Creek
- Improvements to sports pavilions at Eltham Lower Park, Eltham Central Oval and Susan Street Reserve, Eltham and redevelopment of the netball pavilion at Diamond Creek Reserve, and development of a new pavilion at Marnbrook Oval, Diamond Creek
- Improved pedestrian connections in Diamond Creek with a pedestrian crossing on VicTrack land
- Priority access and compliance upgrade works at Diamond Valley Sports and Fitness Centre.

Council actively campaigned to State Government to continue the Growing Suburbs Fund, resulting in the announcement of a further \$50 million investment into Interface Councils in the 2018 State budget. Advocacy to the Federal Government to reinstate Council’s eligibility to the Building Better Regions Fund has been positively received, and Council awaits the release of the funding guidelines for the next round in mid-2018.

Council continues to seek State Government investment in community infrastructure with applications lodged or under development for more than \$10 million in State Government funding through the Growing Suburbs Fund, Community Sports Infrastructure Fund, Better Indoor Stadiums Fund and Female Friendly Facilities Fund towards:

- Redevelopment of the Greensborough Hockey Club pavilion, Plenty War Memorial Park, Plenty
- Extension of Diamond Creek Trail between Diamond Creek and Hurstbridge
- Development of a regional playspace in Diamond Creek
- Streetscape upgrades in Hurstbridge and Kangaroo Ground
- Redevelopment of Eltham North Adventure Playground
- 3-court extension at Diamond Valley Sports and Fitness Centre, Greensborough to better service the region
- Upgrade to sportsground lighting at Eltham Lower Park.

Financial sustainability

Nillumbik Council continues to honour its commitment to keep rates low. In 2017-2018 there was no rate rise. In the 2018-2019 budget, a rate rise of only 1.9 per cent has been adopted along with no change to the waste management charge for residents.

The approach to financial sustainability is further reflected by no impact to service delivery while Council continues to explore internal efficiencies and enhance effectiveness through collaborative initiatives.

The extensive property and infrastructure portfolio Council oversees requires a strong financial focus year-on-year. The continued progress on the capital works program without taking out borrowings demonstrates Council’s commitment to deliver and maintain this portfolio to service community needs.

ABOUT COUNCIL

In accordance with the *Local Government Act 1989*, Council's role is to provide good governance and leadership for the Nillumbik community through advocacy, decision-making and action.

Nillumbik Shire Council has an obligation to achieve the most benefits from all available resources for its community and has pledged to do this in a sustainable manner.

How councils operate

In Victoria, there are 79 councils representing around 6.4 million people (Source: ABS 3101.0, March 2018). Councils consist of an elected arm (between five and 12 councillors elected by the community) and an operational arm (council staff).

An elected council sets the overall direction for the municipality through long-term planning. It adopts a strategic view of the future it wishes to achieve for its community and makes plans and policies to achieve this.

A council then ensures this is achieved through its monitoring and reporting processes. The operational or administrative arm is responsible for implementing council decisions.

Council officers also provide advice and expertise that help a council to form policy decisions, deliver services, and implement and manage systems. For all these functions, they are accountable to the council through the chief executive officer.

About councillors

In Victoria, councillors are elected every four years to represent their communities. They receive an allowance to assist them to exercise their responsibilities and are expected to behave in accordance with the council's code of conduct. As an individual, a councillor is expected to represent the interests of residents and ratepayers. This means providing community leadership and guidance, and improving communication between the community and council.

A councillor can only make decisions as a member of 'the council' at formally constituted council meetings. Actions occur after a majority vote decision of the council or of a formally delegated committee. As an individual, neither the mayor nor councillors have the authority to act or make decisions on behalf of the council or its staff.

At the completion of counting at the general election in 2016, the following candidates were declared elected for a four-year term:



Cr Peter Clarke
Mayor
WINGROVE WARD
0401 100 141
Peter.Clarke@nillumbik.vic.gov.au



Cr John Dumaresq
EDENDALE WARD
0439 556 733
John.Dumaresq@nillumbik.vic.gov.au



Cr Karen Egan
Deputy Mayor
BUNJIL WARD
0408 058 899
Karen.Egan@nillumbik.vic.gov.au



Cr Peter Perkins
ELLIS WARD
0437 455 064
Peter.Perkins@nillumbik.vic.gov.au



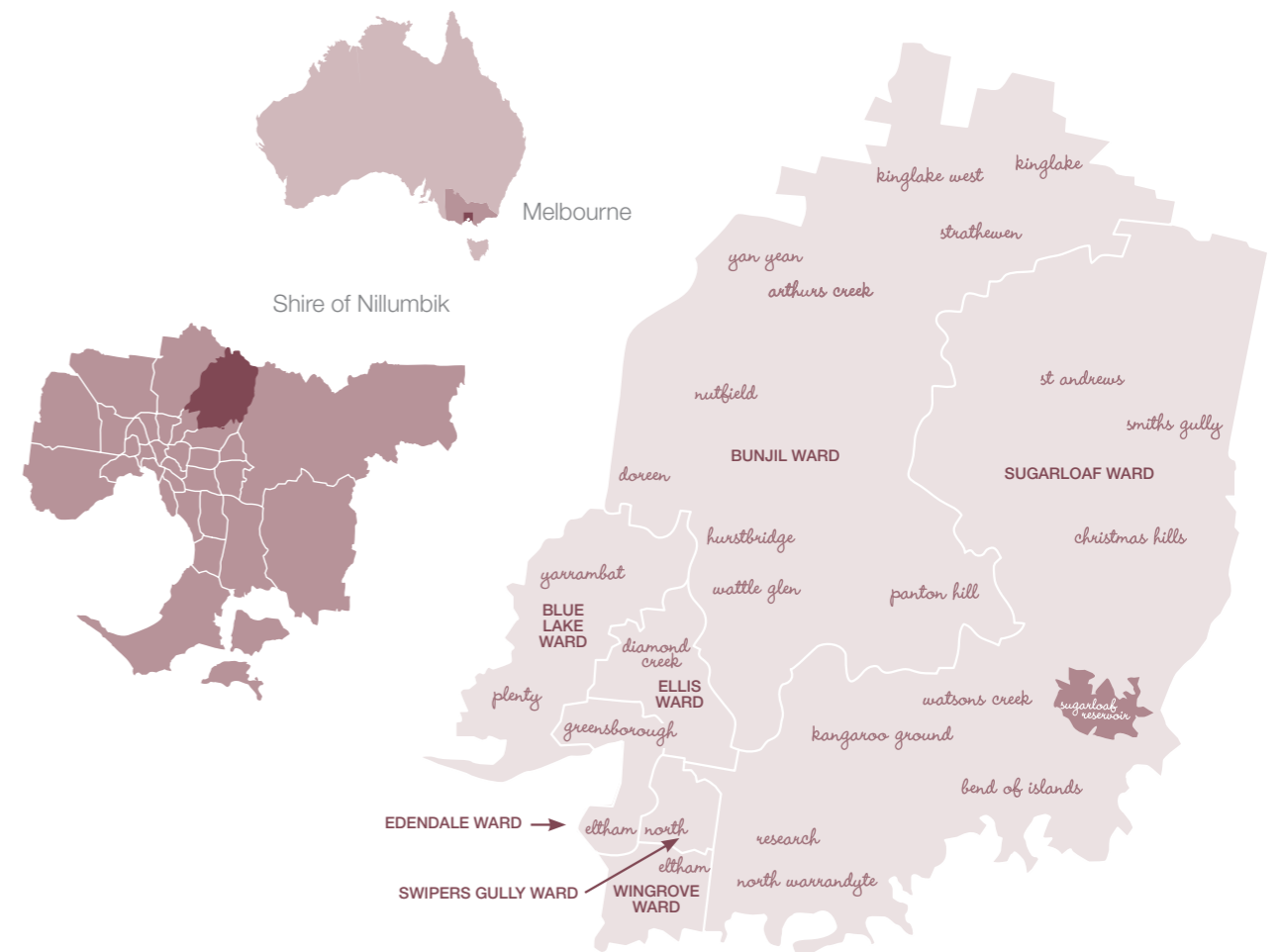
Cr Grant Brooker
BLUE LAKE WARD
0427 207 819
Grant.Brooker@nillumbik.vic.gov.au



Cr Jane Ashton
SUGARLOAF WARD
0409 177 500
Jane.Ashton@nillumbik.vic.gov.au



Cr Bruce Ranken
SWIPERS GULLY WARD
0402 384 006
Bruce.Ranken@nillumbik.vic.gov.au



ABOUT COUNCIL

YOUR COUNCILLORS



Cr Peter Clarke
(Mayor)

WINGROVE WARD

Chair Finance and Governance Portfolio

Elected 2016

An Eltham resident for 26 years, Cr Peter Clarke came to Nillumbik with experience as a former Councillor at Melbourne City (2006-2012) and Heidelberg (1981-1989).

Since being elected in 2016, Cr Clarke has served as Mayor and Wingrove Ward Councillor, as well as board member of the Yarra Plenty Regional Library service.

Cr Clarke is an architect and has also served as Chair of the Yarra Plenty Library, is a previous Board Member of the Austin Hospital and other government and community groups, including VicUrban, Places Victoria, Rotary and YMCA to name a few.

Wingrove Ward covers Eltham South.



Cr Karen Egan
(Deputy Mayor)

BUNJIL WARD

Chair Economic Development and Marketing Portfolio

Elected 2016

Cr Karen Egan has been a resident in Nillumbik for the past 28 years and joined Council to represent landowners in the rural parts of the Shire, as well as in urban areas, with honesty and transparency, and proper consultation prior to decision making.

Cr Egan is determined to resolve community concerns around adequate fire preparation within the Shire.

Cr Egan has five children and is a fine-art photographer, as well as the owner of an organic, healthy food franchise with her eldest daughter.

Bunjil Ward covers Arthurs Creek, Doreen, Hurstbridge, parts of Kinglake, Kinglake West, Nutfield, Panton Hill, Strathewen, Wattle Glen and Yan Yean.



Cr Grant Brooker

BLUE LAKE WARD

Chair Environment and Sustainability Portfolio

Elected 2016

Cr Grant Brooker was a founding member of the Friends of Apollo Parkways (FoAP) and has been a resident there with his family for the past 19 years.

Cr Brooker is an independent Councillor whose focus in the next two years will be financial accountability, environmental sustainability and decision-making based on these two core principals.

Blue Lake Ward covers Plenty, Yarrambat and parts of Greensborough.



Cr John Dumaresq

EDENDALE WARD

Chair Infrastructure Portfolio

Elected 2016

Cr Dumaresq is a determined advocate for open and responsive local government.

As an Edendale resident, Cr Dumaresq has served his community for many years as a member of sporting groups, charities and advisory committees. He is passionate about preserving the beautiful Green Wedge while being a rational voice on development.

Cr Dumaresq and his partner live in Edendale with their two daughters. Cr Dumaresq is currently working in the construction industry.

Edendale Ward covers Eltham North and parts of Diamond Creek.



Cr Peter Perkins

ELLIS WARD

Chair Planning Portfolio

Elected 2010, re-elected 2012, 2016

First elected to Council in 2010, Cr Perkins was re-elected to the Ellis Ward in 2016.

While he has delivered for Diamond Creek over the past eight years, he believes more needs to be done. Projects he would like to see in his ward include an upgraded community centre, a library, a redeveloped local swimming pool, a regional playground and improved connectivity and an easing of traffic congestion.

Cr Perkins is a firefighter for the Metropolitan Fire Brigade and has more than 25 years' community service as a member of the Diamond Creek CFA, including 10 years as Captain.

Ellis Ward covers Diamond Creek and surrounds.



Cr Jane Ashton

SUGARLOAF WARD

Chair Community Services Portfolio

Elected 2016

Living in Nillumbik for the past 25 years, Cr Ashton loves being part of a dynamic rural community.

Cr Ashton is proud of the work Council and the community has done over the last 18 months with regard to Preventing Violence Against Women, working on Positive Ageing and Inclusivity within Nillumbik; working with rural residents and improving the townships; and supporting social connectedness and local arts programs.

Cr Ashton hopes that all rural residents are included in future decisions with regard to living and working in Nillumbik's Green Wedge, and that everybody's contribution to preserving the social, economic and environmental values we all enjoy is acknowledged.

Sugarloaf Ward covers Bend of Islands, Christmas Hills, Kangaroo Ground, North Warrandyte, Research, Smiths Gully, St Andrews and Watsons Creek.



Cr Bruce Ranken

SWIPERS GULLY WARD

Chair Social Infrastructure Portfolio

Elected 2016

Cr Bruce Ranken is an Eltham resident who enjoys the community feel of Eltham along with the semi-rural townships located throughout the region and the many beautiful walking trails.

As Chair of the Social Infrastructure portfolio, Cr Ranken is committed to delivering community infrastructure that meets community needs, and improves the community's quality of life.

Cr Ranken's focus for the next two years concerns common sense decision making, protecting neighbourhood character and amenity, and delivering infrastructure projects on time and on budget.

Swipers Gully Ward includes the Eltham area north of Grove Street/Wycliffe Crescent, and bounded by Main Road, Allendale Road and Reynolds Road.



ABOUT NILLUMBIK

The Shire of Nillumbik covers an area of 432 square kilometres. At its south-western gateway, Nillumbik is located less than 25 kilometres north-east of Melbourne, and has the Yarra River as its southern boundary.

It extends 29 kilometres to Kinglake National Park in the north/north-east and stretches approximately 20 kilometres from the Plenty River and Yan Yean Road in the west, to Christmas Hills and the Yarra escarpment in the east.

Population

Nillumbik has a population of 64,720 people (Source: ABS 3101.0) who enjoy a healthy, safe, family-friendly lifestyle within close-knit communities.

More than 24 per cent of Nillumbik's residents are aged 0-17 years, and more than 19 per cent are aged 60 years and over.

Our community has a high rate of employment with 95.7 per cent of our residents employed either full or part time. Some 80 per cent of workers travel to their place of employment by car, either as a driver or passenger.

Households

The Shire of Nillumbik has a relatively healthy and affluent community which lives largely in family units in detached dwelling properties.

In Nillumbik in 2016, 47 per cent of total families were couples with children compared to 33.5 per cent for Greater Melbourne, and 9.2 per cent were one-parent families compared to 10.1 per cent for Greater Melbourne.

There was a lower proportion of lone person households (13.8 per cent compared to 22 per cent in Greater Melbourne) and a similar proportion of couples without children (24.7 per cent compared to 22.9 per cent in Greater Melbourne).

Analysis of the types of dwellings in Nillumbik Shire in 2016 shows that 93 per cent of all dwellings were separate houses; 6.4 per cent were medium density dwellings, and 0.1 per cent were high density dwellings, compared with 66.1 per cent, 22.9 per cent, and 10.1 per cent in the Greater Melbourne respectively (Source: Census 2016).

The Green Wedge Shire

The Shire of Nillumbik is renowned as the Green Wedge Shire or the 'lungs of Melbourne'. The term Green Wedge is used by the State Government to describe non-urban areas that surround metropolitan Melbourne, outside the Urban Growth Boundary (UGB).

The Nillumbik Green Wedge covers 91 per cent of the total area of the Shire. Kinglake National Park, reserve and bushland, together with lifestyle properties, hobby farms, orchards, wineries and broad acre farms all make up this unique landscape.

Nillumbik is a collection of townships, each with its own unique identity and heritage: the tiny villages of Smiths Gully, Watsons Creek, Arthurs Creek, Strathewen, Panton Hill, Christmas Hills, Kangaroo Ground and St Andrews, as well as the very rural township of Hurstbridge. The major activity centres are Eltham and Diamond Creek.

Our townships offer residents and visitors distinctive village-style shopping, access to professional services and public transport, and places to meet and socialise. Striking mud-brick buildings and award-winning wineries complement the Shire's unique and diverse landscape.

Residents feel connected to their local townships and have a strong sense of community. The community values and wants to enhance the Green Wedge with its history and diversity, its open spaces, bushland environment and artistic heritage.

Council and private landholders work collaboratively to act as custodians of the Green Wedge.

Typical flora and fauna seen around the Bend of Islands

Aboriginal heritage

The area now comprising the Shire of Nillumbik was roamed for centuries by the Wurundjeri-willam clan of the Woi wurrung speaking people. The Wurundjeri people called our region 'Nillumbik', meaning 'shallow earth' – a name later used by the Europeans who settled here.

Nillumbik Shire Council has made a strong commitment to reconciliation with the Wurundjeri people of the Kulin nation. This commitment has been demonstrated through the development of Council's Policy Commitment to Reconciliation with Indigenous Australians 1998, and the Nillumbik Shire Council Reconciliation Charter adopted in 2008.

A formal acknowledgement statement is read at the beginning of each Council meeting and other public events to respect and give recognition to the culture, language and practices of the traditional owners of the land now known as the Shire of Nillumbik.

Environment

Nillumbik's natural environment is characterised by steep ridges and gentle sloping hills enclosing plains and flats. The south is dominated by lowland hills while further north the Shire's boundary is framed by the mountains of the Kinglake Ranges.

Remnant of open grassy woodland, with relatively shallow soils dominated by long-leafed and red box eucalypts and occasional stands of ironbark still remain on the hillsides, ridge tops and along the creeks. The fertile soils of an old volcano at Kangaroo Ground offer rich farming land.

The Arthurs Creek and Strathewen areas have seen a long history of orchards and quality cattle farming, yet still retain many stands of ancient eucalypts and a wide variety of fauna and flora.

The Yarra River flows majestically through Nillumbik, around the special rural conservation living zone of the Bend of Islands, onto Warrandyte, Research and Eltham, providing bushland and flood plain environments.

Despite clearing by European settlers, Nillumbik retains large areas of native vegetation on public and private land and sites of national, state and regional significance for their fauna. Three major creeks – Diamond Creek, Arthurs Creek and Watsons Creek – run through the Shire and Nillumbik also contains significant natural wetlands.

Nillumbik's Green Wedge is host to a number of state and national parks and Council also manages a number of important environmental reserves.

Employment and education

In 2016, there were 42 jobs available locally per 100 employed residents. This has not changed since 2006. Due to Nillumbik's distance from the CBD, it has a low population density and a lack of commercial development. This results in fewer local opportunities for increased economic sustainability relative to more rapid urbanising neighbouring local government areas.

Nillumbik residents are well educated with 68.2 per cent holding tertiary qualifications compared to the Victorian average of 65.7 per cent. However, with few local jobs, over 70 per cent of employed residents work outside the Shire.

Artistic heritage

Nillumbik is an arts-rich environment. The creative life of the community is highly-valued and large numbers of artists live and work here in the quiet beauty of our landscape.

Nillumbik's existing artist communities – such as Butterfly Studio, Dunmoochin, Baldessin Studios, and Montsalvat – and the strength of artistic traditions commencing from the early Australian Impressionist painters through to current practice in contemporary arts, are showcased at local, regional and international forums. The Shire also has a strong performing arts community.

Active lifestyles

Nillumbik has a higher level of participation in sport and recreation activities than the State and National averages.

Walking for recreation is the most popular activity, followed by aerobics/fitness, swimming, cycling and running. Horse riding and bike riding are also popular recreational activities. Nillumbik's participation in more structured sports such as tennis, golf, football and netball are all higher than the State and National averages, and the Shire is experiencing unprecedented growth in women's participation in sport.

This is a snapshot of the Shire of Nillumbik. More detailed information is available on Council's website nillumbik.vic.gov.au.



A large number of artists live and work in Nillumbik



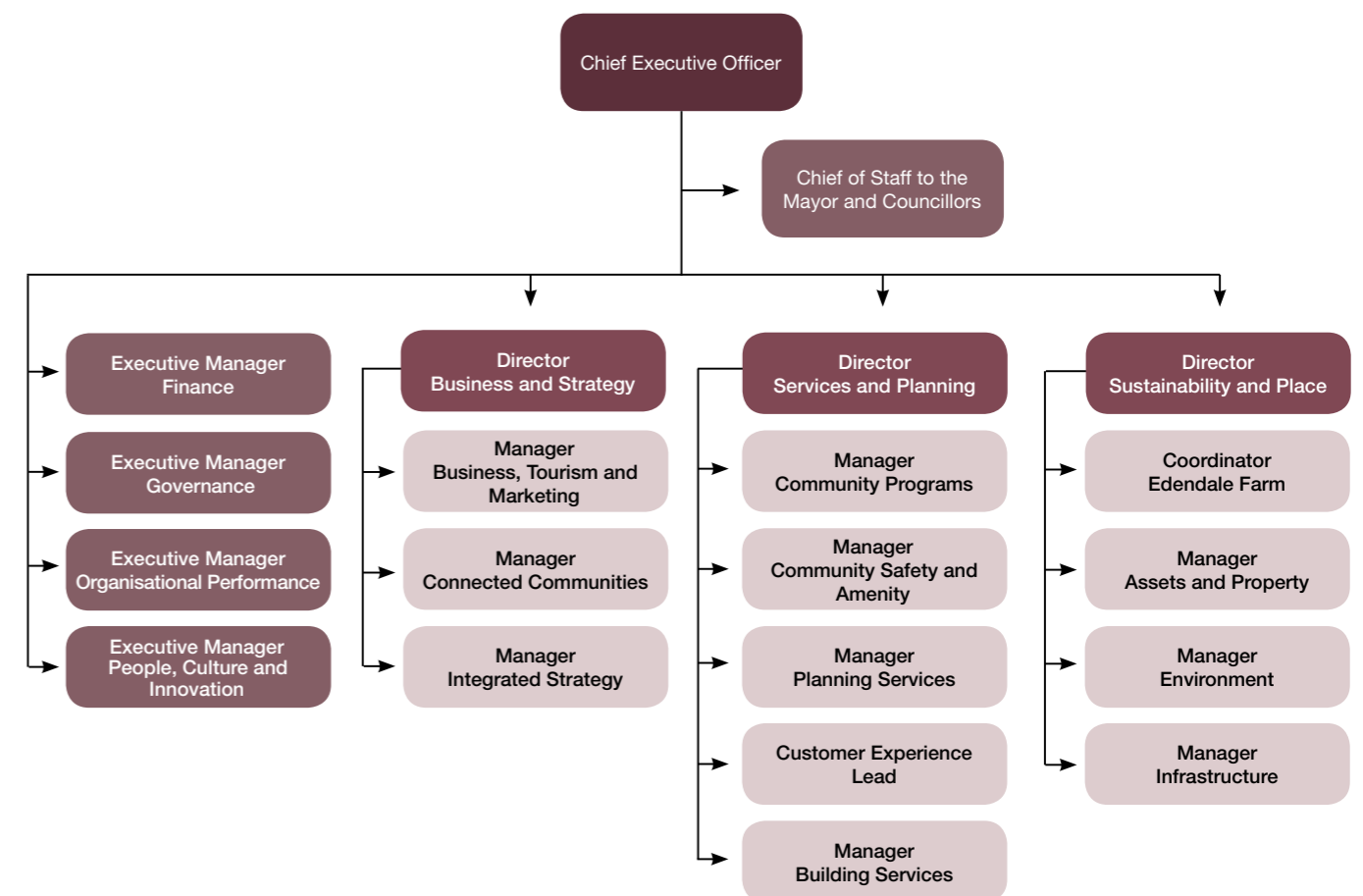
Council staff deliver a wide range of services for the community

OUR PEOPLE

Organisational structure

Council is the governing body that appoints a Chief Executive Officer (CEO). The CEO has responsibility for the day-to-day management of operations in accordance with the strategic directions of the Council Plan. Three Directors, five Executive Managers and the CEO form the Executive Management Team (EMT) and lead the organisation.

Details of the CEO and the senior officers reporting to the CEO are set out on the following pages.



OUR PEOPLE

CEO



Mark Stoermer

Chief Executive Officer

Mark joined Nillumbik as Chief Executive Officer in March 2017. A hands-on leader who builds strong performing teams through coaching, mentoring, collaboration, clear goal setting and bringing out the best in people, Mark is an executive well versed in multiple strategy development techniques who understands the financial drivers of businesses and industries. He is an experienced Lean thinker who regularly applies continuous improvement techniques to all types of problems and opportunities and is a person whom stakeholders can trust to deliver business results with the highest level of governance and ethics. Mark has held a number of senior positions in both the public and private sectors, most notably as the Executive Director of Corporate Services at Box Hill Institute, Director Corporate Business at the City of Melbourne and as CEO of Fordham Group Melbourne. Mark holds a number of degrees including: an MBA Finance (New York University), a BA Honours (University of California at Berkeley), and is currently completing his CPA accreditation.

DIRECTORS



Adrian Cully

Director Business and Strategy

Adrian commenced his career with Nillumbik Shire Council, nearly 20 years ago, as Coordinator Public Health Services and then progressed into a number of different managerial roles over this time. Due to Adrian's past successes, and also for his enthusiasm and passion for the future, he was successful in obtaining the role of Director Business & Strategy in January 2018. One of Adrian's attributes in his successful career has been his extremely effective stakeholder management. Adrian has the capability to relate to people on all levels regardless of whether he is advocating for a major project or meeting a local community group. Adrian's particular strengths are in team leadership, change management, strategic planning, project management and business development. Adrian takes pride in the team he works with and the heights they rise to in achieving their objectives.



Hjalmar Philipp

Director Sustainability and Place

Multi-disciplined in engineering, environment and economics, Hjalmar brings a wealth of global experience and expertise to Nillumbik as Director Sustainability and Place. His diverse career has encompassed enterprise change management, engineering, planning and sustainability responsibilities in industries as diverse as oil and gas, engineering and professional consulting. Hjalmar has led a variety of projects with a strong focus on service improvements, established cultures with a continuous improvement focus, and driven improved performance across the service industries he has operated in. Hjalmar's expertise has been demonstrated through significant environmental and engineering projects in a number of sectors, including water utilities, energy, government (federal, state and local), banking and finance, mining and others.



Matt Kelleher

Director Services and Planning

Matt joined Nillumbik in August 2017 as Director Services and Planning, responsible for leading Council's customer facing service delivery. With more than 16 years' experience as a senior leader in the local government sector, Matt's expertise spans a broad range of disciplines in planning, strategy, regulation, economic growth, human resources and organisational development. Before joining Nillumbik, Matt was the interim Director City Planning and Community Services at Bayside City Council. Matt has a strong track record of delivering on a range of complex strategic projects, with strong community and stakeholder engagement supporting his ability to make a positive difference for the community. Experience in service reviews and strong leadership in strategy, change and transformation have enabled Matt to build high performing teams and deliver improved services and results for customers and stakeholders. Matt's experience across a range of urban planning, community liveability, service performance and organisational capability projects supports his focus on positioning the organisation effectively for strategic challenges in the external environment. Matt holds an MBA along with tertiary qualifications in Urban Planning (Bachelor of Applied Science – Planning) and Change Management (Prosci).

OUR PEOPLE

EXECUTIVE MANAGERS



Mitch Grayson

Chief of Staff to the Mayor and Councillors

Mitch joined Nillumbik Shire Council in July 2017. He has worked in some of the most issues-rich and fast-paced places in Australia – from newsrooms, political offices to boardrooms. A sought-after communications specialist, Mitch has been a trusted advisor and confidante to top government leaders with equally strong performance in employee management, mentoring and being the 'go-to' person in organisations.



Vince Lombardi

Executive Manager Finance

Vince Lombardi is a finance executive with over 10 years' experience across public, private and not-for-profit sectors. He has led national finance teams and worked across Europe. Vince brings a wealth of expertise to Council with particular strengths in process improvement, financial strategy and long-term budgetary oversight. Vince has completed an MBA with Griffith University, is a member of the Institute of Chartered Accountants Australia and New Zealand and holds Bachelor Degrees in Commerce and Arts.



Blaga Naumoski

Executive Manager Governance

Blaga has over 15 years' experience in the highly regulated local and state government sectors. Her leadership roles have included a range of discipline areas, each demanding expertise and knowledge in law, governance, corporate records management, freedom of information, information privacy and change management. Blaga joined Nillumbik in February 2018 from Darebin City Council where she was most recently the Manager of Governance and Corporate Information.



Jeremy Livingston

Executive Manager Organisational Performance

Bringing over 20 years' experience in local government, Jeremy is an experienced leader who works collaboratively across organisations to achieve outstanding customer-centric outcomes for the community. Currently leading business strategy and business improvement initiatives, Jeremy demonstrates a passion for innovation and continuous improvement. Joining Nillumbik in 2004, Jeremy held managerial positions in planning, building and health before commencing his current role in February 2018.



Suzy Ellingsen

Executive Manager People, Culture and Innovation

As a business consultant/coach, Suzy provides technology and organisational development consulting services, leadership coaching and development to the organisation. She has led a number of change projects in the technology and organisation development space across Council. She brings over thirty years of corporate executive, operational and human resource experience to her role.

OUR PEOPLE

Our workforce

Following the 2016 local council election, a newly elected group of councillors expressed a strong desire to create a new direction for Council which was reflected in their Council Plan. A new CEO was appointed in early 2017 with a mandate to deliver on this vision.

The organisation undertook a large-scale change program which involved changes to structure, reporting relationships and role design. The aims were to remove barriers to delivery, better align functions and skills, improve performance and productivity, reduce

hierarchy and invest in priority services and projects.

Key initiatives which ran throughout the change period promoted continuous improvement and innovation. Investment into community engagement was also a priority and a number of key projects were heavily invested in to ensure a partnership approach was undertaken with our community. These focus areas were developed and realised throughout the 2017-2018 year.

A healthy organisational culture has been maintained throughout the year,

with the ability to retain and attract key talent into the organisation and ensure delivery of the Council Plan.

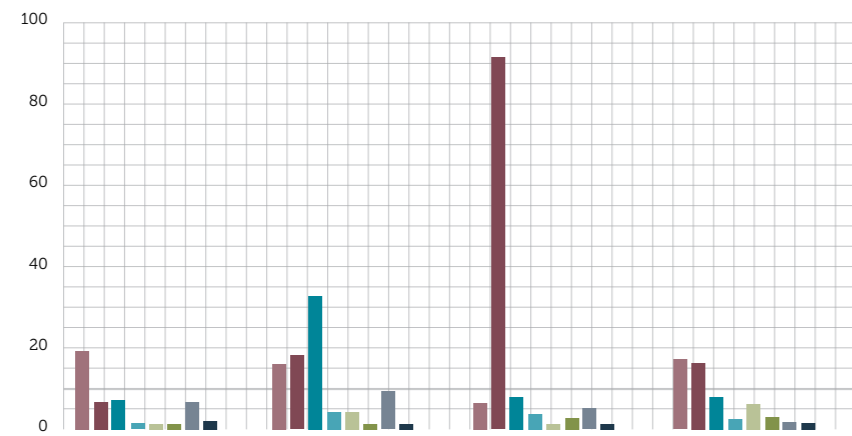
During this period a new Enterprise Agreement was successfully negotiated with reasonable wage increases relative to the sector.

There were no matters raised with the Fair Work Commission and no protected disclosures reported.

The workforce currently comprises 323 full time equivalent positions, a headcount of 467, with turnover comfortably within industry averages.

- Permanent Full Time – Female
- Permanent Full Time – Male
- Permanent Part Time – Female
- Permanent Part Time – Male
- Temporary Full Time – Female
- Temporary Full Time – Male
- Temporary Part Time – Female
- Temporary Part Time – Male
- Casual – Female
- Casual – Male

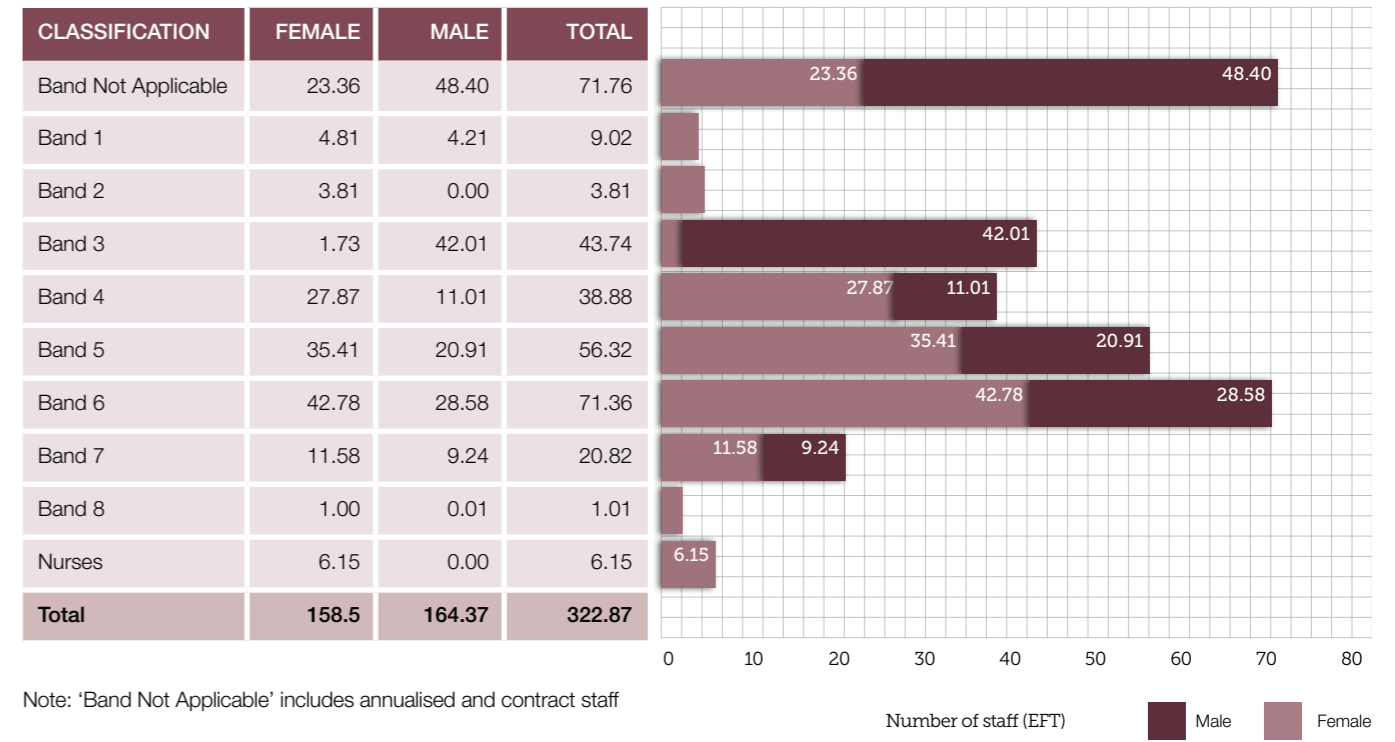
Equivalent full-time positions



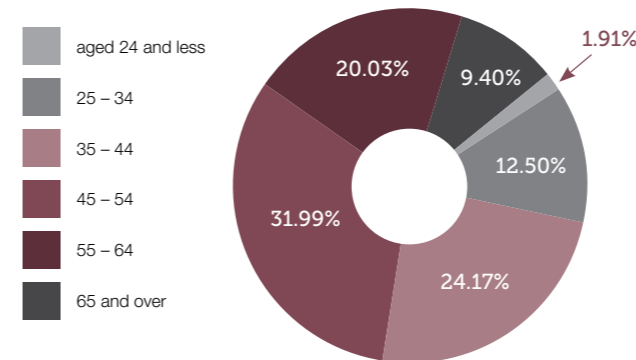
EMPLOYMENT TYPE /GENDER	BUSINESS AND STRATEGY EFT	SERVICES AND PLANNING EFT	SUSTAINABILITY AND PLACE EFT	CORPORATE EFT	TOTAL EFT	
Permanent Full-time	Female	20.00	17.00	7.00	18.00	62
	Male	7.00	19.00	96.00	17.00	139
Permanent Part-time	Female	7.91	34.24	7.86	8.57	58.58
	Male	1.30	4.75	3.79	2.40	12.24
Temporary Full-time	Female	1.00	5.00	1.00	6.00	13
	Male	1.00	1.00	3.00	3.00	8
Temporary Part-time	Female	7.43	10.37	4.76	1.90	24.46
	Male	2.40	0.84	1.37	0.40	5.01
Casual	Female	0.02	0.32	0.12	0.00	0.46
	Male	0.00	0.07	0.04	0.01	0.12
Total	48.06	92.59	124.94	57.28	322.87	

OUR PEOPLE

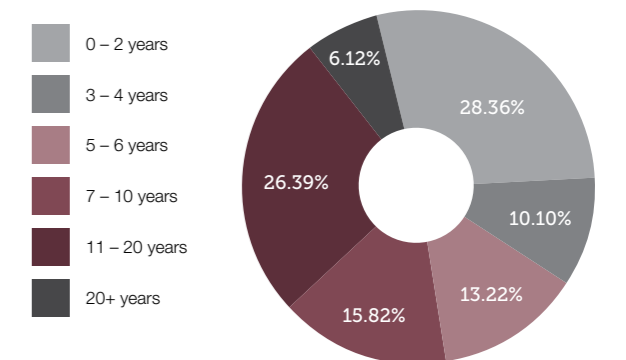
Employment classification and gender



Employees by age group 2017-2018



Employees by length of service 2017-2018



OUR PEOPLE

Workforce vision, mission, values and behaviours

The way we work together and provide services to the Nillumbik community is guided by a culture reflected in Nillumbik's Organisation Capability and Culture Strategy (OCCS) vision and our values. Our workforce vision is to 'Listen, Adapt, Deliver... Relentless in the pursuit of excellence; where our customers come first, we are one and we are smart, efficient and agile.'

All employees are asked and expected to embrace our vision and make a genuine commitment and contribution to the organisation's values and behaviours.

Our vision is underpinned by our values of:

- Do our best
- Support and cooperate
- Take responsibility
- Respect each other
- Foster energy and camaraderie.

To continue to evolve our culture and alignment in the work that we do, a mission statement is being developed to complement our vision and explain how we conduct our services, and what our aims or future looks like. A mission statement will help to show our community what we do and what makes us stand out, and it also helps our people to understand how our contributions fit into Council's overall objectives.

Additionally, we have commenced a project to review our values which engages our staff in a process to understand "what are the values and behaviours that are important to us at Nillumbik". Our work to develop a mission statement and the review of our values will have a lasting impact on how we work, and on our team and organisational culture.

Employee code of conduct

Council's Employee Code of Conduct was developed in accordance with requirements from the *Local Government Act 1989* (the Act) to foster an environment of good governance and provide professional and personal guidelines for all employees, Council representatives, volunteers and contractors.

The Employee Code of Conduct meets Council's statutory requirements for a Code under the Act and also provides a framework for employees to work in the best interests of the Nillumbik community.

The Code of Conduct is an important document that must be adhered to by all employees (full-time, part-time, temporary and casual), Council representatives, volunteers and contractors undertaking work for Council.

The Code of Conduct has been reviewed to include expectations when working with children as required by the Child Safe Standards. Compliance with the Code of Conduct is mandatory.

Organisation capability and culture

The Organisation Capability and Culture Strategy (OCCS) complements the Council Plan 2017-2021 and provides a high-level representation of the drivers for change and priority outcomes for delivering services which are in line with current and future community needs.

The strategy supports the organisation in achieving its vision and more specifically it aims to manage the pace of change by focusing on what matters. It details two-year rolling action plans intended to build capability and to effectively deliver on our desired outcomes.

During the 2017-2018 year, work progressed on a number of priorities including:

- Improving services and providing the best workforce to deliver the Council Plan
- Developing core principles and practices that support structured community engagement
- Embedding continuous improvement capabilities and driving innovation.

As the organisation continued to embrace change throughout the year with realigned functions and focus to better deliver on the challenges of the modern future and community expectations, the OCCS program of works strategically supported our commitment to 'Listen, Adapt, Deliver'.

OUR PEOPLE

Continuous improvement and innovation

Continuous Improvement and Innovation (CI&I) is a focus area under our OCCS Program. The object of the program is to embed CI&I into our business by:

- Building a culture of collaboration, proactive problem solving and innovation across the organisation
- Building organisational capability in improvement and innovation
- Improving our services to make them easier for our customers.

During 2017-2018, a cross-functional CI&I program team developed a framework and methodology, delivered a number of pilot programs to improve our online services and online information, and designed and rolled out an organisation-wide development program. The program is underpinned by Lean Thinking, Agile Delivery and Human Centred Design methodologies.

Major components of the development program included:

- 11 CI&I awareness training sessions have been held, with 210 staff attending (including leaders). Ninety-six per cent of participants believed the session was valuable to them and 94 per cent are confident they can apply the knowledge and skills covered in the training session
- CI&I Champions program delivered with 14 participants working through a full continuous improvement cycle
- Visual management and practice (including short 'huddles' to better communicate, collaborate and track priorities) used on a weekly basis with EMT, managers and a number of teams
- The creation of the Northern Region Council CI&I group (Nillumbik, Banyule, Darebin, Moreland, Hume, Whittlesea) that meets every six weeks to share ideas, resources and develop capabilities.

Learning and development

This year saw our staff build their capability in a number of key areas, which were aligned to our OCCS.

Our learning calendar featured training offerings in such areas as community engagement, continuous improvement and innovation, customer service and project management.

A targeted group of fifty-seven staff participated in a Community Engagement Essentials course, facilitated by the International Association of Public Participation (IAP2), and eighty-six staff have attended a Customer First program, which will be rolled out to the rest of the organisation in the coming year.

A total of 210 staff have undertaken Continuous Improvement and Innovation Awareness training, with 14 staff having completed a Champions Program.

Project Management (PM) continued to feature in our training offerings, and this year our project management capability building saw a focus on the reporting requirements and expectations of our Major Project Owners.

A new project management reporting dashboard was developed and implemented, ensuring greater consistency with reporting across all our major projects.

Working together – Enterprise Agreement

Approximately 96 per cent of employees at Nillumbik are covered by an enterprise agreement, with the majority of employees covered by Nillumbik Shire Council Enterprise Agreement No. 7, which expired on 30 June 2017.

A complete review of the structure of the agreement was undertaken with a view to simplifying the agreement and providing ease of access to information for staff. All parties endorsed Nillumbik Shire Council Enterprise Agreement No. 8, which was put to a vote.

Ninety per cent of staff were in favour of the new agreement. The agreement has been lodged with the Fair Work Commission and is awaiting approval.

Recognising our people

During the year, Council acknowledged the continuous service of 33 staff from across the organisation, who were recognised for achieving service milestones of between 10 and 40 years.

YEARS OF SERVICE	No. OF EMPLOYEES
10 Years	15
15 Years	9
20 Years	4
30 Years	3
35 Years	1
40 Years	1



Equal opportunity, gender equity and LGBTI

Nillumbik is an equal opportunity employer. Each year, the Equal Opportunity Committee develops and implements an equal opportunity program that is designed to eliminate discrimination and promote equal opportunity for women and persons in designated groups in relation to employment matters.

A range of indicators are developed which are used to measure the effectiveness of the equal opportunity program. This internally focussed program is complemented by the work undertaken by both the Gender Equity Working Group and the LGBTI group, whose priorities extend beyond the organisation to have impact on the broader Nillumbik community.

The indicators determined by Council's Equal Opportunity Committee to measure the effectiveness of the program for the 2017-2018 financial year centred primarily around satisfying the statutory requirements outlined in the *Local Government Act 1989* (relating to areas such as committee meeting frequency, reporting and reviewing key statistics), in addition to the roll out, review and reporting of related training programs.

Demographic data was analysed by the committee at the start of the year to

determine if there were any trends or areas that required specific attention. Whilst there was nothing of significant concern, the committee did acknowledge that there were opportunities for Council to explore in relation to gender and the number and type of part-time and full-time positions available. For example, there are many part time positions available in administrative roles, but less in leadership positions.

Additionally, there are also limited opportunities to work part-time in roles that are typically occupied by males, such as outdoor roles at the Operations Centre and roles in the Infrastructure area.

The Equal Opportunity Committee also plays a pro-active role in planning, implementing and monitoring training that supports Council's commitment to being an equal opportunity employer.

Upon commencement, all office-based employees are assigned a suite of e-learning courses, including a course that relates specifically to Equal Opportunity in the workplace. Our leaders are also assigned a similar course relevant to their leadership responsibilities in this area. Course completion statistics are then reported on a quarterly basis to the executive management team. The completion rate at the end of 2017-2018 was 93 per cent.

The committee also undertook planning to run a bystander training program for all staff. This program included selecting a preferred supplier and working with that supplier to develop a suitable course outline for our organisation. A pilot group from the outdoor workforce was selected to trial the bystander training. This session took place in late 2017. We anticipate that this training will be rolled out across the organisation within the coming year, equipping staff with effective strategies for dealing with examples of inappropriate behaviours, both in the workplace and in the community.

With Nillumbik Shire Council being a Child Safe organisation, it is important that all our employees have an awareness of the new, increased child safe standards; in particular, their obligations for reporting cases of suspected child abuse under the new criminal law reforms. All staff, regardless of whether their role involves direct contact with children, are required to participate in awareness training on this important subject.

Over 400 of our staff have either completed an on-line awareness course on the new standards or, in the case of our outdoor workforce, a face-to-face session based around the on-line content. The training covered the new

standards, the reporting framework, some scenarios based around a local government context and, importantly, the support available to staff and/or individuals who either report or are involved in reported cases of proven or suspected child abuse.

Gender equity

The Nillumbik Health and Wellbeing Plan 2017-2021 contains a priority to: 'Advance Gender Equity and Respectful Relationships'.

The plan articulates five strategies to achieve this. The development of these strategies has been informed by, and is aligned to, other strategies developed at the regional, state, federal and global levels, and involved community consultation.

The five key strategies include:

- Improve gender equity, safety and respectful relationships in the workplace
- Ensure our services and facilities are gender equitable, safe and inclusive
- Raise community awareness of gender equity and respectful relationships
- Increase the promotion of gender equitable and non-violence messages through communications and social marketing
- Collaborate with other organisations and community groups to collectively work towards preventing violence against women.

A four-year Gender Equity project plan was subsequently developed in 2017, with the aim of implementing and evaluating the gender equity strategies as committed to in the health and wellbeing plan. An internal Gender Equity working group met on a regular basis to discuss the progression of the action items highlighted in the project plan.

A highlight of 2017 was the '16 Days of Activism against Gender based Violence' campaign, which involved a range of coordinated events across the Shire. This successful campaign commenced on 25 November, which is the International

Day for the Elimination of Violence against Women, and concluded on International Human Rights Day (10 December 2017). Council offered a series of small grants to community groups and organisations to fund activities to support and highlight this worthy cause. These grants were awarded to five local organisations.

With orange as the colour theme for the 16 Days of Activism, three of our grant recipients went orange to profile the cause. Yarrambat Park Golf Club featured orange flags and tees on their greens, a theme that also extended to their food truck event on 10 December 2017. Diamond Valley Sports and Fitness Centre went orange for a netball tournament, and the Diamond Valley Basketball Association fitted their referees out in orange polo shirts as a show of support.

The Victoria Skateboarding Association received a grant to hold a girl's skateboard session, and Diamond Valley Secondary College students painted t-shirts in conjunction with the NAPCAN Love Bites Program.

The campaign was considered very successful and will be included in Council's calendar of events again in 2018-2019.

LGBTI

In September 2017, a lesbian, gay, bi, trans and intersex (LGBTI) working group was established within Council to "ensure that the LGBTI community is included and engaged in initiatives that are supported by Council" (Action 1.5.7, Council Plan 2017-2021).

Subsequently, Council has committed to:

- Understanding and responding to the LGBTI community in greater depth
- Ensuring relevant plans, policies and services or events (new or existing) are responsive to the needs of the LGBTI community
- Encouraging promotion of, and partnerships with, specialised healthcare and other targeted services that support LGBTI individuals.

Between January and April 2018, Council reached out to twenty service providers to consider ways that Council can become more inclusive and explore opportunities for collaboration. Council has appointed an Inclusion Officer to further explore these partnerships and to engage with Nillumbik's LGBTI community to identify and explore support and access needs. Once completed, an 'Inclusion Framework' will be developed to inform Council projects, services and events and promote inclusion across the organisation and the wider community.

In May 2018, Council celebrated the 2018 International Day Against Homophobia, Biphobia and Transphobia (IDAHOBIT) by organising events for staff and hosting/promoting events at the region's libraries.

Several Council worksites hosted staff Rainbow morning teas and bake-offs to stand in solidarity with LGBTI people across the globe. Eltham library hosted two Rainbow Storytime sessions for pre-schoolers and families, which celebrated diversity and anti-homophobia themes.

A Zine Workshop saw teens use collage and art materials to create the library's IDAHOBIT zine or make something personal to take home. Eltham Library also hosted a Zine launch, which was attended by a panel of independent artists and creators who discussed their creative projects working with LGBTIQI topics and inclusivity.

On 17 May 2018, IDAHOBIT Day, Council launched a community grant program to support community-led initiatives that support, promote and celebrate LGBTI inclusion. A grant of up to \$500 (total pool of \$5,000) is available to community groups and local organisations. This is a recurring annual grant program and forms part of Council's ongoing commitment to our diverse community.

OUR PEOPLE

Safety, health and wellbeing

Council is committed to fulfilling both its moral and legal responsibilities under Occupational Health and Safety (OHS) laws to provide a safe and healthy work environment for employees, volunteers, contractors, customers and visitors. This commitment extends to ensuring that operations undertaken by Nillumbik Shire Council do not place the community at undue risk of injury or illness.

With a core commitment to continuous improvement with respect to all areas of occupational health and safety, Council sees employee health and wellbeing as a key driver in having an engaged, resilient and productive workforce that is capable of performing their roles safely, efficiently and effectively in order to achieve organisational outcomes.

Council recently implemented a new online incident reporting system, QuickSafe. The system improved Council's previous incident management system and offers a large range of benefits especially in relation to improved reporting abilities. It is expected that this will lead to better incident management, monitoring and reporting, ultimately resulting in reducing and preventing the likelihood of injuries.

SafetyMAP (initial level) is the certification level used by Council to ensure continued effectiveness and compliance with OHS requirements. Regularly audited externally,

two surveillance audits were undertaken during the 2017-2018 financial year. Council has met compliance standards with the SafetyMAP accreditation. The positive result of the audits demonstrates how the application of a continuous improvement approach to safety performance and a commitment to retaining SafetyMAP can be important elements of risk management. Council's OHS Committee meets regularly, and health and safety representatives are actively involved with resolving occupational health and safety issues that may arise within their workplace.

Our core safety, health and wellbeing strategies are to:

- Create a workplace that is engaged, resilient and adaptive to change
- Reduce behaviours in the workplace that can be harmful to the health of workers
- Foster a culture that is supportive of healthy lifestyle choices
- Promote awareness among workers about the benefits of maintaining good health and wellbeing.

Council implements a health and wellbeing program of events annually, which includes targeted events and promotions throughout the year focused on our five priority areas of mental health, nutrition, physical health, fatigue and smoking, drugs and alcohol.

Employee support

Council continued to offer its employees (and members of their immediate families) access to an Employee Assistance Program (EAP).

The EAP offers a comprehensive counselling service for both personal and work-related matters. This service also provides support to managers through a 'manager assist' and a general 'career assist' service.

Informative newsletters and tip sheets have been promoted to all staff throughout the year and incorporated into the health and wellbeing program.

WorkCover

Council has a strong commitment to the health and safety of its employees and to ensuring that the management of claims and return to work programs meet legislative requirements.

Based on the weighted industry claims cost rating system applied by WorkSafe, where zero is the best possible score on a scale from zero to two, Council's WorkCover claims performance score of 1.1 is slightly above the industry average of 1.0.

OUR PEOPLE



Tree planting at Woodridge Linear Reserve

Volunteers

Volunteering is at the heart of community-building. It encourages people to be active citizens and provides them with an environment where they can be engaged and make a difference.

Each year, through the thousands of hours Council volunteers contribute to the Nillumbik community, we know that social connectedness is enhanced and quality of life outcomes are improved.

Council currently has over 500 volunteers contributing more than 30,000 hours a year to Council programs and services.

Volunteer activities include: maintaining Council land, supporting elderly members of the community, working with young people, supporting families, teaching new skills and advising Council on specific projects and plans.

Council continues to deliver on the actions of the Nillumbik Volunteering Development Strategy 2015-2020.

The Strategy represents a shared commitment by Council to achieve best practice outcomes across all Council volunteer programs.

Third year actions have focussed on best practice in volunteer management within the organisation and increased promotion of volunteering opportunities across the Shire.

Highlights include:

- Continued development of the 'Volunteering Opportunities and Information' page on the Council website
- Online volunteer recruitment enabled for six volunteer programs
- Production of the Nillumbik Volunteering Program promotional film
- First draft of the Nillumbik Volunteer Online Induction Program.

The Volunteering Development Strategy 2015-2020 will continue to:

- Promote volunteering – create a sustainable volunteering sector by enhancing promotion and awareness across the Shire
- Increase volunteer participation – create meaningful and diverse volunteer opportunities through innovation and expansion of existing volunteer programs
- Recognise, value & celebrate volunteers – understand and celebrate the power of volunteers and their contribution to the social fabric of the Nillumbik community
- Strengthen volunteer management – focused support and training for volunteer managers, so they are able to effectively deliver Council volunteer programs and support Council volunteers.



ANNUAL COMMUNITY SURVEY

The Annual Community Survey, which was conducted on Council's behalf by Metropolis Research in January 2018, is designed to measure community satisfaction with a range of Council services and facilities and to measure community sentiment on a range of additional concerns in the community.

Community satisfaction with Council's overall performance was rated at 6.46 out of 10, a substantial increase of five percent compared to the 6.15 result in 2017.

This overall performance rating is comparable with the satisfaction levels of other councils, with northern region councils and metropolitan Melbourne councils recording overall satisfaction scores of 6.47 and 6.53 respectively. This level of performance is categorised by Metropolis Research as 'solid'.

Consistent with the increased satisfaction with Council's overall performance, satisfaction with the six aspects of governance and leadership – meeting environmental responsibilities; consultation and engagement; making decisions in the interests of the community; representation, lobbying and advocacy; responsiveness to community needs; and, maintaining trust and confidence – rated at 6.4 out of 10, a 6.7 per cent increase on the 2017 average of 6.0.

This improvement reflects a return to historically normal levels of satisfaction. Council looks forward to building on this result in future years.

The average satisfaction with Council services and facilities increased by 1.8 per cent to a rating of 7.31. This is categorised by Metropolis Research as 'very good' and is an improvement

on the 2017 result of 'good'. This result is on a par with the metropolitan Melbourne average of 7.37.

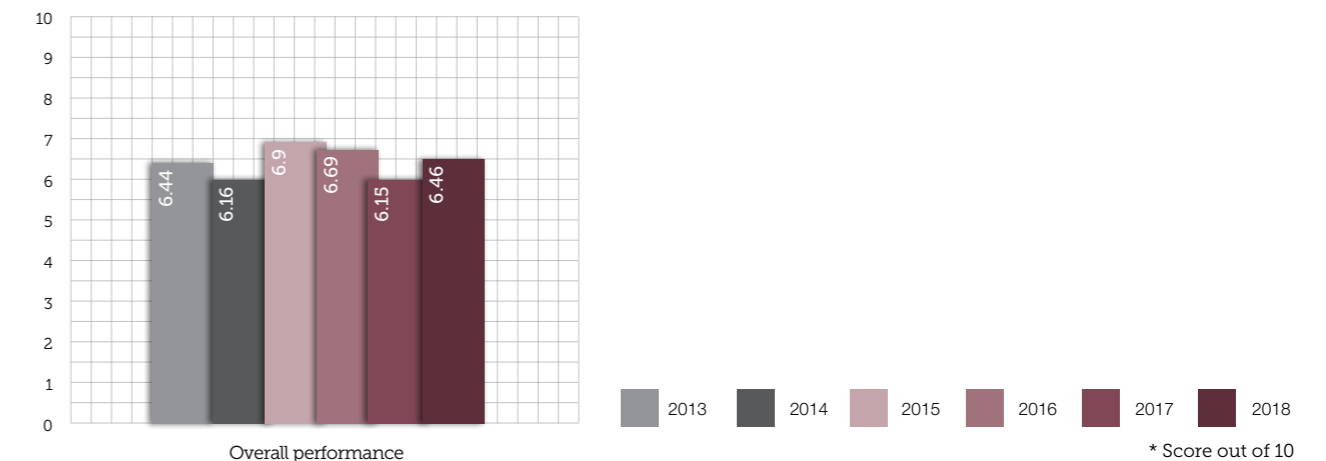
The top five issues that respondents wanted Council to address in the next 12 months were: traffic management; roads maintenance; building, housing and development; bushfire management/prevention; and, rubbish and waste.

The survey results are accessible in full on Council's website. Many of the measures in the survey are strategic indicators in the Council Plan 2017-2021 and are reported on in the 'Our performance' section of this report.

Some of the measures in the survey are performance measures required by the State Government and will be made public on the 'Know Your Council' website: knowyourcouncil.vic.gov.au/home.

Satisfaction with aspects of Council's overall performance

Annual Community Satisfaction Survey



Residents from throughout Strathewen took part in Nillumbik's Annual Community Survey



Travelling teapot artists at consultation on Nillumbik's Arts and Cultural Plan

COMMUNICATIONS AND ENGAGEMENT

Council is committed to improving community trust through better communications and genuine engagement.

Communication

Nillumbik News is Council's key publication for the community. It is issued quarterly and distributed to more than 22,000 homes, businesses and community venues across the Shire.

The 16-page publication provides information on projects, programs, activities and services on offer from Council. It also provides calendars with information about Council run or supported events and activities across the Shire.

In the 2018 Annual Community Survey, more than half of respondents (51.4 per cent) reported that their household regularly received and read *Nillumbik News*.

Nillumbik News contains information about how the community can get involved in projects that are open for consultation and includes a variety of feature articles. Information about the environment, arts projects and opportunities for youngsters to get involved with the wide variety of events on offer regularly feature in *Nillumbik News*.

Council produces many other publications, including brochures, fact sheets and other material to support and promote Council services, programs, events and activities.

Council values a good relationship with the local media and provides advertising to local community publications including *Warrandyte Diary*, *Whittlesea Town Crier* and *Hurstbridge Roundabout*.

Proactive information is provided to the local newspapers, with 97 media releases issued last year.

In the 2018 community survey, the four most popular methods of receiving information from or interacting with Council are direct mail/letterbox drop of information (59.3 per cent); email (39.5 per cent); *Nillumbik News* (36.1 per cent); and Council's website (33.3 per cent).

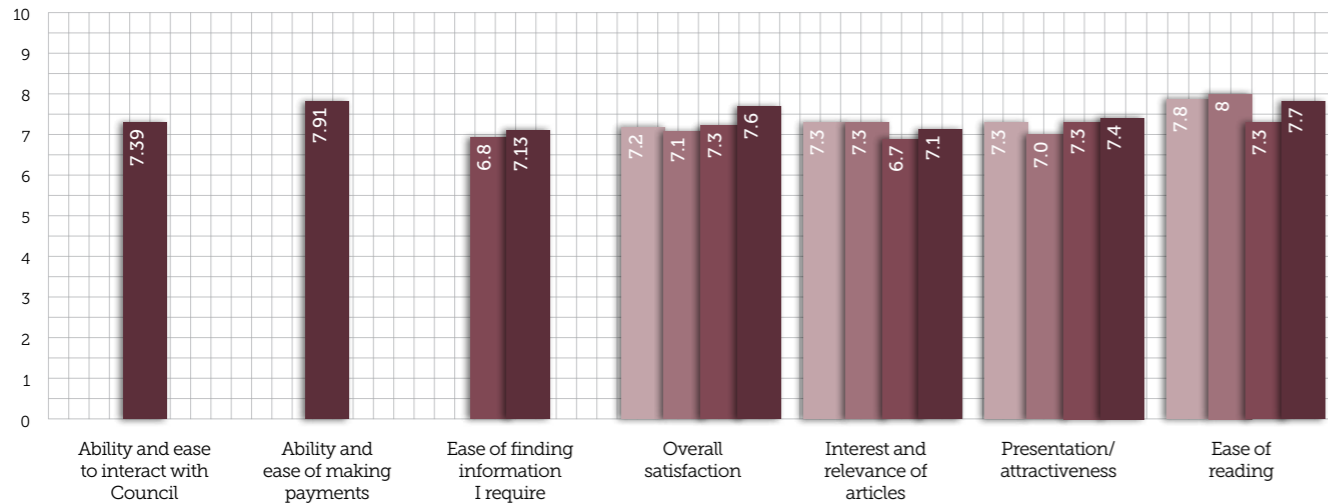
Advertising in the local newspapers (24.4 per cent); social media (17.6 per cent); and e-newsletters (14.8 per cent) are all important communication methods.



Satisfaction with aspects of Council's website

Annual Community Survey 2018

2015 2016 2017 2018
* Score out of 10



Digital

Council's corporate website and subsites for Edendale Farm, Youth Services, Artisan Hills, Hurstbridge Farmers' Market and Living & Learning attracted 949,210 users last year, with 1,167,988 pages viewed.

Residents are engaged and informed about Council decisions and activities via the online 'Have Your Say' page on Council's website, and 16 consultation programs were conducted on this platform throughout the year.

A number of hard-copy and electronic newsletters are distributed by Council, including:

- Arts
- Leisure
- Family and Children Services
- Edendale
- Environment
- Aged.

More than 77 e-newsletters were issued last year.

Council increased its presence in the social media sphere in 2017-2018, with an increase in Facebook 'likes' of 1,254 (3,777 to 5,031) or 33 per cent. Council's Twitter followers increased only slightly from 1,965 to 2,032 – an increase of 67 or 3 per cent.

Community engagement

Council is committed to ensuring that our community has the opportunity to have a say in matters that affect them, both at the local level and in projects led by other levels of government.

Some of the many ways in which Council engages with its community are:

- By hearing submissions at Committee meetings
- By receiving questions from the public gallery at Council meetings
- By holding consultation meetings on planning applications
- By inviting community participation on 10 Advisory Committees and through project-specific Community Reference groups
- Through our Annual Community Survey, which involved 500 face-to-face interviews
- Via social media, such as Facebook Live
- By inviting public comment on major projects and strategies via the Participate Nillumbik site and submissions to Council
- By holding public meetings and workshops on major issues which impact local communities.

Key community engagement initiatives this year included the launch of the online engagement portal 'Participate Nillumbik', training for 72 staff in IAP2 Essentials, and dedicated community engagement officer support for our major projects.

North East Link

Council took an active role in encouraging the community to contribute to the State Government North East Link Authority (NELA) community survey from May – July 2017. Council also organised four community information sessions about the proposed options for North East Link in August, to supplement the single drop-in session held by NELA in Nillumbik. These sessions attracted over 480 local residents, as well as hundreds watching the Facebook Livestream of the first session.

Building Nillumbik

Through an extensive community consultation process, over 3,000 submissions were received from the community regarding the potential sale of 17 parcels of Council land in order to fund community projects. Following extensive consideration of the views of submitters and as a result of Council's successful advocacy efforts to secure State Government funding, Council decided to sell only three parcels of land.

Eltham North Adventure Playground

A total of 1,204 people shared their thoughts and wishes for the new Eltham North Adventure Playground. They were able to contribute in a number of ways, including through online tools (stories, memories, recommendations), Council-organised events (art, survey and commentary base activities), pop-up events (wishing tree-art based engagement activities) and a toolkit of activities designed to engage our youngest cohort.

The community identified the most important themes and attributes they wanted to see in the new playground, and this information was then used to inform the playground design. Feedback was sought through June and July 2018 on the final design, with preparatory work underway.

Green Wedge Management Plan review

The community engagement phase of this eighteen-month project was designed in collaboration with key community members who shared their knowledge and understanding of the community to create activities and communication methods that would be most effective.

The engagement provided many opportunities for the community to share their thoughts and experiences about the Green Wedge, both online and in person. This included surveys, sharing stories and photos, community and stakeholder workshops, and 'Coffee and Chat' sessions around the Shire.

Recruitment began in June for an innovative community panel, which will begin meeting in August 2018. The community panel will be made up of 40 randomly selected members from the community who will make recommendations to Council that will inform the draft Green Wedge Management Plan.

Hurstbridge Open Space Precinct Plan

Over a period of six months, Council worked with the community to develop a vision and a series of ideas for the Hurstbridge Open Space Precinct. The top ideas were further explored through several community design workshops and input from a community reference group.

A draft Precinct Plan was developed after consolidating the community's designs, demonstrating the community's ideas and the elements they believed should be included in the Precinct. Final community feedback will be sought in July/August 2018 to ensure the plan correctly captures the needs and priorities of the community.

PLANNING AND ACCOUNTABILITY FRAMEWORK

Council Plan

The Council Plan 2017-2021 was the key strategic document guiding the direction of the Council during 2017-2018.

Under the *Local Government Act 1989*, each council is required to develop a council plan within six months of the election and to review it annually.

The Council Plan 2017-2021 is the elected Council's statement of its priorities for the Nillumbik community, in response to the opportunities and challenges facing the Shire. It was adopted by the current Council in June 2017.

The Council Plan includes:

- Strategic objectives or goals – the outcomes the Councillors want to have achieved within their four-year term
- Strategies – how Council will achieve each goal
- Strategic Indicators – how progress towards the goals will be evaluated
- Strategic Resource Plan – a four-year budget outlining how the strategies will be financed and resourced.

The Council Plan 2017-2021 is divided into five goal areas:

- Engaged, Connected Communities
- Active and Creative People
- Safe and Healthy Environments
- A Prosperous Economy
- Responsible Leadership.

Each goal area has a long-term objective and a series of strategies to meet that objective. Our progress in implementing these strategies is formally reported to Council on a quarterly basis.

Council Policies, strategies and plans adopted in 2017-2018

POLICY, STRATEGY OR PLAN	DATE
Fraud Policy 2017	29 August 2017
Domestic Animal Management Plan 2017-2021	31 October 2017
Child Safe Policy	31 October 2017
Health & Wellbeing Plan 2017-2021	28 November 2017
Arts and Cultural Plan 2018-2022	19 December 2017
Debt Collection Policy – Rates and Charges	19 December 2017
Procurement Policy	27 March 2018
Annual Plan 2018-2019	26 June 2018

The 2017-2018 Annual Report reports against the first year of the Council Plan 2017-2021. The current Council Plan can be viewed on Council's website nillumbik.vic.gov.au.

Input for the Council Plan

The Council Plan 2017-2021 was developed over many months with thorough input from Councillors.

It was also informed by the results of the Annual Community Survey and from the strategic directions set out in a large suite of long-term Council plans and strategies, all of which involved comprehensive consultation with the community.

Annual Plan

Each year, in line with the budget process, Council produces an Annual Plan identifying how Council will work towards achieving the goals in the Council Plan.

Council priorities, major projects, capital works, service improvements, as well as actions in response to Council strategies, are set out in the Annual Plan.

Progress against the Annual Plan is detailed in Council's Annual Report, with major projects and service highlights reported to Council in a quarterly progress report.

Budget

Council prepares an annual budget each financial year which seeks to balance the demand for services and infrastructure with the community's capacity to pay.

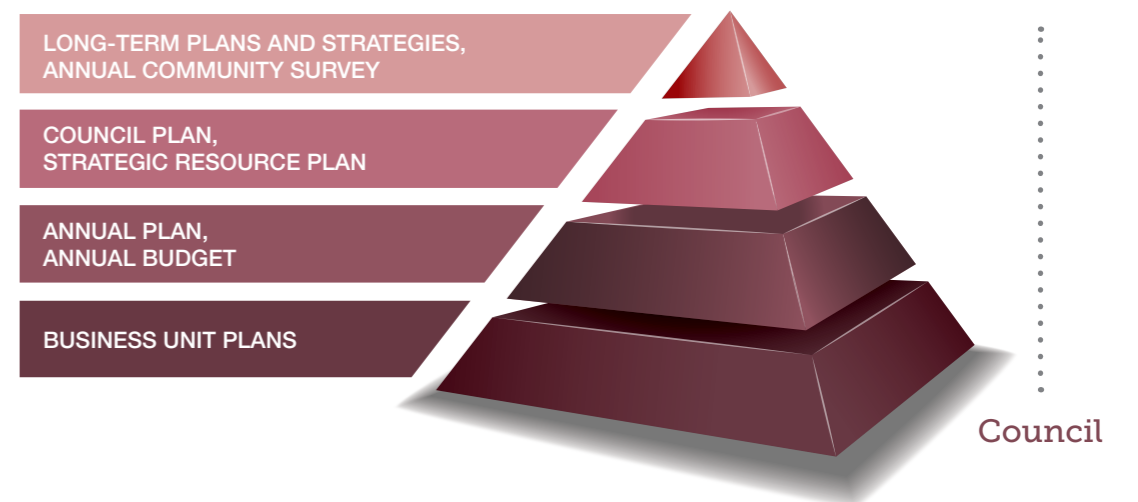
The budget includes information about the rates and charges to be levied, new initiative funding, borrowing, operating result, cash and investments, capital works, financial position and financial sustainability. It is prepared alongside the Annual Plan with specific project and service delivery requirements balanced against available resources.

Business Unit Plans

Business Unit Plans are developed by managers and the staff in their teams alongside the budget process to ensure that the activities of the team – including new initiatives and continuous improvement in service delivery – can be adequately funded.

Nillumbik's planning framework

Long Term



Short Term



Eltham Festival fireworks
November 2017

OUR PERFORMANCE

The Council Plan 2017-2021 includes strategic objectives, strategies for achieving these for the four-year period, strategic indicators for monitoring achievement of the strategic objectives and a strategic resource plan. The following are the five strategic objectives detailed in the Council Plan:

ENGAGED, CONNECTED COMMUNITIES	A place where communities and ideas thrive, underpinned by trust, confidence and continuous learning.
ACTIVE AND CREATIVE PEOPLE	Active lifestyles and artistic expression are fostered through participation and innovation.
SAFE AND HEALTHY ENVIRONMENTS	Healthy and safe communities enjoy living in our iconic Green Wedge environment.
A PROSPEROUS ECONOMY	A strong local economy that supports business growth, jobs and community wealth.
RESPONSIBLE LEADERSHIP	Collaborative and consultative leadership that builds trust and makes the best possible use of available resources to the benefit of all in the pursuit of excellence.

Council's performance for the 2017-2018 year has been reported against each strategic objective to demonstrate how Council is performing in achieving the Council Plan 2017-2021. Performance has been measured as follows:

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



'Craft for a Cause' workshop at Living & Learning Nillumbik centre in Pantom Hill

ENGAGED, CONNECTED COMMUNITIES

COUNCIL PLAN 2017-2021

At a glance...

A place where communities and ideas thrive, underpinned by trust, confidence and continuous learning.

Operating expenditure
\$12.313 million

Core activities

- Aged and disability services
- Community development and planning
- Family, youth and children's services
- Learning, arts and culture
- Libraries

Interesting facts

- 34,890 hours of HACC PYP (Home and Community Care Program for Younger People) and CHSP (Commonwealth Home Support Program) care delivered
- 591 birth notifications
- 593 children registered and accepted into Nillumbik preschools

8,481

delivered meals

3,097

enrolments in Living & Learning Nillumbik courses and activities

851,500

loans from the Eltham and Diamond Valley libraries

3,737

enrolments in Living & Learning Centre courses and activities

17,720

active library members

The year in review

ACHIEVEMENTS

- Commenced early planning for development of the 2050 Shire/Community Plan.
- Trained approximately 60 staff in IAP2 Public Participation Spectrum to improve project management and community engagement skills.
- Following the adoption of the Health and Wellbeing Plan 2017-2021 in November 2017, an action plan to support its implementation has been developed and implementation of the plan has commenced.
- Commenced a review of Living and Learning Nillumbik to address opportunities for program enhancements.
- Commenced work on the development of a Community Infrastructure Plan which will follow industry best practice.
- Developed an online engagement tool, 'Participate Nillumbik'.
- Engaged intensively with the community to develop a design for the Eltham North Adventure Playground rebuild, including a major public consultation in February 2018.
- Completed streetscape works at Panton Hill.
- Commenced implementation of the St Andrews Township Plan.
- Commenced planning for landscape improvement works at Hurstbridge War Memorial and Kangaroo Ground War Memorial Tower.
- Completed Commonwealth Home Support Program (CHSP) future options modelling in conjunction with Northern Region Councils, and subsequent public consultation.
- Completed Stage 2 of the Early Years Infrastructure Review.
- The Eltham Community and Reception Centre was re-opened following an extensive internal refurbishment.
- Established the first LGBTI working group, celebrated IDAHOBIT (17 May 2017) and launched a grant program to support LGBTI community groups.

CHALLENGES

- A high reliance on grants and external funding to resource community programs.
- Development of an interactive community facility database will progress following the development of the policy guiding future community infrastructure – that is, a Community Infrastructure Plan.
- Commonwealth Government is introducing significant reforms to aged care services across the country which affect Council service delivery.

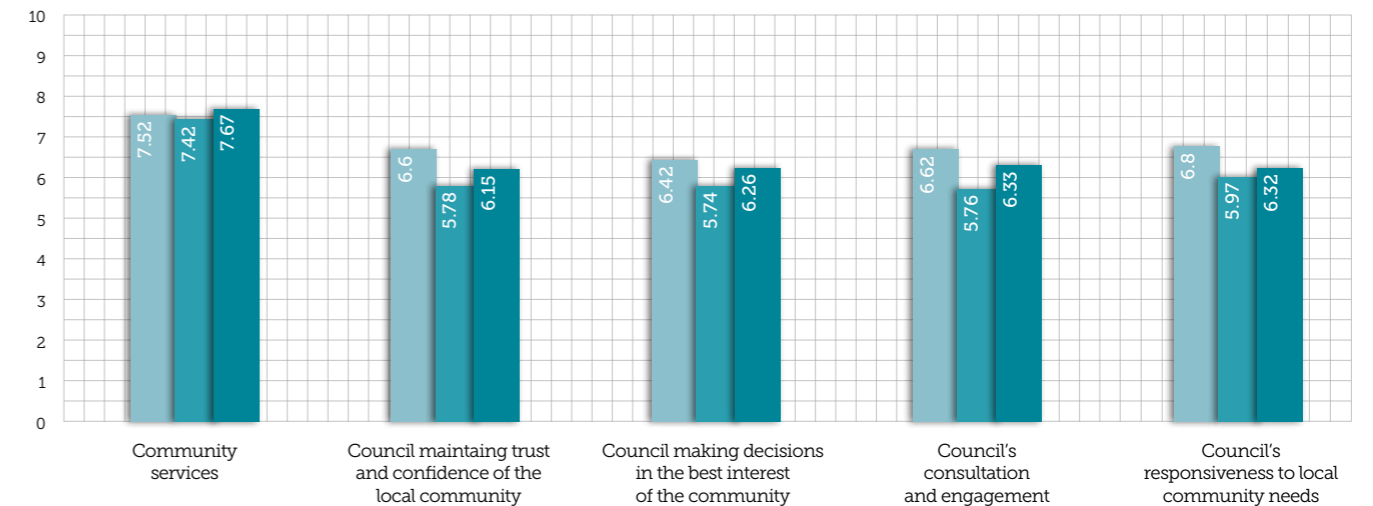
THE YEAR AHEAD

- Commence preparation of the 2050 Shire/Community Plan, building on the development of other key strategies, such as the Green Wedge Management Plan.
- Scope a Lifelong Learning Plan with key stakeholders.
- Progress the development of an integrated community infrastructure plan.
- Deliver the St Andrews pedestrian path.
- Finalise Hurstbridge streetscape design.
- Continue to build relationships with the Wurundjeri community and engage and develop a Reconciliation Action Plan.
- Implement the adopted Health & Wellbeing Plan and deliver initiatives in partnership with the community that contribute to broader health and wellbeing outcomes.
- Council will consider feedback from public consultation on options for the future of the home support program.
- Community engagement on the results of the Early Years Infrastructure Review is anticipated to occur early in the new financial year.
- Identify women's networks in Nillumbik and scope communication opportunities for them to partner in initiatives which celebrate and acknowledge women within Nillumbik.
- Review Council's community transport service so older residents in remote townships and rural areas have improved access.



Satisfaction with aspects of Council's performance
Community satisfaction survey 2018

2016 2017 2018
* Score out of 10



How we performed against the Council Plan

The following statement reviews the performance of Council against the Council Plan, including the results achieved in relation to the strategic indicators included in the Council Plan.

STRATEGIC INDICATOR	YEAR			RESULT
	2016	2017	2018	
Community satisfaction with Council's responsiveness to local community needs	6.8	5.97	6.32	↑
Community satisfaction with Council's consultation and engagement	6.62	5.76	6.33	↑
Community satisfaction with Council making decisions in the best interests of the community	6.42	5.74	6.26	↑
Community satisfaction with Council maintaining trust and confidence of the local community	6.6	5.78	6.15	↑
Community satisfaction with community services	7.52	7.42	7.67	↑

Source: 2018 Annual Community Survey

Scale from 0 (very dissatisfied) to 10 (very satisfied)

STRATEGIC INDICATOR	YEAR			RESULT
	2011	2016	2021	
Proportion of persons aged 15+ who performed voluntary work in past 12 months	21.80%	24%	N/A	?

Source: <https://profile.id.com.au/nillumbik/volunteering>

STRATEGIC INDICATOR	YEAR			RESULT
	2015-16	2016-17	2017-18	
Percentage of the municipal population that are active library members	23.7%	25.9%	27%	↑

Source: Yarra Plenty Regional Library

STRATEGIC INDICATOR	YEAR			RESULT
	2015-16	2016-17	2017-18	
Total enrolments in programs at Living and Learning Centres ⁽¹⁾	3,159	3,737	3,097	↓
Total number of program participants and visitors at Edendale ⁽²⁾	93,394	109,020	107,837	↓

Sources: Council records

- (1) In 2017-2018, there was a much larger Vocational Education and Training (VET) program running which contributed to the higher numbers in that year. Living and Learning Centres in Nillumbik have averaged 102,000 hours of learning over the past three financial years.
- (2) Since March 2018, Edendale has undergone major building works that have resulted in limited access around the site. Consequently, school holiday activities have not been promoted or offered to the usual extent. There have also been fewer shelters available for public hire.

STRATEGIC INDICATOR	YEAR			RESULT
	2016	2017	2018	
Total number of enrolments in pre-schools	610	585	593	↑

Source: Council records

Increasing ↑ Decreasing ↓ No change ⇌ Trend unclear ?

STRATEGIC INDICATOR	YEAR			RESULT
	2015-16	2016-17	2017-18	
Total number of members in U3A, OMNI, and Men's Shed programs	588	651	713	↑

Source: Council records

STRATEGIC INDICATOR	2015-16	2016-17	2017-18	RESULT
Community engagement in risk awareness and resilience programs	N/A	N/A	*See note	?

Increasing ↑ Decreasing ↓ No change ⇌ Trend unclear ?

* In 2017-2018, Council promoted community engagement in risk awareness through five initiatives:

- Nillumbik Emergency Management Forum – an all-hazards community forum, which attracted around 60 attendees in 2017-2018.
- Regional Community Disaster Resilience Forum – an Eastern Metro Region forum hosted by Yarra Ranges.
- Nillumbik Odyssey Program (St Andrews Conversations) – a project focused on disaster resilience in St Andrews. An ongoing program to develop a preferred method of engaging with communities around risk. Six community meetings and one community workshop have been conducted in 2017-2018. Evaluation shows higher levels of trust and confidence in Council's role in emergency management and risk reduction.
- Safer Together – a new whole-of-government approach to reducing risk of bushfire in Victoria. Council actively informs and supports in terms of strategy and delivery, including local initiatives.
- Community Fireguard – a CFA community education program, involving 90 CFGs in Nillumbik, this being the highest proportionate number of groups in the state.

Budget 2017-2018 major initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2017-2018 budget for the year.

MAJOR INITIATIVES	RESULT	PROGRESS
Inclusion and Diversity Plan – development Actual \$9,516 Budget \$40,000	✓	This project has been delayed due to changes in personnel. It will be delivered in full in 2018-2019. Some elements of the draft plan are already being embedded into Council policies.
Community and Medical Transport Actual \$0 Budget \$40,000	⚡	Funding for this initiative to support the community transport program was sourced from a \$51,526 recurrent grant from the Commonwealth Department of Health.
Community safety awareness campaign Actual \$2,586 Budget \$20,000	⚡	Campaign was delivered and partly funded under other budget items as well as additional external funding.
Positive Ageing Strategy 2013-2018 – review and development of new strategy Actual \$0 Budget \$20,000	✗	Due to the Positive Ageing Officer role being vacant for most of 2017-2018, this allocation was not spent and planned actions were not completed.

Achieved ✓ Partly achieved ⚡ Not started ✗

Budget 2017-2018 funded services

The following statement provides information in relation to the services funded in the 2017-2018 budget and the persons or sections of the community who provided the service.

SERVICE	DESCRIPTION	EXPENDITURE REVENUE NET COST \$'000
Aged and Disability Services	Aged and Disability Services plans and delivers services for our aged and disabled community such as home care, home maintenance and delivered meals.	2,101 (1,953) 148
Children, Family and Youth Services	This function provides services for children, youth and families such as preschool, playgroups and youth activities.	1,165 (425) 740
Community Development and Inclusion	This function provides services for the whole community, such as community halls, volunteer programs, festivals and events and community development.	1,638 (302) 1,336
Libraries and Community Education	This service provides facilities and programs for the whole community, including libraries, Living & Learning Centres and Edendale Farm.	5,872 (1,884) 3,988
Maternal and Child Health	This service is for new babies and parents in the Shire.	1,277 (405) 872

Service performance indicators and measures

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

SERVICE/INDICATOR/MEASURE	2015	2016	2017	2018	MATERIAL VARIATIONS AND COMMENTS
LIBRARIES					
Utilisation Library collection usage [Number of library collection item loans / Number of library collection items]	9.42	10.03	10.25	11.50	Nillumbik offers library services in partnership with Banyule and Whittlesea as the Yarra Plenty Regional Library service (YPRL). Two of the nine libraries are located in Nillumbik; the Eltham and Diamond Valley libraries. YPRL offers eBooks and eAudiobooks in partnership with Brisbane City Library Service, allowing library members access to more than 74,000 titles
Resource standard Standard of library collection [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	86.00%	87.55%	85.24%	90.40%	Nillumbik offers library services in partnership with Banyule and Whittlesea as the Yarra Plenty Regional Library Service (YPRL). YPRL has a robust stock maintenance program where items are withdrawn from the collection due to age, non-use, currency and irrelevance. More than 90 per cent of the items available for loan are less than five years old.
Service cost Cost of library service [Direct cost of the library service / Number of visits]	\$4.40	\$5.26	\$5.72	\$6.29	Nillumbik offers library services in partnership with Banyule and Whittlesea as the Yarra Plenty Regional Library Service. Each council contributes to the cost of running the library service. The 10% increase in the cost of the library service per visit is partly due to a 4.7% decline in library visits in 2017-2018.
Participation Active library members [Number of active library members / Municipal population] x100	25.00%	23.71%	25.94%	27.38%	During the year, a total of 17,720 Nillumbik residents were active library members. This figure does not take into account the number of residents who utilise the many services provided by the Eltham and Diamond Valley libraries but may not be members of the Yarra Plenty Regional Library Service.



Maternal and Child Health services are widely used by residents

Service performance indicators and measures

SERVICE/INDICATOR/MEASURE	2015	2016	2017	2018	MATERIAL VARIATIONS AND COMMENTS
MATERNAL AND CHILD HEALTH					
Satisfaction Participation in first Maternal & Child Health (MCH) home visit [Number of first MCH home visits/ Number of birth notifications received] x100	100.00%	101.36%	97.24%	99.49%	In 2017-2018, the number of birth notifications received was closely linked to the number of home visits attended. Birth notifications received towards the end of the financial year will be provided with a home visit in the new financial year.
Service standard Infant enrolments in the MCH service [Number of infants enrolled in the MCH service (from birth notifications received)/Number of birth notifications received] x100	94.00%	102.04%	99.35%	99.32%	The Maternal and Child Health Service has increased the number of infants enrolled from birth notifications, potentially demonstrating responsive and timely service delivery to new families with babies. However, since 2015 a number of Maternal and Child Health service providers have migrated to a new record system. Difficulties in transitioning to this system have affected the reporting of enrolment data in a number of Local Government Areas. As such, caution should be taken when analysing data for this indicator.
Service cost Cost of the MCH service [Cost of the MCH service/Hours worked by MCH nurses]	\$0.00	\$71.78	\$70.02	\$75.38	In 2017-2018, an increase in overall MCH service costs occurred due to a number of factors, including: the MCH EBA salary increment, the employment of a permanent Enhanced Maternal and Child Health Nurse at 0.4EFT and resignations from three MCH positions and a staff member on long term sick leave requiring backfill by MCH relievers.
Participation Participation in the MCH service [Number of children who attend the MCH service at least once (in the year)/Number of children enrolled in the MCH service] x100	81.15%	72.88%	77.76%	78.76%	The Maternal and Child Health Service continues to provide a connected and responsive program to families with young children in Nillumbik.
Participation Participation in the MCH service by Aboriginal children [Number of Aboriginal children who attend the MCH service at least once (in the year)/Number of Aboriginal children enrolled in the MCH service] x100	76.00%	75.76%	68.29%	78.95%	The overall MCH enrolment of Aboriginal families and young children demonstrates a connection to and linkages with the MCH service in Nillumbik. A small variation in the low raw numbers of this client group accounts for what otherwise appears to be a significant percentage increase from the previous year.



Pottery workshop at Living & Learning Nillumbik in Eltham

ACTIVE AND CREATIVE PEOPLE

COUNCIL PLAN 2017-2021

At a glance...

Active lifestyles and artistic expression are fostered through participation and innovation.

Operating expenditure
\$21.750 million

Core activities

- Edendale Community Environment Farm
- Environmental education and events
- Learning, arts and culture
- Leisure services and facilities

Interesting facts

- 12 opportunities to engage with public and participatory arts through:
 - four 'Living in the Landscape' public art incubator projects
 - six public programs and workshops, and
 - two major creative consultations
- 51 opportunities to recognise community arts and enable access to arts and culture, with:
 - 13 local history groups supported
 - 11 exhibitions at the Eltham Library Community Gallery,
 - 11 poetry readings,
 - nine performances of theatre and music, and
 - seven Arts & Cultural Development grants to community arts groups

1,341,310

visits to five major recreational facilities

10,580

participants in environmental education programs at Edendale

101,334

people took part in one or more of Council's arts and culture programs

204

youth participants in Nillumbik Youth Theatre

113

opportunities to recognise the creative industries with:

- 64 artists featured in 2018 Nillumbik Prize exhibition and Artists Open Studios 30th anniversary exhibition,
- 25 artists featured in Artists Open Studios
- 11 recipient artists of three major awards
- 10 art acquisitions
- the publication of the Literary Nillumbik Anthology

The year in review

ACHIEVEMENTS

- Implementation of the 2011-2018 Recreation Strategy has culminated in substantial external investment in recreation infrastructure being secured and significant design planning ready for commencement of construction in 2018-2019. Major projects, including the redevelopment of the Eltham Leisure Centre, are nearing completion and planning for delivery of future recreation facilities and services is well progressed, including facility masterplans.
- Completed works in the southern precinct of the Civic Drive Open Space Precinct Plan, with a new brief prepared to commission development of an art installation within the precinct.
- Further to the adoption in mid-2017 of a Lifetime Play Strategy Planning Framework, completed an audit of all playspaces in Nillumbik.
- Prepared a draft framework plan for Hurstbridge Open Space Precinct for public consultation.
- Launched several signature programs for supporting creative industries – namely, ‘The Nillumbik Prize’ and ‘Literary Nillumbik’.
- Supported and promoted two community-led performing arts projects – ‘Shakespeare in the Park’ and ‘Come Together Music and Arts Festival’.
- Continued implementation of the Recreation Trails Strategy, including:
 - 1) completed construction of Cherry Tree Road Trail connecting Pantan Hill with Hurstbridge;
 - 2) progressed Planning Scheme Amendment C108 for gazetting in December 2017 and secured funding towards the construction of the Diamond Creek Trail extension; and,
 - 3) advocated and assisted with obtaining State Government funding for the Northern Region Trail.
- Commenced detailed concept planning for various sports facilities: Diamond Creek netball pavilion redevelopment; Eltham Central precinct community/ sports hub and sportsground lighting; Marngrook Oval pavilion development; and the Diamond Valley Sports and Fitness Centre redevelopment.
- Commenced construction on redevelopment of Research Park pavilion.
- Progressed delivery of the Eltham Leisure Centre aquatics redevelopment and stadium upgrade, and finalised upgrades to the health and fitness facility.
- Secured funding for the redevelopment of Susan Street Reserve and Eltham Lower Park sports pavilions, lighting upgrade at Marngrook Oval and Eltham Central, and the redevelopment of Yarrambat Park cricket nets.
- Developed and adopted Arts and Culture Plan 2018-2022 and implemented first-year actions, including project planning for Nillumbik Digital Agora and roll-out of signature major awards programs such as the Nillumbik Prize and Literary Nillumbik.

CHALLENGES

- Many community infrastructure projects are reliant on being successful in achieving significant external funding.
- Review and update of the Recreation Strategy was deferred to 2018-2019 to allow the progression of other major strategy development, such as the Green Wedge Management Plan, which have implications for future provision of recreation infrastructure and services.
- Council was unsuccessful in securing \$2.5 million in a Growing Suburbs Fund (GSF) application for the Diamond Creek Trail extension in 2017. However, Council has submitted an application for the remaining shortfall of \$3 million in the 2018 GSF funding round.
- A Growing Suburbs Fund application to support ongoing implementation of the 2008 Eltham Lower Park Masterplan was not successful.
- The volume of capital works and compressed timeframes due to adhering to grant funding obligations.
- An arson attack on the Eltham North Adventure Playground has required the unplanned use of resources and additional funding.

THE YEAR AHEAD

- Expected completion of the Eltham North and Research sporting pavilions, Eltham North Adventure Playground rebuild, Civic Drive precinct community facilities, as well as progress design of the Diamond Valley Sports and Fitness Centre redevelopment.
- Commence review and update of the Open Space and Recreation Strategy.
- Complete works for the playspace component of the Civic Drive Open Space Precinct Plan, including exercise stations and park amenities, by the end of 2018.
- Commence works to implement the Plenty Park Masterplan.
- Develop an implementation plan that forms Stage 3 of the Lifetime Play Strategy planning to inform a 10-year capital works program.
- Complete planning for the Hurstbridge Open Space Precinct.
- Seek additional funding for the Diamond Creek Trail extension in the next round of the Building Better Regions Fund. More generally, continue to advocate and lobby for funding for broader trails network development.
- Construction is due to commence on the redevelopment of the Eltham North Reserve pavilion in August.
- Open the Eltham Leisure Centre aquatic facilities to the public in September.
- Undertake a feasibility study for the development of a public art gallery of regional significance.
- Commence public consultation in the third quarter of 2018 on a draft lease agreement with Diamond Valley Railway.

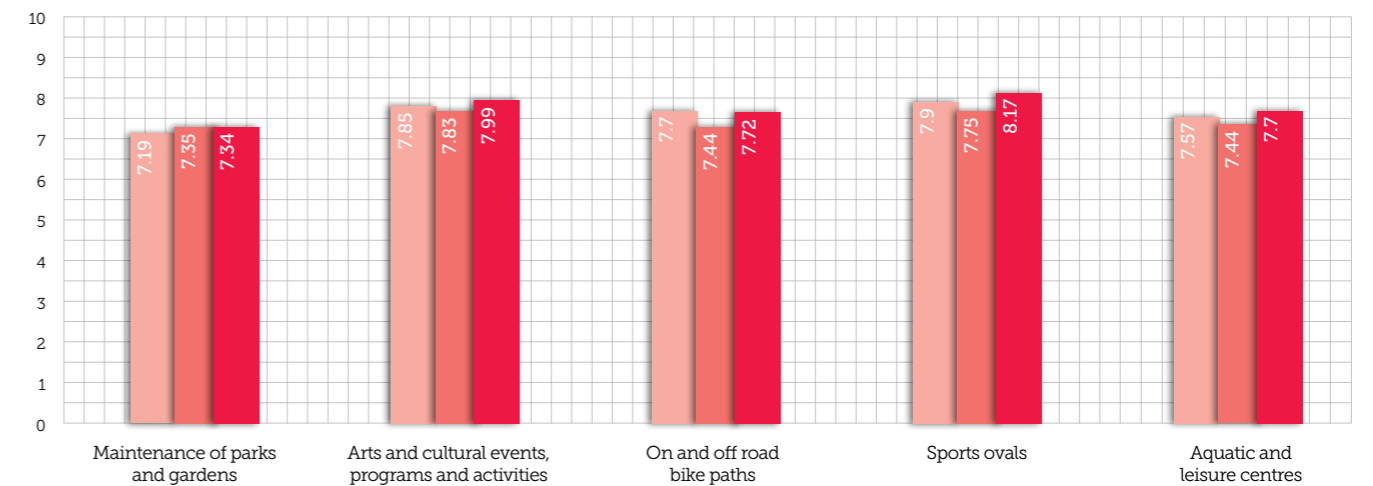


Eltham Library Community Gallery

Satisfaction with aspects of Council's performance

Community satisfaction survey 2018

2016 2017 2018
* Score out of 10



ACTIVE AND CREATIVE PEOPLE

How we performed against the Council Plan

The following statement reviews the performance of Council against the Council Plan, including the results achieved in relation to the strategic indicators included in the Council Plan.

STRATEGIC INDICATOR	YEAR			RESULT
	2016	2017	2018	
Community satisfaction with aquatic and leisure centres	7.57	7.44	7.7	↑
Community satisfaction with sports ovals	7.9	7.75	8.17	↑
Community satisfaction with on and off-road bike paths	7.7	7.44	7.72	↑
Community satisfaction with arts and cultural events, programs and activities	7.85	7.83	7.99	↑
Community satisfaction with provision and maintenance of parks and gardens	7.19	7.35	7.34	→

Source: 2018 Annual Community Survey

Scale from 0 (very dissatisfied) to 10 (very satisfied)

STRATEGIC INDICATOR	YEAR			RESULT
	2015-16	2016-17	2017-18	
Attendance at aquatic centres ⁽³⁾	160,492	50,361	61,152	↑
Attendance at leisure centres (non-aquatic) ⁽⁴⁾	1,415,307	1,442,010	1,341,310	↓
Total number of participants in arts and cultural programs ⁽⁵⁾	122,749	105,307	101,334	↓

Sources: Council records

Increasing ↑ Decreasing ↓ No change → Trend unclear ?

- (3) Due to the closure of the wet component of the Eltham Leisure Centre during refurbishment works, overall attendance at aquatic centres has been considerably reduced over the past two years.
- (4) Overall attendance at non-aquatic facilities has also been impacted by the refurbishment works at Eltham Leisure Centre as the wet component is an attractor for the dry component as well.
- (5) Participation numbers in arts and cultural programs has been affected by a reduced resource allocation for such programs due to financial constraints in recent years.

Budget 2017-2018 major initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2017-2018 budget for the year.

MAJOR INITIATIVES	RESULT	PROGRESS
Recreation trail communications tool Actual \$0 Budget \$30,000	✓	Existing trails need to be correctly identified with levels of service in place prior to the online tool being implemented. The mapping of existing trails has commenced.
Arts and Cultural Plan – Stage 2 (Events and Festivals) Actual \$29,155 Budget \$30,000	✓	The Arts and Culture Plan 2018-2022 was adopted in December 2017 and Year 1 actions have been implemented.
Plenty Park Master Plan review (Year 1 of 2) Actual \$0 Budget \$20,000	✓	A desktop review was commenced but is currently on hold due to resourcing constraints. Project scope will be refined so that external resources can be utilised to ensure completion of the review in 2018-2019 financial year.
Nillumbik Shire Council Recreation Strategy (Year 1 of 2) Actual \$0 Budget \$15,000	✗	In early 2018, commencement of the review of this strategy was deferred until early 2019 on the back of broader Green Wedge Management Plan and Housing/Population strategies that need to progress in advance of the recreation strategy, which is also likely to integrate with an open space strategy review.

Achieved ✓ Partly achieved ✓ Not started ✗

ACTIVE AND CREATIVE PEOPLE

Budget 2017-2018 funded services

The following statement provides information in relation to the services funded in the 2017-2018 budget and the persons or sections of the community who provided the service.

SERVICE	DESCRIPTION	EXPENDITURE REVENUE NET COST \$'000
Arts and Cultural Services	Arts and Cultural Services is responsible for the cultural vitality and community engagement in the arts across the Shire.	527 (7) 520
Leisure Facilities and Services	This program is responsible for the provision of leisure facilities and services – such as leisure centres, sportsgrounds, recreation trails and playgrounds – for the whole community.	9,038 (6,312) 2,726

Service performance indicators and measures

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

SERVICE/INDICATOR/MEASURE	2015	2016	2017	2018	MATERIAL VARIATIONS AND COMMENTS
AQUATIC FACILITIES					
Service standard Health inspections of aquatic facilities [Number of authorised officer inspections of Council aquatic facilities/ Number of Council aquatic facilities]	0	0	0	0	Council does not carry out routine inspections of aquatic facilities. This is undertaken by the contracted service providers as part of the contract requirements for the facility.
Health and Safety Reportable safety incidents at aquatic facilities [Number of WorkSafe reportable aquatic facility safety incidents]	0	0	0	0	There were no reportable WorkSafe incidents during the financial year.
Service cost Cost of indoor aquatic facilities [Direct cost of indoor aquatic facilities less income received/Number of visits to indoor aquatic facilities]	\$1.24	\$2.36	\$0	\$0	Council's only indoor aquatic facility at the Eltham Leisure Centre was closed during 2017-2018 while undergoing a \$19 million redevelopment.
Service Cost Cost of outdoor aquatic facilities [Direct cost of outdoor aquatic facilities less income received/Number of visits to outdoor aquatic facilities]	\$6.08	\$4.67	\$3.69	\$3.07	The closure of Council's indoor pool for redevelopment resulted in a significant increase in the number of visits to the outdoor pool, which in turn decreased the operating costs.
Utilisation Utilisation of aquatic facilities [Number of visits to aquatic facilities/ Municipal population]	4.18	2.56	0.80	0.94	Council's only indoor aquatic facility at the Eltham Leisure Centre was closed during 2017-2018 while undergoing a \$19 million redevelopment. This closure significantly affected the number of visits to Council's aquatic facilities. Council's only outdoor aquatic facility at Diamond Creek is open seasonally from November to March.



Satisfaction with Council's bin education program has been rated as excellent by residents

SAFE AND HEALTHY ENVIRONMENTS

COUNCIL PLAN 2017-2021

At a glance...

Healthy and safe communities enjoy living in our iconic Green Wedge environment.

Operating expenditure
\$18.821 million

Core activities

- Amenity and noise control
- Biodiversity protection
- Building permits
- Building safety and regulation
- Bus shelters
- Bushfire recovery
- Car parking regulation and car parks
- Collection of waste, hard waste, green waste and recycling
- Energy efficiency programs
- Environmental planning and policy
- Graffiti control
- Heritage protection and memorials
- Land erosion and management works
- Land management advice
- Landfill rehabilitation
- Local roads, bridge and footpaths
- Management of conservation reserves
- Pedestrian crossings
- Planning investigations and compliance
- Property maintenance and fencing
- Public health protection and regulation
- Public transport and main roads advocacy
- School crossing supervisors
- Septic tank regulation
- Street lighting
- Street tree planting
- Traffic control and road safety
- Water quality and conservation
- Weed and pest control

Interesting facts

- 10,873 dogs registered
- 3,025 cats registered
- 1,929 secondary school children were immunised in the school program
- 61 tobacco related inspections undertaken with 121 tobacco test purchases completed
- 741 Inspections of 431 registered food/health premises
- 56 septic applications lodged, 118 inspections of septic tanks systems undertaken
- Building permits issued: 18 Dwellings, 23 Alterations and additions, 3 Commercial, 72 Miscellaneous
- 3,632 parking infringement notices issued
- Zero bushfire rebuilding site plans issued
- 394km unsealed shoulders maintained
- 465km sealed roads and 309km unsealed roads maintained
- 409km constructed drains maintained
- 403km of roadsides mowed
- 267km of line-marking maintained
- 90 playgrounds maintained
- 16 'Friends of' groups supported at 144 working bees
- 537 hectares of open space maintained
- 30 hectares of ovals were mowed at least 34 times
- 99 bushland and wetland reserves covering 490 hectares maintained

3,874

vaccines administered to children under five years

4,920+

indigenous plants planted within reserves and 1,306 trees inspected and maintained

64%

of kerbside waste diverted from landfill

- 1,113,008 green waste collections
- 556,504 waste bin collections
- 556,504 recycling bin collections

338km

of footpath inspected and maintained

12,142

signs maintained

835

disabled parking permits issued

SAFE AND HEALTHY ENVIRONMENTS

The year in review

ACHIEVEMENTS

- Endorsed the program and associated timeframes for the Green Wedge Management Plan.
- Commenced development of a Fire Mitigation Strategy by conducting a workshop in September 2017 and consultation with internal and external stakeholders.
- Continued planning and preparation for emergency events and updating the Municipal Emergency Management Plan (MEMP) and Municipal Fire Management Plan (MFMP).
- Commenced investigation of options for housing and retirement living to enable residents to age in place.
- Adopted Domestic Animal Management Plan (DAMP) 2017-2021 and implemented first year actions of the plan.
- In response to imminent changes in the aged care sector, community transport has been re-positioned to form part of the Community Programs department. Additional grant funding from the Commonwealth Government was secured this financial year to better support the community transport service in the short term, in the lead-up to implementation of the Aged Care Reforms in 2018-2019.
- Support has been provided to the Diamond Creek Men's Shed to construct accessible toilets at their building. These works were completed in March. Eltham Men's Shed (EMS) was successful in securing funding from the State Government to construct a shed. The EMS moved into their new home located at the previous Wattleree Road Pre-school site in March 2018.
- The State of the Environment Report has been provided to the Environment and Sustainability Advisory Committee for consideration and review.
- Initial detailed design for integrated water management has been completed to inform the Operations Centre Masterplan.
- Documentation associated with the provision of a graffiti management service has been completed, and the tender process is currently underway.
- Completed a box clearance program along roadsides, with the exception of one road in Dunmoochin where further consultation is required.
- Applied and received approval from VicRoads to lower the speed limit of the rural section of Broad Gully Road to 60 km/hour.
- Delivered new footpaths along Ironbark Road (Yarrambat), Kangaroo Ground-Wattle Glen Road (Wattle Glen), Research Park (Research), Heidelberg-Kinglake Road (Wattle Glen) and Cherry Tree Road (Hurstbridge).
- Advocated for improved public transport, traffic management and reduced road congestion.

CHALLENGES

- Answering the key question in developing a new Green Wedge Management Plan: 'What is the best way for us to manage Nillumbik's Green Wedge, now and into the future?'
- Ensuring that the Fire Mitigation Strategy in development reflects a truly comprehensive approach to fire mitigation and allows for community consultation.
- Ensuring community readiness in the face of high potential for bushfires in summer 2018-2019.
- Addressing the issue of food accessibility and affordability.
- Reducing violence against women and children.
- An ageing population and a lack of housing diversity in the Shire.
- Developing men's sheds in remote communities.
- Further development of the detailed design for the Operations Centre Masterplan is on hold until clarification regarding the access point into the Operations Centre is provided by VicRoads as part of the Yan Yean Road duplication.
- Drainage system did not cope very well during flooding events in summer 2017-2018.
- Advocacy is underway in response to Yarra Valley Water's planned rollout of reticulated sewer in Eltham South. This is to specifically address the need for the inclusion of additional properties to be connected as part of the rollout and/or for provision to be made for all properties within the project area to be connected at a later date as part of the scheme. The community sewerage scheme, as currently proposed, only seeks to connect approximately 60 per cent of properties.
- The rehabilitation of Plenty Landfill has been delayed and works are scheduled to be completed by the end of 2019. Kangaroo Ground is scheduled to commence shortly afterwards.

THE YEAR AHEAD

- Appoint a 40-member community panel to sit from August to October 2018 to respond to the question of 'What is the best way for us to manage Nillumbik's Green Wedge, now and into the future?' A panel report with recommendations will be presented to Council in late October 2018. Following wider community engagement and consultation, a new Green Wedge Management Plan will be adopted by Council.
- Review results of community consultation and present a draft Fire Mitigation Strategy to Council for endorsement. Implement bushfire mitigation, awareness and resilience actions from the adopted Fire Mitigation Strategy.
- Continue emergency management planning and updating of emergency management plans.
- Review of Council's Shire-wide Housing Strategy along with the review of the Activity Centre Structure Plans in Diamond Creek and Eltham to consider options for ageing in place.
- Discuss and review the purpose and scope of the State of the Environment report. This will be a priority action for Council's new Environment Lead Coordinator role.
- Complete detailed design for the Operations Centre Masterplan in the second half of 2018.
- Review and update the Domestic Wastewater Management Plan and continue to advocate to Yarra Valley Water for prioritisation and extensions to the sewer network, including Eltham South.
- Review the graffiti management removal policy and service contract.
- Complete an open space maintenance program schedule for all Category 1 priority sites/locations by the end of September 2018.

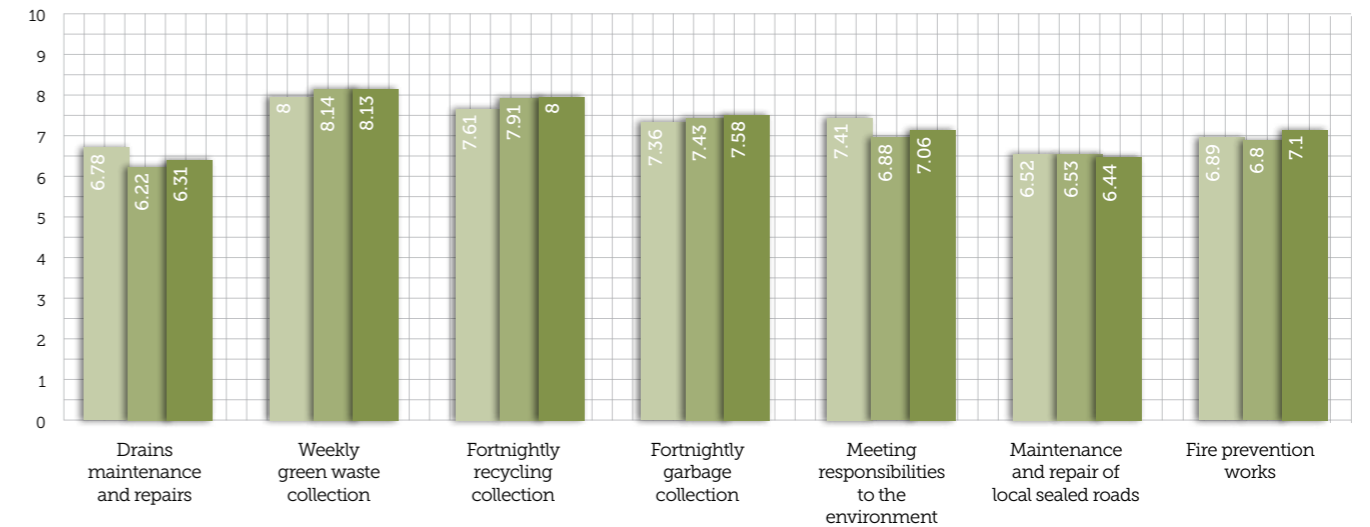
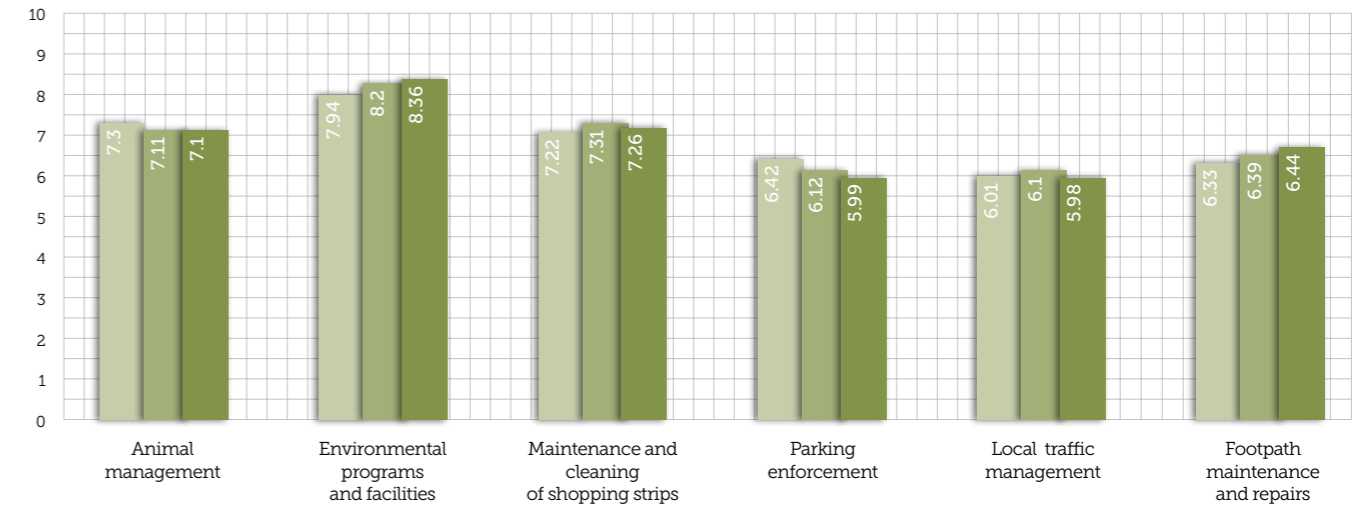
SAFE AND HEALTHY ENVIRONMENTS

Satisfaction with aspects of Council's performance

Community satisfaction survey 2018

2016 2017 2018

* Score out of 10



SAFE AND HEALTHY ENVIRONMENTS

How we performed against the Council Plan

The following statement reviews the performance of Council against the Council Plan, including the results achieved in relation to the strategic indicators included in the Council Plan.

STRATEGIC INDICATOR	YEAR			RESULT
	2016	2017	2018	
Community satisfaction with fire prevention works	6.89	6.8	7.1	↑
Community satisfaction with maintenance and repair of local sealed roads	6.52	6.53	6.44	↓
Community satisfaction with Council meeting responsibilities to the environment	7.41	6.88	7.06	↑
Community satisfaction with fortnightly garbage collection	7.36	7.43	7.58	↑
Community satisfaction with fortnightly recycling collection	7.61	7.91	8	↑
Community satisfaction with weekly green waste collection	8	8.14	8.13	→
Community satisfaction with drains maintenance and repairs	6.78	6.22	6.31	↑
Community satisfaction with footpath maintenance and repairs	6.33	6.39	6.44	↑
Community satisfaction with local traffic management	6.01	6.1	5.98	→
Community satisfaction with parking enforcement (6)	6.42	6.12	5.99	↓
Community satisfaction with maintenance and cleaning of shopping strips	7.22	7.31	7.26	→
Community satisfaction with environmental programs and facilities	7.94	8.2	8.36	↑
Community satisfaction with animal management	7.3	7.11	7.1	→

Source: 2018 Annual Community Survey

Scale from 0 (very dissatisfied) to 10 (very satisfied)

STRATEGIC INDICATOR	YEAR			RESULT
	2015-16	2016-17	2017-18	
Remove more than 90% of reported graffiti within target time ⁽⁷⁾	N/A	N/A	N/A	?
Percentage of kerbside waste collections diverted from landfill ⁽⁸⁾	69%	66%	64%	↓

Sources: Council records

Annual immunisation coverage rate for age cohorts 12 – <63 months	92.3	93.8	94.3	↑
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Source: Nillumbik Health, Immunisation Annual Report 2015-16; Nillumbik Immunisation Service Annual Report 2017-2018; Banyule City Council Immunisation Service Data Report 2017-18; Banyule City Council advice on final 2017-2018 immunisation coverage rates.

Total number of 'Key Ages & Stages Activities' completed by MCH Service	5,459	5,596	5,668	↑
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Source: Nillumbik Maternal & Child Health Annual Report

Number of requests for new footpaths not responded to within 14 days	N/A	N/A	0	?
Number of requests for tree works not actioned within 12 months as at 30 June	N/A	N/A	20	?

Sources: Council records

Increasing ↑ Decreasing ↓ No change → Trend unclear ?

- (6) Over the past three years, there has been a gradual decline in satisfaction with parking enforcement. However, parking enforcement is rated relatively low in importance by community satisfaction survey respondents.
- (7) Accurate data for this measure is not available. As part of the current tender process for this service, new processes and measures will be put in place to ensure this service can be accurately measured.
- (8) Nillumbik residents diverted 13,640 tonnes of kerbside waste from landfill during FY 2017-2018, 739 tonnes less than FY 2016-2017. However, Nillumbik continues to be well above the state diversion targets.

SAFE AND HEALTHY ENVIRONMENTS

Budget 2017-2018 major initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2017-2018 budget for the year.

MAJOR INITIATIVES	RESULT	PROGRESS
Proactive tree management in high public use areas Actual \$49,379 Budget \$300,000	✓	The first stage of this initiative entailed tree assessments by a contractor. The assessment report was not received until May 2018. Council is now arranging for the works to be performed in 2018-2019.
Corporate Asset Register Actual \$0 Budget \$100,000	↻	The first year of the project plan was completed. OPEX funds were used instead of New Initiative funding.
Yarrambat Township Plan Actual \$18,519 Budget \$80,000	✓	As of 31 July 2018, this project has been re-scoped. The original intent could not be realised under current State Government policy objectives.
Eltham Activity Centre Review Actual \$35,701 Budget \$60,000	✓	A review of the urban design guidelines for the Eltham Activity Centre has commenced. Community engagement for this review will begin in late July/August.
Eltham Precinct 4 – site planning Actual \$8,484 Budget \$30,000	↻	The master plan for the civic spaces in Precincts 3 & 4 has been completed and is being incorporated into the review of the Eltham Activity Centre.
Housing – Neighbourhood character analysis (Year 1 of 2) Actual \$0 Budget \$30,000	✗	This project was put on hold during 2017 due to resourcing constraints. Currently being re-scoped for 2018-2019.
Heritage investigations (Year 3 of 5) Actual \$0 Budget \$30,000	✗	Budget for this project was withdrawn at the mid-year review due to heritage amendments being considered a lower priority item.
Domestic Animal Management Plan 2017-2021 Actual \$14,814 Budget \$25,000	↻	The DAMP was adopted in October 2017. A number of first-year actions were implemented in-house without incurring consultancy costs.
Equine Industry Strategy Actual \$20,000 Budget \$20,000	↻	Development of this strategy in partnership with the community and industry has been initiated.

Achieved ✓ Partly achieved ↻ Not started ✗

SAFE AND HEALTHY ENVIRONMENTS

Budget 2017-2018 funded services

The following statement provides information in relation to the services funded in the 2017-2018 budget and the persons or sections of the community who provided the service.

SERVICE	DESCRIPTION	EXPENDITURE REVENUE NET COST \$'000
Animal Management	The Animal Management service works under the required legislative framework to protect the welfare of animals and the community.	809 (904) (95)
Building Regulation	This service provides building permits, safety and regulation for the whole Nillumbik community.	584 (307) 277
Emergency Management	This program implements, monitors and evaluates the Fire Prevention Program and Emergency Management Plan to ensure plans are in place to protect the Nillumbik community.	1,214 (3) 1,211
Environment and Conservation	This function provides environment and conservation services and programs for the whole Nillumbik community, such as planning and policy; education and events; water quality and conservation; biodiversity protection; and energy efficiency programs.	569 (13) 556
Food Safety, Public Health and Immunisation	This service works towards improving public health for the whole community through food safety and health premises regulation; public health protection and education; immunisation services; and noise regulation.	923 (346) 577
Infrastructure Design, Construction and Transport	This service provides services for the whole community including design for capital works projects, including roads, bridges, drainage, landscape, traffic treatments; coordination of capital works; procurement and construction; engineering assessment of planning applications and approval of subdivision works; traffic control; road safety; advocacy on public transport and main roads and street lighting.	2,604 (1,515) 1,089
Parking and Local Laws	This function provides car parking regulation, amenity protection and local laws permits for the whole Nillumbik community.	630 (432) 198
Parks and Reserves Maintenance	This service maintains parks, sportsgrounds, conservation reserves, street trees and roadsides for the whole Nillumbik community.	6,100 (53) 6,047
Planning Investigations and Compliance	This service conducts planning investigations and promotes compliance with the Nillumbik Planning Scheme and permit conditions for the whole Nillumbik community.	234 (15) 219
Property, Fleet and Asset Management	This service provides infrastructure asset management and planning, building maintenance and fencing, property management and fleet management.	2,007 (5,526) (3,519)
Recycling and Waste Services	This service provides collection of household waste, recycling, green waste, hard waste, waste education and landfill rehabilitation for the whole Nillumbik community.	7,539 (881) 6,658
Road and Drainage Maintenance	This service provides maintenance of local roads and bridges, pedestrian bridges, footpaths, trails, drains and bus shelters for the whole community.	4,555 (17) 4,538
School Crossings	This service funds school crossing supervisors for school children across the Shire.	860 (248) 612

SAFE AND HEALTHY ENVIRONMENTS

Service performance indicators and measures

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

SERVICE/INDICATOR/MEASURE	2015	2016	2017	2018	MATERIAL VARIATIONS AND COMMENTS
ANIMAL MANAGEMENT					
Timeliness Time taken to action animal management requests [Number of days between receipt and first response action for all animal management requests/Number of animal management requests]	0	1	1	1	The majority of requests, including dog attacks and collection of wandering dogs, are actioned within one hour of receiving the request. Other requests, including nuisance barking dogs, are responded to within one business day.
Service standard Animals reclaimed [Number of animals reclaimed/Number of animals collected] x100	70.00%	68.80%	61.02%	92.17%	Service provision has been more accurately calculated this year following a service review. This has resulted in a significant improvement in our animal return rate.
Service cost Cost of animal management service [Direct cost of the animal management service/Number of registered animals]	\$39.19	\$37.64	\$38.62	\$49.52	Service costs have been more accurately calculated this year following a service review. Calculation does not include income which more than offset cost of service.
Health and safety Animal management prosecutions [Number of successful animal management prosecutions]	5.00	8.00	8.00	5.00	All prosecutions were as a result of dog attacks or a dog rush. The annual results recorded are independent year on year, reflective of isolated incidents occurring within the Shire.

SERVICE/INDICATOR/MEASURE	2015	2016	2017	2018	MATERIAL VARIATIONS AND COMMENTS
FOOD SAFETY					
Timeliness Time taken to action food complaints [Number of days between receipt and first response action for all food complaints/ Number of food complaints]	0.00	3.20	3.63	2.31	A review of internal procedures resulted in a decrease in the time taken to action food-related complaints from previous years.
Service standard Food safety assessments [Number of registered Class 1 food premises and Class 2 food premises that receive an annual food safety assessment in accordance with the <i>Food Act 1984</i> /Number of registered Class 1 food premises and Class 2 food premises that require an annual food safety assessment in accordance with the <i>Food Act 1984</i>] x100	120%	100%	100%	100%	All 252 registered Class 1 and 2 premises received a food safety assessment in the 2017 reporting period.
Service cost Cost of food safety service [Direct cost of the food safety service/Number of food premises registered or notified in accordance with the <i>Food Act 1984</i>]	\$896.03	\$603.66	\$547.20	\$628.60	A moderate increase in the cost of service was due to increased costs associated with staff turnover and market and festival inspections. However, the cost is 100% offset by income.
Health and safety Critical and major non-compliance outcome notifications [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up/Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	92.00%	100.00%	100.00%	95.24%	120 out of 126 were followed up in 2017. Six premises received follow-ups outside of the reporting period due to the time allowed to meet the compliance requirements.



Eltham Primary School crossing supervisor

Service performance indicators and measures

SERVICE/INDICATOR/MEASURE	2015	2016	2017	2018	MATERIAL VARIATIONS AND COMMENTS
ROADS					
Satisfaction of use Sealed local road requests [Number of sealed local road requests/ Kilometres of sealed local roads] x100	26.63	27.65	29.21	21.80	Council received 97 requests relating to 445 kilometres of sealed local roads. This is down on figures in previous years of 116 in 2014-2015, 121 in 2015-2016 and 130 in 2016-2017.
Condition Sealed local roads maintained to condition standards [Number of kilometres of sealed local roads below the renewal intervention level set	78.00%	95.83%	94.16%	93.71%	The percentage of sealed local roads maintained at the adopted condition standard remained stable in 2017-2018.
Service cost Cost of sealed local road reconstruction [Direct cost of sealed local road reconstruction/Square metres of sealed local roads	\$0.00	\$0.00	\$ 0.00	\$61.78	This is the first year we have had road reconstruction to report.
Service Cost Cost of sealed local road resealing [Direct cost of sealed local road resealing/Square metres of sealed local roads resealed]	\$9.34	\$14.57	\$9.41	\$9.40	This year's cost of resealing local roads is similar to last year's result. This year's result is in line with the result for 2014-15 as well. As an interface council, we have a higher proportion of roads with spray seals rather than the more expensive asphalt overlays required on local roads in metropolitan and inner-city municipalities.
Satisfaction Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	65.60	65.20	65.00	64.40	In the 2018 Annual Community Survey, satisfaction with the maintenance and repairs of sealed local roads remained stable at 64.4 out of 100, compared to 65 out of 100 in 2017. This level of satisfaction remains categorised as 'good'.



Nillumbik residents diverted 13,640 tonnes of kerbside waste from landfill this year.

Service performance indicators and measures

SERVICE/INDICATOR/MEASURE	2015	2016	2017	2018	MATERIAL VARIATIONS AND COMMENTS
WASTE COLLECTION					
Satisfaction Kerbside bin collection requests [Number of kerbside garbage and recycling bin collection requests/ Number of kerbside bin collection households] x1000	166.50	149.14	197.91	216.08	The increase relates to a significantly higher number of bin repair requests which may be related to the quality of bin stock and/or ageing bin stock.
Service standard Kerbside collection bins missed [Number of kerbside garbage and recycling collection bins missed/Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	14.55	15.62	17.42	9.25	The number of missed bins reported has decreased. The reported data for 2017-2018 is only for missed bins that have been completely missed by the collection crew.
Service cost Cost of kerbside garbage bin collection service [Direct cost of the kerbside garbage bin collection service/Number of kerbside garbage collection bins]	\$64.56	\$66.83	\$63.47	\$69.81	The number of bins provided to residents (particularly additional bins) has increased and the cost to provide the service has remained approximately the same, resulting in an overall increase in service costs.
Service Cost Cost of kerbside recyclables collection service [Direct cost of the kerbside recyclables bin collection service/Number of kerbside recyclables collection bins]	\$35.08	\$35.99	\$30.85	\$28.06	The cost of providing the recyclables collection service decreased due to increased income from the contractor which accepts recyclables from Council.
Satisfaction Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins/ Weight of garbage, recyclables and green organics collected from kerbside bins] x100	70.00%	69.30%	66.17%	63.66%	Nillumbik residents diverted 13,640 tonnes of kerbside waste from landfill during FY 2017-2018, 739 tonnes less than FY 2016-2017, ensuring Nillumbik continues to be well above the State diversion targets.



Apple orchards provide an important boost to Nillumbik's local economy

A PROSPEROUS ECONOMY

COUNCIL PLAN 2017-2021

At a glance...

A strong local economy that supports business growth, jobs and community wealth.

Operating expenditure
\$1.099 million

Core activities

- Activity Centre planning
- Land use planning and policy
- Local business networks
- Local business training and seminars
- Local community and farmers' markets and festivals
- Planning permits and regulation
- Subdivision regulation and supervision
- Tourism funding and support
- Township marketing schemes

Interesting facts

- Took part in 4 regional business breakfasts with Northern Melbourne Business Achievement Awards
- 22 business mentoring sessions delivered over five days of quarterly small business clinics
- 24 business mentoring sessions delivered over six days of quarterly small business clinics, as well as 15 mentoring sessions held on the Small Business Bus across three locations
- Six Small Business Victoria workshops held with over 65 participants
- Six networking seminars/ workshops delivered with Nillumbik Tourism Business with average attendance of 30 micro businesses per session
- One business breakfast attended by over 150 members of the local business community

12

Hurstbridge Farmers' Markets held with estimated average of 750 patrons and 19 stallholders at each market

5,770

visitors to 35 artists from 25 studios as part of Nillumbik Artists' Open Studios over three weekends. A 30th anniversary exhibition attracted 1,925 visitors

7,250

visitors to 16 wineries as part of The Artisan Hills Open Cellars over two weekends

1,039

total planning decisions made, with 622 decisions made on planning applications and 98 per cent of applications approved and 80 per cent of Council decisions upheld at VCAT

The year in review

ACHIEVEMENTS		
<ul style="list-style-type: none"> Commenced development of a new Nillumbik Economic Development Strategy. Currently in the research and development phase. The Small Business Development Program continues to be implemented with the provision of the Small Business Bus, the Business Mentoring Program and workshop series, including marketing, social media, business basics and mentoring sessions. Commenced development of an Equine Industry Strategy, with scoping and initial community consultation completed. 	<ul style="list-style-type: none"> A technology strategy has been developed with a focus on modernising local infrastructure and systems that will position council for future technology, including a smart cities agenda. The development of a smart cities agenda is underway, identifying problems and opportunities and areas of focus for smart initiatives. This will culminate in a five year plan. Research into relevant visitor markets and state opportunities is now complete, and recommendations have been made to move forward on destination management and marketing. Progressed the review of Eltham & Diamond Creek Structure Plans. A review of the urban design guidelines for both Diamond Creek and Eltham Activity Centres has commenced. 	<ul style="list-style-type: none"> A master plan for Precincts 3 and 4 in the Eltham Activity Centre was completed and is being incorporated into the review of the Eltham Activity Centre. Adopted and commenced an implementation plan for the St Andrews township. Completed streetscape works in Pantom Hill. The Diamond Creek Streetscape Beautification Plan was completed. An improved pedestrian path network has been implemented, better connecting the town's key meeting places. New functionality was introduced to Council's website, enabling planning applications currently subject to public notification (advertising) to be viewed online via Council's website.
CHALLENGES		
<ul style="list-style-type: none"> A project plan is now being prepared for the Eltham Activity Centre Structure Plan area to ensure that the Eltham Activity Centre is brought forward in a considered and coordinated manner under one planning process, including community engagement and alignment with other Council Plan actions and projects, such as the Housing Strategy and Economic Development Strategy. 	<ul style="list-style-type: none"> Implementation/delivery of many township and strategic plans are contingent on external funds. 	<ul style="list-style-type: none"> The proposed amendment to the Yarrambat Township Plan was slated for re-scoping following advice given by Senior Department of Environment, Land, Water and Planning (DELWP) Officers and Advisors to the Minister for Planning that the housing components of any plan are unlikely to be supported given the land is outside the Urban Growth Boundary.
THE YEAR AHEAD		
<ul style="list-style-type: none"> Adopt a new Nillumbik Economic Development Strategy and create a set of indicators to measure success. Undertake a feasibility study/review of rural activity/industry (including equine) in the Shire to identify opportunities for further growth. A Northern Region grant proposal has been submitted to create an Internet of Things (IoT) technology network that covers key areas of the seven northern councils. 	<ul style="list-style-type: none"> Implement a revised and refreshed Artisan Hills Marketing Plan and explore and make recommendations for participation in the wider Victorian tourism framework. Community engagement is beginning in late July/August for both Diamond Creek and Eltham Activity Centres review. 	<ul style="list-style-type: none"> Council will consider options for the development of the Yarrambat Township Plan. Develop a new Hurstbridge Township Plan. Explore the development of the former Eltham Shire offices and adjacent land and undertake public realm improvements to support the activity centre plans.

How we performed against the Council Plan

The following statement reviews the performance of Council against the Council Plan, including the results achieved in relation to the strategic indicators included in the Council Plan.

STRATEGIC INDICATOR	YEAR			RESULT
	2016	2017	2018	
Percentage of local residents who work within Nillumbik	22.30%	N/A	N/A	?

Source: Australian Bureau of Statistics (ABS) – Census 2016 – by place of work

STRATEGIC INDICATOR	YEAR			RESULT
	2016	2017	2018	
Number of commercial/industrial premises in Nillumbik	N/A	986	N/A	?

Source: Rates Department, Nillumbik SC

STRATEGIC INDICATOR	YEAR			RESULT
	2015-16	2016-17	2017-18	
Percentage of planning applications determined within required timeframes ⁽⁹⁾	80.0%	72.0%	69%	↓

Source: Planning Permit Activity Reporting System (PPARS)

STRATEGIC INDICATOR	YEAR			RESULT
	2016	2017	2018	
Nillumbik Shire's SEIFA score (index of advantage and disadvantage)	1093	N/A	N/A	?

Source: <https://economy.id.com.au/nillumbik/business-locations>

STRATEGIC INDICATOR	YEAR			RESULT
	2016	2017	2018	
Number of registered businesses ⁽¹⁰⁾	6,371	6,438	N/A	↑

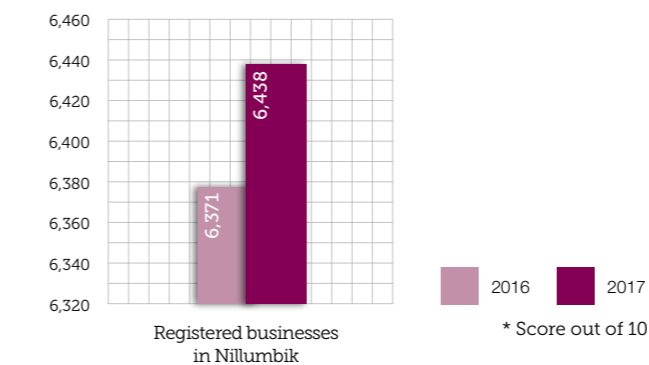
Source: <https://economy.id.com.au/nillumbik/number-of-businesses-by-industry?sEndYear=2016>

Increasing ↑ Decreasing ↓ No change ↔ Trend unclear ?

(9) Resourcing due to staff secondments to other areas of Council and delays in backfilling positions over the last financial year has led to a minor decline in the number of applications assessed in statutory timeframes.

(10) This indicator is supplementary to those in the Council Plan 2017-2021.

Number of registered businesses in Nillumbik



A PROSPEROUS ECONOMY



Many wineries across Nillumbik contribute to the local economy

Budget 2017-2018 major initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2017-2018 budget for the year.

MAJOR INITIATIVES	RESULT	PROGRESS
Economic Development – Investment Facilitation Actual \$0 Budget \$114,511	X	Due to key positions being vacant, compounded by Council reassessing and realigning its strategic direction, no funds were expended on this initiative.
Artisan Hills projects including: Visiting friends and relatives (Year 2 of 4) Promotional campaigns Visitor information service review (Year 2 of 2) Actual \$886 Budget \$50,000	✓	Artisan Hills promotional campaigns were put on hold while an audit of visitor experiences was undertaken and awareness benchmarked in the community satisfaction survey. Research into relevant visitor markets and state opportunities is now complete.
New Economic Development Strategy implementation (Year 2 of 5) Actual \$8,000 Budget \$40,000	✓	This project is in the research and development phase. The next step will be the provision of an Issues and Opportunities Paper and alignment and integration with other shire-wide projects (e.g. Green Wedge Management Plan).
Artisan Hills – Implementation Resources Actual \$0 Budget \$36,000	W	The Artisan Hills program is being reviewed with recommendations made for its future in the 2018-2019 financial year.

Achieved W Partly achieved ✓ Not started X

A PROSPEROUS ECONOMY

Budget 2017-2018 funded services

The following statement provides information in relation to the services funded in the 2017-2018 budget and the persons or sections of the community who provided the service.

SERVICE	DESCRIPTION	EXPENDITURE REVENUE NET COST \$'000
Statutory Planning	This service processes planning applications and subdivision applications.	2,366 (799) 1,567
Strategic Planning	This service provides land use planning and policy, Planning Scheme management, activity centre planning and heritage protection for the whole community.	1,332 0 1,332
Tourism and Business Support	This service builds tourism funding and support, local community and farmers' markets, local business networks, training and seminars.	885 (14) 871

Service performance indicators and measures

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

SERVICE/INDICATOR/MEASURE	2015	2016	2017	2018	MATERIAL VARIATIONS AND COMMENTS
STATUTORY PLANNING					
Timeliness Time taken to decide planning applications [The median number of days between receipt of a planning application and a decision on the application]	90	92	112	93	This figure is 19 days less than the last financial year, which is in accordance with the service changes that were implemented during the previous financial year. It was anticipated that, after an initial increase in the time taken to process planning applications while the changes were implemented, the longer-term benefits would result in faster processing timeframes in future years.
Service standard Planning applications decided within required time frames [(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days)/Number of planning application decisions made] x100	73.00%	80.00%	71.98%	69.29%	Resourcing due to staff secondments to other areas of Council and delays in backfilling positions over the last financial year has led to a minor decline in the number of applications assessed within statutory timeframes.
Service cost Cost of statutory planning service [Direct cost of the statutory planning service/Number of planning applications received]	\$2,789.72	\$2,545.67	\$2,961.14	\$2,981.73	Slight increase in costs due to decreased volume of applications in 2017-2018. The reported number of planning applications doesn't accurately reflect the true number of applications assessed in 2017-2018, due to the number of applications which are not reported through this process.
Decision making Council planning decisions upheld at VCAT [Number of VCAT decisions that did not set aside council's decision in relation to a planning application/Number of VCAT decisions in relation to planning applications] x100	36.00%	70.00%	63.16%	80.00%	VCAT upheld more of Council's decisions in the 2017-2018 financial year. Eight decisions were upheld out of 10, compared to 12 out of 19 in 2016-2017.



RESPONSIBLE LEADERSHIP

COUNCIL PLAN 2017-2021

At a glance...

Collaborative and consultative leadership that builds trust and makes the best possible use of available resources to the benefit of all in the pursuit of excellence.

Operating expenditure
\$26.327 million

Core activities

- Consultation processes and advisory committees
- Council and committee meetings, civic functions, including citizenship ceremonies
- Customer service and reception
- Elections
- Electronic and print communication, including media liaison
- Finance and procurement
- Human resource management and training
- Information technology
- Legislative compliance
- Rates and property valuations
- Risk management
- Street naming and numbering
- Website and online services

Interesting facts

- Four citizenship ceremonies held including Australia Day
- 97 media releases issued
- 249,632 website users
- 5,031 Facebook likes
- 70 e-bulletins issued

53,377

phone calls into the customer service queue

29,205

visits to the front counter which included processing 14,776 payments

19,958

customer requests logged

1,151,870

web pages viewed

2,032

Twitter followers

23,383

rates notices issued

Community satisfaction with the overall performance of Council increased this year

The year in review

ACHIEVEMENTS		
<ul style="list-style-type: none"> Successfully advocated for Nillumbik to be eligible for Commonwealth funding previously only available to rural councils. Council will make applications to this funding stream for local projects such as construction of the Diamond Creek Trail missing link. Council delivered a zero rate increase in 2017-2018. A debt reserve continued to be used with a view to working towards a no net debt position. Commenced implementation of a program of surplus asset sales to provide funding for additional capital works. Following extensive community consultation, Council decided to sell only three of the parcels of land. Council made progress towards having a fleet of low emission vehicles. A continuous improvement framework has been developed and is being embedded across the organisation using a Lean Thinking, Agile Delivery and Human Centred Design methodology. Using this framework and approach, a number of pilot projects have been delivered which have largely focused on improvements to online services to make things easier for our customers. 	<ul style="list-style-type: none"> The Organisational Culture and Capability Strategy (OCCS) has been reviewed and updated to reflect the Council Plan 2017-2021, our new organisational structure and priorities, and ways of working. All programs under the OCCS have commenced and are at different stages of implementation. A number of key activities have been commenced as part of a Customer Experience Strategy, including: <ul style="list-style-type: none"> Identifying some online payments that could be improved for customers; online bookings for hard waste rubbish collections and animal registrations and renewals are now live User feedback was enabled on the Council's website, giving users an opportunity to provide opportunities for improvement A customer phone benchmarking survey was conducted with 200 Nillumbik customers who provided valuable feedback on their experience dealing with Council Rollout of the organisational Customer Service Training program began. 	<ul style="list-style-type: none"> A number of digital technology initiatives are being pursued to improve the customer service experience and staff productivity, including linked programs of work in continuous improvement and the Customer Experience Strategy, and opportunities for shared services being investigated with Northern Region Councils. Northern Regional Councils have identified opportunities to collaborate in the procurement and technology portfolio areas. Collaborative procurement opportunities are being developed in the following areas: Human Resources Services, Cleaning, Repairs and Maintenance, and across specific Council projects. Across technology, the focus has been on an Enterprise Services Bus and a Customer Service portal.

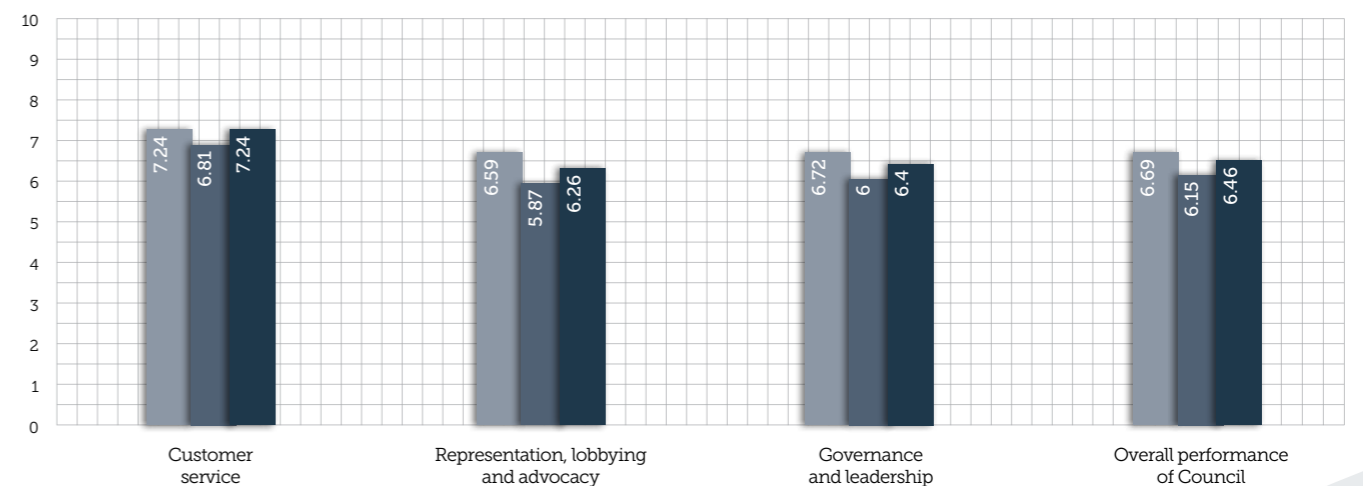
CHALLENGES		
<ul style="list-style-type: none"> Contingency planning has commenced around the anticipated introduction of the Local Government Bill 2018. If the proposed legislation is introduced, a more detailed implementation plan will follow. Advocacy on key issues ahead of the 2018 Victorian state election. For example, Council has been active in advocating for essential community infrastructure funding. Council has also applied for a number of projects to be funded through the State Government's Growing Suburbs Fund. 	<ul style="list-style-type: none"> Pre-budget submissions to the Victorian Government: A formal submission was made seeking between \$5 and \$7 million to construct the missing link on the Diamond Creek Trail between Diamond Creek and Hurstbridge. Advocacy activities, including working with Creek Trailblazers have also been undertaken. Letters have also been sent to local members and relevant state ministers seeking funding for specific projects. Council has also been active in calling on the State Government to provide additional funding to help rebuild the Eltham North Adventure Playground. The organisational requirements for a new Asset Management System are currently being confirmed. 	<ul style="list-style-type: none"> Working on problems and improvements: A collaboration, communication and learning space for staff supported by visual management practice is now available. Leaders meet weekly in these spaces to receive project updates, work collaboratively on problems and improvements, and to share information and learnings. These spaces have driven a more collaborative, customer-centric and learning organisational culture. Developing a skilled and efficient workforce. Providing better customer service. Development of a Technology Strategy, including mapping Council's current infrastructure landscape to ensure their stability and that they are up to date to meet the organisation's needs. This work is necessary to also move to more integrated and cost-effective solutions in the digital space and that allow for movement to cloud-based services.

THE YEAR AHEAD		
<ul style="list-style-type: none"> Ramp up advocacy on key issues ahead of the 2019 Commonwealth election. Council will also seek to capitalise on the redistribution of several local federal electorates, which are now seen as marginal, to secure additional federal funding and access to programs and services. Regularly update and implement an overarching advocacy strategy and pre-budget submission to State and Federal Governments which encompasses policy and funding advocacy for the benefit of the Shire's community. Ensure that residential rate increases are at least 0.25 per cent below the legislated rate cap in 2019-2020. Review and implement Council's Asset Management Strategy for roads, footpaths, buildings, drains and recreational assets, and develop a better system to support delivery. Seek authorisation from the Minister for Planning to commence a planning scheme amendment to rezone 14 Council-owned properties to Public Park and Recreation Zone. 	<ul style="list-style-type: none"> Implement the concept for ongoing service planning that links strategic service reviews, designed service improvements and incremental continuous improvement. Undertake a number of strategic service reviews and commence implementation of developed service plans for Maternal and Child Health Services; Building Surveying Services; Statutory Planning; Community Transport; Management structure and future direction of Yarrambat Golf Course. Progress implementation of service reviews: Local Laws; Living and Learning Nillumbik; Early Years Infrastructure Plan; and Aged Care Reforms. Continue implementation of key Organisational Culture & Capability Strategy (OCCS) programs, including: a review of organisational culture (update agreed values and behaviours); further embedding a culture of continuous improvement and innovation; and a developed service planning framework which includes workforce planning and is underpinned by a targeted learning and development program. 	<ul style="list-style-type: none"> Continue the implementation of the Customer Experience Strategy in 2018-2019, including: <ul style="list-style-type: none"> Continuing roll-out of customer service training across the whole of the organisation Analysing results from the customer benchmarking survey Conducting an internal customer experience survey Introducing Council's first Quality Benchmarking System for customer experience. Implement the first phase of Technology Strategy, including: mapping Council's current infrastructure landscape to ensure its stability and capacity to meet organisational and community needs; and, developing and commencing a Records Management Plan.

Satisfaction with aspects of Council's performance

Community satisfaction survey 2018

2016 2017 2018 * Score out of 10





Nillumbik Shire Councillors

How we performed against the Council Plan

The following statement reviews the performance of Council against the Council Plan, including the results achieved in relation to the strategic indicators included in the Council Plan.

STRATEGIC INDICATOR	YEAR			RESULT
	2016	2017	2018	
Community satisfaction with the overall performance of Council	6.69	6.15	6.46	↑
Community satisfaction with governance and leadership	6.72	6	6.4	↑
Community satisfaction with representation, lobbying and advocacy	6.59	5.87	6.26	↑
Community satisfaction with customer service	7.24	6.81	7.24	↑

Source: 2018 Annual Community Survey

Scale from 0 (very dissatisfied) to 10 (very satisfied)

Increasing ↑ Decreasing ↓ No change → Trend unclear ?

STRATEGIC INDICATOR	YEAR	COMMENTS
	2017-18	
Achieve the Auditor-General's 'green light' target for financial sustainability	N/A	Results will be released by VAGO in October 2018.
Achieve budgeted asset sales each year	Ⓜ	Budgeted assets intended for sale were made available for sale during the year.
Reduce interest costs each year	Ⓜ	Interest costs are reducing; this is reflective of the loan portfolio reducing in overall balance.
Reduce net debt (outstanding loan principal, less debt reduction reserve fund), with a target of zero by 2020-2021	Ⓜ	Progress is being made with overall loan portfolio balance reducing and funds being set aside in the debt reserve.
Achieve 100% compliance with the Governance and Management checklist required by the Local Government Act 1989	Ⓜ	

Source: Council records

Achieved Ⓜ Partly achieved ✓ Not started ✗



Satisfaction with Council's Customer service increased this year

Budget 2017-2018 major initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2017-2018 budget for the year.

MAJOR INITIATIVES	RESULT	PROGRESS
Mobile devices/remote access to network for Council field staff Actual \$66,159 Budget \$70,000	Ⓜ	This project included installation of Wi-Fi connectivity at remote sites.
Community engagement (Implementation of Organisation Culture and Capability Strategy) Actual \$30,961 Budget \$41,000	Ⓜ	Key community engagement initiatives in 2017-2018 included the launch of an online engagement portal and training for 57 staff in IAP2 Essentials.
Northern region shared services Actual \$0 Budget \$17,000	Ⓜ	The allocated budget was for administrative purposes but was not required in 2017-2018. Participating Councils have identified opportunities to collaborate in the procurement and technology portfolio areas.
Customer Service – Mystery shopping program Actual \$10,000 Budget \$10,000	✓	The program was planned and paid for in 2017-2018. However, due to other commitments, and delays in the appointment of key staff, the implementation of the program was postponed until August 2018.
Continuous Improvement (Implementation of Organisation Culture and Capability Strategy) Actual \$28,152 Budget \$9,000	Ⓜ	Continuous improvement has been a priority for the organisation this year. Additional investment was required to build capability and engender a culture of efficiency and innovation.

Achieved Ⓜ Partly achieved ✓ Not started ✗



Budget 2017-2018 funded services

The following statement provides information in relation to the services funded in the 2017-2018 budget and the persons or sections of the community who provided the service.

SERVICE	DESCRIPTION	EXPENDITURE REVENUE NET COST \$'000
Communications	The Communications function assists both the Council and the organisation to communicate its decisions, services, activities and events to Nillumbik residents and the wider community through the provision of high-quality information via the website, print and electronic communication and media liaison.	862 0 862
Customer Service	This service provides frontline customer service, cashier and reception services for Council for the benefit of all residents, ratepayers and visitors.	548 0 548
Finance	This function provides internal finance and procurement services, rates and property valuations, audit, risk management and insurance.	3,253 (2,007) 1,246
Governance	This service manages Council's overall governance matters, including coordination of council meetings; civic functions and citizenship ceremonies; elections; legislative requirements; Mayor and Councillor resources and support services; local government sector and regional advocacy.	3,333 (56) 3,277
Information and Technology	This service provides information technology services and solutions, records management, on-line services and telecommunications.	3,231 (10) 3,221
Organisation Development	This function provides Council with key service delivery in the areas of recruitment and selection, staff learning and development, employee and industrial relations, safety, health and wellbeing, organisational development and performance.	2,269 (149) 2,120

Service performance indicators and measures

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

SERVICE/INDICATOR/MEASURE	2015	2016	2017	2018	MATERIAL VARIATIONS AND COMMENTS
GOVERNANCE					
Transparency Council decisions made at meetings 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, 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	15.00%	15.20%	13.28%	14.00%	Council made 300 resolutions at 30 Council and Committee meetings, of which 42 were made in a meeting closed to the public under section 89(2) of the <i>Local Government Act 1989</i> . As required by the Act, the reasons why a meeting was closed to the public are recorded in the public version of the minutes.
Consultation and engagement Satisfaction with community consultation and engagement [Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]	68.30	66.20	58.00	63.30	Satisfaction with Council's community consultation and engagement improved significantly in 2018 by 5.3 percentage points, recovering from the decline in 2017.
Attendance Councillor attendance at Council meetings [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	92.00%	93.33%	97.96%	94.90%	Council held 12 Ordinary meetings and two Special meetings in 2017-2018. Only five absences were recorded throughout the year against a possible 98 attendances.
Service cost Cost of governance [Direct cost of the governance service/ Number of Councillors elected at the last Council general election]	\$49,536.80	\$51,874.20	\$54,858.83	\$39,726.43	The cost of governance includes training, conference and seminar costs, travel, mobile, internet, Councillor allowances and other miscellaneous expenditure.
Satisfaction Satisfaction with Council decisions [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]	66.70	64.20	57.00	62.60	Satisfaction with Council decisions improved significantly in 2018 by six percentage points, returning to the level of satisfaction in earlier years.



Council has formally met 30 times this year

CORPORATE GOVERNANCE

Governance

The *Local Government Act 1989* (the Act) defines the purposes and functions of local government and provides the legislative framework where councils must be responsible and accountable to the local community in the performance of their functions, the exercise of their powers and use of resources.

The Act is a key piece of legislation that governs how councils operate and requires that councils ensure transparency and accountability in council decision making.

Council is committed to effective and sustainable forms of democratic and corporate governance as the key to ensuring that Council and its administration meet the community's priorities.

The community has many opportunities to provide input into Council's decision-making processes including community consultation, public forums, and the ability to make submissions to special committees of Council.

Decision-making

Councils have a significant function in the law-making process as they make decisions on many matters of importance to their local communities. They are empowered by the Act and council local laws to make decisions in formally constituted council meetings, or under delegations approved by the council.

Council meetings are all led by elected councillors who set the vision and direction of the council. Section 91(1) outlines the obligations of councils to make local laws governing the conduct of council meetings and special committees.

At Nillumbik Shire Council, decisions are made in one of two ways:

1. By resolution at Council meetings and special committees of Council.
2. By Council officers under delegated authority.

Council is empowered under a number of pieces of legislation to undertake a range of duties and functions.

To enable Council to actually undertake these duties and functions, it is necessary for Council to delegate many of its relevant powers to the CEO.

The power to delegate is conferred on Council by section 98(1) of the Act which enables Council, by instrument of delegation, to delegate to a member of Council staff any power, duty or function of Council under the Act or any other act, other than certain specific powers.

Councillor code of conduct

The Act requires Council to have a Councillor Code of Conduct and that it is reviewed within four months of each general election. At a Special Council Meeting on 14 February 2017, Council adopted a Councillor Code of Conduct that includes:

- Advice in relation to the roles of Mayor and Councillors
- Councillor conduct obligations
- Use of Council resources
- Prohibited conduct
- Misuse of position
- Confidential information
- Dispute resolution procedures.

At the request of Councillors, the revised Code of Conduct was extracted from the broader Governance Code to become a separate, stand-alone document. The remaining content of the Governance Code, which details principles and practices about key roles and relationships, as well as decision-making processes, was adopted on 30 May 2017 as the Good Governance Policy.

The Act also requires that within one month of amendments to a Councillor Code of Conduct being approved, a Councillor must make a declaration that they will abide by the Councillor Code of Conduct. The declaration must be in writing and witnessed by the CEO. All Councillors signed a declaration to abide by the Code of Conduct on 14 February 2017.

Conflict of interest

In accordance with the *Local Government Act 1989*, Councillors and Council Officers are required to disclose conflicts of interest and leave the meeting prior to discussions about those particular agenda items. A conflict of interest occurs where a personal or private interest might compromise the ability to act in the public interest.

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

A register is maintained to record all disclosed conflicts of interest. During 2017-2018, there were no conflicts of interest declared at Council and Committee meetings.

The requirement to disclose conflicts of interest extends to Assemblies of Councillors.

CORPORATE GOVERNANCE

Assemblies of councillors

In addition to formal meetings of Council, a number of Assembly of Councillors meetings were held during the year.

An Assembly of Councillors is defined by section 80A of the Act as an advisory committee of Council at which at least

one Councillor, or planned or scheduled meeting of at least half of the Councillors and one member of council staff, which considers matters that are intended or likely to be the subject of a Council decision or subject to the exercise of a delegated function, duty or power.

Conflicts of interest must be disclosed at Assemblies of Councillors and are reported to Council as part of the written record of the Assembly.

During 2017-2018, 92 Assemblies of Councillors were reported to Council.

Meetings of council

Council and Committee meetings are generally held on a Tuesday evening in the Council Chamber at the Civic Centre, Civic Drive Greensborough, and are advertised in Nillumbik's local newspaper and on Council's website.

In addition to Ordinary and Special Meetings, Nillumbik has one Special Committee established under section 86 of the Act, the Future Nillumbik Committee. All seven Councillors sit on the Committee.

Council is committed to open and transparent decision making and generally conducts its business through open meetings. Meetings are only closed when reports being considered are deemed by

the CEO and/or Council to be confidential. During 2017-2018, 42 Council reports were considered to be confidential matters.

The business to be considered by Council and its Committee is set out in the agenda which is available on Council's website and at the Eltham and Diamond Valley libraries on the Friday prior to the meeting. Agenda papers are also available at each meeting for interested members of the public.

Council records resolutions carried at each Council and Committee meeting, and publishes them as part of the minutes of each meeting. Minutes are confirmed at the following Ordinary or

Committee meeting. During 2017-2018, Council passed 300 resolutions at Council and Committee meetings.

Minutes are available on Council's website for the current year and the preceding 12 months, as required by the Act.

In addition to considering reports at Council meetings, the community is invited to submit questions and make submissions.

In 2017-2018, 55 questions were submitted during Ordinary Meetings of Council, and 347 submissions were heard at Council's Future Nillumbik Committee.

MEETING	PURPOSE	NUMBER OF MEETINGS	RESOLUTIONS	PUBLIC QUESTIONS/SUBMISSIONS HEARD
Future Nillumbik Committee	Considers all matters within the seven portfolio areas, submissions made under section 223 of the Act and invites members of the public to speak to an item on the agenda.	11	55	100
Special Future Nillumbik Committee	Convened for a specific purpose and only the matters listed on the agenda may be dealt with. The purpose of the meetings was for Council to consider the details of 17 parcels of land (including 2 road discontinuances) being proposed for future sale and hear submissions from the community.	5	10	247
Ordinary meetings of Council	Considers the general business of Council and provides community members with the opportunity to ask questions of Council.	12	226	55
Special meetings of Council	Convened for a specific purpose and only the matters listed on the agenda may be dealt with.	2	9	N/A

CORPORATE GOVERNANCE

Attendance

The record of Councillor attendance at Ordinary Meetings of Council and Special Council Meetings held during 2017-2018 is shown in the table below.

COUNCILLOR	ORDINARY (12)	SPECIAL (2)	FUTURE (11)	SPECIAL FUTURE (5)
Cr Jane Ashton	11/12	2/2	10/11	5/5
Cr Grant Brooker	12/12	2/2	11/11	5/5
Cr Peter Clarke	10/12	2/2	9/11	5/5
Cr John Dumaresq	12/12	2/2	11/11	5/5
Cr Karen Egan	11/12	2/2	10/11	5/5
Cr Peter Perkins	11/12	2/2	10/11	5/5
Cr Bruce Ranken	12/12	2/2	10/11	5/5

Allowances and expenses

Allowances paid to the Mayor and Councillors are established under section 74 of the *Local Government Act 1989*, which includes a superannuation guarantee contribution.

The Victorian Government sets the upper and lower limits for allowances. There are three categories of Councils (small, medium and large) and the categories are based on population and revenue. Nillumbik is included in Category 2 (medium-sized councils).

Each Council has discretion to determine its position within the relevant limits for its category. Once determined by the Council following each annual

election, the level of allowances within the band is fixed for the balance of that Council's four-year term.

The Mayoral and Councillor allowances were set in May 2017 for the four-year term of Council. Nillumbik allowances have historically been set at the upper limit and are currently set at that level. This reflects the substantial commitment and workload of Councillors.

As a separate exercise, the Minister for Local Government also conducts an annual adjustment of allowances to allow for inflation. The most recent adjustment was in December 2017, when the Minister increased allowances

by 2 per cent, bringing the Mayoral allowance to \$78,051.00 plus a superannuation equivalent of 9.5 per cent, and Councillors allowance to \$25,225 plus a superannuation equivalent of 9.5 per cent. Therefore, during the 2017-2018 financial year, the Mayor received a total allowance of \$78,938 and Councillors received \$27,396.

Council reimburses reasonable costs associated with the formal duty of representing Council for the Mayor and Councillors and their respective partners, in accordance with Council's Councillor Resources and Expenses Policy 2016 and section 75 of the Act.

	TRAVEL & CAR MILEAGE	MOBILE PHONE	INTERNET	CONFERENCES, TRAINING & SEMINARS	OTHER EXPENSES	TOTAL
Cr Jane Ashton	\$2,053	\$863	\$818	\$85	\$37	\$3,856
Cr Grant Brooker	\$2,001	\$660	\$994	\$55	\$32	\$3,903
Cr Peter Clarke¹	\$657	\$660	\$740	\$1,605	\$330	\$3,992
Cr John Dumaresq	-	\$660	\$436	\$771	-	\$1,867
Cr Karen Egan	\$9,297	\$660	\$654	\$3,898	\$219	\$14,728
Cr Peter Perkins	\$346	\$1,755	\$1,309	\$2,074	\$32	\$5,516
Cr Bruce Ranken	-	\$660	345	\$55	-	\$1,060
TOTAL	\$14,353	\$6,080	\$5,296	\$8,544	\$649	\$34,922

¹ The Mayor is entitled to higher expenditure on conferences, training and seminars in recognition of the additional responsibilities of Mayor.

Advisory Committees and external groups

Councillors also represent Council on a number of advisory committees and external groups.

ADVISORY COMMITTEE	COUNCILLOR(S) APPOINTED
Arts Advisory Committee	Cr Egan (Chair)
Audit Committee	Cr Clarke, Cr Ranken
CEO Employment Matters Committee	All Councillors
Economic Development Advisory Committee	Cr Egan (Chair), Cr Ashton, Cr Dumaresq
Environment Advisory Committee	Cr Brooker (Chair), Cr Ashton
Inclusion Advisory Committee	Cr Ashton (Chair)
Living and Learning Advisory Committee	Cr Ashton
Municipal Emergency Management Planning Advisory Committee	Cr Perkins (Chair), Cr Brooker
Panton Hill Bushland Reserves System Advisory Committee	Cr Brooker (Chair), Cr Ashton
Recreational Trails Advisory Committee	Cr Dumaresq (Chair), Cr Egan, Cr Perkins

EXTERNAL ORGANISATION	COUNCILLOR(S)
Diamond Creek Traders' Association	Cr Perkins
Eltham Chamber of Commerce and Industry	Cr Clarke, Cr Dumaresq, Cr Ranken
Hurstbridge Traders' Association	Cr Egan
Interface Councils Group	Cr Clarke (Cr Egan alternate)
Metropolitan Transport Forum	Cr Dumaresq
Metropolitan Waste Management Group	Cr Dumaresq (Cr Perkins alternate)
Municipal Association of Victoria	Cr Perkins (Cr Ashton alternate)
Nillumbik Tourism Association	Cr Egan and Cr Ranken
Northern Alliance for Greenhouse Action	Cr Brooker
Northern Metro Region Councils group	Cr Clarke (Cr Egan alternate)
Yarra Plenty Regional Library Board	Cr Clarke and Cr Egan

Management

Having strong governance and management frameworks leads to better decision-making by Council. The Act requires Council to undertake an assessment against the prescribed governance and management checklist and include this in its report of operations. Council's Governance and Management Checklist results are set out on pages 98-99. The following items have been highlighted as important components of the management framework.

Audit committee

The Audit Committee's function is to assist Council in the effective conduct of its responsibilities for financial reporting, management of risk, maintaining a reliable system of internal controls and facilitating good and ethical governance. The Audit Committee consisted of three independent members, Linda MacRae (Chair), John Watson and Greg Hollyman, and two Councillors (currently Councillors Peter Clarke and Bruce Ranken). Independent members are appointed for up to a three-year term. The Chair is elected from among the independent members.

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

The minutes of each Audit Committee meeting are reported to the next Ordinary Council meeting.

Internal audit

The Internal Auditors provide independent and objective assurance that the appropriate processes and controls are in place across Council. A risk-based three-year Strategic Internal Audit Plan (SIAP) is reviewed annually to ensure it remains focused on appropriate areas. The review process considers Council's risk framework; the

Council Plan; the impact of any change on operations; systems or the business environment; prior audit coverage and outcomes; and management input. The SIAP is reviewed and approved by the Audit Committee annually.

The Internal Auditor attends each Audit Committee meeting to report on the status of the SIAP, to provide an update on the implementation of audit recommendations and to present findings of completed reviews. All audit issues identified are risk rated.

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

The SIAP for 2017-2018 was completed in May 2018. Primary reviews were conducted with the CEO and Executive Manager of Finance in consultation with the internal auditors.

External audit

Council is externally audited by the Victorian Auditor-General's Office. For the 2017-2018 year, the annual external audit of Council's Financial Statements and Performance Statements were conducted by the Victorian Auditor-General's representative.

The external auditors attend the February and August Audit Committee meetings to present the annual audit plan and independent Audit Report.

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

Risk management

In December 2014, Council adopted the Integrated Risk Management Strategy and Risk Management Framework in line with current best practice in the management of business enterprise risks and current AS/NZS ISO 31000-2009 guidelines.

Council continues to maintain SafetyMap accreditation to a high standard for the management of risks to its employees, contractors and volunteers. Regularly audited externally, two surveillance audits were undertaken during the 2017-2018 financial year.

Council has met compliance standards with the SafetyMAP accreditation. The positive result of the audits demonstrates how the application of a continuous improvement approach to safety performance and a commitment to retaining SafetyMAP can be important elements of a risk management strategy.

Business continuity

Council draws on the International Business Continuity Standard (ISO22301) to deliver key services during an event that has the capacity to create an interruption to business delivery. Council will be holistically reviewing its business continuity policy and framework, as well business continuity plans, in the coming year.

CORPORATE GOVERNANCE

Governance and Management Checklist

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

GOVERNANCE AND MANAGEMENT ITEMS	ASSESSMENT
1 Community engagement policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	Policy Date of operation of current policy: 28 July 2015
2 Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Guidelines Date of operation of current policy: 1 March 2017
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: 26 June 2018
4 Annual budget (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Adopted in accordance with section 130 of the Act Date of adoption: 26 June 2018
5 Asset management plans (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Plans Date of adoption of current plans: 2 4 February 2015 and 27 June 2017
6 Rating strategy (strategy setting out the rating structure of council to levy rates and charges)	Strategy Date of adoption of current plan: 26 June 2018
7 Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy Date of adoption of current policy: 16 December 2014
8 Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Policy Date of adoption: 17 July 2017
9 Municipal emergency management plan (plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery)	Plan prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i> Date of adoption: 28 March 2017
10 Procurement policy (policy under section 186A of the <i>Local Government Act 1989</i> outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Policy Date of adoption: 27 March 2018
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 operation: 22 January 2014
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 operation: 1 May 2015 Updated in July 2017
13 Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	Framework Date of operation: 16 December 2014
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)	Committee established: 21 June 2005

CORPORATE GOVERNANCE

GOVERNANCE AND MANAGEMENT ITEMS	ASSESSMENT
15 Internal audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving council's governance, risk and management controls)	Internal auditor engaged: 1 July 2014
16 Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Framework Date of operation: 27 June 2017
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 reports: 1 August 2017 27 February 2018 28 November 2017 1 May 2018
18 Financial reporting (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Reports Date of reports: 1 August 2017 30 January 2018 31 October 2017 1 May 2018
19 Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports Date of reports: 1 August 2017 27 February 2018 28 November 2017 29 May 2018
20 Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)	Reports Date of reports: 1 August 2017 27 February 2018 28 November 2017 1 May 2018
21 Annual report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements)	Report presented: 30 October 2017
22 Councillor Code of Conduct (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Code of Conduct reviewed and adopted: 14 February 2017
23 Delegations (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Delegations reviewed and adopted: 28 November 2017
24 Meeting procedures (a local law governing the conduct of meetings of Council and special committees)	Local law adopted: 27 June 2017

Certification of Governance and Management Checklist

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



Hjalmar Phillip
Acting Chief Executive Officer
11 September 2018



Cr Peter Clarke
Mayor
11 September 2018



The view from Kangaroo Ground to the city

STATUTORY INFORMATION

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

1. Documents available for public inspection

In accordance with regulation 12 of the *Local Government (General) Regulations 2015*, the following are prescribed documents that are available for public inspection during office hours or copies of the documents can be obtained for the purposes of section 222 of the *Local Government Act 1989* at Civic Drive, Greensborough:

- A document containing details of overseas or interstate travel (other than interstate travel by land for less than three days) undertaken in an official capacity by any Councillor or member of Council staff in the previous 12 months.
- The agendas for, and minutes of, Ordinary and Special Meetings

held in the previous 12 months, which are kept under section 93 of the Act, other than those agendas and minutes relating to a part of a meeting that was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act.

- The minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months, other than those minutes relating to a part of a meeting that was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act.

- A register of delegations kept under sections 87(1) and 98(4) of the Act, including the date on which the last review took place under section 86(6) and 98(6), respectively, of the Act.
- A document containing details of all leases involving land which was entered into by the Council as lessor, including lessee and the terms and the value of the lease.
- A register maintained under section 224(1A) of the Act of authorised officers appointed under that section.
- A list of donations and grants made by Council in the previous 12 months, including the names of persons who, or bodies which, have received a donation or grant and the amount of each donation or grant.

2. Best value

Council continues to apply best value principles to its services in accordance with section 208A of the *Local Government Act 1989*.

The principles are based on:

- Quality and cost standards
- Responsiveness to community needs
- Accessibility
- Continuous improvement
- Community consultation
- Reporting to the community.

Best value is being practised through initiatives under the Organisational Capability and Culture Strategy (OCCS). Programs being delivered under the OCCS include:

- Community engagement
- Continuous improvement and innovation
- Improving services
- Improving performance
- The 'modern office' (improvements in technology and ways of working to improve service delivery).

Community engagement

Council is committed to ensuring that our community has the opportunity to have a say in matters that affect them, both at the local level and in projects led by other levels of government.

Key community engagement initiatives this year included the launch of the online engagement portal 'Participate Nillumbik', training for 72 staff in IAP2 Community Engagement Essentials, and dedicated community engagement officer support for our major projects.

Continuous improvement and innovation

This year, a continuous improvement and innovation (CI&I) program was developed which sought to embed CI&I into our business by:

- Building a culture of collaboration, proactive problem solving and innovation across the organisation
- Building organisational capability in improvement and innovation
- Improving our services to make them easier for our customers.

Our CI&I program involves a methodology underpinned by Lean Thinking, Agile Delivery and Human Centred Design principles and practices. The principles are intended to ensure that structured problem solving is undertaken (as opposed to 'scattergun change') and that Council's service delivery is better, easier, faster and/or cheaper for our customers.

A number of pilot projects were delivered using this methodology which focussed on improving our online services and online information. Some achievements were:

- Redesign of the animal registration, animal renewal and rates instalment forms
- Streamlining of online payment information for rates, animal registrations/renewals
- The ability to update animal details via our website; in 2017-2018, 759 residents used this new process to update their details, making things quicker and easier
- Online advertising of planning applications
- Residents are now able to request hard waste collections online.

Improving services

Although Council's Service Planning Framework is still under development, a number of strategic service reviews have been undertaken this year. These include:

- A review of the Living and Learning Nillumbik service has been completed in readiness for Council's consideration in September 2018. The purpose of the review is to identify service enhancements.
- Commonwealth Home Support Program (CHSP) future options modelling has been completed in conjunction with Northern Region Councils. Community engagement was undertaken over April and May with feedback being presented to Council for consideration early in 2018-2019. The feedback will help inform Council's future role in service provision and shape Council's approach and role in positive ageing.
- Early Years Infrastructure Stage 2 of review is now complete with community engagement anticipated to occur early in the new financial year. This has been delayed due to difficulty in appointing a project manager.
- The term of the new management contract for Diamond Creek Community Centre has been structured to align with the term of other major leisure facilities, allowing for review of future management options across all leisure facilities.
- A service review of the Community Safety/Local Laws service, Living Landscapes (public open space and roadside maintenance) service and Waste service has commenced.

Drivers for the strategic service reviews can be varied, and can include performance of the service, opportunities for service enhancements and alternative ways for the service to be delivered, procurement and changes to funding arrangements.

Improving performance

A new Key Results Area (KRA) Framework was developed throughout the year. This framework is based on the balanced scorecard model and will ensure that both business performance and individual staff performance are measured through the KRAs of Community and Council Plans and Projects; Customer and Stakeholder Outcomes; Business Processes and Delivery; People and Culture; and Effectiveness and Value to the Community.

Annual Department Business Plans and Individual Performance Dashboards will contain Key Performance Indicators (KPIs) within the KRA framework. Both business and individual performance will be tracked and measured on a quarterly basis.

The modern office

Through technological improvements, this program looks at 'new ways of working' that aim to drive efficiency outcomes and bring the workforce into a modern way of working. This includes applications and mobile computing devices that allow staff to access information when and where they need it, enabling staff productivity improvements and more timely outcomes to customers.

Another objective of the program is to align technology with our employees' digital expectations and to reduce costs and increase efficiency whilst addressing our ageing technology infrastructure and systems.

Some 25 employees tested new computer devices over a two month period. These employees provided feedback on their experience with the devices and were consulted on future training needs. They were also asked to consider how their new computer devices could shape future service delivery and enhancements.



Council funds home support services for older members of our community

3. Carers recognition

In accordance with the *Carers Recognition Act 2012*, Council is required to report annually on its care measurement obligations under section 11 of that Act. In recognising its obligations under the *Carers Recognition Act 2012*, Council has:

- Promoted the principles of the Act to people in care relationships who receive Council services and to the wider community
- Ensured staff, Council agents and volunteers working for Council are informed of the principles and obligations of the Act
- Taken the Act into consideration when reviewing and modifying relevant policies, procedures and supports.

4. Contracts

The *Local Government Act 1989* requires Council to prepare and approve a procurement policy and, at least once in each financial year, review and amend the policy.

The Act defines procurement policy to mean the principles, processes and procedures that will apply to the purchases of goods, services and works by the Council.

Council reviewed and adopted its Procurement Policy and Guidelines on 27 March 2018 in accordance with the Act.

The policy applies to all procurement and contracting activities of Council and is binding on Council officers, outsourced contractors and consultants while engaged by and/or representing Council.

During the year, Council did not enter into any contract valued at \$150,000 or more for services or \$200,000 or more for works or more of works of a kind specified in section 186(5)(a) and (c) of the Act.

It also did not enter into any other contracts valued at \$150,000 or more for goods or services or \$200,000 or more for works without first engaging in a competitive process.

STATUTORY INFORMATION

5. Disability action plan

In accordance with section 38 of the *Disability Act 2006*, Council adopted its Disability Action Plan 2013-2017 in September 2013. The Plan provides the framework for Council to address disability and other access issues across all areas of the organisation's planning and operations, ensuring Council meets its requirements under federal, state and local government legislation.

The Disability Action Plan has four priorities for action:

- Reducing barriers to people with a disability accessing Council goods, services and facilities
- Reducing barriers to people with a disability in the area of employment
- Promoting inclusion and participation in the community
- Achieving tangible changes in attitude and practices that discriminate against people with a disability.

Highlights from 2017-2018 include:

- Work Education and Training Forum for people with disability (held at the Greensborough Polytechnic for Disability Networks and service providers from the North Eastern Metropolitan Area).
Over 100 individuals/organisations attended, many registering on a waiting list as bookings were at capacity. Polytechnic staff received five new enrolments for their courses on the day, with particular interest from parents of younger school students.
- Twenty volunteers and staff from a local gaming store, five on the Autism Spectrum, engaged in an Autism Awareness session, and have volunteered to be mentors and trainers to their colleagues.
Twelve people from the local table top gaming store, most with ASD (Autism Spectrum Disorder), all with permanent and significant disability, are also volunteering as mentors to create a welcoming and inclusive social group.
These mentors are connecting with local services such as Headspace to build an understanding of the supports available to a group who often experience high rates of unemployment, as well as anxiety and depression, but who often fall between the gaps and are not connected to supports.
- Event organisers, businesses and key local community support organisations have gained a better understanding of the small adjustments and the welcoming attitudes that reduce barriers to participation.
- People with ASD and their carers have been increasingly welcomed into mainstream community activities and have worked with Council across all the activities to provide support and mentoring to other families and people with disability.
- Nillumbik Shire Council, in partnership with Whittlesea and Banyule Councils, successfully secured funding to build a portable Changing Places facility.
Changing Places are accessible toilets with adult-sized change tables and tracking hoists in major public spaces to meet the needs of people with high support needs. The facility will be made available at festivals and events, so they are more inclusive of people with disability and their families.
- A new grant program was established in 2017 to promote inclusive, innovative community-led events or activities to celebrate International Day of People with Disability.
- Council awarded grants to four local organisations and supported these organisations with event planning and delivery (grant pool of \$5,000).
- Over 100 students actively supported a shire-wide campaign to nominate inclusive businesses. The education and awareness program has been running across two Victorian Certificate of Applied Learning (VCAL) classes with a total of 47 students, 25 Year 9 students, and is about to roll out to more students as part of the health curriculum.
- Council received federal grant funding to build a bike storage facility along the Diamond Creek Trail for people who need adaptive bikes (often these bikes are too heavy and bulky to transport, which means people with disability do not get to enjoy our trails).
- This storage facility for adaptive bikes is believed to be the first of its kind in Victoria. There are already five families keen to store adaptive bikes in the shed and means they will finally enjoy access to the trail and the nearby local 'learn to ride area' at the netball courts in Diamond Creek. This project is a partnership initiative between Council, the Australian Government and the Brotherhood of St Laurence.

STATUTORY INFORMATION

6. Domestic animal management plan

In accordance with the *Domestic Animals Act 1994*, Council must develop and adopt a Domestic Animal Management Plan (DAMP) every four years.

Council is required to review the Plan annually and report achievements to the community through the annual report.

Nillumbik adopted the DAMP 2017-2021 in October 2017. In the first year of the DAMP, key achievements included:

- Maintaining Council's high animal registration compliance through the registration program and

targeted 'door knock' program. In all, 14,190 animal renewals were sent in 2018.

- Implementation of a new registration form and the ability to register and pay for renewals online through Council's website.
- The implementation of an emergency housing program for pets associated with family violence incidents.
- In excess of 98 per cent of impounded dogs were returned to their owners or rehomed.

8. Freedom of information

The Freedom of Information Act 1982 (FOI Act) provides the community with a general right of access to information held by Council. Access may be limited by exceptions and exemptions that have been prescribed to protect public interests, and the private and business affairs of people about whom Council holds information.

Requests for access to information under the FOI Act should be made in writing, specifying the particular

document(s) being sought, to the Freedom of Information Officer and accompanied by the appropriate fee.

In September 2017, there were important reforms to Victoria's FOI regime; in particular, the reduction from 45 to 30 days within which to make a decision on an FOI request, the new mandatory consultation requirements and automatic 15-day extension and the establishment of the Victorian Information Commissioner.

7. 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 2017-18 financial year.

The Information Commissioner plays an important role in promoting the operation of the FOI Act. A request can be made to the Information Commissioner to have a decision reviewed if an applicant is refused access to documents or is not satisfied with the action or decision taken by Council in relation to their request.

For further information visit Council's website nillumbik.vic.gov.au/Council/Council-publications/Freedom-of-information.

FREEDOM OF INFORMATION	2017-18	2016-17	2015-16	2014-15	2013-14
Total number of requests	12	24	12	8	8
Access granted in full	1	16	4	3	4
Access granted in part	8	3	3	5	2
No documents available	1	1	0	0	2
Access denied in full	0	2	2	0	0
Requests withdrawn or not proceeded with	0	1	1	0	0
Requests in progress at end of financial year	2	1	2	0	0
Total application fees collected	\$335.10	\$666.10	\$326	\$212	\$204
Total other charges collected	\$255.30	-	\$52	\$716	\$1,365

STATUTORY INFORMATION

9. Information privacy and health records

Council believes the responsible handling of personal information is a key aspect of democratic governance and is strongly committed to protecting an individual's right to privacy. Accordingly, Council is committed to full compliance with its obligations under the *Privacy and Data Protection Act 2014* (PDPA) and the *Health Records Act 2001*.

Council has implemented policies and procedures to ensure responsible collection, handling and disposal of all personal and health information. Copies of Council's Privacy Policy are available from the Civic Centre and Council's website.

Access to personal information held by Council may be made by applying in writing with proof of identity to Council's Privacy Officer. Any person who feels aggrieved by Council's handling of their personal information may make a complaint to Council's Privacy Officer on 9433 3271. The complaint will be investigated within five business days and a written response provided.

On 1 September 2017, the Office for the Commissioner for Privacy and Data Protection (OCPDP) was amalgamated with the Office of the Freedom of Information Commissioner to create a combined Office of the Victorian Information Commissioner (OVIC). Under OVIC, the functions and powers

of the former OCPDP remain largely the same and as a result our obligations under the Information Privacy Principles or the Victorian Protective Data Security Standards remain unchanged.

The Privacy and Data Protection Deputy Commissioner may receive complaints about possible breaches of the Information Privacy Principles; however, the Deputy Commissioner may decline to hear the complaint if you have not first made a complaint to Council.

For further information on Council's Privacy policy visit nillumbik.vic.gov.au/Privacy-Statement.

No complaints were received by Council during 2017-2018.

10. Protected disclosure procedures

Nillumbik Shire Council supports the *Protected Disclosures Act 2012* (PDA) and encourages employees, contractors and members of the public to report known or suspected instances of corrupt or improper conduct.

Council does not tolerate corrupt or improper conduct by its employees, officers or contractors, nor reprisals against those who come forward to disclose such conduct.

The PDA facilitates disclosures of improper conduct by the Council or its employees and provides protection for people who make disclosures.

Council encourages the disclosure of wrongdoing within the organisation and where a potential disclosure under the PDA is identified, ensures effective action is taken, including investigation by the appropriate entities.

Council has developed procedures for reporting disclosures of improper conduct or detrimental action. These procedures enable disclosures to be made to Council's Protected Disclosure Coordinator, the IBAC or to the Victorian Ombudsman.

From 1 July 2017 to 30 June 2018 there were no protected disclosures reported.

11. Road Management Act Ministerial directions

Council is responsible for the management of approximately 790 kilometres of road (of which 325 kilometres are unsealed), 350 kilometres of underground drainage, approximately 17,000 stormwater pits and 250 kilometres of footpaths.

The Road Management Plan forms the basis of Council's management of its road-based assets and provides details of how Council will inspect, maintain and respond to road based asset issues.

The Road Management Plan was reviewed and amended in June 2017, in accordance with the *Road Management Act 2004*.

Council, as a road authority, is required under section 22 of the Act to publish a copy or summary of any direction received from the Minister in its annual report. No directions were received from the Minister in 2017-2018.

STATUTORY INFORMATION

12. Infrastructure and development contributions

In accordance with section 46GM and 46QD of the *Planning and Environment Act 1987*, a council that is a collecting or development agency must prepare and give a report to the Minister for Planning on infrastructure and development contributions including levies and works in kind. The report must be published in a council's annual report. For the 2017-2018 year, the following information about infrastructure and development contributions is disclosed.

Table 1 – Total DCP levies received in 2017-2018

DCP NAME AND YEAR APPROVED	LEVIES RECEIVED IN 2017-2018 FINANCIAL YEAR (\$)
DCPO1 – Development Contributions Plan for Area A DPO 1, August 2003	\$36,630.60
DCPO2 – Area B: Diamond Creek North Development Contributions Plan – Area 2, February 2012	\$1,005,315.75
Total	\$1,041,946.35

Table 2 – DCP land, works, services or facilities accepted as works-in-kind in 2017-2018

DCP NAME AND YEAR APPROVED	PROJECT ID	PROJECT DESCRIPTION	ITEM PURPOSE	PROJECT VALUE (\$)
DCPO2 – Area B: Diamond Creek North Development Contributions Plan – Area 2, February 2012	R009	Collard Drive upgrade	Part of road construction works	\$1,470,976.50
DCPO2 – Area B: Diamond Creek North	R008	Herberts Lane upgrade	Part of road construction works	\$318,359.90
Total				\$1,789,336.40

Table 3 – Total DCP contributions received and expended to date (for DCPs approved after 1 June 2016)

DCP NAME AND YEAR APPROVED	TOTAL LEVIES RECEIVED (\$)	TOTAL LEVIES EXPENDED (\$)	TOTAL WORKS-IN-KIND ACCEPTED	TOTAL DCP CONTRIBUTIONS RECEIVED (LEVIES AND WORKS-IN-KIND) (\$)
Total	N/A	N/A	N/A	N/A

Table 4 – Land, works, services or facilities delivered in 2017-2018 from DCP levies collected

PROJECT DESCRIPTION	PROJECT ID	DCP NAME AND YEAR APPROVED	DCP FUND EXPENDED (\$)	WORKS-IN-KIND ACCEPTED (\$)	COUNCIL'S CONTRIBUTION (\$)	OTHER CONTRIBUTIONS (\$)	TOTAL PROJECT EXPENDITURE (\$)	% OF ITEM DELIVERED
Collard Drive Upgrade	R004	DCPO2 – Area B: Diamond Creek North Development Contributions Plan – Area 2, February 2012	\$733,937.75	\$701,404.53	\$0	\$0	\$1,435,342.28	43%
Herberts Lane Upgrade	R008	DCPO2 – Area B: Diamond Creek North Development Contributions Plan – Area 2, February 2012	\$219,301.35	\$0	\$0	\$0	\$219,301.35	18%
Total			\$953,239.10	\$701,404.53	\$0	\$0	\$1,654,643.63	

STATUTORY INFORMATION

13. Charter of human rights

The *Victorian Charter of Human Rights and Responsibilities Act 2006* protects the human rights of all people in Victoria. All public authorities and their employees are obliged to act in accordance with the Charter.

The Charter seeks to increase transparency in decision making affecting people's rights and assure the public that their rights are being taken into account.

It sets out 20 rights which assist all people to live with freedom, respect, equality and dignity.

No human rights complaints were received by Council during 2017-2018.

14. Legislation impacting Council

Council undertakes a broad range of activities and services and conducts its activities under a highly-regulated environment.

In Victoria, councils have responsibilities under more than 120 different Victorian pieces of legislation, as well as responsibilities under Commonwealth legislation.

Many acts and regulations, including those below, have a direct impact on Council and require significant compliance, contain specific provisions relevant to Council, have some form of indirect influence, or require specific knowledge by staff carrying out their duties.

- *Australian Citizenship Act 2007*
- *Building Act 1993*
- *Competition and Consumer Act 2010*
- *Country Fire Authority Act 1958*
- *Disability Discrimination Act (Commonwealth) 1992*
- *Disability Act 2006*
- *Domestic Animals Act 1994*
- *Emergency Management Act 2013*
- *Environment Protection Act 1970*
- *Equal Opportunity Act 2010*
- *Food Act 1984*
- *Freedom of Information Act 1982*
- *Geographic Place Names Act 1998*

- *Local Government Act 1989*
- *Occupational Health and Safety Act 2004*
- *Planning and Environment Act 1987*
- *Privacy and Data Protection Act 2014*
- *Protected Disclosures Act 2012*
- *Public Health and Wellbeing Act 2008*
- *Public Records Act 1973*
- *Road Management Act 2004*
- *Road Safety Act 1986*
- *Subdivision Act 1988*
- *Victorian Charter of Human Rights and Responsibilities Act 2006*

STATUTORY INFORMATION

15. Local laws

Council currently has three local laws in place.

a) Amenity Local Law

The purpose of this local law is to provide for the:

- Safe and fair use and enjoyment of public places
- Safe and fair use of roads
- Regulation of street activities
- Keeping and control of animals
- Fair and reasonable use and enjoyment of private land
- Uniform and fair administration of this Local Law
- Peace, order and good government of the municipality.

b) Infrastructure Assets Local Law

The purpose of this local law is to:

- Provide for the peace, order and good government of the municipal district
- Protect public assets vested in council from damage, accelerated deterioration or abuse during the building works process

- Provide a physical environment which aims to minimise hazards to the health and safety of persons attending building sites and those adjacent, opposite or passing building sites
- Prohibit, regulate and control the presence and disposal of refuse, rubbish and soil on and from building sites within the municipal district to reduce hazards to the environment and promote an environment where residents can enjoy a quality of life that meets the general expectation of the community
- Define the standards to which persons engaged in building works should adhere to
- Educate and induce persons involved in building works to act responsibly to reduce the extent and cost of infrastructure damage for the benefit of the wider community.

The Amenity Local Law and the Infrastructure Assets Local Law both commenced operation on 6 December 2013.

c) Meeting Procedure Local Law

The purpose of this local law is to:

- Regulate proceedings at Council Meetings, Special Committee Meetings and other meetings conducted by or on behalf of Council where Council has resolved that the provisions of this local law are to apply
- Regulate proceedings for the election of the Mayor, Deputy Mayor and Chairpersons
- Facilitate community engagement by providing opportunities at meetings for community members to express their views
- Ensure the efficient and orderly conduct of meetings
- Regulate the use and keeping of the common seal
- Ensure the peace, order and good government of the municipal district.

The Meeting Procedure Local Law was reviewed and adopted by Council on 27 June 2017 and commenced operation on 7 July 2017.

16. Council memberships

Council is a member of a number of groups and organisations, including the following key memberships:

- Australian Local Government Women's Association
- Metropolitan Transport Forum
- Municipal Association of Victoria
- Victorian Local Governance Association.

17. National competition policy

Council has in place the necessary procurement processes and controls to ensure that Council's commercial dealings are honest and comply with the requirements of the *Competition & Consumer Act (2010)*. Furthermore, Councillors and Council officers are covered by a Councillors and Officers Liability Policy.



Hurstbridge Community Hub provides a focal point for services and community activities

COMMUNITY GRANTS

Community Festivals / Fairs

Eltham Town Festival	\$57,432
Eltham Jazz, Food & Wine Festival	\$31,816
Diamond Creek Town Fair	\$35,572
Hurstbridge Traders – Wattle Festival	\$28,457
Warrandyte Festival	\$14,239
On The Hill Festival, Panton Hill	\$15,994
Eltham Mudbrick House Tour	\$5,000
	\$188,510

Community Group Support Grants

Araluen	\$3,636
St Andrews Festival	\$2,000
Incredible Edible Eltham	\$2,000
Eltham Fishing Club	\$2,000
Eltham Authors Collective Inc	\$2,000
The Soothsayers	\$2,000
Hang Together	\$2,000
Plenty Valley Community Radio	\$1,990
Proactive Landowners (PALs)	\$1,811
Boomerang Bags	\$1,642
Clean Energy Nillumbik	\$1,700
Christmas Hills Orchestral Players	\$1,600
Catholic Care	\$1,553
Little Drop of Poison	\$2,000
Thrive Community Garden	\$1,353
Older Men New Ideas (OM:NI)	\$1,258
Eltham District Historical Society	\$1,000
Hurstbridge Sow and Grow Garden Club	\$963
Diamond Creek Parkrun	\$624
	\$33,130

Cultural Development Grants

Shakespeare In The Park	\$5,000
Poetry @ Chrissy Hills	\$630
Baching Mad	\$1,600
Ceramics Collective	\$1,018
Boite World Harmonies	\$4,545
Art 4 Refugees	\$1,615
Diamond Creek Legends Mural	\$2,000
	\$16,408

Business and Tourism Development Grants

Nillumbik Tourism Association	\$18,600
	\$18,600

Arts related

Montsalvat	\$25,000
Artists Open Studios	\$24,400
Living in the Landscape Public Art Incubator	\$12,000
St Andrews Men's Shed	\$1,013
Eltham Courthouse Poetry Readings	\$6,865
Nillumbik Prize	\$6,000
Literary Nillumbik – Alan Marshall Short Story Award	\$4,318
Literary Nillumbik – Nillumbik Ekphrasis Poetry Award	\$1,000
	\$80,596

Fire Brigades

Arthurs Creek Fire Brigade	\$2,722
Christmas Hills Fire Brigade	\$2,722
Diamond Creek Fire Brigade	\$2,722
District 14 Headquarters Brigade East	\$2,722
Doreen Fire Brigade	\$2,722
Eltham Fire Brigade	\$2,722
Hurstbridge Fire Brigade	\$2,722
Kangaroo Ground Fire Brigade	\$2,722
Kinglake Fire Brigade	\$2,722
Nillumbik Group Fire Brigade	\$2,722
North Warrandyte Fire Brigade	\$2,722
Panton Hill Fire Brigade	\$2,722
Plenty Fire Brigade	\$2,722
Research Fire Brigade	\$2,722
St Andrews Fire Brigade	\$2,722
Wattle Glen Fire Brigade	\$2,722
Whittlesea/Diamond Valley Group Fire Brigade	\$2,722
Yarrambat Fire Brigade	\$2,722
	\$49,000

Heritage Grants

Friends of Kangaroo Ground War Memorial Park Inc	\$600
Eltham District Historical Society	\$600
St Andrews Queenstown Historical Society	\$600
Queenstown Cemetery Trust	\$600
Allwood Neighbourhood House Inc.	\$600
Nillumbik Historical Society	\$600
Plenty Historical Society	\$600
Greensborough Historical Society	\$600
Andrew Ross Museum	\$600
Yarrambat Historical Society	\$600
Nillumbik Reconciliation Group	\$600
Warrandyte Historical Society	\$600
Arthurs Creek Mechanics Institute	\$600
	\$7,800

Occasional Childcare Centres

Hohnes Road Playhouse Inc.	\$14,994
	\$14,994

Sports and Recreational Achievements

19 achievement grants	\$3,100
	\$3,100

Youth Support Grants

Squish Art Collective auspiced by Rotary Club of Eltham Inc.	\$990
Headspace Greensborough auspiced by MIND Australia	\$1,901
UN Youth Australia	\$2,000
	\$4,891

Total value of grants allocated in 2017-2018 \$417,029

ANNUAL FINANCIAL REPORT

FOR THE YEAR
ENDED 30 JUNE 2018

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COMPREHENSIVE INCOME STATEMENT

For the year ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
INCOME			
Rates and charges	2.1	63,131	62,811
Statutory fees and fines	2.2	1,558	1,506
User fees	2.3	8,961	9,628
Grants – operating	2.4	7,170	8,613
Grants – capital	2.4	4,138	5,742
Contributions – monetary	2.5	2,589	2,620
Contributions – non-monetary	2.5	5,100	372
Net gain on disposal of property, infrastructure, plant and equipment	2.6	1,351	-
Share of net profits/(losses) of associate	5.3	40	87
Other income	2.7	2,824	2,313
Total income		96,862	93,692
EXPENSES			
Employee costs	3.1	31,984	31,208
Materials and services	3.2	30,388	27,950
Depreciation	3.3	11,115	10,415
Bad and doubtful debts	3.4	53	4
Borrowing costs	3.5	812	885
Net loss on disposal of property, infrastructure, plant and equipment	2.6	-	896
Contributions to associate	5.3	2,694	2,690
Other expenses	3.6	3,264	3,722
Total expenses		80,310	77,770
Surplus/(deficit) for the year		16,552	15,922
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	8.1	158,981	-
Total comprehensive result		175,533	15,922

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

BALANCE SHEET

As at 30 June 2018

	Note	2018 \$'000	2017 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	4.1	46,670	37,910
Trade and other receivables	4.1	8,032	8,046
Other financial assets	4.1	1,000	6,300
Inventories	4.2	22	23
Non-current assets classified as held for sale	5.1	5,158	3,000
Other assets	4.2	4,376	1,771
Total current assets		65,258	57,050
Non-current assets			
Trade and other receivables	4.1	550	830
Other financial assets	4.1	5	5
Investments in associate	5.3	1,597	1,557
Property, infrastructure, plant and equipment	5.2	921,851	753,235
Total non-current assets		924,003	755,627
Total assets		989,261	812,677
LIABILITIES			
Current liabilities			
Trade and other payables	4.3	8,904	5,490
Trust funds and deposits	4.3	1,648	1,509
Provisions	4.5	6,670	6,947
Interest-bearing loans and borrowings	4.4	2,121	2,203
Total current liabilities		19,343	16,149
Non-current liabilities			
Provisions	4.5	7,707	9,208
Interest-bearing loans and borrowings	4.4	10,615	11,257
Total non-current liabilities		18,322	20,465
Total liabilities		37,665	36,614
Net assets		951,596	776,063
EQUITY			
Accumulated surplus		388,337	373,053
Reserves	8.1	563,259	403,010
Total equity		951,596	776,063

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

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2018

2018	Note	Total \$'000	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		776,063	373,053	365,651	37,359
Surplus/(deficit) for the year		16,552	16,552	-	-
Net asset revaluation increment/(decrement)	8.1	158,981	-	158,981	-
Transfers to other reserves	8.1	-	(25,553)	-	25,553
Transfers from other reserves	8.1	-	24,285	-	(24,285)
Balance at end of the financial year		951,596	388,337	524,632	38,627

2017	Note	Total \$'000	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		760,141	360,992	365,651	33,498
Surplus/(deficit) for the year		15,922	15,922	-	-
Net asset revaluation increment/(decrement)	8.1	-	-	-	-
Transfers to other reserves	8.1	-	(20,867)	-	20,867
Transfers from other reserves	8.1	-	17,006	-	(17,006)
Balance at end of the financial year		776,063	373,053	365,651	37,359

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

STATEMENT OF CASH FLOWS

For the year ended 30 June 2018

	Note	2018 Inflows/ (Outflows) \$'000	2017 Inflows/ (Outflows) \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Rates and charges		63,583	63,005
Statutory fees and fines		1,558	1,506
User fees*		6,722	9,797
Grants – operating*		7,442	8,782
Grants – capital*		4,410	5,911
Contributions – monetary*		2,861	2,789
Interest received		955	1,403
Trust funds and deposits taken		290	513
Other receipts		1,758	641
Net GST refund/(payment)		4,010	4,450
Employee costs		(32,406)	(31,048)
Materials and services*		(31,314)	(30,849)
Trust funds and deposits repaid		(12)	(239)
Other payments*		(7,048)	(8,401)
Net cash provided by/(used in) operating activities		22,809	28,258
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, infrastructure, plant and equipment	5.2	(22,285)	(24,147)
Proceeds from sale of property, infrastructure, plant and equipment		5,472	1,607
Payments for investments		(1,000)	(6,300)
Proceeds from investments		5,300	7,000
Net cash provided by/(used in) investing activities		(12,513)	(21,840)
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance costs		(812)	(885)
Proceeds from borrowings		-	-
Repayment of borrowings		(724)	(843)
Net cash provided by/(used in) financing activities		(1,536)	(1,728)
Net increase/(decrease) in cash and cash equivalents		8,760	4,690
Cash and cash equivalents at the beginning of the financial year		37,910	33,220
Cash and cash equivalents at the end of the financial year	4.1	46,670	37,910
Financing arrangements	4.6		
Restrictions on cash assets	4.1		

*GST Inclusive

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

STATEMENT OF CAPITAL WORKS

For the year ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
Property			
Land		–	–
Land improvements		–	–
Playgrounds		–	–
Total land		–	–
Buildings		2,129	4,513
Buildings – heritage		–	–
Building improvements – disability access works		–	–
Total buildings		2,129	4,513
Total property		2,129	4,513
Plant and equipment			
Plant, machinery and equipment		642	878
Furniture, equipment and computers		109	–
Artwork		–	–
Total plant and equipment		751	878
Infrastructure			
Roads		2,272	4,506
Bridges		214	949
Footpaths and cycleways		2,375	817
Drainage		759	453
Recreational, leisure and community facilities		12,853	9,287
Waste management		1,065	1,016
Parks, open space and streetscapes		546	515
Traffic treatments		–	–
Other infrastructure		933	391
Total infrastructure		21,017	17,934
Total capital works expenditure		23,897	23,325
Represented by:			
New asset expenditure		622	1,662
Asset renewal expenditure		5,301	7,347
Asset expansion expenditure		1,992	1,762
Asset upgrade expenditure		15,982	12,554
Total capital works expenditure		23,897	23,325

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

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

INTRODUCTION

The Nillumbik Shire Council was established by an Order of the Governor in Council on 15 December 1994 and is a body corporate. Council's main office is located at Civic Drive, Greensborough, Victoria.

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 5.2)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 5.2)
- the determination of employee provisions (refer to note 4.5)
- the determination of landfill provisions (refer to note 4.5)

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.

NOTE 1 PERFORMANCE AGAINST BUDGET

The performance against budget 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 10 percent 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 27 June 2017. 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*.

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 1 PERFORMANCE AGAINST BUDGET (cont.)

1.1 Income and expenditure

	Budget 2018 \$'000	Actual 2018 \$'000	Variance 2018 \$'000	Ref
INCOME				
Rates and charges	62,733	63,131	398	
Statutory fees and fines	1,178	1,558	380	1
User fees	11,500	8,961	(2,539)	2
Grants – operating	6,094	7,170	1,076	3
Grants – capital	3,261	4,138	877	4
Contributions – monetary	520	2,589	2,069	5
Contributions – non monetary	–	5,100	5,100	6
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	–	1,351	1,351	7
Share of net profits/(losses) of associates and joint ventures	–	40	40	
Other income	1,493	2,824	1,331	8
Total income	86,779	96,862	10,083	
EXPENSES				
Employee costs	32,551	31,984	(567)	
Materials and services	26,842	30,388	3,546	9
Bad and doubtful debts	–	53	53	
Depreciation	10,095	11,115	1,020	10
Borrowing costs	820	812	(8)	
Contributions to associates	2,788	2,694	(94)	11
Other expenses	6,525	3,264	(3,261)	12
Total expenses	79,621	80,310	(689)	
Surplus/(deficit) for the year	7,158	16,552	9,394	

(i) Explanation of material variances

Ref Explanation

- 1 Statutory fees and fines**, variance due to increase in fines and permits issued for the year and penalties served on properties in the Shire.
- 2 User fees**, variance attributable to Eltham Leisure Centre redevelopment, whereby the partial extended closure of the facility has impacted the utilisation for the period decrease in facility use.
- 3 Grants – operating**, variance is due to Commonwealth Financial Assistance Grants received in advance. Additional grants not budgeted for were also received during the financial year.
- 4 Grants – capital**, variance is due to grants budgeted in prior year received during the period.
- 5 Contributions – monetary**, variance largely due to developer and capital works contributions received in excess of budget amounts.
- 6 Contributions – non-monetary**, comprises of infrastructure assets, in particular drainage assets, that were transferred to Council during the period. Council does not budget for the receipt of non-monetary contributions.
- 7 Net gain on disposal of property**, infrastructure, plant and equipment, losses on disposal of plant, infrastructure and equipment are not budgeted for.
- 8 Other income**, variance is driven by an increase in interest income attributable to an increase in funds invested. Items of an unexpected nature were also received including WorkCover and insurance refunds and non-voter fines received during the financial year.
- 9 Materials and services**, variance is largely due to classification of insurance premiums. For budgeting purposes, insurance premiums are categorised as other expenses, but are allocated to the materials and services category in the income statement.
- 10 Depreciation**, variance is driven by the capitalisation of newly completed assets.
- 11 Contributions to associates**, reflective of the contributions agreed upon by the board of the Yarra Plenty Regional Library Service.
- 12 Other expenses**, variations due to underspends on utilities and lease costs. This is further compounded by insurance premiums budgeted as other expenses, but classified as materials and services in the income statement.

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 1 PERFORMANCE AGAINST BUDGET (cont.)

1.2 Capital Works

	Budget 2018 \$'000	Actual 2018 \$'000	Variance 2018 \$'000	Ref
Property				
Land	–	–	–	
Playgrounds	–	–	–	
Land improvements	–	–	–	
Total land	–	–	–	
Buildings				
Buildings – heritage	3,739	2,129	(1,610)	1
Building improvements	–	–	–	
Total buildings	3,739	2,129	(1,610)	
Total property	3,739	2,129	(1,610)	
Plant and equipment				
Plant, machinery and equipment	1,871	642	(1,229)	2
Fixtures, fittings and furniture	–	109	109	
Computers and telecommunications	–	–	–	
Artwork	–	–	–	
Total plant and equipment	1,871	751	(1,120)	
Infrastructure				
Roads	2,164	3,673	1,509	3
Bridges	1,014	214	(800)	4
Footpaths, trails and cycleways	790	974	184	5
Drainage	625	759	134	
Recreational, leisure and community facilities	7,878	12,853	4,975	6
Kerb and channel	–	–	–	
Waste management	853	1,065	212	
Parks, open space and streetscapes	1,739	546	(1,193)	7
Traffic treatments	–	–	–	
Other infrastructure	668	933	265	
Total infrastructure	15,731	21,017	5,286	
Total capital works expenditure	21,341	23,897	2,556	
Represented by:				
New asset expenditure	2,920	622	(2,298)	
Asset renewal expenditure	6,556	5,301	(1,255)	
Asset expansion expenditure	2,947	1,992	(955)	
Asset upgrade expenditure	8,918	15,982	7,064	
Total capital works expenditure	21,341	23,897	2,556	

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 1 PERFORMANCE AGAINST BUDGET (cont.)

1.2 Capital Works (cont.)

(i) Explanation of material variances

Ref Explanation

- 1 **Buildings**, variance due to anticipated land purchases which were budgeted for, that did not take place during the period.
- 2 **Plant, machinery and equipment**, variance due to a reduction in fleet vehicles and further compounded by a delay in budgeted spend.
- 3 **Roads**, variance driven by works at Collard Drive, Herberts Lane and the Civic Drive precinct and the Hillmartin Lane special charge scheme works completed during the period, budgeted for in the prior year.
- 4 **Bridges**, variance largely driven by the Gibson Street bridge rehabilitation works, which will be completed in the 2018-19 financial year.
- 5 **Footpaths, trails and cycleways**, variance due to works undertaken in 2017-18 that were budgeted for in 2016-17.
- 6 **Recreation, Leisure and Community**, variance due to Eltham Leisure Centre works carried forward from prior years, offset by works carried forward to 2018-19 on Research Park Sports Pavilion, Wattleglen Soccer Facilities and Diamond Valley Sports and Recreation Centre.
- 7 **Parks, open space and streetscapes**, variance due to works on open space, including Civic Drive precinct, carried forward to 2018-19.

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 2 FUNDING FOR THE DELIVERY OF OUR SERVICES (cont.)

2.1 Rates and charges

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The Capital Improved Value of a property is the market value of land and all improvements at a given point in time. The valuation base used to calculate general rates for 2017-18 was \$15.99 billion (2016-17 \$15.85 billion). The rate in the dollar for each type of rate to be levied was:

	2018 \$'000	2017 \$'000
General rates	51,820	51,412
Municipal charge	2,238	2,228
Waste management charge	8,329	8,257
Special rates and charges	188	290
Supplementary rates and rate adjustments	103	189
Interest on rates	453	435
Total rates and charges	63,131	62,811

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2018, and the valuation will be first applied in the rating year commencing 1 July 2018. Annual rates and charges are recognised as revenues when Council issues annual rates notices. Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

2.2 Statutory fees and fines

	2018 \$'000	2017 \$'000
Infringements and costs	469	580
Court recoveries	15	34
Town planning fees	769	577
Land information certificates	42	45
Animal infringements	56	83
Permits	207	187
Total statutory fees and fines	1,558	1,506

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.

2.3 User fees

	2018 \$'000	2017 \$'000
Aged services	184	227
Leisure centre and recreation	5,204	5,997
Child care/children's programs	355	320
Registration and other permits	737	705
Building services	27	28
Waste management services	580	613
Subdivision supervision	283	189
Pound release	48	51
Adult education	353	381
Edendale farm	280	259
Environmental health	245	260
Hall and sport ground hire	493	381
Other fees and charges	172	217
Total user fees	8,961	9,628

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

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 2 FUNDING FOR THE DELIVERY OF OUR SERVICES (cont.)

2.4 Funding from other levels of government

Grants were received in respect of the following:

	2018 \$'000	2017 \$'000
Summary of grants		
Commonwealth funded grants	5,691	5,647
State funded grants	5,617	8,708
Total grants received	11,308	14,355
(a) Operating Grants		
	2018 \$'000	2017 \$'000
Recurrent – Commonwealth Government		
Aged care	1,054	–
Community health	8	–
Community planning	50	–
Family and children	97	–
Commonwealth Financial Assistance Grants	3,066	4,732
Other	5	–
Recurrent – State Government		
Adult education	514	433
Aged care, senior citizens centres	–	1,567
Arts	2	–
Community health	61	82
Community planning	14	100
Disability support	427	–
Economic development	–	15
Environment	15	45
Family and children	666	725
Metro access	139	133
Recreation	10	15
School crossing supervisors	226	153
Waste	57	–
Total recurrent operating grants	6,411	8,000
Non-recurrent – State Government		
Adult education	40	–
Community planning	53	51
Emergency management	115	122
Environment	379	287
Family and children	95	108
Planning	5	12
Recreation	–	17
Waste	–	9
Other	72	7
Total non-recurrent operating grants	759	613
Total operating grants	7,170	8,613

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 2 FUNDING FOR THE DELIVERY OF OUR SERVICES (cont.)

2.4 Funding from other levels of government

(b) Capital Grants

	2018 \$'000	2017 \$'000
Non-recurrent – Commonwealth Government		
Playgrounds	–	–
Recreation	–	–
Bridges	683	749
Roads	328	52
Roads to recovery	400	114
Non-recurrent – State Government		
Buildings	–	63
Community facilities	–	950
Community planning	–	–
Emergency management	35	25
Environment	2	500
Family and children	–	–
Footpaths	–	30
Playgrounds	50	29
Recreation	2,640	2,710
Roads	–	520
Recreation	10	15
Total non-recurrent capital grants	4,138	5,742
Total capital grants	4,138	5,742
Unspent grants received on condition that they be spend in a specific manner		
Balance at start of year	2,167	5,767
Received during the financial year and remained unspent at balance date	5,772	3,785
Received in prior years and spent during the financial year	(2,162)	(7,385)
Balance at year end	5,777	2,167
2.5 Contributions		
Monetary	2,589	2,620
Non-monetary	5,100	372
Total contributions	7,689	2,992
Contributions of non-monetary assets were received in relation to the following asset classes:		
Infrastructure	5,100	372
Total non-monetary contributions	5,100	372

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

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 2 FUNDING FOR THE DELIVERY OF OUR SERVICES (cont.)

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

	2018 \$'000	2017 \$'000
Proceeds of sale	5,473	1,608
Written down value of assets disposed	(4,122)	(2,504)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	1,351	(896)

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

2.7 Other income

	2018 \$'000	2017 \$'000
Interest	955	968
Other rent	319	301
Reimbursements	778	152
Sale of valuations	18	195
WorkCover insurance recoveries	168	173
Planning	57	74
Other	529	450
Total other income	2,824	2,313

Interest is recognised as it is earned.

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.

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 3 THE COST OF DELIVERING SERVICES

3.1 Employee costs

	2018 \$'000	2017 \$'000
Wages and salaries	28,912	27,516
WorkCover	317	490
Superannuation	2,437	2,545
Fringe benefits tax	136	219
Other	182	438
Total employee costs	31,984	31,208

(b) Superannuation

Council made contributions to the following funds:

	2018 \$'000	2017 \$'000
Defined benefit fund		
Employer contributions to <i>Local Authorities Superannuation Fund (Vision Super)</i>	129	209
Employer contributions – other funds	–	–
	129	209

Employer contributions payable at reporting date.

	2018 \$'000	2017 \$'000
Accumulation funds		
Employer contributions to <i>Local Authorities Superannuation Fund (Vision Super)</i>	1,531	1,489
Employer contributions – other funds	906	847
	2,437	2,336

Employer contributions payable at reporting date. 98 65

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

Employee benefits disclosed in the comprehensive income statement are marginally lower than those disclosed within the cash flow statement, reflecting the movement in the employee benefits provision during the financial year.

3.2 Materials and services

Contract payments	11,535	10,816
Building maintenance	296	277
Materials, maintenance and equipment	9,544	8,495
Utilities	1,113	888
Office administration	817	949
Information technology and telephone	1,765	1,788
Insurance premiums	967	878
Consultants	2,428	2,028
Emergency management	309	383
Waste management	1,266	1,107
Other	348	341
Total materials and services	30,388	27,950

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 3 THE COST OF DELIVERING SERVICES (cont.)

3.3 Depreciation

	2018 \$'000	2017 \$'000
Property	114	112
Buildings	1,220	1,301
Plant and equipment	1,028	1,102
Infrastructure	8,753	7,900
Total depreciation	11,115	10,415

Refer to note 5.2 for a detailed breakdown of depreciation

3.4 Bad and doubtful debts

Parking fine debtors*	52	3
Bad debts	1	1
Total bad and doubtful debts	53	4

* Bad and doubtful debts for parking debtors relate to provisions raised regarding amounts in excess of 12 months old which have been referred to Infringements Court for collection plus associated costs.

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

3.5 Borrowing costs

Interest on borrowings	812	885
Total borrowing costs	812	885

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.

3.6 Other expenses

Auditors' remuneration – VAGO – audit of the financial statements, performance statement	62	71
Auditors' remuneration – internal and grant acquittals	99	86
Councillors' allowances	244	234
Operating lease rentals	951	900
Assets written off/ impaired	–	–
Other	1,908	2,431
Total other expenses	3,264	3,722

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 4 OUR FINANCIAL POSITION

4.1 Financial Assets

(a) Cash and cash equivalents	2018 \$'000	2017 \$'000
Cash on hand	7	7
Cash at bank	3,278	903
Term deposits	43,385	37,000
Total cash and cash equivalents	46,670	37,910

(b) Other financial assets

Current		
Term deposits	1,000	6,300
Non-current		
Investment – MAPS	5	5
Total other financial assets	1,005	6,305
Total financial assets	47,675	44,215

Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use, these include:

Trust funds and deposits (note 4.3)	1,648	1,509
Net increase/(decrease) in restricted assets resulting from grant revenues	5,777	2,167
Statutory cash backed and capital works reserves	29,065	25,553
Total restricted funds	36,490	29,229
Total unrestricted cash and cash equivalents	10,180	8,681

Intended allocations

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

Cash held to fund long service leave (other financial assets)	5,300	5,300
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Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of ninety days/three months or less, net of outstanding bank overdrafts.

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

Investments in MAPS and the Local Government Health Plan are valued at cost. Any dividends paid are taken up as revenue.

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 4 OUR FINANCIAL POSITION (cont.)

4.1 Financial Assets

(c) Trade and other receivables

	2018 \$'000	2017 \$'000
Current		
<i>Statutory receivables</i>		
Rates debtors	5,821	5,882
Special charge scheme debtors	674	793
Parking infringement debtors	541	516
Provision for doubtful debts – parking infringements	(342)	(290)
<i>Non-statutory receivables</i>		
Other debtors	694	659
Net GST receivable	644	486
Total current trade and other receivables	8,032	8,046
Non-current		
<i>Statutory receivables</i>		
Special rate scheme	550	830
Total non-current trade and other receivables	550	830
Total trade and other receivables	8,582	8,876

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

a) Ageing of Receivables

The ageing of the Council's trade and other receivables (excluding statutory receivables) that are not impaired was:

Current (not yet due)	1,281	1,053
Past due by up to 30 days	21	22
Past due between 31 and 180 days	1	7
Past due between 181 and 365 days	–	36
Past due by more than 1 year	35	27
Total trade & other receivables	1,338	1,145

b) Movement in provisions for doubtful debts

Balance at the beginning of the year	290	287
New provisions recognised during the year	53	4
Amounts already provided for and written off as uncollectible	(1)	(1)
Balance at end of year	342	290

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 4 OUR FINANCIAL POSITION (cont.)

4.2 Non-financial assets

(a) Inventories

	2018 \$'000	2017 \$'000
Fuel	22	23
Total inventories	22	23

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

(b) Other assets

Current

Prepayments	1,699	1,605
Accrued income	2,677	166
Total current other assets	4,376	1,771

4.3 Payables

(a) Trade and other payables

Trade payables	2,663	2,043
Accrued expenses	6,176	3,420
Prepaid income	65	27
Net GST payable	–	–
Total trade and other payables	8,904	5,490

(b) Trust funds and deposits

Refundable deposits	337	266
Fire services levy	–	–
Retention amounts	525	469
Other refundable deposits	786	774
Total	1,648	1,509

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. Trust funds that are forfeited, resulting in council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

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, after each instalment date. 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.

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 4 OUR FINANCIAL POSITION (cont.)

4.4 Interest-bearing liabilities

	2018 \$'000	2017 \$'000
Current		
Borrowings – secured	2,121	2,203
	2,121	2,203
Non-current		
Borrowings – secured	10,615	11,257
	10,615	11,257
Total	12,736	13,460

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

Not later than one year	2,121	2,203
Later than one year and not later than five years	5,792	7,084
Later than five years	4,823	4,173
Total	12,736	13,460

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.

All borrowings taken out by Council can be secured through two avenues, against Council's fixed asset portfolio or the rates levied by Council. The overall balance of secured borrowings accounts for 0.138 percent of the total fixed asset portfolio, or 24 percent of general rates and municipal charge levied in the 2017-18 financial year.

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 4 OUR FINANCIAL POSITION (cont.)

4.5 Provisions

	Employee \$ '000	Landfill restoration \$ '000	Total \$ '000
2018			
Balance at beginning of the financial year	7,661	8,494	16,155
Additional provisions	3,027	–	3,027
Amounts used	(3,449)	–	(3,449)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	–	(1,356)	(1,356)
Balance at the end of the financial year	7,239	7,138	14,377
2017			
Balance at beginning of the financial year	7,501	8,507	16,008
Additional provisions	3,417	–	3,417
Amounts used	(3,257)	–	(3,257)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	–	(13)	(13)
Balance at the end of the financial year	7,661	8,494	16,155

(a) Employee provisions

	2018 \$'000	2017 \$'000
Current provisions expected to be wholly settled within 12 months		
Redundancies	–	422
Annual leave	718	681
Long service leave	899	892
	1,617	1,995
Current provisions expected to be wholly settled after 12 months		
Annual leave	1,458	1,382
Long service leave	3,595	3,570
	5,053	4,952
Total current provisions	6,670	6,947
Non-current		
Long service leave	569	714
Total non-current provisions	569	714
Aggregate carrying amount of employee provisions		
Current	6,670	6,947
Non-current	569	714
Total aggregate carrying amount of employee provisions	7,239	7,661

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 4 OUR FINANCIAL POSITION (cont.)

4.5 Provisions

(a) Employee provisions

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

Wages and salaries and annual leave

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

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

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. LSL is measured at present value. Unconditional LSL is disclosed as a 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.

Key assumptions:

Weighted average increase in employee costs	3.70%	3.10%
Weighted average discount rates	2.31%	2.20%

(b) Land fill restoration

	2018 \$'000	2017 \$'000
Current	-	-
Non-current	7,138	8,494
Borrowings – secured	2,121	2,203
Total land fill restoration	7,138	8,494

Council is obligated to restore the former landfill sites at Plenty and Kangaroo Ground to a particular standard. The provision for landfill restoration has been calculated based on the present value of expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard as reviewed by the Environmental Protection Agency (EPA). Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Key assumptions:

Discount rate	2.65%	2.61%
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	2018 \$'000	2017 \$'000
Estimated cost to rehabilitate (per contract)	9,913	9,913

The estimated cost to rehabilitate both landfill sites reflects the contracted rehabilitation cost of the Plenty Landfill site, with the same costing assumed for Kangaroo Ground based on all known rehabilitation requirements. Rehabilitation of both landfill sites is underpinned by EPA requirements which are reflected in rehabilitation contract.

(c) Aggregate carrying amount of provisions

Current	6,670	6,947
Non-current	7,707	9,208

Total	14,377	16,155
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NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 4 OUR FINANCIAL POSITION (cont.)

4.6 Financing arrangements

Council has the following funding arrangements in place as at 30 June 2018.

	2018 \$'000	2017 \$'000
Bank overdraft and drawdown available	-	-
Credit card facilities	153	153
Other facilities	-	-
Total facilities	153	153
Used facilities	32	21
Unused facilities	121	132
Total	153	153

4.7 Commitments

The Council has entered into the following commitments. Commitments are not recognised in the balance sheet. Commitments are disclosed at their nominal value and presented exclusive of the GST payable.

2018	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
Operating					
Buildings	12	-	-	-	12
Business and tourism	8	-	-	-	8
Community	1,091	103	-	-	1,194
Fleet	1,005	715	582	-	2,302
Infrastructure maintenance	599	651	37	-	1,287
Integrated strategy	122	-	-	-	122
Open space	312	-	-	-	312
Organisational support	555	370	601	-	1,526
Sport and leisure	255	251	-	-	506
Waste	106	33	-	-	139
Total	4,065	2,123	1,220	-	7,408
Capital					
Land	3,570	-	-	-	3,570
Buildings	9,178	433	26	9	9,646
Plant and equipment	-	-	-	-	-
Infrastructure	1,257	-	-	-	1,257
Total	14,005	433	26	9	14,473

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 4 OUR FINANCIAL POSITION (cont.)

4.7 Commitments

	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
2017					
Operating					
Community programs	1,017	855	–	–	1,872
Economic development	51	–	–	–	51
Environment	10	10	10	–	30
Fleet	305	153	–	–	458
Infrastructure maintenance	329	457	352	–	1,138
Organisational support	762	370	358	–	1,490
Sport and leisure	1,361	188	197	–	1,746
Waste	33	33	33	–	99
Total	3,868	2,066	950	–	6,884

Capital

Land	2,671	1,315	–	–	3,986
Buildings	13,454	15	–	–	13,469
Plant and equipment	–	–	–	–	–
Infrastructure	221	–	–	–	221
Total	16,346	1,330	–	–	17,676

Operating lease commitments

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

	2018 \$'000	2017 \$'000
Not later than one year	688	816
Later than one year and not later than five years	1,006	1,371
Later than five years	92	246
Other facilities	–	–
Total facilities	1,786	2,433

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.

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 5 ASSETS WE MANAGE

5.1 Non-current assets classified as held for sale

	2018 \$'000	2017 \$'000
Opening balance	3,000	3,172
Written down value of non-current assets classified as held for sale – sold	–	(810)
Transfers out to Property (Land – non-specialised)	–	(2,362)
Transfers in from Property (Land – non-specialised)	2,158	3,000
Total non-current assets classified as held for resale	5,158	3,000

Non-current assets classified as held for sale (including disposal groups) are 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.

5.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At fair value 30 June 2017 \$'000	Acquisitions \$'000	Contributions \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Transfers \$'000	At fair value 30 June 2018 \$'000
Land	297,495	370	–	130,562	(114)	(2,920)	(2,158)	423,235
Buildings	41,971	1,487	–	(10,037)	(1,220)	–	3,807	36,008
Plant and equipment	6,456	936	–	–	(1,028)	(347)	–	6,017
Infrastructure	387,576	6,742	5,100	38,456	(8,753)	(855)	4,259	432,525
Work in progress	19,737	13,600	–	–	–	(7)	(9,264)	24,066
Total	753,235	23,135	5,100	158,981	(11,115)	(4,129)	(3,356)	921,851

Summary of work in progress

	Opening WIP \$'000	Additions \$'000	Write Offs \$'000	Transfers \$'000	Closing WIP \$'000
Land	4,522	504	–	(3,012)	2,014
Buildings	6,309	1,525	–	(5,315)	2,519
Plant and equipment	–	–	–	–	–
Infrastructure	8,906	11,571	(7)	(937)	19,533
Total	19,737	13,600	(7)	(9,264)	24,066

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 5 ASSETS WE MANAGE (cont.)

5.2 Property, infrastructure, plant and equipment

Asset recognition thresholds and depreciation periods

	Useful life Years	Threshold Limit \$
Property		
Land	Indefinite	Nil
Playgrounds	10-15	1,000
Land improvements	50	5,000
Buildings		
	50-100	5,000
Plant and Equipment		
Plant and machinery	6-7	1,000
Motor vehicles	6-7	Nil
Furniture, fittings and computers	6-7	1,000
Artwork	100	500
Infrastructure		
Road surface	12-30	5,000
Road pavement	50-80	5,000
Road formation and earthworks	-	5,000
Road kerb, channel and minor culverts	50	5,000
Traffic treatments/ calming	5-50	5,000
Major bridge culverts	50-100	5,000
Bridges – concrete/steel	100	5,000
Bridges – timber	50	5,000
Footpaths, trails and cycleways	10-50	5,000
Drainage	50-100	5,000
Waste management	5-15	1,000
Guard fence	10	1,000
Fire hydrants	50	1,000
Bus shelters	20	1,000
Reserves furniture	17	1,000
Water treatment devices	15-20	5,000

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 5 ASSETS WE MANAGE (cont.)

5.2 Property, infrastructure, plant and equipment

(a) Property

	Land - specialised \$'000	Land - non- specialised \$'000	Land - improvements \$'000	Total land \$'000	Buildings - heritage \$'000	Buildings - specialised \$'000	Buildings - non- specialised \$'000	Total buildings \$'000	Work in progress \$'000	Total property \$'000
Land and buildings	500	291,991	5,004	297,495	7,091	34,839	41	41,971	10,831	350,297
At fair value 1 July 2017	180	291,991	5,662	297,833	13,481	59,159	289	72,929	10,831	381,593
At deemed cost	320	-	-	320	-	-	-	-	-	320
At anticipated restoration cost	11,401	-	-	11,401	-	-	-	-	-	11,401
Accumulated depreciation at 1 July 2017	(11,401)	-	(658)	(12,059)	(6,390)	(24,320)	(248)	(30,958)	-	(43,017)
Movements in fair value	1,204	124,578	72	125,854	(3,189)	48	24	(3,117)	(6,298)	116,439
Acquisition of assets at fair value	-	298	72	370	-	1,487	-	1,487	2,029	3,886
Revaluation increments/(decrements)	1,204	129,358	-	130,562	(3,189)	(5,246)	24	(8,411)	-	122,151
Fair value of assets disposed	-	(2,920)	-	(2,920)	-	-	-	-	-	(2,920)
Transfers	-	(2,158)	-	(2,158)	-	3,807	-	3,807	(8,327)	(6,678)
Movements in accumulated depreciation	-	-	(114)	(114)	2,496	(5,318)	(24)	(2,846)	-	(2,960)
Depreciation and amortisation	-	-	(114)	(114)	(107)	(1,110)	(3)	(1,220)	-	(1,334)
Revaluation increments/(decrements)	-	-	-	-	2,603	(4,208)	(21)	(1,626)	-	(1,626)
Accumulated depreciation of disposals	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Land and buildings	1,704	416,569	5,734	424,007	10,292	59,207	313	69,812	4,533	498,352
At fair value 30 June 2018	1,704	416,569	5,734	424,007	10,292	59,207	313	69,812	4,533	498,352
At anticipated restoration cost	11,401	-	-	11,401	-	-	-	-	-	11,401
Accumulated depreciation at 30 June 2018	(11,401)	-	(772)	(12,173)	(3,894)	(29,638)	(272)	(33,804)	-	(45,977)
	1,704	416,569	4,962	423,235	6,398	29,569	41	36,008	4,533	463,776

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 5 ASSETS WE MANAGE (cont.)

5.2 Property, infrastructure, plant and equipment

(b) Plant and equipment

	Plant machinery, equipment and motor vehicles \$'000	Fixtures, fittings and furniture \$'000	Computers and telecomms \$'000	Artwork \$'000	Total plant and equipment \$'000
Plant and equipment					
At fair value 1 July 2017	9,531	2,209	2,256	2,432	16,428
Accumulated depreciation at 1 July 2017	(6,053)	(1,911)	(2,008)	-	(9,972)
	3,478	298	248	2,432	6,456
Movements in fair value					
Acquisition of assets at fair value	640	52	201	43	936
Contributed assets	-	-	-	-	-
Fair value of assets disposed	(1,209)	-	(281)	-	(1,490)
Impairment losses recognised in operating result	-	-	-	-	-
	(569)	52	(80)	43	(554)
Movements in accumulated depreciation					
Depreciation and amortisation	(807)	(139)	(82)	-	(1,028)
Revaluation increments/(decrements)	-	-	-	-	-
Accumulated depreciation of disposals	862	-	281	-	1,143
Impairment losses recognised in operating result	-	-	-	-	-
	55	(139)	199	-	115
Plant and equipment					
At fair value 30 June 2018	8,962	2,261	2,176	2,475	15,874
Accumulated depreciation at 30 June 2018	(5,998)	(2,050)	(1,809)	-	(9,857)
	2,964	211	367	2,475	6,017

5.2 Property, infrastructure, plant and equipment

(c) Infrastructure

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 5 ASSETS WE MANAGE (cont.)

	Roads \$'000	Bridges \$'000	Footpaths, trails and cycleways \$'000	Drainage \$'000	Recreational, leisure and community \$'000	Kerb and channel management \$'000	Waste management \$'000	Parks, open spaces and streetscapes \$'000	Other infrastructure \$'000	Work in progress \$'000	Total infrastructure
Infrastructure											
At fair value 1 July 2017	261,243	15,096	26,755	124,950	60,073	24,800	1,287	11,342	10,792	8,906	545,184
Accumulated depreciation at 1 July 2017	(43,843)	(5,185)	(10,670)	(41,885)	(27,786)	(8,283)	(1,116)	(3,160)	(6,774)	-	(148,702)
	217,400	9,911	16,085	83,065	32,287	16,517	171	8,182	3,958	8,906	396,482
Movements in fair value											
Acquisition of assets at fair value	2,639	202	1,345	758	1,046	68	-	515	169	11,571	18,313
Contributed assets	129	-	80	4,863	28	28	-	-	-	-	5,100
Revaluation increments/(decrements)	(6,043)	(602)	(1,701)	-	55,684	534	-	(50)	-	-	47,822
Fair value of assets disposed	(967)	-	(12)	-	-	(3)	-	(429)	-	(7)	(1,418)
Transfers	2,664	784	292	-	440	-	-	39	40	(937)	3,322
	(1,578)	384	4	5,621	57,170	627	-	75	209	10,627	73,139
Movements in accumulated depreciation											
Depreciation and amortisation	(2,883)	(173)	(878)	(1,390)	(2,049)	(525)	(86)	(374)	(395)	-	(8,753)
Revaluation increments/(decrements)	5,195	102	(277)	1,959	(15,995)	(868)	-	18	-	-	(9,366)
Accumulated depreciation of disposals	181	-	3	-	-	1	-	371	-	-	556
Transfers	-	-	-	-	-	-	-	-	-	-	-
	2,493	(71)	(1,152)	569	(18,044)	(892)	(86)	15	(395)	-	(17,563)
Infrastructure											
At fair value 30 June 2018	259,665	15,480	26,759	130,571	117,243	25,427	1,287	11,417	10,941	19,533	618,323
Accumulated depreciation at 30 June 2018	(41,350)	(5,256)	(11,822)	(41,316)	(45,830)	(9,175)	(1,202)	(3,145)	(7,169)	-	(166,265)
	218,315	10,224	14,937	89,255	71,413	16,252	85	8,272	3,772	19,533	452,058

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 5 ASSETS WE MANAGE (cont.)

5.2 Property, infrastructure, plant and equipment

Acquisition

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

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

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

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

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

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

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

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

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

Repairs and maintenance

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

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer, Ms B Stephen of Matheson Stephen Valuations, valuer registration no. 63034. 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. These unobservable inputs are not significant to the entire measurement.

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

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

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 5 ASSETS WE MANAGE (cont.)

5.2 Property, infrastructure, plant and equipment

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	DoV
Land – specialised	–	1,704	–	Jun-18
Land – non-specialised	–	416,569	–	Jun-18
Land improvements	–	–	4,962	Jun-18
Buildings – heritage	–	–	6,398	Jun-18
Buildings – specialised	–	–	29,569	Jun-18
Buildings – non-specialised	–	–	41	Jun-18
Total	–	418,273	40,970	

Valuation of infrastructure

Valuation of infrastructure assets has been determined in accordance with a valuation undertaken by Council's Director Sustainability and Place Mr Hjalmar Philipp, Bachelor of Engineering (Civil), Graduate Diploma in Municipal Engineering, and MBA (Technology Management).

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

The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation. Details of Council's infrastructure and information about the fair value hierarchy as at 30 June 2018 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	DoV
Roads	–	–	218,315	Jun-18
Bridges	–	–	10,224	Jun-18
Footpaths and cycleways	–	–	14,937	Jun-18
Drainage	–	–	89,255	Jun-18
Recreational, leisure and community	–	–	71,413	Jun-18
Kerb and channel	–	–	16,252	Jun-18
Waste management	–	–	85	Jun-18
Parks, open spaces and streetscapes	–	–	8,272	Jun-18
Other infrastructure	–	–	3,772	Jun-18
Total	–	–	432,525	

Land under roads acquired after 30 June 2008 is brought to account using the deemed cost basis. Council does not recognise land under roads that it controlled prior to 30 June 2008 in its financial report.

Land held at anticipated restoration cost, being the Plenty and Kangaroo Ground landfill sites, is recognised at cost to restore the site to the standard set out by the EPA and all applicable regulations.

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 are calculated on a square metre basis and ranges from \$230 to \$3,500 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 50 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 buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

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

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 5 ASSETS WE MANAGE (cont.)

5.2 Property, infrastructure, plant and equipment	2018 \$'000	2017 \$'000
Reconciliation of specialised land		
Land under roads	1,704	500
Land held at anticipated restoration cost (Plenty / Kangaroo Ground Landfill Closure)	11,401	11,401
Less: accumulated depreciation	(11,401)	(11,401)
Total specialised land	1,704	500

Non-current assets classified as held for sale (including disposal groups) are 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.

5.3 Investment in associate

Investments in associate accounted for by the equity method is:

Yarra Plenty Regional Library Service	1,597	1,557
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Yarra Plenty Regional Library Service

Background

The Yarra Plenty Regional Library Service consists of nine locations and a mobile library service. Responsibility for the provision and management of the Library Service rests with the Regional Library Board, which comprises two representatives from each of the three-member councils. The Regional Library service operates as an independent legal entity and is audited annually by the Auditor General. Council's investment in the Yarra Plenty Regional Library Service was increased by \$39,619 (increase of \$86,524 in 2016/17) due to the increase in the net assets position of the Corporation (audited at 30 June 2018). Council's equity interest based on contributions is 21.07 percent.

Fair value of Council's investment in Yarra Plenty Regional Library Service	1,597	1,557
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Council's share of accumulated surplus/(deficit)

Council's share of accumulated surplus/(deficit) at start of year	654	567
Share of net profits/(losses) of associate	148	87

Council's share of accumulated surplus/(deficit) at end of year	802	654
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Movement in carrying value of specific investment

Carrying value of investment at start of year	1,557	1,470
Share of surplus/(deficit) for year	40	87

Carrying value of investment at end of year	1,597	1,557
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Council's share of expenditure commitments

Operating commitments	74	81
Capital commitments	65	110

Council's share of expenditure commitments	139	191
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Council's share of contingent liabilities and contingent assets	-	-
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Yarra Plenty Regional Library Service Contributions

Contributions to associate	2,694	2,690
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Associates are all entities over which Council has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost. Council is not involved in any joint arrangements at balance date.

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 6 PEOPLE AND RELATIONSHIPS

6.1 Council and key management remuneration

	2018 No.	2017 No.
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(a) Related parties

Subsidiaries and associates

Interests in subsidiaries and associates are detailed in note 5.3.

(b) Key management personnel

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

Councillors

Cr Peter Clarke (Mayor 01/07/2018 – 30/06/2018)
Cr Jane Ashton (01/07/2017 – 30/06/2018)
Cr Grant Brooker (01/07/2017 – 30/06/2018)
Cr John Dumaresq (01/07/2017 – 30/06/2018)
Cr Karen Egan (01/07/2017 – 30/06/2018)
Cr Peter Perkins (01/07/2017 – 30/06/2018)
Cr Bruce Ranken (01/07/2017 – 30/06/2018)

Chief Executive Officer

Mr Mark Stoermer (01/07/2017 – 30/06/2018)

Key Management Personnel reporting directly to the CEO

Mr Conal Creedon, General Manager Infrastructure Services (01/07/2017 – 03/07/2017)
Mr Andrew Port, General Manager Corporate Services (01/07/2017 – 03/07/2017)
Mr Hjalmar Philipp, Director Sustainability and Place (14/08/2017 – 30/06/2018)
Ms Lisa Pittle, Acting Director Sustainability and Place (01/07/2017 – 11/08/2017)
Mr Matthew Kelleher, Director Services and Planning (17/08/2017 – 30/06/2018)
Mr Jeremy Livingston, Acting Director Services and Planning (01/07/2017 – 16/08/2017)
Mr Adrian Cully, Director Business and Strategy (02/01/2018 – 30/06/2018)
Ms Rachel Cooper, Director Business and Strategy (24/07/2017 – 13/11/2017)
Ms Naomi Paton, Acting Director Business and Strategy (01/07/2017 – 21/07/2017)
Mr Jeremy Livingston, Manager Business Performance and Transformation (17/08/2017-04/02/2018)
Mr Jeremy Livingston, Executive Manager Organisation Performance (05/02/2018 – 30/06/2018)
Ms Suzy Ellingsen, Executive Manager People, Culture and Innovation (01/07/2017 – 30/06/2018)
Mr Vincenzo Lombardi, Executive Manager Finance (01/07/2017 – 30/06/2018)
Ms Blaga Naumoski, Executive Manager Governance (26/02/2018 – 30/06/2018)
Ms Allison Watt, Executive Manager Governance (01/07/2017 – 05/01/2018)
Mr Mitchell Grayson, Chief of Staff to Mayor and Councillors (04/07/2017 – 30/06/2018)

	2018 No.	2017 No.
Total number of Councillors	7	13
Chief Executive Officer and other key management personnel	15	12

Total key management personnel	22	25
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NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 6 PEOPLE AND RELATIONSHIPS (cont.)

6.1 Council and key management remuneration (cont.)

(c) Remuneration of key management personnel

Total remuneration of key management personnel paid in 2017-18 was as follows:

	2018 \$'000	2017 \$'000
Short-term benefits	2,124	2,326
Long-term benefits	144	161
Termination benefits	210	171
Total	2,478	2,658

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

	2018 No.	2017 No.
\$1 – \$9,999	–	5
\$10,000 – \$19,999	1	5
\$20,000 – \$29,999	8	2
\$30,000 – \$39,999	1	–
\$50,000 – \$59,999	1	1
\$70,000 – \$79,999	2	–
\$100,000 – \$109,999	1	–
\$110,000 – \$119,000	1	–
\$120,000 – \$129,999	1	–
\$150,000 – \$159,999	–	2
\$160,000 – \$169,999	–	3
\$170,000 – \$179,999	1	1
\$180,000 – \$189,999	2	–
\$210,000 – \$219,999	2	4
\$320,000 – \$329,999	1	2
	22	25

(d) Senior officer remuneration

A senior officer is an officer of Council, other than key management personnel, who:

- has management responsibilities and reports directly to the Chief Executive; or
- whose total annual remuneration exceeds \$145,000

The number of senior officers are shown below in their relevant income bands:

	2018 No.	2017 No.
\$145,000 – \$149,999	7	2
\$160,000 – \$169,999	–	3
\$170,000 – \$179,999	2	1
	9	6

	2018 \$'000	2017 \$'000
Total Remuneration for the reporting year for senior officers included above, amounted to:		
Total	1,308	1,101

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 6 PEOPLE AND RELATIONSHIPS (cont.)

6.2 Related party disclosure

	2018 \$'000	2017 \$'000
(a) Transactions with related parties		
During the period Council entered into the following transactions with related parties:		
Purchase of property at public auction	–	320
Payment of invoices to related party supplier for services rendered	–	10
Total transactions with related parties	–	330

(b) Outstanding balances with related parties

There were no outstanding balances at the end of the reporting period in relation to transactions with related parties.

(c) Loans to/from related parties

There were no loans made, guaranteed or secured by Council to a related party during the reporting period and no loans to or from related parties outstanding as at the end of the reporting period.

(d) Commitments to/from related parties

There were no commitments in existence at balance date that were made, guaranteed or secured by Council.

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 7 MANAGING UNCERTAINTIES

7.1 Contingent assets and liabilities

(a) Contingent assets

From time to time Council receives gifted infrastructure assets from property developers. The nature and timing of these assets is conditional upon subdivisional requirements being completed. Once received by Council, ongoing maintenance costs become the responsibility of the Council.

	2018	2017
	\$'000	\$'000
Total contributions – non-monetary received by Council	5,100	372

(b) Contingent liabilities

Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

Future superannuation contributions

Council has paid no unfunded liability payments to Vision Super. There were contributions outstanding of \$82,806 (\$18,388 as at 30 June 2017) and no loans issued from or to the above schemes as at 30 June 2018. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2018 is \$0.128 million (\$0.209 million as at 30 June 2017).

Legal Matters

The Council is not presently involved in any significant legal matters. No allowance has been made in the financial report for contingencies of a legal nature.

(c) Guarantees for loans to other entities

	2018	2017
	\$'000	\$'000
Total guarantees for loans to other entities	974	1,077

The amount disclosed for financial guarantee in this note is the nominal amount of the underlying loan that is guaranteed by the Council, not the fair value of the financial guarantee.

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that that right will be exercised.

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 7 MANAGING UNCERTAINTIES (cont.)

7.2 Change in accounting standards

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

Financial Instruments – Disclosures (AASB 7) (applies 2018/19)

This Standard requires entities to provide disclosures in their financial statements that enable users to evaluate: (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed.

Financial Instruments (AASB 9) (applies 2018/19)

The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.

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

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

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

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

Leases (AASB 16) (applies 2019/20)

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

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

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

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 7 MANAGING UNCERTAINTIES (cont.)

7.3 Financial Instruments

(a) Objectives and policies

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

(b) Market risk

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

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's 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; and
- 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. Council have exposure to credit risk on some financial assets included in our balance sheet. To help manage this risk:

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

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is secured by a charge over the rateable property. There are no material financial assets which are individually determined to be impaired.

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

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 7 MANAGING UNCERTAINTIES (cont.)

(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 7.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at note 4.4.

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

(e) 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 percent and -1 percent in market interest rates (AUD) from year-end rates of 2.65 percent.

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

7.4 Fair value measurement

Fair value hierarchy

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

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

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

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

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:

- 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.

Revaluation

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis, currently every second year. The valuation is performed either by experienced council officers or independent experts. A formal revaluation of land, buildings and infrastructure assets was undertaken in 2018.

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

Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs 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.

7.5 Events occurring after balance date

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

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 8 OTHER MATTERS

8.1 Reserves

(a) Asset revaluation reserve

	Balance at beginning of reporting period \$'000	Increment/ (decrement) \$'000	Balance at end of reporting period \$'000
2018			
Property			
Land, land improvements and playgrounds	191,818	130,531	322,349
Buildings	13,526	29,654	43,180
Total property	205,344	160,185	365,529
Plant and Equipment			
Plant, machinery and vehicles	535	—	535
Furniture, equipment and computers	689	—	689
Artwork	1,368	—	1,368
Total plant and equipment	2,592	—	2,592
Infrastructure			
Roads	90,490	844	91,334
Bridges	3,916	(500)	3,416
Footpaths and cycleways	2,742	(1,980)	762
Drainage	43,367	1,959	45,326
Kerb and channel	8,139	167	8,306
Traffic treatments	8,659	(1,694)	6,965
Other infrastructure	401	—	401
Total infrastructure	157,714	(1,204)	156,511
Total asset revaluation reserves	365,651	158,981	524,632
2017			
Property			
Land, land improvements and playgrounds	191,818	—	191,818
Buildings	13,526	—	13,526
Total property	205,344	—	205,344
Plant and Equipment			
Plant, machinery and vehicles	535	—	535
Furniture, equipment and computers	689	—	689
Artwork	1,368	—	1,368
Total plant and equipment	2,592	—	2,592
Infrastructure			
Roads, earthworks	90,490	—	90,490
Bridges	3,916	—	3,916
Footpaths and cycleways	2,742	—	2,742
Drainage	43,367	—	43,367
Kerb and channel	8,139	—	8,139
Traffic treatments	8,659	—	8,659
Other infrastructure	401	—	401
Total infrastructure	157,714	—	157,715
Total asset revaluation reserves	365,651	—	365,651

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

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 8 OTHER MATTERS (cont.)

8.1 Reserves

(b) Other reserves

Statutory reserves are those for which Council is required to separately account for by statute. Funds are held for specific purposes as described in the reserve account name.

Discretionary Reserves are those for which Council does have discretion over the manner in which funds are expended. Funds held in these reserve accounts are held for the purposes describe in the reserve account name.

	Balance at beginning of reporting period \$'000	Net of transfer to / (from) accum. surplus \$'000	Balance at end of reporting period \$'000
2018			
Statutory cash backed reserves			
Car parks	97	-	97
Development planning overlays: infrastructure	2,810	165	2,975
Development contribution plans: open space	2,102	341	2,443
Development contribution construction	186	5	191
Native vegetation	230	15	245
Open space	1,015	489	1,504
Street light contributions	28	-	28
Street trees	76	-	76
Yarrambat drainage scheme	424	43	467
Yarrambat drainage extension area	153	4	157
Total cash backed statutory reserves	7,121	1,062	8,183
Discretionary reserves			
Bridgeford Estate	50	-	50
Carried forward projects	12,598	2,069	14,667
Cricket pitch renewal	2	3	5
Defined benefit superannuation potential future calls	1,341	-	1,341
Grants program management	62	(3)	59
Information technology	987	(1)	986
Leisure facility improvements	377	35	412
MAV bond repayment	3,352	1,476	4,828
Major projects	5,346	(3,579)	1,767
Plant replacement	2,543	503	3,046
Plenty and Kangaroo Ground landfill restoration	3,241	(122)	3,119
Public art program	167	(13)	154
Rates surplus	162	(162)	-
Special rates	10	-	10
Total discretionary reserves	30,238	206	30,444
Total other reserves	37,359	1,268	38,627

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 8 OTHER MATTERS (cont.)

8.1 Reserves

(b) Other reserves (cont.)

	Balance at beginning of reporting period \$'000	Net of transfer to / (from) accum. surplus \$'000	Balance at end of reporting period \$'000
2017			
Statutory cash backed reserves			
Car parks	97	-	97
Development planning overlays: infrastructure	2,643	167	2,810
Development contribution plans: open space	1,885	217	2,102
Development contribution construction	181	5	186
Native vegetation	238	(8)	230
Open space	937	78	1,015
Street light contributions	28	-	28
Street trees	76	-	76
Yarrambat drainage scheme	401	23	424
Yarrambat drainage extension area	149	4	153
Total cash backed statutory reserves	6,635	486	7,121
Discretionary reserves			
Bridgeford Estate	50	-	50
Carried forward projects	11,449	1,149	12,598
Cricket pitch renewal	-	2	2
Defined benefit superannuation potential future calls	1,341	-	1,341
Grants program management	91	(29)	62
Information technology	820	167	987
Leisure facility improvements	327	50	377
MAV bond repayment	1,785	1,567	3,352
Major projects	5,658	(312)	5,346
Plant replacement	1,792	751	2,543
Plenty and Kangaroo Ground landfill restoration	3,236	5	3,241
Public art program	137	30	167
Rates surplus	162	-	162
Special rates	15	(5)	10
Total discretionary reserves	26,863	3,375	30,238
Total other reserves	33,498	3,861	37,359

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 8 OTHER MATTERS (cont.)

8.1 Reserves

(c) Statutory cash backed and capital works reserves

	2018 \$'000	2017 \$'000
Statutory cash backed reserves	8,183	7,121
Discretionary reserves:		
Carried forward projects	14,667	12,598
Plant replacement	3,046	2,543
Bridgeford Estate	50	50
Plenty and Kangaroo Ground landfill restoration	3,119	3,241
Total externally restricted reserves	29,065	25,553

NOTE 8 8.2 Reconciliation of cash flows from operating activities to surplus/(deficit)

Surplus/(deficit) for the year	16,552	15,922
Depreciation	11,115	10,415
(Profit)/loss on disposal of property, infrastructure, plant and equipment	(1,351)	896
Share of net (profits)/losses of associate	(40)	(87)
Contributions – non-monetary assets	(5,100)	(372)
Borrowing cost	812	885
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	294	38
(Increase)/decrease in prepayments	(94)	(628)
(Increase)/decrease in accrued income	(2,511)	113
Increase/(decrease) in trade and other payables	3,414	780
(Increase)/decrease in inventories	1	(8)
Increase/(decrease) in provisions	(422)	147
Increase/(decrease) in trust funds	139	157
Net cash provided by/(used in) operating activities	22,809	28,258

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 8 OTHER MATTERS

8.3 Superannuation

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in Comprehensive Income 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 2018, this was 9.5 percent required under Superannuation Guarantee legislation).

Defined Benefit

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

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

Funding arrangements

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

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

Net investment return	6.5 percent p.a.
Salary inflation	3.5 percent p.a.
Price inflation (CPI)	2.5 percent p.a.

Vision Super has advised that the actual VBI at 30 June 2018 was 106.0 percent.

The VBI is to be used as the primary funding indicator. Because the VBI was above 100 percent, the 30 June 2017 actuarial investigation determined the defined benefit category was in a satisfactory financial position and that no change was necessary to the defined benefit category's funding arrangements from prior years.

NOTES TO THE FINANCIAL REPORT

For the year ending 30 June 2018

NOTE 8 OTHER MATTERS

8.3 Superannuation (cont.)

Regular contributions

On the basis of the results of the 2017 triennial actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2018, this rate was 9.5% of members' salaries (9.5% in 2016/2017). This rate will increase in line with any increases in the 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 percent.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's defined benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

2017 triennial actuarial investigation surplus amounts

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

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

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2017.

The total service liability surplus means that the current value of the assets in the Fund's defined benefit category plus expected future contributions exceeds the value of expected future benefits and expenses.

Council was notified of the 30 June 2017 VBA during August 2017.

2018 interim actuarial investigation

An interim actuarial investigation will be conducted for the Fund's position as at 30 June 2018. It is anticipated that this actuarial investigation will be completed in December 2018.

CERTIFICATION OF THE FINANCIAL STATEMENTS

For the year ended 30 June 2018

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.



Vincenzo Lombardi MBA CAANZ
Principal Accounting Officer
Date: 28 August 2018

GREENSBOROUGH

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

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

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



Peter Clarke (Mayor)
Councillor
Date: 28 August 2018



Karen Egan (Deputy Mayor)
Councillor
Date: 28 August 2018



Mark Stoermer
Chief Executive Officer
Date: 28 August 2018

GREENSBOROUGH

AUDITOR GENERAL'S REPORT

on the Financial Report and Standard Statements



Independent Auditor's Report

To the Councillors of Nillumbik Shire Council

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

AUDITOR GENERAL'S REPORT

on the Financial Report and Standard Statements

Auditor's responsibilities for the audit of the financial report	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p> <p>As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none">• identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.• obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control• evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors• conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.• evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation. <p>I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.</p>
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Tim Loughnan

as delegate for the Auditor-General of Victoria

MELBOURNE
6 September 2018

Level 31 / 35 Collins Street, Melbourne Vic 3000
T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

PERFORMANCE STATEMENT

For the year ended 30 June 2018

Description of municipality

The Shire of Nillumbik covers an area of 432 square kilometres. At its south western gateway, Nillumbik is located less than 25 kilometres north-east of Melbourne, and has the Yarra River as its southern boundary. It extends 29 kilometres to Kinglake National Park in the north/north-east and stretches approximately 20 kilometres from the Plenty River and Yan Yean Road in the west, to Christmas Hills and the Yarra escarpment in the east.

Nillumbik has a population of 64,720 people who enjoy a healthy, safe, family-friendly lifestyle within close-knit communities. Nillumbik has a relatively healthy and affluent community which lives largely in family units in single dwelling properties.

The Shire of Nillumbik is known as the Green Wedge Shire. The term Green Wedge is used by the State Government to describe non-urban areas that surround metropolitan Melbourne, outside the Urban Growth Boundary (UGB). The Nillumbik Green Wedge covers 91 per cent of the total area of the Shire.

PERFORMANCE STATEMENT

For the year ended 30 June 2018

Sustainable Capacity Indicators

INDICATOR/MEASURE	RESULTS				MATERIAL VARIATIONS
	2015	2016	2017	2018	
POPULATION					
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,220.30	\$1,447.43	\$1,231.36	\$1,240.88	The current year result is reflective of a marginal increase in the municipal population relative to an increase in expenditure. The spike in 2016 is reflective of a one-off adjustment to the fixed asset register to correct ownership of non-council assets. The ratio is consistent with prior years.
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$6,316.21	\$7,081.93	\$7,215.87	\$7,704.20	The increase is reflective of Council's continued investment in infrastructure and a stable population. The ratio is comparable to prior years.
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	82.08	81.09	81.81	81.92	The movement is reflective of a marginal increase in the municipal population. The ratio is consistent with prior years.
OWN-SOURCE REVENUE					
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,194.05	\$1,212.10	\$1,208.79	\$1,203.11	The ratio is comparable to prior years, with movement reflective of a marginal increase in the municipal population.
RECURRENT GRANTS					
<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$135.90	\$81.75	\$126.67	\$99.06	The decrease is due to the reduction of grants received during the current financial year and the timing of when grants were received in the prior year.
DISADVANTAGE					
<i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	10.00	10.00	10.00	10.00	Council's relative socio-economic disadvantage remains stable and the current result is comparable to the previous year.

PERFORMANCE STATEMENT

For the year ended 30 June 2018

Sustainable Capacity Indicators

INDICATOR/MEASURE	RESULTS				MATERIAL VARIATIONS
	2015	2016	2017	2018	
AQUATIC FACILITIES					
Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities/ Municipal population]	4.18	2.56	0.80	0.94	Council's only indoor aquatic facility at the Eltham Leisure Centre was closed during 2017-2018 while undergoing a \$19 million redevelopment. This closure significantly impacted on the number of visits to Council's aquatic facilities. Council's only outdoor aquatic facility at Diamond Creek is open seasonally from November to March.
ANIMAL MANAGEMENT					
Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	5.00	8.00	8.00	5.00	All prosecutions were as a result of dog attacks or a dog rush. The annual results recorded are independent year on year, reflective of isolated incidents occurring within the shire.
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 a food premises] x100	92.00%	100.00%	100.00%	95.24%	120 out of 126 were followed up in 2017. Six premises received follow-ups outside of the reporting period due to the time allowed to meet the compliance requirements.
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]	66.70	64.20	57.00	62.60	Satisfaction with Council decisions improved significantly in 2018 by six percentage points, returning to the level of satisfaction in earlier years.
HOME AND COMMUNITY CARE (HACC)					
Participation <i>Participation in HACC service</i> [Number of people that received a HACC service/Municipal target population for HACC services] x100	25.00%	23.88%	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
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	24.00%	40.84%	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.

PERFORMANCE STATEMENT

For the year ended 30 June 2018

Sustainable Capacity Indicators

INDICATOR/MEASURE	RESULTS				MATERIAL VARIATIONS
	2015	2016	2017	2018	
LIBRARIES					
Participation <i>Active library members</i> [Number of active library members/Municipal population] x100	25.00%	23.71%	25.94%	27.38%	During the year, 17,720 Nillumbik residents were active library members. This figure does not take into account the number of residents who utilise the many services provided by the Eltham and Diamond Valley libraries but may not be members of the Yarra Plenty Regional Library Service.
MATERNAL AND CHILD HEALTH (MCH)					
Participation <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year)/Number of children enrolled in the MCH service] x100	81.15%	72.88%	77.76%	78.76%	The Maternal and Child Health Service continues to provide a connected and responsive program to families with young children in Nillumbik.
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	76.00%	75.76%	68.29%	78.95%	The overall MCH enrolment of Aboriginal families and young children demonstrates a connection to and linkages with the MCH service in Nillumbik. A small variation in the low raw numbers of this client group accounts for what otherwise appears to be a significant percentage increase from the previous year.
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]	65.60	65.20	65.00	64.40	In the 2018 Annual Community Survey, satisfaction with the maintenance and repairs of sealed local roads remained stable at 64.4 out of 100, compared to 65 out of 100 in 2017. This level of satisfaction remains categorised as 'good'.
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	36.00%	70.00%	63.16%	80.00%	VCAT upheld more of Council's decisions in the 2017-2018 financial year. Eight decisions were upheld out of 10, compared to 12 out of 19 in 2016-17.
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	70.00%	69.30%	66.17%	63.66%	Nillumbik residents diverted 13,640 tonnes of kerbside waste from landfill during FY 2017-2018, 739 tonnes less than FY 2016-2017, ensuring Nillumbik continues to be well above the state diversion targets.

PERFORMANCE STATEMENT

For the year ended 30 June 2018

Financial Performance Indicators

DIMENSION/ INDICATOR/ MEASURE	RESULTS				FORECASTS				MATERIAL VARIATIONS
	2015	2016	2017	2018	2019	2020	2021	2022	
EFFICIENCY									
Revenue level <i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$2,463.03	\$2,569.65	\$2,617.22	\$2,687.64	\$2,731.72	\$2,802.73	\$2,881.73	\$2,962.48	The ongoing increase reflects budgeted increases in rates and charges and the anticipated additional rateable properties created during each year throughout the Shire.
Expenditure level <i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$3,186.17	\$3,329.18	\$3,240.42	\$3,346.25	\$3,565.96	\$3,640.46	\$3,714.67	\$3,788.25	This result shows the positive relationship between the growth in rateable properties across the Shire and corresponding growth in service expenditure.
Workforce turnover <i>Resignations and terminations compared to average staff</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	5.68%	12.94%	10.31%	17.57%	5.76%	5.76%	5.76%	5.76%	Due to an organisation restructure, the number of resignations/terminations was higher than average. This is predicted to become stable in the outlying years.
LIQUIDITY									
Working capital <i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	265.70%	351.48%	353.27%	337.37%	183.43%	177.52%	159.45%	151.18%	This result is driven by cash on hand held, largely for scheduled capital works. In the forecast years, the decreasing trend is reflective of reduced cash balances held.
Unrestricted cash <i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	71.82%	59.29%	53.74%	84.76%	39.89%	33.73%	35.48%	15.83%	This result is reflective of a marginal increase in current liabilities and a larger proportion of cash being restricted for capital works. In the forecast years, movements in results are driven by the long-term capital works program.

PERFORMANCE STATEMENT

For the year ended 30 June 2018

Financial Performance Indicators

DIMENSION/ INDICATOR/ MEASURE	RESULTS				FORECASTS				MATERIAL VARIATIONS
	2015	2016	2017	2018	2019	2020	2021	2022	
OBLIGATIONS									
Asset renewal <i>Asset renewal compared to depreciation</i> [Asset renewal expense/Asset depreciation] x100	52.09%	74.99%	70.54%	47.69%	48.99%	40.23%	56.89%	53.32%	The variance is reflective of Council allocating a larger proportion of capital works funding to upgrading facilities as opposed to renewal works.
Loans and borrowings <i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings/Rate revenue] x100	26.74%	23.76%	21.53%	20.23%	18.85%	16.37%	14.90%	10.00%	Council continues to reduce its existing loans and is not projecting to take out further loans in the future.
Loans and borrowings <i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings/Rate revenue] x100	4.47%	2.88%	2.76%	2.44%	2.19%	3.04%	1.89%	5.19%	Council's loan balances are reducing, while there are increases in rates and charges.
Indebtedness <i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities/Own source revenue] x100	27.87%	34.24%	26.81%	23.53%	17.06%	15.73%	11.60%	10.54%	The current year and projections in outer years show a declining result which is reflective of the reduction in debt and in increase in own source revenue.
OPERATING POSITION									
Adjusted underlying result <i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit)/Adjusted underlying revenue] x100	9.79%	-12.92%	8.46%	5.56%	0.66%	1.50%	2.26%	3.03%	The trend is reflective of non-cash contributions received which are unexpected and hence not budgeted.

PERFORMANCE STATEMENT

For the year ended 30 June 2018

Financial Performance Indicators

DIMENSION/ INDICATOR/ MEASURE	RESULTS				FORECASTS				MATERIAL VARIATIONS
	2015	2016	2017	2018	2019	2020	2021	2022	
STABILITY									
Rates concentration <i>Rates compared to adjusted underlying revenue</i> [Rate revenue/Adjusted underlying revenue] x100	66.41%	88.26%	73.59%	74.02%	74.50%	74.24%	74.24%	74.26%	This result is reflective of the current and projected stability in underlying revenue and the projected increase in rates and charges.
Rates effort <i>Rates compared to property values</i> [Rate revenue/Capital improved value of rateable properties in the municipality] x100	0.41%	0.43%	0.39%	0.39%	0.32%	0.31%	0.31%	0.30%	The consistent trend is reflective of projected annual property revaluations forecasting positive growth.

Notes to the Performance Statement

NOTE 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 and three preceding years 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 26 June 2018 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting Council.

CERTIFICATION OF THE PERFORMANCE STATEMENTS

For the year ended 30 June 2018

In my opinion the accompanying performance statements have been prepared in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.



Vincenzo Lombardi MBA CAANZ
Principal Accounting Officer
Date: 28 August 2018

GREENSBOROUGH

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

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

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

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



Peter Clarke (Mayor)
Councillor
Date: 28 August 2018



Karen Egan (Deputy Mayor)
Councillor
Date: 28 August 2018



Mark Stoermer
Chief Executive Officer
Date: 28 August 2018

GREENSBOROUGH

AUDITOR GENERAL'S REPORT

on the Performance Statement



Independent Auditor's Report

To the Councillors of Nillumbik Shire Council

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

AUDITOR GENERAL'S REPORT

on the Performance Statement

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

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

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

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

MELBOURNE
6 September 2018

Tim Loughnan
as delegate for the Auditor-General of Victoria

Level 31 / 35 Collins Street, Melbourne Vic 3000
T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

GLOSSARY OF TERMS

TERM	DEFINITION
Advocacy	The act of speaking on the behalf of or in support of another person, place, or thing.
Agile Delivery	An effective (rapid and adaptive) response to change; iterating quickly to deliver value to customers sooner.
Artisan Hills	Artisan Hills is a combined initiative of Nillumbik Shire Council, the Nillumbik Tourism Association, Diamond Creek Traders Association, Eltham Chamber of Commerce and Industry and Hurstbridge Traders Association. It represents a collective and unified approach to marketing and promotion of the Nillumbik Shire region.
Asset management	A systematic process to guide the planning, acquisition, operation and maintenance, renewal and disposal of assets.
Best value	Best value principles applicable to local government in Victoria are set out in Part 9 of the <i>Local Government Act 1989</i> . The principles relate to quality and cost standards, responsiveness to community needs, accessibility of services, continuous improvement, community consultation, and reporting.
Business continuity	The planning and preparation of an organisation to make sure it overcomes serious incidents or disasters and resumes its normal operations within a reasonably short period.
Capital works	Building and engineering works that create an asset, as well as constructing or installing facilities and fixtures associated with, and forming an integral part of, those works.
Collaboration	The process of two or more people or organisations working together to complete a task or achieve a goal.
Community engagement	A way of ensuring that community members have access to valued social settings and activities, feel that they are able to contribute meaningfully to those activities, and develop functional capabilities that enable them to participate fully.
Community panel	A decision-making body comprised of community representatives. Community panels are used by organisations to listen to their customers, members, and stakeholders in a systematic, timely and cost-efficient way.
Continuous improvement	An ongoing effort to improve products, services, or processes.
Corporate governance	The mechanisms, processes and relations by which a corporate body is controlled and directed.
Customer experience	The ongoing interaction between an organisation and a customer over the duration of their relationship.
Financial performance indicators	A prescribed set of indicators and associated measures in the Local Government Performance Reporting Framework that gauge financial management performance, including operating position, liquidity, obligations, stability and efficiency.
Future Nillumbik Committee	A Special Committee made up of all seven Nillumbik Councillors. The committee agenda is structured on the portfolios assigned to individual Councillors, with the relevant portfolio Councillor to chair the section of the meeting for those items which relate to their portfolio. The Future Nillumbik Committee has delegated authority from Council to consider most matters, with some exceptions such as declaring a rate or charge and approving and abandoning planning scheme amendments.
Green Wedge	The non-urban areas of metropolitan Melbourne that sit outside the Urban Growth Boundary and were first identified in the 1960s.
Human Centred Design	Gathering customer insights into solving complex problems to design, test, and iterate solutions based on their feedback.
Initiatives	Actions that are one-off in nature and/or lead to improvements in service.
Innovation	The application of better solutions that meet new requirements.
Landcare	Landcare is a joint effort between the community, government and business to protect and repair the environment.

TERM	DEFINITION
Lean Thinking	Understanding what the customer values and getting this value to the customer in the shortest time, to the best quality, at the cheapest price.
Major initiatives	Significant initiatives that directly contribute to the achievement of the council plan during the financial year and have a major focus in the budget.
Material variations	In the context of the Local Government Performance Reporting Framework (LGPRF), a material variation is a year-on-year variation exceeding the materiality threshold, as set either by council or taken from Local Government Victoria's Report of Operations and Performance Statement Better Practice Guidance.
Measure	How an indicator will be measured and takes the form of a computation, often with a numerator and denominator.
Mystery shopping survey	A tool used externally by market research companies, watchdog organisations, or internally by companies themselves to measure quality of service, or compliance with regulation, or to gather specific information about products and services.
Performance statement	A statement that includes the audited results of a selection of service performance indicators, financial performance indicators and sustainable capacity indicators for the financial year and reported in the annual report.
Report of operations	A report containing a description of the operations of council during the financial year and included in the annual report.
Risk management	A process in which organisations identify, assess and treat risks that could potentially affect their operations.
SafetyMap	An audit tool designed by WorkSafe to support workplaces in improving their ability to manage health and safety. It is the Victorian Work Cover Authorities version of AS/NZS 4801 and provides a means to undertake an independent audit and review of an organisation's health and safety management system.
Service performance indicators	As defined in the Local Government Performance Reporting Framework, these are a prescribed set of indicators measuring the effectiveness and efficiency of council services covering appropriateness, quality, cost and service outcomes.
Services	Assistance, support, advice and other actions undertaken by a council for the benefit of the local community.
Strategic indicators	Indicators developed for the purpose of monitoring the achievement of the objectives specified in the council plan.
Strategic objectives	The outcomes a council is seeking to achieve over the next four years and included in the council plan.
Strategies	High level actions directed towards achieving the strategic objectives in the council plan.
Sustainability	Meeting present day needs without compromising the ability of future generations to meet their needs.
Sustainable capacity indicators	A prescribed set of indicators in the Local Government Reporting Framework that measure whether councils have the capacity to meet the agreed service and infrastructure needs of the local community and absorb foreseeable changes and unexpected shocks into the future.
Urban Growth Boundary	A regional boundary, set in an attempt to control urban sprawl by mandating that the area inside the boundary be used for urban development and the area outside be preserved in its natural state or used for agriculture.
Wards	Subdivisions of the municipal area into sections with an elected Councillor to represent the different sections.
Zines	Self-published materials with short print runs.

ABBREVIATIONS AND ACRONYMS

TERM	DEFINITION	TERM	DEFINITION
ASD	Autism Spectrum Disorder	LGPRF	Local Government Performance Reporting Framework
CAPEX	Capital Expenditure	MCH	Maternal and Child Health
CBS	Community Bank Stadium	MEMP	Municipal Emergency Management Plan
CFA	Country Fire Authority	MFMP	Municipal Fire Management Plan
CFG	Community Fire Guard	NELA	North East Link Authority
CHSP	Commonwealth Home Support Program	OCCS	Organisational Culture and Capability Strategy
CI&I	Continuous Improvement and Innovation	OCPDP	Office for the Commissioner for Privacy and Data Protection
DAMP	Domestic Animal Management Plan	OHS	Occupational Health and Safety
DELWP	Department of Environment, Land, Water & Planning	OPEX	Operating Expenditure
EAP	Employee Assistance Program	OVIC	Office of the Victorian Information Commissioner
EBA	Enterprise Bargaining Agreement	PDA	Protected Disclosures Act
EEO	Equal Employment Opportunity	PPARS	Planning Permit Activity Reporting System
EFT	Equivalent Full Time	SEIFA	Socio-Economic Indexes for Areas
EMS	Eltham Men's Shed	SES	State Emergency Services
FOI	Freedom of Information	SIAP	Strategic Internal Audit Plan
GSF	Growing Suburbs Fund	UGB	Urban Growth Boundary
HACC PYP	Home and Community Care Program for Younger People	VAGO	Victorian Auditor-General's Office
IAP2	International Association of Public Participation	VCAL	Victorian Certificate of Applied Learning
IBAC	Independent Broad-based Anti-corruption Commission	VCAT	Victorian Civil and Administrative Tribunal
KRA	Key Result Area	VEC	Victorian Electoral Commission
L2P	Learner to Probationary (Learner Driver Mentor Program)	VET	Vocational Education and Training
LGBTI	Lesbian, Gay, Bisexual, Transgender, and Intersex	YPRL	Yarra Plenty Regional Library



Djirri Djirri Dance Group performing at the launch of the Arts and Cultural Plan

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