

**MORELAND
CITY
COUNCIL**
**ANNUAL
REPORT**
2015-2016



Moreland City Council





Blak Dot Gallery
in Brunswick



Welcome

Moreland City Council is committed to transparent reporting and accountability to the community. Our Annual Report 2015–16 is the primary way we communicate to our community about our operations and performance for the financial year.

Our *Council Plan 2013–17* is the guiding document for this Annual Report. The Council Plan describes our strategic objectives in four focus areas and the key initiatives to be implemented to achieve them.

The Annual Report provides an update on the highlights and achievements originating from this plan and addresses the challenges experienced throughout the year.

If you would like to view or order a copy of the Council Plan, you can visit our Citizens Service Centres or contact us on **(03) 9240 1111**. You can also view the Council Plan at any of our libraries or on our website at **moreland.vic.gov.au**.

We also welcome your feedback on this Annual Report. You can contact us on **(03) 9240 1111**, email us at **info@moreland.vic.gov.au** or write to us at Locked Bag 10, Moreland, Victoria 3058.



Citizens Service Centres

Open from 8.30 am to 5 pm.

Moreland Civic Centre
90 Bell Street, Coburg,
Victoria 3058

Brunswick Citizens Service Centre
233 Sydney Road,
Brunswick, Victoria 3056

Glenroy Citizens Service Centre
796N Pascoe Vale Road,
Glenroy, Victoria 3046

Moreland language link

有關摩爾蘭德市政廳
的詳情請致電

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Per informazioni sul Comune
di Moreland telefonare a

9280 1911

Για πληροφορίες σχετικά με το
Δήμο Moreland τηλεφωνήστε στο

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للحصول على معلومات عن بلدية مورلاند
اتصلوا على الرقم

9280 1913

Moreland Belediyesi hakkında bilgi
almak için aranabilecek telefon

9280 1914

Nếu muốn biết thêm chi tiết về Hội đồng
Thành phố Moreland, xin quý vị gọi số

9280 1915

मोरलैंड सिटी काउंसिल के बारे में जानकारी
प्राप्त करने के लिए फोन करें

9280 1918

要进一步了解Moreland
市政府的信息，请拨打

9280 0750

ਮੋਰਲੈਂਡ ਸਿਟੀ ਕੌਂਸਲ ਬਾਰੇ ਵਧੇਰੀ
ਜਾਣਕਾਰੀ ਲਈ ਫ਼ੋਨ ਕਰੋ

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All other languages

Including

Հայերեն

Croatian

Tagalog

Indonesia

Polski

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Español

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اردو

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Out and about at one of Moreland's
many community events held each year.



Contents



08	Mayor's Message
10	Chief Executive Officer's Report
12	Description of our Municipality
16	The Year in Review
16	› A year in the life of Moreland
20	› Challenges
22	Financial Overview
24	Service Delivery
28	Our Council
30	Our People
30	› Corporate Structure
32	› Council Staff
36	› Occupational health, safety and risk
38	Our Performance
38	› Council Plan 2013–2017
39	› Strategic Planning Framework
42	› Performance Monitor
48	› Performance Review
66	› Performance Statement
76	› Certification of the Performance Statement
77	› Independent Auditor's Report for Performance Statement
78	› Victorian Government Performance Indicators
87	› Governance and management checklist
92	Governance and Management
92	› Council meetings
94	Statutory Information
100	Financial Report
102	› A plain English guide to the Financial Report
160	› Independent Auditor's report for financial report
161	› Certification of the Financial Statements

Mayor's Message

2016 marks the final year of this Council's four-year term. We have been focussed on delivering key projects, such as progressing plans for the Oak Park Aquatic Centre redevelopment, while continuing to provide high-quality services to the community, such as maternal and child health and aged care services.

Our Council has been leading the way on action to combat climate change as our community begins to experience the impact of global warming and weather extremes. The Community Satisfaction Survey 2016 revealed our performance on environmental sustainability recorded a significant increase of five index points, placing it above the metropolitan average and significantly above the state-wide average.

In February 2016, Moreland's Solar Bulk Buy scheme – delivered through Positive Charge as part of *Council's Zero Carbon Evolution Strategy* – reached one megawatt of solar power installed in households across Moreland. We reduced corporate greenhouse gas emissions by 417 tonnes CO₂e, designed a stormwater harvesting system for Hosken Reserve in Fawkner in June 2016, and were awarded \$1,019,500 from the Melbourne Water's Living Rivers Program to implement WaterMap projects across the municipality.

We adopted the *Moreland Heat Island Effect Action Plan* and joined with the City of Melbourne – and other local governments cultural and educational institutions, and private-sector corporations – to launch a competitive tender to purchase large volumes of renewable energy through a group purchasing model in April 2016.

We continued to work with the State Government and advocate on behalf of our community so that their voices are heard and their needs met. Concerned about the social cost of problem gambling, Council adopted a five-year strategy, *Gambling in Moreland 2015–2020*, to reduce the damage of problem gambling on our community and joined the Alliance for Gambling Reform.

As the pressure for urban development continues, we have been focussed on trying to improve the quality of new dwellings for future residents, while ensuring neighbourhoods are sustainable and liveable. Council fought for mandatory height restrictions on development in Coburg and minimum

dwelling sizes for new apartments across the city, however, the State Government rejected our proposals.



We will continue to advocate for the community and Council to have more control of local development to ensure that we can better reflect the voices of residents as we plan for the future of the city.

This Council has also been focussed on creating and maintaining open spaces for our growing community to enjoy the great outdoors. In October 2015, we launched the Brunswick Skate and BMX Park. The drawcard for many at the newest park is the thrilling three-level bowl, the first of its kind in Australia. We also launched a new play space at Kingsford Smith Ulm Reserve. The park has picnic facilities and is conveniently linked to the Moonee Ponds Creek shared trail and provides stunning views across the valley.



**Mayor Councillor
Samantha Ratnam**

In partnership with Melbourne Water, we are constructing a wetland at the confluence of the Merri and Edgars Creek. The wetlands will provide a unique area for plants and animals – some which are rare and locally threatened – and treat and improve stormwater before it enters the Merri Creek, while providing a natural parkland for our community.

We've increased community safety through upgrades to our pedestrian walkways and shopping strips, with projects like the Dunnes Lane and Gaffney-Cumberland Street upgrades adding street lighting, new trees, wider walkways, and murals. We've also made it safer for our community to get to and from the Moreland Zebras home ground, with the State Government granting Moreland \$192,000 to light up De Chene Reserve.

Council continues to invest in sustainable transport options. We have continued to improve safety along the Upfield path with the lighting upgrade rollout as well as path widening in peak areas. We received VicTrack and Metro approval for the next extension of the Craigieburn Rail shared path and partnered with PTV to trial Bikes on Buses.



This Council has also been focussed on creating and maintaining open spaces for our growing community to enjoy the great outdoors.

We proudly opened the newly renovated Anne Sgro Children's Centre in late 2015. The significant renovations included a new kinder room for 28 children; refurbished nursery rooms, toddler room, kitchen, laundry and children's bathrooms; landscaped areas and outdoor learning space, shade sails, fences and footpaths.

Moreland is a great municipality that thrives because of its diversity and harmony. We continue to promote and foster our multiculturalism through festivals and celebrations.

As we face the future, we know that there are challenges on the horizon, however, I am confident that the work of this Council will help Moreland continue to grow and thrive for decades to come.

Mayor Cr Samantha Ratnam

Chief Executive Officer's Report

It is with great pride that I present Moreland City Council's 2015–16 Annual Report. Having completed my first full financial year as CEO, I am delighted to report that Moreland City Council has continued to deliver a strong financial and operational performance.

The introduction of the State Government's rate capping legislation from July 2016 will present councils with a range of financial challenges over the coming years. At Moreland, we have worked hard to comply with the new framework and live within our means, while still delivering quality services. A major challenge in the longer term will be maintaining civic assets and managing infrastructure growth to meet community expectation aligned with the *Moreland 2025 Community Vision*.

Changes to the *Local Government Act 1989* will also shape how Council governs in this new landscape. Council is engaged with the State Government's review, and will continue to contribute to the Municipal Association of Victoria's taskforce to ensure the reforms improve the way our local democracy functions.

Council continues to connect with our community to communicate the value of the essential services of local government. While 'roads, rates and rubbish' might be our bread and butter, Council does so much more to support the

everyday life of people in Moreland. While these services are less visible, they are just as important and in some cases life-changing.

In 2015–16, we delivered 155,216 meals to Moreland's older or disabled residents, immunised 15,038 Moreland residents, taught 3,618 of Moreland's kids how to swim and kept 13,360 of our furry community members safe through registration. We kept Moreland on the move by resurfacing 37 of our roads, and our LED streetlight rollout continues to make our streets safer and more sustainable, with 3,673 new lights installed this year. 31,023 kilometres of our streets were cleaned, with 30,425 tonnes of garbage and 16,419 tonnes of recycling collected.

Our operating expenses for the year totalled almost \$170.63 million, with an accounting surplus of \$22.42 million. Overall financial outcomes were in line with the *Five Year Financial Plan*, which outlines our medium-term blueprint for delivering services and maintaining assets.

We invested \$24.68 million into capital works in 2015–16. Of this, the largest share was invested in land and building assets, at \$6.34 million, with \$4.62 million invested in roads and car parks, and \$10.2 million invested in other infrastructure assets, including footpaths and cycle ways, drainage and bridges and other assets.



In 2015–16, we delivered 155,216 meals to Moreland's older or disabled residents, immunised 15,038 Moreland residents, taught 3,618 of Moreland's kids how to swim and kept 13,360 of our furry community members safe through registration.

We launched a new community space at 33 Saxon Street (\$170,000) and upgraded Anderson Road, Fawkner, as part of our Shopping Strip Renewal Program (\$437,500). Works on the Brunswick Cycling



**CEO Nerina
Di Lorenzo**

Club Pavilion were completed in December 2015 (\$900,000), with plans to upgrade the velodrome track and lighting in the 2016-17 financial year. We completed the Brunswick Skate and BMX Facility (\$500,000), which is attracting crowds from all over Melbourne.

We have worked hard to assess and reform internal operations with the common purpose to build a high-performing organisation that delivers Council's vision and improves life in Moreland.

I am confident that Moreland City Council will continue to shine through the challenges ahead, and would like to acknowledge the outstanding work of our 1,096 staff members, who consistently work so hard to make our City such a wonderful place to live, work and play.

CEO Nerina Di Lorenzo



We have worked hard to assess and reform internal operations with the common purpose to build a high-performing organisation that delivers Council's vision and improves life in Moreland.

In November 2015, Moreland Councillors voted in their new Mayor Cr Samantha Ratnam and Deputy Mayor Cr Lita Gillies. The organisation has worked hard to support the Mayor and her fellow Councillors in their pursuits concerning planning, sustainable transport and advocacy.

Description of our Municipality



Location

The City of Moreland is located between 4 and 14 kilometres north of central Melbourne and covers the inner and mid-northern suburbs of Brunswick, Brunswick East, Brunswick West, Pascoe Vale, Pascoe Vale South, Coburg, Coburg North, Hadfield, Fawkner, Glenroy, Oak Park and Gowanbrae. Small sections of Fitzroy North and Tullamarine are also part of Moreland.



Population

Our population remained steady at around 136,000 between 1996 and 2001. Since 2001, it has increased by approximately 27,500 or 20 per cent¹. In June 2015, our estimated resident population was 166,770.

Between 2011 and 2036 it is predicted we will see unprecedented population growth. The municipality is going to grow by 39 per cent – from a population of 154,245 in 2011 to 214,320 in 2036. The majority of the growth will occur by 2021 with the Brunswick Statistical Local Area predicted to become Moreland's most populous area, overtaking the Coburg Statistical Local Area.



Births

We have seen a dramatic increase in births, with more than 2,000 babies born in Moreland each year since 2005.

In this financial year, 2,694 babies were born in Moreland. This is a 16.7 per cent increase since the 2008–09 financial year, and a 41.6 per cent increase since 2000–01. This is approximately double the proportional increase for the total population.



We have seen a dramatic increase in births, with more than 2,000 babies born in Moreland each year since 2005.

¹ 2001 Census of Population and Housing, Australian Bureau of Statistics



**Debra and
Nazli from
Knight Mattingly
Coffee Roasters**



"Moreland ticks all the boxes – it is really well set up to support small and manufacturing businesses and is close to the city, but not too close. We're at home here and genuinely feel very comfortable."

Description of our Municipality (cont.)



Cultural diversity

Our city is a culturally and linguistically diverse municipality, with residents speaking approximately 140 different languages at home.

In 2011, more than one-third of residents were born overseas. Of those residents, 87 per cent were born in non-English-speaking countries.

The main countries of birth of residents, apart from Australia, represent the traditional migrant groups from Europe, including Italy, Greece and the United Kingdom, along with India, Lebanon, China and New Zealand.²

New arrivals are changing our cultural diversity and are now more likely to be born in India, China, Pakistan, Lebanon, Sri Lanka, the Philippines, Nepal and Iran.³



Age profile

Our age profile is broadly similar to that of the Greater Melbourne Area, with a median age of 35 years. However, we have a larger proportion of older residents compared to the Greater Melbourne Area.

There are smaller proportions of 5–14 year olds and 55–64 year olds relative to the Greater Melbourne Area. The number and proportion aged 35–54 years has increased substantially over the last decade and is now similar to the Greater Melbourne Area.⁴



Our age profile is broadly similar to that of the Greater Melbourne Area, with a median age of 35 years.



Education and occupation

The proportion of residents who have non-school qualifications has increased, with 47 per cent more residents in 2011 having completed a non-school qualification than in 2001.⁶

The proportion of managers and professionals has increased from 19 per cent in 1996 to 29 per cent in 2011, while the proportion of technicians and trades workers, labourers and sales workers has decreased.⁷



The proportion of residents who have non-school qualifications has increased

² 2011 Census of Population and Housing, Australian Bureau of Statistics

³ Department of Immigration and Border Protection Settlement database

⁴ 2011 Census of Population and Housing, Australian Bureau of Statistics

⁵ Department of Human Services, Life Expectancy Estimates

⁶ 2011 Census of Population and Housing, Australian Bureau of Statistics

⁷ 2011 Census of Population and Housing, Australian Bureau of Statistics



Life expectancy

The life expectancy of our residents is similar to the Victorian average and is increasing. Women live longer than males by approximately five years. The life expectancy of females born in Moreland between 2008 and 2010 is 84.2 years, compared to 78.7 years for males.



Local business and employment

Health care and social assistance businesses employ the largest number of people, with manufacturing falling into second place and retail trade coming in third.



Housing and families

In 2011, there were 63,302 private dwellings (including unoccupied dwellings), up from 59,231 in 2006.

The proportion of families with children decreased to 59 per cent of all household types in 2011, which is 4 per cent less than the Greater Melbourne Area.

The proportion of households comprised of couples without children has remained fairly stable over the past three Census periods, while the proportion of lone person households has increased. Moreland had 27 per cent lone person households in 2011, which is 4 per cent more than the Greater Melbourne Area.⁸



In 2011, there were 63,302 private dwellings (including unoccupied dwellings), up from 59,231 in 2006.



Housing stock

Sixty-five per cent of occupied private dwellings in Moreland are separate houses, which is significantly below the Greater Melbourne Area average of 73 per cent. This is due to the increase in flats, units, apartments and semi-detached dwellings. We have a significantly higher proportion of these dwellings (35 per cent) compared with the Greater Melbourne Area (27 per cent). Between 2006 and 2011, the number of private dwellings in Moreland increased by 4,071 to a total of 63,302.

Residential property prices have risen at a relatively fast rate over the past decade, especially between 2007 and 2010 and then again in 2014 and 2015.

Following the rapid rise in house and unit prices, the median price for both houses and units fell in 2011 and 2012. However, since 2012 house and unit prices have been steadily increasing. 2015 saw Moreland's highest recorded median house price achieved at \$690,000, while the median price for a unit increased to \$450,000 in 2015.⁹

⁸ 2011 Census of Population and Housing, Australian Bureau of Statistics

⁹ A Guide to Property Values, Department of Environment, Land, Water and Planning, 2015

The Year in Review

A year in the life of Moreland

2015

July

- › Construction starts on Morgan Court, Glenroy, for a November launch. The plaza will feature plenty of seating, trees and garden beds, and lighting to keep the space active at night. It will also play host to a range of small community events.
- › St Ambrose public space at 33 Saxon Street is complete, with a new garden, outdoor stage and access to Blak Dot Gallery.
- › Council's bi-annual Household Survey is underway to collect demographic data and information on resident behaviour, use of Council services and priorities for Council services and infrastructure.
- › Open space at Wilson Avenue launches in Brunswick.

August

- › Coburg North Village opens with Coles, a new community space available for hire and 155 local residents employed.
- › Consultation begins on industrial land in Moreland. The public is being consulted on a proposal to transition certain sites to commercial or residential zones, while keeping enough industrial land for new businesses in the future.
- › Council purchases McKay Street Park from VicRoads. The small park in Coburg is now officially on Council-owned land, after the site was bought from VicRoads for \$650,000 (+GST) plus costs. The McKay Street site has a playground and has been managed by Council since 1989.
- › Launch of *Moreland 2025 Community Vision*. Previously referred to as the *Community Plan*, it's a description of the city in which our community hopes to live, work and play. It contains the combined visions from over 1,500 Moreland citizens, plus representatives from 30 partner organisations, including Council.

September

- › Water-saving tree planting methods implemented by Council in Barrow Street, Brunswick, as part of a trial. Designed in conjunction with Melbourne University, this innovative approach will bring benefits to the health of the street trees and also improve the quality of stormwater runoff from the street by filtering it before it reaches Merri Creek.
- › Glenroy library gets a makeover for just over \$6,000 using remaining money from the 2014–15 Glenroy Place Activation budget and refurbished furniture lying dormant at the depot.
- › Activities start at the reopened East Coburg and Newlands Community Houses, including art workshops, ESL and Spanish classes, kids' activities, book club, dance and fitness classes, computer skills and more.
- › Extra heritage protection for Lygon Street's nineteenth-century, early industrial, modern and post-war buildings with the approval of Amendment C149, gazetted on 20 August.



Sydney Road
Street Party.

2016 »

October

- › Council launches our *Fossil Fuel Divestment Strategy* to partner with the non-fossil fuel aligned financial institutions.
- › Council launches its *Gambling in Moreland 2015-20: A Strategy to Reduce the Harm from Gambling*.
- › Wilson Avenue receives a commendation at the Australian Award for Urban Design.
- › The home of the Moreland Zebras gets a safety boost with the State Government granting Moreland \$192,000 to light-up De Chene Reserve, Coburg. Council contributes \$48,000, which will illuminate the car park, walking and cycling paths and the driveway from Urquhart Street.
- › Moreland opens its third skate park, the Brunswick Skate Park in Clifton Park, Brunswick West, and instantly draws crowds from across Melbourne.

November

- › Minister for Planning hands back responsibility for planning permit applications for Pentridge to Council as part of the gazettal of Amendment C123 (Activity Centre Zone for Coburg) in October.
- › Cr Samantha Ratnam voted in as Mayor and Cr Lita Gillies as Deputy Mayor.

December

- › The newly renovated Anne Sgro Children's Centre opens. The significant renovations include a new kinder room; refurbished nursery rooms, toddler room, kitchen, laundry and children's bathrooms; landscaped areas and outdoor learning space, shade sails, fences and footpaths.

The Year in Review



A year in the
life of Moreland

2016



January

- › Construction begins at the Gaffney–Cumberland shopping strip. This \$480,000 project includes wider footpaths, disabled car parking, new trees, planter beds, seats, bins and bicycle hoops. A public toilet will be installed on Gaffney Street in the 2016–17 financial year.



February

- › Council launches the Harold Stevens Athletics Track and Lighting Upgrade.
- › Fawkner PS Early Years Centre opens, providing 55 more children with access to early years' education. The centre cost \$1.1 million, of which the Department of Education and Early Childhood Development contributed \$650,000. Council funded the remaining amount.



March

- › Coburg Lake Reserve, Brearley Reserve, Campbell Reserve, West Street Shopping Strip, and CB Smith Reserve get new or updated loos.
- › Brentwood Kindergarten undergoes a major refurbishment, costing \$96,000, with the kindergarten contributing \$17,000 to the works. The renovations include a refurbished staff room, office and children's bathroom, and a new unisex accessible toilet and storage room.
- › Brunswick's Temple Park Senior Citizens Centre gets a new roof as part of renovations totalling \$190,000.
- › The Fawkner Early Years Centre is officially launched by the Mayor and Frank McGuire MP on 16 February.



Carols by the Lake.

2016 »

April

- › Council's Solar Bulk Buy reaches 1 megawatt.
- › The Dunnes Lane, Coburg, upgrade begins, a key project for the Sydney Road streetscape upgrade to improve pedestrian accessibility and appearance. The project budget is \$200,000.
- › New website search functions 'In my area' and 'Find a park' go live.

May 2016

- › Council launches its *Disability Access and Inclusion Plan 2016–20* to build an inclusive community where people with disability, their families and carers are able to fulfil their potential as equal citizens.
- › Siteworks at Saxon Street opens. The Council-owned, nineteenth-century residential home and stable and school is being repurposed to provide a low-cost, community-accessible facility.
- › Council celebrates Reconciliation Week by officially launching the Bababi Djinanang grasslands and the new interpretive signage. This grassland forms part of an innovative system of Wurundjeri names for native grasslands along Merri Creek as making up parts of the mother's body.

June 2016

- › Council launches its *Urban Heat Island Effect Action Plan* to reduce harm to our citizens and assets caused by this phenomenon where the urban area is considerably warmer compared to surrounding rural areas.
- › Council implements our DDA Compliance Project as part of the 2015–16 Capital Works Program, with \$50,000 allocated for community accessibility improvements.
- › Council supports the Lighthouse Foundation to run its Live in Care Program for young Mothers and Babies program from a brand new facility in Merlynston.
- › Council launches its *Early Years Strategy 2016–20* to improve the wellbeing of children aged 0–12 years living, studying and playing in Moreland.

The Year in Review



Challenges

Rate capping

Council plans to work within the new rate cap introduced by the state government in the 2016–17 financial year in its *Five Year Financial Plan*.

Moreland is framing a long-term financial plan to ensure that services continue to be delivered to the community and our city infrastructure maintained. Council has already determined to maintain employee wage growth in line with inflation and increases in similar industries. Moreland is also updating its infrastructure and benefiting from the reduced costs of LED street lighting and other energy efficiency measures introduced at Council buildings. Council made a submission to the *Parliamentary Inquiry into State Government Policy* to cap local government rates, detailing its concerns about the longer term impact of the local government rate cap.

Changes to Home and Community Care

Council provides Home and Community Care (HACC) services to more than 4,000 residents, including domestic assistance, respite care, personal care, Meals on Wheels, planned activity groups and property maintenance.

New Commonwealth Home Support guidelines were introduced in 2015 to support the transition of the HACC program to the Commonwealth Home Support Program (over 65s) and the Home and Community Care Younger Persons Program (under 65s). Council is required to work within the new guidelines as a provider of these services.

With the introduction of the National Disability Insurance Scheme scheduled for Moreland in 2018, Council will use the next 18 months to consider the needs of the community and carefully plan the most appropriate role Council can play in the future.

High-density development in Moreland

Council is committed to managing the appropriate development in Moreland that reflects the needs and wants of our community.

Council has developed the Moreland Apartment Design Code (Amendment C142), which is the first of its kind in Victoria and introduces minimum sizes for dwellings and balconies, and minimum standards for natural light and ventilation. Council worked with the community to develop this award-winning code. The Victorian Minister for Planning, Richard Wynne, did not approve the Code. Council will continue to use C142 and the new Better Apartments Design Standards (draft form as of August 2016) to negotiate good development outcomes with developers.

The Planning Minister also announced his changes to the Coburg Activity Zone (Amendment C123) in September 2015, which Council presented to the state government in December 2014. Council has been consulting with the community to develop a planning scheme for more than a decade that will see appropriate development in Coburg. The Minister did not grant the mandatory height limits Council requested, but did endorse Council's plan for mid-level development between six and ten stories.



One community,
proudly diverse.

Pentridge development site

In 2016, Moreland become the responsible authority for the Pentridge development site.

The Victorian Minister for Planning has had carriage of Pentridge for nearly 20 years and handed the site back to Council with a fully articulated and endorsed master plan for future development.

Moreland's challenge is to integrate that master plan while making it consistent with the Coburg Structure Plan and the broader objectives of the Coburg activity area. There are also many issues regarding heritage aspects of the former prison site.

Council's challenge has also been to address and honour community issues for a site with an already approved master plan.

Managing Capital Works

Council continues to face the challenge of balancing investment in new infrastructure to support a growing population and the need to maintain its existing assets.

The long-term economic importance of asset renewal is a key component of Council's budget considerations, having increased Capital Works expenditure by 5 per cent again in 2015-16 in order to achieve sustainable asset renewal targets. This challenge will only become more difficult as Council now enters the rate capped environment.

Construction management

Moreland is in the midst of the largest and fastest population growth it has ever experienced.

This increase in active construction management sites – especially larger construction sites – and the subsequent reported issues relating to these sites is putting great strain on Council's resources. Council has already made a number of changes to address this issue, and is currently reviewing its practices to address this issue better in the future. This comprehensive review includes benchmarking with other Councils that manage construction well, and is aimed to provide recommendations on how Council can minimise the impact of construction activities on our community.

Financial Overview

The 'Financial Report' section in this report includes the comprehensive financial statements prepared in accordance with relevant accounting standards and legislative requirements. These statements are detailed and, as such, some stakeholders and community members may find them difficult to interpret. This overview aims to simplify the pertinent information regarding our financial performance for the year.

Five Year Financial Plan

Council is guided by the principles of the *Five Year Financial Plan* for the period 2014–15 to 2018–19. This plan is not intended to be static and is reviewed annually as part of our planning process and updated to reflect changing circumstances.

The aim of the *Five Year Financial Plan* is to ensure that we are able to undertake our strategic and governance role and to maintain and repair our infrastructure assets at the level expected by the community, while continuing to deliver essential services.

Operating income – where did the money come from?

Total income for the year was \$193 million. There was an overall increase in income of \$7.4 million (or 4 per cent) compared to that of 2014–15, primarily due to increased rates and charges, which also makes up the majority of income with \$130.9 million.

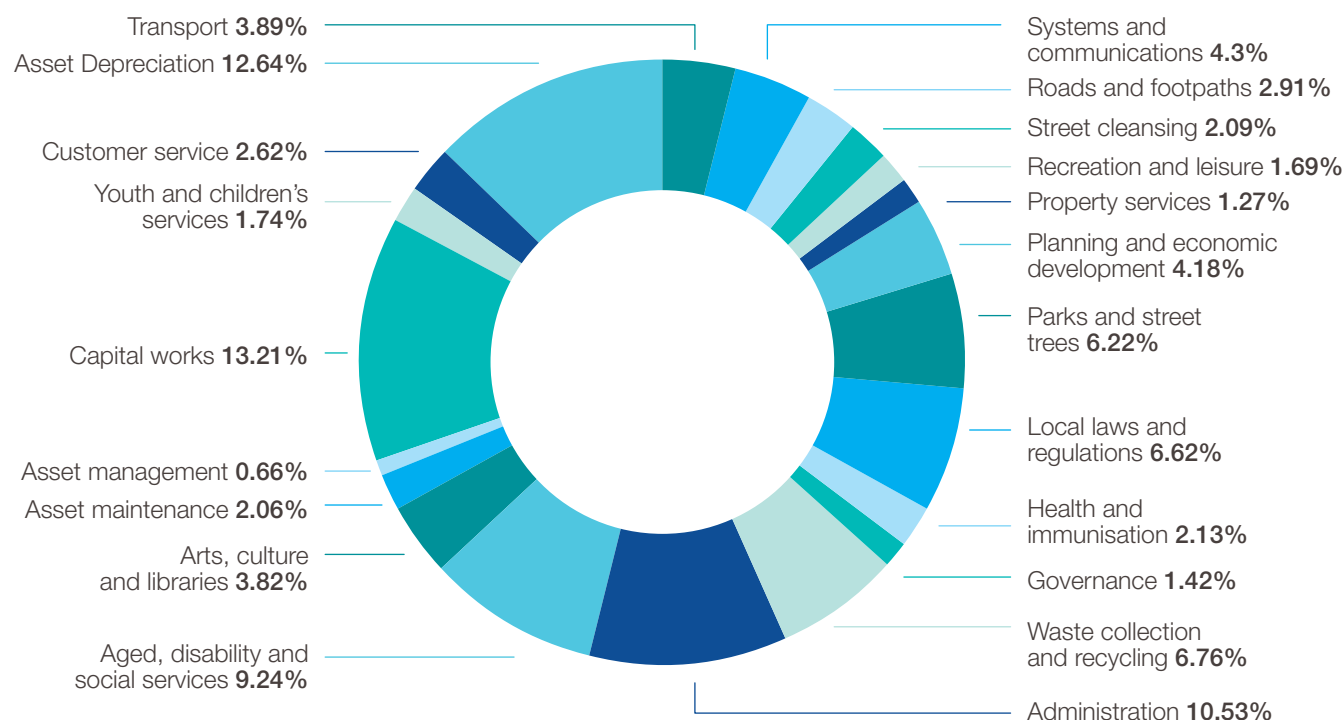
Other major sources of income include government grants of \$15.2 million (or 7.9 per cent of total income) and user charges and other fines of \$17.7 million (or 9.2 per cent of total income).

Operating expenses – how was the money spent?

Total operating expenses for the year were \$170.5 million. Overall expenses increased in the year by approximately \$18.9 million, which is primarily due to the higher cost of materials and services used and employee costs. The majority of total expenses consist of employee costs of \$75.8 million and contract payments, materials and services of \$59 million.

We are reporting an accounting surplus of \$22.5 million for the financial year. It is, however, important to note that this accounting profit includes items that are either one-off or committed for capital expenditure in future years.

Operating expenditure profile for 2015-16



Capital expenses

Total completed capital expenditure for the year was \$24.680 million with another \$11.2 million in works in progress. We continue to address our capital works program across a wide range of projects, with the total capital spend being \$1.050 million above the depreciation for the year.

Major capital works by asset class delivered in 2015-16 include:



Asset class	\$ amount
Roads and car parks	\$6,301,876
Parks and reserves	\$3,137,177
Climate change	\$3,137,116
General Buildings	\$2,718,909
Early years facilities	\$2,469,911
Footpath and bikepaths	\$2,197,154
Transport management	\$1,958,791
Coburg 2020	\$1,782,861
Council fleet	\$1,675,065
Central Glenroy	\$1,401,425
Aquatic and leisure centres	\$1,103,542
Library collection	\$974,654
Public open space	\$939,430
Pavilion and Sports Clubs	\$854,616
Land assets	\$721,449
Information technology	\$656,243
Drainage	\$618,446

Service Delivery

We are responsible for a wide range of services from waste management, delivering meals and supporting people in their homes to issuing planning permits, registering animals and cleaning streets.

These services and infrastructure support the wellbeing and prosperity of our community. For more information on our achievements to improve infrastructure and increase delivery of these services, and on the challenges we faced, refer to the 'Our Performance' section in this report.

Awards and citations

- › **Bev Watson** – School Crossing Supervisor at Pascoe Vale North Primary School – Victorian School Crossing Supervisor of the Year, Region 1
- › **Wilson Avenue, PIA National Planning Awards 2015** – Best Planning Ideas Award – Small Project – Commendation
- › **Wilson Avenue, Commendation for National Urban Design Awards 2015** – Delivered outcome – small scale
- › **Aquatic Recreation Victoria Annual Awards** – Marketing and Communications – Winner
- › **Aquatic Recreation Victoria Annual Awards** – Facility of the Year, Brunswick Baths – Finalist
- › **Aquatic Recreation Victoria Annual Awards** – Seasonal Facility of the Year, Coburg Olympic Swimming Pool – Finalist
- › **Aquatic Recreation Victoria Annual Awards** – Watch Around Water, Coburg Leisure Centre – Finalist
- › **Sport, Recreation and Play Innovation** – Active Moreland Week-Long Expo and Get Active Program – Finalist

Community satisfaction

We are committed to building and maintaining a vibrant and liveable city.

Every year we participate in a survey of local government services administered by the Department of Environment, Land, Water and Planning. The survey aims to provide data so individual Councils can track the views of their residents over time. Twenty Council services were surveyed in 2016.

The score for our overall performance was 84 per cent, which is very similar to the 2015 result of 83 per cent. We scored above 90 per cent for family support services, elderly support services and recreational facilities. For appearance of public spaces we scored 86 per cent.

Our lowest scores were for planning and building permits at 62 per cent, planning for population growth in the area at 64 per cent and general town planning policy at 70 per cent.

Results from Council's bi-annual Community Indicators Survey 2014 show continuing high levels of perceived community wellbeing, with the vast majority – 95 per cent – of our residents considering their local area a good place to live.

As in previous years, a very high 91 per cent agreed that Moreland is a good place to raise a family. Eighty-nine per cent agreed that they were able to access a variety of recreation facilities and leisure activities, while 87 per cent of respondents agreed with the statement "You can get to know your neighbours".



Ninety-one per cent of residents agreed with the statement "Cultural diversity enriches local community life" and 90 per cent believed that people from different ethnic backgrounds are made welcome in their neighbourhoods.

Only half of our residents agree that Moreland is an affordable place to live, dropping from 68 per cent in 2005 and 50 per cent in 2014.



This table provides the quantities of a selection of key services we provide to our residents.



1,976

Planning permit applications received **(a new record)**



155,216

Number of meals delivered



31,023 kms

Streets cleaned



1,236,561

Library loans



17,186

Kids at storytime, rhyme time and toddler time



5,040

Street trees planted



115,396

Attendance at Active Moreland water safety and learn to swim programs



69,951

Visitors to our three outdoor season pools



13,360

Dogs and cats registered



915,623

Total attendance at Active Moreland facilities



7,056

Active Moreland members



30,425

Tonnes of garbage collected



16,419

Tonnes of recycling collected



8,598

Tonnes of green waste collected



2,670

Tonnes of garbage collected in hard waste



3,673

LED streetlights installed



731,325

Visitors to our libraries



14,000

Trees planted at community planting days





**Phillip's Mens
Hairstylist**

MERLYNSTON

Our Council

Eleven Councillors represented our community in 2015–16. These Councillors are elected from three wards across our municipality: North–West Ward, North–East Ward and South Ward.



South Ward

- › Councillor Lambros Tapinos
- › Mayor and Councillor Samantha Ratnam
- › Councillor Meghan Hopper



North–East Ward

- › Councillor Michael Teti
- › Councillor Sue Bolton
- › Councillor Lenka Thompson
- › Councillor Rob Thompson



North–West Ward

- › Councillor John Kavanagh
- › Deputy Mayor and Councillor Lita Gillies
- › Councillor Helen Davidson
- › Councillor Oscar Yildiz JP

Councillors

Our Councillors are elected by Moreland residents every four years and provide an important link between the community and Council. The last election was in 2012 and the next election is in 2016.

Councillors elect the Mayor annually. In addition to representing the interests of their wards, some Councillors have responsibility for particular issues and are members of our two major committees – the Urban Planning Committee and Audit and Risk Management Committee.

Mayor and Councillor Samantha Ratnam

**Elected Mayor in 2015–16 and
elected to Council in 2012.**

Councillor Responsible for Social
Diversity, Multiculturalism and
Reconciliation, and Youth.
Member of the Audit and Risk
Management Committee.

P (03) 9018 5324
M 0433 275 434
E sratnam@moreland.vic.gov.au

Cr Helen Davidson

**Elected Deputy Mayor in 2014
and elected to Council in 2012.**

Councillor Responsible for
Urban Planning. Chair of the
Urban Planning Committee.

P (03) 9018 5308
M 0403 709 948
E hdauidson@moreland.vic.gov.au

Cr Lambros Tapinos

**Elected Mayor in 2008–09
and 2013–14 and elected to
Council in 2008 and 2012.**

Councillor Responsible for
Economic Development. Member
of the Urban Planning Committee.

P (03) 9018 5265
M 0433 419 075
E ltapinos@moreland.vic.gov.au

Cr Meghan Hopper

**Elected Deputy Mayor in 2013–14,
elected Mayor in 2014–15 and
elected to Council in 2012.**

Councillor Responsible for
Status of Women, and Arts
and Culture. Member of the
Urban Planning Committee.

M 0409 694 937
E mhopper@moreland.vic.gov.au

Cr Sue Bolton

Elected to Council in 2012.

Councillor Responsible for
Accessible and Affordable Housing.

P (03) 9018 5246
M 0417 583 664
E sbolton@moreland.vic.gov.au

Cr Michael Teti

**Elected Deputy Mayor in
2011–12 and elected to
Council 2008 and 2012.**

Member of the Urban Planning
Committee (until October 2014).

P (03) 9018 5296
M 0435 105 368
E mteti@moreland.vic.gov.au

Cr Lenka Thompson

**Elected to Council January
2012 (via countback) and
October 2012.**

Councillor Responsible for
Sustainability, Transport, Climate
Change and Water. Member
of the Urban Planning Committee.

P (03) 9018 5261
M 0417 353 020
E lthompson@moreland.vic.gov.au

Cr Rob Thompson

Elected to Council in 2012.

Councillor Responsible for
Children, City Infrastructure,
Governance and Local Laws/Building
Amenity (Council Facilities), Finance
and Service Improvement. Member
of the Urban Planning Committee
and Member of the Audit and Risk
Management Committee.

P (03) 9018 5310
M 0409 760 436
E rthompson@moreland.vic.gov.au

Cr John Kavanagh

**Elected Mayor in 2011–12
and elected to Council in
2004, 2008 and 2012.**

Councillor Responsible for Aged
Services, Recreation and Leisure/
Facilities and Major Events. Member
of the Urban Planning Committee
and Audit and Risk Management
Committee.

P (03) 9018 5257
M 0427 550 935
E jkavanagh@moreland.vic.gov.au

Cr Oscar Yildiz JP

**Elected Mayor in 2010–11
and 2012–13 and elected to
Council in 2008 and 2012.**

Councillor Responsible for
Recreation and Leisure/Facilities
and Major Events, and Youth.

P (03) 9018 5263
M 0413 850 357
E oyildiz@moreland.vic.gov.au

Deputy Mayor and Councillor Lita Gillies

**Elected Deputy Mayor in
2012–13 and 2015–16 and
elected to Council in 2012.**

Member of the Urban
Planning Committee.

P (03) 9018 5249
M 0418 213 777
E lgillies@moreland.vic.gov.au

Our People } Corporate Structure

Chief Executive Officer Nerina Di Lorenzo

Nerina Di Lorenzo commenced as our Chief Executive Officer at the end of January 2015.

Nerina is a highly qualified local government executive, holding both a Bachelor of Engineering and a Bachelor of Business Administration. Her prior experience includes roles such as Director of Infrastructure at Wyndham City Council and Director of City Infrastructure at Moreland City Council. Nerina has over 14 years' professional experience at Darebin and Moreland City Councils, where she has left a record of strong achievement.

Nerina grew up and was educated in Moreland.



Nerina has over 14 years professional experience at Darebin and Moreland City Councils, where she has left a record of strong achievement.

Chief Executive Officer Nerina Di Lorenzo

Director City Infrastructure Grant Thorne

Manager Amenity and Compliance Olivia Wright

Manager Capital Works Delivery Greg Gale

Manager Open Space and Street Cleansing Andrew Dodd

Manager Roads, Fleet and Waste Boyd Clare

Manager Strategic Transport Lee Dowler

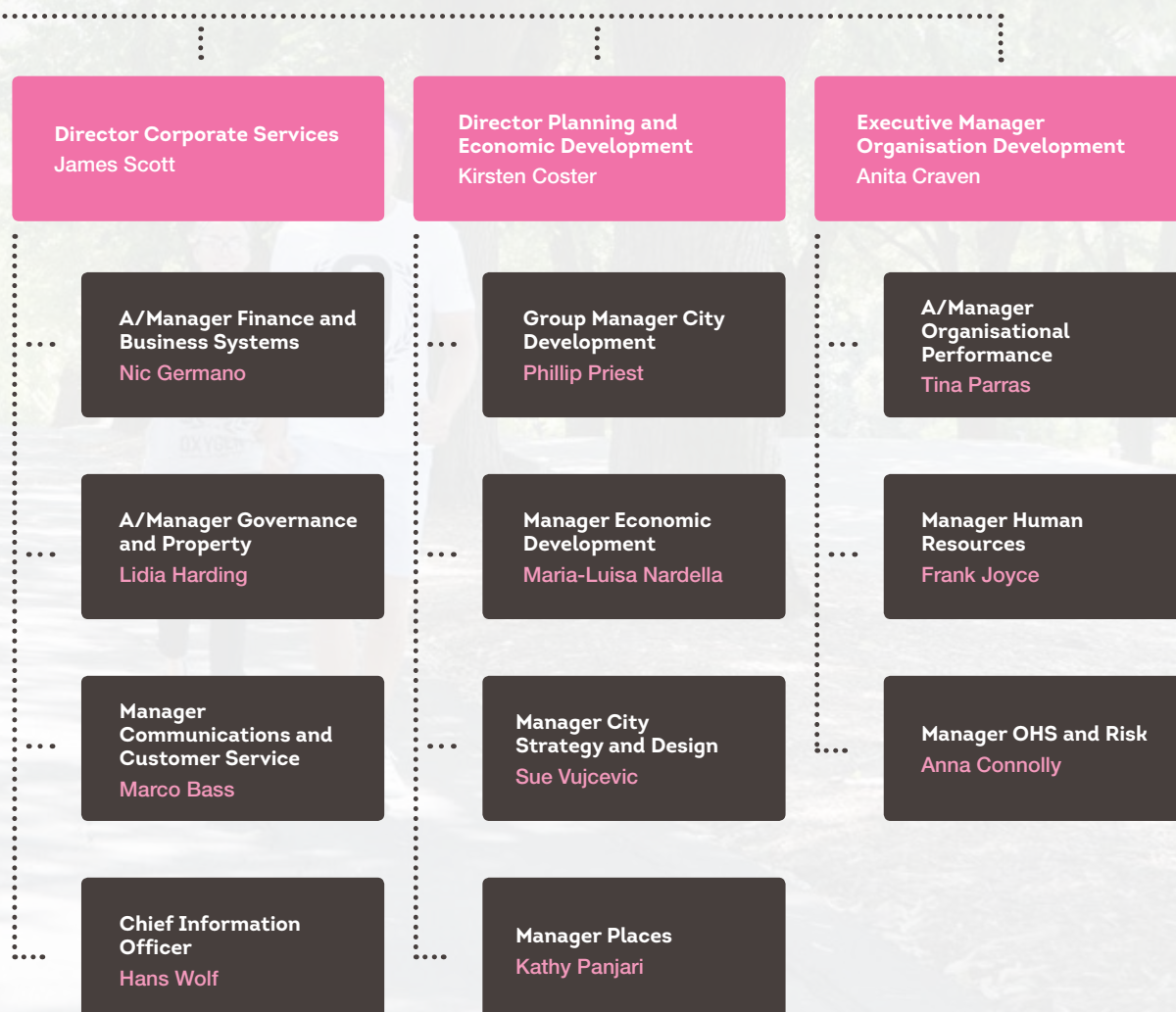
Director Social Development Arden Joseph

Manager Cultural Development Genimaree Panozzo

Manager Youth and Leisure Kristen Cherry

Manager Social Policy and Early Years Barry Hahn

Manager Aged, Disability and Emergency Relief Samantha Sharp



Our People



Council Staff

Indigenous employment

We are committed to increasing employment opportunities for Indigenous residents in Moreland and adjacent areas through a dedicated Indigenous traineeship program.

This financial year, one trainee successfully completed her traineeship and has since gained employment in a part-time position within our Operations Centre Administration team. We also had two full-time trainees start in our Youth Services and Operations Centre Administration teams. They are both completing a 12-month traineeship and are likely to finish their training in early 2017.

Inclusive employment

Council broadened our Work Experience Program to increase options for secondary and tertiary students, community-based placements and non-structured work experience.

Over the year, work experience has been provided for secondary and tertiary school students, graduates and people with a disability.

We run numerous traineeships in home and community care, road maintenance, parks, fleet

Department	Headcount
Chief Executive Officer Group	4
City Infrastructure	313
Corporate Services	130
Organisation Development	23
Planning & Economic Development	104
Social Development	492
Total	1,066
Full time	532
Part time	420
Casual	114
Male	393
Female	673

mechanics, administration and business, with a number of trainees offered ongoing employment after obtaining their qualification.

We provide employees with flexible work arrangements to support them in achieving a work-life balance while maintaining employment. These arrangements include supporting employees who are carers, seeking phased retirement, have young children, have a disability, have health issues or are studying.

We also provide additional support to employees who experience family violence, including paid leave and flexible work arrangements.

All employees have access to the Employee Assistance Program for counselling and advice.

Workplace relations

The Moreland City Council Enterprise Agreement 2015 came into effect on 30 October 2016 and will operate until 30 June 2018.

The Agreement was negotiated over a six-month period without any industrial action.

In May 2016, there was unprotected industrial action relating to a dispute. This dispute was resolved in one day. Council's Joint Consultative Committee, which comprises a number of workplace and management representatives, remains in place to facilitate discussion and consultation between Council and the unions on matters arising out of the Enterprise Agreement.

Council's Employee Policies and our Employee Code of Conduct were updated to reflect changes in the Enterprise Agreement. A number of minor restructures were implemented during the year and resulted in the creation of the Organisation Development Department and the revised branch of Communications and Customer Service.

Building our internal capability

In 2015-16, the focus has continued on leadership, learning and culture. Leadership development is key in supporting managers to build high-performing teams.

Managers have participated in a range of programs designed to increase capability in coaching, leadership and influencing. The outcomes of these programs have provided managers with the tools and skills to increase confidence in their teams.

Managers have also been supported in the areas of corporate research, business improvement and service planning to create high-performing teams and deliver services to the Moreland community.

Category	Courses Run	Attendees (Instances)
Occupational Health and Safety	31	384
Leadership and Management	22	276
Business and Workplace Effectiveness (including diversity and social awareness)	43	398
Lifestyle, Wellbeing and Self Development	7	72
Compliance (face-to-face)	18	247
Compliance (online)	8	486
Other online training	14	33
Systems training	38	154
Total	181	2,050

Research was used to actively support service planning, provide guidance for policy development and informed service improvement initiatives. This resulted in an increase to productivity through targeted reviews. More specifically, Moreland population data has been available to support evidence-based decision-making across the organisation.

Learning and development e-Learning

We continue to use a web-based e-learning system to deliver compliance, induction and personal development training online, with over 400 different courses in our course library.

Corporate Training Program

We are committed to investing in our staff through development and training opportunities and recognise that building internal capacity of staff contributes to improving the performance of the organisation.

Otto and Spike



“The support from Moreland Council has been huge to us – that’s why we stick around.”





Our People



Occupational health, safety and risk

Occupational Health and Safety (OHS)

We are committed to providing a safe, productive workplace that enhances the quality of working life and our ability to provide quality services to the community.

We ensure that all employees, contractors and visitors to our workplaces understand and comply with our *OHS Policy* and cooperate with any actions taken by us to comply with relevant legislation. To achieve this, we strive to fully integrate health and safety into all aspects of our activities and ensure our safety management system provides a preventative and systematic approach to OHS.

Our *OHS Strategic Plan July 2014–June 2017* focuses on complying with legislation as well as continually improving our OHS management system. The plan has six strategic objectives to be actioned over a three-year period.

OHS training 2015–16

Actions undertaken during this financial year include:

- › 22 units participated in the SafetyMAP recertification Audit, with all units across Council now SafetyMAP accredited
- › continuing to raise awareness on the importance of OHS and incident reporting throughout the organisation

Course	Courses run	Attendees (instances)
Asbestos Awareness	1	20
Confined Spaces Training	1	17
Contractor Management Training	2	19
CPR Training	1	11
Critical Incident and Debriefing Training	2	18
Dangerous Goods and Hazardous Substances	1	16
Fire Warden Training	2	30
First Aid Refresher Training	1	6
HSR Refresher Training	1	13
JSA/Risk Assessment, Incident Reporting and Investigations	1	8
Manual Handling	1	9
Occupational Violence Prevention Training	4	55
Office Health/Ergonomics Seminar	1	14
OHS, Risk and Injury Management Training Managers/Supervisor	2	29
Plant Safety Training	1	13
Risk Management Workshop	1	18
SMART Defensive Driver Training	2	24
Sunsmart Awareness Session	2	25
Task Specific Manual Handling	2	16
Traffic Management and Traffic Control	2	23
Total	31	384

- › continuing to effectively operate Council's consultation processes with OHS committees and representatives meeting regularly and working together to achieve outcomes, and
- › continuing to work with high-risk areas to undertake risk assessments, mitigate risks and identify areas for improvement, specifically through a targeted manual handling program.

Our *OHS Policy* recognises our duties and responsibilities under the *Occupational Health and Safety Act 2004* and associated legislation, and accepts accountability for the management of OHS program management and the resolution of health and safety issues.

Our primary workplace safety objective is to eliminate risks to health and safety so far as is reasonably practicable and, if it is not reasonably practicable to eliminate risks to health and safety, to reduce those risks so far as is reasonably practicable.

MoreCare – injury management

Council takes the safety, health and wellbeing of our employees seriously.

All claims where an employee is injured at work are actively managed to ensure, as far as practicable, an early and safe return to work. There were 541 incidents reported during this financial year. The incident report breakdown this year is 220 injuries,

188 near misses, 70 motor vehicle incidents, 31 plant and equipment incidents and 32 hazards.

We continue to provide a range of programs to prevent injuries and, if an injury is sustained, to assist employees with their return to pre-injury work and life as soon as possible. Ongoing programs include the Early Intervention Program, Manual Handling Task Specific training, ergonomic assessments, a targeted Health and Wellbeing Program, an active Occupational Violence Committee, as well as continuing to offer a range of unit-specific targeted training.

Injury management results

Incidents reported (including injuries)	541
Injuries reported	220
Claims	21
Average claim cost	\$43,696
Days lost	824
Employees returned to work*	19
Staff who did not return to work*	2

* For return to work information, only time lost claims have been included.

MoreHealth – employee health and wellbeing

Our Health and Wellbeing Program is designed to support employees to manage their own health and wellbeing through education.

During the year, 641 employees participated in workstation ergonomic sweeps, hearing tests, bone density testing, blood pressure tests, a QUIT Smoking program and a range of physical activity sessions at Coburg Leisure Centre, as well as lunchtime seminars covering topics such as nutrition, emotional wellbeing, stress, breast health and office ergonomics.

Risk management

Risk management continues to be a strong focus at Council. Risk has been integrated into our business planning and also continually reinforced through projects and procurement.

We regularly review the Service Unit Risk Registers and review and update the Corporate Risk Register every six months, to identify high and extreme risks and establish treatment plans and monitor those risks. In the year ahead, a strong focus will be on enhancing and aligning Council's Strategic Risk Register.

Our Performance



Council Plan 2013–17

At a special Council meeting on 24 June 2013, Council endorsed the *Council Plan 2013–17*, including the *Five Year Financial Plan*.

Purpose

Council exists to care for and meet the changing needs of our community in a sustainable way. The Council Plan describes our strategic objectives in five themes and the key initiatives to be implemented to achieve them.

Vision

By 2017, a sustainable Moreland will have a more resilient community; more attractive, accessible and safe places; a stronger local economy and services that meet the needs of our growing community.



Council exists to care for and meet the changing needs of our community in a sustainable way.

Values: How We Work

Customers and Community First

We acknowledge our main purpose is to work with our community and customers.

Respect

I will support and value others.

Personal Accountability

I take pride in my work and am responsible for doing it well.

Integrity

I will do what I say.

One Team

We will work within and across the organisation to achieve community outcomes.

Strategic Planning Framework

Our Strategic Planning Framework provides an overview of the plans and programs that drive our service delivery, projects and resource allocation. The Council Plan is a four-year strategic plan that outlines our contribution to the *Moreland 2025 Community Vision*.

Council Plan five themes



Moreland's
Places and
Spaces



Environmentally
Sustainable
Moreland



Moreland's
People



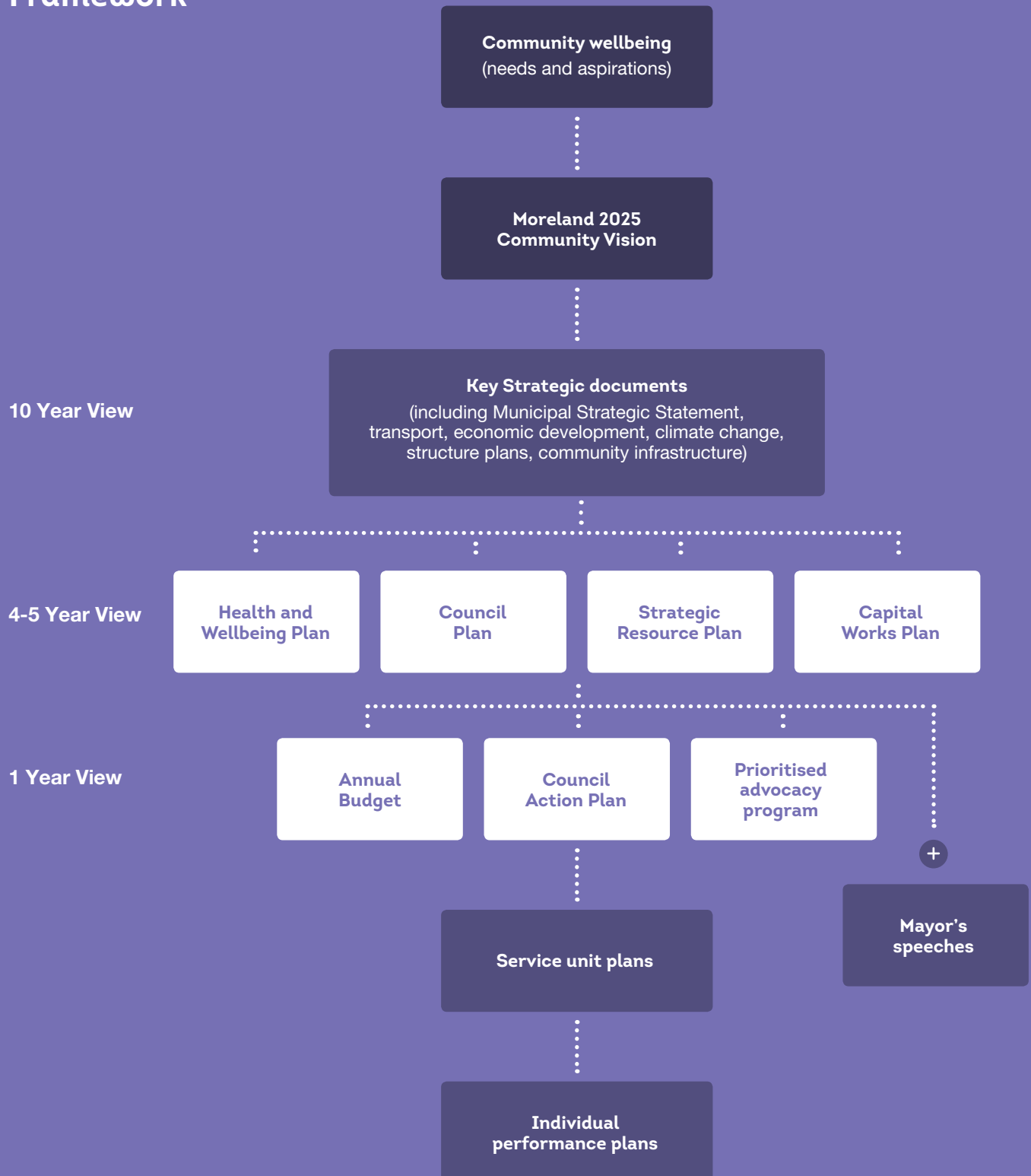
Moreland's
Sustainable
Economy



Civic
Leadership



Strategic Planning Framework







Sydney Road,
Coburg.

Performance Monitor

The Performance Monitor provides a summary of our progress under the Council Plan's three priority themes and the relevant outcomes for each theme.

Moreland's People

Measure	2014-15	2015-16	Source
Outcome 1: Moreland community members are mentally and physically healthy and active (Healthy)			
Proportion of respondents satisfied with Council performance in the area of recreational facilities	92%	93%	LGV satisfaction with local government survey
Immunisation rates per capita (for children aged 60–63 months)	94%	93%	Maternal and Child Health service records
Early years participation rate in kindergarten	88.4%	92.3%	Department of Education and Training
Attendance at aquatic and leisure facilities and Council-owned sports facilities – recreation services	10,688	11,209	Recreation Services service records
Attendance at aquatic and leisure facilities and Council-owned sports facilities – contracted services	881,367	915,622	Recreation Services service records
Outcome 2: Moreland community members feel connected to others and have access to the necessary services (Connected)			
Proportion of respondents satisfied with Council performance in the area of family support services	95%	95%	LGV satisfaction with local government survey
Proportion of respondents satisfied with Council performance in the area of elderly support services	89%	91%	LGV satisfaction with local government survey
Rate the performance for access to Council provided services	94%	93%	LGV satisfaction with local government survey
Council's services help you feel more connected to your community	64%	Not available	Moreland Community Indicators Survey (held every two years)
Outcome 3: Moreland community feels safe and is safe			
Proportion of respondents agree "Your area is a safe place to live during the day"	91%	Not available	Moreland Community Indicators Survey (held every two years)
Proportion of respondents agree "Your area is a safe place to live at night"	77%	Not available	Moreland Community Indicators Survey (held every two years)

Measure	2014-15	2015-16	Source
Outcome 4: Moreland community has access to affordable housing (Housed)			
Proportion of advocacy program items relating to affordable housing achieved	100%	100%	Program reporting
Outcome 5: The human rights of Moreland's diverse community are upheld			
Number of human rights complaints against Council	Nil	Nil	Governance records
Rate the performance of Council supporting the diversity of the Moreland community	91%	93%	LGV satisfaction with local government survey



Performance Monitor

Moreland's Places and Spaces



Measure	2014-15	2015-16	Source
Outcome 6: People have access to local places, spaces and public transport (Accessible)			
Proportion of residences within 500m of a park	99.31%	99.32%	GIS report
Rate the performance of access to Council facilities	95%	94%	LGV satisfaction with local government survey
Proportion of respondents agree "You can access a variety of recreation facilities and leisure activities in your local community"	89%	Not available	Moreland Community Indicators Survey (held every two years)
Outcome 7: People can access a variety of mobility options (Getting around)			
Proportion of respondents satisfied with Council performance in the area of local roads	78%	77%	LGV satisfaction with local government survey
Proportion of respondents satisfied with Council performance in the area of local footpaths	73%	75%	LGV satisfaction with local government survey
On road bike paths (formal and informal) (metres per capita)	0.42	0.42	Capital Works Program records
Off-road shared paths (metres per capita)	0.4	0.39*	Capital Works Program records
Proportion of advocacy items relating to public transport achieved	50%	100%	Council report
Outcome 8: Attractive and well maintained built environment, streetscapes and landscapes (Looking good)			
Proportion of respondents satisfied with Council performance in the area of appearance of public areas	88%	86%	LGV satisfaction with local government survey
Proportion of respondents agree "There are good parks and open areas in your neighbourhood"	85%	Not available	Moreland Community Indicators Survey (held every two years)
Ministerial approval of planning scheme amendments that implement Council structure plans	Awaiting Ministerial approval of Amendment C123 (Coburg) and C134 (Brunswick). Both amendments adopted by Council in 2014-15	Not available	Victorian government gazette

* There has actually been an increase to kms of off-road shared paths, but this figure is in relation to our increasing population so appears to decrease.

Measure	2014-15	2015-16	Source
Outcome 9: Cultural and artistic focus of the City of Moreland continues to thrive			
Proportion of respondents agree "You can access a variety of arts and cultural opportunities in your local community"	81%	Not available	Moreland Community Indicators Survey (held every two years)
Performances and other cultural activities at Mechanics Institute Performance Arts Centre (MIPAC)	331	440	Performing Arts Moreland report and Metanoia records for Mechanics Institute
Visits to MIPAC	10,103	11,346	Performing Arts Moreland report and Metanoia records for Mechanics Institute
Outcome 10: The historical places of the City of Moreland continue to be enhanced			
Identified heritage sites and places retained	Amendment C149 protects a number of heritage precincts, serial listings and places in Lygon Street, Brunswick. Adopted by Council and lodged with Minister for approval.	<ol style="list-style-type: none"> 1. Heritage Gaps Study: Investigation of 10 new precincts, 10 extensions to existing precincts and 143 individual places for inclusion in a Heritage Overlay. 2. Calling for nominations from the community for places of potential heritage protection. 3. Preparation of a long-term plan for the protection and management of Moreland's heritage places. 	Victorian Government Gazette

Performance Monitor

Environmentally Sustainable Moreland



Measure	2014-15	2015-16	Source
Outcome 11: Reduction of non-renewable energy, fresh water usage and carbon emissions			
Corporate greenhouse gas emissions (t CO ₂ e)	19,770	19,307	NCOS report
Amount of water usage at Council facilities and open spaces (kilolitres)	425,859	435,794	Annual report to Council on water usage
Proportion of respondents satisfied with Council performance in the area of environmental sustainability	85%	91%	LGV satisfaction with local government survey
Outcome 12: Moreland community is focused on reducing consumption			
Increase in recycling tonnage per capita (tonnes)	9.9	9.8	Service records
Decrease in waste to landfill per capita (tonnes)	17.9	18.2	Service records
Outcome 13: Moreland's natural environment is preserved and enhanced			
Open space land per capita	35	34.4**	GIS report

** This apparent decline is due to cleaning up the polygons in the database to increase accuracy

Civic Leadership



Measure	2014-15	2015-16	Source
Outcome 14: Partnerships are used to deliver community outcomes			
Percentage of Advocacy Program items achieved	87.4%	80%	Council report
Outcome 15: Moreland community has access to information, opportunities to participate in decision-making and access to decision-makers			
Proportion of respondents satisfied with Council performance in the area of community consultation and engagement	72%	79%	LGV satisfaction with local government survey
Rate the performance of Council's consultation and engagement in relation to strategic and statutory land use planning	71%	70%	LGV satisfaction with local government survey
Voter attendance at Moreland local government elections	Not available	Not available	Last election was 2012

Civic Leadership (cont.)

Measure	2014-15	2015-16	Source
Proportion of respondents agree "You feel adequately informed about Council activities such as festivals and events"	70%	Not available	Moreland Community Indicators Survey (held every two years)
Proportion of respondents agree "You feel adequately informed about Council services"	69%	Not available	Moreland Community Indicators Survey (held every two years)
Proportion of respondents agree "People have opportunities to participate in the decisions made by their local government"	59%	Not available	Moreland Community Indicators Survey (held every two years)
Outcome 16: Moreland City Council is financially responsible taking account of current and future needs			
Asset renewal gap – five-year average	0.96	Not yet available	Capital Works Program records
Overall financial sustainability according to VAGO performance measures (rating)	Green	Green	Finance
Median rate level as a proportion of median household annual income	2.1	2.2	Finance
Proportion of sealed local roads below the intervention level of 3.5	6.5%	6.5%	Capital Works Program records
Proportion of footpaths "poor" or "very poor"	1%	3.6%***	Capital Works Program records
Outcome 17: Moreland community has access to responsive services			
Proportion of respondents satisfied with Council performance in the area of customer service	78%	84%	LGV satisfaction with local government survey
Proportion of payments conducted online	75.3%	Not available	Pathway and supplier portal
Percentage calls returned in one business day	74%	75%	New process implemented in late 2014 to measure phone calls returned

***Over the three-year reporting period, Council has improved its reporting, which has resulted in more accurate data.

Performance Review

Moreland's People



Major Initiative	Achievements	Challenges
Outcome 1: Moreland community members are mentally and physically healthy and active		
Health and Wellbeing Plan Implementation of Year 3 Action Plan, focus areas include: community safety, promotion of physical activity and healthy eating.	A draft <i>Food System Strategy</i> has been developed in consultation with the Moreland community, Council staff and partners. The <i>Health and Wellbeing Plan</i> has been used to develop criteria for designing more inclusive places and spaces and influence the development of key Council initiatives, such as the <i>Heat Island Effect Action Plan</i> and the <i>Active Moreland Action Plan</i> .	–
Oak Park Sports and Aquatic Centre Precinct redevelopment Complete design and documentation, ready for tender	Design works are underway with a preferred concept layout plan developed and field works to inform cultural and heritage management plan and additional geo-technical investigations undertaken. Tender documentation underway.	Tender ready documentation was expected to be completed by 30 June 2016, however, this is now due in September 2016. This is not expected to delay project progress, with the request for Expressions of Interest to be publicly advertised in July 2016.
Playground Program Implement Playground Program in Capital Works Program: <ul style="list-style-type: none"> › Kirkdale Park › CB Smith Reserve › Kingsford Smith Ulm Reserve 	CB Smith – Opened to the public 24 June 2016. Kirkdale Park – Opened to the public 9 April 2016. Kingsford-Smith Ulm Reserve – Opened to the public 17 June 2016.	–
Brunswick Velodrome and Brunswick Cycling Pavilion Upgrade of velodrome facility Continue construction of the new Brunswick Cycling Pavilion	Track lighting is complete. Pavilion works were completed in October 2015, with associated landscaping works completed in June 2016.	Delays to track refurbishment due to weather. Anticipated project completion is September 2016 as track acrylic surfaces can only be poured during drier months
Pavilion Strategy Identify redevelopment priorities	Project completed in July 2016	Report will be presented to Council in September 2016
Outdoor netball courts at JP Fawcner Reserve Investigate and design the construction of two outdoor netball courts at JP Fawcner Reserve	Project approved by Sport and Recreation Victoria. Design completed by Sport and Recreation Victoria includes two multipurpose netball/tennis courts. Lights and fencing have been costed at \$340,000.	Construction will occur in 2016–17 once the Minister and Council sign-off on the funding agreement.

Major Initiative	Achievements	Challenges
Develop an Outdoor Sports Facilities Capital Works Sporting Club Contribution Policy	Draft policy completed. Presented to Council at the May 2016 Council meeting and endorsed for stakeholder consultation.	–
<i>Domestic Animal Management Plan</i> Installation of on-leash signage in parks Regional Animal Shelter Detailed investigation into partnership with Whittlesea and Darebin Council into a Regional Animal Facility	Consultant engaged and concept design completed. Report presented at September 2015 Council meeting resolving to enter into agreement subject final negotiations with Whittlesea City Council.	Design of signs expected to be completed by end of July 2017.
Sports Ground Infrastructure Improvements Work with State Government and tenant sporting clubs at Balfe Park, Gillon Oval and Dunstan Reserve to confirm the scope of the projects announced by State Government for each; commence planning and implementation in 2015–16. Work with State Government and the relevant tenant clubs to confirm the scope of the projects announced for Morris Reserve and Campbell Reserve and for netball courts within Moreland.	Gillon Oval: Refurbishment commenced and is due for completion by September 2016. Balfe Park: Refurbishment commenced and is due for completion by September 2016. Dunstan Reserve: Scope of project at Dunstan Reserve is confirmed. The following courts have been endorsed by Sport and Recreation Victoria for delivery in 2016–17: <ul style="list-style-type: none"> › Charles Mutton Reserve › Cole Reserve › JP Fawkner Sporting Precinct › Martin Reserve › Morris Reserve. The resurfacing of the two existing courts at Martin Reserve in Hadfield will be resurfaced as part of the project delivery in 2016–17.	Works cannot commence at Dunstan Reserve until end the football (soccer) season as per club's request. Due to commence in September 2016.
City Oval Improvement Program City Oval design works completed and tendered	Design works were completed and tendered by June 2016.	–

Performance Review

Moreland's People (cont.)

Major Initiative	Achievements	Challenges
Outcome 2: Moreland community members feel connected to others and have access to the necessary services		
Later Years Strategy Implement identified actions from the <i>Later Years Strategy</i>	–	Implementation of the <i>Later Years Strategy</i> has been put on hold as Council works to transition to accommodate aged care reforms being implemented by Federal Government.
Respond to aged care funding reforms Develop and implement transition plan for transfer of responsibility for aged care to Commonwealth in July 2015	Council briefing paper delivered.	Council was briefed on the ongoing challenges due to the transition of the HACC program and the anticipated transfer to a market environment in 2019.
Submit for capital grants from state and/or federal government where available Ensure opportunities for funding are pursued where they have the potential to meet local need	Capital grant application for the expansion of Everett St Children's Centre submitted.	–
Continue to support and expand Council's Family Day Care Service Increase the number of registered educators Review the recruitment and retention plan for Family Day Care Educators. Increase the number of effective full-time (EFT) children in the program	Promotions campaign has been rolled out to engage additional educators. Increased educator numbers, but overall fall due to resignations so unable to increase children in the program.	–
Support the development of cluster management for kindergarten services Develop a Moreland Cluster Management Model and a working party of interested centres with a minimum of five kindergartens	The application to DET for the Moreland Early Years Cluster has been submitted. Currently waiting for a response.	–
Construct Pascoe Vale Community Facility Award tender and commence construction	The contract for construction of the Pascoe Vale Community Centre was awarded by Council on 10 February 2016. Construction is now underway. Project completion is expected late 2017.	–

Major Initiative	Achievements	Challenges
<p>Young people to plan and deliver confidence and motivation workshops at Oxygen with young leaders as guest speakers to inspire other young people</p> <p>Motivational workshops for young people to be delivered involving three or more guest speakers at Oxygen</p>	<p>Motivation workshops – six young people were selected and attended Reach Fuse weekend camp on 25 September 2015.</p>	–
<p>Young people to plan and implement a youth sports event that encourages active and healthy lifestyles, with prizes and giveaways.</p> <p>Event to be delivered with more than 50 young people and at least three partner agencies involved</p>	<p>Soccer and music event was delivered in conjunction with the Fawkner Festa on 28 November 2015. Oxygen Committee led the youth area of the event with music, bicycle smoothie maker (pedal operated), bouncy castle and a very successful soccer tournament.</p>	–
<p>Plan and deliver one outdoor trampoline project</p> <p>Trampoline project to be delivered at Harmony Park Coburg</p>	<p>The trampoline has been successfully installed at Fawkner Leisure Centre. Staff, in conjunction with the Oxygen Committee, are planning the launch for later in 2016.</p>	–
<p>Expand public Wi-Fi capacity at Moreland libraries</p> <p>Wi-Fi capacity increased to allow a minimum of 130 concurrent users.</p>	<p>The new AeroHive system has been installed, with hardware installed across all libraries and will offer 130 seats across Moreland's libraries. The new Wi-Fi system is being piloted at Coburg and went live across all libraries in early July 2016.</p>	–
<p>Increase public access computers, including the introduction of Apple Mac computers at Moreland libraries</p> <p>Public access to computers increased by a minimum of 10%, Apple Mac's to be introduced</p>	<p>Twenty-one PCs have been added over the 2015–16 year across all Moreland libraries.</p>	<p>The installation of the Macs has been problematic as there have been significant issues with deploying the Windows environment for Pharos on the Mac operating system. One Mac has been installed at Coburg and has been used, but has continual issues with dropping off the network.</p>
<p>Implement a Library Ambassador Program for outreach to targeted CALD communities</p> <p>Adoption of guidelines for Library Ambassador Program by MorLAC with a minimum of five ambassadors appointed</p>	<p>Guidelines for the Library Ambassador program were completed in July 2015 and five Ambassadors have been appointed: three Urdu speaking, one Chinese speaking and one Turkish speaking.</p>	–

Performance Review

Moreland's People (cont.)

Major Initiative	Achievements	Challenges
Expand early years program at Moreland libraries Piloted toddler program to be implemented	The Toddler Time program has been piloted since July 2015 and is proving extremely popular.	–
Barry Beckett and Anne Sgro Children's Centres Complete construction	Anne Sgro Children's Centre has been completed, with an official opening held on 1 December 2015.	Construction commenced on the Barry Beckett Children's Centre in February 2016. Works are expected to be complete in December 2016.
Outcome 3: Moreland community is educated		
Implement or continue to support Council presented/partnered life-long learning initiatives and programs Consolidate and focus support for life-long learning and community development activities through funding and collaboration with neighbourhood houses and library services program	Library programs have supported life-long learning and community development, with 443 events, activities and training sessions held across the April–June quarter.	–
Outcome 4: Moreland community feels safe and is safe		
Implement recommendations of community safety review Implementation of the Active Fathers Project: building the capacity of maternal and child nurses to engage with fathers	New fathers nights implemented with good attendance numbers and positive feedback from participants.	–
Education and enforcement of regulations relating to swimming pool safety barriers for residential properties Continue to implement a private swimming pool safety barrier program involving education and enforcement of regulations relating to swimming pool safety barriers for residential properties	108 pool properties inspected, and 117 pools being finalised as having compliant safety barriers.	–

Major Initiative	Achievements	Challenges
Outcome 5: Moreland community has access to affordable housing		
<p>2014–18 Moreland Affordable Housing Strategy</p> <p>Implement, with a focus on:</p> <ul style="list-style-type: none"> › developing a model for delivery of affordable housing on Council land › developing a model for an affordable housing trust › monitoring research and trends › advocacy and partnerships to increase availability of affordable housing, and › advocacy for social and affordable housing to government and private sector. 	<p>Council adopted the Moreland Housing Reserve Guidelines and supported the establishment of Moreland Affordable Housing Ltd with amendments to the Constitution.</p> <p>Council supported the establishment on a land trust at the Council meeting held on 8 June 2016.</p> <p>Moreland Affordable Housing Profile updated.</p> <p>A partnership with Lighthouse Foundation resulted in the construction of a home for young mothers and their children in Merlynston.</p> <p>Advocate to the State Government to return the houses compulsorily purchased for the East West Link to Public Housing.</p>	–
<p>Moreland Activity Centres and Housing Strategy (MACHS)</p> <p>Complete Strategic Plans for Moreland's Neighbourhood Centres and implement through Planning Scheme Amendment</p>	<p>Council considered submissions at June 2016 meeting and resolved to make changes (additional rezoning with further notice and submissions due by 8 July 2016).</p> <p>The project was progressed to Panel Hearing Phase when reported to June 2016 Council meeting (Panel hearing scheduled for August 2016).</p>	–
<p>Review residential zones arising from State Government implementation</p>	<p>Submissions have been completed to State Government review of residential zones, presenting to the Managing Residential Development Advisory Committee public hearing in May 2016.</p> <p>State Government response has not yet been released, therefore the review of the residential zones in Moreland will continue into 2016 and 2017.</p>	–

Performance Review

Moreland's People (cont.)

Major Initiative	Achievements	Challenges
Outcome 5: The human rights of Moreland's diverse community are upheld		
Implement Multicultural Policy and Action Plan Implement, with a focus on: <ul style="list-style-type: none"> › anti-racism projects from the <i>Multicultural Policy and Action Plan</i> › providing networking training and information opportunities for the Moreland Multicultural and Settlement Services Network 	Fawkner Social Cohesion project included – a series of Fawkner New Residents Welcome Dinners, employment mentoring, and 15 social mentors and 20 Fawkner residents from newly arrived and culturally diverse backgrounds participated in a leadership-training program. The Multicultural Settlement Services met bi-monthly during 2015–16 and was responsible for advocating to the Department of Employment regarding the Job Ready Program and its impact on newly arrived people, particularly those who have arrived on humanitarian visas.	
Review Disability Action Plan <i>Disability Action Plan</i> developed and included as a part of the <i>Human Rights and Inclusion Policy</i> .	The <i>Access and Inclusion Policy</i> has been integrated into the overall <i>Human Rights Policy</i> . The <i>Disability Action Plan</i> was adopted by Council in May 2016.	–
Implement Access and Inclusion Policy Integrate outcomes from evaluation of <i>Access and Inclusion Policy</i> into new, over-arching <i>Human Rights and Inclusion policy</i>	Draft <i>Human Rights Policy</i> was presented at a Councillor Information and Discussion workshop in May 2016.	Further community feedback was requested. The policy is now scheduled to be presented to Council in July 2016.
Implement Family Violence Prevention Strategy Promoting men's role in family violence prevention and addressing the determinants and contributing factors of family violence	New fathers nights are continuing with good attendance numbers and positive feedback from participants.	–
Review and implement the Reconciliation Policy and Action Plan 2013–17 Convene Reconciliation Advisory Committee meetings Staff cultural awareness training Trainees and staff successfully engaged in the Indigenous Traineeship Program	The Reconciliation Advisory Committee met to progress activities for Reconciliation week and NAIDOC week. Two new Indigenous Trainees are completing their traineeships in Youth Services and the Operations Centre.	–

Moreland's Places and Spaces



Major Initiative	Achievements	Challenges
Outcome 7: People have access to local places, spaces and public transport		
Implement Community Infrastructure Framework (CIF) to inform key projects Community Infrastructure Framework used to inform: <ul style="list-style-type: none"> › Moreland Activity Centre Framework implementation, especially planning for Neighbourhood Activity Centres › service planning and asset management › capital works planning 	Community Infrastructure Framework informed input into Infrastructure Victoria Options Paper and update of Northern Horizons NW metro regional infrastructure report. Assessment report prepared to inform community land acquisition proposal and concept planning for Wheatsheaf Community Hub. <i>Merlynston Progress Hall Development Plan</i> progressed and an (EOI) was issued.	–
Glenroy Primary School Site Continue the conceptual planning for the future development of the Wheatsheaf Hub site Implement minor open space improvements	Stakeholder consultation was undertaken in August 2015. Councillor briefing conducted in March 2016. Improvements to the site include the installation of paths, trees, a perimeter bollard and rail fence, play shade sail and a drink fountain.	–
Fleming Park Master Plan Begin design and works at Fleming Park in line with master plan Commence open space renewal works	Lighting commissioned 28 June 2016. Open space renewal works including fencing and park reserve signage completed 30 June 2016.	–
Public Toilet Strategy Implement Public Toilet Program 2015–16 <ul style="list-style-type: none"> › Gavin Park › Jones Park › Methven Park 	Construction of the three public toilets proposed for 2015–16 have all been completed, with Bush Reserve and Jones Park open for use in May 2016 and Gavin Park open in June 2016.	–
Merlynston Hall Undertake Scoping options for Merlynston Hall	A report was presented to Council at the December 2015 meeting outlining options for upgrading of the facility for community use. Council also established a \$500,000 reserve through the 2016–17 budget to allow the refurbishment of the building to progress.	–

Performance Review

Moreland's Places and Spaces (cont.)

Major Initiative	Achievements	Challenges
Brunswick Place Framework Adopt and implement framework	–	There is no definitive deadline for Ministerial C134 Amendment sign-off. Current endorsement by Council would be perceived as premature. Project discontinued.
Brunswick Civic and Arts Precinct Feasibility Study Finalise temporary activation of Saxon Street	Council item in December 2015 endorsed by Council. Temporary activation and deferral of major capital expenditure for five years achieved.	–
Advocate on behalf of the community to the State Government in relation to key changes to the State Planning Framework Prepare submissions as required to increase access to VCAT with the MAV and changes proposed to the State Planning Framework, such as the proposed residential zones review, proposed apartment design review and proposed <i>Plan Melbourne</i> review.	Submissions have been submitted to State Government for review of residential zones. Council officers presented to the Managing Residential Development Advisory Committee public hearing in May 2016. State Government response has not yet been advised. Contrary to previous advice, the Minister for Planning advised Council in June 2016 that he would not approve Amendment C142: Moreland Apartment Design Code (MADC) given how the State's Better Apartments project is progressing. However, the Minister also advised MADC should continue to be applied by Council because it has been adopted by Council. A response to the Minister's letter was sent indicating concerns with the decision not to support Amendment.	–
Outcome 8: People can access a variety of mobility options		
Implement Bike Strategy Implement adopted 2015–16 bicycle capital program › De Chene Bridge › Upfield Path lighting	De Chene Bridge construction due to be completed in August 2016. Upfield lighting complete.	De Chene bridge construction delayed.
Brunswick Integrated Transport Strategy (BITS) Traffic management in Albert and Victoria Streets Complementary pedestrian and bicycle works to the Blyth Street Tram terminus project	Brunswick Integrated Transport Strategy Capital Works delivered. BITS/Bicycle program as endorsed at August 2015 Council meeting.	–

Major Initiative	Achievements	Challenges
Pedestrian Strategy and pedestrian improvement projects Program to ensure compliance with DDA standards including: <ul style="list-style-type: none"> › new bus shelters › pram crossings to DDA standard 	Finished DDA program, threshold treatment at Lygon and Weston Streets and Bus Shelters.	–
Continue advocacy programs for a range of public transport improvements Advocacy items include: <ul style="list-style-type: none"> › Blue Orbital bus route › Hope Street bus › buses are to Meeting Our Transport Challenges (MOTC) standards › route 542 – Frequency restoration › zone 1 Boundary change › completion of Route 96 	Hope Street bus service was restored and improved service commenced January 2016. Stage 1 New terminus for Route 96 completed.	Blue Orbital bus route: Advocacy program is in development stage. MOTC Standards: In progress as part of an advocacy project to promote the introduction of electric buses. Route 542: Advocacy program is still in the development stage.
Bicycle safety improvements on Sydney Road and Upfield Bike Path Following completion of audit work with the State Government and its agencies to improve bicycle safety on Sydney Road and Upfield Bike Path	Moreland has a commitment from VicRoads and PTV to hold stakeholder meetings. No meetings have occurred to date.	–
Outcome 9: Attractive and well maintained built environment, streetscapes and landscapes		
Waste and Litter Strategy Adoption and implementation of strategy	Draft policy developed.	Councillor Issues and Discussion workshop in July 2016.
Moreland Street Landscape Strategy Develop Street Planting Plan	Consultant completed spatial mapping of nature strip and streetscapes, vacant tree site analysis, 20 year canopy coverage mapping, soil health assessment and urban forest tree structure and condition reporting.	Due to detail of information gathered and some issues with supplies, a draft plan is still to be finalised for community consultation.
Implement incubator Strip Renewal Program Streetscape Master Plans in Neighbourhood Activity Centres Construct Gaffney Cumberland Stage 1	Construction of Gaffney Cumberland shopping strip is completed.	–

Performance Review

Moreland's Places and Spaces (cont.)

Major Initiative	Achievements	Challenges
Moreland Planning Scheme Continue to advocate to State Government to adopt Council's approved Amendment C71 (<i>Environmentally Efficient Design Local Planning Policy</i>)	The Minister for Planning has approved Amendment C71, gazetted on 19 November 2015 and the <i>ESD Policy</i> comes into effect from this date.	–
Streetscape Master Plans within each Activity Centre Implement <i>Glenroy Streetscape Master Plan</i> Pascoe Vale Stage 2 improvements	Construction of Stage 1 and 2 Pascoe Vale Road complete.	–
Outcome 10: Cultural and artistic focus of the City of Moreland continues to thrive		
Moreland Arts and Culture Strategy Key actions and programs identified in the <i>Arts and Culture Strategy</i> for 2015–16 delivered including: <ul style="list-style-type: none"> › identify and develop an arts incubator space in the municipality › conduct an evaluation of the <i>2011–16 Arts and Culture Strategy</i>. › Create a new Funding and Service Agreement for the Delivery of the Sydney Road Street Party and Brunswick Music Festival. 	Identified Mechanics Institute as the most feasible option for an arts incubator space in the municipality. Changes required for the next Service Agreement, due to commence in July 2017. Details will be included in a Council report for 10 August 2016. Evaluation of the <i>2011–16 Arts and Culture Strategy</i> with consultation of Moreland Arts Board and Arts and Culture Unit completed in August 2015. A new model for the delivery of the Festivals program has been implemented. The two key aspects have been completed – the Festivals Program Producer commenced on 30 May and the Festival Logistics Tender was assessed with successful tender to be announced following the July 2016 Council Meeting.	–
Outcome 11: The historical places of Moreland continue to be enhanced		
Bluestone Strategy Draft and implement a Bluestone Policy	A report was presented and endorsed by Council on 9 December 2015, reviewing costs and construction methods trialled to assess the feasibility and viability of the trialled bluestone reconstruction methods. December 2015 Council report endorsed preferred construction method going forward, and will be incorporated into Council's Technotes.	–

Environmentally Sustainable Moreland



Major Initiative	Achievements	Challenges
Outcome 12: Reduction of non-renewable energy, fresh water usage and carbon emissions		
Bulk Street Light Changeover (Northern end of city) Undertake bulk changeover of streetlights in the Jemena area	Procured 3,000 lights.	Delays with installation of lights. Expected completion by July 2016.
Moreland's revised <i>Community Climate Action Plan Zero Carbon Evolution</i> Implement community initiatives including: <ul style="list-style-type: none"> › assisting MEFL to fund a Project Manager, Solar Business Broker and Household Engagement Officer to facilitate program delivery › prepare <i>Urban Heat Island Strategy and Action Plan</i> 	Local business Energy Health Checks, Solar Bulk Buy video case studies, solar pilots on Council leased facilities and community workshops. The <i>Zero Carbon Evolution Annual Report</i> was endorsed at the June 2016 Council meeting. The new <i>Urban Heat Island Effect Action Plan</i> was adopted at the June 2016 Council meeting.	–
Carbon Management Strategy Corporate Carbon Reduction Plan Implement energy efficiency and renewable energy projects	Solar projects at Coburg Civic Centre, Brunswick Town Hall, Walter Street operations centre and the Bob Hawke Community Centre have progressed throughout 2015–16. The <i>Zero Carbon Evolution Annual Report</i> to Council on <i>Corporate Carbon Reduction Plan</i> key achievements endorsed on June 2016.	–
Integrated Water Management Action Plan, Watermap Implement water efficiency and quality projects	Designing the Hosken Reserve Stormwater Harvesting system, Watersmart Moreland Pilot, Large Scale Stormwater harvesting and completing the Water Sensitive Urban Design prioritisation report and feasibility work for Coburg Civic Centre water efficiency project. <i>Making A Difference – Sustainability Achievements Annual Report</i> highlighting key Watermap achievements endorsed by Council in June 2016.	–
Outcome 13: Moreland community is focused on reducing consumption		
Sustainability actions <ul style="list-style-type: none"> › energy efficiency › renewable energy 	686 tonnes of greenhouse gas abatement through Positive Charge program in Moreland (67 households, community groups and business uptakes of Positive Charge offers). 20,817 tonnes of greenhouse gas abatement through Positive Charge program in Moreland (252 households, community groups and business uptakes of Positive Charge offers).	It will be an ongoing challenge to achieve the scale of action required for achieving the aspirational goal of a carbon neutral Moreland Community.

Performance Review

Environmentally Sustainable Moreland (cont.)

Major Initiative	Achievements	Challenges
Outcome 14: Moreland community is environmentally aware and active		
Ongoing partnerships with external stakeholders	Council continue to support Moreland Energy Foundation, CERES, and the Northern Alliance for Greenhouse Action to facilitate an environmentally active and aware community. Achievements reported in ZCE and Making a difference Annual Reports to Council in June 2016.	–
Outcome 15: The City of Moreland's natural environment is preserved and enhanced		
Moreland Open Space Strategy Implementation of strategy: <ul style="list-style-type: none"> › initiate Open Space Shared Use Agreements › continue progression of Anomalies of Land Use › construct Merri Creek wetland › develop Municipal Tree Planting Plan 	Construction of the Merri Creek Wetlands was completed in June 2016.	Initial discussions have commenced with schools regarding the Open Space Shared Use Agreements but have not been completed. Due to the detail of information gathered and some issues with supplies, a draft Street Tree Planting Plan is still to be finalised for community consultation. A list of Anomalies of Land Use has been compiled. However, this work needs further progression.

Moreland's Sustainable Economy



Major Initiative	Achievements	Challenges
Outcome 16: The City of Moreland has a growing local economy		
The Colours of Coburg and Coburg 2020 Continue to implement actions as part of the Coburg Initiative: Progress Development Cluster 1	–	The draft business case is prepared but requires further work in partnership with development partner before project is viable and further representations to the State Government can be made. In order to reduce project complexity, the site is being worked on independently of the Level Crossing Renewal Authority project.

Moreland's Sustainable Economy (cont.)

Major Initiative	Achievements	Challenges
The Colours of Coburg and Coburg 2020 Continue to implement actions as part of the Coburg Initiative: Progress Development Cluster 2	–	Land assembly Heads of Agreement prepared and awaiting execution by preferred development partner. Final business case, land assembly steps, and pre-application discussions pending the execution of the Heads of Agreement by the preferred development partner.
Progress amendments to the Moreland Planning Scheme, as generated by the State Government's Planning agenda Remaining Local Planning Policy Framework amendments to Planning Scheme completed for: licensed premises, gaming venues and student accommodation	With approval of Amendment C157 by the Minister for Planning in January 2016, the three new policies (licensed premises, gaming venues and student accommodation) are operational in the <i>Moreland Planning Scheme</i> .	–
Moreland Economic Development Strategy 2011-16 Deliver the ongoing Economic Development program including: <ul style="list-style-type: none"> › investment in attraction and facilitation activity › business support and development programs › workforce development initiatives 	Consultation period complete.	New Strategy development on track and is due for adoption by Council in August 2016.
Develop and implement Moreland Municipal Strategic Statement Develop monitoring and review program for the Local Planning Policy Framework	Monitoring and review program for the Local Planning Policy Framework established.	–
Moreland Industrial Land Use Strategy (MILUS) Finalise revised MILUS and implement through an amendment to the planning scheme	Panel Hearing for the <i>Moreland Industrial Strategy</i> (MILS) and Amendment C158 was completed over seven days (24 February – 3 March 2016). The report from the Panel was received in May 2016 and will be reported to Council in July 2016.	–
Advocate for grade separation at Glenroy and Coburg rail crossings Apply to State Government for funding for feasibility study and make representations to the newly established Grade Separation Authority	No application is required to be made to the State Government for feasibility as this work is underway. Level Crossing Removal Authority (LXRA) now proceeding to establish a more formal technical working group with Council Officers.	–

Performance Review

Civic Leadership



Major Initiative	Achievements	Challenges
Outcome 17: Partnerships are used to deliver outcomes		
Lead the development and implementation of the <i>Moreland 2025 Community Vision</i> Ongoing development, adoption and implementation of the <i>Moreland 2025 Community Vision</i>	<i>Community Vision</i> adopted by Council in August 2015.	There has been some initial promotion of the <i>Community Vision</i> but this will increase as planning commences for the next <i>Community Vision</i> . The <i>Community Vision</i> indicators have been revisited and a way forward has been proposed which will be discussed with Councillors by the end of 2016.
Outcome 18: Moreland community has access to information, opportunities to participate in decision-making and access to decision-makers		
Implement <i>Engagement Strategy</i> Focus on organisational capacity building and engagement training to support implementation of the <i>Moreland 2025 Community Vision</i> .	Facilitation training offered to staff through the Corporate Training program. Recommendations on the review of the Advisory Committee endorsed by Council in September 2015.	–
Outcome 19: Moreland City Council is financially responsible taking account of current and future needs		
Respond to legislative changes in relation to rate capping Prepare for the introduction of legislative changes introducing rate capping to local government through a program to review and improve operations that focus on efficiencies and income generating opportunities	Work was undertaken to improve income received by Council for the services that are subject to fees and charges. New fees and charges adopted as part of the budget. Service Improvement Program has been endorsed and is being implemented across Council.	This will continue to be a challenge for Council as it seeks to retain service levels for the community in a rate capped environment.
Implement <i>Developer Contribution Plan (DCP)</i> Collection, expenditure and reporting process developed and implemented for DCP payments	All pre-launch targets achieved prior to Ministerial approval on 10 September including: <ol style="list-style-type: none"> 1. a dedicated Pathway module set-up 2. a dedicated DCP webpage has been set-up and updated 3. <i>Administration Policy</i> was adopted by Council in September 2015. DCP Officer position filled.	

Major Initiative	Achievements	Challenges
Outcome 20: Moreland community has access to responsive services		
Deploy mobile online self-service capabilities Purchase and deploy an integrated mobile frontend application to the public for key services provided via the LIS (Pathway) Move a further 25 key paper forms to electronic format accessible via mobile devices Implement interactive maps on Moreland's public website utilising Council's spatial data	Interactive GIS data is now presented on the public website including waste collection. CityWatch – a mobile platform that can be used from any mobile device or PC browser that allows residents to log requests and make payments – is ready to go live. HR Payroll form made available. This completes the original forms considered for moving from paper to online. Other paper forms will be picked up as part of operational support going forward.	–
Customer Service Strategy Implement strategy including: <ul style="list-style-type: none"> › Undertake third Voice of the Customer survey cycle › After Call survey following implementation of the telephony system › At least one PhoneFox survey › CRS Close the Loop auto email notification response › New telephony contact centre program management to all telephone queues 	Third round of Voice of the Customer survey completed. Round 5 of PhoneFox completed. Close the Loop – one CRS request type completed.	After Call Surveys: New telephony system implementation has been completed. This functionality is not yet active, delayed due to the integration difficulties experience with the implementation of the new telephone system. Close the Loop auto email notification response: Close the loop sustained with damaged bin request types for Waste. Implement new telephony contact centre program management: Delayed due to unresolved Contact Centre Queue performance and integration difficulties experience with the implementation of the new telephone system. Contact Centre continues to transition in the new telephony environment.
Information Technology Strategy Develop an Information Technology Strategy for adoption by Council	Draft IT Strategy completed and endorsed by Council in June 2016.	–
Property Strategy Develop a Property Strategy for adoption by Council	–	Draft principles have been developed and are now being used to inform the development of the Property Strategy.





MoreArt Squeaky
Wheel bicycle tour.

Our Performance



Performance Statement

Description of municipality

The City of Moreland lies between 4 and 14 kilometres north of central Melbourne and covers the inner and mid-northern suburbs of Brunswick, Brunswick East, Brunswick West, Pascoe Vale, Pascoe Vale South, Coburg, Coburg North, Hadfield, Fawkner, Glenroy, Oak Park and Gowanbrae. Small sections of

Fitzroy North and Tullamarine are also part of Moreland. The estimated resident population of Moreland in June 2015 was 177,660 people. Between 2011 and 2036, Moreland is predicted to see unprecedented population growth. The municipality is going to grow by 39 per cent from a population of 154,245 in 2011 to 214,320 in 2036. The majority of the growth will occur by 2021 with

the Brunswick Statistical Local Area predicted to become Moreland's most populous area, overtaking the Coburg Statistical Local Area.

The City of Moreland is a highly culturally and linguistically diverse municipality, with residents speaking approximately 140 different languages at home. In 2011, more than one-third of Moreland residents were born overseas.

Sustainable Capacity Indicators

For the year ended 30 June 2016

Indicator / measure	Results 2015	Results 2016	Material Variations and Comments
Population			
Expenses per head of municipal population (Total expenses / Municipal population)	\$915.47	\$1,022.52	
Infrastructure per head of municipal population (Value of infrastructure / Municipal population)	\$3,908.84	\$4,003.27	
Population density per length of road (Municipal population / Kilometres of local roads)	255.49	265.98	
Own-source revenue			
Own-source revenue per head of municipal population (Own-source revenue / Municipal population)	\$904.42	\$927.73	
Recurrent grants			
Recurrent grants per head of municipal population (Recurrent grants / Municipal population)	\$121.53	\$88.94	
Disadvantage			
Relative Socio-Economic Disadvantage (Index of Relative Socio-Economic Disadvantage by decile)	6.00	6.00	

Of those residents, 87 per cent were born in non-English-speaking countries and 13 per cent were born in English-speaking countries. The main countries of birth of Moreland residents, apart from Australia, represent the traditional migrant groups from Europe, including Italy, Greece and the United Kingdom, along with India, Lebanon, China and New Zealand.

For many years Moreland's businesses were largely industrial and were the municipality's largest employer. Now the businesses employing the largest number of people are those engaged in health care and social assistance with manufacturing falling into second place. The third largest employer is the retail trade.

Definitions

Adjusted underlying revenue means total income other than:

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

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

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

Current assets has the same meaning as in the AAS.

Current liabilities has the same meaning as in the AAS.

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

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

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

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

Population means the resident population estimated by Council.

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

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

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

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

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



Performance Statement

Service Performance Indicators

For the year ended 30 June 2016

Service / indicator / measure	Results 2015	Results 2016	Material Variations and Comments
Aquatic Facilities			
Utilisation			
<i>Utilisation of aquatic facilities</i> (Number of visits to aquatic facilities / Municipal population)	5.39	5.49	
Animal Management			
Health and safety			
<i>Animal management prosecutions</i> (Number of successful animal management prosecutions)	11	18	With our commitment to community safety, Moreland is increasingly active in prosecuting offenders to issue under the <i>Domestic Animals Act</i> as highlighted by the increase in successful prosecutions. This can also be a timing issue as some investigations, especially those involving a dog attack, can take time to proceed to court so some successful prosecution in 2015–16 were started in 2014–15.
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	87%	100%	Improved reporting and processes to ensure increased follow up and that compliance is achieved.
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)	54	55	
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%	17.08%	2014–15 incorrectly included all services in the municipal target rather than only domestic assistance, personal care and respite care. 2015–16 is more representative of our community. The 2014–15 result should have been 17.3%.

Service / indicator / measure	Results 2015	Results 2016	Material Variations and Comments
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%	17.56%	2014–15 incorrectly included all services in the CALD target rather than only domestic assistance, personal care and respite care. 2015–16 is more representative of our community. The 2014–15 result should have been 17.9%.
Libraries			
Participation <i>Active library members</i> (Number of active library members / Municipal population) x100	15%	15.15%	In the 2015–16 financial year, Local Government Victoria allowed the borrowing of electronic resources (e.g. e-books) to be included as representing an active library member.
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	75%	–	In 2016 there was a state-wide initiative to transition the majority of Councils offering MCH services to a new database. The database is not expected to provide reliable information until the end of September 2016, and we are unable to report this data for the 2015–16 financial year.
Participation <i>Participation in the MCH service by Aboriginal children</i> (Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service) x100	67%	–	In 2016 there was a state-wide initiative to transition the majority of Councils offering MCH services to a new database. The database is not expected to provide reliable information until the end of September 2016, and we are unable to report this data for the 2015–16 financial 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)	58	56	



Performance Statement

Service Performance Indicators (cont.)

Service / indicator / measure	Results 2015	Results 2016	Material Variations and Comments
Statutory Planning			
Decision making			
Council planning decisions upheld at VCAT	55%	57.14%	
(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			
Waste Collection			
Waste diversion			
Kerbside collection waste diverted from landfill	46%	45.12%	
(Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins) x100			

Definitions

Aboriginal child means a child who is an Aboriginal person.

Aboriginal person has the same meaning as in the *Aboriginal Heritage Act 2006*.

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

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

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

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

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

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

Food premises has the same meaning as in the *Food Act 1984*.

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

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

Local road means a sealed or unsealed road for which the Council is the responsible road authority under the *Road Management Act 2004*.

Major non-compliance outcome notification means a notification received by a council under section 19N (3) or (4) of the *Food Act 1984*, or advice given to council by an

authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken.

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

Population means the resident population estimated by Council.

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

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

Financial Performance Indicators

Dimension / indicator / measure	Results	Results	Forecasts				Material Variations and Comments
	2015	2016	2017	2018	2019	2020	
Efficiency							
Revenue level <i>Average residential rate per residential property assessment</i>	\$1,443.68	\$1,496.48	\$1,533.13	\$1,556.56	\$1,580.66	\$1,628.07	
(Residential rate revenue / Number of residential property assessments)							
Expenditure level <i>Expenses per property assessment</i>	\$2,028.86	\$2,132.60	\$2,100.07	\$2,148.27	\$2,208.97	\$2,286.67	
(Total expenses / Number of property assessments)							
Workforce turnover <i>Resignations and terminations compared to average staff</i>	19.41%	7.38%	7.43%	7.43%	7.43%	7.43%	
(Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year) x100							Council was unable to provide a report specifying all permanent staff as of 30 June 2014 and our system is unable to undertake retrospective reporting. This has resulted in incorrect percentage for 2014-15 reporting. 2015-16 reporting is correct.

(cont.)



Performance Statement

Financial Performance Indicators (cont.)

Dimension / indicator / measure	Results	Results	Forecasts				Material Variations and Comments
	2015	2016	2017	2018	2019	2020	
Liquidity							
Working capital Current assets compared to current liabilities (Current assets / Current liabilities) x100	137.84%	242.23%	225.41%	204.64%	198.25%	195.12%	Due to unbudgeted income associated with Developer Contribution Plan and better than anticipated subdivider contributions.
Unrestricted cash Unrestricted cash compared to current liabilities (Unrestricted cash / Current liabilities) x100	42.10%	97.74%	59.63%	39.73%	41.32%	35.75%	Related to the unanticipated revenues from subdivider contributions and Developer Contribution Plan combined with a reduction in current liabilities resulting from a short-term loan being extinguished.
Obligations							
Asset renewal Asset renewal compared to depreciation (Asset renewal expense / Asset depreciation) x100	72.77%	66.33%	88.38%	134.40%	86.59%	89.78%	Within material variance threshold.
Loans and borrowings Loans and borrowings compared to rates (Interest bearing loans and borrowings / Rate revenue) x100	40.78%	37.48%	35.98%	41.83%	39.66%	35.47%	Within material variance threshold.

Dimension / indicator / measure	Results	Results	Forecasts				Material Variations and Comments
	2015	2016	2017	2018	2019	2020	
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	22.76%	11.12%	3.50%	3.35%	3.97%	5.31%	While the level of rate revenue increases remained relatively consistent, there was a noticeable reduction in loan repayments related to the short term loan being extinguished.
Indebtedness <i>Non-current liabilities compared to own source revenue</i> (Non-current liabilities / Own source revenue) x100	25.83%	33.26%	30.54%	35.29%	32.18%	29.49%	Due to a moderate increase in revenues compared with a proportionately larger increase in long-term borrowings.



Performance Statement

Financial Performance Indicators (cont.)

Dimension / indicator / measure	Results	Results	Forecasts				Material Variations and Comments
	2015	2016	2017	2018	2019	2020	
Operating position							
Adjusted underlying result Adjusted underlying surplus (or deficit) (Adjusted underlying surplus (deficit) / Adjusted underlying revenue) x100	11.15%	8.30%	11.44%	10.58%	7.74%	7.67%	There are two main reasons to this variance: 1. Taking into account the change in the way these were reported between 2014–15 and 2015–16, loss on disposal is approximately \$5.5 million greater than 2014–15 and Fair Value adjustments are \$4.1 million greater than 2014–15; 2. A \$7 million spike in Materials and Services in 2015–16, predominately due to the \$2.5 million payment related to the joint venture animal shelter.
Stability							
Rates concentration Rates compared to adjusted underlying revenue (Rate revenue / Adjusted underlying revenue) x100	71.87%	73.82%	73.86%	74.59%	76.26%	76.06%	Within material variance threshold.
Rates effort Rates compared to property values (Rate revenue / Capital improved value of rateable properties in the municipality) x100	0.30%	0.31%	0.26%	0.27%	0.25%	0.26%	Within material variance threshold.

Definitions

Adjusted underlying revenue means total income other than:

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

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

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

Population means the resident population estimated by Council.

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

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

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

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

Other Information

For the year ended 30 June 2016

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 basis consistent with those reported in the Financial Statements. The other results are based on information drawn from Council information systems or from third parties (e.g. Australian Bureau of Statistics).

The Performance Statement presents the actual results for the current year and for the prescribed

financial performance indicators and measures, the results forecast by the Council's *Strategic Resource Plan*. The *Local Government (Planning and Reporting) Regulations 2014* require 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 14 June 2016, which forms part of the Council Plan. The *Strategic Resource Plan* includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The *Strategic Resource Plan* can be obtained by contacting Council.



Certification of the Performance Statement

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



James Scott, Chartered Accountant
Principal Accounting Officer

Date: 14 September 2016

In our opinion, the accompanying performance statement of the Moreland City Council for the year ended 30 June 2016 presents fairly the results of the 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.



Samantha Ratnam
Mayor and Councillor

Date: 14th September 2016



John Kavanagh

Councillor

Date: 14th September 2016



Nerina Di Lorenzo

Chief Executive Officer

Date: 14th September 2016



Independent Auditor's Report for Performance Statement

To the Councillors, Moreland City Council

The Performance Statement

I have audited the accompanying performance statement for the year ended 30 June 2016 of the Moreland City Council which comprises the statement, the related notes and the certification of the performance statement.

The Councillors' Responsibility for the Performance Statement

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the performance statement. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the performance statement, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the performance statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the overall presentation of the performance statement.

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

Independence

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

Auditor's Opinion

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

MELBOURNE
19 September 2016


Andrew Greaves
Auditor-General



Victorian Government Performance Indicators

Report of Operations

Service Performance Indicators

Service / indicator / measure	Results 2015	Results 2016	Material Variations and Comments
Aquatic Facilities			
Service standard <i>Health inspections of aquatic facilities</i> (Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities)	0.50	1.50	Additional inspections organised this financial year as part of the second year of reporting
Health and Safety <i>Reportable safety incidents at aquatic facilities</i> (Number of WorkSafe reportable aquatic facility safety incidents)	8.00	9.00	–
Service cost <i>Cost of indoor aquatic facilities</i> (Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities)	-\$0.55	\$0.06	Material variation based on average performance for the next five years. 2015–16 included two separate contract terms. Results showed a better than financial performance and higher than projected attendances
Service Cost <i>Cost of outdoor aquatic facilities</i> (Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities)	\$8.69	\$8.82	–
Utilisation <i>Utilisation of aquatic facilities</i> (Number of visits to aquatic facilities / Municipal population)	5.39	5.49	–
Animal Management			
Timeliness <i>Time taken to action animal management requests</i> (Number of days between receipt and first response action for all animal management requests / Number of animal management requests)	N/A	14.80	–

Service / indicator / measure	Results 2015	Results 2016	Material Variations and Comments
Service standard <i>Animals reclaimed</i> (Number of animals reclaimed / Number of animals collected) x100	38%	22.13%	Moreland had a more proactive cat trapping service in 2015-16 compared to 2014-15, which caused a significant increase in stray and feral cats collected and not reclaimed as there was no owner
Service cost <i>Cost of animal management service</i> (Direct cost of the animal management service / Number of registered animals)	\$61.91	\$43.71	2014-15 figure incorrectly calculated as it included indirect costs of supervision and leadership in the animal management team. While improvements have been made to the efficiency of the service, the significant reduction in cost is attributable to misinterpretation of the definition of costs in 2014-15
Health and safety <i>Animal management prosecutions</i> (Number of successful animal management prosecutions)	11	18	With our commitment to community safety, Moreland is increasingly active in prosecuting offenders under the <i>Domestic Animals Act</i> as highlighted by the increase in successful prosecutions. This can also be a timing issue as some investigations, especially those involving a dog attack, can take time to proceed to court, so some prosecutions in 2015-16 were started in 2014-15.
Food Safety			
Timeliness <i>Time taken to action food complaints</i> (Number of days between receipt and first response action for all food complaints / Number of food complaints)	N/A	9.09	—

Victorian Government Performance Indicators (cont.)

Service / indicator / measure	Results 2015	Results 2016	Material Variations and Comments
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	88%	87.35%	–
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>)	\$605.36	\$565.14	–
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	87%	100%	Improved reporting and processes to ensure increased follow-up and that compliance is achieved.
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	10%	8.21%	–

Service / indicator / measure	Results 2015	Results 2016	Material Variations and Comments
Consultation and engagement			
<i>Satisfaction with community consultation and engagement</i>	54	57	–
Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement			
Attendance			
<i>Councillor attendance at council meetings</i>	83%	88.9%	–
(The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)) x100			
Service cost			
<i>Cost of governance</i>	\$44,574.28	\$46,238.51	–
(Direct cost of the governance service / Number of Councillors elected at the last Council general election)			
Satisfaction			
<i>Satisfaction with Council decisions</i>	54	55	–
(Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community)			
Home and Community Care (HACC)			
Timeliness			
<i>Time taken to commence the HACC service</i>	N/A	43.93	–
(Number of days between the referral of a new client and the commencement of HACC service / Number of new clients who have received a HACC service)			
Service standard			
<i>Compliance with Community Care Common Standards</i>	72%	72.22%	–
(Number of Community Care Common Standards expected outcomes met / Number of expected outcomes under the Community Care Common Standards) x100			

Victorian Government Performance Indicators (cont.)

Service / indicator / measure	Results 2015	Results 2016	Material Variations and Comments
Service cost <i>Cost of domestic care service</i> (Cost of the domestic care service / Hours of domestic care service provided)	N/A	\$57.17	–
Service cost <i>Cost of personal care service</i> (Cost of the personal care service / Hours of personal care service provided)	N/A	\$57.17	–
Service cost <i>Cost of respite care service</i> (Cost of the respite care service / Hours of respite care service provided)	N/A	\$57.17	–
Participation <i>Participation in HACC service</i> (Number of people that received a HACC service / Municipal target population for HACC services) x100	25%	17.08%	2014–15 incorrectly included all services in the municipal target rather than only domestic assistance, personal care and respite care. This altered the number downward and is more representative of our community. This 2014–15 result should have been 17.3%.
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%	17.56%	2014–15 incorrectly included all services in the CALD target rather than only domestic assistance, personal care and respite care. This altered the number downward and is more representative of our community. The 2014–15 result should have been 17.9%.
Libraries			
Utilisation <i>Library collection usage</i> (Number of library collection item loans / Number of library collection items)	4.88	5.13	–
Resource standard <i>Standard of library collection</i> (Number of library collection items purchased in the last five years / Number of library collection items) x100	79%	78.08%	–

Service / indicator / measure	Results 2015	Results 2016	Material Variations and Comments
Service cost			
Cost of library service (Direct cost of the library service / Number of visits)	\$6.97	\$7.49	–
Participation			
Active library members (Number of active library members / Municipal population) x100	15%	15.15%	–
Maternal and Child Health (MCH)			
Satisfaction			
Participation in first MCH home visit (Number of first MCH home visits / Number of birth notifications received) x100	105%	N/A	In 2016 there was a state-wide initiative to transition the majority of Councils offering MCH services to a new database. The database is not expected to provide reliable information until the end of September 2016, and we are unable to report this data for the 2015–16 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	101%	N/A	As above
Service cost			
Cost of the MCH service (Cost of the MCH service / Hours worked by MCH nurses)	N/A	N/A	As above
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	75%	N/A	As above
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	67%	N/A	As above

(cont.)

Victorian Government Performance Indicators (cont.)

Service / indicator / measure	Results 2015	Results 2016	Material Variations and Comments
Roads			
Satisfaction of use			
<i>Sealed local road requests</i>	96.62	102.04	–
(Number of sealed local road requests / Kilometres of sealed local roads) x100			
Condition			
<i>Sealed local roads below the intervention level</i>	96%	94.16%	–
(Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads) x100			
Service cost			
<i>Cost of sealed local road reconstruction</i>	\$198.14	\$196.03	–
(Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed)			
Service Cost			
<i>Cost of sealed local road resealing</i>	\$21.43	\$17.21	The data sources for this measure have been refined since the 2014–15 reporting, with the 2015–16 data more reflective of the cost of resealing works.
(Direct cost of sealed local road resealing / Square metres of sealed local roads resealed)			
Satisfaction			
<i>Satisfaction with sealed local roads</i>	58	56	–
(Community satisfaction rating out of 100)			
Statutory Planning			
Timeliness			
<i>Time taken to decide planning applications</i>	99	83	–
(The median number of days between receipt of a planning application and a decision on the application)			
Service standard			
<i>Planning applications decided within 60 days</i>	59%	59.01%	–
(Number of planning application decisions made within 60 days / Number of planning application decisions made) x100			

Service / indicator / measure	Results 2015	Results 2016	Material Variations and Comments
Service cost			
<i>Cost of statutory planning service</i> (Direct cost of the statutory planning service / Number of planning applications received)	\$2,375.83	\$2,124.15	Costs this year no longer include management costs. Legal costs associated with planning enforcement have also been removed this year. The additional 271 applications and a 16% increase with no additional resources would also be assisting this result.
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	55%	57.14%	–
Waste Collection			
Satisfaction			
<i>Kerbside bin collection requests</i> (Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households) x1000	252.36	314.10	The increase in requests was largely in two categories: bins replaced by Council and missed collections. The number of bin requests for replacement of bins increased by approximately 5%. The number of missed bins increased by approximately 14%.
Service standard			
<i>Kerbside collection bins missed</i> (Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts) x10,000	13.24	14	–
Service cost			
<i>Cost of kerbside garbage bin collection service</i> (Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins)	\$80.27	\$100.41	This year there was a change in ratio of costs divided between the garbage, recycling and green waste services. Last year the service was split using the ratio of weekly collections for garbage and recycling and fortnightly collections for green waste i.e. 40%/40%/20%. This year the ratio was on the number of trucks for each service 7/6/3 – 44.0%/37.5%/18.5% for garbage/ recycling and green waste, which is a more accurate reflection of the costs.

(cont.)

Victorian Government Performance Indicators (cont.)

Service / indicator / measure	Results 2015	Results 2016	Material Variations and Comments
Service cost <i>Cost of kerbside recyclables collection service</i> (Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins)	\$57.93	\$41.49	This year there was a change in the ratio of costs divided between the garbage, recycling and green waste services. Last year the service was split using the ratio of weekly collections for garbage and recycling and fortnightly collections for green waste i.e. 40%/40%/20%. This year the ratio was on the number of trucks for each service 7/6/3 – 44.0%/37.5%/18.5% for garbage/ recycling and green waste which is a more accurate reflection of the costs.
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	46%	45.12%	–





Governance and management checklist

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

Governance and Management Item	Required	Achieved
<i>Community Engagement Policy</i> (policy outlining Council's commitment to engaging with the community on matters of public interest)	Current policy in operation	21 September 2012
Community Engagement Guidelines (guidelines to assist staff to determine when and how to engage with the community)	Current guidelines in operation	21 September 2012
<i>Strategic Resource Plan</i> (plan under Section 126 of the <i>Local Government Act 1989</i> (the Act) outlining the financial and non-financial resources required for at least the next four financial years)	Plan adopted in accordance with Section 126 of the Act	14 July 2016
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)	Budget adopted in accordance with section 130 of the Act	14 July 2016
<i>Asset Management Plans</i> (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Current plans in operation	Existing plans are outdated and under review. Adoption of Open Space and Road Infrastructure <i>Asset Management Plans</i> expected early 2017. Drainage and Buildings and Facilities in 2016-17.
<i>Rating Strategy</i> (strategy setting out the rating structure of Council to levy rates and charges)	Current strategy in operation	21 April 2016
<i>Risk Policy</i> (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Current policy in operation	24 November 2015
<i>Fraud Policy</i> (policy outlining Council's commitment and approach to minimising the risk of fraud)	Current policy in operation	23 August 2013
<i>Municipal Emergency Management Plan</i> (plan under Section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery)	Prepared and maintained in accordance with Section 20 of the <i>Emergency Management Act 1986</i>	10 July 2013

(cont.)

Governance and management checklist (cont.)

Governance and Management Item	Required	Achieved
<i>Procurement Policy</i> (policy under Section 186A of the <i>Local Government Act 1989</i> outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with Section 186A of the <i>Local Government Act</i>	10 June 2015
<i>Business Continuity Plan</i> (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Current plan in operation	24 July 2015
<i>Disaster Recovery Plan</i> (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Current plan in operation	19 February 2009
Risk Management Framework (framework outlining Council's approach to managing risks to the Council's operations)	Current framework in operation	23 August 2011
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 in accordance with section 139 of the Act	11 November 2009
Internal Audit (independent accounting professionals engaged by the Council to provide analysis and recommendations aimed at improving Council's governance, risk and management controls)	Internal auditor engaged	3 May 1995
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)	Current framework in operation	1 July 2015
<i>Council Plan</i> reporting (report reviewing the performance of the Council against the <i>Council Plan</i> , including the results in relation to the strategic indicators, for the first six months of the financial year)	Current report	1 July 2015

Governance and Management Item	Required	Achieved
Financial Reporting (quarterly statements to Council under Section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Quarterly statements presented to Council in accordance with Section 138(1) of the Act	June quarter 14–15 on 9 September 2015; September Quarter 15 on 11 November 2015; December quarter 15–16 on 10 February 2016; March quarter 15–16 on 11 May 2016
Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports prepared and presented	First, 1 December 2015; Second, 28 June 2016
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 prepared and presented	First quarter 9 December 2015; Second quarter 9 March 2016; Third quarter 11 May 2016; Fourth quarter 10 August 2016
Annual Report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial performance statements)	Annual Report considered at a meeting of Council in accordance with section 134 of the Act	21 September 2015
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 in accordance with Section 76C of the Act	8 April 2015
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 in accordance with Section 98(6) of the Act	11 February 2015
Meeting Procedures (a local law governing the conduct of meetings of Council and special committees)	Meeting procedures local law made in accordance with Section 91(1) of the Act	14 May 2014

**Becky Tsatsis,
Ruby's Cafe,
Coburg**



"Moreland is the best place to run a business because of the community. Together we have created a community space where friendships have blossomed, and it gives me great pleasure to be part of it all."





Governance and Management

Moreland City Council derives its power, role, purpose and functions from the *Local Government Act 1989*.

Council meetings

Decisions on issues affecting our residents are made at our monthly Council meetings, where residents have the opportunity to participate in discussions and the decision-making process. At each meeting, outside of the formal agenda, residents have 30 minutes to raise matters.

We started live streaming Council meetings on 8 April 2015, which allows people to watch and listen to the meeting proceedings in real time online. This option offers greater access to Council decision-making and debate and encourages openness and transparency.

Council met 18 times during the reporting period.

Major Committees

We have two major committees: the Urban Planning Committee and the Audit and Risk Management Committee.

Urban Planning Committee

The Urban Planning Committee has a pivotal role in developing the quality of life in Moreland. Everyone is welcome to attend the meetings and has the opportunity to speak on applications and issues affecting them.

The committee considers matters related to planning, building, environmental health, property, roads and traffic in accordance with

Councillor attendance at 18 council meetings 2015–16

Councillor	Attendance
Cr Helen Davidson*	17
Cr John Kavanagh	18
Cr Lambros Tapinos**	15
Cr Lenka Thompson	18
Cr Lita Gillies	16
Cr Meghan Hopper	17
Cr Michael Teti	8
Cr Oscar Yildiz JP	18
Cr Rob Thompson	17
Cr Samantha Ratnam***	15
Cr Sue Bolton	18

* Cr Davidson took a period of leave from 13 July to 29 August 2015 and missed one Council meeting and two Urban Planning Committee meetings during this period

** Cr Tapinos took a period of leave from 13 August 2015 to 15 September 2015 and missed one Council meeting during this period

*** Cr Ratnam took a period of leave from 27 May 2015 to 6 July 2015 and missed three Council meetings during this period

Council's obligations as outlined in the *Council Plan* and in accordance with the legislative framework.

The committee met 12 times and considered 59 reports in the reporting period.

Audit and Risk Management Committee

The Audit and Risk Management Committee acts as an advisory committee to Council and is consistent with the requirements of the *Local Government Act 1989* and good corporate governance generally.

The overall purpose of the committee is to provide a forum for communication between Council, independent members with specific

expertise, management and the internal and external auditors, and to assist us in our oversight responsibilities by monitoring, reviewing and advising on:

- › Council's overall risk management and business continuity policy and programs
- › the truth and fairness of the view given by the annual financial, standard and performance statements of Council
- › Council's accounting policies and practices in accordance with current and emerging accounting standards

Councillor attendance at 12 urban planning committee meetings 2015–16

Councillor	Attendance
Cr Helen Davidson	10*
Cr Kavanagh	8*****
Cr Lambros Tapinos	7**
Cr Lenka Thompson	2***
Cr Lita Gillies	4
Cr Meghan Hopper	6*****
Cr Rob Thompson	9***
Cr Samantha Ratnam	4****

* Cr Davidson took a period of leave from 13 July 2015 to 29 August 2015 and missed two Urban Planning Committee meetings

** Cr Tapinos took a period of leave from 13 August 2015 to 15 September 2015 and missed one Urban Planning Committee meeting

*** Cr Rob Thompson and Cr Lenka Thompson co-represented the North East Ward on the Urban Planning Committee from March 2015

**** Cr Ratnam stepped off the Urban Planning Committee after the October 2015 meeting when she became Mayor

***** Cr Kavanagh and Cr Hopper joined the Urban Planning Committee in November 2015

- › the independence and performance of the internal audit function
- › the external auditor's performance
- › fraud risk mitigation and investigation
- › the management and exercise of delegations
- › compliance with legal and regulatory requirements and policies, and
- › compliance with Council's policy framework.

During the year, the Committee was Chaired by Cr John Kavanagh, and two other Councillor members, Cr

Rob Thompson and Cr Samantha Ratnam, the Chief Executive Officer and three external representatives.

As a result of changes in local government legislation where the Chair of the Committee is now required to be an external member, Council appointed Ms Jude Munro AO as Chair of the Committee with Mr John Watson and Mr Oliver Webb as the other external members from 9 March 2016. Cr Kavanagh stood down as Chair but continued to serve the Committee as a Councillor member.

The services of Michael Francis (Managing Director of Pneuvay Engineering Pty Ltd, a local Moreland company), Kevin Quigley (local

resident, chartered accountant and business consultant) and John Hoffmann (local chartered accountant) ceased on 9 March 2016. Council expresses its gratitude for their input to Committee deliberations.

The Committee met four times in the reporting period.

Councillor expenses

Councillor expenses are costs incurred by Council to facilitate Councillor involvement and representation.

The *Local Government Act 1989* regulates the allowance payable to Mayors and Councillors in Victoria, setting minimum and maximum amounts. Each Council has discretion within an allowable range to determine the allowances it pays its Mayor and Councillors, with regard to local circumstances and priorities.

Additionally, Councillors are entitled to claim expenses for some activities incurred in their capacity as a Councillor. These expenses are outlined in our *Councillor Support and Reimbursement Policy*.

A detailed breakdown of Councillor expenses can be found on our website.

Councillor code of conduct

As per the *Local Government Act 1989*, we have a code of conduct for our Councillors.

The *Moreland Councillors Code of Conduct* is available on our website and was reviewed and adopted on 14 June 2016.

Statutory Information

State and federal government investigations

We were not the subject of any state or federal government investigations.

Documents available for public inspection

We are committed to open and transparent governance and in accordance with the *Local Government Act 1989* (the Act) and the *Local Government (General) Regulations 2015*. The following documents are available for public inspection at Moreland Civic Centre, 90 Bell Street, Coburg:

1. 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, including:
 - a) name of the Councillor or member of Council staff
 - b) dates on which the travel began and ended
 - c) destination of the travel
 - d) purpose of the travel; and
 - e) total cost to the Council of the travel, including accommodation costs.
2. Agendas and minutes of ordinary and special meetings held in the previous 12 months, which are kept under Section 93 of the Act, other than those agendas and minutes relating to a part of a meeting which was closed

to members of the public under Section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act.

3. Minutes of meetings of special committees established under Section 86 of the Act and held in the previous 12 months, other than those minutes relating to a part of a meeting which was closed to members of the public under Section 89 of the Act and are confidential information within the meaning of Section 77(2) of the Act.
4. Register of delegations kept under Sections 87(1) and 98(4) of the Act, including the date on which the last review took place under Sections 86(6) and 98(6), respectively, of the Act.
5. Details of all leases involving land which were entered into by the Council as lessor, including the lessee and the terms and the value of the lease.
6. Register maintained under Section 224(1A) of the Act of authorised officers appointed under that Section.
7. Donations and grants made by the Council in the previous 12 months, including the names of persons who or bodies that have received a donation or grant and the amount of each donation or grant.

Inspection of these documents can be arranged by contacting the Manager Governance on **9240 1111**.

Best value

We deliver on the Best Value principles outlined in Section 208A of the *Local Government Act*, which requires all services to meet quality and cost standards, be responsive to community needs, and be accessible to service recipients.

We continue to achieve continuous improvement in the provision of our services; regularly consult with our community in relation to our services; and report regularly, at least once a year, on our achievements in relation to the Best Value principles.

Our MoreValue Program involves corporate and service area continuous improvement projects, utilising Lean Thinking methodologies and service reviews.

Rates capping

In January 2015, the Minister for Local Government informed all Councils that the rates capping policy would be implemented in the 2016–17 financial year. This legislation will significantly impact on local government and makes continuous improvement more important.

This decision meant that Councils current *Five Year Financial Plan* showed a gap of \$27 million. Significant efforts were undertaken during 2015–16 to implement strategies to reduce this gap without reducing service levels. This included the negotiation of Council's Enterprise Bargaining Agreement and a review of fees and charges. Implementation of these strategies resulted in reducing this five-year gap from \$27 million to \$3 million. Council

will continue to work to remove this gap in the coming years, with strong emphasis on the service reviews and improvement projects outlined below.

Service Reviews

Two service reviews commenced in early 2015. Both are almost complete with one requiring further work after Stage 1 implementation.

The review of the Urban Safety unit examined current work practices and reporting relative to legislative requirements in areas including parking operations, local laws, animal management and related administration functions. The goal was to ensure that the unit was well positioned to respond to current and future legislative changes and to provide valued and cost-effective service to customers. A number of changes were implemented including:

- › a new structure with changes to reporting for some positions within the unit
- › new rostering for parking operations to provide greater coverage and efficiency for week days, and
- › more emphasis on prosecution for unpaid infringements and other enforceable matters.

Work is also required to implement a number of further changes including:

- › introduction of shifts for Local Laws officers
- › review of RDO roster and allocation of workload, together with a program for ongoing review to meet changing demands, and

- › development of better monitoring and reporting for financial and non-financial performance with clear accountability for income and debt management.

The Utility Data Management Service review examined the current data and financial management functions, and processes associated with Council's \$3.9 million annual electricity, gas and water accounts. Stage 1 of the review has been completed and, as a result, a temporary 0.8 EFT part-time position has been created to manage utility billing. This position is cost neutral to the business due to the savings and incorrect billing being identified. A utility billing management system will also be deployed to better manage billing and invoicing. Stage 2 of the review will commence once the new technology has been implemented and will focus on a review of the work functions and workload of the temporary position with options to identify and resolve billing errors and anomalies.

Three further service reviews commenced in 2015-16 and will be finalised and reported in the 2016-17 financial year. These include a review of the services offered to the Mayor and Councillors including administrative support from executive assistants, communications, information technology, governance and speech writing. The aim is to refine the services to best assist Councillors in performing their roles with any changes to be provided within existing resources. The review will put forward recommendations to be adopted before the election of the new Council in October 2016.

A review of Building Services will seek to achieve change that will improve the effective management of areas of high risk to Council, team performance, customer services outcomes and the overall efficiency and culture of the building services team.

A further review will develop a recommendation on how to better manage construction sites within Moreland that responds to the General Local Law and other relevant legislation, people, processes and systems. Currently responsibility for varied aspects of construction site management is shared across a number of Council units and branches. The aim is to provide a co-ordinated, proactive, self-funded approach, which protects assets and amenity and improves public safety.

Improvement projects

There has been a renewed focus on customer service in response to feedback from the community.

A series of surveys, known as *The Voice of the Customer*, has been conducted around Moreland's six most frequent customer request types. The survey gives us feedback from residents about the customer service they experienced in these service areas. Three rounds of the survey have been completed and the specific results for individual service areas are being used to improve the customer experience.

An earlier review of the way Council manages our central name and address register recommended that the info@moreland general email address on our website be replaced with a 'Contact Us' form designed

Statutory Information (cont.)

to capture customer information for a faster and better quality customer experience. The introduction of this form, together with the ability for customers to lodge requests via our website (eCRS) has resulted in a reduction of 46% in the number of emails to info@moreland and a corresponding growth in the use eCRS by the same amount.

A further customer service improvement for CRS involved the introduction of an email acknowledgment when customers provided their email address. This acknowledgment provides the customer with their CRS reference number and information on how to contact Council about their request. Currently, approximately 70% of CRSs lodged on behalf of customers by Council's Records Management receive this acknowledgment.

A review of Council's internal planning referral process identified opportunities to significantly improve referral response times to enable Council to meet statutory timeframes.

A review of internal end of year processes has enabled a more streamlined and coordinated approach, including meeting the requirements for end of year reporting and statutory timeframes. This review also resulted in more effective utilisation of resources.

A number of new improvement projects commenced in early 2016: a review of the essential services component of Street Cleansing will seek to improve the service delivery of street sweeping and



public litter bin collection and a review of the Roads Unit will understand processes and workload to assess against the current and future needs of the community.

Freedom of Information

The *Freedom of Information Act 1982 (FOI Act)* gives the community a legal right to access certain Council documents.

The *FOI Act* has four basic principles:

1. The public has a legal right of access to information
2. Local governments are required to publish information concerning the documents they hold

3. People may request that inaccurate, incomplete, out-of-date or misleading information in their personal records be amended, and

4. People may appeal against a decision not to give access to the information or not to amend a personal record.

We are subject to the *FOI Act* and respond to requests directly related to our operations. There were 45 FOI requests processed in 2015–16. The most common exemption clause in the requests granted in part was Section 33(1), which relates to the unreasonable disclosure of information relating to the personal affairs of any person.

FOI requests processed in 2015-16

Planning and building related	16
Health or personal	3 information related
About other areas of Council	26
Granted in full	5
Granted in part	24
Denied in full	4
Reviewed by FOI	
Commissioner	3

Accessing FOI

Requests to access FOI must be in writing and accompanied by an application fee of \$27.90.

On receipt of a request, a decision must be made within 45 days. Where a decision is made to refuse or defer access, the applicant is notified in writing of the reasons for the refusal and the procedures available to appeal the decision.

Local laws

We have the following local laws:

- › *Environmental and Civic Assets Local Law 2014*
- › *Moreland City Council General Local Law 2007*
- › *Meeting Procedure Local Law 2014*

Whistleblower legislation

The purpose of the *Protected Disclosure Act 2012* (the Act) is to encourage and facilitate disclosures of improper conduct by Council officers or Councillors. The Act provides protection to whistleblowers that make disclosures in accordance with the Act, and establishes a system for the matters to be investigated and rectifying action to be taken. As required by Section 58 of the Act, we have developed disclosure procedures, which can be found on Council's website.

During the reporting period there were no complaints referred to us by the Ombudsman or IBAC.

All correspondence, phone calls or emails from internal or external whistleblowers should be addressed to Moreland City Council's Protected Disclosure Coordinator on phone 9240 1111 or email info@moreland.vic.gov.au.

Information Privacy Policy

We believe that the responsible handling of personal information is a key aspect of good democratic governance and we are committed to protecting every individual's right to privacy. Accordingly, we are committed to full compliance with our obligations under the *Information Privacy Act 2000* (Vic) and the *Health Records Act 2001* (the Acts). In particular, we comply with the Information Privacy Principles (IPPs) and Health Privacy Principles (HPPs) contained in the Acts. Our policy applies to all personal information held by Council.

For example, we hold personal (and in some cases sensitive) information on our local citizens and ratepayers (for example, names and addresses) in order to carry out our functions (for example, planning, valuation and property services). We may also request personal information in order to provide education, welfare and other community services (for example, child care services). In some instances, personal information may be contained on a public register (for example, register of building permits, food premises and animal registration details).

Our *Information Privacy Policy* applies to all our employees, Councillors and contractors to Council. Training and awareness sessions, local procedures and a policy manual ensure personal information is protected and strong security frameworks around its use and disclosure are provided.

Any person wishing to access their personal information should contact Council's Privacy Officer on phone 9240 1111. If any citizen believes that their personal information is inaccurate, incomplete or out of date, they may request Council to correct the information. If any citizen feels aggrieved by our handling of their personal information, they may make a complaint to Council's Privacy Officer. The complaint is investigated as soon as possible and a written response is provided. Alternatively, any person may make a complaint to the Privacy Commissioner.

During the reporting period there were no complaints referred to us by the Privacy Commissioner.



WILLIAM ST
3056



EMIRATES JEWELLERY

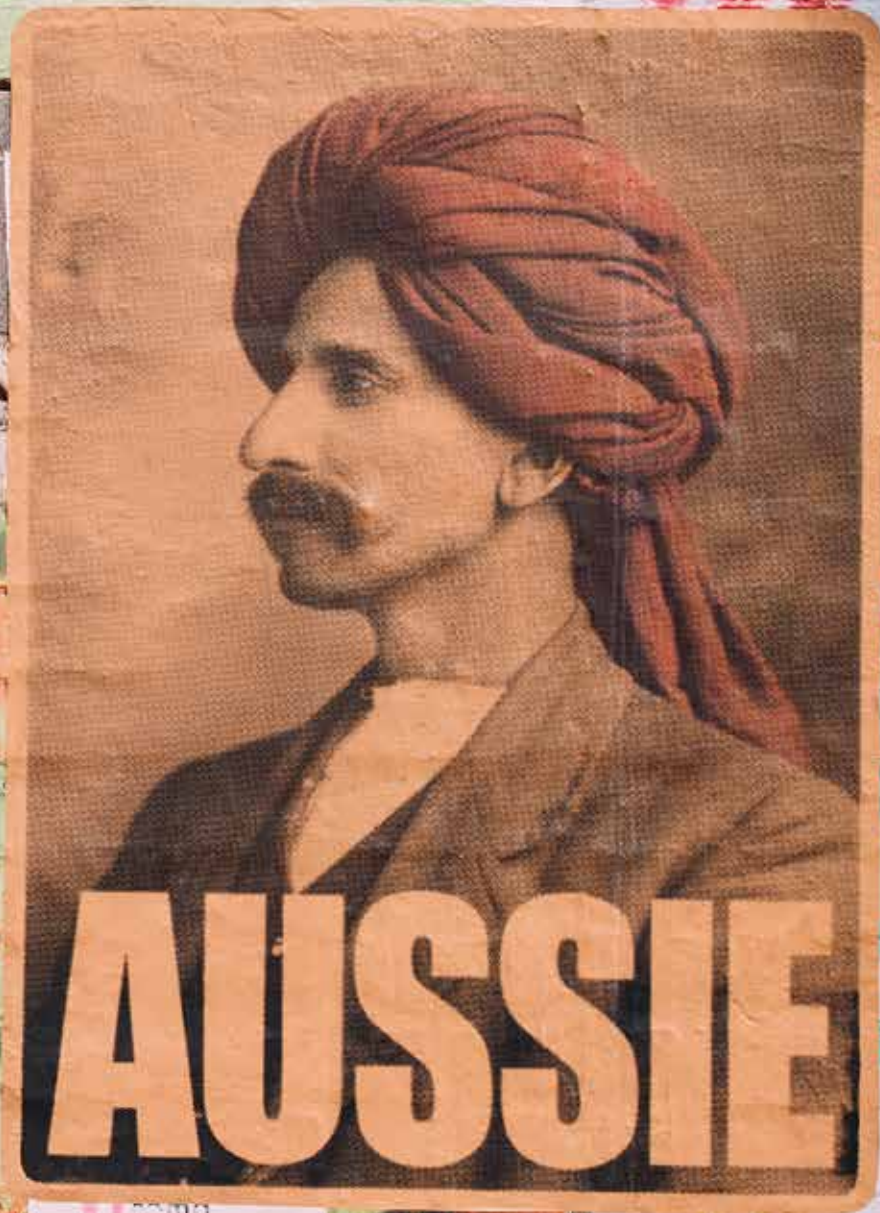
مجوهرات الإمارات

My Ring Ring Cash for Your
Secondhand Gold (any Carat)

مجوهرات الإمارات
My Ring Ring Cash for Your
Secondhand Gold (any Carat)



Sydney Road,
Brunswick.



DYE

Financial Report



A plain English guide to the financial report 100

Financial Statements

Comprehensive Income Statement 106

Balance Sheet 107

Statement of Changes in Equity 108

Statement of Cash Flows 109

Statement of Capital Works 110

Notes to Financial Statements

Introduction 111

Note 1 Significant accounting policies 112

Note 2 Budget comparison 118

Note 3 Rates and charges 122

Note 4 Statutory fees and fines 122

Note 5 User fees 122

Note 6 Grants 123

Note 7 Contributions 125

Note 8 Net loss on disposal of property,
infrastructure, plant and equipment 125

Note 9 Other income 125

Note 10 Employee costs 126

Note 11 Materials and services 127

Note 12 Bad and doubtful debts 128

Note 13 Depreciation and amortisation 128

Note 14 Borrowing costs 128

Note 15 Other items of expense 128

Note 16 Unlisted Shares 128

Note 17 Cash and cash equivalents 129

Note 18 Trade and other receivables 130

Note 19 Other financial assets 131

Note 20 Inventories 131



Café Ferrovia,
Pascoe Vale.

Note 21	Non-current assets classified as held for sale	131	Note 34	Operating leases	153
Note 22	Other assets	131	Note 35	Contingent liabilities and contingent assets	154
Note 23	Property, infrastructure, plant and equipment	132	Note 36	Financial instruments	156
Note 24	Investment property	143	Note 37	Events occurring after balance date	157
Note 25	Trade and other payables	144	Note 38	Related party transactions	158
Note 26	Trust funds and deposits	144		Certification of the Financial Report	160
Note 27	Provisions	145		Independent Auditors Report	161
Note 28	Interest-bearing loans and borrowings	147			
Note 29	Reserves	148			
Note 30	Reconciliation of cash flows from operating activities to surplus or deficit	151			
Note 31	Reconciliation of cash and cash equivalents	152			
Note 32	Financing arrangements	152			
Note 33	Commitments	152			

A plain English guide to the Financial Report

Introduction

The Financial Report is a key report presented by the Local Government of Moreland. It shows how we performed financially during the financial year and the overall position at the end of the financial year (30 June 2016).

Our 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*. Particular terms required by the Standards may not be familiar to some readers. Further, we are a 'not for profit' organisation and some of the generally recognised terms used in private sector company reports are not appropriate to our reports.

We are committed to accountability. It is in this context that a plain English guide has been developed to assist readers to understand and analyse the financial report.

What is contained in the annual financial report?

Our Financial Report has two main sections: the report and the notes. There are five statements and 38 notes. These are prepared by our staff, audited by the Victorian

Auditor-General, examined by the Audit Committee and then approved and adopted by Council.

The five statements are included in the first few pages of the report. They are the comprehensive income statement, balance sheet, statement of changes in equity, statement of cash flows and statement of capital works.

The notes detail our accounting policies and the make-up of values contained in the statements.

Comprehensive income statement

The comprehensive income statement shows:

- › the sources of our revenue under various income headings, and
- › the expenses incurred in running Council during the year.

The expenses relate only to the 'operations' and do not include the cost associated with the purchase of or the building of assets. While asset purchase costs are not included in the expenses there is an item for 'depreciation'. This amount is the value of the assets used up during the year.

The key figure to look at is the surplus or deficit of Council for the year. A surplus means that the revenue was greater than the expenses and a deficit means that the expenses were greater than the revenue.

Balance sheet

The balance sheet is a snapshot of the financial position as at 30 June. It shows what we own as assets and what we owe as liabilities. Towards the bottom of the balance sheet is a line showing net assets. This is the net worth of Council, which has been built up over many years.

The assets and liabilities are separated into current and non-current. Current means those assets or liabilities which will fall due in the next 12 months.

The components of the balance sheet are described here.

Current and non-current assets

- › cash and other financial assets include cash and investments, that is, cash held in the bank and in petty cash and the market value of our investments
- › receivables are monies owed to us by ratepayers and others
- › non-current financial assets represent the value of shares held by us

- › investment property represents the value of property owned by us as investment, and
- › property, infrastructure, plant and equipment is the largest component of our worth and represents the value of all the land, buildings, roads, vehicles, equipment and so on, which has been built up by us over many years.

Current and non-current liabilities

- › payables are those to whom we owe money as at 30 June
- › provisions include accrued long service and annual leave owed to employees
- › trust funds represent monies held in trust by us, and
- › loans represent our outstanding borrowings.

Net assets

This term is used to describe the difference between the value of total assets and the value of total liabilities. It represents the net worth of Council as at 30 June.

Total equity

This always equals net assets. It is made up of the following components:

- › asset revaluation reserve is the difference between the previously recorded value of assets and their current valuations

- › other reserves are allocations of the accumulated surplus to specific activities, and
- › accumulated surplus is the value of all surpluses and deficits accumulated over time.

Statement of changes in equity

During the course of the year the value of total ratepayer's equity as set out in the balance sheet changes. This statement shows the values of such changes and how these changes arose.

The main reasons for a change in equity stem from:

- › a surplus or deficit from operations for the year
- › the use of monies from our reserves, and
- › revaluation of the assets; this takes place on a regular basis and also occurs when existing assets are taken up in the books for the first time.

Statement of cash flows

The cash flow statement summarises our cash payments and cash receipts for the year. This statement is presented according to a very specific accounting standard and needs some care in analysis. The values may differ from those shown in the income statement as it is

prepared on a cash accounting basis and the income statement is prepared on an accrual basis.

Cash in this statement refers to bank deposits and other forms of highly liquid investments that can readily be converted to cash, such as cash invested in term deposits or with funds managers.

Our cash arises from, and is used in, three main areas:

- › Cash flows from operating activities:
 - Receipts – all cash received into our bank account from ratepayers and others who owed money to us. Receipts also include the interest earnings from our cash investments. It does not include the costs associated with the sale of assets.
 - Payments – all cash paid by us from our bank account to staff, creditors and other persons. It does not include the costs associated with the creation of assets.
- › Cash flows from investing activities
 - this section shows the cash invested in the creation or purchase of property, infrastructure, plant and equipment assets and the cash received from the sale of these assets.

A plain English guide to the Financial Report (cont.)

- › Cash flows from financing activities
 - this is where the receipt and repayment of borrowed funds are recorded.

The bottom line of the cash flow statement states the cash held at the end of the financial year. This shows our capacity to meet our cash debts and other liabilities.

Statement of capital works

The statement of capital works details all amounts expended by Council on capital works. The statement classifies the expenditure in line with Council's asset classes.

It categorises capital works expenditure into renewal of assets, upgrading of assets, expansion of assets or creating new assets. Each of these categories has a different impact on Council's future costs.

Notes to the accounts

The notes are a very important and informative section of the report. The accounting standards are not prescriptive in a lot of issues. Therefore, to enable the reader to understand the basis on which the values shown in the statements are established it is necessary to provide details of Council's accounting policies. These are described in Note 1.

Apart from the accounting policies, the notes also give details behind many of the summary figures contained in the statements. The note numbers are shown beside the relevant items in the comprehensive income statement, balance sheet, statement of cash flows and statement of capital works.

Where we wish to disclose other information, which cannot be incorporated into the statements, it is shown in the notes.

Other notes include:

- › the breakdown of expenses, revenues, reserves and other assets
- › contingent liabilities, and
- › transactions with persons related to Council.

The notes should be read at the same time as, and together with, the other parts of the financial statements to get a clear picture of the accounts.

Statements by Principal Accounting Officer and Councillors

The Certification of the Principal Accounting Officer is made by the person responsible for the financial management of Council that, in her/his opinion, the financial statements have met all the statutory and professional reporting requirements.

The certification of Councillors is made by two Councillors on behalf of Council that, in their opinion, the financial statements present fairly the financial transactions of Council.

Auditor General's report

The independent audit report provides the reader with an external and independent opinion on the financial statements. It confirms that the financial report has been prepared in accordance with relevant legislation and professional standards and that it represents a fair picture of our financial affairs.

Council's main office

90 Bell Street Coburg, Victoria 3058

External Auditor

Auditor-General of Victoria

Internal Auditor

Senior Officer – Ian Thomas

Solicitors

Various

Bankers

Commonwealth Bank of Australia

Website address

moreland.vic.gov.au



Moreland plays host to a range of vibrant events each year.

Comprehensive Income Statement

For the year ended 30 June 2016

	Note	2016 \$'000	2015 \$'000
Income			
Rates and charges	3	130,942	122,847
Statutory fees and fines	4	10,083	8,873
User fees	5	7,636	8,410
Grants – operating	6	13,438	19,429
Grants – capital	6	1,796	711
Contributions – monetary	7	16,668	9,750
Contributions – non-monetary	7	6,425	5,978
Fair value adjustments for investment property	24	–	3,113
Other income	9	6,055	6,537
Total income		193,044	185,647
Expenses			
Employee costs	10	75,813	72,863
Materials and services	11	58,971	51,562
Bad and doubtful debts	12	1,644	1,472
Depreciation	13	23,630	21,369
Borrowing costs	14	1,943	2,332
Other expenses	15	76	67
Net loss on disposal of property, infrastructure, plant and equipment	8	7,369	1,919
Fair value adjustments for investment property	24	1,079	–
Total expenses		170,525	151,586
Surplus for the year		22,519	34,061
Other comprehensive income			
Net asset revaluation increment	29 (a)	280,936	–
Comprehensive result		303,455	34,061

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

Balance Sheet

As at 30 June 2016

	Note	2016 \$'000	2015 \$'000
Assets			
Current assets			
Cash and cash equivalents	17	43,605	26,239
Trade and other receivables	18	20,196	18,580
Other financial assets	19	24,000	17,700
Inventories	20	146	222
Non-current assets classified as held for sale	21	2,608	2,008
Other assets	22	171	67
Total current assets		90,727	64,816
Non-current assets			
Unlisted Shares	16	2	2
Property, infrastructure, plant and equipment	23	1,862,529	1,583,024
Investment property	24	28,730	29,809
Total non-current assets		1,891,261	1,612,835
Total assets		1,981,987	1,677,650
Liabilities			
Current liabilities			
Trade and other payables	25	16,329	16,175
Trust funds and deposits	26	1,669	1,545
Provisions	27	17,794	16,731
Interest-bearing loans and borrowings	28	1,661	12,570
Total current liabilities		37,455	47,022
Non-current liabilities			
Provisions	27	1,411	1,401
Interest-bearing loans and borrowings	28	47,236	36,797
Total non-current liabilities		48,647	38,198
Total liabilities		86,101	85,219
Net Assets		1,895,886	1,592,431
Equity			
Accumulated surplus		502,594	500,493
Asset revaluation reserve	29 (a)	1,354,219	1,073,283
Other reserves	29 (b)	39,073	18,654
Total Equity		1,895,886	1,592,431

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

Statement of Changes in Equity

For the year ended 30 June 2016

		Total	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves
2016	Note	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year		1,592,431	500,493	1,073,283	18,654
Surplus/(deficit) for the year		22,519	22,519	–	–
Net asset revaluation increment/ (decrement)	29(a)	280,936	–	280,936	–
Transfers to other reserves	29(b)	–	(26,335)	–	26,335
Transfers from other reserves	29(b)	–	5,917	–	(5,917)
Balance at end of the financial year		1,895,886	502,594	1,354,219	39,073

		Total	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves
2015	Note	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year		1,558,370	474,835	1,073,283	10,251
Surplus/(deficit) for the year		34,061	34,061	–	–
Net asset revaluation increment/ (decrement)	29(a)	–	–	–	–
Transfers to other reserves	29(b)	–	(12,044)	–	12,044
Transfers from other reserves	29(b)	–	3,640	–	(3,640)
Balance at end of the financial year		1,592,431	500,493	1,073,283	18,654

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

Statement of Cash Flows

For the year ended 30 June 2016

		Inflows/ (Outflows)	Inflows/ (Outflows)
	Note	2016 \$'000	2015 \$'000
Cash flows from operating activities			
Rates and charges		129,359	121,916
Statutory fees and fines		9,300	8,003
User fees		8,517	9,771
Grants operating		14,782	21,416
Grants capital		1,796	737
Contributions – monetary		18,078	10,897
Interest		2,505	1,887
Trust funds and deposits taken		15,810	13,337
Other receipts		4,156	5,302
Net GST refund/payment		8,115	6,892
Materials and services		(64,611)	(54,487)
Employee costs (including redundancies)		(82,223)	(80,246)
Trust funds and deposits repaid		(15,686)	(13,180)
Other payments		(76)	(67)
Net cash provided by operating activities	30	49,823	52,178
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(26,878)	(35,755)
Proceeds from sale of property, infrastructure, plant and equipment		3,134	566
Payments for other financial assets		(6,300)	(6,700)
Net cash used in investing activities		(30,043)	(41,889)
Cash flows from financing activities			
Finance costs		(1,943)	(2,332)
Proceeds from interest bearing loans and borrowings		12,100	22,970
Repayment of interest bearing loans and borrowings		(12,570)	(25,220)
Net cash used in financing activities		(2,413)	(4,582)
Net increase in cash and cash equivalents		17,366	5,707
Cash and cash equivalents at the beginning of the financial year		26,239	20,533
Cash and cash equivalents at the end of the financial year	31	43,605	26,240
Financing arrangements	32		
Restrictions on cash assets	17		

The above statement of cash flows should be read in conjunction with the accompanying notes.

Statement of Capital Works

For the year ended 30 June 2016

	Note	2016 \$'000	2015 \$'000
Property			
Land		732	8,244
Total land		732	8,244
Buildings		5,604	13,057
Total buildings		5,604	13,057
Total property		6,337	21,301
Plant and equipment			
Plant, machinery and equipment		1,908	1,739
Fixtures, fittings and furniture		86	96
Computers and telecommunications		545	942
Library books		975	946
Total plant and equipment		3,514	3,722
Infrastructure			
Roads		4,617	5,556
Bridges		323	262
Footpaths and cycleways		2,895	2,439
Drainage		2,661	2,464
Other infrastructure		4,332	6,113
Total infrastructure		14,829	16,835
Total capital works expenditure		24,680	41,858
Represented by			
New asset expenditure		4,380	21,036
Asset renewal expenditure		15,674	15,550
Asset expansion expenditure		—	665
Asset upgrade expenditure		4,626	4,607
Total capital works expenditure		24,680	41,858

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

Notes to the Financial Report

For the year ended 30 June 2016

Introduction

The Moreland City Council was established by an Order of the Governor in Council on 21 June 1994 and is a body corporate. The Council's main office is located at 90 Bell Street, Coburg.

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 AASs that have significant effects on the financial statements and estimates relate to:

- › the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 1 (m))
- › the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 1 (n)), and
- › the determination of employee provisions (refer to Note 1 (t)).

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

b) Change in accounting policies

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

c) Principles of consolidation

The consolidated financial statements of Council incorporate all entities controlled by Council as at 30 June 2016, and their income and expenses for that part of the reporting period in which control existed.

Subsidiaries are all entities over which Council has control. Council controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Council. They are deconsolidated from the date that control ceases.

Where dissimilar accounting policies are adopted by entities and their effect is considered material, adjustments are made to ensure consistent policies are adopted in these financial statements.

In the process of preparing consolidated financial statements all material transactions and balances between consolidated entities are eliminated.

No entities are consolidated in these financial statements.

d) Committees of management

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

Notes to the Financial Report (cont.)

e) Accounting for investments in associates

Associates

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.

f) Revenue recognition

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

Rates and Charges

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

Statutory fees and fines

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

User fees

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

Grants

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

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

Contributions

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

Sale of property, infrastructure, plant and equipment

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

Rental

Rents are recognised as revenue when the payment is due or the payment is received, whichever occurs first. Rental payments received in advance are recognised as a prepayment until they are due.

Interest

Interest is recognised as it is earned.

Dividends

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

Other Income

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

g) Fair value measurement

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

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the

measurement date. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

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

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

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

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

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

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

h) Cash and cash equivalents

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

i) Trade and other receivables

Trade and other receivables

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

j) Other financial assets

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

k) Inventories

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

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

l) Non-current assets classified as held for sale

A non-current asset classified as held for sale (including disposal groups) is measured at the lower of its carrying amount and fair value less costs to sell and are not subject to depreciation. Non-current assets, disposal groups and related liabilities 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.

m) Recognition and measurement of 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 amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

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

Notes to the Financial Report (cont.)

In accordance with Council's policy, the threshold limits detailed in Note 1 (n) have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset. Further details regarding the fair value hierarchy are disclosed at Note 23, Property, infrastructure, plant and equipment.

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

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

Land under roads

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

n) Depreciation of property, infrastructure, plant and equipment

Buildings, 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 listed below and are consistent with the prior year unless otherwise stated.

o) 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.

p) Investment property

Investment property, comprising freehold office complexes, is held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to the Council.

Asset recognition thresholds and depreciation periods

	Depreciation Period	Threshold Limit
		\$'000
Property		
Land		
Land	Not applicable	No limit
Land under roads	Not applicable	No limit
Buildings		
Buildings	20 to 100 years	1
Plant and equipment		
Plant and equipment	3 to 10 years	3
Furniture and fittings	3 to 10 years	1
Computer equipment	3 to 10 years	1
Library books	3 to 10 years	1
Motor vehicles	up to 10 years	3
Artworks	Not applicable	1
Infrastructure		
Roads surface	up to 30 years	1
Road pavement	up to 100 years	1
Drains	up to 100 years	1
Footpaths (includes shared footways)	up to 50 years	1
Kerb and channel	up to 75 years	1
Bridges	up to 80 years	1
Other infrastructure		
Street furniture	up to 10 years	10
Recreational, leisure and community facilities	up to 50 years	5
Parks, open space and streetscapes	up to 25 years	5
Playground equipment and other structures	up to 50 years	5

Subsequent to initial recognition at cost, investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the Comprehensive Income Statement in the period that they arise. Rental income from the leasing of investment properties is recognised in the Comprehensive Income Statement on a straight line basis over the lease term.

q) 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 assets fair value less costs to sell and value in use, is compared to the asset's 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.

Notes to the Financial Report (cont.)

r) Trust funds and deposits

Amounts received as deposits and retention amounts controlled by Council are recognised as Trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited (refer to note 26).

Separate and distinct Trust Funds are maintained for all monies held under Trust Deed arrangements. Trust Funds are classified as current liabilities (refer to Note 26).

s) Borrowings

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

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

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Except

where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised.

Borrowing costs include interest on borrowings.

t) Employee costs and benefits

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

Wages and salaries and annual leave

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

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

Long service leave

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

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

The components of this current liability are measured at:

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

Classification of employee costs

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

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

Retirement gratuities

Retirement gratuities were provided to certain employees who were, prior to the formation of Moreland City Council, employed by the City of Brunswick. The liability represents



Upfield Bike Path.

payment amounts calculated on the basis of achieved levels of available sick leave. At balance date, the liability is measured at the present value of estimated future cash flows to be made for this entitlement.

u) Leases

Operating leases

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

v) Goods and Services Tax (GST)

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

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

w) Financial guarantees

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that right will be exercised. Details of guarantees that Council has provided, that are not recognised in the balance sheet are disclosed at Note 35 Contingent Liabilities and Contingent Assets.

x) Contingent assets and contingent liabilities and commitments

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

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

y) Rounding

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

z) Pending accounting standards

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

Notes to the Financial Report (cont.)



Note 2: Budget comparison

The budget comparison notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 per cent or \$3 million 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 22 June 2015. The budget was based on assumptions that were relevant at the time of adoption of the budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

a) Income and Expenditure

	Budget 2016	Actual 2016	Variance 2016	
	\$'000	\$'000	\$'000	Ref.
Revenue				
Rates and charges	128,369	130,942	2,573	
Statutory fees and fines	8,963	10,083	1,120	1
User fees	6,092	7,636	1,544	2
Grants – operating	17,600	13,438	(4,162)	3
Grants – capital	1,355	1,796	441	4
Contributions – cash	4,725	16,668	11,943	5
Contributions – non-monetary assets	–	6,425	6,425	6
Other income	5,429	6,055	626	7
Total revenues	172,533	193,044	20,511	
Expenses				
Employee costs	78,806	75,813	2,993	
Materials and services	49,296	58,971	(9,675)	8
Bad and doubtful debts	1,218	1,644	(426)	9
Depreciation and amortisation	22,574	23,630	(1,056)	
Finance costs	2,889	1,943	946	10
Other expenses	80	76	4	
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	–	7,369	(7,369)	11
Fair value adjustments for investment property	–	1,079	(1,079)	12
Total expenses	154,863	170,525	(15,662)	
Net surplus (deficit)	17,670	22,519	4,849	
Other comprehensive income				
Net asset revaluation increment	–	280,936	280,936	13
Comprehensive result	17,670	303,455	285,785	

i) Explanation of material variations

Ref.	Item	Explanation
1	Statutory fees and fines	Better than anticipated results in Local Laws, Road Opening and Planning permit revenues.
2	User fees	Registration and Building services fees, <i>Dog Act</i> and Court fines had increased activity for the financial year.
3	Grants – operating	Grants Commission grant instalment relating to 2015–16 was received in advance on 30 June 2015
4	Grants – capital	Council received unbudgeted Road to Recovery funding for the 2015–16 year.
5	Contributions – cash	Sub-divider contributions and revenue for the Developer Contribution Plan were higher than anticipated due to increased development activities.
6	Contributions – non-monetary assets	This variance is due to the recognition of donated assets from completed developments during the year for which Council has now accepted on-going responsibility.
7	Other income	Higher than budgeted cash contributions have contributed extra funds to invest, leading to higher than anticipated interest revenue on investments.
8	Materials and services	Council's contribution toward the construction of the new animal shelter and towards upgrading of street lights to LED, together with unbudgeted temporary contractors, contracted engineering and project management services has contributed to this variance.
9	Bad and doubtful debts	At balance date debtors were assessed for recoverability. As a result the provision increase for sundry debtors was higher than budget primarily due to a provision increase for one long outstanding debtor.
10	Finance costs	Attributed to lower than anticipated borrowing rates coupled with a conservative budget estimate.
11	Net gain/(loss) on disposal of property, infrastructure, plant and equipment	A significant level of infrastructure assets were written off with no proceeds.
12	Fair value adjustments for investment property	Market valuations undertaken for Council's investment properties by qualified valuers, resulted in this overall increase.
13	Net asset revaluation increment	The change in value of Council's asset base was unbudgeted

Notes to the Financial Report (cont.)

b) Capital Works

	Budget 2016	Actual 2016	Variance 2016	
	\$'000	\$'000	\$'000	Ref.
Property				
Land	250	732	(482)	1
Total land	250	732	(482)	
Buildings	11,568	5,604	5,964	2
Total buildings	11,568	5,604	5,964	
Total property	11,818	6,337	5,481	
Plant and equipment				
Plant, machinery and equipment	1,150	1,908	(758)	3
Fixtures, fittings and furniture	162	86	76	
Computers and telecommunications	933	545	388	4
Library books	975	975	1	
Total plant and equipment	3,220	3,514	(294)	
Infrastructure				
Roads	6,410	4,617	1,793	5
Bridges	790	323	467	6
Footpaths and cycleways	1,444	2,895	(1,451)	7
Drainage	760	2,661	(1,901)	8
Other infrastructure	10,868	4,332	6,536	9
Total infrastructure	20,272	14,829	5,443	
Total Capital Works expenditure	35,310	24,680	10,630	
Represented by:				
New asset expenditure	8,578	4,380	4,198	10
Asset renewal expenditure	15,105	15,674	(569)	
Asset expansion expenditure	2,390	—	2,390	11
Asset upgrade expenditure	9,237	4,626	4,611	12
Total Capital Works expenditure	35,310	24,680	10,630	

i) Explanation of material variations

Ref.	Item	Explanation
1	Land	Council undertook unbudgeted purchases of two parcels of land to increase the level of open space within Moreland.
2	Buildings	Several building projects have been delayed, the completion of the Coburg Child Care Centre, the Pascoe Vale Community Centre and pavilions at Raeburn Reserve, Alex Gillon Oval and Balfe Park. Council budgeted within the capital program the operational contribution toward the construction of the new animal shelter (\$2.4 million).
3	Plant, machinery and equipment	Council was able to bring forward fleet purchases anticipated to be completed in future years.
4	Computers and telecommunications	The variance can be explained by Council's anticipated costs for new Microsoft software being lower than expected, coupled with the Customer Response Management and Corporate Planning systems not being purchased.
5	Roads	Council budget to reconstruct and rehabilitate roads (\$1.8 million of total roads budget). As part of these projects, a significant portion of this expenditure is capitalised as drainage assets.
6	Bridges	A bridge construction project was delayed to enable further community involvement in the design process.
7	Footpaths and cycleways	As part of a mid-year review, Council allocated additional monies to footpaths and cycleways from savings made in delays to other projects.
8	Drainage	Council budget to reconstruct and rehabilitate roads (\$1.8 million of total roads budget). As part of these projects, a significant portion of this expenditure is capitalised as drainage assets.
9	Other infrastructure	The Pascoe Vale and Dunnes Lane streetscapes have been delayed and remain in work in progress. A large portion of the other infrastructure expenditure was operational in nature.
10	New asset expenditure	New expenditure on the Oak Park Pool and the Saxon Street streetscape were not completed and remain in work in progress. Council budgeted within the new asset expenditure the operational contribution toward the construction of the new animal shelter.
11	Asset expansion expenditure	The budgeted expansion expenditure works, the Coburg Child Care Centre, has been delayed due to issues found in the soil profile.
12	Asset upgrade expenditure	The lower than budget result can be attributed to the bridge construction project being delayed to enable further community involvement in the design process, plus delays in a streetscape project on Pascoe Vale Road.

Notes to the Financial Report (cont.)



Note 3: Rates and charges

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is the total market value of the land plus buildings and other improvements.

The valuation base used to calculate general rates for 2015–16 was \$39.735 billion (2014–15 \$39.160 billion). The 2015–16 rate in the CIV dollar was 0.002923 (2014–15, 0.002784).

	2016 \$'000	2015 \$'000
General Rates	116,904	110,186
Supplementary rates and rate adjustments	2,222	1,423
Waste management charge	11,343	9,458
Special rates and charges	473	1,780
Total rates and charges	130,942	122,847

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



Note 4: Statutory fees and fines

	2016 \$'000	2015 \$'000
Infringements and costs	5,941	5,618
PERIN court recoveries	300	296
Town planning fees	1,153	1,135
Land information certificates	157	125
Other fines	450	344
Permits	2,083	1,355
Total statutory fees and fines	10,083	8,873



Note 5: User fees

	2016 \$'000	2015 \$'000
Parking	231	258
Aged services fees	2,039	2,102
Registration fees	1,335	1,246
Road occupancy charges	215	353
Building services	578	551
Valuation fees/ supplementary charges	47	252
Waste management services	863	991
Right of way closures	211	190
Other fees	2,117	2,467
Total user fees	7,636	8,410



Note 6: Grants

Grants were received in respect of the following:

	2016 \$'000	2015 \$'000
Summary of grants		
Commonwealth funded grants	4,627	10,186
State funded grants	10,608	9,953
Total	15,235	20,140
Operating Grants		
<i>Recurrent – Commonwealth Government</i>		
Victorian Grants Commission – general purpose	2,318	7,630
Victorian Grants Commission – local roads	442	1,362
Families and children	597	181
Family day care	–	555
Other culture	–	14
<i>Recurrent – State Government</i>		
Home help	6,353	5,905
Maternal and child health	–	1,306
Recreation	10	10
Aged care	19	150
Libraries	1,023	917
Families and children	1,516	182
Family day care	–	17
Food services	608	641
Community health	129	58
Community safety	3	12
Community welfare	405	300
Business and economic services	15	12
Access for all abilities	–	122
Total recurrent operating grants	13,438	19,375

(cont.)

Notes to the Financial Report (cont.)



Note 6: Grants (cont.)

	2016 \$'000	2015 \$'000
<i>Non-recurrent – State Government</i>		
Recreation	–	25
Business and economic services	–	12
Local roads and bridges	–	3
Other culture	–	5
Community welfare	–	9
Total non-recurrent operating grants	–	54
Total operating grants	13,438	19,429
Capital Grants		
<i>Recurrent – Commonwealth Government</i>		
Roads to recover	1,269	444
<i>Recurrent – State Government</i>		
Community safety	115	–
Recreation	10	–
Total recurrent capital grants	1,394	444
<i>Non-recurrent – State Government</i>		
Recreation	360	42
Libraries	–	125
Other culture	–	10
Community safety	42	90
Total capital non-recurrent	402	267
Total capital grants	1,796	711
Conditions on grants		
Balance at start of year	898	2,627
Received during the financial year and remained unspent at balance date	825	595
Received in prior years and spent during the financial year	(898)	(2,324)
Balance at year end	825	898



Note 7: Contributions

	2016 \$'000	2015 \$'000
Monetary	16,668	9,750
Non-monetary	6,425	5,978
Total contributions	23,093	15,728
<i>Contributions of non monetary assets were received in relation to the following asset classes.</i>		
Land under roads	156	1,476
Infrastructure	6,268	4,502
	6,425	5,978



Note 8: Net loss on disposal of property, infrastructure, plant and equipment

	2016 \$'000	2015 \$'000
Proceeds of sale	3,134	566
Write down value of investments held in associates (Note 16)	–	(1,278)
Write down value of assets disposed	(10,503)	(1,207)
Total	(7,369)	(1,919)



Note 9: Other income

	2016 \$'000	2015 \$'000
Interest	2,277	1,716
Investment property rental	402	436
Other rent	1,899	1,796
Sale of non-plant and equipment	125	57
Legal costs reimbursed	263	395
Payroll reimbursements	138	168
Other	951	1,968
Total other income	6,055	6,537

Notes to the Financial Report (cont.)



Note 10 (a): Employee costs

	2016 \$'000	2015 \$'000
Wages and salaries	58,228	56,098
Workcover	1,829	2,073
Casual staff	402	394
Annual leave and long service leave	7,007	6,306
Superannuation	6,027	5,738
Fringe benefits tax	164	140
Other	2,156	2,115
Total employee costs	75,813	72,863

Note 10 (b): Superannuation

Council made contributions to the following funds:

	2016 \$'000	2015 \$'000
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	781	882
Employer contributions – other funds	–	–
	781	882
Employer contributions payable at reporting date	–	–
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	3,520	3,463
Employer contributions – other funds	1,625	1,391
	5,146	4,854
Employer contributions payable at reporting date	542	–

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

Accumulation

The Fund's accumulation category, 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 (9.5 per cent required under Superannuation Guarantee Legislation, (2014–15, 9.5 per cent)).

Defined Benefit Plan

Moreland City 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 Moreland City Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.



Note 11: Materials and services

	2016 \$'000	2015 \$'000
Utilities	4,062	3,990
Contractors	12,845	10,465
Works contracts	66	77
General services	24,782	20,577
Office services and supplies	5,631	5,396
Other supplies	2,394	2,278
Materials	300	303
Minor equipment and medical supplies	1,170	1,247
Other related costs	2,228	2,125
Property leases and rentals	998	1,008
Fire Services Property Levy	309	170
Council grants and sponsorships	2,756	2,400
Insurance	1,429	1,526
Total materials and services	58,971	51,562

Notes to the Financial Report (cont.)

Note 12: Bad and doubtful debts

	2016 \$'000	2015 \$'000
Parking fine debtors	1,193	1,209
Other debtors	451	263
Total bad and doubtful debts	1,644	1,472

Note 13: Depreciation

	2016 \$'000	2015 \$'000
Property	4,422	4,293
Plant and Equipment	3,542	3,791
Infrastructure	15,666	13,285
Total depreciation	23,630	21,369

Refer to note 23 for a more detailed breakdown of depreciation

Note 14: Borrowing costs

	2016 \$'000	2015 \$'000
Interest – borrowings	1,943	2,332
Total borrowing costs	1,943	2,332

Note 15: Other expenses

	2016 \$'000	2015 \$'000
Auditors' remuneration	69	60
Councillors' allowances	7	7
Total other expenses	76	67

Note 16: Unlisted Shares

	2016 \$'000	2015 \$'000
Shares in MAPS Group Ltd	2	2
	2	2

Unlisted shares in the MAPS Group Limited are valued at cost. Dividends are recognised when they accrue.



Note 17: Cash and cash equivalents

	2016 \$'000	2015 \$'000
Cash on hand	7	18
Cash at bank	1,999	5,521
Term Deposits (maturity < 90 days)	41,600	20,700
Total cash and cash equivalents	43,605	26,239
Term Deposits (maturity > 90 days) (See Note 19)	24,000	17,700
Total cash and cash equivalents and other financial assets	67,605	43,939
<i>Council's cash and cash equivalents and other financial assets are subject to external restrictions that limit amounts available for discretionary use. These include:</i>		
Trust funds and deposits (Note 26)	1,669	1,545
Total restricted funds	1,669	1,545
Total unrestricted cash and cash equivalents and other financial assets	65,936	42,394
Intended allocations		
Although not externally restricted the following amounts have been allocated for specific future purposes by Council:		
Restricted Reserves (Note 29)	24,419	11,942
Total funds subject to intended allocations	24,419	11,942

Notes to the Financial Report (cont.)



Note 18: Trade and other receivables

	2016 \$'000	2015 \$'000
Current		
Rates debtors	12,602	11,272
Parking infringement debtors	5,418	5,477
Provision for doubtful debts – parking infringements	(3,135)	(3,328)
Other debtors	3,998	3,531
Provision for doubtful debts – other debtors	(1,529)	(1,084)
Fire Services Property Levy debtors	1,445	1,191
Net GST receivable	1,398	1,521
Total trade and other receivables	20,196	18,580

a) Ageing of Receivables

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

	2016 \$'000	2015 \$'000
Current (not yet due)	1,105	1,057
Past due by up to 30 days	607	697
Past due between 31 and 180 days	505	475
Past due between 181 and 365 days	34	35
Past due by more than 1 year	218	182
Total trade and other receivables	2,469	2,446

b) Movement in provisions for doubtful debts

	2016 \$'000	2015 \$'000
Balance at the beginning of the year	1,084	828
New provisions recognised during the year	451	263
Amounts already provided for and written off as uncollectable	6	6
Amounts provided for but recovered during the year	(12)	(12)
Balance at end of year	1,529	1,084

c) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$1,529,140 (2015: \$1,084,347) were impaired. The amount of the provision raised against these debtors was \$1,529,140 (2015: \$1,084,347). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

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

	2016 \$'000	2015 \$'000
Current (not yet due)	–	–
Past due by up to 30 days	–	4
Past due between 31 and 180 days	468	199
Past due between 181 and 365 days	205	147
Past due by more than 1 year	856	734
Total trade and other receivables	1,529	1,084



Note 19: Other financial assets

	2016 \$'000	2015 \$'000
Current		
Term deposits	24,000	17,700
Total	24,000	17,700



Note 20: Inventories

	2016 \$'000	2015 \$'000
Inventories held for distribution	146	222
Total inventories	146	222



Note 21: Non-current assets classified as held for sale

	2016 \$'000	2015 \$'000
Balance at beginning of financial year	2,008	349
Disposals during year	–	(349)
Transfers to assets held for sale	600	2,008
Total non-current assets classified as held for sale	2,608	2,008



Note 22: Other assets

	2016 \$'000	2015 \$'000
Current		
Accrued income	166	62
Other	5	5
Total	171	67

Notes to the Financial Report (cont.)



Note 23: Property, infrastructure, plant and equipment

	2016 \$'000	2015 \$'000
Property		
Land		
at cost	1,191,433	940,662
	1,191,433	940,662
Land under roads		
at Council valuation	3,470	3,314
	3,470	3,314
Total Land	1,194,903	943,975
Buildings		
at cost	162,959	178,232
Less accumulated depreciation	(15)	(4,273)
	162,944	173,960
Property works in progress		
Buildings at cost	6,163	2,670
	6,163	2,670
Total Property	1,364,010	1,120,605
Plant and Equipment		
Motor vehicles		
at cost	16,298	15,389
Less accumulated depreciation	(11,087)	(10,415)
	5,211	4,974
Plant and equipment		
at cost	4,436	4,288
Less accumulated depreciation	(3,139)	(2,886)
	1,298	1,402

	2016 \$'000	2015 \$'000
Furniture and fittings		
at cost	2,021	1,935
Less accumulated depreciation	(1,661)	(1,596)
	360	339
Computer equipment		
at cost	18,908	18,362
Less accumulated amortisation	(17,743)	(16,805)
	1,164	1,558
Library books		
at cost	14,385	13,410
Less accumulated depreciation	(9,873)	(9,040)
	4,511	4,370
Artworks		
at cost	773	747
	773	747
Plant and Equipment works in progress		
Other plant and equipment at cost	138	2,038
	138	2,038
Total Plant and Equipment	13,455	15,427
Infrastructure		
Road surface		
at cost	77,489	58,598
Less accumulated depreciation	(16,261)	(16,040)
	61,228	42,558

(cont.)

Notes to the Financial Report (cont.)



Note 23: Property, infrastructure, plant and equipment (cont.)

	2016 \$'000	2015 \$'000
Road pavement		
at cost	283,679	311,427
Less accumulated depreciation	(131,406)	(136,436)
	152,273	174,991
Drains		
at cost	145,189	135,795
Less accumulated depreciation	(53,927)	(52,588)
	91,262	83,207
Footpaths		
at cost	101,224	103,146
Less accumulated depreciation	(51,427)	(51,369)
	49,797	51,777
Kerb and channel		
at cost	86,324	73,033
Less accumulated depreciation	(44,259)	(43,785)
	42,065	29,248
Bridges		
at cost	22,364	18,874
Less accumulated depreciation	(6,442)	(6,216)
	15,922	12,658
Other structures		
at cost	110,095	91,305
Less accumulated depreciation	(42,470)	(43,039)
	67,625	48,266
Infrastructure works in progress		
Infrastructure at cost	4,890	4,285
	4,890	4,285
Total Infrastructure	485,064	446,991
Total Property, infrastructure, plant and equipment	1,862,529	1,583,024

Summary of Work in Progress

	Opening WIP	Additions	Transfers	Write Offs	Closing WIP
	\$'000	\$'000	\$'000	\$'000	\$'000
Property	2,670	12,417	(6,337)	(2,587)	6,163
Plant and Equipment	2,038	2,667	(3,514)	(1,052)	138
Infrastructure	4,285	20,727	(14,829)	(5,293)	4,890
Total	8,993	35,811	(24,680)	(8,933)	11,191



Notes to the Financial Report (cont.)



Note 23: Property, infrastructure, plant and equipment (cont.)

	Land – specialised	Land – non- specialised	Land Under Roads
Land and buildings	\$'000	\$'000	\$'000
At fair value 1 July 2015	771,555	169,107	3,314
Accumulated depreciation at 1 July 2015	–	–	–
	771,555	169,107	3,314
Movements in fair value			
Acquisition of assets at fair value	71	661	156
Revaluation increments/decrements	195,739	53,651	–
Fair value of assets disposed	(2,301)	–	–
Impairment losses recognised in operating result	–	–	–
Transfers	2,950	–	–
	196,459	54,312	156
Movements in accumulated depreciation			
Depreciation and amortisation	–	–	–
Accumulated depreciation revaluation reversal	–	–	–
Accumulated depreciation of disposals	–	–	–
Impairment losses recognised in operating result	–	–	–
Transfers	–	–	–
	–	–	–
At fair value 30 June 2016	968,014	223,419	3,470
Accumulated depreciation at 30 June 2016	–	–	–
	968,014	223,419	3,470

Total Land	Buildings – specialised	Buildings – non-specialised	Total Buildings	Work in Progress	Total Property
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
943,975	178,232	–	178,232	2,670	1,124,878
–	(4,273)	–	(4,273)	–	(4,273)
943,975	173,960	–	173,960	2,670	1,120,605
888	5,604	–	5,604	12,417	18,910
249,390	(16,567)	–	(16,567)	–	232,823
(2,301)	(1,360)	–	(1,360)	–	(3,661)
–	–	–	–	(2,587)	(2,587)
2,950	(2,950)	–	(2,950)	(6,337)	(6,337)
250,928	(15,273)	–	(15,273)	3,493	239,147
–	(4,422)	–	(4,422)	–	(4,422)
–	8,529	–	8,529	–	8,529
–	151	–	151	–	151
–	–	–	–	–	–
–	–	–	–	–	–
–	4,257	–	4,257	–	4,257
1,194,903	162,959	–	162,959	6,163	1,364,025
–	(15)	–	(15)	–	(15)
1,194,903	162,944	–	162,944	6,163	1,364,010

Notes to the Financial Report (cont.)



Note 23: Property, infrastructure, plant and equipment (cont.)

	Motor Vehicles	Plant and equipment	Furniture and fittings
Plant and equipment	\$'000	\$'000	\$'000
At fair value 1 July 2015	15,389	4,288	1,935
Accumulated depreciation at 1 July 2015	(10,415)	(2,886)	(1,596)
	4,974	1,402	339
Movements in fair value			
Acquisition of assets at fair value	1,718	163	86
Revaluation increments/decrements	–	–	–
Fair value of assets disposed	(809)	(15)	–
Impairment losses recognised in operating result	–	–	–
Transfers	–	–	–
	909	148	86
Movements in accumulated depreciation			
Depreciation and amortisation	(1,441)	(264)	(65)
Accumulated depreciation revaluation reversal	–	–	–
Accumulated depreciation of disposals	768	12	–
Impairment losses recognised in operating result	–	–	–
Transfers	–	–	–
	(672)	(252)	(65)
At fair value 30 June 2016	16,298	4,436	2,021
Accumulated depreciation at 30 June 2016	(11,087)	(3,139)	(1,661)
	5,211	1,298	360

Computer equipment	Library books	Artwork	Plant and equipment	Work in Progress	Total plant and equipment
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
18,362	13,410	747	54,132	2,038	56,169
(16,805)	(9,040)	–	(40,742)	–	(40,742)
1,558	4,370	747	13,389	2,038	15,427
545	975	26	3,514	2,667	6,180
–	–	–	–	–	–
–	–	–	(825)	–	(825)
–	–	–	–	(1,052)	(1,052)
–	–	–	–	(3,514)	(3,514)
545	975	26	2,689	(1,900)	790
(938)	(833)	–	(3,542)	–	(3,542)
–	–	–	–	–	–
–	–	–	780	–	780
–	–	–	–	–	–
–	–	–	–	–	–
(938)	(833)	–	(2,761)	–	(2,761)
18,908	14,385	773	56,821	138	56,959
(17,743)	(9,873)	–	(43,504)	–	(43,504)
1,164	4,511	773	13,317	138	13,455

Notes to the Financial Report (cont.)



Note 23: Property, infrastructure, plant and equipment (cont.)

	Road Surface	Road pavement	Drainage
Infrastructure	\$'000	\$'000	\$'000
At fair value 1 July 2015	58,598	311,427	135,795
Accumulated depreciation at 1 July 2015	(16,040)	(136,436)	(52,588)
	42,558	174,991	83,207
Movements in fair value			
Acquisition of assets at fair value	2,149	2,534	3,739
Revaluation increments/decrements	20,124	(27,667)	6,342
Fair value of assets disposed	(3,581)	(2,615)	(687)
Impairment losses recognised in operating result	–	–	–
Transfers	199	–	1
	18,891	(27,748)	9,394
Movements in accumulated depreciation			
Depreciation and amortisation	(1,873)	(2,964)	(1,475)
Acquisition of assets at fair value	–	–	–
Accumulated depreciation revaluation reversal	556	6,192	(163)
Accumulated depreciation of disposals	1,096	1,802	298
Impairment losses recognised in operating result	–	–	–
Transfers	–	–	–
	(221)	5,030	(1,339)
At fair value 30 June 2016	77,489	283,679	145,189
Accumulated depreciation at 30 June 2016	(16,261)	(131,406)	(53,927)
	61,228	152,273	91,262

Footpaths	Kerb and channel	Bridges/ retaining walls	Other Infrastructure	Work in Progress	Total Infrastructure
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
103,146	73,033	18,874	91,305	4,285	796,464
(51,369)	(43,785)	(6,216)	(43,039)	–	(349,472)
51,777	29,248	12,658	48,266	4,285	446,991
3,097	912	323	7,741	20,727	41,222
(1,643)	13,453	2,878	15,809	–	29,296
(3,513)	(1,074)	(88)	(4,045)	–	(15,603)
–	–	–	–	(5,293)	(5,293)
138	0	377	(715)	(14,829)	(14,829)
(1,921)	13,291	3,490	18,790	605	34,792
(2,326)	(921)	(275)	(5,833)	–	(15,666)
–	–	–	–	–	–
156	(433)	(17)	4,301	–	10,593
2,111	881	66	2,101	–	8,354
–	–	–	–	–	–
–	–	–	–	–	–
(59)	(474)	(226)	569	–	3,280
101,224	86,324	22,364	110,095	4,890	831,256
(51,427)	(44,259)	(6,442)	(42,470)	–	(346,192)
49,797	42,065	15,922	67,625	4,890	485,064

Notes to the Financial Report (cont.)



Note 23: Property, infrastructure, plant and equipment (cont.)

Valuation of land and buildings

Valuation of land (excluding land under roads) and buildings were undertaken by Mr Jesse Cranfield AAPI, a certified practicing valuer of Westlink Consulting. The valuation of buildings is at fair value based on current replacement cost less accumulated depreciation at the date of valuation. The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. All freehold land reserved for public open space is valued at a discount of 20 per cent to market value based on legal precedents.

Valuation of land under roads

Land under roads is valued at fair value. Fair value is based on Council valuations for land under roads in existence at the date acquired for subsequent acquisitions using site values adjusted for engloba (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. Council in its policy on land under roads has agreed not to bring to account the value of Land Under Roads in existence prior to 30 June 2008.

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

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

	Level 1	Level 2	Level 3
	\$'000	\$'000	\$'000
Land – non-specialised	–	223,419	–
Land – specialised	–	–	968,014
Land under roads	–	–	3,470
Buildings	–	–	162,944
Total	–	223,419	1,134,428

No transfers between levels occurred during the year.

Valuation of infrastructure

A revaluation of infrastructure assets has been determined in accordance with the principles and guidelines of the current Australian Accounting Standards (AASB116). The valuation was undertaken by Alain Momed, Kit Ratnayake, Brad Davies and reviewed by Rosalyn Sutcliffe – Dip Mgt, Dip MP and Greg Gale B.Eng (Hons) Civil Engineering.

The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

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

	Level 1	Level 2	Level 3
	\$'000	\$'000	\$'000
Roads	–	–	213,501
Bridges	–	–	15,922
Drains	–	–	91,262
Footpaths	–	–	49,797
Kerb and Channel	–	–	42,065
Other Structures	–	–	67,625
Total	–	–	480,173

Description of significant unobservable inputs into Level 3 valuations

Specialised land and land under roads

The market based direct comparison method is used for specialised land although is adjusted to reflect the specialised nature of the assets being valued. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5 per cent and 95 per cent. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$10 and \$3,546 per square metre.

Specialised buildings

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$15 to \$30,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 1 year to 99 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

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 4 years to 99 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

Reconciliation of specialised land

	2016 \$'000	2015 \$'000
Land under roads	3,470	3,314
Parks and reserves	968,014	771,555
Total specialised land	971,484	774,869

Note 24: Investment property

Valuation of investment property

Independent valuations of investment properties were performed at 30 June 2016 by Mr Brendan Sheales (AAPI) and Mr Mark Angerame (AAPI), certified practicing valuers

of Westlink Consulting who have recent experience in the location and category of the property being valued. The valuation is at fair value, based on the current market value for the property.

	2016 \$'000	2015 \$'000
Balance at beginning of financial year	29,809	26,696
Fair value adjustments	(1,079)	3,113
Balance at end of financial year	28,730	29,809

Notes to the Financial Report (cont.)



Note 25: Trade and other payables

	2016 \$'000	2015 \$'000
Current		
Trade payables	6,921	7,137
Accrued expenses	9,409	9,038
Total trade and other payables	16,329	16,175



Note 26: Trust funds and deposits

	2016 \$'000	2015 \$'000
Refundable deposits	422	364
Trust funds	631	621
Retention amounts	389	354
Fire services levy	134	116
Other refundable deposits	93	90
Total trust funds and deposits	1,669	1,545

Council currently maintains separate and distinct Trust Funds for the Gavin Environment Trust, the Blackburn Bequest Trust and the Inner Circle Linear Trust. These funds are held and administered in accordance with the Trust Deed arrangements.

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

Fire Service Levy – Council is the collection agent for fire services levy on behalf of the State Government.

Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the State Government in line with that process.

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



Note 27: Provisions

	Annual leave	Long service leave	Service Gratuity	Other	Total
2016	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year	5,306	12,763	30	33	18,132
Additional provisions	4,819	2,443	0	–	7,262
Amounts used	(4,629)	(1,592)	(6)	–	(6,227)
Increase (decrease) in the discounted amount arising because of time and the effect of any change in the discount rate	17	23	–	–	40
Balance at the end of the financial year	5,513	13,636	24	33	19,206

2015	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year	5,552	12,619	35	33	18,238
Additional provisions	4,565	1,519	1	–	6,084
Amounts used	(4,827)	(1,605)	(5)	–	(6,438)
Increase (decrease) in the discounted amount arising because of time and the effect of any change in the discount rate	17	231	–	–	247
Balance at the end of the financial year	5,306	12,763	30	33	18,132

Notes to the Financial Report (cont.)

a) Employee provisions

	2016 \$'000	2015 \$'000
Current provisions expected to be settled within 12 months		
Annual leave	4,795	4,599
Long service leave	1,700	1,594
	6,495	6,193
Current provisions expected to be settled after 12 months		
Annual leave	718	707
Long service leave	10,525	9,768
Service gratuity	24	30
Other	33	33
	11,300	10,538
Total Current provisions	17,794	16,731
Non-current		
Long service leave	1,411	1,401
	1,411	1,401
Aggregate carrying amount of employee provisions:		
Current	17,794	16,731
Non-current	1,411	1,401
	19,206	18,132



Note 28: Interest-bearing loans and borrowings

	2016 \$'000	2015 \$'000
Current		
Borrowings – secured (1)	1,661	12,570
	1,661	12,570
Non-current		
Borrowings – secured (1)	47,236	36,797
Total	48,897	49,367
(1) Borrowings are secured by Council's general rate income.		
The maturity profile for Council's borrowings is:		
Not later than one year	1,661	12,570
Later than one year and not later than five years	30,118	19,886
Later than five years	17,117	16,911
Total	48,897	49,367
Aggregate carrying amount of interest-bearing loans and borrowings:		
Current	1,661	12,570
Non-current	47,236	36,797
Total interest-bearing loans and borrowings	48,897	49,367

Notes to the Financial Report (cont.)



Note 29: Reserves

a) Asset revaluation reserves

	Balance at beginning of reporting period	Increment (decrement)	Share of increment (decrement) on revaluation by an associate	Balance at end of reporting period
2016	\$'000	\$'000	\$'000	\$'000
Property				
Land	700,825	249,390	–	950,215
Buildings	76,346	(8,039)	–	68,307
	777,171	241,351	–	1,018,522
Infrastructure				
Road surface	42,165	20,618	–	62,783
Road pavement	118,231	(21,801)	–	96,429
Bridges	9,332	2,892	–	12,224
Footpaths	31,929	(1,459)	–	30,470
Drainage	47,589	6,182	–	53,771
Kerb and channel	14,729	13,017	–	27,746
Other structures	32,139	20,135	–	52,274
	296,112	39,585	–	335,697
Total asset revaluation reserves	1,073,283	280,936	–	1,354,219

	Balance at beginning of reporting period	Increment (decrement)	Share of increment (decrement) on revaluation by an associate	Balance at end of reporting period
2015	\$'000	\$'000	\$'000	\$'000
Property				
Land	700,825	—	—	700,825
Buildings	76,346	—	—	76,346
	777,171	—	—	777,171
Infrastructure				
Road surface	42,165	—	—	42,165
Road pavement	118,231	—	—	118,231
Bridges	9,332	—	—	9,332
Footpaths	31,929	—	—	31,929
Drainage	47,589	—	—	47,589
Kerb and channel	14,729	—	—	14,729
Other structures	32,139	—	—	32,139
	296,112	—	—	296,112
Total asset revaluation reserves	1,073,283	—	—	1,073,283

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

Notes to the Financial Report (cont.)



Note 29: Reserves (cont.)

b) Other reserves

	Balance at beginning of reporting period	Increment (decrement)	Share of increment (decrement) on revaluation by an associate	Balance at end of reporting period
2016	\$'000	\$'000	\$'000	\$'000
Public Resort and Recreation Land Fund (Restricted)	11,942	13,839	(921)	24,860
Housing Strategy	613	107	–	720
Moonee Ponds Creek Development	180	–	(53)	127
Leisure Centre Development Reserve	2,130	670	(12)	2,787
Moreland Land and Property Reserve	849	–	(849)	–
Landfill Reserve	1,041	–	(630)	411
Animal Management Services	1,900	–	(1,900)	–
Oak Park SAC Redevelopment	–	9,609	–	9,609
Wheatsheaf Road Precinct	–	500	–	500
Saxon Street Precinct	–	500	–	500
Developer Contribution Plan Reserve (Restricted)	–	1,111	(1,552)	(441)
Total Other reserves	18,654	26,335	(5,917)	39,073

2015	\$'000	\$'000	\$'000	\$'000
Public Resort and Recreation Land Fund (Restricted)	7,947	7,327	(3,333)	11,942
Housing Strategy	613	–	–	613
Moonee Ponds Creek Development	241	–	(61)	180
Leisure Centre Development Reserve	616	1,695	(181)	2,130
Moreland Land and Property Reserve	554	360	(66)	849
Landfill Reserve	279	761	–	1,041
Animal Management Services	–	1,900	–	1,900
Total Other reserves	10,251	12,044	(3,640)	18,654

The Public Resort and Recreation Land Fund accumulates developers contributions paid to Council and is used to provide or improve recreation land and facilities.

The Housing Strategy provides funds for the purchase of community housing projects along with other housing initiatives.

The Moonee Ponds Creek Development provides funds for the revitalisation of the Moonee Ponds Creek required because of freeway and CityLink works.

The Moreland Land and Property Reserve represents surplus cash from land and property sales to enable the purchase of strategic land and property assets.

The Landfill Reserve represents unused landfill expenditure budget that Council will use for future waste related initiatives.

The Oak Park SAC Redevelopment Reserve accumulates funds set aside to be used in the complete redevelopment of the Oak Park facility.

The Animal Management Services Reserve provides funds for the contribution to the development of an animal shelter.

The Leisure Centre Development Reserve accumulates funds from the savings derived from the outsourcing of the leisure centre facilities. These funds are and will continue to be used to maintain and upgrade these facilities.

The Wheatsheaf Road Precinct Reserve accumulates funds to be used in the development of the former primary school in Wheatsheaf Road.

The Saxon Street precinct reserves accumulates funds to be used to redevelop the former school site located at Saxon Street in Brunswick.

The Developers Contribution Plan Reserve (DCP) accumulates developers funds paid to Council in respect of developments within particular Plan areas and is used to contribute towards payment of a ten year Capital works program with each of the twelve DCP areas.



Note 30: Reconciliation of cash flows from operating activities to surplus or deficit

	2016 \$'000	2015 \$'000
Surplus for the year	22,519	34,061
Depreciation	23,630	21,369
(Profit)/loss on disposal of property, infrastructure, plant and equipment	7,369	641
(Profit)/loss on disposal of investments in associates	–	1,278
Fair value adjustments for investment property	1,079	(3,113)
Contributions – non-monetary assets	(6,425)	(5,978)
Finance costs	1,943	2,332
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(1,616)	(785)
(Increase)/decrease in accrued income	(104)	91
Increase/(decrease) in trade and other payables	154	2,326
(Increase)/decrease in inventories	76	(95)
(Decrease)/increase in trust funds	124	157
(Decrease)/increase in provisions	1,074	(107)
Net cash provided by/(used in) operating activities	49,823	52,178

Notes to the Financial Report (cont.)

Note 31: Reconciliation of cash and cash equivalents

	2016 \$'000	2015 \$'000
Cash and cash equivalents (see Note 17)	43,605	26,239
Total reconciliation of cash and cash equivalents	43,605	26,239

Note 32: Financing arrangements

	2016 \$'000	2015 \$'000
Bank overdraft	4,000	4,000
Credit card facilities	183	110
Total facilities	4,183	4,110
Used facilities	32	46
Unused facilities	4,151	4,064

Note 33: Commitments

The Council has entered into the following commitments

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
2016	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Garbage collection	4,440	3,554	342	–	8,335
Administration	1,008	286	–	–	1,294
Cleaning contracts for Council buildings	771	–	–	–	771
Leisure centres	786	694	–	–	1,480
Recycling	3,464	9,565	–	–	13,029
IT systems support	1,911	1,816	142	–	3,869
Social services	427	530	–	–	957
Consultancies	245	179	–	–	425
Libraries	22	–	–	–	22
Street cleansing	1,097	1,232	–	–	2,329
Total	14,171	17,856	484	–	32,511
Capital					
Consultancies	386	474	–	–	860
Works	7,203	658	–	–	7,860
Total	7,589	1,131	–	–	8,720

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
2015	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Garbage collection	130	134	424	—	688
Administration	696	189	585	—	1,470
IT systems support	1,064	920	1,319	—	3,303
Recycling	3,969	4,167	4,376	—	12,512
Social services	98	98	42	—	239
Consultancies	646	551	1,238	—	2,435
Libraries	146	43	10	—	199
Street cleansing	587	547	1,094	—	2,228
Total	7,336	6,649	9,088	—	23,073
Capital					
Consultancies	296	53	—	—	349
Buildings	3,214	14	—	—	3,228
Roads	100	—	—	—	100
Total	3,609	67	—	—	3,676



Note 34: Operating leases

a) Operating lease commitments

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

	2016 \$'000	2015 \$'000
Not later than one year	929	945
Later than one year and not later than five years	293	1,155
Later than five years	—	—
	1,222	2,101

Notes to the Financial Report (cont.)



Note 34: Operating leases

b) Operating lease receivables

The Council has entered into commercial property leases on its investment property, consisting of surplus freehold office and/or retail complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a CPI based revision of the rental charge annually.

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

	2016 \$'000	2015 \$'000
Not later than one year	1,057	2,187
Later than one year and not later than five years	3,928	5,280
Later than five years	9,877	5,524
	14,861	12,992



Note 35: Contingent liabilities and contingent assets

Contingent liabilities

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme to ensure that the liabilities of the fund are covered by the assets of the fund. As a result of the increased volatility in financial markets the likelihood of making such contributions in future periods has increased. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

Funding arrangements

Council makes employer contributions to the defined benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's Actuary.

The Fund's latest actuarial investigation was held as at 30 June 2015 and it was determined that the vested benefit index (VBI) of the defined benefit category of which Council is a contributing employer was 105.8 per cent. To determine the VBI, the fund Actuary used the following long-term assumptions.

The VBI is to be used as the primary funding indicator. Because the VBI was above 100 per cent, the actuarial investigation determined the defined benefit category was in a satisfactory financial position and that no change was necessary to the defined benefit category's funding arrangements from prior years.

Employer contributions

Regular contributions

On the basis of the results of the most recent full actuarial investigation conducted by the Fund's Actuary as at 30 June 2015, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2016, this rate was 9.5 per cent of members' salaries. This rate will increase in line with any increase to the Superannuation Guarantee (SG) contribution rate. In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

Net Investment Return	7.0% p.a.
Salary Inflation	4.25% p.a.
Price Inflation (CPI)	2.5% p.a.

Vision Super has advised that the estimated VBI at 30 June 2016 was 102%

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 per cent.

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.

Latest actuarial investigation surplus amounts

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

- › A VBI surplus of \$130.8 million; and
- › A total service liability surplus of \$239 million.

The VBI surplus means that the market value of the Fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2015.

The total service liability surplus means that the current value of the assets in the Fund's defined benefit category plus expected future contributions exceeds the value of expected future benefits and expenses.

Council was notified of the 30 June 2015 VBI during August 2015.

The Council is presently involved in several confidential legal matters, which are being conducted through Council's solicitors. As these matters are yet to be finalised, and the financial outcomes are unable to be reliably estimated, no allowance for these contingencies has been made in the financial report.

On 25 July 1994, Council entered into a Guarantee and Indemnity with the Australian and New Zealand Banking Group Limited and Basketball Stadiums Victoria Co-Operative Ltd trading as Sports Stadiums Victoria for a bank loan for the purposes of building a new basketball stadium at Coburg on land leased from Council, which is valued in excess of the contingent liability. The original loan (and extent of possible Council Exposure) was \$800,000. In October 2015, Sports Stadiums Victoria refinanced the loan with the ANZ bank. Council is no longer a guarantor to the new loan and therefore no contingent liability exists.

	2016 \$'000	2015 \$'000
Guarantees for loans to other entities	—	420
Contingent assets		

As at 30 June 2016 there were no Contingent Assets identified by Council. (2015 Nil)

Notes to the Financial Report (cont.)



Note 36: Financial Instruments

a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in Note 1 of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

b) Market risk

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

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to

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

Our loan borrowings are sourced from major Australian banks by a tender process or the issuing of bonds by the Local Government Funding Vehicle. Finance leases are sourced from major Australian financial institutions. Overdrafts are arranged with major Australian banks. We manage interest rate risk on our net debt portfolio by:

- › 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. We have exposure to credit risk on some financial assets included in our balance sheet.

To help manage this risk:

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

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

We may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 35.

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

d) Liquidity risk

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

To help reduce these risks we:

- › have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained
- › 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 35, 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 28.

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

e) Fair value

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

Fair value hierarchy

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

f) Sensitivity disclosure analysis

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

- › a parallel shift of + 1% and -1% in market interest rates (AUD) from year-end rates of 2.77%.

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



Note 37: Events occurring after balance date

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

Notes to the Financial Report (cont.)



Note 38: Related party transactions

i) Responsible Persons

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

Councillors		CEO/Acting CEO
Councillor Samantha Ratnam (Mayor from 26/10/15 to current)	Councillor Meghan Hopper (Mayor from 27/10/14 to 26/10/15)	Chief Executive Officer Nerina Di Lorenzo
Councillor Lenka Thompson	Councillor Sue Bolton	Acting Chief Executive Officer Grant Thorne
Councillor Lita Gillies (Deputy Mayor from 26/10/15 to current)	Councillor Oscar Yildiz	
Councillor Michael Teti	Councillor Rob Thompson	
Councillor Helen Davidson (Deputy Mayor 27/10/14 to 26/10/15)	Councillor John Kavanagh	
Councillor Lambros Tapinos		

ii) Remuneration of Responsible Persons

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

	2016 No.	2015 No.
\$20,000 – \$29,999	–	–
\$30,000 – \$39,999	9	9
\$50,000 – \$59,999	1	1
\$60,000 – \$69,999	–	–
\$70,000 – \$79,999	1	1
\$120,000 – \$129,999	–	1
\$310,000 – \$319,999	1	–
\$370,000 – \$379,999	–	1
	12	13
Total Remuneration for the reporting year for Responsible Persons included above amounted to:	\$725,341	\$ 899,454

iii) Senior Officers Remuneration

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

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

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

	2016 No.	2015 No.
\$139,000 – \$139,999	3	5
\$140,000 – \$149,999	5	2
\$150,000 – \$159,999	5	1
\$160,000 – \$169,999	1	5
\$170,000 – \$179,999	5	5
\$180,000 – \$189,999	3	–
\$190,000 – \$199,999	–	2
\$200,000 – \$209,999	1	–
\$210,000 – \$219,999	1	1
\$220,000 – \$229,999	–	1
\$230,000 – \$239,999	1	–
\$240,000 – \$249,999	1	2
\$250,000 – \$259,999	1	–
	27	24
Total Remuneration for the reporting year for Senior Officers included above, amounted to :	\$4,645,315	\$4,169,014

iv) Responsible persons retirement benefits

No retirement benefits have been made by the Council to a Responsible Person. (2014–15, \$Nil).

v) Loans to responsible persons

No loans have been made, guaranteed or secured by the Council to a Responsible Person during the reporting year (2014–15, \$Nil).

v) Transactions with responsible persons

No transactions other than remuneration payments or the reimbursement of approved expenses were entered into by Council with Responsible Persons, or Related Parties of such Responsible Persons during the reporting year (2014–15, \$Nil).



Independent Auditors Report for Financial Report

To the Councillors, Moreland City Council

The Financial Report

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

The Councillors' Responsibility for the Financial Report

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

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

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

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

Independence

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

Opinion

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



Certification of the Financial Statements

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

James Scott, Chartered Accountant
Principal Accounting Officer

Date : 14 September, 2016
Coburg

In our opinion the accompanying financial statements present fairly the financial transactions of Moreland City Council for the year ended 30 June 2016 and the financial position of the Council as at that date.

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

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

Samantha Ratnam
Mayor and Councillor

Date : 14th September, 2016
Coburg

John Kavanagh
Councillor

Date : 14th September, 2016
Coburg

Nerina Di Lorenzo
Chief Executive Officer

Date : 14th September, 2016
Coburg



Sydney Road
Street Party.



**MORELAND
CITY
COUNCIL**
**ANNUAL
REPORT**
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20
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Phone

(03) 9240 1111

Send

Locked Bag 10,
Moreland, Victoria 3058

moreland.vic.gov.au

2016/OCT13/DCS195



Moreland City Council