

COUNCIL MEETING

MINUTES

(Open to the public)

Monday 23 August 2021

Online - Delivered via Webex Events.

Commencement 6.32pm

Attendance

Councillor Garry Thompson (Mayor)
Councillor Jim Parke
Councillor Felicity Sinfield
Councillor Victor Franco
Councillor Wes Gault
Councillor Di Gillies
Councillor Lisa Hollingsworth
Councillor Jane Addis
Councillor Cynthia Watson
Councillor Susan Biggar
Councillor Nick Stavrou

Apologies

Nil

Officers

Phillip Storer	Chief Executive Officer
Daniel Freer	Director Places and Spaces
Carolyn McClean	Director Community Support
Bruce Dobson	Director Customer and Transformation
Nick Lund	Acting Director Urban Living
Jim Hondrakis	Manager Traffic and Transport
David Thompson	Manager Governance and Legal
David Shepard	Manager Environmental Sustainability and Open Spaces
Christine White	Manager Capital Projects
George Batsakis	Manager Facilities, Waste and Infrastructure
Chad Henry	Acting Manager Civic Services
Simon Mitchell	Manager Strategic & Statutory Planning
Tina Bourekas	Manager Library Services
Nicole White	Manager Community Planning and Development
Seuna Byrne	Principal Planner
Callista Clarke	Acting Chief Financial Officer
John Lorkin	Coordinator Revenue and Property Services

Mirella Manfre

Kirstin Ritchie

Kaitlyn Yeomans

Kristina Taranto

Jarrold Filosa

Helen Pavlidis

Elizabeth Manou

Coordinator Permits Appeals
and Protection of Assets

Coordinator Governance

Coordinator Strategy, Planning
and Reporting

Project Architect

Co-ordinator Building Projects

Senior Governance Officer

Senior Governance Officer



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9. Urgent business

MOTION

Moved Councillor Parke

Seconded Councillor Biggar

That Council resolve to re-order the agenda to enable the consideration of Item 9 - Urgent Business now.

CARRIED

9.1 Bills Street - Homes Victoria Robinson Road Car Park Construction of a Public Car Park on Patterson Reserve

Councillor Biggar informed her colleagues she had a matter of urgent business regarding Bills Street - Homes Victoria Robinson Road Car Park Construction of a Public Car Park on Patterson Reserve.

MOTION

Moved Councillor Sinfield

Seconded Councillor Hollingsworth

That Council resolve to admit as an item of urgent business the matter of Bills Street - Homes Victoria Robinson Road Car Park Construction of a Public Car Park on Patterson Reserve because this item relates to or arises out of a matter which has arisen since the distribution of the agenda and it cannot safely or conveniently be deferred until the next Council meeting.

CARRIED

The Mayor, Councillor Thompson declared a Material Conflict of Interest in this Item in accordance with section 128 of the Local Government Act 2020 and the Governance Rules.

The Mayor, Councillor Thompson advised the nature of the interest was "I am a Director of a Company, where my Company is a Panel Consultant to Homes Victoria. The item under consideration relates to a matter where the material interest is held by Homes Victoria as one party to the outcome of the decision".

The Mayor, Councillor Thompson left the meeting at 6.37pm prior to the consideration and vote on this item

Temporary Chairperson

In accordance with section 61(3)(b) of the *Local Government Act 2020*, the **Deputy Mayor, Councillor Watson** assumed the Chair at 6.37pm.

Procedural Motion - Adjournment**MOTION**

Moved Councillor Sinfield

Seconded Councillor Parke

That the Council meeting be adjourned due to technical issues.

CARRIED

The Council meeting was adjourned at 6.45pm.

Procedural Motion - Resumption**MOTION**

Moved Councillor Parke

Seconded Councillor Biggar

That the Council meeting be resumed.

CARRIED

The Council meeting was resumed at 6.47pm with all councillors present with the exception of the Mayor, Councillor Thompson.

MOTION

Moved Councillor Biggar

Seconded Councillor Gault

That Council resolve to affirm the resolution of the Services Delegated Committee dated 16 August 2021 regarding Item 3.1 *Bills Street - Homes Victoria Robinson Road Car Park Construction of a Public Car Park on Patterson Reserve* subject to the following:

- 1. Amending the proposed agreement with Homes Victoria to require the car park to be constructed generally in accordance with Option 6 (as depicted in 'Robinson Rd & carpark works Landscape Concept', dated 11 June 2021, prepared by Tract Consultants and Option 6, Drawing No. 17122T-CLP-002, Issue D, dated 13 May 2021, prepared by Ratio Consultants Pty Ltd) with:**
 - i. Incorporation of an additional parking module on the east side of Robinson Road north of Tree 37 to provide 7 additional spaces and one space on the west side at the north end of the parking module south of the Club House, thereby increasing the number of car spaces to not fewer than 48.**
 - ii. Requiring preservation of all trees on Patterson Reserve.**

- iii. **Inclusion of a shared path link on the west side of Robinson Road extending from the Robinson Road/Reserve Road intersection to the existing path south of the Club House with a pram crossing in line with Bills Street.**
- iv. **Inclusion of a raised threshold pedestrian crossing in Robinson Road at its intersection with Reserve Road.**

CARRIED

The Deputy Mayor, Councillor Watson stepped down as Temporary Chairperson and the Mayor, Councillor Thompson re-entered the meeting at 7.28pm and resumed the Chair.

1. Adoption and confirmation of the minutes

MOTION

Moved Councillor Stavrou

Seconded Councillor Biggar

That the minutes of the Council meeting held on 26 July 2021 be adopted and confirmed.

CARRIED

2. Declaration of conflict of interest of any councillor or council officer

The Mayor, Councillor Thompson - Refer to Item 6.1 - Notice of Rescission

3. Deputations, presentations, petitions and public submissions

3.1 Deputation - Ms Julia Cutts and Mr Hayden O'Connor

Ms Julia Cutts and Mr Hayden O'Connor were welcomed to the Council meeting.

The Mayor, Councillor Thompson acknowledged Council had received their petition requesting Council to *“remove the reference to the Council Prayer from the Governance Rules, and cease its use at Council meetings”* and the petition was tabled at the Council meeting held on 26 July 2021.

Ms Julia Cutts and Mr Hayden O'Connor addressed Council separately to provide a context to the petition and to speak in support of the petition.

The Mayor, Councillor Thompson thanked Ms Julia Cutts and Mr Hayden O'Connor for their deputation.

3.2 Petitions

Council has received two (2) petitions. Details of the petitions are set out below.

No.	Ref. no.	Title / Description	No. of signatures	Referred to
1	CAS-1002667	Updated Chang.org online petition with an additional 1158 signatures requesting Council to <i>“Help stop 18 families from losing their homes in Camberwell with respect to PP20/0506 for Cooloongatta Road, Camberwell”</i> .	1158	DUL
2	CAS-1010897	Petition requesting Council to <i>“provide urgent heritage protection via a heritage review and interim heritage overlay to Roseberry Street, Hawthorn East and to refuse from this date, demolition of any potential heritage grade houses 20 July 2021”</i> .	78	DUL

Legend:

DCS Director Community Support
DCT Director Customer and Transformation

DUL Director Urban Living
DPS Director Places and Spaces
GOV Governance and Legal

MOTION

Moved Councillor Sinfield

Seconded Councillor Hollingsworth

That Council resolve:

- 1. To receive and note the petitions.**
- 2. To note that the petitions have been referred to the Director Urban Living for consideration.**
- 3. That the first named signatory to the petition will receive a written response in due course advising of Council's action in response to the request.**

CARRIED

3.3 Public Submission - Susan Murphy

The Mayor, Councillor Thompson welcomed Ms Susan Murphy to the Council meeting.

Ms Murphy addressed Council in support of her written submission on *Item 7.5 - Protection of Council Assets and Control of Building Sites Local Law 2021* in accordance with section 223 of the *Local Government Act 1989*.

The Mayor, Councillor Thompson thanked Ms Murphy for her submission.

4. Informal Meetings of Councillors

Chapter 6 of Council's Governance Rules requires that a summary of matters discussed at Informal Meetings of Councillors be reported to a Council meeting as soon as practicable.

The attached summary of Informal Meetings of Councillors (**Attachment 1**) is reported to Council in accordance with the requirements of the Governance Rules.

MOTION

Moved Councillor Addis

Seconded Councillor Parke

That Council resolve to receive and note the summary of Informal Meetings of Councillors, as annexed to the minutes.

CARRIED

5. Public question time

PQT1 Ian Hundley of Balwyn North

The **Mayor, Councillor Thompson** read the following question submitted with notice. The question was allowed in accordance with Chapter 2 of the Governance Rules as the question had previously been put in writing to a member of Council staff more than 10 days before the Council meeting at which the question is submitted.

"Please advise of the numbers of connecting trips on weekdays by different modes (including walking, cycling, bus, tram, train and by car (differentiated for drop-off and parking) that are made by rail patrons at the Surrey Hills, Mont Albert, Canterbury, Camberwell and Glenferrie railway stations."

The **Director Places and Spaces** responded as follows:

Council does not hold or have access to mode share data for trips to train stations. An expensive, intrusive and lengthy face to face survey of every train passenger would be required to gather reliable data to the level of detail described in the question.

The Victorian Government run VISTA survey provides some insights into travel behaviour, including modes used for various trips. Similarly, the Census provides information about how people travel to work, including modes used. Both datasets are publicly accessible from the relevant websites.

The **Mayor, Councillor Thompson** informed the meeting all councillors had received a copy of the question and a written response would be provided to Mr Hundley in due course.

PQT2 Ian Hundley of Balwyn North

The **Mayor, Councillor Thompson** read the following question submitted with notice. The question was allowed in accordance with Chapter 2 of the Governance Rules as the question had previously been put in writing to a member of Council staff more than 10 days before the Council meeting at which the question is submitted.

“Please advise of any analysis the Council proposes to undertake, or has access to, which assesses likely mode shift from car-based connecting trips to each these stations and the likely uplift in rail patronage at each of these stations that would accompany improvements in connecting public transport services and walking and cycling facilities in the absence of increased car parking capacity at these railway stations.”

The **Director Places and Spaces** responded as follows:

Council does not propose to undertake the analysis described to determine the likely mode shift from private vehicles to public and sustainable transport modes for accessing train stations. Council does not have access to this information. We will continue to maintain and upgrade the footpath and shared path network, as budget allows, and advocate for improved public transport services as appropriate.

The **Mayor, Councillor Thompson** informed the meeting all councillors had received a copy of the question and a written response would be provided to Mr Hundley in due course.

6. Notices of motion

6.1 Notice of Rescission (Bills Street and Public Car Park on Patterson Reserve)

The Mayor, Councillor Thompson declared a Material Conflict of Interest in this Item in accordance with section 128 of the Local Government Act 2020 and the Governance Rules.

The Mayor, Councillor Thompson advised the nature of the interest was “I am a Director of a Company, where my Company is a Panel Consultant to Homes Victoria. The item under consideration relates to a matter where the material interest is held by Homes Victoria as one party to the outcome of the decision”.

The Mayor, Councillor Thompson left the meeting at 7.54pm prior to the consideration and vote on this item.

Temporary Chairperson

In accordance with section 61(3)(b) of the *Local Government Act 2020*, the **Deputy Mayor, Councillor Watson** assumed the Chair 7.54pm.

The Notice of Rescission lapsed for want of a mover.

The Deputy Mayor, Councillor Watson stepped down as Temporary Chairperson and the **Mayor, Councillor Thompson** re-entered the meeting at 7.55pm and resumed the Chair.

7. Presentation of officer reports

Procedural motion

MOTION

Moved Councillor Sinfield

Seconded Councillor Gault

Council resolve the following items:

- 7.1 Contract 2020/153 - Supply and Delivery of Horticultural Chemicals and Fertilisers**
- 7.2 Contract no. 2021/31 Freeway Golf Course Maintenance Shed Extension**
- 7.3 Contract variation Infrastructure Cleansing and Weed Control Variation**
- 7.10 Revised Instruments of Appointment and Authorisation for Statutory Planners**

be moved en bloc as per the officers' recommendations outlined in the agenda.

CARRIED

7.1 Contract 2020/153 - Supply and Delivery of Horticultural Chemicals and Fertilisers

This report seeks Council endorsement for the award of Contract No. 2020/153, Supply and Delivery of Horticultural Chemicals and Fertilisers. This contract will provide Council with a supply of horticultural chemicals and fertilisers to assist with the preservation of the open spaces located throughout the municipality, for an initial term of four years with two possible extensions of three years each, for a maximum contract term of 10 years.

This is a replacement of an existing contract which has reached the end of its maximum term.

The estimated contract cost, for the maximum term of 10 years, is \$2,671,350 including GST. The estimated cost to Council, after the return of the GST tax Input Credits, is \$2,428,500. Expenditure in future years will be in accordance with approved budget allocations. The contract was publicly advertised in accordance with the requirements of section 186 of the *Local Government Act.1989*.

MOTION

Moved Councillor Sinfield

Seconded Councillor Gault

That Council resolve:

- 1. To award Contract No. 2020/153, Supply and Delivery of Horticultural Chemicals and Fertilisers, to:**
 - **Greenshed Pty Ltd trading as Living Turf (ACN 105 996 307);**
 - **K & B Adams Pty Ltd (ACN 059 424 225);**
 - **Greenway Turf Solutions Pty Ltd (ACN 600 618 657);**
 - **Oasis Pacific Pty Ltd trading as Oasis Turf (ACN 077 581 938) and**
 - **Nuturf Pty Ltd trading as Amgrow Australia Pty Ltd (ACN 069 900 456).**

as per their tendered schedule of rates for an initial contract term of four years with two possible extensions of three years each to a maximum contract term of 10 years. The estimated contract cost for the maximum term is \$2,428,500 (excluding GST).
- 2. To authorise the Director Places and Spaces to execute the contract agreements with the above contractors.**
- 3. To authorise the Director Places and Spaces to negotiate extensions to the contract with the above contractors to the maximum 10 year contract term.**
- 4. To note that expenditure under this contract in 2021-22 is in accordance with Council's budget and expenditure in future years will be in accordance with the approved budget allocations.**

CARRIED

7.2 Contract no. 2021/31 Freeway Golf Course Maintenance Shed Extension

This report seeks Council endorsement for the award of Contract No. 2021/31, Freeway Golf Maintenance Shed Extension. This contract is for the proposed extension to the existing maintenance shed to include 130m² of new office space and upgrade to the existing kitchen and toilet amenities.

These redevelopment works are expected to commence in late September 2021 and be completed early 2022.

The total cost of this Contract is \$659,399.78 (ex GST) which is in excess of the allocated project budget. This budget shortfall will be funded from savings from Capital Works program in 21/22.

A selective tender process was conducted from suppliers on the State Government Construction Supplier Register, which is in accordance with the requirements of Section 186 of the *Local Government Act 1989*.

MOTION

Moved Councillor Sinfield

Seconded Councillor Gault

That Council resolve to:

- 1. Award Contract No. 2021/31, Freeway Golf Maintenance Shed Extension, to Simbuilt Pty Ltd, (ACN 140 288 080 / ABN 86 140 288 080), for the revised lump sum price of \$725,339.78 (including GST). The cost to Council after the return of the GST Tax Input Credits is \$659,399.78.**
- 2. Approve the allocation of a separate contingency, as set out in the attached confidential Appendix 1, and delegate authority to the Contract Superintendent to expend this contingency to ensure successful completion of the project.**
- 3. Approve reallocation of savings identified in the Hawthorn Rowing Ramp Project - 72693, to fund the \$116,845.78 shortfall for construction of the Freeway Golf Maintenance Shed Extension.**
- 4. Authorise the Director of Places and Spaces to execute the contract agreements with the above contractors.**

CARRIED

7.3 Contract variation Infrastructure Cleansing and Weed Control Variation

On 21 June 2010, Council awarded Contract 2010/036 Infrastructure Cleansing and Weed Control Services to Metro Urban Management Pty Ltd at their tendered Lump Sum Price and Schedule of rates for a contract term of ten years. The estimated contract cost for the maximum term at that time was \$21.1m (excluding GST) and contract indexation.

The contract was varied under delegation on 27 March 2020, extending the contract term for a period of one year from 1 September 2020 to 31 August 2021, enabling the services to be provided during the period of COVID pandemic restrictions.

With continued COVID restrictions impacting the ability to tender this service, approval of a further contract extension is sought from Council. Extending the contract term will allow Council to explore collaborative procurement opportunities, tender for a new service, and provide sufficient lead time for the successful tenderer to procure and mobilise fleet to service the contract. It is estimated that a lead time of approximately 12 months is required to tender this service.

The value of the one-year extension is approximately \$3,120,000 (excluding GST), comprising \$2,960,000 (excluding GST) for programmed street sweeping services and \$160,000 (excluding GST) for reactive street cleansing services. The estimated value for the extension term is based on actual expenditure in the previous year.

The value is also dependant upon the number of streets added or deleted from the program each year and reactive calls received.

MOTION

Moved Councillor Sinfield

Seconded Councillor Gault

That Council resolves to:

- 1. Vary Contract No. 20210/036, Infrastructure Cleansing and Weed Control Services for a further term of one year from 1 September 2021 at the estimated cost of \$3,432,000, including GST. The estimated cost to Council after the return of the GST Tax Input Credit is \$3,120,000.**
- 2. Authorise the Director Places and Spaces to execute the contract variation.**
- 3. Note that expenditure under this contract in 2021/22 and 2022/23 is in accordance with Council's adopted budgets.**

CARRIED

7.10 Revised Instruments of Appointment and Authorisation for Statutory Planners

The appointment of authorised officers enables appropriate staff within the organisation to administer and enforce various Acts, regulations or local laws in accordance with the powers granted to them under legislation or a local law.

Instruments of Appointment and Authorisation are prepared based on advice from the Maddocks Authorisations and Delegations Service.

Whilst the appointment and authorisation of authorised officers under other relevant legislation is done by the Chief Executive Officer under delegation, Maddocks recommend that officers enforcing the *Planning and Environment Act 1987* be authorised by Council resolution.

MOTION

Moved Councillor Sinfield

Seconded Councillor Gault

That Council resolve, in the exercise of the powers conferred by section 224 of the *Local Government Act 1989* (Vic) and the other legislation referred to in the attached Instrument of Appointment and Authorisation, that:

- 1. The members of Council staff referred to in the Instrument of Appointment and Authorisation (Attachment 1 as annexed to the minutes) be appointed and authorised as set out in the Instrument.**

- 2. The Instrument of Appointment and Authorisation comes into force immediately once the common seal of Council is affixed to the Instrument, and remains in force until Council determines to vary or revoke it.**
- 3. The Instrument of Appointment and Authorisation be sealed.**

CARRIED

7.4 Amendment to the temporary accommodation at former Balwyn Leisure Centre

This report seeks a Council decision to provide temporary accommodation at the former Balwyn Leisure Centre (BLC) for the Through Road Early Learning Centre during redevelopment of their centre.

At the Services Special Committee (SSC) on 11 June 2019, Council resolved to *defer the demolition of the former BLC and endorse the proposal to provide temporary accommodation at the former BLC for the Canterbury Norwood Baptist Kindergarten and Interchange Inner East during construction period of the Canterbury Community Precinct.*

Despite Council's 2019 resolution, the Canterbury Norwood Baptist Kindergarten has not required the temporary accommodation rather being able to continue operating within the church complex, leaving the childcare facility within the BLC vacant and suitable for temporary accommodation by other community groups.

The proposal presented in this report does not alter the intended timeline for demolition of BLC but enables the vacant section of building to be used effectively until demolition occurs. Interchange Inner East is also currently located within the BLC until mid-late 2022.

MOTION

Moved Councillor Watson

Seconded Councillor Hollingsworth

That Council resolve to:

- 1. Endorse the proposal to temporarily accommodate Through Road Early Learning Centre and other community groups that require temporary accommodation during the construction period of the Canterbury Community Precinct.**
- 2. Receive budget bid for the demolition of the Balwyn Leisure Centre and open space conversion as part of the 2022/23 budget process.**
- 3. Undertake community engagement to shape the future open space development of this site in the 2022/23 financial year.**

CARRIED

7.5 Protection of Council Assets and Control of Building Sites Local Law 2021

The Protection of Council Assets and Control of Building Sites Local Law 2011 (**Local Law 2011**) created by Council under the *Local Government Act 1989* is due to expire on 1 September 2021. As a result, a comprehensive review has been undertaken to inform its replacement, the Protection of Council Assets and Control of Building Sites Local Law 2021 (**Local Law 2021**) (see **Attachment 1**).

The objectives of the review were to:

- address the gaps, issues and challenges experienced in enforcing the *Local Law 2011*
- incorporate plain language to ensure any ambiguity is removed allowing more effective enforcement of the Local Law.

This report tables the *Local Law 2021* which has been developed to address identified gaps, opportunities and limitations of the *Local Law 2011*. While **Attachment 2** details the changes proposed, key highlights include:

- Part B- Asset Protection (Clause 9): This clause has been amended to include any person causing damages to Council assets is liable for the damages, where previously only the owner was liable.
- Part D- Administration and Enforcement: The value of infringements have been increased and new infringements introduced, in order to act as deterrents to non-compliance. Currently in some cases, the cost of obtaining a permit exceeds the value of an infringement for failing to obtain a permit, encouraging non-compliance.

In line with the Attorney General's guidelines officers have completed benchmarking against like and neighbouring councils including the City of Yarra, City of Port Phillip and City of Stonnington. Findings indicate penalties proposed are within a similar range of those charged by these councils.

- Part C – Control of Building Sites: New clauses have been introduced to better control and enforce any impact of building works on the amenity, community safety, Council assets and environment. Additionally, these clauses will allow for multiple infringements to be issued (one for each breach/non-compliance) where currently, only one infringement can be issued. For example, applying the *Local Law 2021*, if a builder commenced works without an Asset Protection Permit (10 penalty units) and during those works allowed concrete to wash into the drain requiring the drain to be replaced (10 penalty units and replacement costs for the drain) and caused damage to the crossover (10 penalty units), a total fine of 30 penalty units (\$3000) would be issued, in addition to the replacement costs for the drain, and the crossover. With this same example, applying the current *Local Law 2011*, only 5 penalty units (for failure to obtain an Asset Protection Permit) and a further 2 penalty units could be issued - totalling \$700 - together with the replacement cost of the drain and the crossover.

In accordance with section 119(1) and 223 of the *Local Government Act 1989*, public notice was duly given and the period for consultation concluded on 29 July 2021. In summary, 143 people visited the website page, 84 people viewed the documents online and Council received five written submissions.

All five submissions were supportive of the *Local Law 2021*, with questions and feedback mostly relating to the application of the Local Law. One of the main areas members of the public provided feedback on was it was unclear whether the definition of “Council Assets” included green infrastructure, with the subsequent request to amend various clauses to support the specific protection of green infrastructure. Whilst the publicly exhibited draft *Local Law 2021* and the associated definitions did not exclude the protection of Council’s green environment, officers have considered the community feedback and have amended the definition of “Council assets” in the *Local Law 2021* to specifically include green infrastructure.

The *Local Law 2021* will allow Council to better enforce the reinstatement of community assets damaged during building works, ensuring they continue to provide the services for which they were originally designed. Furthermore, the *Local Law 2021* aims to hold liable any (or all) parties responsible for causing damage to Council assets for their replacement and/or reinstatement. The changes proposed will reduce risks to the community by implementing new provisions and deter non-compliance by ensuring officers can issue multiple infringements for individual offences when required and of higher penalty value.

MOTION

Moved Councillor Gillies

Seconded Councillor Hollingsworth

That Council resolve that:

- 1. having:**
 - a) completed the statutory process under Part 5 of the *Local Government Act 1989* for the making of the proposed Protection of Council Assets and Control of Building Sites Local Law 2021;**
 - b) undertaken, and been satisfied with, the evaluation of the proposed Protection of Council Assets and Control of Building Sites Local Law 2021, as set out in the Community Impact Statement attached to this Report; and**
 - c) considered all submissions that were received in respect of the proposed Protection of Council Assets and Control of Building Sites Local Law 2021, resolves to make the Protection of Council Assets and Control of Building Sites Local Law 2021 in the form attached to this Report noting the changes to Schedule A (as annexed to the minutes); and**
- 2. authorises the Chief Executive Officer to:**
 - a) give public notice, and notice in the *Victoria Government Gazette*, of the making of the Protection of Council Assets and Control of Building Sites Local Law 2021; and**
 - b) send a copy of the Protection of Council Assets and Control of Building Sites Local Law 2021, as made, to the Minister for Local Government.**

CARRIED

7.6 Draft Boroondara Community Plan 2021-31 for public exhibition

The purpose of this report is to seek Council's endorsement of the draft Boroondara Community Plan (BCP) 2021-31 (**Attachment 1**) for public exhibition between 24 August and 14 September 2021.

The draft BCP 2021-31 will replace the inaugural BCP 2017-27 and will be Council's key strategic document for the next 10 years. The Plan incorporates the 10-year Community Vision, the Council Plan 2021-25 and the Municipal Public Health and Wellbeing Plan 2021-25, responding to Council's requirements under the *Local Government Act 2020* and the *Victorian Public Health and Wellbeing Act 2008*.

This will be the first time Council has integrated the Council Plan into the BCP, which will provide a direct line of sight from what is most important to our community, through to Council's delivery of the vision through its planning, actions and reporting.

The draft BCP and its seven themes will directly inform Council's suite of strategic documents, which form the integrated planning and reporting framework. This includes the 10 year Financial Plan, 10 Year Asset Plan, adopted plans and strategies, the Annual Budget (1 + 3 subsequent years) and associated performance reporting through monthly, quarterly and annual reporting documents.

The draft BCP is underpinned by a comprehensive community consultation and deliberative engagement process, undertaken between December 2020 and April 2021. This approach is consistent with Council's Community Engagement Policy 2021-26 and meets the deliberative requirements stipulated in the *Local Government Act 2020*.

This process provided Council with the opportunity to hear directly from the community over two-stages of consultation, during which over 5,000 community members were engaged. The first stage included a broad survey and sought to capture views, including those of the 'silent majority', about what is most important to our community. The second stage included a series of 10 workshops, engaging residents to reflect the diversity of our community, including young people, local traders and key health and wellbeing stakeholders. In these workshops, participants explored the findings from Stage 1 to consider how they would like to see Council focus its resources over the next 10 years. This robust process enabled Council to gain feedback on the existing community vision and seven themes of the BCP 2017-27 and ensured the draft BCP 2021-31 is responsive to emerging trends, demands and changes to community priorities since 2017.

The draft BCP 2021-31 is guided by our community's vision and remains structured around seven themes. Community feedback confirmed the seven themes from 2017 continue to reflect our community's priorities today. In some cases, the names have been refined in response to community sentiment. The seven themes are listed below, in no particular order:

1. Community, Services & Facilities
2. Parks & Green Spaces
3. The Environment
4. Neighbourhood Character & Heritage
5. Moving Around
6. Local Economy
7. Leadership & Governance.

Under each theme, the draft BCP 2021-31 outlines:

- **What the community said:** what the community said was important to them.
- **Strategic Objectives:** what the community wants to achieve in the next 10 years.
- **Strategies:** what outcomes Council will seek to achieve over the next four years in pursuit of the strategic objective.
- **Strategic indicators:** what measures Council will monitor and collect to demonstrate and report on progress in achieving the strategic objective.
- **Services:** the services Council provides to the community which indicate our priorities to deliver on the strategic objective.

To meet the legislative requirements of a Council Plan, the draft BCP 2021-31 includes:

- an integrated approach to planning, monitoring and performance reporting
- the strategic direction of the Council
- strategic objectives, strategies and strategic indicators informed by the deliberative engagement process
- a description of Council's services.

To meet the legislative requirements of a MPHWP, the draft BCP 2021-31 includes:

- a wellbeing commitment, which builds on the commitment made in 2017 through engagement with local health agency partners and the Boroondara Public Health and Wellbeing Plan Advisory Committee
- health priorities informed by the Victorian Public Health and Wellbeing Plan 2019-23, community and stakeholder consultation, and analysis of Victorian, regional and local key health statistics
- a description in **Appendix 1** of how the BCP will meet requirements of the Victorian *Public Health and Wellbeing Act 2008*, having regard to the Victorian Public Health and Wellbeing Plan 2019-23, climate change (as per the *Climate Change Act 2017*), and report on measures to prevent family violence and respond to the needs of victims of family violence in the local community
- a table listing health priorities linked to the seven priority themes of the Plan with key strategies which address specific health priorities are identified in **Appendix 2**.

The draft BCP 2021-31 outlines how the Plan will be implemented, refreshed and reported on, and how Council will work with partners and keep the community involved in the implementation of the BCP 2021-31.

MOTION

Moved Councillor Watson

Seconded Councillor Gillies

That Council resolves to endorse the draft Boroondara Community Plan 2021-31 (Attachment 1) for public exhibition from 24 August to 14 September 2021.

CARRIED

7.7 June 2021 Quarterly Financial Report

The Quarterly Financial Report for June 2021 provides detailed reporting on financial performance against Budget for the year.

The non-financial performance against both the Budget and Council Plan for the year will be reported on in the 2020-21 Annual Report.

Council's full year net operating result is a deficit of (\$9.44 million) which is \$4.06 million favourable against the September Amended Budget deficit result of (\$13.50 million). The favourable variance is attributable to a number of factors which are outlined in **Section 2 of Attachment 1 – Financial Overview**.

The overall financial position at 30 June 2021 is satisfactory with a working capital ratio of 1.77 to 1 (includes reserve funds of \$20.89 million and 0.5% cash contingency for emergency response works).

MOTION

Moved Councillor Stavrou

Seconded Councillor Sinfield

That Council resolve to:

- 1. Receive and note the Quarterly Financial Report for June 2021 and adopt the final forward commitment listing and amendments for capital works and priority projects as outlined in (Attachment 1).**
- 2. Receive and note the results of the Local Government Performance Reporting Framework (LGPRF) sustainable capacity and financial indicators (Attachment 2).**

CARRIED

7.8 Final Outcomes of 2021 General Valuation

This report provides detailed information in relation to the 2021 general valuation of all rateable property and recommends a Council resolution to receive the 1 January 2021 General Valuation in accordance with section 7AF of the *Valuation of Land Act 1960*.

The overall movement in property valuations is as follows:

	Site Value	Capital Improved Value	Net Annual Value
2020 Valuations	\$86,975,664,100	\$117,725,039,500	\$5,952,488,525
2021 Valuations	\$89,614,557,500	\$120,630,088,000	\$6,097,147,841
Change	\$2,638,893,400	\$2,905,048,500	\$144,659,316
% Difference	3.03%	2.47%	2.43%

The level of value date is 1 January 2021 and the new valuation came into effect from 1 July 2021 and is being used for apportioning rates for the 2021-22 financial year.

The general valuation impacts the distribution of rating liability across the municipality. It does not provide Council with any additional revenue. The distribution of rates is affected each general valuation by the movement in the various property classes. The important point from an equity consideration is that all properties must be valued at a common date (i.e. 1 January 2021), so that all are affected by the same market. Large shifts in an individual property's rate liability only occurs when there are large movements either in the value of a property category (e.g. residential, office, shops, industrial) or the value of certain locations, which are outside the general movements in value across all categories or locations.

The process consists of 4 stages and all stages were completed by the Valuer General Victoria (VGV). The final certification, commonly known as "*The Generally True and Correct Certificate under section 7AF of the Valuation of Land Act 1960*" (VLA)", has been received from VGV. See **Attachment 2** for the declaration of the Minister for Planning.

MOTION

Moved Councillor Watson

Seconded Councillor Stavrou

That Council resolve to receive the 1 January 2021 General Valuation effective from 1 July 2021 in accordance with section 7AF of *Valuation of Land Act 1960*.

CARRIED

7.9 Recommendations of the Audit and Risk Committee - Annual Financial Statements and Performance Statement for the year ended 30 June 2021

This report presents to Council the recommendations of the Audit and Risk Committee meeting held on 18 August 2021 pertaining to the Annual Financial Statements and Performance Statement for the year ended 30 June 2021.

The Annual Financial Statements and Performance Statement for the year ended 30 June 2021 were reviewed by the Audit and Risk Committee and were endorsed for Council's consideration.

MOTION

Moved Councillor Stavrou

Seconded Councillor Parke

That Council resolve to:

- 1. Record its approval in principle of the Annual Financial Statements and Performance Statement for the year ended 30 June 2021 as contained in Attachment 1 and annexed to the minutes, as approved by the Audit and Risk Committee.**
- 2. Authorise the Chief Executive Officer to provide the Annual Financial Statements and Performance Statement to the Auditor-General.**

3. **Authorise the Mayor, Councillor Garry Thompson and Councillor Nick Stavrou (representing the Audit and Risk Committee) to certify the Annual Financial Statements and Performance Statement in their final form.**
4. **Authorise the Principal Accounting Officer to implement any non-material changes to the Annual Financial Statements and Performance Statement as recommended by the Auditor-General. A summary of these changes if any will be presented at the next Audit and Risk Committee meeting.**
5. **Note that any material changes requested by Victorian Auditor-General's Office will be completed by the Acting Chief Financial Officer after consultation with the Chair of the Audit and Risk Committee and reported to Council.**

CARRIED

8. General business

8.1 Proposed Urban Forest - Triangle of Land within Patterson Reserve, Located West of the Hockey Field and south of 1-12 Bills Street, Hawthorn

Councillor Gault suggested Council officers consult with property owners and occupants of Burgess Street, Hawthorn regarding the suitability and desirability of the triangle of land within Patterson Reserve, located west of the hockey field and south of 1-12 Bills Street, Hawthorn being planted as an urban forest.

The **Chief Executive Officer** committed to investigating this suggestion with the local community.

8.2 Censure Motion on 26 July 2021 - Councillor Franco

Councillor Franco made various observations regarding the lead up to and the matters contained within the censure motion which was adopted by Council on 26 July 2021.

Councillor Franco stated he rejected the claims made in the censure motion and considered them to be inaccurate. Further, the censure motion was in his view unlawful.

8.3 COVID-19 and the Closure of Playgrounds, Skate Parks and Basketball Courts

Councillor Sinfield informed her colleagues about an email she had received from Dr Michael Carr-Gregg, a child and adolescent psychologist regarding the State government's decision to close playgrounds, skate parks, basketball courts and the impact this was having on child and adolescent mental health.

Councillor Sinfield commented Stonnington Council had written to the State government urging them to re-open playgrounds.

Councillor Sinfield suggested Council follow the example of other councils and write to the State government requesting reconsideration of their position on the closure of public playgrounds, and permit the use of public/municipal playgrounds, skate parks, basketball rings, tennis courts and alike to support the development, wellbeing and mental health of young people in Boroondara.

Councillors Watson and Hollingsworth echoed the remarks made by Councillor Sinfield.

Councillor Addis agreed that people are suffering, some more than others, due to the closures but that they needed to be understood within the context of the public health response to a global disaster.

8.4 Censure Motion on 26 July 2021 - Councillor Parke

Councillor Parke commented on the observations made by Councillor Franco earlier in the meeting regarding the censure motion which was adopted by Council on 26 July 2021.

Councillor Parke stated 9 councillors had a different view to Councillor Franco and the suggestion the censure motion was unlawful was wrong.

10. Confidential business

Nil

The meeting concluded at 9.04pm

Confirmed

Chairperson

Date

MINUTES ATTACHMENTS



Council

Monday 23 August 2021

Attachments annexed to the minutes for the following items:

- 4. Informal Meetings of Councillors
- 7.5 Protection of Councils Assets and Control of Building Sites Local Law 2021
- 7.9 Recommendations of the Audit and Risk Committee - Annual Financial Statements and Performance Statement for the year ended 30 June 2021
- 7.10 Revised Instruments of Appointment and Authorisation for Statutory Planners

Record of Informal Meetings of Councillors

Assembly details	Councillor attendees	Officer attendees	Matters discussed	Conflict of Interest disclosures
Councillor Briefing & Discussion 12 July 2021	Cr Garry Thompson Cr Jim Parke Cr Felicity Sinfield Cr Victor Franco Cr Wes Gault Cr Di Gillies Cr Lisa Hollingsworth Cr Jane Addis Cr Cynthia Watson Cr Susan Biggar Cr Nick Stavrou	Phillip Storer (CEO) Daniel Freer (DPS) Carolyn McClean (DCS) Nick Lund (aDUL) Adele Thyer (aMG&L) Nicole White (MCP&D) Christine White (MCP) Katherine Wright (SCSP&R) Kirstin Ritchie (COG) Jarrod Filosa (CBP) Elizabeth Manou (SGO)	<ul style="list-style-type: none"> Union Road Level Crossing Removal: Design Update Proposed Boroondara Reconciliation Strategy Kew Recreation Centre 	CEO
Councillor Briefing & Discussion 19 July 2021	Cr Garry Thompson Cr Jim Parke Cr Felicity Sinfield Cr Victor Franco Cr Wes Gault Cr Di Gillies Cr Lisa Hollingsworth Cr Jane Addis Cr Cynthia Watson Cr Susan Biggar Cr Nick Stavrou	Phillip Storer (CEO) Daniel Freer (DPS) Carolyn McClean (DCS) Nick Lund (aDUL) Nicole White (MCP&D) Adele Thyer (aMG&L) Jennifer Reid (MS&P) Jim Hondrakis (MT&T) Kaitlyn Yeomans (CCP) Kirstin Ritchie (COG) Clare Davey (SCTA) Lucy Toto (SDL) Elizabeth Manou (SGO) Andrea Lomdahl (STP) Jane Wadlock (STP)	<ul style="list-style-type: none"> Union Road Level Crossing Removal: Design Update Boroondara Community Plan Vision South East Advanced Waste Project 	Nil
Councillor Briefing & Discussion 26 July 2021	Cr Garry Thompson Cr Jim Parke Cr Felicity Sinfield Cr Victor Franco Cr Wes Gault Cr Di Gillies Cr Lisa Hollingsworth Cr Jane Addis Cr Cynthia Watson Cr Susan Biggar Cr Nick Stavrou	Phillip Storer (CEO) Daniel Freer (DPS) Carolyn McClean (DCS) Nick Lund (aDUL) Bruce Dobson (DC&T) David Thompson (MG&L) David Shepard (MES&OS) Katherine Stakula (HSC) Christine Elmer (HSC) Eren Cakmakkaya (M&AS) Jeanine Nieuwenhuizen (CCO) Helen Pavlidis (SGO) Elizabeth Manou (SGO)	<ul style="list-style-type: none"> Council's Media Policy and Social Media Policy Weed Management Options 	Nil

MINUTES ATTACHMENTS



Council

Monday 23 August 2021

Attachments as annexed to the resolution:

- 7.5 Protection of Councils Assets and Control of Building Sites Local Law 2021

CITY OF BOROONDARA

**PROTECTION OF COUNCIL ASSETS
AND CONTROL OF BUILDING SITES
LOCAL LAW 2021**

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PART A – FORMAL PARTS

1. Title

This Local Law is called the "Protection of Council Assets and Control of Building Sites Local Law 2021".

2. Objects

The objects of this Local Law are to:

- (a) protect Council assets from damage caused by building work;
- (b) protect the health and safety of persons who work in or enter building sites;
- (c) protect the health and safety of persons who reside near or pass by building sites;
- (d) protect the amenity of persons who reside near and pass by building sites;
- (e) provide for the administration and enforcement of this Local Law; and
- (f) provide for the peace, order and good governance of the municipality.

3. Authorising provision

This Local Law is authorised by section 111 of the *Local Government Act* 1989.

4. Commencement of this Local Law

This Local Law begins on 1 September 2021.

5. Sunset of this Local Law

This Local Law ends on 1 September 2031 unless revoked sooner.

6. Application of this Local Law

This Local Law applies throughout Council's municipal district.

7. Definitions

In this Local Law:

"Act" means the *Local Government Act* 2020.

"appointed agent" means a person authorised by an owner of land to make an application on the owner's behalf.

"authorised officer" means a person appointed by Council as an authorised officer under section 224(1) of the *Local Government Act* 1989.

"builder" means a person who has applied to the Council, or any other person by whom an application may be made, for a building permit or the person in charge of any building work being carried out, or the person identified on the building permit.

"building" includes any structure or building, whether temporary or permanent, or any part of such building or structure.

"building work" includes work for or in connection with the construction, renovation, alteration, demolition, relocation, or removal of a building and includes landscaping, concreting, paving and subdivision road construction (extending to installation of utility services and drainage).

"Council" means Boroondara City Council.

"Council asset" means a resource, structure or other thing owned by, or under the control of Council, that has a public function or purpose, including, but not limited to:

- a) roads;
- b) footpaths;
- c) nature strips;
- d) kerb and channel;
- e) drainage pits and pipes;
- f) street furniture;
- g) signage;
- h) street trees and other vegetation;
- i) service pits.

"Council land" means any land which Council owns, occupies, manages, or otherwise controls.

"Council Policy" means a policy adopted by Council from time to time in connection with this Local Law.

"land" has the same meaning as the *Interpretation of Legislation Act 1984*.

"Local Law" means the Protection of Council Assets and Control of Building Sites Local Law.

"municipal district" means the municipal district of Council.

"owner" in relation to any land, has the same meaning as it has in section 3(1) of the Act.

"permit" means a permit granted under this Local Law or another local law made by Council.

"road" has the same meaning as in the *Local Government Act 1989*.

PART B– ADMINISTRATION

8. Permits

- 8.1 Where occupation or activity on Council land is required, and that occupation or activity on Council land, person or class of persons have not been exempted from the requirement of a permit need to obtain a permit:
- 8.2 A person who makes an application for a permit must:
 - 8.2.1 lodge with Council an application in a form approved by Council;
 - 8.2.2 pay the application fee.
- 8.3 Council may require a person to provide additional information before further considering an application for a permit.
- 8.4 Council may require a person applying for a permit to give public notice of the application and if public notice is given any person may make a submission in relation to the application.
- 8.5 Council may:
 - 8.5.1 grant the permit;
 - 8.5.2 refuse to grant the permit;

- 8.5.3 grant the permit subject to conditions; or
- 8.5.4 determine that no permit is required.
- 8.6 in considering an application for a permit, Council must consider:
 - 8.6.1 any policy or guideline adopted by Council relating to the subject matter of the application for the permit;
 - 8.6.2 any written objection, submission or comment received in respect of the application, where they are invited under clause 8.3 above.
- 8.7 A permit will be in the form approved by Council from time to time and may include any condition which Council considers to be reasonable and appropriate, including but not limited to:
 - 8.7.1 a requirement that a security bond, release, indemnity and/or guarantee (in a form specified by Council) be lodged with or given to Council to secure the proper performance of the permit;
 - 8.7.2 a requirement that notice be given to Council as to when the activities authorised by the permit will be carried out or will occur;
 - 8.7.3 a time limit on the permit or on the activities authorised by it;
 - 8.7.4 a provision for the extension of the permit;
 - 8.7.5 the payment of a fee, charge, fare or rent;
 - 8.7.6 a standard to be applied to the activities authorised by the permit, or to which the activities authorised by the permit must be carried out;
 - 8.7.7 that the permit is conditional upon the rectification, remedying or restoration of any situation or circumstance; and
 - 8.7.8 where the applicant is not the owner of the land that the consent of the owner be obtained.
- 8.8 Unless otherwise stated in the permit, a permit authorises the person or persons named on the permit to carry out the activity authorised by the permit (including the engaging of contractors or the appointment of agents) and is not transferable.

9. Correction, amendment, cancellation, and suspension

- 9.1 Council may correct a permit if the permit contains:
 - 9.1.1 a clerical mistake or an error arising from any accident, slip or omission; or
 - 9.1.2 a material miscalculation of figures or a material mistake in the description of any person, premises, thing or property referred to in the permit.
- 9.2 Council may cancel, suspend or amend any permit at any time if:
 - 9.2.1 it is requested to do so by the permit holder; or
 - 9.2.2 it considers that there has been:
 - 9.2.2.1 a material misrepresentation or concealment of fact in relation to the application for the permit;
 - 9.2.2.2 any material mistake in relation to the grant of the permit; or

- 9.2.2.3 any material change of circumstances which has occurred since the grant of the permit; or
- 9.2.2.4 any default in the payment of a fee, security bond, guarantee or other payment, or in the provision of a release, indemnity or other thing, required by a permit.

9.3 Council may cancel or suspend a permit at any time if Council is satisfied that there has been a substantial failure to comply with:

- 9.3.1 a permit condition; or
- 9.3.2 a notice to comply relating to the premises, item or activity to which the permit relates.

9.4 Council may cancel or suspend a permit at any time where Council determines that the permit may result in a hazard, danger or inconvenience to any other person, premises, thing, or property.

10. General permit provisions

10.1 The holding of a permit or compliance with a condition included in a permit does not of itself relieve the permit holder from:

- 10.1.1 compliance with any other legislation with respect to the subject matter of the permit; or
- 10.1.2 liability for any damage sustained by any person as a result of an activity undertaken by or on behalf of the permit holder pursuant to the permit.

10.2 A person who:

- 10.2.1 makes or allows to be made any false representation or declaration in or in relation to the application for a permit; or
- 10.2.2 omits relevant information from an application for a permit –

is guilty of an offence.

10.3 Except where expressly stated in this Local Law or in a permit, the permit will operate from the date it is granted for a period of 3 years.

11. Fees and charges

11.1 Council may from time to time, by resolution, determine the fees and charges to apply under this Local Law, which may include an administrative or processing fee or charge, and Council must give reasonable public notice of its resolution to determine or alter fees and charges.

11.2 In determining any fees and charges, Council may establish a system or structure of fees and charges, including a minimum or maximum fee or charge, if it considers it is appropriate to do so.

11.3 Council may waive, reduce or alter any fee, charge, bond, guarantee or payment applying under this Local Law, with or without conditions.

12. Delegation

12.1 Pursuant to section 78(c) of the Act, Council delegates all of its powers, functions and duties under this Local Law to the person holding the position of Chief Executive Officer.

- 12.2 Pursuant to section 78(d) of the Act, Council authorises the person holding the position of Chief Executive Officer to delegate a power, function or duty referred to in clause 12.1 to the holder of a position as a member of Council staff.

13. Notice to Comply

- 13.1 If Council reasonably believes that a person has contravened or failed to comply with the Local Law or a permit granted under this Local Law, Council may cause to be served on the person a written notice to comply which:
- 13.1.1 requires the person to stop contravening or failing to comply with the Local Law or a permit;
 - 13.1.2 contains a direction stating what action is required to stop contravening or failing to comply with the Local Law or a permit;
 - 13.1.3 contains a direction stating what action is required to achieve compliance with this Local Law or a permit;
 - 13.1.4 contains a direction to remedy any consequences arising from the conduct contravening or failing to comply with the Local Law or a permit; or
 - 13.1.5 any combination of the above.
- 13.2 A notice to comply must be in writing and include:
- 13.2.1 the name of the person or if not known the statement “the owner” or “the occupier”;
 - 13.2.2 the clause of the Local Law contravened or failed to comply with or the condition of the permit;
 - 13.2.3 the action and/or direction;
 - 13.2.4 the time and date for compliance;
 - 13.2.5 the date on which it is issued; and
 - 13.2.6 the name or other unique identifier of the officer issuing the notice to comply.
- 13.3 The time and date required by a notice to comply served under this Local Law must be reasonable in the circumstances and what will be reasonable will vary depending on the matters to be remedied, but should take into account, if applicable:
- 13.3.1 the amount of work involved;
 - 13.3.2 the degree of difficulty to carry out the work;
 - 13.3.3 the availability of necessary materials or other necessary items;
 - 13.3.4 climatic conditions;
 - 13.3.5 the degree of risk or potential risk;
 - 13.3.6 the response if any by the person to be served with the notice to comply; and
 - 13.3.7 any other relevant matter.

- 13.4 Any person to whom a notice to comply is directed and who fails to comply with, or contravenes, the notice to comply is guilty of an offence.
- 13.5 If a person does not comply with a notice to comply, Council or an authorised officer or any employee or any other person authorised in writing by Council or an authorised officer, may enter upon any private land or public land on which there is any such failure to comply and do all acts, matters or things that are required to comply with the notice to comply.
- 13.6 All costs and expenses including any administration fee incurred by council in carrying out any acts, matters or things are a debt due to Council from the person on whom the notice to comply was issued.

14. Urgent circumstances

- 14.1 Council may act to remedy any circumstance which threatens a person's life, health or property, or an animal, or to prevent any danger to the environment or any nuisance arising, without serving a notice to comply, provided that:
 - 14.1.1 the circumstance arises out of a person's use of Council controlled land or a road or a failure to comply with a provision of this Local Law
 - 14.1.2 Council considers the circumstance to be sufficiently urgent that the time necessary to serve, or the potential difficulty in serving, a notice to comply may place the person's life, health or property, or the animal or the environment at risk or the danger of substantial detriment;
 - 14.1.3 the action taken is no more than the minimum necessary to remedy the urgent circumstance;
 - 14.1.4 the person on whom a notice to comply under clause 13 would have otherwise been served is as soon as possible notified of the urgent circumstance and the action taken to remedy it; and
 - 14.1.5 All costs and expenses including any administration fee incurred by Council in carrying out any acts, matters or things are to be paid to Council by the person on whom the notice to comply would have been issued.

15. Impounding

- 15.1 Council may seize and impound any item which is, has been or is being used, possessed, placed, or left in contravention of or by a failure to comply with this Local Law.
- 15.2 Where a thing has been impounded under this Local Law, Council must, if it is practicable to do so, serve notice of the impounding on the person who appears to be the owner of it;
- 15.3 On receipt of evidence which, to Council's satisfaction, shows a person is the owner of an impounded item, and on payment of a fee determined by Council, an impounded thing must be given back to:
 - 15.3.1 its owner; or
 - 15.3.2 a person who provides satisfactory evidence to Council of his or her authority from the item's owner to act on the owner's behalf.
- 15.4 Where an impounded item has not been claimed within 30 days of notice being given in accordance with clause 15.2, or within 30 days of the thing being impounded if it is not practicable to serve notice of the impoundment in accordance with clause 15.2, Council may:

- 15.4.1 sell the impounded thing and recover the costs of the impounding and storage of the thing; or
- 15.4.2 if the cost of selling the thing exceeds the costs of the impounding and storage, destroy, or give away the thing as the case requires.
- 15.5 If the thing is sold and the amount recovered exceeds the costs of the impounding and the storage of the thing, the excess of the money must be returned to the owner of the thing or dealt with in accordance with the *Unclaimed Money Act 2008*.

16. Appeals

- 16.1 A person who has been issued with a notice to comply may request Council to review the decision to issue the person with the notice to comply.
- 16.2 Where a request for the review of the decision to issue a notice to comply has been made, the person requesting the review must do everything practicable to cooperate in the prompt and timely review of the decision to serve the notice to comply.
- 16.3 Unless Council notifies the person to the contrary, the person must still comply with a notice to comply.

17. Security Bonds

- 17.1 In deciding to grant a permit, Council may, at any time, require the applicant to lodge or provide to Council a security bond or guarantee in such amount and in such a manner as Council determines.
- 17.2 In the event that a person to whom a permit is issued breaches or fails to comply with the permit conditions attached to the permit or this Local Law, Council may apply so much of the security bond or guarantee as is necessary to remedy that breach or failure to comply and repair any damage caused by that breach or failure to comply.
- 17.3 In the event that the security bond or guarantee is insufficient to remedy the breach or failure to comply and repair any damage caused by that breach, the person to whom a permit is issued is liable for the additional cost of the repair.
- 17.4 Upon expiry of a permit, Council must, unless clause 17.2 applies, release any remaining security bond or guarantee to the person who paid the security bond or guarantee.
- 17.5 If there is any remaining amount which would be released pursuant to clause 17.4, and Council cannot locate the person entitled to the money, the money must be dealt with in accordance with the *Unclaimed Money Act 2008*.

18. Asset Protection Permit

- 18.1 If a building permit is required for building work on land and that building work, person or class of persons have not been exempted from the need to obtain a permit:
 - 18.1.1 the owner of the land;
 - 18.1.2 the builder engaged to carry out building work on the land;
 - 18.1.3 any appointed agent; and
 - 18.1.4 any demolition contractor engaged to demolish some object on the land as part of the building workmust:

- 18.1.5 not carry out or allow to be carried out building work on that land unless a permit has been obtained;
- 18.1.6 not carry out or allow to be carried out building work on that land in breach of any conditions of a permit that has been obtained; and
- 18.1.7 pay any bond or guarantee determined by the Council from time to time, in accordance with Council Policy.

19. Exemptions

- 19.1 Council or an authorised officer may exempt any person or class of persons from the requirement to obtain a permit:
 - 19.1.1 on application;
 - 19.1.2 on its own motion; or
 - 19.1.3 by way of Council Policy.
- 19.2 An exemption granted under clause 19.1 may:
 - 19.2.1 operate for a specified period; and
 - 19.2.2 be subject to conditions.
- 19.3 Council or an authorised officer may require an applicant under clause 19.1.1 to provide additional information before determining an application for an exemption.
- 19.4 A person must comply with the conditions of an exemption granted under this clause 19.

PART C – CONTROL OF BUILDING SITES

20. Building work hours

- 20.1 A person must not, without a permit, carry out or allow to be carried out, building work for which a building permit has been granted, or is required, pursuant to clause 18 between the following hours:
 - 20.1.1 before 7am or after 6pm on a Monday to Friday (inclusive);
 - 20.1.2 before 9am or after 5pm on a Saturday;
 - 20.1.3 on a Sunday; or
 - 20.1.4 on a public holiday
- 20.2 Clause 20.1 does not apply to:
 - 20.2.1 any employee or agent of an out of hours permit holder;
 - 20.2.2 any building work required because of an emergency;
 - 20.2.3 any building work which is subject to a permit issued under the *Planning and Environment Act 1987* if that permit contains a condition which:
 - 20.2.3.1 restricts the times during which building work may be performed; and

20.2.3.2 the condition is more restrictive than clause 20.1; or

20.2.4 any person to whom section 48A(5) of the *Environment Protection Act* 1970 applies; or

20.2.5 building work which is carried out by an occupier or owner of land being home maintenance.

21. Occupation or obstruction of Council land and roads

21.1 A person must not, without a permit:

21.1.1 place any building materials, plant, equipment or any other thing associated with building work on a road or Council land;

21.1.2 erect or install anything associated with building work on a road or Council land;

21.1.3 occupy a road or Council land in connection with, or for the purposes of, building work; or

21.1.4 obstruct a road or Council land in connection with, or for the purposes of, building work.

21.2 If clause 21.1 above is contravened, the builder is also guilty of an offence, whether the person who contravened clause 21.1 above is identified or prosecuted.

21.3 Clause 21.1 does not apply to a delivery of any building materials associated with building work, plant or equipment, or any other thing on a road or Council land which is less than half an hour in duration.

22. Hoardings and other structures

22.1 A person must not, without a permit, place or construct any hoarding, scaffolding or other structure on or over a road or Council land.

23. Run off

23.1 Where building work is being carried out on any land the owner, the builder, and any appointed agent must ensure that contaminated water, including, run off of chemicals, sediments, concrete, soil, wash down, animal waste and other pollutants does not enter the storm water system from the land or the washing or cleaning of tools or in any other way.

23.2 The builder will be guilty of an offence for a breach of clause 23.1.

24. Temporary cross over

24.1 Where building work is to be carried out, the owner, the builder and any appointed agent must not, without a permit, place or construct a temporary vehicle cross over on a road or Council land.

24.2 The owner and the builder will each be guilty of an offence for a breach of clause 24.1.

25. Refuse facility

25.1 Where building work is being carried out on any land, the owner, the builder and any appointed agent must ensure that:

- 25.1.1 a facility is provided for refuse which is of a size and construction to adequately contain all refuse generated on the land during the building work;
- 25.1.2 the facility remains on the land for the duration of the building work (other than when required to be emptied);
- 25.1.3 the facility is not placed on Council Land or a road without a permit under Council's Amenity Local Law or any other applicable law; and
- 25.1.4 the facility is emptied whenever full and promptly replaced (if necessary).
- 25.2 During building work:
 - 25.2.1 the owner of land on which the building work is being carried out;
 - 25.2.2 the builder engaged to carry out the building work; and
 - 25.2.3 any appointed agent-must ensure that:
 - 25.2.4 all refuse which requires containment is placed in the facility provided under clause 25.1;
 - 25.2.5 the refuse is not deposited in or on any land other than in accordance with clause 25.1, and
 - 25.2.6 the builder's refuse is not deposited in or over any part of the storm water system.
- 25.3 On any land where building work is being, or has been, carried out:
 - 25.3.1 the owner of the land on which the building work is being, or has been, carried out;
 - 25.3.2 the builder engaged to carry out the building work; and
 - 25.3.3 any appointed agent-must remove and lawfully dispose of all refuse, including refuse in the facility provided under clause 25.1, within seven (7) days of the completion of the building work or issue of an occupancy permit, whichever occurs last.
- 25.4 The driver of any vehicle involved in placing or removing a facility provided under clause 25.1 on or from land must access the land by way of a temporary vehicle crossing installed or constructed in accordance with this Local Law.

26. Toilets

- 26.1 The:
 - 26.1.1 owner of land on which building work is being carried out;
 - 26.1.2 builder engaged to carry out the building work; and
 - 26.1.3 appointed agent-must not undertake or carry on any building work necessitating the employment or engagement of persons on the land unless:

- 26.1.4 a sewerer toilet or a fresh water flush with water seal type portable toilet (closed) system is provided on the land; and
- 26.1.5 the toilet system provided under clause 26.1.4 is serviced as required, and in any event at least monthly, to the satisfaction of Council or an authorised officer.
- 26.2 A toilet must not, without a permit, be placed on or occupy a road or Council land.
- 26.3 Clause 26.1 does not apply if:
 - 26.3.1 buildings are being constructed on adjacent pieces of land simultaneously by the same person;
 - 26.3.2 there is at least one (1) toilet system provided under and in accordance with this clause 26 on one of those pieces of adjacent land; and
 - 26.3.3 that toilet system services no more than three pieces of adjacent land on which building work is being undertaken.

27. Vehicles entering and leaving land

- 27.1 The owner of the land on which building work is being carried out, the builder and any appointed agent must ensure that:
 - 27.1.1 a motor vehicle enters or leaves the land on which building works are being carried out via a vehicle crossing or temporary vehicle crossing;
 - 27.1.2 soil, earth, clay, or other debris is not deposited on a road from a vehicle entering or leaving the land.

28. Requirement to maintain a safe environment

- 28.1 The owner, the builder, and a person in charge of any:
 - 28.1.1 land on which building works are being undertaken; or
 - 28.1.2 vehicle parked on or adjacent to any road or Council land,must ensure that the land is maintained, and the vehicle is parked and loaded, in such a way so as not to cause or potentially cause any:
 - 28.1.3 injury to a person or animal;
 - 28.1.4 damage to a Council owned or controlled asset or any other asset not owned or controlled by the owner or person in charge; or
 - 28.1.5 detriment to the amenity of adjacent land or the neighbourhood.

29. Amenity impacts from building sites

- 29.1 The owner, the builder, and a person in charge of any land on which building works are being undertaken is guilty of an offence if the amenity of the area is detrimentally affected by the emission of noise, dust, dirt, odour, litter, vermin or in any other way.

30. Damage to Roads, Council land and Council Assets

- 30.1 A person must not without a permit remove, destroy, damage, or interfere with any road, Council land or other Council asset.

- 30.2 If any road, Council land or other Council asset is removed, destroyed, damaged or interfered with the person who removed, destroyed, damaged or interfered with the road, Council land or other Council asset and the builder are guilty of an offence.
- 30.3 A permit is evidence of a consent given under the *Road Management Act* 2004.

PART D –ENFORCEMENT

31. Offences

- 31.1 A person who:
 - 31.1.1 fails to comply with any provision of this Local Law;
 - 31.1.2 fails to comply with a condition of a permit;
 - 31.1.3 fails to obtain a permit when a permit is required;
 - 31.1.4 fails to comply with a Notice to Comply issued under this Local Law; or
 - 31.1.5 submits wrong, inaccurate or misleading information in an application for a permit issued under this Local Law.is guilty of an offence.
- 31.2 If no penalty is specifically provided for in a provision of this Local Law, a person found guilty of an offence under this Local Law is liable to a penalty not exceeding 20 penalty units.
- 31.3 In addition to any penalty imposed pursuant to this Local Law, a penalty not exceeding 2 penalty units will apply for each day that a contravention of this Local Law continues after a finding of guilt or conviction for an offence against it.

32. Infringement notices

- 32.1 Where an authorised officer reasonably believes that a person has contravened or failed to comply with this Local Law the authorised officer may issue an infringement notice.
- 32.2 Where an infringement notice is issued under this Local Law the penalty payable in respect of the infringement notice is:
 - 32.2.1 the amount specified in Schedule A; or
 - 32.2.2 if no amount is specified in Schedule A, 5 penalty units.

33. Offences in relation to Authorised Officers

- 33.1 A person must not give information that the person knows or believes to be false to an authorised officer who is performing a function under this Local Law.-

Schedule A - Penalties Fixed for Infringements

Clause	Offence	Penalty Unit
10.2.1	Make or allow to be made any false representation or declaration in or in relation to the application for a permit	10
10.2.2	Omits relevant information from an application for a permit	7
13.4	Failure to comply with a Notice to Comply	10
18.1.5	Person carries out or allows to be carried out building work on the land without obtaining a permit	10
18.1.6	Person carries out or allowed to be carried out building work on the land in breach of a condition of a permit that has been obtained	10
18.1.7	Person carries out or allowed to be carried out building work on the land without paying a bond or guarantee	10
20.1	Person failed to comply with Building Work Hours	10
21.1.1	Person place any building material associated with building work, plant or equipment or any other thing on a road or Council Land without a permit	5
21.1.2	Person erects or installs anything associated with building work on a road or Council Land without a permit	10
21.1.3	Person occupies a road or Council Land without a permit	10
21.1.4	Person obstructs a road or Council Land without a permit	10
22.1	Person places or constructs any hoarding, scaffolding, or other structure on or over a road or Council Land without a permit	10
23.1	Person did not ensure contaminated water did not enter storm water system from the land	10
23.2	Builder did not ensure contaminated water did not enter storm water system from the land	10
24.1	Person placed or constructed a temporary vehicle crossing over a road or Council Land without a permit	15
25.1.1	Person did not ensure that an adequate refuse facility was provided to contain all refuse	10
25.1.2	Person did not ensure that the refuse facility remained on site for the duration of the works	7.5
25.1.3	Person did allow a refuse facility to be placed on Council Land without a permit	5
25.1.4	Person did not ensure the refuse facility was emptied when full	5
25.2.4	Person did not ensure all refuse was contained in the refuse facility	7
25.2.5	Person did not ensure that refuse was not deposited in or on any land	7
25.2.6	Person did not ensure that refuse was not deposited in or over any storm water system	10
25.3	Person did not remove and lawfully dispose of all refuse within 7 days of the completion of the building work	5
25.4	Person placing or removing a refuse facility accessed the land without the use of the temporary vehicle crossing	5
26.1.4	Person did not provide compliant toilet system on land	10
26.1.5	Person did not service toilet system on land	10
26.2	Person placed toilet on road or Council land without a permit	5

Clause	Offence	Penalty Unit
27.1.1	Person did not ensure that a vehicle entered or left land via a vehicle crossing or temporary vehicle crossing	10
27.1.2	Person allowed soil, earth, clay or other debris to be deposited on a road from a vehicle entering or leaving the land	10
28.1	Person did not ensure that land was maintained or a vehicle was parked and loaded in such a way so as not to cause or potentially cause any injury, damage or detriment to amenity	10
29.1	Detrimentially affect the amenity of the area by the emission of noise, dust, dirt, odour, litter, vermin or in any other way	10
30.1	Remove, destroy, damage, or interfere with any road, Council land or other Council asset without a permit	10

MINUTES ATTACHMENTS



Council

Monday 23 August 2021

Attachments as annexed to the resolution:

- 7.9 Recommendations of the Audit and Risk Committee -
Annual Financial Statements and Performance Statement
for the year ended 30 June 2021

City of Boroondara

DRAFT Annual Financial Report

For the Year Ended 30 June 2021



www.boroondara.vic.gov.au

Year Ended

**30 June
2021**



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Boroondara City Council

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*, the Australian Accounting Standards and other mandatory professional reporting requirements.

Callista Clarke, CPA
Principal Accounting Officer

Date:
Camberwell

In our opinion, the accompanying financial statements present fairly the financial transactions of the City of Boroondara for the year ended 30 June 2021 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.

Cr Garry Thompson
Mayor

Date:
Camberwell

Cr Nick Stavrou
Councillor

Date:
Camberwell

Phillip Storer
Chief Executive Officer

Date:
Camberwell

Boroondara City Council

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Boroondara City Council

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Comprehensive Income Statement

For the year ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
Income			
Rates and charges	3.1	192,919	189,426
Statutory fees and fines	3.2	7,412	13,005
User fees	3.3	8,316	12,220
Grants - operating	3.4	14,202	13,566
Grants - capital	3.4	5,159	1,179
Contributions - monetary	3.5	6,994	6,919
Contributions - non-monetary assets	3.5	112	-
Other income	3.7	4,865	7,663
Total income		<u>239,979</u>	<u>243,978</u>
Expenses			
Employee costs	4.1 (a)	(102,785)	(98,699)
Materials and services	4.2	(83,307)	(79,149)
Depreciation	4.3	(35,655)	(33,902)
Amortisation - intangible assets	4.4	(498)	(631)
Amortisation - right of use assets	4.5	(3,611)	(3,059)
Bad and doubtful debts	4.6	(1,891)	(1,516)
Borrowing costs	4.7	(1,339)	(1,428)
Finance costs - leases	4.8	(322)	(270)
Other expenses	4.9	(7,721)	(8,045)
Net loss on disposal of property, infrastructure, plant and equipment	3.6	(8,536)	(4,625)
Share of net (losses) of joint ventures	6.3	(3,753)	(395)
Total expenses		<u>(249,418)</u>	<u>(231,719)</u>
Surplus/(deficit) for the year		<u>(9,439)</u>	<u>12,259</u>
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment	6.2	456,059	135,133
Total comprehensive result		<u>446,620</u>	<u>147,392</u>

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

Boroondara City Council

Balance Sheet

As at 30 June 2021

	Note	2021 \$'000	2020 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1 (a)	82,942	99,259
Trade and other receivables	5.1 (c)	24,479	21,316
Other financial assets	5.1 (b)	12,009	15,078
Inventories	5.2 (a)	83	31
Other assets	5.2 (b)	2,682	1,956
Total current assets		<u>122,195</u>	<u>137,640</u>
Non-current assets			
Other financial assets	5.1 (b)	4	4
Property, infrastructure, plant and equipment	6.2	4,038,119	3,555,629
Right-of-use assets	5.8	10,533	10,269
Investment property	6.4	8,745	8,915
Intangible assets	5.2 (c)	584	348
Total non-current assets		<u>4,057,985</u>	<u>3,575,165</u>
Total assets		<u>4,180,180</u>	<u>3,712,805</u>
Liabilities			
Current liabilities			
Trade and other payables	5.3 (a)	22,809	19,125
Trust funds and deposits	5.3 (b)	9,342	5,752
Unearned income	5.3 (c)	11,219	1,569
Provisions	5.5	20,723	19,364
Interest-bearing liabilities	5.4	1,674	1,573
Lease liabilities	5.8	3,144	3,139
Total current liabilities		<u>68,911</u>	<u>50,522</u>
Non-current liabilities			
Provisions	5.5	2,024	2,042
Provision for investments in joint ventures	6.3	6,727	2,974
Interest-bearing liabilities	5.4	21,539	23,213
Lease liabilities	5.8	7,464	7,159
Total non-current liabilities		<u>37,754</u>	<u>35,388</u>
Total liabilities		<u>106,665</u>	<u>85,910</u>
Net assets		<u>4,073,515</u>	<u>3,626,895</u>
Equity			
Accumulated surplus		926,851	939,324
Reserves	9.1	3,146,664	2,687,571
Total equity		<u>4,073,515</u>	<u>3,626,895</u>

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

Statement of Changes in Equity

For the year ended 30 June 2021

		Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
2021	Note	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year		3,626,895	939,324	2,668,868	18,703
Deficit for the year		(9,439)	(9,439)	-	-
Net asset revaluation increment/ (decrement)	6.2	456,059	-	456,059	-
Transfers to other reserves	9.1	-	(2,183)	-	2,183
Transfers from revaluation reserve	9.1	-	(851)	851	-
Balance at end of the financial year		4,073,515	926,851	3,125,778	20,886

		Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
2020		\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year		3,479,503	927,776	2,534,824	16,903
Surplus for the year	6.2	12,259	12,259	-	-
Net asset revaluation increment/ (decrement)	9.1	135,133	-	135,133	-
Transfers to other reserves	9.1	-	(1,800)	-	1,800
Transfers from revaluation reserve		-	1,089	(1,089)	-
Balance at end of the financial year		3,626,895	939,324	2,668,868	18,703

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 2021

		2021	2020
		Inflows/ (Outflows)	Inflows/ (Outflows)
	Note	\$'000	\$'000
Cash flows from operating activities			
Rates and charges		188,720	186,246
Statutory fees and fines		6,816	12,089
User charges		8,383	12,282
Grants - operating		16,106	15,388
Grants - capital		13,349	1,179
Contributions - monetary		7,276	7,167
Interest received		556	2,296
Trust funds and deposits taken		25,157	22,139
Other receipts		4,545	5,751
Net GST refund		15,474	12,993
Employee costs		(100,864)	(95,511)
Materials and services		(92,827)	(92,664)
Short-term, low value and variable lease payments		(1,067)	(1,476)
Trust funds and deposits repaid		(21,566)	(20,423)
Other payments		(7,437)	(7,336)
Net cash provided by operating activities	9.2	<u>62,621</u>	<u>60,120</u>
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(75,229)	(65,108)
Proceeds from sale of property, infrastructure, plant and equipment		44	31
Payments for investments		(12,000)	(15,000)
Proceeds from sale of investments		15,069	26,515
Net cash provided used in investing activities		<u>(72,116)</u>	<u>(53,562)</u>
Cash flows from financing activities			
Finance costs		(1,362)	(1,440)
Repayments of borrowings		(1,573)	(1,494)
Interest paid - lease liability		(322)	(270)
Repayment of lease liabilities		(3,565)	(3,030)
Net cash used in financing activities		<u>(6,822)</u>	<u>(6,234)</u>
Net increase/(decrease) in cash and cash equivalents		(16,317)	324
Cash and cash equivalents at the beginning of the financial year		99,259	98,935
Cash and cash equivalents at the end of the financial year	5.1 (a)	<u>82,942</u>	<u>99,259</u>
Financing arrangements	5.6		
Restrictions on cash assets	5.1		

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

Boroondara City Council

Statement of Capital Works

For the year ended 30 June 2021

	2021 \$'000	2020 \$'000
Property		
Land improvements	-	-
Total land	-	-
Buildings	41,655	26,777
Building improvements	289	349
Total buildings	41,944	27,126
Total property	41,944	27,126
Plant and equipment		
Plant, machinery and equipment	2,687	2,033
Fixtures, fittings and furniture	569	1,554
Computers and telecommunications	874	1,834
Library books	787	902
Total plant and equipment	4,917	6,323
Infrastructure		
Roads	11,797	11,736
Bridges	10	27
Footpaths and cycleways	3,291	2,539
Drainage	4,582	4,298
Recreational, leisure and community facilities	2,829	1,903
Parks, open space and streetscapes	5,502	9,081
Off street car parks	803	404
Total infrastructure	28,814	29,988
Total capital works expenditure	75,675	63,437
Represented by:		
New asset expenditure	11,844	14,889
Asset renewal expenditure	51,948	35,105
Asset expansion expenditure	9,190	6,068
Asset upgrade expenditure	2,693	7,375
Total capital works expenditure	75,675	63,437

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

Notes to the Financial Statements

OVERVIEW

Introduction

The City of Boroondara was established by an Order of the Governor in Council on 22 June 1994 and is a body corporate. The Council's main office is located at 8 Inglesby Road, Camberwell.

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 (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1989*, and the *Local Government (Planning and Reporting) Regulations 2014*.

Significant accounting policies

(a) Basis of accounting

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of employee provisions (refer to Note 5.5)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of *AASB 15 Revenue from Contracts with Customers* or *AASB 1058 Income of Not-for-Profit Entities* (refer to Note 3)
- the determination, in accordance with *AASB 16 Leases*, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- other areas requiring judgments

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.

Notes to the Financial Statements

(b) Impacts of Covid-19

On 16 March 2020 a state of emergency was declared in Victoria due to the global pandemic COVID-19 virus, known as coronavirus. To ease the financial burden on Boroondara residents, local businesses and community groups, Council developed a \$4.50 million support and relief package to help our local community through the challenging and uncertain times brought on by the coronavirus disease (COVID-19) pandemic. The support and relief package to help vulnerable members of our community commenced in April 2020 and has effect over both the 2019-20 and 2020-21 years.

A state of disaster was subsequently declared on 2 August 2020. The pandemic has continued to impact Council's financial operations in 2020-21. As a result Council incurred a total net loss of \$21.02M consisting of \$11.18M in revenue and expenditure impacts outlined below and \$9.84M factored into Council's 2020-21 adopted budget. The impacts are a mix of decisions made by Council to provide community relief and outcomes that are not under Council's control.

Foregone revenue by Council in response to COVID-19 restrictions and government directives and Council's community assistance package is provided below. The variances are against Council's adopted 2020-21 budget:

- Parking infringements income - \$5.37M
- Leisure and aquatic facilities user fees - \$2.44M
- Paid parking income - \$1.06M
- Waste transfer station service fees - \$362K
- Boroondara Tennis Centre fees - \$175K
- Food Premises Health Registration fees waived until December 2020 - \$160K.
- Summer Sportsground tenancy relief - \$113K
- Camberwell Fresh Food Market rental relief - \$54K
- Meeting room hire at Libraries and Hawthorn Arts Centre - \$49K

Council received the below additional funding with offsetting expenditure:

- Local Roads and Community Infrastructure program - \$3.14M
- Working for Victoria Grant -\$709K
- Outdoor Dining - COVID-19 - \$700K
- Pandemic relief and recovery - \$90K
- COVID-19 Vaccination program - \$40K

Additional non-recurrent costs incurred by Council include Pandemic preparedness and response (\$2.26M), Contract support payments for Council's leisure and aquatic facilities (\$1.38M) offset with a reduction in net recurrent expenditure of \$2.28M mainly due to closure of Council facilities as per COVID-19 restrictions and government directives.

Temporary impacts include:

- Interest on investments (\$1.0M) primarily due to the economic downturn as a result of the COVID-19 Pandemic.
- During the 2020-21 year Council relocated and redeployed staff to more productive roles providing new and different services to our community while maintaining their employment.

Council continues to monitor the situation, work with the business community and review the initiatives over the coming months. The longer-term impact of COVID-19 on our community and on our operations is still uncertain with restrictions/COVID-19 safe settings continuing to impact Council's services and operational budgets. As such we recognise that Council's proposed financial direction for future years may require changes.

Notes to the Financial Statements

Note 1 - Performance against budget

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

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

1.1 Income and Expenditure

		Budget	Actual	Variance	Variance
		2021	2021	2021	2021
	Ref	\$'000	\$'000	\$'000	%
Income					
Rates and charges		192,534	192,919	385	0.2
Statutory fees and fines	1	14,056	7,412	(6,644)	(47.3)
User fees	2	11,937	8,316	(3,621)	(30.3)
Grants - operating	3	12,297	14,202	1,905	15.5
Grants - capital	4	4,188	5,159	971	23.2
Contributions - monetary	5	4,424	6,994	2,570	58.1
Contributions - non monetary	6	-	112	112	100.0
Other income	7	5,617	4,865	(752)	(13.4)
Total income		245,053	239,979	-	5,074
Expenses					
Employee costs		102,603	102,785	182	0.2
Materials and services	8	92,876	83,307	(9,569)	(10.3)
Depreciation	9	37,873	35,655	(2,218)	(5.9)
Amortisation - intangible assets	10	-	498	498	100.0
Amortisation - right of use assets	11	4,330	3,611	(719)	(16.6)
Bad and doubtful debts		1,746	1,891	145	8.3
Borrowing costs		1,342	1,339	(3)	(0.2)
Finance costs - leases		337	322	(15)	(4.5)
Other expenses		7,861	7,721	(140)	(1.8)
Net loss on disposal of property, infrastructure, plant and equipment	12	3,474	8,536	5,062	145.7
Share of net losses of joint ventures	13	-	3,753	3,753	100.0
Total expenses		252,442	249,418	(3,024)	(1.2)
Surplus for the year		(7,389)	(9,439)	(2,050)	

Notes to the Financial Statements

Note 1 - Performance against budget (cont.)

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Statutory fees and fines	Statutory fees and fines are lower than budget due to COVID-19 restrictions during the year and relief provided to the community via measures including waiving various parking infringements (\$5.37M) and court recoveries, and a reduction in swimming pool registrations and lodgements fees income of \$652K.
2	User fees	User fees are lower than budget due to COVID-19 and the closure of Council's Leisure and Aquatic centres (\$2.44M), Boroondara Tennis Centre and Kew Traffic School. Paid parking income was \$1.06M lower due to Council's COVID-19 financial assistance package to support the community and COVID-19 restrictions.
3	Grants - operating	Grants - operating variance is primarily due to receiving part of the Commonwealth Financial Assistance Grants funding for 2021-22 of \$2.42M in the current financial year, COVID-19 grant funding received of \$1.54M offset by \$1.48M in operating grants transferred to unearned income in accordance with AASB 15 Revenue from Contracts with Customers.
4	Grants - capital	Grants - capital variance is due to the adoption of AASB 15 Revenue from Contracts with Customers which transferred \$8.62M of capital funding to unearned income. Offset by funding received for Kew Recreation Centre \$1.80M, Local Roads and Community Infrastructure Program Phase 1 and 2 (\$3.14M) not budgeted and \$2.2M grants budgeted but not received for Canterbury Community Precinct and Walmer Street Bridge.
5	Contributions - monetary	Developer open space contributions are difficult to predict as they are based upon building activity reaching completion. The 2020-21 contributions were higher than expected due to an increase in the number of multi-dwelling developments completed and hence higher contributions were received. The annual budget is based on estimated completion of private sector development.
6	Contributions - non monetary	The 2020-21 non-monetary contributions relate to carpark assets for which Council is now responsible for and various artworks at Hawthorn Arts centre.
7	Other income	Other income variance to budget is primarily due to low interest rate market and the economic downturn as a result of COVID-19.
8	Materials and services	Materials and services variance is primarily due to carry forwards for planned priority projects and lower support payments for Boroondara's Leisure and Aquatic Facilities due to more people returning than initially predicted as a result of COVID-19.
9	Depreciation	Depreciation was lower than budget mainly due to finalisation of the 2019-20 capital works program which occurred after the adoption of the original budget. Depreciation expense was revised down during the amended budget which is more in line with the actual result.
10	Amortisation - intangible assets	Amortisation - intangible assets was budgeted under Depreciation and is now disclosed separately.
11	Amortisation - right of use assets	The variance can be attributed to a timing difference in acquiring budgeted vehicles and new vehicles acquired throughout the year.
12	Net loss on disposal of property, infrastructure, plant and equipment	Net loss on disposal of property, infrastructure, plant and equipment is higher than budget due to the timing of the delivery of capital works. Buildings disposed in 2020-21 include Kew Recreation Centre (\$5.57M) and St James Park Bowling Club (\$1.11M).
13	Share of net losses of associates and joint ventures	The timing of budget information received for the Regional Landfill Clayton South does not allow for its inclusion in Council's budget document.

Notes to the Financial Statements

Note 1 - Performance against budget (cont.)

1.2 Capital works

		Budget 2021 \$'000	Actual 2021 \$'000	Variance 2021 \$'000	Variance 2021 %
	Ref				
Property					
Buildings	1	44,209	41,655	(2,554)	(5.8)
Building improvements		311	289	(22)	(7.1)
Total buildings		44,520	41,944	(2,576)	(5.8)
Total property		44,520	41,944	(2,576)	(5.8)
Plant and equipment					
Plant, machinery and equipment	2	1,627	2,687	1,060	65.2
Fixtures, fittings and furniture	3	1,623	569	(1,054)	(64.9)
Computers and telecommunications	4	1,744	874	(870)	(49.9)
Library books	5	985	787	(198)	(20.1)
Total Plant and equipment		5,979	4,917	(1,062)	(17.8)
Infrastructure					
Roads	6	10,283	11,797	1,514	14.7
Bridges	7	2,463	10	(2,453)	(99.6)
Footpaths and cycleways	8	2,982	3,291	309	10.4
Drainage		4,395	4,582	187	4.3
Recreational, leisure and community facilities		2,771	2,829	58	2.1
Parks, open space and streetscapes	9	7,996	5,502	(2,494)	(31.2)
Off street car parks	10	664	803	139	20.9
Total infrastructure		31,554	28,814	(2,740)	(8.7)
Total capital works expenditure		82,053	75,675	(6,378)	(7.8)
New asset expenditure		17,009	11,844	(5,165)	(30.4)
Asset renewal expenditure		50,650	51,948	1,298	2.6
Asset expansion expenditure		8,943	9,190	247	2.8
Asset upgrade expenditure		5,451	2,693	(2,758)	(50.6)
Total capital works expenditure		82,053	75,675	(6,378)	(7.8)

Notes to the Financial Statements

Note 1 - Performance against budget (cont.)

(i) Explanation of material variations

Variance Item Ref	Explanation
1 Buildings	The buildings variance is primarily due to project timing of multi year projects including Kew Recreation Centre, Canterbury Community Precinct, Diversity Inclusion and Participation (DIP) Pavilion Program and 605-609 Glenferrie Road Community Facility.
2 Plant, machinery and equipment	Plant, machinery and equipment is higher than budget due to the Ashburton Pool and Recreation Centre mechanical air handling project and Council Chamber Audio-visual (AV) uplift projects being carried forward from 2019-20 financial year and completed in the 2020-21 financial year.
3 Fixtures, fittings and furniture	Fixtures, fittings and furniture is lower than budget due to the Library IT Hardware, library furniture and shelving and implementation of Public Safety Security Measures projects being carried forward to 2021-22
4 Computers and telecommunications	Computers and telecommunications is lower than budget due to the timing of the implementation of the payroll system upgrade, Youth Services Case Management System and Information Security Map projects being carried forward to 2021-22. The COVID-19 pandemic has also delayed the Future Information Technology project due to impact on global supply of technology equipment.
5 Library books	Library books is lower than budget and is offset by an increase in operating expenditure due to additional take of up eBooks and audio books as a result of COVID-19 restrictions
6 Roads	Roads is higher than budget due to the Dudley Parade, Canterbury - Myrtle Rd to Chaucer Crescent and Wattle Road Traffic Treatments between Glenferrie Rd and Power St funded by the Local Roads and Community Infrastructure Program Phase 1 and Phase 2.
7 Bridges	Bridges is lower than budget due to The Heritage Council making a determination to heritage list the river bridge in December 2020 which impacted the delivery of the Walmer Street Bridge project to ensure the structural works maintain the heritage value. Redesign works are required and the project is being carried forward to 2021-22.
8 Footpaths and cycleways	Footpaths and cycleways is higher than budget due to the Fordham Gardens Path Reconstruction project. The project is funded by a capital grant received from the Local Roads and Community Infrastructure Program Phase 2.
9 Parks, open space and streetscapes	Parks, open space and streetscapes is lower than budget due to Victoria Park Regional Playground and Climate Action Plan - emissions reduction work projects being carried forward to 2021-22.
10 Off street car parks	Off street car parks is slightly higher than budget due to feasibility studies being undertaken at the Commuter Car Parking Facilities across three precincts (Camberwell, Glenferrie and Canterbury). Grant funding has been received for the Commuter Car Parking Facilities.

Notes to the Financial Statements

Note 2 Analysis of Council results by program

2 (a) Council delivers its functions and activities through the following programs.

Community Support

The Community Support directorate are the community care specialists. We foster equity, connectedness and inclusivity through the provision of services & programs that meet community needs, support community jobs and a thriving economy, while also caring for our community throughout their health, learning and wellbeing journeys. The directorate includes the following departments:

- Arts & Culture
- Library Services
- Liveable Communities
- Community Planning & Development
- Health & Wellbeing Services

Places and Spaces

The Places and Spaces directorate are specialists who create and maintain our facilities, open spaces and infrastructure. We design and champion the physical environment to deliver the experience our community desires - we do this to keep Boroondara clean, beautiful and working. The directorate includes the following departments:

- Asset & Capital Planning
- Traffic & Transport
- Capital Projects
- Environmental Sustainability & Open Spaces
- Facilities, Waste & Infrastructure

Urban Living

The Urban Living directorate are specialists who provide expertise to our community in navigating land use and development controls, guidelines and policy applying to their property and neighbourhood. We endeavour to protect neighbourhood character, amenity and the health of the community to deliver high liveability and community prosperity. The directorate includes the following departments:

- Civic Services
- Building Services
- Strategic & Statutory Planning

Customer and Transformation

The Customer and Transformation directorate lead the organisation to place the customer at the centre of everything we do and deliver a more seamless, convenient and empowering customer experience when interacting with council. We also lead the organisation into the future, helping set the strategy for the organisation through two way consultation with our highly valued SMEs in conjunction with a strong customer segment insight led approach. We deliver on strategic priorities through our multi-disciplinary delivery and innovation teams that make sure to leverage business SMEs.

- Customer & Communication
- Strategy & Performance
- Transformation & Technology

Office of the CEO

Includes the Chief Executive Office, Chief Financial Office, People Culture & Development and Governance department. We provide a range of specialised expertise and support services to the rest of the business, enabling them to focus on their specialist areas to provide maximum value to our community and stakeholders.

Notes to the Financial Statements

Note 2 Analysis of Council results by program

2 (b) Summary of revenues, expenses, assets and capital expenses by program

2021

Community Support

Customer and Transformation

Office of the CEO*

Places & Spaces

Urban Living

Income	Expenses	Surplus / (Deficit)	Grants included in income	Total assets
\$'000	\$'000	\$'000	\$'000	\$'000
11,848	43,223	(31,375)	7,634	703,638
3	38,918	(38,915)	-	15,088
206,301	71,645	134,657	5,367	119,712
8,583	73,657	(65,074)	5,647	3,322,478
13,244	21,975	(8,731)	713	19,263
239,979	249,418	(9,439)	19,361	4,180,180

2020

Environment and Infrastructure

City Planning

Community Development

Customer Experience and Business Transformation*

Chief Executive Office and Governance

People, Culture and Development

Income	Expenses	Surplus / (Deficit)	Grants included in income	Total assets
\$'000	\$'000	\$'000	\$'000	\$'000
7,294	75,922	(68,628)	1,781	2,904,772
19,267	23,536	(4,269)	708	19,456
26,615	90,600	(63,985)	12,256	752,469
190,770	35,610	155,161	-	33,827
31	2,564	(2,533)	-	863
1	3,487	(3,487)	-	1,418
243,978	231,719	12,259	14,745	3,712,805

An organisational redesign was conducted in 2020-2021 financial year.

*Includes Revenue and Property Services function - rates and charges income.

Notes to the Financial Statements

	2021	2020
	\$'000	\$'000

Note 3 - Funding for the delivery of our services

3.1 - Rates and charges

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is the value of the land and all improvements. The valuation base used to calculate general rates for 2020-21 was \$117.72 billion (2019-20: \$112.93 billion). The 2020-21 rate in the CIV dollar was 0.0013851685 (2019-20: 0.0014041611).

General rates	160,996	156,106
Supplementary rates and rate adjustments	895	1,417
Waste management charge	28,956	29,883
Special rates and charges	1,520	1,515
Interest on rates and charges	552	505
Total rates and charges	192,919	189,426

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2020 and the valuation was first applied in the rating year commencing 1 July 2020.

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.

3.2 - Statutory fees and fines

Infringements and costs	3,438	8,082
Court recoveries	354	1,135
Town planning fees	2,665	2,564
Land information certificates	203	168
Swimming pool registrations	182	255
Permits	570	801
Total statutory fees and fines	7,412	13,005

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.

3.3 - User fees

Aged and health services	731	1,699
Building services	1,474	1,365
Road occupancy, traffic and drainage	693	749
Child care/children's program	172	131
Parking	529	1,454
Leisure centre and recreation	1,750	3,418
Registrations and other permits	1,382	1,308
Waste management services	892	1,336
Other fees and charges	693	760
Total user fees	8,316	12,220

User fees by timing of revenue recognition

User fees recognised over time	56	110
User fees recognised at a point in time	8,260	12,110
Total user fees	8,316	12,220

User fees are recognised as revenue at a point in time, or over time, when (or as) the performance obligation is satisfied. Recognition is based on the underlying contractual terms.

Notes to the Financial Statements

	2021 \$'000	2020 \$'000
3.4 - Funding from other levels of government		
Grants were received in respect of the following :		
Summary of grants		
Commonwealth funded grants	10,021	9,541
State funded grants	9,340	5,204
Total grants received	19,361	14,745
(a) Operating Grants		
Recurrent - Commonwealth Government		
Financial Assistance Grants	4,658	4,885
Aged care	2,715	3,238
Community safety	-	22
Community transport	217	457
Senior citizen centres	147	145
Volunteer services	146	144
Recurrent - State Government		
Aged care	835	632
Libraries	1,115	1,092
Maternal and child health	1,152	1,122
School crossing supervisors	689	704
Family and children	237	255
Community safety	194	168
Senior citizen centres	-	3
Total recurrent operating grants	12,105	12,867
Non-recurrent - Commonwealth Government		
Environmental planning	22	45
Other	14	1
Non-recurrent - State Government		
Recycling	-	48
Community health	104	47
Community safety	38	53
Community transport	283	224
Family and children	649	44
Maternal and child health	172	88
Environmental planning	-	100
Libraries	47	44
Other	768	5
Total non-recurrent operating grants	2,097	699
Total operating grants	14,202	13,566
(b) Capital Grants		
Recurrent - Commonwealth Government		
Roads to recovery	594	594
Total recurrent capital grants	594	594

Notes to the Financial Statements

	2021 \$'000	2020 \$'000
3.4 - Funding from other levels of government (cont.)		
<i>Non-recurrent - Commonwealth Government</i>		
Community health	268	-
Environmental planning	419	-
Buildings	67	10
Footpath	534	-
Roads	154	-
Sports and recreation	66	-
<i>Non-recurrent - State Government</i>		
Roads	661	505
Environmental planning	50	55
Buildings	2,150	
Sports and recreation	196	15
Total non-recurrent capital grants	4,565	585
Total capital grants	5,159	1,179

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

Operating

Balance at start of year	1,080	101
Received during the financial year and remained unspent at balance date	1,586	1,080
Received in prior years and spent during the financial year	(180)	(101)
Balance at year end	2,486	1,080

Capital

Balance at start of year	432	48
Received during the financial year and remained unspent at balance date	8,622	432
Received in prior years and spent during the financial year	(432)	(48)
Balance at year end	8,622	432

Grant income is recognised at the point in time when the Council satisfies its performance obligations as specified in the underlying agreement.

3.5 - Contributions

Monetary	6,994	6,919
Non-monetary	112	-
Total contributions	7,106	6,919

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

Off-street car park	76	-
Artworks	7	-
Other	29	-
Total non-monetary contributions	112	-

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

3.6 - Net loss on disposal of property, infrastructure, plant and equipment

Proceeds of sale	44	31
Written down value of assets sold, replaced and disposed	(8,580)	(4,656)
Total net loss on disposal of property, infrastructure, plant and equipment	(8,536)	(4,625)

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

Notes to the Financial Statements

	2021 \$'000	2020 \$'000
3.7 - Other income		
Interest	496	2,111
Other rental income	1,863	2,169
Reimbursements	1,200	1,520
Right-of-way sales	49	444
Traffic and drainage	1,072	1,136
Other income	185	283
Total other income	4,865	7,663

Interest is recognised as it is earned.

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

Note 4 - The cost of delivering services

4.1 - (a) Employee Costs

Wages and salaries	78,731	76,691
WorkCover	1,028	947
Casual staff	5,294	5,325
Annual leave and long service leave	7,567	7,349
Superannuation	7,709	7,483
Fringe benefits tax	397	400
Other	2,059	504
Total employee costs	102,785	98,699

(b) Superannuation

Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	386	514
Employer contributions - other funds	-	-
	386	514

Employer contributions payable at reporting date.	-	-
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Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	3,535	3,647
Employer contributions - other funds	3,431	3,250
	6,966	6,897

Employer contributions payable at reporting date.	192	149
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Refer to Note 9.3 for further information relating to Council's superannuation obligations.

Notes to the Financial Statements

	2021 \$'000	2020 \$'000
4.2 - Materials and services		
Contract payments and trade services:		
-Waste Collection	11,561	10,721
-Open Space	12,235	10,436
-Minor Projects	10,747	4,573
-Parking Management	-	1,197
-Leisure and Aquatic Centre	1,375	1,677
-Other*	12,145	14,893
Building maintenance	4,186	4,043
General maintenance	4,045	4,169
Plant and equipment maintenance	1,880	2,286
Utilities	4,747	4,518
Consultants and Professional services & advice	6,337	6,137
Office and administration	3,961	4,745
Financial and legal	1,979	2,797
Information technology	5,197	4,927
Insurance	2,715	1,893
Other	195	137
Total materials and services	83,307	79,149

*This includes amounts individually under \$1.00 million where Council engages contractors to deliver services to the community.

4.3 - Depreciation

Property	13,917	13,268
Plant and equipment	4,150	3,824
Infrastructure	17,397	16,621
Investment property	191	189
Total depreciation	35,655	33,902

Refer to note 6.2 and 6.4 for a more detailed breakdown of depreciation charges and accounting policy.

4.4 - Amortisation - intangible assets

Software	498	631
Total Amortisation - intangible assets	498	631

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

4.5 - Amortisation - right of use assets

Vehicles	3,592	3,057
Other	19	2
Total Amortisation - right of use assets	3,611	3,059

Refer to note 5.8 for a more detailed breakdown of amortisation charges and accounting policy.

4.6 - Bad and doubtful debts

Parking fines and local laws debtors	1,564	1,434
Other debtors	327	82
Total bad and doubtful debts	1,891	1,516

Movement in provisions for doubtful debts

Balance at the beginning of the year	2,462	2,067
New provisions recognised during the year	1,891	1,516
Amounts already provided for and written off as uncollectible	(1,603)	(1,121)
Balance at end of year	2,750	2,462

Provision for doubtful debt is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.

Notes to the Financial Statements

	2021 \$'000	2020 \$'000
4.7 - Borrowing costs		
Interest on borrowings	1,339	1,428
Total borrowing costs	1,339	1,428

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.

4.8 - Finance Costs - leases

Interest - Lease Liabilities	322	270
Total finance costs	322	270

4.9 - Other expenses

Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	70	69
Auditors' remuneration - internal	99	156
Councillors' allowances	416	416
Operating lease rentals	1,452	1,346
Community grants and contributions	2,971	2,918
Training and professional development	826	1,116
Special rate scheme expenditure	1,520	1,492
Other expenditure	367	532
Total other expenses	7,721	8,045

Note 5 - Our financial position

5.1 - Financial assets

(a) Cash and cash equivalents

Cash on hand	6	8
Cash at bank	29,592	22,885
Term deposits	53,344	76,366
Total cash and cash equivalents	82,942	99,259

(b) Other financial assets

Term deposits - current	12,009	15,078
Unlisted shares	4	4
Total other financial assets	12,013	15,082
Total financial assets	94,955	114,341

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

Trust funds and deposits (Note 5.3)	9,342	5,752
Total restricted funds	9,342	5,752
Total unrestricted cash and cash equivalents	73,600	93,507

Notes to the Financial Statements

	2021	2020
	\$'000	\$'000

5.1 - Financial assets (cont.)

Intended allocations

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

- Cash held to fund carried forward capital works	15,711	14,095
- Cash held to fund carried forward priority projects	14,614	7,852
- Reserves	20,886	18,703
Total funds subject to intended allocations	51,211	40,650

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.

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

The unlisted shares are held with Procurement Australasia Limited.

(c) Trade and other receivables

Current

Statutory receivables

Rates debtors	14,591	10,558
Parking infringement debtors	7,055	8,062
Provision for doubtful debts - parking infringements	(2,570)	(2,327)

Non statutory receivables

Other debtors	3,711	3,204
Provision for doubtful debts - other debtors	(180)	(135)
Net GST receivable	1,872	1,954
	24,479	21,316

Total trade and other receivables

	24,479	21,316
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Short term receivables are carried at invoice amount. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Long term receivables are carried at amortised cost using the effective interest rate method.

(d) Ageing of receivables

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

Current (not yet due)	2,540	2,082
Past due by up to 30 days	566	199
Past due between 31 and 180 days	248	336
Past due between 181 and 365 days	75	121
Past due by more than 1 year	282	466
Total trade and other receivables	3,711	3,204

(e) Ageing of individually impaired receivables

At balance date there were no other debtors representing financial assets that were impaired (2019-20 Nil).

Notes to the Financial Statements

	2021 \$'000	2020 \$'000
5.2 - Non - financial assets		
(a) Inventories		
Inventories held for distribution	24	16
Inventories held for sale	59	15
Total inventories	83	31
(b) Other assets		
Prepayments	2,682	1,956
Total other assets	2,682	1,956
(c) Intangible assets		
Software	584	348
Total intangible assets	584	348
	Software	
Gross carrying amount		
Balance at 1 July 2020	3,854	
Additions from internal developments	735	
Balance at 30 June 2021	4,589	
Accumulated amortisation and impairment		
Balance at 1 July 2020	(3,506)	
Amortisation expense	(499)	
Accumulated amortisation for disposals	-	
Balance at 30 June 2021	(4,005)	
Net book value at 30 June 2020	348	
Net book value at 30 June 2021	584	

Intangible assets with finite lives are amortised as an expense on a systematic basis over the asset's useful life. Amortisation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and amortisation method are reviewed at least annually, and adjustments made where appropriate.

5.3 - Payables

	2021 \$'000	2020 \$'000
(a) Trade and other payables		
Trade and other payables	13,019	13,494
Accrued expenses	9,790	5,631
Total trade and other payables	22,809	19,125
(b) Trust funds and deposits		
Refundable deposits	8,093	4,849
Fire services levy	999	671
Refundable contract deposits and retention monies	4	4
Balwyn Rotary Sunday Market trust funds	246	228
Total trust funds and deposits	9,342	5,752

Notes to the Financial Statements

5.3 - Payables (cont.)

(c) Unearned income

Grants received in advance - operating	2,486	1,080
Grants received in advance - capital	8,622	432
Other	111	57
Total unearned income	11,219	1,569

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in Council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

Purpose and nature of items

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

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

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

Trust funds held on behalf of the operation of the Balwyn Rotary Sunday Market - Profits and losses are transferred each month when they exceed \$5,000.

5.4 - Interest-bearing liabilities

	2021 \$'000	2020 \$'000
Current		
Borrowings - secured	1,674	1,573
Non-current		
Borrowings - secured	21,539	23,213
Total	23,213	24,786

Borrowings are secured over the General Rates of Council as per section 148 of the *Local Government Act 1989*.

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

Not later than one year	1,674	1,573
Later than one year and not later than five years	7,696	7,281
Later than five years	13,843	15,932
	23,213	24,786

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.

Notes to the Financial Statements

5.5 - Provisions

	Annual leave	Long service leave	Other	Total
	\$ '000	\$ '000	\$ '000	\$ '000
2021				
Balance at beginning of the financial year	6,930	13,934	542	21,406
Additional provisions	8,010	3,143	2,509	13,662
Amounts used	(7,008)	(2,769)	(2,542)	(12,319)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	7	(9)		(2)
Balance at the end of the financial year	7,939	14,299	509	22,747
2020				
Balance at beginning of the financial year	5,625	13,028	401	19,054
Additional provisions	6,845	3,135	1,971	11,951
Amounts used	(5,545)	(2,239)	(1,830)	(9,614)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	5	10	-	15
Balance at the end of the financial year	6,930	13,934	542	21,406
			2021	2020
			\$'000	\$'000
(a) Employee provisions				
Current provisions expected to be settled within 12 months				
Annual leave			5,551	5,299
Long service leave			1,624	1,508
Other			509	542
			7,684	7,349
Current provisions expected to be settled after 12 months				
Annual leave			2,388	1,631
Long service leave			10,651	10,384
			13,039	12,015
Total current employee provisions			20,723	19,364
Non-current				
Long service leave			2,024	2,042
Total non-current employee provisions			2,024	2,042
Aggregate carrying amount of employee provisions:				
Current			20,723	19,364
Non-current			2,024	2,042
Total aggregate carrying amount of employee provisions			22,747	21,406
(b) Other				
Provision for rostered days off				
Current			509	542
			509	542

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

Wages and salaries and annual leave

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

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

Long service leave

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

Unconditional LSL is disclosed as a current liability. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non - current liability.

Key assumptions:

- discount rate	1.49%	0.87%
- inflation rate	1.80%	2.30%
- settlement rate (years)	7	7

Notes to the Financial Statements

	2021	2020
	\$'000	\$'000
5.6 - Financing arrangements		
Council has the following funding arrangements in place as at 30 June 2021:		
Credit card facilities	300	300
Borrowing facilities	23,213	24,786
Total facilities	23,513	25,086
Used facilities	23,318	24,890
Unused facilities	195	196

5.7 - Commitments

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

	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
30 June 2021					
<u>Operating</u>					
Cleaning contracts for council buildings	116	78	-	-	194
Consultancies	1,045	741	659	-	2,445
Home care services	179	61	-	-	240
Information systems and technology	1,545	1,174	267	-	2,986
Maintenance	1,336	325	8	-	1,669
Open space management	11,103	8,881	10,010	-	29,994
Other	9,250	7,101	8,125	448	24,924
Recycling	3,089	1,670	1,415	-	6,174
Total operating commitments	27,663	20,031	20,484	448	68,626
<u>Capital</u>					
Buildings	41,191	13,218	351	-	54,760
Computers and telecommunications	1,159	419	68	-	1,646
Drainage	4,858	971	-	-	5,829
Footpaths, shopping centre improvements, laneways, car parks	8,641	2,900	-	-	11,541
Information systems and technology	311	311	346	-	968
Library materials - Books and furnishings	2,312	2,244	4,488	-	9,044
Open Space Management	110	110	330	25	575
Other capital related	3,793	3,783	3,657	-	11,233
Recreational, leisure and community facilities	909	648	431	-	1,988
Landscaping	1,175	1,175	3,524	-	5,874
Roads	6,336	555	-	-	6,891
Total capital commitments	70,795	26,334	13,195	25	110,349
Total commitments after 30 June 2021	98,458	46,365	33,679	473	178,975

Notes to the Financial Statements

5.7 - Commitments (cont.)

	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
30 June 2020					
<u>Operating</u>					
Cleaning contracts for council buildings	919	116	78	-	1,113
Consultancies	1,875	467	163	-	2,505
Garbage Collection	183	-	-	-	183
Home care services	179	179	61	-	419
Information systems and technology	1,722	1,545	1,441	-	4,708
Maintenance	2,040	1,246	235	-	3,521
Open space management	12,705	7,325	5,776	-	25,806
Other	8,479	7,094	11,562	729	27,864
Recycling	3,106	3,089	3,085	-	9,280
Total operating commitments	31,208	21,061	22,401	729	75,399
<u>Capital</u>					
Buildings	6,684	2,327	2,277	-	11,288
Computers and telecommunications	2,108	1,159	487	-	3,754
Drainage	6,841	4,858	971	-	12,670
Footpaths, shopping centre improvements, laneways, car parks	8,641	8,641	2,900	-	20,182
Information systems and technology	30	-	-	-	30
Library materials - Books and furnishings	2,242	68	-	-	2,310
Open Space Management	110	110	330	135	685
Other capital related	754	647	1,577	-	2,978
Recreational, leisure and community facilities	1,213	909	1,079	-	3,201
Roads	6,648	6,336	555	-	13,539
Total capital commitments	35,271	25,055	10,176	135	70,637
Total commitments after 30 June 2020	66,479	46,116	32,577	864	146,036

Notes to the Financial Statements

5.8 - Leases

At inception of a contract, all entities would assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To identify whether a contract conveys the right to control the use of an identified asset, it is necessary to assess whether:

- The contract involves the use of an identified asset;
- The customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The customer has the right to direct the use of the asset.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

As a lessee, Council recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentives received; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an appropriate incremental borrowing rate. Generally, Council uses an appropriate incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that Council is reasonably certain to exercise, lease payments in an optional renewal period if Council is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Council is reasonably certain not to terminate early.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Council has elected to apply the temporary option available under *AASB 16 Leases* which allows not-for-profit entities to not measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

Peppercorn Leases that Council has entered into include leasing of land, car parks and footpaths. Due to the temporary relief granted under AASB 2018-8, peppercorn leases have not been recognised in the balance sheet.

Notes to the Financial Statements

5.8 - Leases (cont.)

Right-of-use assets	Property \$'000	Vehicles \$'000	Other \$'000	Total \$'000
Balance at 1 July 2019	-	9,504	-	9,504
Additions	-	3,770	54	3,824
Amortisation charge	-	(3,057)	(2)	(3,059)
Balance at 30 June 2020	-	10,217	52	10,269
	Property \$'000	Vehicles \$'000	Other \$'000	Total \$'000
Balance at 1 July 2020	-	10,217	52	10,269
Additions	-	3,874	-	3,874
Amortisation charge	-	(3,591)	(19)	(3,610)
Balance at 30 June 2021	-	10,500	33	10,533

Lease liabilities	2021 \$'000	2020 \$'000
Maturity analysis - contractual undiscounted cash flows		
Less than one year	3,407	3,397
One to five years	6,747	6,956
More than five years	1,191	606
Total undiscounted lease liabilities as at 30 June:	11,345	10,959

Lease liabilities included in the Balance Sheet at 30 June:

Current	3,144	3,139
Non-current	7,464	7,159
Total lease liabilities	10,608	10,298

Short-term and low value leases

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets (individual assets worth less than existing capitalisation thresholds for a like asset up to a maximum of AUD\$10,000), including IT equipment. Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Expenses relating to:	2021 \$'000	2020 \$'000
Short-term leases	256	724
Leases of low value assets	558	622
Total	814	1,346

Non-cancellable lease commitments - Short-term and low-value leases

Commitments for minimum lease payments for short-term and low-value leases are payable as follows:

Payable:		
Within one year	689	666
Later than one year but not later than five years	746	706
Total lease commitments	1,435	1,372

Note 6 - Assets we manage

6.1 - Non current assets classified as held for sale

Non-current assets classified as held for sale (including disposal groups) are measured at the lower of its carrying amount and fair value less costs of disposal, and are not subject to depreciation. Non-current assets, disposal groups and related liabilities and assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification. Council has no non-current assets held for sale at reporting date.

Notes to the Financial Statements

6.2 - Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2020 \$'000	Additions \$'000	Contributions \$'000	Revaluations \$'000	Depreciation \$'000	Disposal \$'000	Write-off \$'000	Impairment Reversals \$'000	**Transfers \$'000	At Fair Value 30 June 2021 \$'000
Land	2,657,386			456,059					-	3,113,445
Buildings	310,204			-	(13,919)	(6,693)			27,053	316,645
Plant and Equipment	21,639		29		(4,150)	(474)			4,593	21,637
Infrastructure	533,850		83	-	(17,396)	(1,413)			26,440	541,564
Work in progress	32,550	75,675					(4,557)		(58,840)	44,828
	3,555,629	75,675	112	456,059	(35,465)	(8,580)	(4,557)	-	* (754)	4,038,119

Summary of Work in Progress

	Opening WIP \$'000	Additions \$'000	**Transfers \$'000	Write Offs \$'000	Closing WIP \$'000
Buildings	18,270	41,944	(26,426)	(1,644)	32,144
Plant and Equipment	1,615	4,931	(5,582)	(700)	264
Infrastructure	12,665	28,800	(26,832)	(2,213)	12,420
Total	32,550	75,675	(58,840)	(4,557)	44,828

* The \$0.75m is additions for Investment Property and Intangibles shown in Note 6.4 and Note 5.2 respectively.

** The differences between the two transfer totals relate to the classification of each project as budgeted, which appears in the WIP disclosure, compared to the actual classification of the asset determined at the time of capitalisation which appears in the summary of property, infrastructure, plant and equipment table.

Notes to the Financial Statements

6.2 - Property, infrastructure, plant and equipment (cont.)

(a) Property

	Land - specialised \$'000	Land - non specialised \$'000	Total Land \$'000	Buildings - non specialised \$'000	Total Buildings \$'000	Work in Progress \$'000	TOTAL PROPERTY \$'000
At fair value 1 July 2020	2,296,667	360,719	2,657,386	496,693	496,693	18,270	3,172,349
Accumulated depreciation at 1 July 2020	-	-	-	(186,489)	(186,489)	-	(186,489)
	2,296,667	360,719	2,657,386	310,204	310,204	18,270	2,985,860
Movements in fair value							
Additions			-	27,053	27,053	41,944	68,997
Revaluation	394,160	61,899	456,059	-	-	-	456,059
Disposals			-	(11,088)	(11,088)	-	(11,088)
Write-offs			-	-	-	(1,644)	(1,644)
Transfers in (out)	-	-	-	-	-	(26,426)	(26,426)
	394,160	61,899	456,059	15,965	15,965	13,874	485,898
Movements in accumulated depreciation							
Depreciation and amortisation	-	-	-	(13,919)	(13,919)	-	(13,919)
Accumulated depreciation of disposals	-	-	-	4,395	4,395	-	4,395
Revaluation				-	-		-
	-	-	-	(9,524)	(9,524)	-	(9,524)
At fair value 30 June 2021	2,690,827	422,618	3,113,445	512,658	512,658	32,144	3,658,247
Accumulated depreciation at 30 June 2021	-	-	-	(196,013)	(196,013)	-	(196,013)
	2,690,827	422,618	3,113,445	316,645	316,645	32,144	3,462,234

Notes to the Financial Statements

6.2 - Property, infrastructure, plant and equipment (cont.)

(b) Plant and Equipment

	Plant, machinery and equipment \$'000	Fixtures fittings and furniture \$'000	Computers and telecommunication \$'000	Library books \$'000	Work in Progress \$'000	TOTAL PLANT AND EQUIPMENT \$'000
At fair value 1 July 2020	40,524	9,520	6,289	2,338	1,615	60,286
Accumulated depreciation at 1 July 2020	(25,325)	(6,713)	(3,847)	(1,147)	-	(37,032)
	15,199	2,807	2,442	1,191	1,615	23,254
Movements in fair value						
Additions	1,914	390	1,480	809	4,931	9,524
Contributions	29	-	-	-	-	29
Disposals	(271)	(1)	(12)	(921)	-	(1,205)
Write-offs					(700)	(700)
Transfers in (out)	-	-	-	-	(5,582)	(5,582)
Impairment losses reversed in operating result						-
	1,672	389	1,468	(112)	(1,351)	2,066
Movements in accumulated depreciation						
Depreciation and amortisation	(2,305)	(603)	(871)	(371)	-	(4,150)
Accumulated depreciation of disposals	269	-	10	452	-	731
	(2,036)	(603)	(861)	81	-	(3,419)
At fair value 30 June 2021	42,196	9,909	7,757	2,226	264	62,352
Accumulated depreciation at 30 June 2021	(27,361)	(7,316)	(4,708)	(1,066)	-	(40,451)
	14,835	2,593	3,049	1,160	264	21,901

Notes to the Financial Statements

6.2 - Property, infrastructure, plant and equipment (cont.)

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and Community	Parks open spaces and streetscapes	Off street car parks	Work in Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2020	619,542	15,343	151,430	216,044	53,252	34,137	40,120	12,665	1,142,533
Accumulated depreciation at 1 July 2020	(354,846)	(9,444)	(87,310)	(95,772)	(21,389)	(12,587)	(14,670)	-	(596,018)
	264,696	5,899	64,120	120,272	31,863	21,550	25,450	12,665	546,515
Movements in fair value									
Additions	9,901	-	2,140	4,541	2,705	6,795	358	28,800	55,240
Contributions	-	-	7	-	-	-	76	-	83
Revaluation	-	-	-	-	-	-	-	-	-
Disposals	(2,706)	-	(554)	(157)	(5)	(3)	(107)	-	(3,532)
Write-offs	-	-	-	-	-	-	-	(2,213)	(2,213)
Transfers in (out)	-	-	-	-	-	-	-	(26,832)	(26,832)
	7,195	-	1,593	4,384	2,700	6,792	327	(245)	22,746
Movements in accumulated depreciation									
Depreciation and amortisation	(8,193)	(163)	(1,999)	(2,595)	(2,283)	(1,541)	(623)	-	(17,397)
Revaluation	-	-	-	-	-	-	-	-	-
Accumulated depreciation of disposals	1,638	-	278	145	1	1	57	-	2,120
	(6,555)	(163)	(1,721)	(2,450)	(2,282)	(1,540)	(566)	-	(15,277)
At fair value 30 June 2021	626,737	15,343	153,023	220,428	55,952	40,929	40,447	12,420	1,165,279
Accumulated depreciation at 30 June 2021	(361,401)	(9,607)	(89,031)	(98,222)	(23,671)	(14,127)	(15,236)	-	(611,295)
	265,336	5,736	63,992	122,206	32,281	26,802	25,211	12,420	553,984
Total property, infrastructure, plant and equipment									4,038,119

Notes to the Financial Statements

6.2 - Property, infrastructure, plant and equipment (cont.)

Acquisition

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

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

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

Asset recognition thresholds and depreciation periods	Depreciate Period	Threshold Limit
	Years	\$'000
Property		
Land	N/A	-
Buildings		
Buildings	2-55	5
Plant and Equipment		
Plant, machinery and equipment	5-30	2
Arts and heritage	100	0
Fixtures, fittings and furniture	10	2
Computers and telecommunications	3-5	2
Library books	6	0
Infrastructure		
Road pavements and seals	30-100	7
Road substructure	100-150	7
Road kerb, channel and minor culverts	75	7
Bridges deck	50-130	7
Bridges substructure	50-130	7
Footpaths and cycle ways	20-85	7
Drainage	20-100	7
Recreational, leisure and community facilities	15-80	2
Parks, open space and streetscapes	15-100	2
Off street car parks	30-100	7
Intangible assets	3	5

Land under roads

Council recognises land under roads it controls on a **cost basis**.

Depreciation and amortisation

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

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

Notes to the Financial Statements

6.2 - Property, infrastructure, plant and equipment (cont.)

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

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

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

Repairs and maintenance

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.

Leasehold improvements

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter. Council does not have any leasehold improvements at reporting date.

Valuation of land and buildings

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

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

To the extent that non-specialised land and non-specialised buildings do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market based direct comparison

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

The date of the current valuation is detailed in the following table. An index based revaluation was conducted on land in the current year, this valuation was based on 17.16% provided by Matheson Stephen Valuations Property Consultants. A full revaluation assessment of these assets will be conducted in 2021-22.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2021 are as follows:

	Level 1	Level 2	Level 3	DoV
Land		422,618		Jun-21
Specialised land			2,690,827	Jun-21
Buildings			316,645	Jun-21
Total		422,618	3,007,472	

Valuation of infrastructure

Valuation of infrastructure assets has been determined by Paris Zenonos, Manager Asset Management, Bachelor of Civil Engineering (Honours).

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

Notes to the Financial Statements

6.2 - Property, infrastructure, plant and equipment (cont.)

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

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2021 are as follows:

	Level 1	Level 2	Level 3	DoV
Roads			265,336	Jun-20
Bridges			5,736	Jun-20
Footpaths and cycleways			63,992	Jun-20
Drainage			122,206	Jun-20
Recreational, leisure and community facilities			32,281	Jun-20
Parks, open space and streetscapes			26,802	Jun-20
Off Street Car Parks			25,211	Jun-20
Total			541,564	

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$32 and \$10.667 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 25 years to 55 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 5 years to 150 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.

	2021 \$'000	2020 \$'000
Reconciliation of specialised land		
Land under roads	2,220	1,896
Parks and reserves	1,166,097	995,303
Sports Grounds	941,895	803,894
Other	580,615	495,574
Total specialised land	2,690,827	2,296,667

Notes to the Financial Statements

2021	2020
\$'000	\$'000

6.3 - Investments in joint arrangements

Background

The City of Boroondara has entered into a joint venture arrangement called Regional Landfill Clayton South, which has developed a refuse tip for a number of municipalities. The Council has a 35.22% interest in the assets, liabilities, revenues and expenses of the joint venture. The remaining joint venture partners include City of Glen Eira, City of Monash, City of Whitehorse and City of Stonnington.

Council's share of accumulated surplus(deficit)

Council's share of accumulated surplus(deficit) at start of year	(4,614)	(4,219)
Reported surplus/(deficit) for year	(3,753)	(395)
Council's share of accumulated deficit at end of year	<u>(8,367)</u>	<u>(4,614)</u>

Movement in carrying value of specific investment

Carrying value of investment at start of year	(2,974)	(2,579)
Share of surplus/(deficit) for year	(3,753)	(395)
Carrying value of investment at end of year	<u>(6,727)</u>	<u>(2,974)</u>

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement.

For joint operations, Council recognises its direct right to its share of jointly held assets, liabilities, revenues and expenses of joint operations.

Council continues to account for Clayton Landfill under the equity method on the basis that Clayton Landfill operating results, assets and liabilities are not material individually or in aggregate. Under this method, the interests are initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise Council's share of the post-acquisition profits or losses and movements in other comprehensive income in profit or loss and other comprehensive income respectively.

The landfill closed on the 29 January 2016. At balance date the landfill itself retains sufficient liquidity to fund the post closure capital works and the post closure after care expenses for the medium term. It is however likely that Council funds will be required to be expended in support of the entity in the longer term.

The provision was formally assessed in 2015. The landfill in its current state, is not yet "settled". A review has been undertaken during the 2020-21 financial year by Mackenzie Environmental Pty Ltd on estimates of future costs to operate the closed landfill site in accordance with the *Environment Protection Act 2017* (the Act). The increase in provision relates to the expected post closure maintenance period costs after capping works are completed. The provision is based on the best information available to management at year end. This indicates aftercare costs of approximately \$1.034 million annually.

Notes to the Financial Statements

	2021 \$'000	2020 \$'000
6.4 - Investment property		
Gross carrying amount		
Balance at beginning of financial year	10,533	10,474
Additions	19	59
Balance at end of financial year	10,552	10,533
Accumulated amortisation and impairment		
Balance at beginning of the year	(1,618)	(1,429)
Depreciation expense	(189)	(189)
Balance at end of financial year	(1,807)	(1,618)
Net book value	8,745	8,915

Investment property is carried at cost and is depreciated on a straight line basis.

Investment property, comprising fresh food market stalls and a commercial shop is held to generate long-term rental yields. All tenant leases are on an arms length basis. Investment property is measured 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. Rental income from the leasing of investment properties is recognised in the Comprehensive Income Statement on a straight line basis over the lease term. *AASB 140 Investment Property*, paragraph 53 states that if an entity determines that the fair value of an investment property is not reliably determinable on a continuing basis, the entity shall measure that investment property using the cost model in *AASB 116 Property, Plant and Equipment*.

Notes to the Financial Statements

Note 7 - People and relationships

7.1 Council and key management remuneration

(a) Related parties

Parent entity

City of Boroondara is the parent entity.

Subsidiaries and Associates

Interests in subsidiaries and associates are detailed in Note 6.3.

(b) Key management personnel

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

Councillors	Councillor Garry Thompson (Mayor from 23 November 2020 to current)
	Councillor Cynthia Watson (Mayor from 1 July 2020 to 23 October 2020)
	Councillor Jane Addis (1 July 2020 to current)
	Councillor Jim Parke (1 July 2020 to current)
	Councillor Lisa Hollingsworth (1 July 2020 to current)
	Councillor Felicity Sinfield (1 July 2020 to current)
	Councillor Susan Biggar (16 November 2020 to current)
	Councillor Di Gillies (16 November 2020 to current)
	Councillor Wes Gault (16 November 2020 to current)
	Councillor Victor Franco (16 November 2020 to current)
	Councillor Nick Stavrou (16 November 2020 to current)
	Councillor Steve Hurd (1 July 2020 to 23 October 2020)
	Councillor Coral Ross (1 July 2020 to 23 October 2020)
	Councillor Phillip Healey (1 July 2020 to 23 October 2020)
	Councillor Jack Wegman (1 July 2020 to 23 October 2020)

Chief Executive Officer Phillip Storer

Other KMPs

Director Customer and Transformation - Bruce Dobson
 Director Places and Spaces - Daniel Freer
 Director Community Support - Carolyn McClean
 Director Urban Living - Shiran Wickramasinghe
 Executive Manager People Culture and Development - Carolyn Terry

	2021	2020
	No.	No.
Total Number of Councillors	15	10
Chief Executive Officer and other Key Management Personnel	6	6
Total Key Management Personnel	21	16

(c) Remuneration of key management personnel

	2021	2020
	\$'000	\$'000
Total remuneration of key management personnel was as follows:		
Short-term benefits	2,297	2,147
Post-employment benefits	179	166
Long-term benefits	48	48
Total	2,524	2,361

Notes to the Financial Statements

7.1 Council and key management remuneration (cont.)

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

	2021 No.	2020 No.
\$10,000 - \$19,999	4	-
\$20,000 - \$29,999	5	-
\$30,000 - \$39,999	4	8
\$50,000 - \$59,999	1	-
\$60,000 - \$69,999	-	1
\$70,000 - \$79,999	1	-
\$80,000 - \$89,999	-	1
\$210,000 - \$219,999	-	1
\$270,000 - \$279,999	-	1
\$280,000 - \$289,999	1	-
\$330,000 - \$339,999	4	3
\$430,000 - \$439,999	-	-
\$450,000 - \$459,999	-	1
\$470,000 - \$479,999	1	-
	21	16

(d) Senior Officer Remuneration

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

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) whose total annual remuneration exceeds \$151,000

The number of Senior Officers are shown below in their relevant income bands:

Income range:	2021 No.	2020 No.
\$151,000 - \$159,999	10	7
\$160,000 - \$169,999	12	14
\$170,000 - \$179,999	6	4
\$180,000 - \$189,999	5	4
\$190,000 - \$199,999	2	4
\$200,000 - \$209,999	3	5
\$210,000 - \$219,999	5	1
\$220,000 - \$229,999	3	5
\$230,000 - \$239,999	2	3
\$240,000 - \$249,999	1	-
\$280,000 - \$289,999	1	3
\$310,000 - \$319,000	1	-
	51	50

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

\$'000	\$'000
9,607	9,548

Notes to the Financial Statements

7.2 Related party disclosure

(a) Transactions with related parties

During the period Council entered into the following transactions with related parties.

(a) Roadside Services and Solutions Pty Ltd

Councillor Jim Parke acquired a thirty percent share in Roadside Services and Solutions Pty Ltd on 30 April 2018. For the year ended 30 June 2021, Council transactions with Roadside Services and Solutions Pty Ltd were valued at \$19,849 (2019-20 \$213,599) for road line-marking.

(b) Outstanding balances with related parties

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

(c) Loans to/from related parties

There were no aggregate amount of loans in existence at balance date that have been made, guaranteed or secured by the Council to a responsible person of the Council, or a related party of a responsible person.

(d) Commitments to/from related parties

There were no aggregate amount of commitments in existence at balance date that have been made, guaranteed or secured by the Council to a related party.

Notes to the Financial Statements

Note 8 - Managing uncertainties

8.1 - Contingent assets and liabilities

(a) Contingent assets

As of 30 June 2021, there are no potential contingent assets.

(b) Contingent liabilities

- (a) Council is presently involved in a number of confidential legal matters, which are being conducted through Council's solicitors. The estimated potential financial effect of these matters is unknown at reporting date. The estimate of the financial liability at reporting date representing Council's maximum exposure under its public liability insurance policy for trips and falls on road reserves and footpaths total \$382,526 (2019-20 \$228,992). This amount is contingent on the outcome of the resolution of these claims.
- (b) Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

Future superannuation contributions

In addition to the disclosed contributions, City of Boroondara has paid unfunded liability payments to Vision Super totalling \$0 (2019-20 \$0). There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2021. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2022 are \$400,000.

8.2 - Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2021 reporting period. Council assesses the impact of these new standards. As at 30 June 2021 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2022 that are expected to impact Council.

Notes to the Financial Statements

8.3 - Financial instruments

(a) Objectives and policies

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

(b) Market risk

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

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes council to fair value interest rate risk. Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

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

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

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

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

(c) Credit risk

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

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

Notes to the Financial Statements

8.3 - Financial instruments (cont.)

(c) Credit risk (cont.)

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

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

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 8.1(b).

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

(d) Liquidity risk

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 8.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.4.

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

(e) Sensitivity disclosure analysis

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

- A parallel shift of + 1% and -1% in market interest rates (AUD) from year-end rates of 0.36%.

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.

Notes to the Financial Statements

8.4 - Fair value measurement

Fair value hierarchy

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

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

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

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

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

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

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

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

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

Revaluation

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 2 to 5 years. The valuation is performed either by experienced Council officers or independent experts.

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

Land under roads

Council recognises land under roads it controls on a cost basis.

Impairment of assets

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

Notes to the Financial Statements

8.5 - Events occurring after balance date

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

Note 9 - Other matters

9.1 - Reserves

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Reversal of previous revaluations for assets disposed \$'000	Balance at end of reporting period \$'000
(a) Asset revaluation reserves				
2021				
Property				
Land	2,341,488	456,059	-	2,797,547
Buildings and other structures	69,859	-	851	70,710
	2,411,347	456,059	851	2,868,257
Infrastructure				
Roads	170,487	-	-	170,487
Bridges	5,253	-	-	5,253
Footpaths and cycleways	38,415	-	-	38,415
Drainage	29,816	-	-	29,816
Carparks and access roads	13,550	-	-	13,550
	257,521	-	-	257,521
Sub-total property and infrastructure	2,668,868	456,059	851	3,125,778
Total asset revaluation reserves	2,668,868	456,059	851	3,125,778
2020				
Property				
Land	2,221,056	120,432	-	2,341,488
Buildings and other structures	57,629	13,319	(1,089)	69,859
	2,278,685	133,751	(1,089)	2,411,347
Infrastructure				
Roads	163,661	6,826	-	170,487
Bridges	4,757	496	-	5,253
Footpaths and cycleways	37,086	1,329	-	38,415
Drainage	36,937	(7,121)	-	29,816
Carparks and access roads	13,698	(148)	-	13,550
	256,139	1,382	-	257,521
Sub-total property and infrastructure	2,534,824	135,133	(1,089)	2,668,868
Total asset revaluation reserves	2,534,824	135,133	(1,089)	2,668,868

The asset revaluation reserve is used to record the movement in fair value of Council's assets over time.

Notes to the Financial Statements

9.1 - Reserves (cont.)

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
(b) Other reserves				
2021				
Strategic Acquisition fund	434	-	-	434
Defined Benefit future call up fund	7,000	1,000	-	8,000
Open Space development fund	11,269	1,183	-	12,452
Total other reserves	18,703	2,183	-	20,886
2020				
Strategic Acquisition fund	434	-	-	434
Defined Benefit future call up fund	6,000	1,000	-	7,000
Open Space development fund	10,469	800	-	11,269
Total other reserves	16,903	1,800	-	18,703

The Strategic Acquisition fund will be available for the purpose of acquiring new strategic assets where they are required for the provision of community services or for additional public open space.

The Open Space development fund allows for the acquisition of land within the municipality for conversion to public open space as it becomes available.

The Defined Benefit future call up fund has been created for use should a shortfall in the defined benefit superannuation fund be called by the Local Government Defined Benefit Superannuation Fund trustee.

Notes to the Financial Statements

	2021 \$'000	2020 \$'000
9.2 - Reconciliation of cash flows from operating activities to surplus/(deficit)		
Surplus/(deficit) for the period	(9,439)	12,259
Depreciation and amortisation	39,764	37,592
Loss on disposal of property, infrastructure, plant and equipment	8,536	4,625
Share of joint venture (profits) / losses net of distributions	3,753	395
Works in progress not capitalised (expensed)	4,558	6,539
Contributions of non-monetary assets	(112)	-
Borrowing costs	1,339	1,428
Finance costs leases	322	270
Change in assets and liabilities:		
Increase in trade and other receivables	(3,020)	(3,340)
Increase in prepayments	(726)	(304)
(Increase)/decrease in inventories	(52)	-
Increase in trust funds and deposits	3,590	1,717
Increase/(decrease) in trade and other payables	3,130	(4,850)
Increase in other liabilities	9,650	1,459
Increase in provisions	1,328	2,330
Net cash provided by operating activities	62,621	60,120

9.3 - Superannuation

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

Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2021, this was 9.5% as required under Superannuation Guarantee (SG) legislation).

Defined Benefit

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

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

Notes to the Financial Statements

9.3 - Superannuation (cont.)

Funding arrangements

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

A triennial actuarial review for the Defined Benefit category as at 30 June 2020 was conducted and completed by the due date of 31 December 2020. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 104.6%. The financial assumptions used to calculate the VBI were:

- Net investment returns 5.6% pa
- Salary information 2.5% pa for two years and 2.75% pa thereafter
- Price inflation (CPI) 2.0% pa.

As at 30 June 2021, an interim actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category.

Vision Super has advised that the estimated VBI at 30 June 2021 was 109.7%.

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2020 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 2020 triennial actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2021, this rate was 9.5% of members' salaries (9.5% in 2019-2020). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2020 triennial valuation.

In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

Funding Calls

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

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

Notes to the Financial Statements

9.3 - Superannuation (cont.)

The 2020 triennial actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. A full investigation was conducted as at 30 June 2020.

The Fund's actuarial investigations identified the following for the Defined Benefit category of which Council is a contributing employer:

	2020 (Triennial)	2019 (Interim)
	\$m	\$m
- A VBI Surplus	100	151.3
- A total service liability surplus	200	233.4
- A discounted accrued benefits surplus	217.8	256.7

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 2020.

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 as at 30 June 2020.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2020.

Council was notified of the 30 June 2020 VBI during August 2020 (2019: August 2019).

The 2021 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2021 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2021.

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2021 are detailed below:

Scheme	Type of Scheme	Rate	2021 \$'000	2020 \$'000
Vision Super	Defined benefit	9.5%	386	514
Vision Super	Accumulation fund	9.5%	3,535	3,647
Other scheme	Accumulation fund	9.5%	3,431	3,250

In addition to the above contributions, Council has paid unfunded liability payments to Vision Super totalling \$0 paid during the 2020-21 year (2019-20 \$0).

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2021.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2022 is \$400,000.

Notes to the Financial Statements

10 - New accounting standards

a) AASB 1059 Service Concession Arrangements: Grantors (AASB 1059) (applies 2020-21 for LG Sector)

Council has adopted *AASB 1059 Service Concession Arrangements: Grantors*, from 1 July 2020. This has resulted in no changes in accounting policies and no adjustments to the amounts recognised in the financial statements.

b) AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material (applies 2020-21 for LG Sector)

Council has adopted *AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material*, from 1 July 2020.

c) AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework (applies 2020-21 for LG Sector)

Council has adopted *AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework* from 1 July 2020.

It is not expected that these standards will have any significant impact on Council.

Attachment 1 (Part 2)

City of Boroondara

Performance Statement

For the Year Ended 30 June 2021



www.boroondara.vic.gov.au

Year Ended

**30 June
2021**

Performance Statement

For the year ended 30 June 2021

Description of municipality

The City of Boroondara (the Council) is located in the inner eastern suburbs of Melbourne, between 5 and 10 kilometres east of the Melbourne Central Business District and covers an area of 60 square kilometres. The Council includes the suburbs of Ashburton, Balwyn, Balwyn North, Camberwell, Canterbury, Deepdene, Hawthorn, Hawthorn East, Kew and Kew East, and parts of Glen Iris, Surrey Hills and Mont Albert.

Boroondara has an estimated residential population of 183,023 people (at 30 June 2020). Compared with greater Melbourne, we have a smaller proportion of young children and people aged 30 to 39, but a larger proportion of 10 to 19 year olds and people over 50 years. Of all 79 Victorian local government areas, Boroondara has the fifth largest population of people aged 85 years and over (ABS Census 2016). At the 2016 Census 3.8% of the population needed assistance with daily living tasks.

Boroondara is culturally and linguistically diverse. The proportion of Boroondara residents who were born overseas increased from 25.5% in 2006 to 30.9% in 2016. Residents were born in more than 145 countries and spoke more than 120 languages.

By area, Boroondara has one of the highest concentrations of schools of all Victorian local government areas, with 58 secondary, primary and special education schools, including 12 combined primary and secondary schools, as well as Swinburne University, Swinburne TAFE, the Hawthorn-Melbourne English Language Centre and two Universities of the Third Age. Currently, 74 organisations offer a kindergarten program in Boroondara spanning across standalone kindergartens, long day care centres and independent schools. The City also has 11 neighbourhood and community centres where residents can participate in programs focussing on health and wellbeing, languages, creative pursuits, the arts, cooking and technology.

During the 2020-21 financial year, COVID-19 and the associated government restrictions continued to impact our local community.

During this time Council continued to provide support to our community to respond to and work towards recovery from COVID-19. Council activated various relief and recovery responses which included:

- Coronavirus support hotline: Providing emergency relief and referral services to residents wanting advice and support during COVID-19. 1402 calls were received through the COVID-19 support hotline this financial year. 50 of these calls were cases where people had more complex issues and were provided with further support.
- Coronavirus hub on website: a dedicated webpage providing timely and clear information for residents and businesses on closures and changes to Council services and Council's response to the pandemic. Links to information on key health messages, testing sites, vaccination hubs and key contact details for various support services are also provided.
- Financial Relief package: a \$4.5 million financial assistance package continues to provide tangible support to residents, businesses and community groups during COVID-19. This package contains a range of initiatives, including the waiver of various types of permit fees. Ratepayers are able to seek assistance through Boroondara's existing Financial Hardship Policy.
- Parking modifications: Council continues its modified parking enforcement approach where appropriate, including improved access to parking resources, longer parking times at key locations impacting community members and traders (e.g. shopping strips).
- Support for local businesses: outdoor dining spaces have created new opportunities for hospitality businesses to accommodate more customers in a COVIDSafe manner, playing a significant role in recovery efforts by encouraging more foot traffic into our shopping centres for the benefit of all Boroondara businesses and the broader community.
- Support for sporting clubs: including reducing some seasonal licence fees for sporting clubs, including half of the summer season sportsground tenancy fees and utilities charges.

Council's revenue streams continue to be impacted by COVID-19, including as a result of restrictions and government directives that have seen leisure centre facilities, libraries, community centres and the Hawthorn Arts Centre closed.

Council continues to monitor the situation, work with the community and review initiatives. Council supports the re-establishment of valued services, and continues to assist the community to recover from the impacts of the pandemic, and to strengthen the community's resilience to chronic stress and future shocks.

Sustainable Capacity Indicators

For the year ended 30 June 2021

Results

Indicator/measure	2018	2019	2020	2021	Material Variations
Own-source revenue <i>Own-source revenue per head of municipal population</i> (Own-source revenue/Municipal population)	\$1,180.03	\$1,205.61	\$1,213.68	\$1,166.83	Own-source revenue has been impacted by the COVID-19 pandemic with a reduction in revenue streams across user fees and charges.
Recurrent grants <i>Recurrent grants per head of municipal population</i> (Recurrent grants/Municipal population)	\$86.40	\$78.91	\$73.48	\$69.38	
Population <i>Expenses per head of municipal population</i> (Total expenses/Municipal population)	\$1,109.28	\$1,166.77	\$1,265.02	\$1,363.01	Council continues to deliver services in accordance with its long term financial plan. Expenditure has increased primarily due to an increase in materials and services costs.
<i>Infrastructure per head of municipal population</i> (Value of infrastructure/Municipal population)	\$4,720.19	\$4,772.34	\$4,903.10	\$5,052.23	
<i>Population density per length of road</i> (Municipal population/Kilometres of local roads)	318.59	321.86	323.22	321.66	
Disadvantage <i>Relative Socio-Economic disadvantage</i> (Index of Relative Socio-Economic Disadvantage by decile)	10	10	10	10	
Workforce turnover Percentage of staff turnover [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	11.4%	8.1%	9.5%	12.8%	Turnover in 2020-21 reflects normal levels along with changes associated with an organisation redesign during the year.

Definitions

"adjusted underlying revenue" means total income other than -

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

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

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

"population" means the resident population estimated by council

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

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

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

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

Service Performance Indicators

For the year ended 30 June 2021

Results					
Indicator/measure	2018	2019	2020	2021	Material Variations
Aquatic facilities Utilisation <i>Utilisation of aquatic facilities</i> (Number of visits to aquatic facilities/Municipal population)	14	15	10	5	COVID-19 restrictions during quarter one and two have had an ongoing impact on the year end results. Easing of restrictions during quarter three and four has seen an increase in attendance numbers, particularly in quarter 4.
Animal management Health and safety <i>Animal management prosecutions</i> (Number of successful animal management prosecutions / Total number of animal management prosecutions) x 100	New in 2020	New in 2020	100%	100%	
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) x 100	99%	99%	99%	96%	Council is required to inspect food premises within a registration period. The registration period is from 1 January 2020 to 31 December 2020. During this time, the number of inspections to food premises able to be completed were impacted by the COVID-19 restrictions. Some of these businesses include sporting clubs and aged care facilities and were not inspected because they were not operating or otherwise received an
Governance Satisfaction <i>Satisfaction with council decisions</i> (Community satisfaction rating out of 100 with how council has performance in making decisions in the interest of the community)	60	62	59	62	
Libraries Participation <i>Active library borrowers in municipality</i> (Number of active library borrowers in the last three years/The sum of the population for the last three years)x100	25%	27%	25%	22%	Active library borrowers were affected throughout the year due to several weeks of lockdowns and COVID-19 restrictions.
Maternal and child health Participation <i>Participation in the MCH service</i> (Number of children who attend the MCH service at least once in the year/Number of children who enrolled in the MCH service) x 100	80%	83%	82%	81%	
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) x 100	96%	88%	100%	96%	Not all children who identify as Aboriginal are due for Key Age and Stage Visits annually.
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)	73	71	72	74	

Service Performance Indicators

For the year ended 30 June 2021

Results					
Indicator/measure	2018	2019	2020	2021	Material Variations
Statutory Planning Decision making <i>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	52%	41%	49%	55%	
Waste collection Waste diversion <i>Kerbside collection waste diverted from landfill</i> (Weight of recyclables and green organics collected from kerbside bins/Weight of garbage, recyclables and green organics collected from kerbside bins) x 100	49%	49%	53%	69%	Food waste previously made up half the weight of the kerbside garbage bin. However, introducing a Food Organics and Garden Organics (FOGO) service in 2020/21, Council has diverted over 29,000 tonnes of food and garden waste from landfill. The FOGO service has been a success, with the diversion rate rarely dropping below 68% on a month to month basis.
RETIRED					
Indicator/measure	2018	2019	2020	2021	Comments
Animal Management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	17.00	6.00	Retired in 2020	Retired in 2020	This measure was replaced by AF7 from 1 July 2019.

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

"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 authorised officer under that Act, of a deficiency that poses an immediate serious threat to public health

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

"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 authorised 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

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

Financial Performance Indicators

For the year ended 30 June 2021

Dimension/Indicator/measure	Results				Forecasts				Material Variations
	2018	2019	2020	2021	2022	2023	2024	2025	
Operating position Adjusted underlying result <i>Adjusted underlying surplus (or deficit)</i> (Adjusted underlying surplus (deficit) / Adjusted underlying revenue) x 100	12.66%	9.66%	2.13%	-9.16%	-1.31%	4.91%	6.31%	7.85%	An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. The adjusted underlying result for 2019-20 and 2020-21 are due to the impacts of COVID-19 and the resulting impacts on revenue and expenditure streams. From 2021-22 the underlying result forecasts improvement over the four year projections.
Liquidity Working capital <i>Current assets compared to current liabilities</i> (Current assets / Current liabilities) x 100 Unrestricted cash <i>Unrestricted cash compared to current liabilities</i> (Unrestricted cash / Current liabilities) x 100	235.51%	300.81%	272.44%	177.32%	157.88%	152.47%	157.64%	153.90%	During the 2019-20 financial year the implementation of new Accounting standards was introduced, Australian Accounting Standards Board 16 Leases (AASB 16 Leases) require Council to bring the majority of operating leases on balance sheet. AASB15 - Revenue from Contracts and Customers require Council to recognise unearned income on balance sheet. The indicator is lower in 2020-21 due to the reduction of cash reserves, an increase in unearned income due to additional capital grants received and an increase in trust funds and deposits. The reduction in working capital in 2021-22 is due to the movement of Council's loans to current liabilities due to full loan payment scheduled for 2022-23 and Council's continued investment in planned priority projects. Working capital remains well above the minimum sustainable level. The unrestricted cash is lower primarily due to a reduction of cash reserves. In 2020-21, Council's own source revenue streams have significantly decreased as a result of the impacts of COVID-19. Also contributing to the result has been an increase in current liabilities for unearned income and trust funds and deposits. Unrestricted cash remains within a sustainable level.
Obligations Loans and borrowings <i>Loans and borrowings compared to rates</i> (Interest bearing loans and borrowings / Rate revenue) x100 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	26.19%	14.72%	13.19%	12.13%	46.31%	32.09%	28.01%	24.03%	The decrease over years 2018-19 to 2020-21 is due to a combination of higher rate revenue (2.0% rate cap in 2020-21) and lower principal repayments as Council continues to reduce existing debt. Council proposes to borrow \$70 million in 2021-22 to fund significant infrastructure projects. The increase in 2018-19 and 2022-23 is due to Council retiring existing debt. A 20 year loan refinanced in 2014-15 was repaid in full in 2018-19. In 2012-13, Council continued with substantial investment in major building redevelopment works and borrowed \$29 million. This loan balance is scheduled to be repaid in full in 2022-23.
	3.87%	11.28%	1.56%	1.53%	1.92%	14.35%	4.03%	3.52%	

Financial Performance Indicators

For the year ended 30 June 2021

Dimension/Indicator/measure	Results				Forecasts				Material Variations
	2018	2019	2020	2021	2022	2023	2024	2025	
Indebtedness <i>Non-current liabilities compared to own source revenue</i> (Non-current liabilities / Own source revenue) x 100	14.28%	13.43%	15.92%	17.68%	31.95%	27.06%	24.44%	21.92%	During the 2019-20 financial year the implementation of new Accounting standards was introduced. Australian Accounting Standards Board 16 Leases (AASB 16 Leases) require Council to bring the majority of operating leases on balance sheet. AASB15 - Revenue from Contracts and Customers require Council to recognise unearned income on balance sheet. In 2019-20 and 2020-21 Council's own source revenue has decreased due to the impacts of COVID-19 on Councils revenue streams, primarily in user fees and fines. There has also been an increase in non-current liabilities due to an increase in the provision for the joint venture arrangement with Regional Landfill Clayton South. Council also proposes to borrow \$70 million in 2021-22 to fund significant infrastructure projects.
Asset renewal and upgrade <i>Asset renewal and upgrade compared to depreciation</i> (Asset renewal and asset upgrade expense / Asset depreciation) x 100	New in 2020	New in 2020	126.81%	153.25%	187.17%	120.94%	112.67%	128.43%	Based on Asset Renewal budgets and the timing of major projects. Increases in 2020-21 and 2021-22 are due to planned major project expenditure, which demonstrates Council's ongoing commitment to invest in the renewal of its existing community infrastructure.

Financial Performance Indicators

For the year ended 30 June 2021

	Results				Forecasts				
Dimension/Indicator/measure	2018	2019	2020	2021	2022	2023	2024	2025	Material Variations
Stability									
Rates concentration <i>Rates compared to adjusted underlying revenue</i> (Rate revenue / Adjusted underlying revenue) x 100	74.91%	76.23%	79.36%	83.75%	78.64%	78.27%	78.34%	78.51%	Boroondara receives a very low level of financial assistance from the Federal and State Government hence rate revenue will continue to be a key source of funding for the delivery of high quality services and infrastructure to the community. The adjusted underlying revenue for 2019-20 and 2020-21 has reduced due to the impacts of COVID-19 on Councils revenue streams primarily in user fees and charges.
Rates effort <i>Rates compared to property values</i> (Rate revenue / Capital improved value of rateable properties in the municipality) x 100	0.16%	0.14%	0.17%	0.16%	0.16%	0.17%	0.17%	0.17%	
Efficiency									
Expenditure level <i>Expenses per property assessment</i> (Total expenses / Number of property assessments)	\$2,578	\$2,723	\$2,952	\$3,159	\$3,224	\$3,105	\$3,114	\$3,114	Council continues to deliver services in accordance with its Long Term Financial Plan. Expenditure has increased primarily due to an increase in materials and services costs and includes Council's continued investment in planned priority projects. Priority project funding levels are non-recurrent in nature and may vary each year depending on the services provided. Council's budgeted rate increase in 2020-21 was capped at 2.00%. The rate cap is set by the State Government's Fair Go Rates System (FGRS) and Council's forecast rate increases have been aligned to the forecast consumer price index (CPI). Council is delivering services in accordance with its Long Term Financial Plan.
Revenue level <i>Average rate per property assessment</i> (General rates and Municipal charges / Number of property assessments)	New in 2020	New in 2020	\$2,006	\$2,050	\$2,097	\$2,134	\$2,176	\$2,220	
RETIRED									
Dimension/Indicator/measure	2018	2019							Comments
Average residential rate per residential property assessment [Residential rate revenue / Number of residential property assessments]			Retired in 2020	Retired in 2020					This measure was replaced by E4 from 1 July 2019.
Asset renewal compared to depreciation [Asset renewal expense / Asset depreciation] x100]			Retired in 2020	Retired in 2020					This measure was replaced by O5 from 1 July 2019.

Definitions

"adjusted underlying revenue" means total income other than -

(a) non-recurrent grants used to fund capital expenditure; and

(b) non-monetary asset contributions; and

(c) contributions to fund capital expenditure from sources other than those referred to in paragraphs (a) and (b)

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

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

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

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

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

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

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

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

"population" means the resident population estimated by council

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

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

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

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

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

Other Information

For the year ended 30 June 2021

1. Basis of preparation

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

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

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

The forecast figures included in the performance statement are based on those adopted by council in its strategic resource plan on 20 July 2020 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.

Certification of 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 2020.

Callista Clarke, CPA
Principal Accounting Officer

Date:
Camberwell

In our opinion, the accompanying performance statement of the City of Boroondara for the year ended 30 June 2020 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2020.

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 2020 to certify this performance statement in its final form.

Cr Garry Thompson
Mayor

Date:
Camberwell

Cr Nick Stavrou
Councillor

Date:
Camberwell

Phillip Storer
Chief Executive Officer

Date:
Camberwell

MINUTES ATTACHMENTS



Council

Monday 23 August 2021

Attachments as annexed to the resolution:

- 7.10 Revised Instruments of Appointment and Authorisation for Statutory Planners

Boroondara City Council

Instrument of Appointment and Authorisation (*Planning and Environment Act 1987*)

Ali Turvey	Para Planning Officer
Amaya De Silva	Senior Statutory Planner
Brendan Rea	Planning Investigations Officer
Calum Schwindt	Statutory Planning Officer
Cassandra Rea	Coordinator Statutory Planning
Chiara Lorini	Statutory Planning Officer
Craig Murphy	Planning Appeals Co-ordinator
Damian Bu	Statutory Planning Officer
Daniela Splitgerber	Statutory Planning Officer
David Barclay	Development Drainage Engineer
Elizabeth Spanjer	Statutory Planning Officer
Erin McCarthy	Coordinator Statutory Planning
Gregory (Greg) Pocock	Para Planning Officer
Gregory (Greg) Stewart	Counter Planner
Ida LaRocca	Para Planning Officer
Jessica Nedelkos	Para Planning Officer
Jennifer Estrada	Para Planning Officer
Jon Harper	Coordinator Statutory Planning
Jonathan Welcome	Investigations Officer
Joanne Amanda (Mandy) Hollywood	Team Leader Para Planning

Julie Lu (Pham)	Statutory Planning Officer
Karen Reid	Para Planning Officer
Kathy Fletcher	Statutory Planning Officer
Kelly Caporaso	Statutory Planning Officer
Lucy Johnson	Statutory Planning Officer
Mathew Mertuszka	Senior Statutory Planner
Michael Burton	Public Notice Officer
Mridula Krishna	Para Planning Officer
Nikhil Shal	Statutory Planning Officer
Roberts Birze	Technical Support Officer
Roxanne Kavanagh	Subdivisions Officer
Seuna Byrne	Principal Planner
Sherman Tang	Statutory Planning Officer
Simon Quinn	Para Planning Officer
Sofia Skliris	Para Planning Officer
Stephanie Ng	Senior Statutory Planner/ Acting Coordinator Statutory Planning
Sylvia Georges	Urban Designer
Timothy Luckin	Statutory Planning Officer
Toni Johnson	Para Planning Officer
Trevor Saunders	Planning Investigations Officer
Vanessa Kwaczynski	Administration Officer

Instrument of Appointment and Authorisation (*Planning and Environment Act 1987*)

In this instrument "**officer**" means -

Ali Turvey	Gregory (Greg) Pocock	Karen Reid	Simon Quinn
Amaya De Silva	Gregory (Greg) Stewart	Kathy Fletcher	Sofia Skliris
Brendan Rea	Ida LaRocca	Kelly Caporaso	Stephanie Ng
Calum Schwindt	Jessica Nedelkos	Lucy Johnson	Sylvia Georges
Cassandra Rea	Jennifer Estrada	Mathew Mertuszka	Timothy Luckin
Chiara Lorini	Jon Harper	Michael Burton	Toni Johnson
Craig Murphy	Jonothan Welcome	Mridula Krishna	Trevor Saunders
Damian Bu	Joanne Amanda (Mandy) Hollywood	Nikhil Shal	Vanessa Kwaczynski
Daniela Splitgerber	Julie Lu (Pham)	Roberts Birze	
David Barclay		Roxanne Kavanagh	
Elizabeth Spanjer		Seuna Byrne	
Erin McCarthy		Sherman Tang	

By this instrument of appointment and authorisation Boroondara City Council -

1. under section 147(4) of the *Planning and Environment Act 1987* - appoints the officers to be authorised officers for the purposes of the *Planning and Environment Act 1987* and the regulations made under that Act; and
2. under section 313 of the *Local Government Act 2020* authorises the officers generally to institute proceedings for offences against the Acts and regulations described in this instrument.

It is declared that -

- (a) this instrument comes into force immediately upon its execution and remains in force until varied or revoked;
- (b) this instrument must not be exercised in a manner which is inconsistent with Council's corporate position.
- (c) on the coming into force of this instrument, any previous Instruments of Appointment and Authorisation to the members of Council staff named above are revoked.

This instrument is authorised by a resolution of the **Boroondara City Council** on 23 August 2021.

The Common Seal of the Boroondara City Council was hereunto affixed in the presence of:

..... Chief Executive Officer

..... Councillor

..... Date