

# **ORDINARY COUNCIL MINUTES**

(Open to the public)

**Monday 10 October 2016**

Council Chamber, 8 Inglesby Road, Camberwell.

**Commencement**      6.35pm

**Attendance**      Councillor Jim Parke (Mayor)  
Councillor Jane Addis  
Councillor Kevin Chow  
Councillor Phillip Healey  
Councillor Steve Hurd  
Councillor Heinz Kreutz  
Councillor Philip Mallis  
Councillor Coral Ross  
Councillor Judith Voce  
Councillor Jack Wegman

**Apologies**      Nil

**Officers**      Phillip Storer - Chief Executive Officer  
Marilyn Kearney - Director Corporate Services  
John Luppino - Director City Planning  
Bruce Dobson - Director Environment and Infrastructure  
Deb Ganderton - Executive Manager Communications &  
Customer Experience  
Greg Hall - Chief Financial Officer  
Chris Hurley - Manager Commercial & Property Services  
David Thompson - Manager Governance  
Andrew Birks - Senior Communications Adviser  
Manoja Ratnayake - Corporate Reporting Team Leader  
Elizabeth Manou - Acting Governance Projects Officer  
Andrew Dix - Chairperson, Audit Committee

**Adoption and confirmation of the minutes**

**Moved Councillor Voce**

**Seconded Councillor Mallis**

**That the minutes of the Ordinary Council meeting held on 26 September 2016  
be adopted and confirmed.**

**CARRIED**

## Table of contents

<b>1.</b>	<b>Declaration of conflict of interest of any councillor or council officer</b>	<b>3</b>
<b>2.</b>	<b>Deputations, presentations, petitions and public submissions</b>	<b>3</b>
<b>3.</b>	<b>Assemblies of councillors</b>	<b>3</b>
<b>4.</b>	<b>Public question time</b>	
	PQT1 Ian Hundley of Balwyn North	3
<b>5.</b>	<b>Notices of motion</b>	<b>4</b>
<b>6.</b>	<b>Presentation of officer reports</b>	
1	Annual Report 2015-16	4
2	August 2016 Monthly Performance Review	5
3	Instrument of Delegation from Council to the Chief Executive Officer - Post Election Period	5
<b>7.</b>	<b>General business</b>	
	GB1 End of Council Term	6
<b>8.</b>	<b>Urgent business</b>	<b>7</b>
<b>9.</b>	<b>Confidential business</b>	<b>7</b>

**1. Declaration of conflict of interest of any councillor or council officer**

Nil

**2. Deputations, presentations, petitions and public submissions**

Nil

**3. Assemblies of councillors**

Section 80A of the *Local Government Act 1989* requires that a written record of all Assemblies of Councillors be kept and reported to an ordinary Council meeting as soon as practicable.

**MOTION**

**Moved Councillor Addis**

**Seconded Councillor Voce**

**That Council resolve to receive and note the record of Assemblies of Councillors, as annexed to the minutes.**

**CARRIED****4. Public question time****PQT1 Ian Hundley of Balwyn North**

The **Mayor, Councillor Parke** informed the meeting that Mr Hundley had submitted two questions for consideration.

The Mayor stated that the two questions had been disallowed by him prior to the commencement of the Ordinary Council meeting in accordance with Council's Meeting Procedure Local law because:

- The matters raised did not relate to an item on the Council agenda; and
- The questions had not been the subject of a prior written enquiry to a councillor or a member of Council staff, which had received a written response from a councillor or a member of Council staff.

The Mayor noted that councillors had received a copy of the two questions and a written response would be provided in due course by the Director City Planning to one question and the Director Environment and Infrastructure to the other question.

## **5. Notices of motion**

Nil

## **6. Presentation of officer reports**

### **1 Annual Report 2015-16**

This report is presented for Council endorsement of the Annual Report (refer to Attachment A) for the 2015-16 financial year. As required by Section 134 of the *Local Government Act 1989* the Annual Report 2015-16 is considered at an open meeting of Council, in order to present the report to the community.

The report provides details on performance against the themes, strategic objectives and performance measures from the Council Plan 2013-17 and the Annual Plan 2015-16.

This report has been prepared from information provided by Managers and key staff across the organisation, as well as information collated through the June 2016 Quarterly Performance Report.

The required public notice has been provided advising the availability of the Annual Report 2015-16 and advertising details of the public meeting.

The Annual Report which includes Council's Best Value Report as presented complies with the provisions of the *Local Government Act 1989* and Local Government (Planning and Reporting) Regulations 2014. In addition, it fairly represents Council's operations, financial position and Council's performance in respect of the 2015-16 financial year.

## **MOTION**

**Moved Councillor Hurd**

**Seconded Councillor Healey**

**That Council resolve to:**

- 1. Endorse the Annual Report 2015-16 included as Attachment A (as annexed to the minutes), in accordance with the requirements of the *Local Government Act 1989*.**
- 2. Present to the Boroondara community the Annual Report for the 2015-16 financial year.**

## **CARRIED**

## **2 August 2016 Monthly Performance Review**

The Monthly Performance Report for August 2016 (refer to Attachment A) is designed to identify and explain any major variances to budget at an organisational level for the period ending 31 August 2016. Council's year to date operating surplus reflects a favourable variance of \$1.49 million primarily due to delayed expenditure coupled with slightly higher than budgeted income. Capital works actual expenditure is \$3.03 million compared to year to date budget of \$3.35 million. Priority projects expenditure of \$864,000 was achieved, which is \$35,000 below budget phasing.

Council's Balance Sheet and cash position are sound and depict a satisfactory result. At the end of August, Council's cash position stood at \$110.73 million which has increased by \$16.02 million from June 2016.

### **MOTION**

**Moved Councillor Voce**

**Seconded Councillor Ross**

**That Council resolve to receive and note the Monthly Performance Report for August 2016 (Attachment A).**

### **CARRIED**

## **3 Instrument of Delegation from Council to the Chief Executive Officer - Post Election Period**

Instruments of Delegation represent the formal delegation of powers by Council under Section 98(1) of the *Local Government Act* 1989 and enable the business of Council to be carried out efficiently and in line with Council approved policies.

A Special Council meeting is scheduled to be held on 2 November 2016 at which all new (and re-elected) councillors will take the oath of office and sign Council's Councillor Code of Conduct. This means from 6am on 22 October 2016 until the Special Council meeting (post-election period) there will be no Council to make decisions.

Officers are of the view that if an urgent matter arises during the post-election period, the Chief Executive Officer may not have sufficient delegated authority to deal with it.

A Post-Election Instrument of Delegation to the Chief Executive Officer has been drafted by Council's lawyers Maddocks so that he can, if necessary, exercise additional powers and functions during the post-election period.

The proposed Post-Election Instrument of Delegation to the Chief Executive Officer is subject to the conditions that the:

- powers are only to be exercised in urgent circumstances; and
- exercise of any powers is to be reported to Council at a future Ordinary Council meeting.

## **MOTION**

**Moved Councillor Ross**

**Seconded Councillor Hurd**

**That Council resolve in the exercise of the powers conferred by section 98(1) of the Local Government Act 1989 (the Act) and the other legislation referred to in the attached Post-Election Instrument of Delegation to the Chief Executive Officer:**

- 1. There be delegated to the person holding the position, acting in or performing the duties of Chief Executive Officer the powers, duties and functions set out in the attached Post-Election Instrument of Delegation to the Chief Executive Officer (Attachment 1 as annexed to the minutes), subject to the conditions and limitations specified in that Instrument.**
- 2. The common seal be affixed to the instrument.**
- 3. The instrument comes into force immediately the common seal of Council is affixed to the instrument.**

## **CARRIED**

### **7. General business**

#### **GB1 End of Council Term**

The **Mayor, Councillor Parke** stated that this was the last scheduled meeting of the 2012-16 Council.

The Mayor took the opportunity to thank Councillor Mallis as Chair of the Urban Planning Special Committee and Councillor Hurd as Chair of the Services Special Committee for all their work over the last 11-12 months.

The Mayor stated that on a personal note it has been both an honour and privilege to serve as the Mayor of the City of Boroondara over the last 12 months, and he thanked his colleagues for their support over that time.

The Mayor then acknowledged his colleagues service to the Boroondara community over this four year term of council. He then singled out and paid tribute to Councillor Kreutz, Councillor Chow and Councillor Mallis, who have served on Council for 14, 8 and 4 years respectively and had decided not to stand for re-election.

On behalf of Council he wished them the very best in their future endeavours.

Last but not least, the Mayor then thanked the community, on behalf of his colleagues for the honour and privilege of representing them on Council for this 2012-16 term.

**Councillor Chow** stated that it had been an honour to represent Solway Ward for two terms and thanked the community for their trust in him. Councillor Chow thanked councillors for their assistance and support during his time on Council and thanked the Chief Executive Officer and Council officers for their quality advice. Councillor Chow also thanked his wife and family for their support.

**Councillor Mallis** thanked the community for the honour of representing Maranoa Ward and for the many and varied experiences during his time on Council. Councillor Mallis expressed his thanks to the Chief Executive Officer, the Executive Leadership Team and to Council officers for their advice and counsel and wished everyone all the best.

**Councillor Kreutz** acknowledged that his time on Council had been an enriching part of his life and expressed his gratitude to have had the opportunity to be the Mayor.

**Councillor Healey** reflected on Councillor Kreutz's time as a councillor and thanked him for his contribution to Council.

**Councillor Voce** thanked the Mayor, Councillor Parke for fulfilling the role of the Mayor and for his leadership and honesty in dealing with various issues.

**Councillor Addis** thanked Council officers for their ongoing and excellent support.

**Councillor Hurd** acknowledged Council's flexibility and professionalism in adapting processes to assist him with his vision impairment. Councillor Hurd also thanked the Manager Governance for working with him as the Chairperson of the Services Special Committee and Ms Leanne Field for her assistance over the last four years.

## **8. Urgent business**

Nil

## **9. Confidential business**

Nil

**The meeting concluded at 7.16pm**

**Confirmed**

**Chairperson**

\_\_\_\_\_

**Date**

\_\_\_\_\_

# MINUTES ATTACHMENTS



## Ordinary Council

**Monday 10 October 2016**

**Attachments annexed to the minutes for the following items:**

Assemblies of councillors

- 1 Annual Report 2015-16
- 3 Instrument of Delegation from Council to the Chief Executive Officer - Post Election Period





# Record of Assemblies of Councillors

Assembly details	Councillor attendees	Officer attendees	Matters discussed	Conflict of Interest disclosures
Early Years Advisory Committee <b>4 August 2016</b>	Cr Jane Addis	Jacinta Barnes (SCFCS) Andrew McHugh (MFYR) Toula Papaioannou (CYS) Dee Capovilla (EYAO)	Terms of Reference and membership of Committee Meeting Child Friendly Cities and community centres Boroondara Family, Youth & Recreation update Committee members update	Nil
BVRC Advisory Committee <b>10 August 2016</b>	Cr Jane Addis	Sofie Anselmi (TLBVRC) Helen Molnar (MCPD) Jaimee Quigley (VEO)	Update on the 2016 BVRC Strategic Service Plan and discussion of the strategic goals, objectives and actions	Nil
Councillor Briefing & Discussion <b>15 August 2016</b>	Cr Jim Parke Cr Jane Addis Cr Kevin Chow Cr Phillip Healey Cr Steve Hurd Cr Heinz Kreutz Cr Philip Mallis Cr Judith Voce Cr Jack Wegman	Phillip Storer (CEO) Bruce Dobson (DEI) Marilyn Kearney (DCS) Carolyn McClean (DCD) Simon Mitchell (aDCP) Deb Ganderton (EMCCS) David Thompson (MG) Elizabeth Manou (aGPO)Gail Power (MAFB) Helen Molnar (MCPD) Kate Brewster (MCIL) Adam Hall (MESL) Zoran Jovanovski (MSTP) Greg Hall (CFO) Andrew Mackinnon (GMPI) Andrew McHugh (SCRW) Sam Taylor (LFCO)David Cashmere (CLF) Michaela Skett (TLEP) Mardi Nowak (CAC) Liz Landray (CDO) Aileen Carter (CSL) Mathew Dixon (PSO)	Item-1 Annual Community Strengthening Grants Allocations 2016-17 Item-2 Draft Town Hall Gallery Collection Acquisition Policy and Framework Item-3 Boroondara Tennis Centre Management Contract Item-4 June 2016 Quarterly Performance Report Item-5 Boroondara Library Service Opening Hours Review Item-6 Our Low Carbon Future Strategy - Action Plan Update 2017-2020 Item-7 Sustainable Building Policy Item-8 Open Space Asset Management Plan Item-9 Planning considerations in development of duplexes OU1 Digital Transformation Project GD1 Councillor Code of Conduct GD2 Australian Boys Choir GD3 Better Apartment Design Guidelines	Nil

# Record of Assemblies of Councillors



Assembly details	Councillor attendees	Officer attendees	Matters discussed	Conflict of Interest disclosures
Statutory Planning Advisory Committee <b>15 August 2016</b>	Cr Philip Mallis Cr Jim Parke Cr Judith Voce	Henry Wallis (FTP) Joe Sevilano (SSP) Lachlan McGowan (SP) Simon Mitchell (MSP)	26 Range Street Camberwell 328 Barkers Road, Hawthorn 195 Victoria Road, Hawthorn East	Nil
Councillor Briefing & Discussion <b>22 August 2016</b>	Cr Jim Parke Cr Jane Addis Cr Phillip Healey Cr Steve Hurd Cr Heinz Kreutz Cr Philip Mallis Cr Coral Ross Cr Judith Voce Cr Jack Wegman	Phillip Storer (CEO) Bruce Dobson (DEI) Marilyn Kearney (DCS) Simon Mitchell (aDCP) Nick Lund (aDCD) Deb Ganderton (EMCCS) Andrew Dowling (COG) Elizabeth Manou (aGPO) Andrew Mackinnon (GMPI) Jim Hondrakis (MTT) Helen Molnar (MCPD) Adam Hall (MESL) Clare Davey (CTM) Sofie Anselmi (TLBVRC) Michaela Skett (TLEP) Mathew Dixon (PSO)	Item-1 Draft Boroondara Volunteer Resource Centre Strategic Service Plan 2016 Item-2 Temporary Signage on Council-owned property Item-3 Road Safety Strategy Item-4 Positive Charge - Solar PV Program Promotion OU1 Councillor plaques	Nil
Communications & Engagement Committee <b>25 August 2016</b>	Cr Jane Addis Cr Coral Ross	Deb Ganderton (EMCCS) Andrew Birks (SCA) Phil Coyne (ERPO)	Community Radio Spot Changes to 'Out and About' Boroondara Community Plan	Nil
Statutory Planning Advisory Committee <b>29 August 2016</b>	Cr Jim Parke Cr Judith Voce	Seuna Byrne (PP) Simon Mitchell (MSP)	1-11 Quinton Road, Camberwell	Nil

# Record of Assemblies of Councillors



Assembly details	Councillor attendees	Officer attendees	Matters discussed	Conflict of Interest disclosures
Statutory Planning Advisory Committee <b>5 September 2016</b>	Cr Jane Addis Cr Jim Parke Cr Judith Voce	Kristian Cook (SPO) Simon Mitchell (MSP)	428 Canterbury Road, Surrey Hills 1&2 Stanley Terrace, Surrey Hills	Nil
Councillor Briefing & Discussion <b>12 September 2016</b>	Cr Jim Parke Cr Jane Addis Cr Kevin Chow Cr Phillip Healey Cr Steve Hurd Cr Heinz Kreutz Cr Philip Mallis Cr Coral Ross Cr Judith Voce Cr Jack Wegman	Phillip Storer (CEO) Bruce Dobson (DEI) Carolyn McClean (DCD) John Luppino (DCP) Deb Ganderton (EMCCS) David Thompson (MG) Andrew Dowling (COG) Nick Lund (MHS) Helen Molnar (MCPD) Michael Somerville (MLL) Zoran Jovanovski (MSTP) Christian Wilmsen (TLSP) Andrew McHugh (SCRW) Nicole White (HWPO) Robert Costello (SPP) Phil Coyne (ERPO) Jacinta Barnes (SCFCS) Fiona Brown (SPPO) Rebecca Pinczower (BAG) Michelle Forster (CBOS) Fiona Read (CoSP)	Item-1 Canterbury Early Years Centre Item-2 Statewide Access and Inclusion Services Item-3 Operation of North East Community Hub Item-4 Boroondara Community Plan 2017-27 Item-5 'Mad as Hell' Public Forum - Response to Bill of Rights for Residents Item-6 Assistance Dogs OU1 Submission to the Victorian Government's Better Apartments Draft Design Standards GD1 Markham Estate GD2 Proposal to pedestrianise Camberwell Junction	Nil
Statutory Planning Advisory Committee <b>19 September 2016</b>	Cr Jim Parke Cr Philip Mallis Cr Judith Voce Cr Steve Hurd	Yim Yuen (SPO) Cassandra Rea (CSP) Simon Mitchell (MSP)	21 Lyall Street, Hawthorn	Nil

See over for an index of officer titles

# Record of Assemblies of Councillors



## Index of officer titles

<b>ACPD</b>	Assessment & Care Planner Disability
<b>ADO</b>	Access & Diversity Officer
<b>AO</b>	Administrative Officer
<b>BAG</b>	Business Analyst Grants
<b>CAC</b>	Curator, Arts & Culture
<b>CBA</b>	Coordinator Building Assets
<b>CBOS</b>	Coordinator Business Operations and Systems
<b>CDO</b>	Community Development Officer
<b>CEDL</b>	Customer Experience Digital Lead
<b>CEO</b>	Chief Executive Officer
<b>CFO</b>	Chief Financial Officer
<b>CMASL</b>	Collection Maintenance and Adult Services Librarian
<b>COG</b>	Coordinator Governance
<b>CoSP</b>	Community Strengthening Planner
<b>CSL</b>	Collection Services & Librarian
<b>CSP</b>	Coordinator Statutory Planning
<b>CSS</b>	Coordinator Sport Services
<b>CTM</b>	Coordinator Transport Management
<b>CYS</b>	Coordinator Youth Services
<b>DCD</b>	Director Community Development
<b>DCP</b>	Director City Planning
<b>DCS</b>	Director Corporate Services
<b>DEI</b>	Director Environment and Infrastructure
<b>EMCCS</b>	Executive Manager Communications & Customer Service
<b>ERPO</b>	Engagement and Research Project Officer
<b>EYAO</b>	Early Years Administration Officer
<b>FC</b>	Flight Controller
<b>FSDO</b>	Family Services Development Officer
<b>FYSRO</b>	Family and Youth Support and Resource Officer
<b>GPO</b>	Governance Projects Officer
<b>HWPO</b>	Health WellPlan and Policy Officer
<b>LFCO</b>	Leisure Facilities Contract Officer
<b>MAO</b>	Metro Access Officer
<b>MCHC</b>	Maternal Child Health Coordinator
<b>MCPD</b>	Manager Community Planning & Development
<b>MCPS</b>	Manager Commercial & Property Services

<b>MESL</b>	Manager Environment & Sustainable Living
<b>MFYR</b>	Manager Family Youth & Recreation
<b>MG</b>	Manager Governance
<b>MHS</b>	Manager Health Ageing & Disability Services
<b>MLL</b>	Manager Local Laws
<b>MLS</b>	Manager Library Arts and Cultural Services
<b>MPS</b>	Manager Projects & Strategy
<b>MSP</b>	Manager Statutory Planning
<b>MSTP</b>	Manager Strategic Planning
<b>MTT</b>	Manager Traffic and Transport
<b>OCRO</b>	Online Community Relations Officer
<b>PP</b>	Principal Planner
<b>PRA</b>	Project Architect
<b>RP</b>	Recreation Planner
<b>SAO</b>	Senior Administration Officer
<b>SCA</b>	Senior Communications Adviser
<b>SCADS</b>	Senior Coordinator Ageing and Disability Services
<b>SCFCS</b>	Senior Coordinator Family and Children's Services
<b>SCRW</b>	Senior Coordinator Recreation and Wellbeing
<b>SEP</b>	Senior Environmental Planner
<b>SHRA</b>	Social and Health Research Analyst
<b>SoPO</b>	Social Planning Officer
<b>SP</b>	Statutory Planner
<b>SPP</b>	Senior Project Planner
<b>SPPO</b>	Senior Policy and Project Officer
<b>SPO</b>	Senior Planning Officer
<b>SSP</b>	Senior Statutory/Strategic Planner
<b>STPO</b>	Statutory Planning Officer
<b>TLEP</b>	Team Leader Environmental Planning
<b>TLSP</b>	Team Leader Strategic Planning
<b>aXXX</b>	'a' designates acting

# MINUTES ATTACHMENTS



## Ordinary Council

**Monday 10 October 2016**

Attachments as annexed to the resolution:

- 1          Annual Report 2015-16

Attachment A

# City of Boroondara

## Annual Report 2015-16



**BOROONDARA**  
*City of Harmony*



## Annual Report 2015-16

For the year ended 30 June 2016

The City of Boroondara is constituted under the *Local Government Act 1989* to provide leadership and good governance to the municipal district and the local community.

Council's roles include:

- taking into account the diverse needs of our community in decision-making
- providing leadership by establishing strategic objectives and monitoring achievements
- ensuring resources are managed in a responsible and accountable manner
- advocating the interests of our community to other communities and governments
- fostering community cohesion and encouraging active participation in civic life.

The City of Boroondara is committed to effective and sustainable forms of democratic and corporate governance to ensure Council and its administration meet community priorities. Our community has many opportunities to provide input into Council decisions, including community consultation programs, public forums and submissions to Special Committees of Council.

## About this report

### Purpose

The Annual Report 2015-16 details the performance of the City of Boroondara during the financial year.

Our vision is for a vibrant and inclusive community with an outstanding quality of life.

The Council Plan 2013-17 outlines themes and strategies to achieve this vision for the four-year Council term. The diagram below depicts the structure of the plan:



The Annual Plan 2015-16 defines actions that contribute to the successful delivery of the Council Plan during the financial year.



## Annual Report 2015-16

For the year ended 30 June 2016

This Annual Report is divided into four parts:

1. Report of operations
2. Financial statements
3. Performance statement
4. Indexes

The Report of Operations contains information about our community, our councillors, our organisation, and most importantly, how we performed throughout the year. The section on our performance is divided into the five themes of our Council Plan, so you can easily link our performance to the original plan.

The financial statements and performance statement provide detailed information that fulfils Council's financial reporting requirements.

Indexes are included for ease of reference to the content of this report.

In addition to this report, we have produced a companion document – Our Community, Our Story 2015–16 – which provides the narrative behind our highlights and challenges of the year.

## Symbols in this report

### Directorate

The following symbols identify the directorate or executive management team that has responsibility for delivery of each commitment.



CEO's office



City Planning



Environment  
and  
Infrastructure



Communications  
and Engagement



Community  
Development



Corporate  
Services

### Status

Council's progress against each commitment is illustrated by the following symbols:



Completed



Commenced

### Outcome

The outcome of the progress against each strategic indicator is illustrated as a percentage depicted by the following symbol:



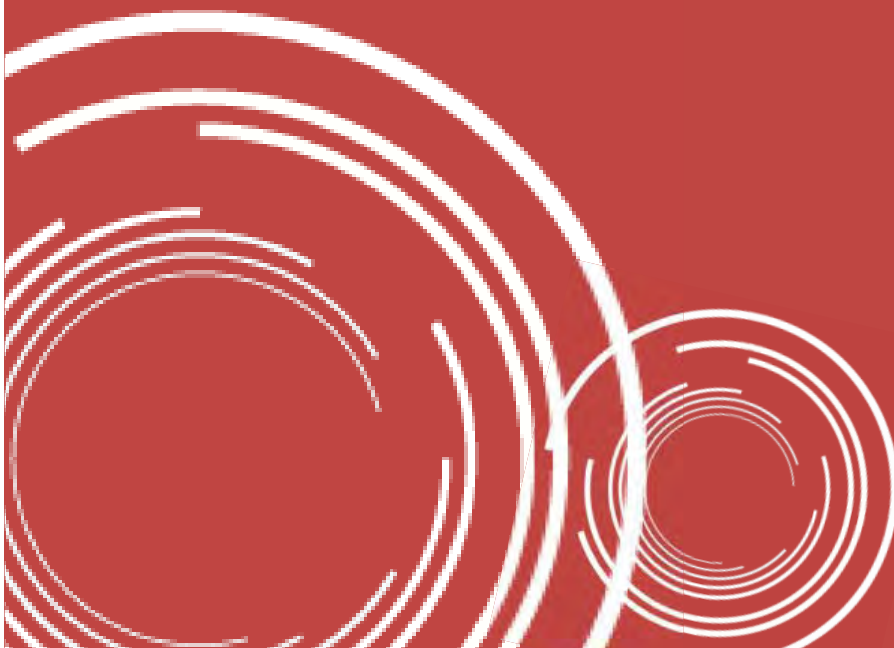
0 100 Percentage indicators





# Report of Operations

For the year ended 30 June 2016





**Report of Operations**  
For the year ended 30 June 2016

## Contents

### Annual Report 2015-16

About this report	1	<b>Financial Statements</b>	<b>75</b>
Purpose	1	<b>Performance Statement</b>	<b>129</b>
Symbols in this report	2	<b>Indexes</b>	<b>139</b>

### Introduction

Council snapshot	3
Highlights of the year	5
Challenges and future outlook	7

### The year in review

A message from the Mayor	8
Message from the CEO	10
Financial summary	12
Operations summary	14

### Our Council

City profile	16
Council offices	18
Our councillors	19
Council wards	21

### Our people

Organisational structure	22
Council staff	25
Equal Employment Opportunity Program	26
Other staff matters	26

### Our performance

Planning and accountability	27
Council Plan	28
How we are measured	28
Theme 1 - Strong and engaged communities	29
Theme 2 - Sustainable environment	37
Theme 3 - Enhanced amenity	40
Theme 4 - Quality facilities and assets	45
Theme 5 - Responsible management	49

### Corporate governance

Governance	54
Governance and management checklist	59
Statutory information	63



## Report of Operations

For the year ended 30 June 2016

# Introduction

The report of operations is our primary means of advising the Boroondara community about our operations and performance during the financial year.

## Council snapshot

### Our purpose

The City of Boroondara's vision, mission and values state our long-term direction and purpose, describe how we achieve our goals and outline the set of principles and attitudes that underpin our service to the community.

- **Vision** - A vibrant and inclusive community with an outstanding quality of life.
- **Mission** - The City of Boroondara will provide services, facilities, support and advocacy to enable our community to further its sense of place and connection.

Our Values	How we deliver enhanced services to the community
<b>Integrity</b>	Acting honestly and ethically on all occasions Doing what we say we will do Ensuring that our service is characterised by openness and transparency
<b>Collaboration</b>	Working inclusively with others to identify and meet their needs Building and sustaining sound relationships Encouraging effective engagement and participation
<b>Accountability</b>	Taking full responsibility for our own decisions and actions Being professional, thorough and timely in our service delivery Seeking, providing and responding to feedback
<b>Innovation</b>	Demonstrating foresight and creativity in meeting the challenges of the future Nurturing an environment in which innovative thinking is sought, encouraged and valued Continuously looking for improvements in our service delivery
<b>Respect</b>	Treating all customers, stakeholders and colleagues with equality and consideration Caring about others and ensuring that they feel valued Listening, clarifying and responding appropriately when we communicate with others

### City profile

- The City of Boroondara 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 174,787 people (as at 30 June 2015).
- 22% of the population is aged between 0 and 17 years, and 33% 50 years and over.
- 68% of Boroondara residents were born in Australia.
- Residents were born in more than 150 countries and speak more than 120 languages.

**Report of Operations**

For the year ended 30 June 2016

- 25% of Boroondara's employed residents work within the municipality and just under 25% work in the City of Melbourne.
- 45% of Boroondara households had an income in the top 25% for Victoria (2011 Census).
- 15% of Boroondara households live on less than \$600 a week.

**Fast facts**

- 93 groups assisted by annual council community grants
- 6,668 graffiti removal requests completed
- 71,053 tonnes of waste collected from kerbside bins
- 53,388 indigenous trees, shrubs, grasses and groundcovers planted
- 196,366 calls answered by the contact centre
- 2.36 million library items borrowed
- 1,501 new planning applications received
- 74,453 rateable properties
- 2.44 million visits to Boroondara's leisure and aquatic centres.



## Report of Operations

For the year ended 30 June 2016

## Highlights of the year

A summary of our achievements divided into the five themes of our Council Plan:

### Theme: Strong and engaged communities

#### Strategic objectives:

- Our community has a say in matters of interest to them in achieving Boroondara's vision.
- Community needs are identified and responses planned accordingly.
- Opportunities are provided to enable people in our community to be supported and involved.

#### Achievements:

- adopted the Children and Young People's Strategy 2015
- developed the Boroondara Library Services Plan
- developed the draft Economic Development and Tourism Strategy 2016-21
- commenced planning the Men's Shed at the North Balwyn Bowling Club, in collaboration with North Balwyn Rotary Club
- celebrated the 25th anniversary of the Boroondara Eisteddfod
- developed a Communication Channels Strategy to ensure Council's communication channels are aligned with community expectations and requirements
- reviewed the Boroondara Library Service opening hours
- expanded the Surrey Hills Preschool to provide an additional kindergarten room and maternal and child health suite
- hosted the inaugural Disability Summit attracting more than 100 community members, service providers and community workers
- adopted the Sport and Recreation Strategy 2016
- recognised as a finalist in the 2015 National Economic Development Australia Awards for Excellence - Marketing Category for the publication *The Boroondara Pocket Book - Your Insider's Guide to Melbourne's East*
- adopted the Boroondara Arts Plan 2015-18
- conducted the Boroondara White Ribbon Day Event 2015
- conducted National Aborigines and Islanders Day Observance Committee (NAIDOC) Week celebrations at Kew Court House
- facilitated a six-week parenting program called *Tuning Into Teens*, in partnership with Camcare
- developed the Community Engagement Policy 2015-20.

### Theme: Sustainable environment

#### Strategic objective:

- Our natural and urban environment is improved in a sustainable way.

#### Achievements:

- delivered the 2015 Boroondara Sustainability Awards for Schools
- developed the Open Space Asset Management Plan
- implemented the Glenferrie Water Management Plan by installing a storm water harvesting system
- delivered Stage 2 of the Winton Road Food Forest
- completed a pilot project for the recycling and reuse of small electrical appliances
- awarded the United Nations Association of Australia 2016 World Environment Day Award in the Local Government category for the Biodiversity Monitoring in Melbourne's East project, led on behalf of the Eastern Alliance for Greenhouse Action
- added 190 listings of native trees to the Boroondara Significant Tree List
- completed the design and community consultation for a wetland in Chandler Park, Kew
- introduced an online hard waste booking form
- installed 365 solar panels at Kew Recreation Centre to reduce annual greenhouse gas emissions by 190 tonnes.



## Report of Operations

For the year ended 30 June 2016

### Theme: Enhanced amenity

#### Strategic objective:

- The character of our neighbourhood is protected and improved.

#### Achievements:

- adopted the Heritage Action Plan 2016
- implemented an Internal Infringement Review Framework
- introduced an online form for the lodgement of objections for advertised planning permit applications
- adopted the Graffiti Management Strategy 2016
- completed the Boroondara Housing Strategy
- produced a brochure on regulatory requirements associated with front boundary and corner fences
- conducted the 2016 Boroondara Urban Design Awards
- completed the Boroondara Planning Scheme Review
- reviewed Council's Abandoned Vehicle Program.

### Theme: Quality facilities and assets

#### Strategic objective:

- The community's current and future needs for assets and facilities are proactively managed.

#### Achievements:

- adopted the Laneways Strategy for Shopping Centres 2015
- completed reconstruction works at the Gordon Barnard Reserve Eastern Oval
- developed the Civic Space at Hawthorn Arts Centre
- awarded the Parks and Leisure Australia (Victorian/Tasmanian branch) Leisure Facilities (Development) Award and the National Sports Convention Facility Design and Development Award for our redevelopment of the Ashburton Pool and Recreation Centre
- completed renewal works at the Kew Traffic School
- upgraded the Camberwell Fresh Food Market
- improved the streetscape at Harp Village as part of the Shopping Centre Improvement Plan
- conducted a condition survey of Boroondara's footpaths
- completed construction of the Hawthorn South Tennis Pavilion.

### Theme: Responsible management

#### Strategic objectives:

- Decision-making in the delivery of high quality services by capable and professional people reflects transparent, accountable and fair practices.
- Sound financial and risk management practices are carried out.

#### Achievements:

- began to implement our Customer Experience Improvement Strategy
- launched our Occupational Health and Safety (OHS) Strategic Plan 2015-18
- implemented paperless invoice processing for accounts payable
- introduced a process to improve research projects
- conducted a mystery shopping program throughout the organisation
- introduced a pilot program providing opportunities to maintain a healthy and active workforce
- implemented a Workforce Management System to accurately forecast call centre traffic
- revised and updated Council's Freedom of Information statement
- began to implement a Customer Relationship Management System
- implemented Council's OHS Hazard and Incident Information Management System
- developed an implementation plan for the Human Resources Information System
- awarded the Municipal Association of Victoria (MAV) Technology Awards for Excellence - Team Achievement Award for implementation of the GoldCare Mobility Plus application.



## Report of Operations

For the year ended 30 June 2016

## Challenges and future outlook

### Challenges:

- uncertainty of future government funding
- reform of Victorian Government planning policies and controls
- introduction of rate capping
- implementation of the new Customer Relationship Management (CRM) System
- competitive retail environment placing significant pressure on Boroondara's shopping centres
- increasing growth in Boroondara's ageing demographic
- retention of skilled staff
- replacement of Council's Document Management System
- introduction of the Commonwealth Home Support Program, funded by the Australian Government replacing the Home and Community Care Program.

### The Future:

- conduct the Council election and induction of the new Council
- channel shift from phone and face-to-face to online customer requests and systems
- redevelopment of the Balwyn Library
- continue to improve our natural and urban environment in a sustainable way
- continued implementation of the Customer Experience Improvement Strategy
- construction of the North East Community Hub
- embrace new technology with the view of enhancing productivity
- conduct of a municipal wide Heritage Gap Study to support the protection of the City's heritage
- development of the Boroondara Community Plan
- continue to streamline processes to improve customer experience and efficiencies.



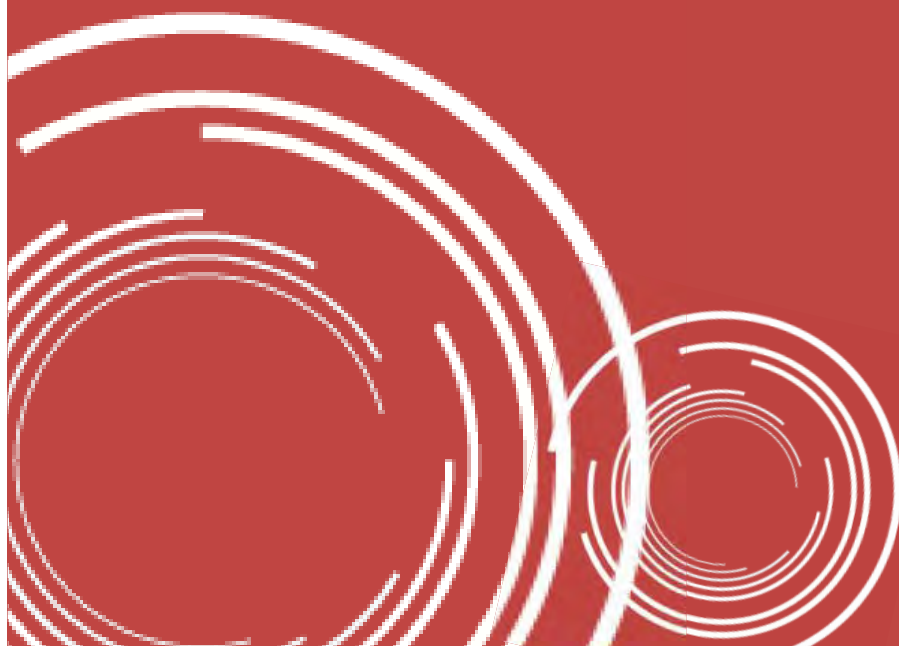
## The year in review

A message from the Mayor

Message from the CEO

Financial summary

Operations summary





## Report of Operations

For the year ended 30 June 2016



### A message from the Mayor



Our vision for Boroondara is a vibrant and inclusive community with an outstanding quality of life and high-quality facilities and services that are delivered in a financially responsible way. Community input helps to guide our decisions for the future of our wonderful City.

A priority for us over the past year has been the Boroondara Customer First Program, which will transform the way we work to meet changing community expectations in an increasingly digital world. We invested in this transformation to help ensure your interactions with Council are increasingly seamless. Throughout the year we asked our community to contribute to discussions to help us shape the future of our service delivery as we review our processes and digital capacity.

The 2015–16 financial year saw us continue to deliver strong financial management for our residents. For the third consecutive year we were able to deliver our lowest rate increase in a decade (4.5 per cent).

We are building our financial capacity for the future by paying off our loans faster, with a forecast that we will be debt free by 2026.

The Victorian Government announced rate capping commencing from 2016-17, based on the Consumer Price Index (CPI). While we remain opposed to this, our prudent management means that we can accommodate rate capping without cutting services in the medium term, however we believe the policy will inevitably have impacts on services and infrastructure in the longer term.

We manage a large number of community assets (almost \$3.3 billion) and deliver a multitude of services designed to meet community needs throughout all stages of life.

This year, we invested more than \$45 million in the renewal, expansion and upgrade of assets, including \$4.1 million on our parks, open spaces, playgrounds and streetscapes. As part of this, \$15.8 million was spent on drains, footpaths and local roads, and \$19 million on the renewal of community buildings.

Our building maintenance program saw work on 32 buildings, including the Camberwell Hockey Pavilion and the Glenferrie Road Community Facility.

Our focus on making Boroondara a great place to live, work and play means we must ensure our facilities continue to serve evolving community needs. Two major projects that commenced were the redevelopment of the Boroondara Sports Complex and a new North East Community Hub, both in Balwyn North.

This financial year we saw \$10.3 million spent on the expansion of the Boroondara Sports Complex, completed in June 2016. The complex includes a new fitness gym and program rooms, basketball/netball court, crèche, dedicated gymnastics space, additional car parking and improved pedestrian and vehicle circulation to improve public safety.

Another \$8.9 million was invested in new projects. These included \$1.6 million on the Glenferrie Water Management Plan, \$0.7 million on Camberwell Fresh Food Market entry works and \$1.2 million on the Hawthorn Arts Centre Civic Space. Additional new projects included an extension to the Hawthorn U3A building, Victoria Park master plan works including paths and entry works, Shopping Centre Improvement Plan works at Harp Village and Gordon Barnard Reserve East oval reconstruction.

**Report of Operations**

For the year ended 30 June 2016

Beyond our focus on new projects, we continue to fund and offer a range of ongoing services to the community:

- \$12.4 million on aged, disability and health services, such as immunisation, aged care and disability support for vulnerable members of our community
- \$8.6 million to operate our five public libraries every day of the week
- \$5 million on families and youth services such as maternal and child health and the Headspace Hawthorn consortium.

Other City-wide facilities include five recreation centres, which attract over two and a half million visitors annually, the Boroondara Tennis Centre, Boroondara Skate and BMX Park, Macleay Park Netball Courts, Freeway Public Golf Course and the Kew Traffic School.

In addition, we provide and maintain 43 buildings for community organisations offering kindergarten, occasional and long day care services.

All of this great work relies on the continued support and input of our residents, local businesses, community groups and Council officers. I thank everyone who has helped shape these many achievements in 2015-16.

Cr Jim Parke

**Mayor**

## Report of Operations

For the year ended 30 June 2016

## Message from the CEO



I am delighted to present Council's Annual Report for 2015–16. The Annual Report provides us an opportunity to detail our achievements and challenges for the year, as well as report on how we met our objectives and commitments in the Annual Plan 2015–16 and Budget 2015–16.

We are committed to ensuring that our community has a say in matters of interest. In the annual state-wide Local Government Community Satisfaction Survey, the City of Boroondara was yet again ranked as one of the top performing councils across the state and metropolitan area. While we are very pleased, we continue to work hard to ensure that our service offering is contemporary and that we simplify frustrating processes that get in the way of a good customer experience.

This year we embarked on the Boroondara Customer First Program to improve our management systems, create seamless and intuitive digital experiences and review the work we do and how we do it. We aim to provide a seamless experience for those dealing with Council by removing double handling, improving processes and IT systems, and putting the customer at the centre of everything that we do.

Many of our customers have helped us in the design phase of this digital transformation project. We also recognise that not all members of the community can, or indeed wish to, use digital services. Consideration will always be given to their particular needs.

While there were many achievements over the past year, there were also some challenges. Although we agree that rates must be kept affordable, it is disappointing that the Victorian Government has imposed a cap on the annual increase in rate revenue that councils can generate. The increase has been capped at the Consumer Price Index forecast, which for the coming year is 2.5 percent. Rate capping creates uncertainty around future rate revenue for Councils and is inconsistent with Councils' statutory obligation to develop long-term strategic plans.

Council constantly battles to balance the Victorian Government direction in planning with community expectations. This is a complex and contentious issue with no silver-bullet solution. When Council sought community views about the impact of new single dwellings on our City earlier this year, we received close to 1,000 submissions. There is a majority view that residents are concerned about established homes being demolished and replaced with large modern homes. Single dwellings are built under Victorian Government building regulations and Council's responsibilities and statutory powers regarding the approval of these developments are very limited.

We've had some success with our advocacy to introduce better residential design standards for our community. There is now a limit in the number of dwellings per lot and a two-storey height limit to parts of our City to maintain its residential character. We will continue to address community concerns and keep the community informed on our progress to preserve what we love about Boroondara's streetscapes and heritage.

In 2015-16, Council completed 95 per cent of its Annual Plan commitments with the remaining 5 per cent underway. Our financial position remains sound with a net surplus of \$41.12 million, above what was predicted. This was due to conservative budgeting of revenue streams and increased revenue for open space contributions. Open space contributions are budgeted conservatively as the timing and value of these contributions are unpredictable.

A surplus net result is an essential financial strategy that allows us to maintain and renew the \$3.3 billion net community assets under Council's control. We maintain infrastructure assets at the expected levels, while continuing to deliver the services needed by the community. Council invested \$45 million in renewal, expansion and upgrade works during the 2015–16 year.

Throughout this report, and outlined in the Mayor's message, you will see evidence of a number of service and infrastructure initiatives that have been completed to provide outstanding community facilities and opportunities for the community to meet, learn and recreate.

**Report of Operations**

For the year ended 30 June 2016

I would like to take this opportunity to thank Council staff for their commitment and efforts to deliver Council's diverse range of services, and particularly their enthusiasm to identify process improvements across the organisation. Thank you to the community for your support and input to deliver Council's vision over the past year.

A handwritten signature in black ink, appearing to read 'Phil Storer', written in a cursive style.

Phil Storer

**CEO**



## Report of Operations

For the year ended 30 June 2016

## Financial summary

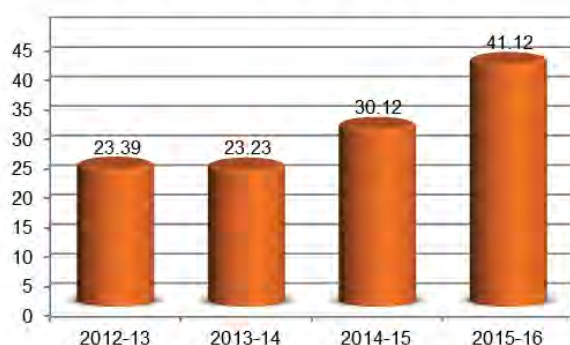
Council's financial position remains sound. A summary of our performance is outlined below while detailed information is included within the Financial Statements and Performance Statement sections of this report.

### Operating position

Council achieved a surplus of \$41.12 million in 2015-16. This surplus compares favourably to the original budget surplus of \$30.16 million. The favourable variance is primarily due to higher than budgeted monetary contributions of \$5.70 million (mainly open space), statutory fees and fines of \$2.38 million, supplementary rates of \$0.60 million, refund of carbon tax of \$0.89 million and interest income of \$0.82 million. Council achieved savings in other expenditure of \$0.79 million (including leased assets, training and fleet charges) and bad and doubtful debts of \$0.34 million, offset by a loss on disposal of property, infrastructure, plant and equipment of \$1.48 million.

The adjusted underlying surplus of Council – after removing non-recurrent capital grant income, monetary contributions and non-monetary asset contributions – is \$30 million. Sustaining a surplus underlying result is a sound financial strategy that provides capacity to renew the \$3.31 billion net community assets under our control.

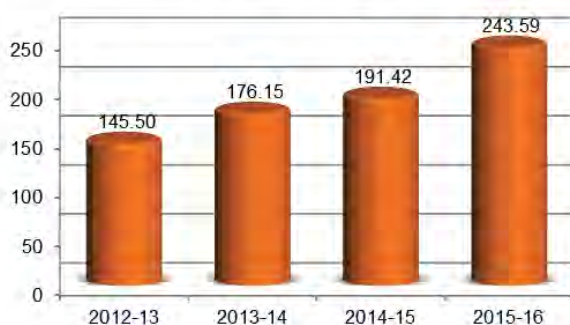
**Net operating result (\$ million)**



### Liquidity

Cash has increased by \$27.50 million from the previous year due to the movement in funds invested in term deposits greater than 90 days. The working capital ratio, which assesses Council's ability to meet current commitments, is calculated by measuring our current assets as a percentage of current liabilities. Our result of 243.59% indicates a satisfactory financial position.

**Working capital ratio %**





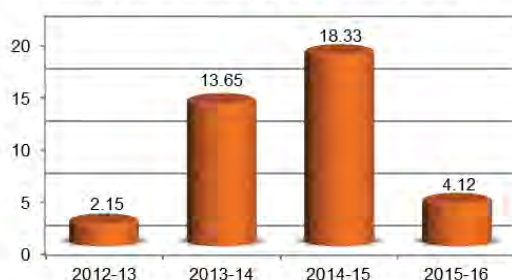
## Report of Operations

For the year ended 30 June 2016

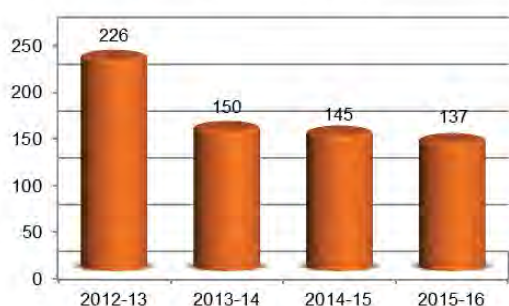
### Obligations

Council maintains infrastructure assets at expected levels while continuing to deliver community services. We invested \$41.91 million in renewal works during 2015-16. This was funded from capital grants of \$2.19 million and cash flow from operations of \$39.72 million. At the end of 2015-16, Council's loans and borrowings repayment ratio – measured by comparing interest-bearing loans and borrowing repayments to rate revenue – was 4.12%. Our asset renewal ratio – measured by comparing asset renewal expenditure to depreciation – was 137%. This was mainly due to the renewal of Boroondara Sports Complex (\$12.20 million), North Balwyn Tennis Club (\$1.22 million) and Hawthorn South Tennis Club (\$1.34 million).

**Loans and borrowings repayments ratio %**



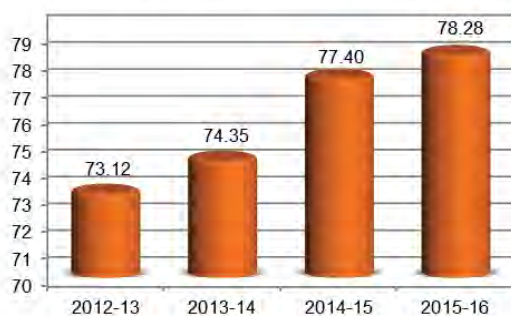
**Asset renewal ratio %**



### Stability and efficiency

Council raises revenue from rates, user fees, fines, grants and contributions. Council's rates concentration, which compares rate revenue to adjusted underlying revenue, was 78.28% for 2015-16. Council is very reliant on rates as a source of revenue because of statutory restrictions on many fees and charges and the declining level of payments from the Victorian Government to fund services, compared to the cost of providing these services. This resulted in an average residential rate per residential assessment of \$2,153, including waste charges.

**Rates concentration ratio %**







## Report of Operations

For the year ended 30 June 2016

### Operations summary

Council delivers a broad range of services ranging from family and children's services, traffic regulation, open space, youth facilities, waste management and community building; to business development, planning for appropriate development and ensuring accountability of Council's budget. These services and community infrastructure support the wellbeing and prosperity of our community. More details about our services are in the Our Performance section on page 27.

### Economic factors

#### Working capital indicator

An important measure of financial sustainability is working capital which is the capacity to fund short-term liabilities. The indicator is measured by comparing current assets (cash and receivables) to current liabilities (payables and short-term provisions). If this indicator measures less than 1.0 (that is, if current assets are lower than current liabilities) then it may indicate financial difficulty. The Auditor-General Victoria considers this a key indicator of Council's overall financial sustainability.

Cash is the largest component of Council's current assets and a key determinant in the working capital calculation. Council had a positive working capital ratio of 2.44 at 30 June 2016.

### Major projects

#### Boroondara Sports Complex

The \$13.5 million redevelopment of the Boroondara Sports Complex (BSC) is complete. The project consolidated all of the services offered at the Balwyn Leisure Centre and BSC into one state-of-the-art facility.

The renewed centre has a new gym and program rooms, basketball/netball court, crèche and change rooms as well as a dedicated gymnastics space and improved car park.

The upgraded centre was completed in late June 2016.

#### Balwyn Library

The Balwyn Library will undergo an \$8 million transformation into a more contemporary library with appealing spaces to meet, read and study.

The design for the redeveloped Balwyn Library has been finalised and includes more casual reading areas, improved access to the collection, a new quiet study area, a larger community meeting room and improved technology.

Construction is expected to commence in late 2016, and during that phase Balwyn Library will be temporarily relocated to the site of the former Balwyn Leisure Centre for about 14 months.

#### North East Community Hub

The \$17.3 million North East Community Hub will offer a range of community services and programs for residents.

It will include the North Balwyn RSL and its memorabilia; a neighbourhood house and community meeting rooms; an expanded Greythorn Early Childhood Centre and Kindergarten; relocated Greythorn Maternal and Child Health Centre; a library lounge; a large multi-purpose function room; allied health and family support services; and open space.

The design has been finalised and construction is due to begin in 2016-17, and it is planned to open in mid-2018.

#### Camberwell Community Centre

Planning began for a redeveloped Camberwell Community Centre (CCC) at 33-35 Fairholm Grove to better meet the current and future demand for a diverse range of activities and programs.



## **Report of Operations**

For the year ended 30 June 2016

The new facility will have more varied and functional spaces for community programs and groups, providing the opportunity for new activities for local residents of all age groups.

In late 2015, CCC participants and user groups, local residents and traders provided ideas for the design of the new building. A detailed design is being developed based on community feedback received on the concept plan. Construction is expected to commence in 2017 and it is anticipated the new facility will open in 2018.

## **Major achievements**

### **Boroondara Housing Strategy**

Council adopted the Boroondara Housing Strategy in December 2015. The strategy places a strong emphasis on protecting neighbourhood character and heritage places. The strategy recognises the importance of providing a diverse range of housing options, where appropriate, to cater for differing housing needs in Boroondara.

### **Civic Space**

The new Civic Space at Hawthorn Arts Centre was officially opened in January 2016. The development provides the community with an expansive, pedestrian-friendly and welcoming area to meet and socialise, on the doorstep of the Hawthorn Arts Centre and popular Glenferrie Shopping Centre precinct.

### **Glenferrie Water Management Plan**

Council implemented the Glenferrie Water Management Plan during the year, and installed a storm water harvesting system. It provides a more secure and sustainable water source for Grace Park and Glenferrie Oval, and provides an alternate water supply for other Boroondara parks when needed.

### **Children and Young People's Strategy**

Council adopted a Children and Young People's Strategy in November 2015. It provides a framework for supporting children, young people and their families, and service providers. More than 850 children, young people and their families, as well as a range of agencies and service providers, were consulted to help develop the strategy.

### **Graffiti Strategy**

Council adopted a Graffiti Management Strategy in June 2016. The strategy sets out a proactive, coordinated and collaborative approach to graffiti management in Boroondara and aims to improve the overall amenity of public spaces.

### **Disability Summit**

Council hosted the inaugural Disability Summit in July 2015. The summit provided a forum for people with disabilities, carers and community service organisations to discuss their information needs, experiences and aspirations about key disability topics.

### **Boroondara Library Services website**

A new Boroondara Library Services website delivered a new and functional profile for Council's library services. Feedback received from community consultation for the project was utilised to produce a website design with features that meet the needs of the community.

## **Organisational changes**

During 2015-16, minor reporting and name changes to the organisation structure were completed including, the Innovation Department moved from the Environment and Infrastructure Directorate to the CEO's Office, Library Services separated from the Arts and Cultural Services Department to form two departments; Infrastructure Services and Parks and Gardens Departments were merged into one department as Parks and Infrastructure.





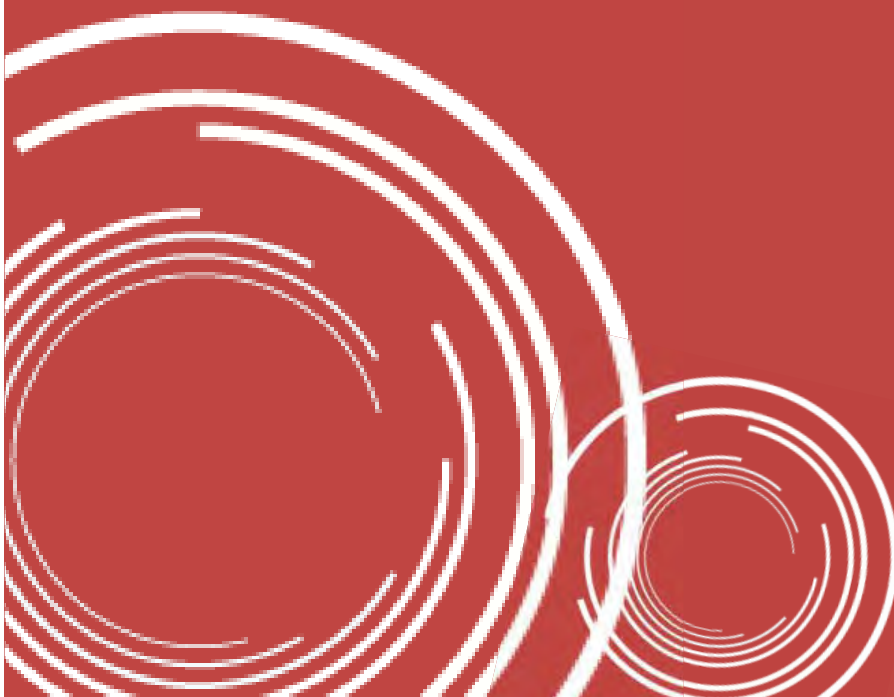
## Our Council

City profile - Boroondara

Council offices

Our councillors

Council wards





## Report of Operations

For the year ended 30 June 2016

# Our Council

## City profile – Boroondara

The City of Boroondara 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.

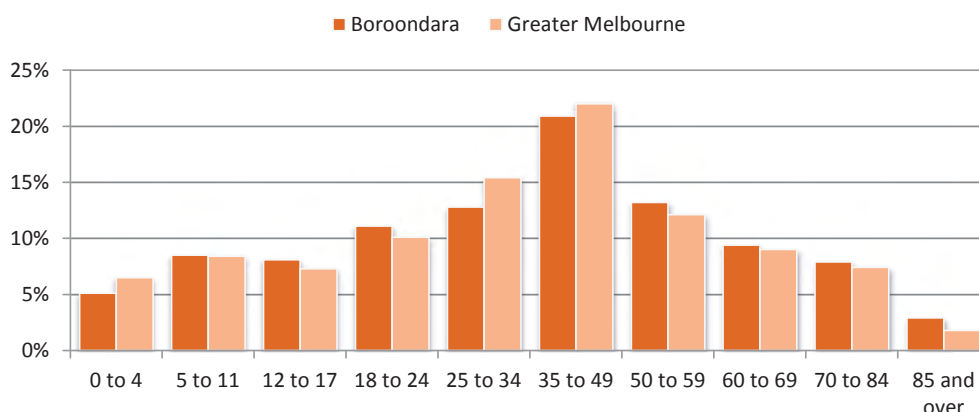
### History

The Traditional Owners of the land that comprises Boroondara include the Wurundjeri people in the northern parts of our City. After surveying the area in 1837, Robert Hoddle declared it the Parish of Boroondara, and because the area was densely wooded he took the word from the Woiwurrung language, translating it as 'where the ground is thickly shaded'.

The first local government body was the Boroondara District Road Board, formed in 1854, which encompassed the areas that were to become Hawthorn, Kew and Camberwell. With the amalgamation of these cities in June 1994, the City of Boroondara was created.

### Population

Boroondara has an estimated residential population of 174,787 people (as at 30 June 2015). Compared with the greater Melbourne area, we have a lower proportion of residents aged zero to four years and 25 to 49 years, and a larger proportion of residents aged 12 to 24 years and over 50 years. Within Boroondara, 22% of the population is aged between 0 and 17 years, and 33% is 50 years and over. Among Victorian local government areas, Boroondara has the fifth largest population of people aged 85 years and over, and 3.7% of the population needs assistance with daily living tasks.



### Where are we from?

While 68% of Boroondara residents were born in Australia, we are becoming more culturally and linguistically diverse. At the 2011 Census, over a quarter of the population was born overseas, with the majority coming from countries where English is not the main language. There are over 150 countries of birth and more than 120 languages spoken in our community. Between 2006 and 2011, the Chinese born population grew by 2,548 people and the Indian born population by 903 residents. In 2015-16, 40% of migrants settling in Boroondara were from China and 24% were from India.

### Education hub

By area, Boroondara has one of the highest concentrations of schools of all Victorian local government areas, with 57 secondary, primary and special education schools, including 13 combined primary and secondary schools, as well as Swinburne University, Swinburne TAFE, a University of Melbourne campus and two Universities of the Third Age. The City has 10 neighbourhood and community centres where residents can complete a short course or obtain certified or pre-accredited training in a variety of subjects.



## Report of Operations

For the year ended 30 June 2016

### Work and income

A quarter of Boroondara's employed residents work within the City of Boroondara and just under a quarter work in the City of Melbourne. Six in ten employed residents are managers or professionals, compared to four in 10 in Metropolitan Melbourne. Income levels for individuals and households are higher than average and 45% of Boroondara households have an income in the top 25% for Victoria. However, 15% of Boroondara households live on less than \$600 a week.

### Where do we shop?

Boroondara has a strong retail/commercial sector with the main shopping strips located at Camberwell Junction, Kew Junction and Hawthorn's Glenferrie Road. Boroondara has 50 strip shopping centres.

### How do we live?

At the 2011 Census, Boroondara had 65,164 dwellings, ranging from separate houses (62% of all dwellings) to medium and high density dwellings, which are more commonly found in Hawthorn and Hawthorn East. Housing affordability is a major issue with lower income earners facing rising rents. Average first-home buyers experienced difficulties in affording a home in the City's housing market, one of the most expensive in Victoria. About 1.3% of Boroondara's housing is social housing (provided for non-profit purposes), which includes community-based and public housing.

### Transport

The City has extensive train, tram and bus transport routes, but still has areas without easy access to public transport where households rely on private vehicles. Our sustainable transport pathways continue to expand, with over 57km of on-road cycling paths on arterial and local roads. The City has 34km of shared paths across major trails, including the Gardiners Creek, Anniversary, Main Yarra and Koonung trails.

### Open spaces

Boroondara has retained its green and leafy streets, parks and gardens due to water-wise and sustainable practices. The City is rich in its biodiversity, has an array of flora and fauna, and about 600 hectares of open space. The majority of residents have access to public open space close to their homes.

Like other municipalities, we face a challenge to maintain the standard of our current environment, liveability and heritage amidst the impacts of climate change, water shortages, increased pollution, and increasing population densities and development.

For more information and statistics about the City of Boroondara, go to [www.boroondara.vic.gov.au/AAB](http://www.boroondara.vic.gov.au/AAB)



A detailed map of the City and the ward boundaries is included on page 21.

**Report of Operations**

For the year ended 30 June 2016

## Council offices

**Camberwell office**

8 Inglesby Road, Camberwell

**Hawthorn Arts Centre**

360 Burwood Road, Hawthorn

**Kew Library**

Corner Cotham Road and Civic Drive, Kew

**Postal address**

Private Bag 1  
Camberwell VIC 3124

**Website:** [www.boroondara.vic.gov.au](http://www.boroondara.vic.gov.au)

**Telephone:** 9278 4444

**Email:** [boroondara@boroondara.vic.gov.au](mailto:boroondara@boroondara.vic.gov.au)



## Report of Operations

For the year ended 30 June 2016

## Our councillors

Council is responsible for the stewardship and corporate governance of the organisation. In October 2012, the Boroondara community elected this Council for a four-year term. The municipality is divided into 10 wards, each represented by one councillor.

Ten councillors are the elected representatives of all residents and ratepayers across the City. They are responsible for setting the strategic direction of the municipality, developing policy, identifying service standards and monitoring the performance of the organisation.



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### Cr Jim Parke

**Bellevue Ward**, including most of Kew East and part of Balwyn North

**First elected:** October 2012

**Mayor:** 2015-16

**Mayor's office:** 9278 4457

**T** 9835 7840

**M** 0419 333 333

**E** [jim.parke@boroondara.vic.gov.au](mailto:jim.parke@boroondara.vic.gov.au)



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### Cr Judith Voce

**Cotham Ward**, including parts of Kew, Kew East, Deepdene, parts of Balwyn and Balwyn North

**First elected:** March 1999

**Re-elected:** October 2012

**Mayor:** March 2003 - March 2004, March 2004 - November 2004

**T** 9835 7841

**M** 0409 887 097

**E** [judith.voce@boroondara.vic.gov.au](mailto:judith.voce@boroondara.vic.gov.au)



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### Cr Coral Ross

**Gardiner Ward**, including parts of Hawthorn, Hawthorn East, Camberwell and Glen Iris

**First elected:** March 2002

**Mayor:** 2007-08, 2013-14 and 2014-15

**T** 9835 7842

**M** 0438 005 225

**E** [coral.ross@boroondara.vic.gov.au](mailto:coral.ross@boroondara.vic.gov.au)



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### Cr Steve Hurd

**Glenferrie Ward**, representing parts of Hawthorn

**First elected:** October 2012

**T** 9835 7849

**M** 0417 708 182

**E** [steve.hurd@boroondara.vic.gov.au](mailto:steve.hurd@boroondara.vic.gov.au)

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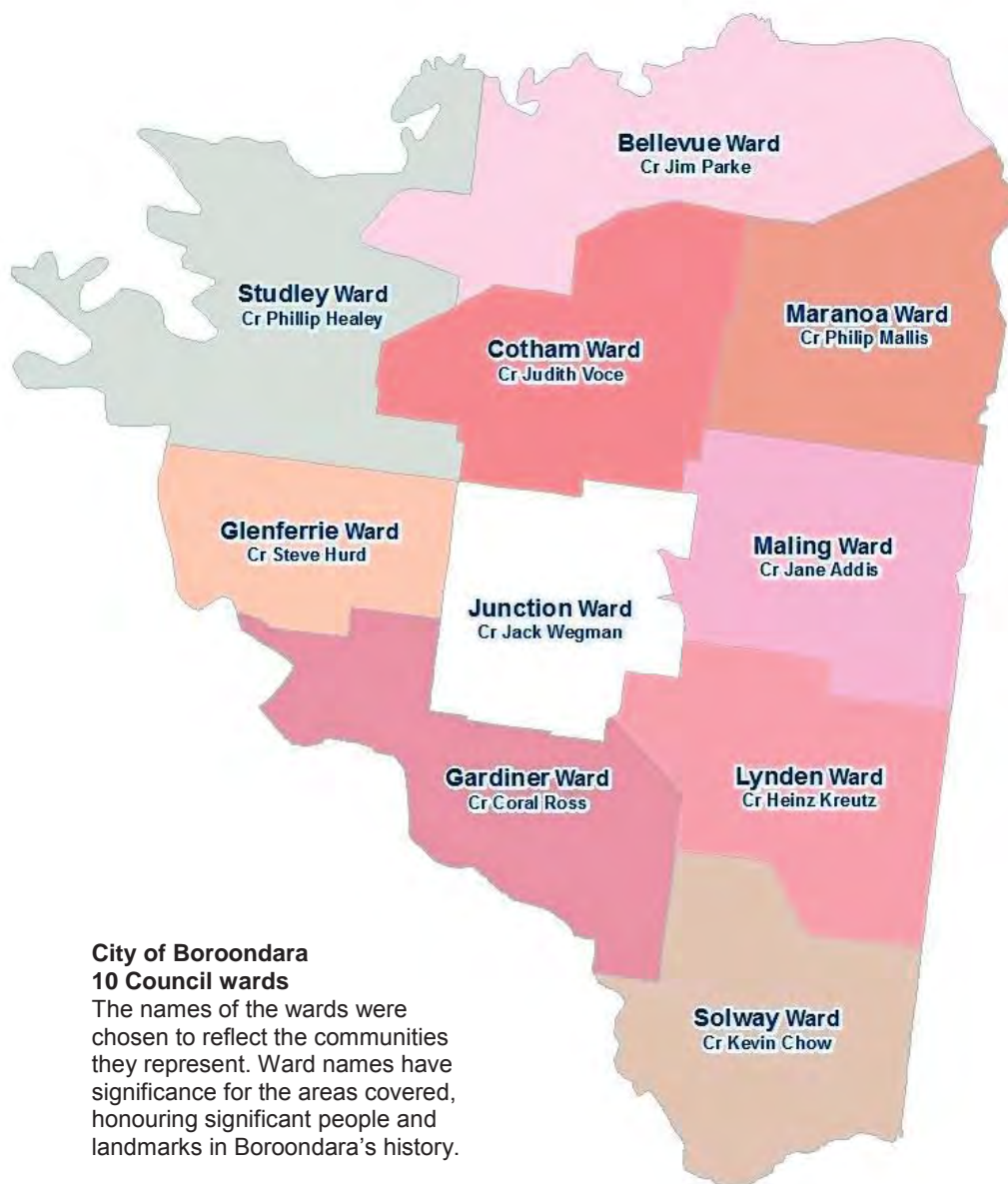
**Report of Operations**

For the year ended 30 June 2016

**Cr Jack Wegman****Junction Ward**, including parts of Hawthorn East, Camberwell and Canterbury**First elected:** March 2002**Mayor:** 2004-05, 2005-06, 2008-09, 2009-10 and 2012-13**T** 9813 4749**M** 0438 011 665**E** [jack.wegman@boroondara.vic.gov.au](mailto:jack.wegman@boroondara.vic.gov.au)**Cr Heinz Kreutz****Lynden Ward**, including parts of Camberwell, Glen Iris and Canterbury**First elected:** March 2002**Mayor:** 2011-12**T** 9835 7844**M** 0438 006 656**E** [heinz.kreutz@boroondara.vic.gov.au](mailto:heinz.kreutz@boroondara.vic.gov.au)**Cr Jane Addis****Maling Ward**, including parts of Canterbury, Surrey Hills and Balwyn**First elected:** October 2012**T** 9835 7845**M** 0409 267 902**E** [jane.addis@boroondara.vic.gov.au](mailto:jane.addis@boroondara.vic.gov.au)**Cr Philip Mallis****Maranoa Ward**, including parts of Balwyn, Balwyn North and Mont Albert**First elected:** October 2012**T** 9835 7846**M** 0418 564 410**E** [philip.mallis@boroondara.vic.gov.au](mailto:philip.mallis@boroondara.vic.gov.au)**Cr Kevin Chow****Solway Ward**, including parts of Ashburton and Glen Iris**First elected:** November 2008**T** 9835 7847**M** 0427 544 328**E** [kevin.chow@boroondara.vic.gov.au](mailto:kevin.chow@boroondara.vic.gov.au)**Cr Phillip Healey****Studley Ward**, including parts of Kew and Kew East**First elected:** November 2004**Mayor:** 2006-07**T** 9852 7967**M** 0437 374 773**E** [phillip.healey@boroondara.vic.gov.au](mailto:phillip.healey@boroondara.vic.gov.au)



**Report of Operations**  
For the year ended 30 June 2016



**City of Boroondara**  
**10 Council wards**

The names of the wards were chosen to reflect the communities they represent. Ward names have significance for the areas covered, honouring significant people and landmarks in Boroondara's history.



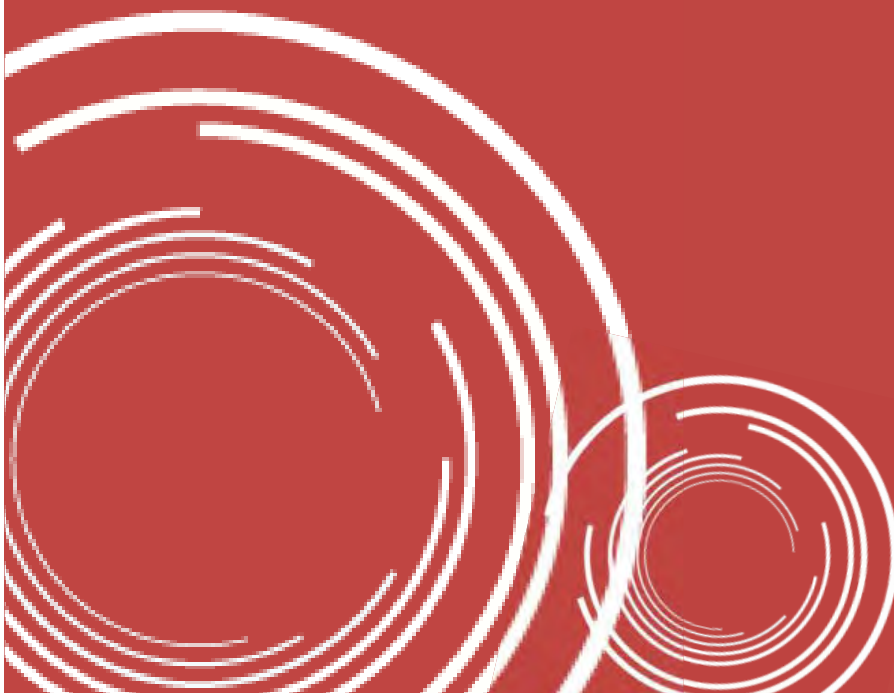
## Our people

Organisational structure

Council staff

Equal Employment Opportunity Program

Other staff matters







## Report of Operations

For the year ended 30 June 2016

## Our people

### Organisational structure




Council is the governing body that appoints a Chief Executive Officer (CEO), who has responsibility for the day-to-day management of the organisation. The CEO, four directors and an executive manager form an Executive Leadership Team to lead the organisation:

	<p><b>Phillip Storer</b>  <b>Chief Executive Officer</b>  T 9278 4455</p>
<p><b>Senior officers reporting directly to the Chief Executive Officer:</b></p>	
	<p><b>John Luppino</b>  <b>Director City Planning</b>  T 9278 4800</p> <p>Areas of responsibility:</p> <ul style="list-style-type: none"> <li>• Building services</li> <li>• Local laws</li> <li>• Statutory planning</li> <li>• Strategic planning</li> </ul>
	<p><b>Carolyn McClean</b>  <b>Director Community Development</b>  T 9278 4600</p> <p>Areas of responsibility:</p> <ul style="list-style-type: none"> <li>• Arts and cultural services</li> <li>• Community planning and development</li> <li>• Family, youth and recreation</li> <li>• Health, active ageing and disability services</li> <li>• Library services</li> </ul>



## Report of Operations

For the year ended 30 June 2016

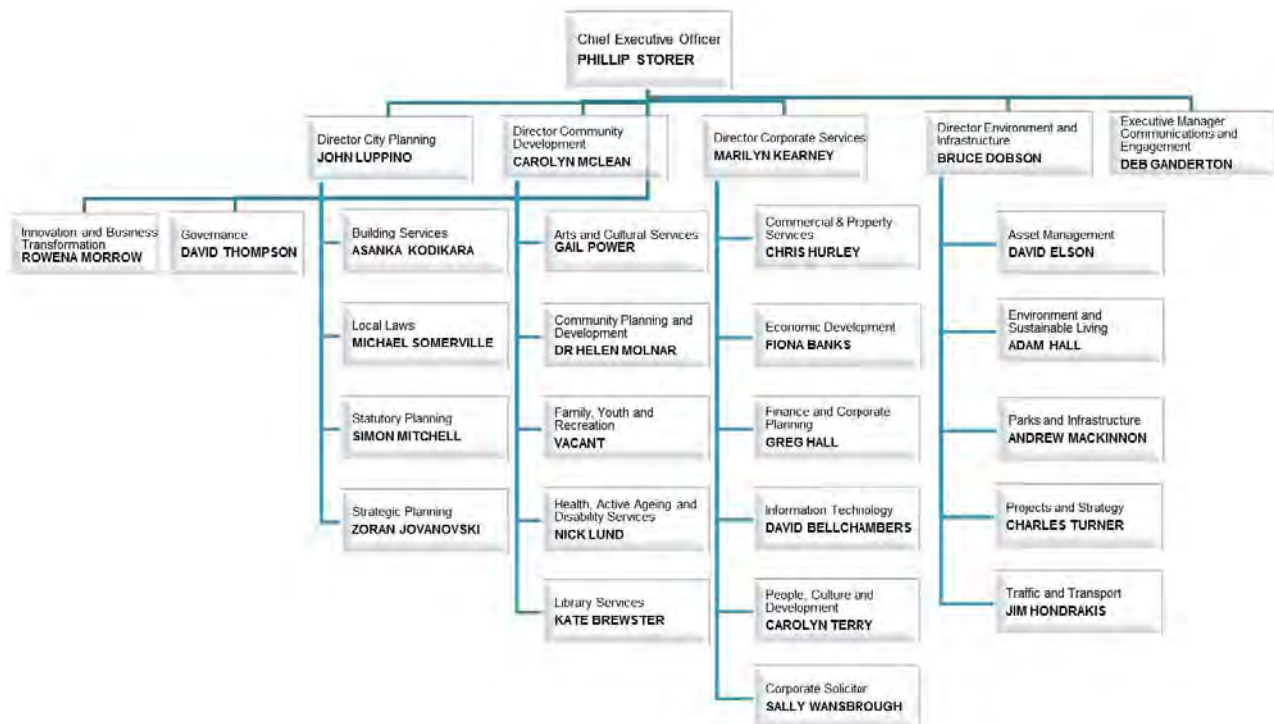
	<p><b>Marilyn Kearney</b>  <b>Director Corporate Services</b>  <b>T 9278 4300</b></p> <p>Areas of responsibility:</p> <ul style="list-style-type: none"> <li>• Commercial and property services</li> <li>• Economic development</li> <li>• Finance and corporate planning</li> <li>• Information technology</li> <li>• People, culture and development</li> <li>• Corporate solicitor.</li> </ul>
	<p><b>Bruce Dobson</b>  <b>Director Environment and Infrastructure</b>  <b>T 9278 4500</b></p> <p>Areas of responsibility:</p> <ul style="list-style-type: none"> <li>• Asset management</li> <li>• Environment and sustainable living</li> <li>• Parks and infrastructure</li> <li>• Projects and strategy</li> <li>• Traffic and transport</li> </ul>
	<p><b>Deb Ganderton</b>  <b>Executive Manager Communications and Engagement</b>  <b>T 9278 4490</b></p> <p>Areas of responsibility:</p> <ul style="list-style-type: none"> <li>• Communications</li> <li>• Customer service</li> <li>• Engagement and research</li> </ul>



## Report of Operations

For the year ended 30 June 2016

The Senior Leadership Team (SLT) includes the Executive Leadership Team and all department managers. SLT has a broad skill set and gender, age, sector and geographical diversity, contributing to the strength of the administration. There are 22 department managers and other key areas of focus. The structure of SLT as at 30 June 2016:





## Report of Operations

For the year ended 30 June 2016

### Council staff

A summary of full time equivalent (FTE) Council staff by organisational structure, employment type and gender:

Full time equivalent (FTE)						
Employment type/ gender	CEO's Office	City Planning	Communications and Engagement	Community Development	Corporate Services	Environment and Infrastructure
Permanent FT - F	13.0	45.4	18.0	115.2	46.0	24.1
Permanent FT - M	9.0	50.9	8.0	18.6	41.0	169.4
Permanent PT - F	1.3	19.3	7.7	110.9	17.3	7.7
Permanent PT - M	0.4	12.0	1.6	15.6	3.4	2.9
Casual - F	0.3	1.0	3.2	8.4	2.6	0.0
Casual - M	0.0	1.6	0.5	3.3	0.6	0.0
<b>Total</b>	<b>24.0</b>	<b>130.2</b>	<b>39.0</b>	<b>272.0</b>	<b>110.9</b>	<b>204.1</b>

**Legend:** FT - Full time; PT - Part time; F - Female; M - Male.

A summary of full time equivalent (FTE) staff categorised by employment classification and gender:

Employment classification	Female FTE	Male FTE	Total FTE
Band 1	14.36	9.98	24.34
Band 2	2.62	4.69	7.31
Band 3	50.16	33.71	83.87
Band 4	113.32	38.80	152.12
Band 5	77.60	27.56	105.16
Band 6	68.51	41.78	110.29
Band 7	18.58	17.18	35.76
Band 8	10.08	3.85	13.93
Band not applicable	86.14	161.24	247.38
<b>Total</b>	<b>441.37</b>	<b>338.79</b>	<b>780.16</b>



## Report of Operations

For the year ended 30 June 2016

## Equal Employment Opportunity Program

Council has an Equal Employment Opportunity Program designed to eliminate discrimination and promote equal opportunity.

Indicators that measure the effectiveness of the Program and the results for the year are:

- Indicator: Percentage of new employees receiving Equal Employment Opportunity in the Workplace Policy on commencement. Target: 100%. Result: 100%
- Indicator: Number of contact officers per number of council office locations. Target: 1:1. Result: Six locations, six contact officers.

The Equal Employment Opportunity Committee (EEO contact officers) monitors the indicators and meets regularly to promote employee and management awareness, consider relevant issues and contribute to resolution and advice. During the year, the committee discussed issues regarding domestic violence, age discrimination, bullying and harassment and cultural differences. Names and contact details of EEO contact officers are published on the intranet and staff noticeboards to ensure all staff can access support.

## Other staff matters

### Local Area Workplace Agreements

Three Local Area Workplace Agreements were successfully negotiated during 2015-16. All current workplace agreements now have a common expiry date of 30 June 2018.

### Leadership development

The third cohort of our Leadership Development Program, delivered in partnership with Leadership Victoria, began in August 2015 and concluded in February 2016.

Leadership development was also targeted in our Corporate Learning Program via workshops including the Adaptive Leadership, Hope Efficacy, Resilience and Optimism at Work, Coaching in Practice, and Coaching for Performance workshops.

### Staff engagement

The It's Your Working Life staff survey was conducted in April 2016. The City of Boroondara engaged an independent survey provider to measure overall staff engagement. The findings of the survey will help prioritise actions to create a great working environment.

The survey measured attitudes and behaviours that underpin the wellbeing, engagement and performance of our staff. Team climate is an aggregate measure of seven key characteristics found to underpin the wellbeing and performance of employees.

The results showed significant improvements since a benchmark survey in 2013. Participation levels were strong, with 73 per cent of staff completing the survey. The results identified opportunities to improve how we work across teams and challenge our processes. Understanding and building these areas play an important role in our focus of improving customer experience and delivering value to our community.

### Health, safety and wellbeing

Council's OHS Strategic Plan 2015-18 sets out the direction for proactive culture of actively identifying our safety hazards, managing risks, creating safe design and striving for injury prevention while delivering high-quality services to our community.

Initiatives such as the online OHS Hazard and Incident Reporting System and the on-site pilot PhysioAssist program (injury prevention) positively influenced Council's injury performance with Council's Lost Time Injury Frequency Rate (LTIFR) reduced to 3.91, the lowest rate recorded over the past four years.

Council's health and wellbeing program also offered staff a range of activities to get fit, stay in shape and enjoy life.



## Our performance

Planning and accountability

Council Plan

How we are measured

Theme 1: Strong and engaged communities

Theme 2: Sustainable environment

Theme 3: Enhanced amenity

Theme 4: Quality facilities and assets

Theme 4: Responsible management

## Report of Operations

For the year ended 30 June 2016



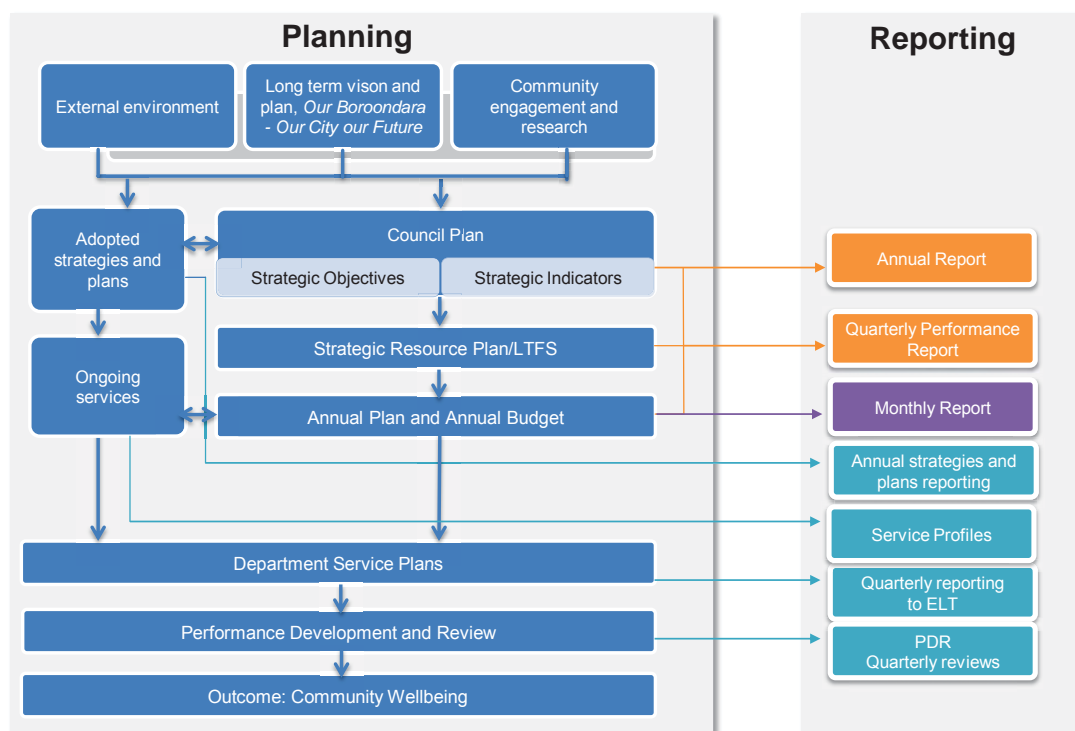
# Our performance

## Planning and accountability

Council's short, medium and long term plans are influenced by community feedback, research and government policy.

Our planning and reporting framework ensures our strategies and financial resources are aligned to deliver the Council Plan 2013-17.

Our ongoing monitoring and reporting of performance through monthly, quarterly, and annual reports ensures we are accountable, transparent and comply with legislation.





## Report of Operations

For the year ended 30 June 2016

## Council Plan

Boroondara's Council Plan outlines our vision and strategic plan for the Council term. The plan commits to long-term planning in building capacity in many areas, continuing to revitalise our City, focusing on our community services and tangible infrastructure and asset renewal projects.

The Annual Plan 2015-16 outlines Council's commitments in support of the Strategic Objectives and other adopted strategies and plans.

The Council Plan outlines Themes which are informed by the *'Our Boroondara - Our City Our Future'* document as key focus areas for the four-year Council term and these Themes are supported by Council's Strategic Objectives. The Strategic Objectives describe how Council's vision and mission is achieved and are monitored by Strategic Indicators.

Themes	Strategic Objectives
<b>Strong and engaged communities</b>	<ul style="list-style-type: none"> <li>Our community has a say in matters of interest to them in achieving Boroondara's vision.</li> <li>Community needs are identified and responses planned accordingly.</li> <li>Opportunities are provided to enable people in our community to be supported and involved.</li> </ul>
<b>Sustainable environment</b>	<ul style="list-style-type: none"> <li>Our natural and urban environment is improved in a sustainable way.</li> </ul>
<b>Enhanced amenity</b>	<ul style="list-style-type: none"> <li>The character of our neighbourhoods is protected and improved.</li> </ul>
<b>Quality facilities and assets</b>	<ul style="list-style-type: none"> <li>The community's current and future needs for assets and facilities are proactively managed.</li> </ul>
<b>Responsible management</b>	<ul style="list-style-type: none"> <li>Decision-making in the delivery of high quality services by capable and professional people reflects transparent, accountable and fair practices.</li> <li>Sound financial and risk management practices are carried out.</li> </ul>

## How we are measured

Our performance is reported against each theme in four ways:

1. Results of Strategic Indicators in the Council Plan.
2. Progress of major initiatives in the Budget.
3. Performance of services funded in the Budget.
4. Results of prescribed service performance indicators and measures.













**Report of Operations**  
For the year ended 30 June 2016

## Theme 1: Strong and engaged communities




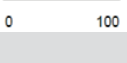

Results of Strategic Indicators in the Council Plan:

Strategic Indicator	2014-15 Result	2015-16 Target	2015-16 Result	2016-17 Target
<b>Strategic Objective</b>				
Our community has a say in matters of interest to them in achieving Boroondara's vision.				
Percentile ranking of community satisfaction with consultation and engagement measured through the annual Victorian Government Community Satisfaction Survey.	62	64	63 	64
<i>The result of 63 is within the margin of error (+/- 4.4%) of the survey.</i>				
<b>Strategic Objective</b>				
Community needs are identified and responses planned accordingly.				
Development of all Council policies, strategies and plans are informed by the assessment of community needs.	N/A	100%	100% 	100%
<b>Strategic Objective</b>				
Opportunities are provided to enable people in our community to be supported and involved.				
Number of members of the Boroondara Business Network.	1,910	1,850	2,028 	1,900
Percentage of users satisfied with training and support initiatives for local business.	80%	80%	80% 	80%
Number of young people attending Youth Services programs or services.	3,661	3,000	3,512 	3,500
Proportion of infants born that receive primary immunisations.	92%	90%	92% 	90%
Participant satisfaction with Boroondara Maternal and Child Health service.	99%	95%	95% 	95%
Proportion of registered premises that are inspected annually as required by the <i>Food Act 1984</i> and the <i>Public Health and Wellbeing Act 2008</i> .	100%	100%	100% 	100%



## Report of Operations

For the year ended 30 June 2016

Strategic Indicator	2014-15 Result	2015-16 Target	2015-16 Result	2016-17 Target
Percentage of clients satisfied with Home and Community Care (HACC) services.	95%	92%	96% 	92%
Percentage satisfaction of hire facilities for events at the Kew Court House.	95%	90%	90% 	90%
Percentage of Boroondara residents who are active borrowers.	30%	30%	30% 	28%
Overall participation in library services (includes loans, returns, visits, program attendances, e-books and audio loans, enquiries, reservations, wi-fi and virtual visits).	N/A	4,250,000	5,999,022 	4,500,000
Number of community events programmed by Arts and Culture.	119	55	178 	85
<i>Comment: 2015-16 result is higher than target as a weekly community cultural development series has been introduced.</i>				

Progress of major initiatives in the Budget:

Major Initiative	Responsible Directorate	Status
Conduct a survey of community mental health services in the City to identify demographic trends in mental health, monitor changes in the sector and support collaboration between providers to better assist those with mental health needs.		
Encourage community support of local businesses by continuing to enhance the Buy Local campaign for Boroondara, through participation in the Destination Melbourne Partnership program, mixed media promotions and championing <a href="http://www.boroondaralife.com.au">www.boroondaralife.com.au</a>		
Complete the design of the Balwyn Library Redevelopment Project to meet the current and future requirements of the community.		



## Report of Operations

For the year ended 30 June 2016

Performance of services funded in the Budget:

Service category	Description	Net Cost Actual Budget Variance \$'000
<b>Communications and Engagement</b>	<ul style="list-style-type: none"> <li>Ensures a customer first culture is sustained across Council</li> <li>Provides an in-house advisory services to improve the quality of customer service in all areas of Council</li> <li>provides an in-house print and design service</li> <li>provides an in-house writing, editing and digital media service</li> <li>provides translation service and support multilingual communications</li> <li>enhances and protects the City of Boroondara's reputation</li> <li>develops strategic integrated communication plans for key initiatives linked to the Council Plan</li> <li>delivers advocacy campaigns in collaboration with the responsible Director, CEO and Councillors</li> <li>undertakes a corporate research program to inform improved service outcomes</li> <li>offers, creates and maintains a broad range of engagement tools to facilitate the capture of external feedback, including e-kiosks, Boroondara Community Voice Panel and online survey tool.</li> </ul>	<b>\$2,560</b> <b><u>\$2,582</u></b> <b>(\$22)</b>
<b>Library Services</b>	<ul style="list-style-type: none"> <li>provides a large range of relevant, contemporary library collections and services: in libraries, online and via home library services</li> <li>provides welcoming community spaces for individual and group study, reflection, activity and discovery</li> <li>promotes, advocates for and supports literacy development, reader development, lifelong learning, creative and intellectual development</li> <li>provides family, children and adult library programs and activities.</li> </ul>	<b>\$6,205</b> <b><u>\$6,337</u></b> <b>(\$132)</b>



## Report of Operations

For the year ended 30 June 2016

Service category	Description	Net Cost Actual <u>Budget</u> Variance \$'000
<b>Community Planning and Development</b>	<ul style="list-style-type: none"> <li>aims to enhance the health, wellbeing and safety of residents</li> <li>facilitates community connectedness, strengthens community capacity and responds to identified needs through the delivery of a range of programs, partnerships and networking opportunities for Boroondara's community</li> <li>works actively within the community on key community development activities, including men's shed and major projects</li> <li>provides support, advice and assistance to neighbourhood houses</li> <li>develops policies, strategies and plans that address community priorities</li> <li>monitors, forecasts and analyses community change and wellbeing</li> <li>undertakes extensive community research on behalf of Council departments and the community</li> <li>prepares Council submissions in response to Australian and Victorian government enquiries and advocates on social issues impacting on the community</li> <li>manages the Boroondara Community Grants Program of annual and operational triennial grants and the registered rooming house subsidy</li> <li>promotes, supports and assists the development of volunteering and civic participation through the Boroondara Volunteer Resource Centre.</li> </ul>	<b>\$2,726</b> <b><u>\$2,958</u></b> <b>(\$232)</b>
<b>Family and Youth Services</b>	<ul style="list-style-type: none"> <li>operates the Boroondara Maternal and Child Health, Kindergarten Central Enrolment Scheme, Kew Occasional Child Care, Parent Child Mother Goose Program and the Boroondara Youth Centre</li> <li>undertakes strategic planning and policy development to facilitate access to active participation opportunities for the Boroondara community</li> <li>facilitates training and support for service providers and voluntary committees of management for early years and youth services</li> <li>advocates on behalf of young people, children and their families</li> <li>provides support and information, activities and programs to young people and their families</li> <li>facilitates the development of integrated and coordinated service for children, young people and their families</li> <li>supports the inclusion of children into kindergarten and long day care services through the provision of the Preschool Field Officer and inclusion support programs</li> <li>facilitates long day care, occasional care and kindergarten services through the provision of 43 buildings leased to the community and volunteer committees of management</li> <li>facilitates community support programs through the provision of annual funding in a deed of agreement with Camcare</li> <li>supports young people's health and wellbeing through delivery of services as part of Headspace Hawthorn consortium.</li> </ul>	<b>\$3,603</b> <b><u>\$3,306</u></b> <b>\$297</b>



## Report of Operations

For the year ended 30 June 2016

Service category	Description	Net Cost Actual <u>Budget</u> Variance \$'000
<b>Health, Active Ageing and Disability Services</b>	<ul style="list-style-type: none"> <li>coordinates public health services including immunisation and environmental health</li> <li>provides home support services via the Active Service Model approach including home, personal and respite care, food services and property maintenance</li> <li>provides volunteer and community transport, and social support (including events and planned activity groups)</li> <li>coordinates emergency management (recovery) across the municipality</li> <li>manages Canterbury Memorial Home Units (23 independent living units) <ul style="list-style-type: none"> <li>undertakes strategy and development with a focus on positive ageing and disability (including Metroaccess).</li> </ul> </li> </ul>	<b>\$3,523</b> <u><b>\$4,746</b></u> <b>(\$1,223)</b>
<b>Arts and Culture</b>	<ul style="list-style-type: none"> <li>produces cultural programs and events for the community</li> <li>programs and manages cultural facilities at the Town Hall Gallery, Kew Court House and Hawthorn Arts Centre</li> <li>provides funding support for community arts and culture groups.</li> </ul>	<b>\$1,999</b> <u><b>\$2,059</b></u> <b>(\$60)</b>
<b>Economic Development</b>	<ul style="list-style-type: none"> <li>strengthens the viability of local businesses, including strip shopping centres</li> <li>facilitates the Boroondara Business Network, the Boroondara Farmers Market and the Hawthorn Craft Market</li> <li>supports new and established businesses, through training and mentor services</li> <li>facilitates regular networking opportunities for the local business community</li> <li>supports and promotes tourism opportunities across the municipality.</li> </ul>	<b>\$845</b> <u><b>\$715</b></u> <b>\$130</b>

Results of other service performance indicators and measures including explanation of material variation:

Service/indicator/measure	Results		Material variations
	2015	2016	
Libraries			
Utilisation	5	5	
Library collection usage (Number of library collection item loans / Number of library collection items)			
Resource standard	48%	52%	
Standard of library collection (Number of library collection items purchased in the last 5 years / Number of library collection items)			



## Report of Operations

For the year ended 30 June 2016

Service/indicator/measure	Results		Material variations
	2015	2016	
<b>Service cost</b> Cost of library service (Direct cost of the library service / Number of visits)	\$7	\$7	
<b>Participation</b> Active library members (Percentage of active library members / Municipal population)	23%	24%	
<b>Maternal and Child Health (MCH)</b>			
<b>Satisfaction</b> Participation in first MCH home visit (Number of first MCH home visits / Number of birth notifications received)	104%	N/A	In 2016 there was an initiative to transition the majority of Victorian councils offering Maternal and Child Health Services to a new database. The database is not expected to provide reliable information until the end of September 2016. Therefore, Council is unable to report this data for the 2015-16 financial year.
<b>Service standard</b> Infant enrolments in MCH service (Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received)	100%	N/A	In 2016 there was an initiative to transition the majority of Victorian councils offering Maternal and Child Health Services to a new database. The database is not expected to provide reliable information until the end of September 2016. Therefore, Council is unable to report this data for the 2015-16 financial year.
<b>Service cost</b> Cost of the MCH service (Cost of the MCH service / Hours worked by MCH nurses)	N/A	\$70	Measure applicable from 1 July 2015.
<b>Participation</b> Participation in the MCH service (Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service)	83%	N/A	In 2016 there was an initiative to transition the majority of Victorian councils offering Maternal and Child Health Services to a new database. The database is not expected to provide reliable information until the end of September 2016. Therefore, Council is unable to report this data for the 2015-16 financial year.



## Report of Operations

For the year ended 30 June 2016

Service/indicator/measure	Results		Material variations
	2015	2016	
Participation in MCH service by Aboriginal children (Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service)	87%	N/A	In 2016 there was an initiative to transition the majority of Victorian councils offering Maternal and Child Health Services to a new database. The database is not expected to provide reliable information until the end of September 2016. Therefore, Council is unable to report this data for the 2015-16 financial year.
<b>Food safety</b>			
<b>Timeliness</b> Time taken to action food complaints (Number of days between receipt and first response action for all food complaints / Number of food complaints)	N/A	1.7	Measure applicable from 1 July 2015.
<b>Service standard</b> Food safety assessments (Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the <i>Food Act 1984</i> / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the <i>Food Act 1984</i> )	100%	100%	
<b>Service cost</b> Cost of food safety service (Direct cost of the food safety service / Number of food premises registered or notified in accordance with the <i>Food Act 1984</i> )	\$601	\$403	Calculation method changed in December 2015. 2015-16 figure includes 746 temporary or mobile premises registered or notified on the <i>Stretrader</i> system.
<b>Health and safety</b> Critical and major non-compliance outcome notifications (Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about food premises)	91%	99%	





## Report of Operations

For the year ended 30 June 2016

Service/indicator/measure	Results		Material variations
	2015	2016	
Home and Community Care (HACC)			
<b>Timeliness</b> Time taken to commence the HACC service (Number of days between the referral of a new client and commencement of HACC service / Number of new clients who have received a HACC service)	N/A	13.42	Measure applicable from 1 July 2015.
<b>Service standard</b> Compliance with Community Care Common Standards (Number of Community Care Common Standards expected outcomes met / Number expected outcomes under the Community Care Common Standards)	94%	94%	
<b>Service cost</b> Cost of domestic care service (Number of people that received a HACC service / Municipal target population for HACC services)	N/A	\$54.51	Measure applicable from 1 July 2015.
Cost of personal care service (Cost of the personal care service / Hours of personal care service delivered)	N/A	\$47.95	Measure applicable from 1 July 2015.
Cost of respite care service (Cost of the respite care service / Hours of respite care service delivered)	N/A	\$46.15	Measure applicable from 1 July 2015.
<b>Participation</b> Participation in HACC service (Number of people that received a HACC service / Municipal target population for HACC services)	25%	26%	
Participation in HACC service by Culturally and Linguistically Diverse (CALD) people (Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services)	23%	24%	








## Report of Operations





For the year ended 30 June 2016

## Strategic Objective 2: Sustainable environment

Results of Strategic Indicators in the Council Plan:

Strategic Indicator	2014-15 Result	2015-16 Target	2015-16 Result	2016-17 Target
<b>Strategic Objective</b> Our natural and urban environment is improved in a sustainable way.				
Tonnes of CO <sub>2</sub> emissions from energy used in all Council owned and operated buildings, street lighting, Council fleet, taxi and air travel.  <i>Note: *Information is reported with a one year lag.</i>	23,604 tCO <sub>2</sub> e*	Less than 23,500 tCO <sub>2</sub> e	<b>23,397 tCO<sub>2</sub>e*</b> 	Less than 23,300 tCO <sub>2</sub> e
Waste diversion from landfill, calculated as the proportion of the overall kerbside waste stream that is recycled (includes paper, bottles and green waste) instead of being disposed to landfill.	50%	48%	<b>49%</b> 	48%
Customer Satisfaction Survey measures user satisfaction with a range of parks in Boroondara, benchmarked with 17 other councils.	80%	83%	<b>85%</b> 	80%

Progress of major initiatives in the Budget:

Major Initiatives	Responsible Directorate	Status
Provide a more secure and sustainable water source for Grace Park and Glenferrie Oval by implementing a storm water harvesting system.		
Contribute to the sustainable management of open space throughout the City by developing an Open Space Asset Management Plan.		



## Report of Operations

For the year ended 30 June 2016

Performance of services funded in the Budget:

Service category	Description	Net Cost Actual Budget Variance \$'000
<b>Environment and Sustainable Living</b>	<ul style="list-style-type: none"> <li>helps the Boroondara community to live more sustainably in response to emerging environmental challenges (e.g. climate change, water shortage, biodiversity conservation)</li> <li>promotes sustainability within built and natural environments in Boroondara</li> <li>develops and implements policies and strategies that set direction in environmental management, public space improvements, conservation of natural resources and sustainable development</li> <li>builds the capacity of Council to integrate environmental and sustainability issues into our buildings and public space improvements, daily operations and decision-making processes.</li> </ul>	<b>\$927</b> <b>\$967</b> <b>(\$40)</b>
<b>Waste and Recycling</b>	<ul style="list-style-type: none"> <li>manages waste services, including kerbside bin based waste, green and recycling collections and hard waste collection service</li> <li>operates the Boroondara Recycling and Waste Centre.</li> </ul>	<b>\$16,046</b> <b>\$17,436</b> <b>(\$1,390)</b>
<b>Horticultural &amp; Arbor Services and Formal Gardens</b>	<ul style="list-style-type: none"> <li>manages and maintains Boroondara's parks, gardens and biodiversity sites</li> <li>provides streetscape and landscape features including garden beds, traffic management devices and shopping precincts</li> <li>provides a significant and highly valued urban forest of street and park trees.</li> </ul>	<b>\$10,301</b> <b>\$10,011</b> <b>\$290</b>
<b>Tree Protection</b>	<ul style="list-style-type: none"> <li>administers Council's Tree Protection Local Law 1F and assesses applications for tree removal.</li> </ul>	<b>\$33</b> <b>\$85</b> <b>(\$52)</b>



## Report of Operations

For the year ended 30 June 2016

Results of other service performance indicators and measures including explanation of material variation:




Service/indicator/measure	Results		Material variations
	2015	2016	
Waste Collection			
<b>Satisfaction</b>	<b>187</b>	<b>180</b>	
Kerbside bin collection requests (Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households) x 1000			
<b>Service standard</b>	<b>5</b>	<b>5</b>	
Kerbside collection bins missed (Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts)			
<b>Service cost</b>	<b>\$116</b>	<b>\$119</b>	2014-15 figure was understated due to an administrative error, the figure has been updated to reflect the correct calculation.
Cost of kerbside garbage bin collection service (Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins)			
Cost of kerbside recyclables bin collection service (Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins)	<b>\$26</b>	<b>\$34</b>	
<b>Waste diversion</b>	<b>47%</b>	<b>48%</b>	
Kerbside collection waste diverted from landfill (Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins)			

**Report of Operations**  
For the year ended 30 June 2016







## Theme 3: Enhanced amenity

Results of Strategic Indicators in the Council Plan:

Strategic Indicator	2014-15 Result	2015-16 Target	2015-16 Result	2016-17 Target
<b>Strategic Objective</b> The character of our neighbourhood is protected and improved.				
Percentage of building permits approved within 30 days.	93%	95%	<b>99%</b> 	95%
Percentage of planning applications processed within 60 days.	76%	75%	<b>81%</b> 	75%
Percentage of graffiti removed from Council owned assets within 48 hours of notification.	93%	95%	<b>98%</b> 	95%

Progress of major initiatives in the Budget:

Major Initiative	Responsible Directorate	Status
Protect the neighbourhood character, amenity and liveability of the City by completing the Boroondara Planning Scheme review.		
Improve overall amenity of public spaces by implementing the new Graffiti Strategy.		



## Report of Operations

For the year ended 30 June 2016

Performance of services funded in the Budget:

Service category	Description	Net Cost Actual Budget Variance \$'000
<b>Traffic and Transport</b>	<ul style="list-style-type: none"> <li>develops, assesses and implements engineering solutions that address the amenity of residential and commercial areas</li> <li>implements parking and traffic management strategies</li> <li>assesses traffic and parking implications of planning permit and rezoning applications</li> <li>assesses lane and parking bay occupation applications, street party applications and road closure applications</li> <li>investigates black spot accident locations and development of treatment solutions to address any safety issues</li> <li>coordinates and implements sustainable transport initiatives including Car Share, TravelSmart programs and green travel plans, and improvements to the City's bicycle and pedestrian network.</li> <li>designs, consults and implements transport projects including on road bicycle lanes, shared paths, road safety initiatives, pedestrian and bicycle improvements, disability access and traffic treatments</li> <li>advocates for improvements to public transport and sustainable transport initiatives</li> <li>develops feasibility studies and grant applications to state and federal authorities for accident black spot locations and pedestrian and bicycle improvement projects</li> <li>provides strategic transport planning advice and develops associated studies</li> <li>assesses high and heavy vehicle route applications.</li> </ul>	<b>\$537</b> <b><u>\$1,034</u></b> <b>(\$497)</b>
<b>Landscape Architecture</b>	<ul style="list-style-type: none"> <li>provides landscape design and urban design services to promote use, function and enjoyment of outdoor spaces by the community.</li> </ul>	<b>\$480</b> <b><u>\$544</u></b> <b>(\$64)</b>
<b>Strategic Planning</b>	<ul style="list-style-type: none"> <li>advocates for and prepares land use policy and standards within the context of Victorian state policy</li> <li>promotes sustainable design and development and heritage conservation</li> <li>manages the Municipal Strategic Statement</li> <li>develops policies and plans to guide land use and development.</li> </ul>	<b>\$1,515</b> <b><u>\$1,740</u></b> <b>(\$225)</b>



## Report of Operations

For the year ended 30 June 2016

Service category	Description	Net Cost Actual <u>Budget</u> Variance \$'000
<b>Building Services</b>	<ul style="list-style-type: none"> <li>assesses building permit applications, conducts mandatory inspections and issues occupancy permits/final certificates for buildings and structures</li> <li>encourages desirable building design outcomes for amenity protection and to maintain consistent streetscapes</li> <li>provides property hazard and building permit history information to designers, solicitors, private building surveyors and ratepayers</li> <li>conducts property safety inspections including fire safety audits on high risk buildings and pool and spa safety barrier compliance inspections to ensure a safer built environment</li> <li>administers and enforces the <i>Building Act</i> and Regulations including investigation of illegal and dangerous buildings to ensure public and occupant safety.</li> </ul>	<b>\$530</b> <u><b>\$561</b></u> <b>(\$31)</b>
<b>Statutory Planning</b>	<ul style="list-style-type: none"> <li>processes and assesses planning applications in accordance with the <i>Planning and Environment Act 1987</i>, the Boroondara Planning Scheme and Council policies</li> <li>provides advice about development and land use proposals as well as providing information to assist the community in its understanding of these proposals</li> <li>investigates non-compliances with planning permits and the Boroondara Planning Scheme and takes appropriate enforcement action when necessary</li> <li>defends Council planning decisions at the Victorian Civil and Administrative Tribunal</li> <li>assesses applications to subdivide land or buildings under the <i>Subdivision Act 1988</i>.</li> </ul>	<b>\$3,697</b> <u><b>\$4,358</b></u> <b>(\$661)</b>
<b>Local Laws</b>	<ul style="list-style-type: none"> <li>delivers proactive patrol programs to maintain and promote safety and harmony within the community</li> <li>delivers administrative and field services in parking, amenity and animal management</li> <li>processes and issues permits relating to traders, tradespersons, disabled parking, residential parking, animal registrations, excess animals, commercial waste bins, street furniture and other uses of Council controlled land</li> <li>delivers educational programs in responsible pet ownership, road safety, amenity regulation and fire prevention</li> <li>develops, implements and reviews appropriate local laws to achieve a safe and liveable environment</li> <li>delivery of the School Crossing Supervision Program through the provision of supervision at school crossings and the overall management and administration of the program.</li> </ul>	<b>(\$6,678)</b> <u><b>(\$4,485)</b></u> <b>(\$2,193)</b>



## Report of Operations

For the year ended 30 June 2016

Results of other service performance indicators and measures including explanation of material variation:

Service/indicator/measure	Results		Material variations
	2015	2016	
Statutory Planning			
<b>Timeliness</b> Time taken to decide planning applications (The median number of days between receipt of a planning application and a decision on the application)	86	78	
<b>Service standard</b> Planning applications decided within 60 days (Number of planning application decisions made within 60 days / Number of planning application decisions made)	69%	70%	
<b>Service cost</b> Cost of statutory planning service (Direct cost of the statutory planning service / Number of planning applications received)	\$3,388	\$2,846	<i>Savings in the cost of the statutory planning service in 2015-16 were largely in salaries and legal costs associated with Victorian Civil and Administrative Tribunal (VCAT). Salary savings were due to staffing changes during the year. The reduction in legal expenditure was largely as a result of successful mediation of a number of significant VCAT cases.</i>
<b>Decision making</b> Planning decisions upheld at VCAT (Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT council decisions in relation to planning applications)	58%	61%	
Animal management			
<b>Timeliness</b> Time taken to action animal management requests (Number of days between receipt and first response action for all management related requests)	3	4	
<b>Service standard</b> Animals reclaimed (Number of animals reclaimed / Number of animals collected)	71%	43%	<i>The calculation method this year is different to last year due to a lack of clarity on the interpretation of registered animals last year. Consequently, the result this year is lower.</i>



### Report of Operations

For the year ended 30 June 2016

Service/indicator/measure	Results		Material variations
	2015	2016	
<b>Service cost</b>	<b>\$53</b>	<b>\$59</b>	
Cost of animal management service (Direct cost of the animal management service / Number of registered animals)			
<b>Health and safety</b>	<b>23</b>	<b>14</b>	
Animal management prosecutions (Number of successful animal management prosecutions)			










## Report of Operations







For the year ended 30 June 2016

### Theme 4: Quality facilities and assets

Results of Strategic Indicators in the Council Plan:

Strategic Indicator	2014-15 Result	2015-16 Target	2015-16 Result	2016-17 Target
<b>Strategic Objective</b> The character of our neighbourhood is protected and improved.				
Percentage completion of six monthly defect inspections on Council roads and footpaths in higher risk locations.	100%	99%	<b>100%</b> 	99%
Percentage of capital projects completed at the conclusion of the financial year (based on number of projects).	93%	90%	<b>96%</b> 	90%
Percentage of adopted capital projects completed at the conclusion of the financial year (based on the most recent amended budget).	93%	90%	<b>90%</b> 	90%
Number of proactive strip shopping centre maintenance inspections completed.	162	150	<b>157</b> 	150
Percentage of users satisfied with the Boroondara leisure and aquatic centres.	87%	85%	<b>90%</b> 	85%

Progress of major initiatives in the Budget:

Major Initiatives	Responsible Directorate	Status
Improve neighbourhood house services for the community by designing a purpose-built facility at Fairholm Grove, Camberwell in collaboration with the Camberwell Community Centre.		
Ensure the needs of the community are appropriately met in developing the design of the new Community Hub in Balwyn North.		
Enhance access to leisure and recreation facilities for the community by completing the construction of the Boroondara Sports Complex.		



## Report of Operations

For the year ended 30 June 2016

Performance of services funded in the Budget:

Service category	Description	Net Cost Actual Budget Variance \$'000
<b>Asset Management</b>	<ul style="list-style-type: none"> <li>provides proactive inspections on Council assets to ensure service standards are maintained</li> <li>provides a corporate Asset Management system to support the ongoing management and renewal of the community's assets</li> <li>develops and updates the five-year renewal program for assets</li> <li>develops the financial forecast for assets for Council's long-term financial strategy</li> <li>promotes occupational health and safety on Council worksites</li> <li>manages permits relating to the asset protection local law and stormwater drainage</li> <li>implements the Street Lighting Policy</li> <li>implements strategies and engineering solutions for drainage issues, planning and subdivision permit referrals and development approvals.</li> </ul>	<b>\$2,823</b> <b>\$3,075</b> <b>(\$252)</b>
<b>Projects and Strategy</b>	<ul style="list-style-type: none"> <li>develops, manages, reports and delivers the approved Environment and Infrastructure Capital Works and Building Renewal Programs ensuring best value for money</li> <li>provides project management and technical advice on Council's projects and infrastructure assets</li> <li>manages the capital works programs and reporting to successfully deliver projects on time and within budget</li> <li>investigates and develops strategic solutions for major stormwater issues, Council buildings and infrastructure assets</li> <li>encourages and develops innovative design into quality outcomes.</li> </ul>	<b>\$3,663</b> <b>\$4,494</b> <b>(\$831)</b>
<b>Asset Maintenance</b>	<ul style="list-style-type: none"> <li>maintains the City's infrastructure including buildings, footpaths and roads, shopping centres, drains, street furniture and signs.</li> </ul>	<b>\$10,226</b> <b>\$10,216</b> <b>\$10</b>
<b>Leisure and Sport</b>	<ul style="list-style-type: none"> <li>operates the Kew Traffic School</li> <li>facilitates recreation and sport activities through the provision of 75 leased facilities to sporting clubs and committees of management</li> <li>facilitates training and support for service providers and voluntary committees of management for sporting activities</li> <li>facilitates active participation of the community in physical activity through the provision of facilities and contract management of the Boroondara Leisure and Aquatic Centres, the Boroondara Tennis Centre and Junction Skate and BMX Park</li> <li>advocates on behalf of the community to facilitate sport and recreation participation needs.</li> </ul>	<b>(\$947)</b> <b>(\$972)</b> <b>\$25</b>



## Report of Operations

For the year ended 30 June 2016

Service category	Description	Net Cost Actual <u>Budget</u> Variance \$'000
<b>Sportsground and Park Assets</b>	<ul style="list-style-type: none"> <li>works with over 300 sports clubs, across 23 sports codes at over 100 sports facilities/grounds</li> <li>manages and maintains built assets including playgrounds, barbeques, drinking fountains, park furniture, bins, fences and signs</li> <li>manages and maintains the Freeway Golf Course.</li> </ul>	<b>\$2,622</b> <u><b>\$2,675</b></u> <b>(\$53)</b>

Results of other service performance indicators and measures including explanation of material variation:

Service/indicator/measure	Results		Material variations
	2015	2016	
Roads			
<b>Satisfaction</b> Sealed local road requests (Number of sealed local road requests / Kilometres of sealed local roads) x 100	<b>55</b>	<b>70</b>	
<b>Condition</b> Sealed local roads below the intervention level (Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads)	<b>99%</b>	<b>98%</b>	
<b>Service cost</b> Cost of sealed local road reconstruction (Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed)	<b>\$89</b>	<b>\$85</b>	
Cost of sealed local road resealing (Direct cost of sealed local road resealing / Square metres of sealed local roads resealed)	<b>\$37</b>	<b>\$16</b>	2014-15 result has been updated to include micro- surfacing figures.
<b>Satisfaction</b> Satisfaction with sealed local roads (Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads)	<b>74</b>	<b>73</b>	



## Report of Operations

For the year ended 30 June 2016

Service/indicator/measure	Results		Material variations
	2015	2016	
Aquatic facilities			
<b>Satisfaction</b> User satisfaction with aquatic facilities. (Defined as the satisfaction of users with the aquatic facility)	<b>87%</b>	<b>91%</b>	
<b>Service standard</b> Health inspections of aquatic facilities (Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities)	<b>0.25</b>	<b>2</b>	<i>While there is no statutory requirement under the Public Health and Wellbeing Act 2008 for Council to inspect aquatic facilities, the Health Services team aims to inspect and test all Council owned aquatic facilities bi-annually. No water quality issues were notified during 2015-16.</i>
Reportable safety incidents at aquatic facilities (Total number of WorkSafe reportable aquatic facility safety incidents)	<b>3</b>	<b>2</b>	
<b>Service cost</b> Cost of indoor aquatic facilities (Direct cost of indoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities)	<b>-\$0.57</b>	<b>-\$0.81</b>	
Cost of indoor aquatic facilities (Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities)	<b>N/A</b>	<b>N/A</b>	
<b>Utilisation</b> Utilisation of aquatic facilities (Number of visits to aquatic facilities / Municipal population)	<b>15</b>	<b>13</b>	



**Report of Operations**  
For the year ended 30 June 2016

## Theme 5: Responsible management



Results of Strategic Indicators in the Council Plan:

Strategic Indicator	2014-15 Result	2015-16 Target	2015-16 Result	2016-17 Target
<b>Strategic Objective</b> Decision-making in the delivery of high quality services by capable and professional people reflects transparent, accountable and fair behaviours.				
Percentage of Freedom of Information requests responded to within prescribed timeframes.	100%	100%	<b>97%</b> 	100%
<i>The timeline for 1 out of 10 Freedom of Information (FOI) requests responded to in the second quarter was not achieved.</i>				
Percentage of electronic document management system action requests completed within service charter timeframes.	93%	92%	<b>93%</b> 	92%
Average time callers wait before their call is answered.	37 seconds	< 35 seconds	<b>45 seconds</b> 	< 35 seconds
<i>The accepted industry standard is 60 seconds. The customer service team's workload has increased this year as part of our digital transformation. This increase included being the test environment for a number of the Boroondara Customer First program, the processing of several new eforms and participation in the Process Improvement program. The extra work was scoped and it was agreed to lower the service level marginally rather than employ additional staff.</i>				
WorkCover employer performance rating.	0.72	Less than 1 (better than industry average)	<b>1.19</b> 	Less than 1 (better than industry average)
<i>The result is largely attributed to a small number of large claims lodged in 2013-14 and 2014-15.</i>				
<b>Strategic Objective</b> Sound financial and risk management practices are carried out.				
Adjusted Working Capital Ratio - measures the ability to pay existing liabilities in the next 12 months.	1.80 to 1	> 1.20 to 1	<b>2.24 to 1</b> 	> 1.20 to 1
Indebtedness - measures total borrowings as a percentage of rates and charges revenue.	37.40%	33.11%	<b>32.83%</b> 	29.68%*



## Report of Operations





For the year ended 30 June 2016

Strategic Indicator	2014-15 Result	2015-16 Target	2015-16 Result	2016-17 Target
Renewal gap - comparison of the rate of spending on existing assets through renewing, restoring and replacing existing assets with depreciation.	1.76	1.49	1.53 	1.31*
Percentage completion of Audit Committee annual plan.	100%	95%	100% 	95%

\* 2016-17 ratio calculations differ to the 2014-15 year.

The new calculations are in accordance with Local Government Planning and Reporting Regulations 2014

Progress of major initiatives in the Budget:

Major Initiatives	Responsible Directorate	Status
Enhance responsiveness to residents by implementation of the Customer Relationship Management System and replacing the Electronic Records Management System.		
Enhance delivery of services to the community by implementing year one actions of the Customer Experience Improvement Strategy.		

Performance of services funded in the Budget:

Service category	Description	Net Cost Actual Budget Variance \$'000
<b>Councillors, Chief Executive Officer, Executive Management and support staff</b>	This area includes the Mayor, Councillors, Chief Executive Officer and Executive Management team and associated support.	<b>\$2,484</b> <b><u>\$2,431</u></b> <b>\$53</b>
<b>Governance</b>	<ul style="list-style-type: none"> <li>provides counsel to Council, Councillors, the Chief Executive Officer and the Executive Leadership Team</li> <li>develops and implements strategies and policies</li> <li>manages Freedom of Information, Information Privacy, protected disclosures and internal ombudsman functions</li> <li>maintains statutory registers, authorisations and delegations</li> <li>administers the conduct of Council elections</li> <li>provides administrative and secretarial support to the elected Councillors and Council committees</li> <li>provides stewarding and catering services to the Camberwell function rooms</li> <li>coordinates civic events and citizenship ceremonies.</li> </ul>	<b>\$1,690</b> <b><u>\$1,899</u></b> <b>(\$209)</b>



## Report of Operations

For the year ended 30 June 2016

Service category	Description	Net Cost Actual Budget Variance \$'000
<b>Innovation</b>	<ul style="list-style-type: none"> <li>encourages thinking differently about the problems and opportunities the community faces to create new ways of working together</li> <li>develops strategies and approaches to deliver a customer-centric organisation</li> <li>supports the delivery of improved customer services online to enable easier online payments and customer requests</li> <li>implements the Process Improvement Program focusing on understanding, documenting and improving Council's processes</li> <li>focuses on promoting innovation in our work through activities such as an online ideas portal called iThink, innovation challenges and other events.</li> </ul>	<b>\$1,150</b> <u><b>\$1,233</b></u> <b>(\$83)</b>
<b>Finance and Corporate Planning</b>	<ul style="list-style-type: none"> <li>develops and delivers the annual planning cycle for the Council Plan and Budget</li> <li>provides financial operations services including accounts payable</li> <li>produces the annual Budget and Long Term Financial Strategy and manages Council's budgeting/forecasting and financial reporting systems</li> <li>provides payroll services</li> <li>manages Council's reporting system and conducts performance reporting, including the Quarterly Performance Report, Monthly Performance Report, Council's award-winning Annual Report and the Best Value Report</li> <li>provides external grant application support for significant project funding opportunities</li> <li>coordinates financial analysis and business cases for projects and provides advice on the pricing of services as well as National Competition Policy compliance</li> <li>provides financial accounting services</li> <li>coordinates external audit.</li> </ul>	<b>\$2,292</b> <u><b>\$2,985</b></u> <b>(\$693)</b>
<b>People, Culture and Development</b>	<ul style="list-style-type: none"> <li>delivers the functions of occupational health and safety, human resources and organisation development and learning</li> <li>provides specialist advice, service and policy development related to human resources and organisation development</li> <li>coordinates recruitment, industrial relations, remuneration, award/agreement interpretation and work evaluation</li> <li>facilitates and coordinates staff members' professional, leadership and cultural development programs and the Health and Wellbeing Program</li> <li>coordinates Council's employee performance management system.</li> </ul>	<b>\$2,722</b> <u><b>\$2,322</b></u> <b>\$400</b>



## Report of Operations

For the year ended 30 June 2016

Service category	Description	Net Cost Actual Budget Variance \$'000
<b>Corporate Solicitor</b>	<ul style="list-style-type: none"> <li>monitors and reports on legislative changes and impacts for Council operations</li> <li>provides advice on legal and regulatory matters and ad hoc legal advice within the organisation</li> <li>delivers training programs to develop Council officers' knowledge of relevant legal issues.</li> </ul>	<b>\$195</b> <b><u>\$253</u></b> <b>(\$58)</b>
<b>Customer service</b>	<ul style="list-style-type: none"> <li>delivers phone, online, reception and cashiering customer services; introducing digital services via webchat and social media.</li> </ul>	<b>\$1,777</b> <b><u>\$1,702</u></b> <b>\$75</b>
<b>Commercial and Property Services</b>	<ul style="list-style-type: none"> <li>coordinates Audit Committee</li> <li>manages procurement and conduct of all public tenders</li> <li>manages rates and property services, including Council databases and communication of the rate payment options available to residents</li> <li>administers the purchasing system and purchasing card systems including training</li> <li>coordinates fleet management</li> <li>coordinates the Building and Property Working Group</li> <li>handles the administration and leasing of Council's property holdings including the Camberwell Fresh Food Market</li> <li>manages all acquisitions and disposals of land for Council</li> <li>manages the discontinuance and sales of the right of way's throughout Boroondara</li> <li>provides internal audit services to Council</li> <li>manages enterprise business risk for the organisation including Council's Crisis Management Plan and department Business Continuity Plans</li> <li>manages public liability, professional indemnity, motor vehicle and property claims.</li> </ul>	<b>\$3,684</b> <b><u>\$3,396</u></b> <b>\$288</b>
<b>Information Technology</b>	<ul style="list-style-type: none"> <li>coordinates improvement to service delivery to the community and within Council through the use of technology</li> <li>ensures effectiveness and reliability of computing and communication systems</li> <li>manages Council's corporate information and archival services.</li> </ul>	<b>\$8,133</b> <b><u>\$7,885</u></b> <b>\$248</b>





## Report of Operations

For the year ended 30 June 2016

Results of other service performance indicators and measures including explanation of material variation:

Service/indicator/measure	Result		Material variations
	2015	2016	
Governance			
Transparency Council decisions made at meetings closed to the public (Number of council resolutions made at ordinary or special meetings of council, or at meetings of a special committee consisting only of councillors closed to the public / Number of council resolutions made at ordinary or special meetings of council or at meetings of a special committee consisting only of councillors)	7%	7%	
Consultation and engagement Satisfaction with community consultation and engagement (Community satisfaction rating out of 100 with how council has performed on community consultation and engagement)	62	63	
Attendance Councillor attendance at council meetings (The sum of the number of councillors who attended each ordinary and special council meeting / (Number of ordinary and special council meetings) x (Number of councillors elected at the last council general election)	85%	89%	
Service cost Cost of governance (Direct cost of the governance service / Number of councillors elected at the last council general election)	\$50,949	\$51,755	
Satisfaction Satisfaction with council decisions (Community satisfaction rating out of 100 with the performance of council in making decisions in the interest of the community)	62	61	



# Corporate Governance

Governance

Governance and management checklist

Statutory information





## Report of Operations

For the year ended 30 June 2016

# Corporate Governance

## Governance

Council provides leadership and good governance to the municipal district and the local community.

Council's roles include:

- taking into account the diverse needs of our community in decision-making
- providing leadership by establishing strategic objectives and monitoring achievements
- ensuring resources are managed in a responsible and accountable manner
- advocating the interests of our community to other communities and governments
- fostering community cohesion and encouraging active participation in civic life.

We have strong relationships with other tiers of government, neighbouring councils and organisations such as electricity and water distributors.

Formal decision-making processes are conducted through Council meetings and Special Committees. Council delegates the majority of its decision-making to staff, in accordance with adopted Council policies.

### Council meetings

Council meetings are open to the public and usually held on the fourth Monday of each month. Members of the community are welcome to attend and observe these meetings, and submit a question to the Council. In 2015-16, Council held 13 ordinary Council meetings and two Special Council meetings.

Councillor attendance at Council meetings and Special Council meetings during 2015-16:

Councillors	Special Council Meeting	Council Meeting	Total
Cr Jim Parke (Mayor)	2	13	15
Cr Jane Addis	2	13	15
Cr Kevin Chow <sup>1</sup>	2	12	14
Cr Phillip Healey <sup>2</sup>	2	11	13
Cr Steve Hurd <sup>3</sup>	1	12	13
Cr Heinz Kreutz <sup>4</sup>	1	9	10
Cr Philip Mallis <sup>5</sup>	2	10	12
Cr Coral Ross	2	13	15
Cr Judith Voce <sup>6</sup>	2	12	14
Cr Jack Wegman <sup>7</sup>	2	10	12

<sup>1</sup> Cr Chow received a leave of absence for one Ordinary meeting on 26 October 2015.

<sup>2</sup> Cr Healey received a leave of absence for one Ordinary meeting on 14 June 2016.

<sup>3</sup> Cr Hurd received a leave of absence for one Special Council meeting on 14 December 2015

<sup>4</sup> Cr Kreutz received a leave of absence for two Ordinary meetings and one Special meeting on 14 June 2016 and 27 June 2016.

<sup>5</sup> Cr Mallis received a leave of absence for one Ordinary meeting on 14 June 2016.

<sup>6</sup> Cr Voce received a leave of absence for one Ordinary meeting on 10 December 2015.

<sup>7</sup> Cr Wegman received a leave of absence for one Ordinary meeting on 23 May 2016.



## Report of Operations

For the year ended 30 June 2016

### Special committees

Special committees established by Council and their purpose:

Special Committee	Councillors	Purpose
Urban Planning Special Committee	10	To consider matters in relation to land use and development in Boroondara
Services Special Committee	10	To consider matters that relate to the provision of services to the community of Boroondara
Management Performance Review Committee	3	To consider functions and powers in relation to the management of the Chief Executive Officer's Contract of Employment

### Code of Conduct

Changes to the *Local Government Act 1989* (the Act) introduced by the *Local Government Amendment (Improved Governance) Act 2015* required Council to review and make any necessary amendments to its Councillor Code of Conduct by 4 July 2016. A revised Councillor Code of Conduct was adopted at a Special Council Meeting on 27 June 2016 in accordance with the requirements of the Act.

Council's Code of Conduct:

- sets out the standards of conduct expected of elected representatives
- endeavours to foster good working relations between councillors, the community and the Council administration to enable councillors to work constructively together in the best interests of the local community
- mandates councillor conduct designed to build public confidence in the integrity of local government.

### Conflict of interest

Council requires conflicts of interest to be disclosed by councillors, members of special committees, Council officers and contractors. A conflict of interest occurs when a personal or private interest might compromise the ability to act in the public interest.

While the procedures for making disclosures vary depending on the particular role and circumstances, in general they involve disclosing the relevant interest in a specific way and then stepping aside from the relevant decision-making process or from the exercise of the public duty.

During 2015-16, 28 conflicts of interest were declared at Council and Special Committee meetings.

### Councillor allowances

Councillors are entitled to receive an allowance while performing their duties. The Mayor is also entitled to receive a higher allowance.

The State Government sets the upper and lower limits of all allowances paid to councillors and mayors. Councils are divided into three categories based on the income and population of each Council. Boroondara is recognised as a category three council.



## Report of Operations

For the year ended 30 June 2016

Allowances paid to each Councillor during the year:

Councillors	Allowance \$
Cr Jim Parke (Mayor) <sup>1</sup>	97,636
Cr Jane Addis	31,331
Cr Kevin Chow	31,331
Cr Phillip Healey	31,331
Cr Steve Hurd	31,331
Cr Heinz Kreutz	31,331
Cr Philip Mallis	31,331
Cr Coral Ross <sup>1</sup>	53,917
Cr Judith Voce	31,331
Cr Jack Wegman	31,331

At the Ordinary Council meeting on 24 June 2013, Council resolved to fix the allowances for the 2013-14 to 2016-17 financial years at \$26,843 per annum for Councillors and \$85,741 per annum for the Mayor, plus the equivalent of the superannuation guarantee contribution (9.5%). The Minister for Local Government approved annual adjustments of 2.5% to take effect from 24 December 2013, 1 December 2014 and 1 December 2015.

## Councillor expenses

Councillors are reimbursed for expenses incurred while performing their duties.

Expenses for 2015-16 year are set out below:

Councillors	Travel \$	Car Mileage \$	Child Care \$	Information & Communication \$	Conference & Training \$	Other expenses \$	Total \$
Cr Jim Parke (Mayor)	1,527	4,923	0	1,821	5,950	85	<b>14,305</b>
Cr Jane Addis	391	0	0	2,244	0	61	<b>2,696</b>
Cr Kevin Chow	15	0	0	2,538	0	171	<b>2,723</b>
Cr Phillip Healey	335	0	0	1,254	46	0	<b>1,634</b>
Cr Steve Hurd	3,176	0	0	2,581	689	5,737	<b>12,183</b>
Cr Heinz Kreutz	271	0	0	2,443	0	81	<b>2,795</b>
Cr Philip Mallis	0	0	0	2,421	390	251	<b>3,063</b>
Cr Coral Ross	196	3,771	0	2,546	2,001	788	<b>9,301</b>
Cr Judith Voce	1,184	0	0	2,302	0	26	<b>2,512</b>
Cr Jack Wegman	0	0	0	3,268	0	212	<b>3,479</b>

### Other expenses

Other expenses include levies and charges, memberships and general administration.

### Fleet charges and fuel

The Councillor Support and Resources Policy provides that a fully maintained vehicle shall be available to the Mayor and relevant fleet and fuel expenses are attributed to the Mayor of the day. Total fleet charges and fuel costs for Councillor Coral Ross is \$3,771 and Mayor Jim Parke is \$4,923.

Councillor Ross purchased her mayoral vehicle on 1 December 2015 and reimbursed Council for the fleet charges out of her allowance. Councillor Parke received his mayoral vehicle on 10 February 2016.

<sup>1</sup> Councillor Coral Ross - Mayor up to 09 November 2015, Councillor Jim Parke - Mayor from 09 November 2015 to present.



## Report of Operations

For the year ended 30 June 2016

### Management

Council has implemented statutory and better practice items to strengthen its management framework. Strong governance and management frameworks lead to better decision making by Council. The Act requires Council to undertake an assessment against a governance and management checklist. Council's Governance and Management Checklist results are set out in the section below. The following items have been highlighted as important components of the management framework:

### Audit Committee

The Audit Committee oversees and monitors the effectiveness of Council in carrying out its responsibilities for accountable financial management, good corporate governance, maintaining an effective system of internal control and risk management and fostering an ethical environment.

#### Memberships during 2015-16:

##### Independent members

Mr Alex Klos	November 2014 – current
Mr Andrew Dix	May 2015 – current
Ms Claire Filson	May 2015 – current

##### Councillor members

Cr Phillip Healey	November 2014 – Current
Cr Jim Parke	November 2012 – November 2015
Cr Judith Voce	November 2012 – Current
Cr Coral Ross	November 2015 – Current

The Committee has three independent members and three councillors. Independent members are Mr Andrew Dix (Chair), Mr Alex Close and Ms Claire Filson. Independent members are appointed for a two year term, with a maximum of three terms. The chair is elected from the independent members.

The Audit Committee meets four times a year. The internal auditors, Chief Executive Officer, Director Corporate Services and Manager Commercial and Property Services attend all Audit Committee meetings. Other management representatives attend as required to present reports. The external auditors attend in May and August each year to present the audit plan and independent audit report. Recommendations from each Audit Committee meeting are subsequently reported to, and considered by, Council.

### Internal audit

Council's internal audit provides independent and objective assurance that appropriate processes and controls are in place across Council. Crowe Horwath is the company appointed as Council's Internal Auditor. A risk based three-year Strategic Internal Audit Plan (SIAP) is prepared which considers Council's risk framework, the Council Plan, the impact of any change on operations, systems or the business environment, prior audit coverage and outcomes and management input. The SIAP is reviewed and approved by the Audit Committee annually.

The Internal Auditor attends each Audit Committee meeting to report on the status of the internal audit plan, provide an update on the implementation of audit recommendations and to present findings of completed reviews. The responsible director and manager for each area reviewed are required to attend the Audit Committee meeting to respond to questions in relation to the review.

All audit issues identified in internal audit reports are risk rated. Recommendations are assigned to the responsible manager and tracked in Council's performance management system. Managers provide status updates quarterly which are reviewed by the Internal Auditor and reported to the Executive Leadership Team and the Audit Committee. The Audit Committee monitors all recommendations until completion.



## Report of Operations

For the year ended 30 June 2016

Quality assurance is measured through client satisfaction surveys for each review, the annual Audit Committee self-assessment, completion of the internal audit plan and benchmarking against other internal audit functions.

The following were completed as part of the internal audit plan for 2015-16:

- Food and Public Health and Wellbeing Acts
- Asset Management
- Governance
- Strategic Planning
- IT Pre-implementation review
- Financial Sustainability
- Payroll
- Assurance Mapping
- Strategic Internal Audit Plan 2016-19

## External audit

Council is audited externally by the Victorian Auditor General's Office (VAGO). VAGO may appoint a representative to conduct the annual external audit. For 2015-16, the annual external audit of Council's Financial and Standard Statements, and Performance Statement was conducted by RMS Bird Cameron, the VAGO representative.

## Risk management

Council has a Risk Management Framework and Policy in line with current best practice in the management of business enterprise risks and current AS/NZS ISO 31000:2009 guidelines.

The Risk Management Framework and Policy addresses:

- risk management culture and branding
- communication and training
- best practice in risk management
- responsibilities of and to internal and external stakeholders
- risk registers and risk management software development
- the Council planning cycle, budget cycle and annual audit cycle
- a performance measurement system to determine the effectiveness of the framework.

**Report of Operations**

For the year ended 30 June 2016



## Governance and management checklist

Results of Council's assessment against the prescribed governance and management checklist:

Governance and Management Items	Assessment	Outcome
1 <b>Community engagement policy</b> (policy outlining Council's commitment to engaging with the community on matters of public interest)	Policy Date of operation of current policy	YES 10/12/2015
2 <b>Community engagement guidelines</b> (guidelines to assist staff to determine when and how to engage with the community)	Guidelines Date of operation of current guidelines	YES 10/12/2015
3 <b>Strategic Resource Plan</b> (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years)	Adopted in accordance with section 126 of the Act Date of adoption	YES 27/06/2016
4 <b>Annual budget</b> (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Adopted in accordance with section 130 of the Act Date of adoption	YES 27/06/2016
5 <b>Asset management plans</b> (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Plans Date of operation of current plans  Asset Management Plan for Building and Other structures  Asset Management Plan for Drainage  Asset Management Plan for Footpaths  Asset Management Plan for Roads, Kerb and Channel  Road Management Plan 2013  Asset Management Plan for Open Space	YES   December 2003  December 2009  February 2003  December 2015  July 2013  June 2016
6 <b>Rating strategy</b> (strategy setting out the rating structure of council to levy rates and charges)	Strategy Date of operation of current strategy	YES 17/11/2014
7 <b>Risk policy</b> (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy Date of operation of current policy	YES 26/10/2015





## Report of Operations

For the year ended 30 June 2016

Governance and Management Items	Assessment	Outcome
8 <b>Fraud policy</b> (policy outlining Council's commitment and approach to minimising the risk of fraud)	Policy Date of operation of current policy	YES 22/06/2015
9 <b>Municipal emergency management plan</b> (plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i> Date of preparation	YES 25/08/2014
10 <b>Procurement policy</b> (policy under section 186A the Act outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with Section 186A of the Act Date of approval	YES 27/06/2016
11 <b>Business continuity plan</b> (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)	Plan Date of operation of current plan Building Services Commercial and Property Services Communications and Engagement Family, Youth and Recreation Payroll Governance Health, Active Ageing and Disability Services Information Technology Infrastructure Services Local Laws Parks and Gardens People, Culture and Development Statutory Planning	YES 15/09/2015 23/05/2016 28/01/2016 14/04/2016 2/06/2016 30/07/2014 19/12/2014 12/12/2014 1/06/2016 9/06/2016 12/02/2016 4/05/2016 19/12/2014
12 <b>Disaster recovery plan</b> (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Plan Date of operation of current plan	YES 01/05/2013
13 <b>Risk management framework</b> (framework outlining Council's approach to managing risks to the Council's operations)	Framework Date of operation of current framework	YES 27/07/2015



## Report of Operations

For the year ended 30 June 2016

Governance and Management Items	Assessment	Outcome
14 <b>Audit committee</b> (Advisory committee of Council under section 139 of the Act whose role is to oversee the integrity of Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical and regulatory requirements)	Established in accordance with section 139 of the Act  Date of establishment	YES  25/07/2011
15 <b>Internal audit</b> (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Engaged  Date of engagement of current provider	YES  01/10/2012
16 <b>Performance reporting framework</b> (a set of indicators measuring financial and non-financial performance including the performance indicators referred to in section 131 of the act)	Framework  Date of operation of current framework	YES  23/06/2015
17 <b>Council plan reporting</b> (report reviewing the performance of the Council against the Council Plan including the results in relation to the strategic indicators, for the first six months of the financial year)	Report  Date of operation of current report	YES  27/04/2015
18 <b>Financial reporting</b> (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Statements presented to Council in accordance with section 138(1) of the Act  Date statements presented	YES  24/08/2015 10/12/2015 22/02/2016 23/05/2016
19 <b>Risk reporting</b> (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports  Date of reports	YES  25/11/2015 23/06/2016
20 <b>Performance reporting</b> (six-monthly reports of indicators measuring the results against financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Reports  Date of reports	YES  24/08/2015 10/12/2015 22/02/2016 23/05/2016
21 <b>Annual report</b> (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements)	Considered at a meeting of Council in accordance with section 134 of the Act  Date of consideration	YES  26/10/2015



## Report of Operations

For the year ended 30 June 2016

Governance and Management Items	Assessment	Outcome
22 <b>Councillor Code of Conduct</b> (Code under section 76C of the Act setting out the conduct principles and the dispute resolution process to be followed by all councillors)	Reviewed in accordance with section 76C of the Act Date reviewed	YES 27/06/2016
23 <b>Delegations</b> (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Reviewed in accordance with section 98(6) of the Act Date reviewed Council to CEO Council to Staff Council to Committees	YES  29/03/2016 29/03/2016 23/09/2013
24 <b>Meeting procedures</b> (a local law governing the conduct of meetings of Council and special committees)	Meeting procedures local law made in accordance with section 91(1) of the Act Date local law made The Meeting Procedure Local Law was originally adopted by Council on 26 March 2007 and commenced on 6 April 2007. It has been amended by: <ul style="list-style-type: none"> <li>The Meeting Procedure (Amendments 2011) Local Law</li> <li>The Meeting Procedure (Further Amendments 2014) Local Law</li> <li>The Meeting Procedure (Additional Amendments 2014) Local Law</li> </ul>	YES  26/07/2007  25/07/2011 24/03/2014 27/04/2015

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

**Cr Jim Parke**

Mayor

Dated: 12.09.2016

**Phillip Storer**

Chief Executive Officer

Dated: 12.09.2016



## Report of Operations

For the year ended 30 June 2016

## Statutory information

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

### The following documents are available for inspection as required by Regulation 12 of the Local Government (General) Regulations 2015:

- details of overseas or interstate travel undertaken in an official capacity by councillors or Council staff in the previous 12 months
- public agendas and minutes of ordinary and special Council meetings and minutes of special committee meetings held in the previous 12 months
- register of delegations kept under sections 87(1) and 98(4) of the *Local Government Act 1989* (the Act), including the date on which the last review took place under sections 86(6) and 98(6) of the Act
- document containing details of all leases involving land which were entered into by the Council as lessor
- register maintained under section 224(1A) of the Act of authorised officers appointed under that section
- list of donations and grants made by the Council within the previous 12 months.

### The following documents and registers are available for inspection as required by the Local Government Act 1989:

#### Available for inspection at Council offices

- the certified voters' roll for a Council election – for the period beginning on the certification date and ending 30 days after election day under section 24B of the Act  
*Note: The certified voters' roll for the 22 October 2016 General Election will be available for public inspection from 17 September 2016 until 21 November 2016.*
- if Council reappoints the Chief Executive Officer without first advertising the position, details of the proposed total remuneration under the new contract available under section 94 of the Act  
*Note: Following Mr Phillip Storer's reappointment as Council's Chief Executive Officer on 26 October 2015, details of his proposed total remuneration were available for inspection between 27 October 2015 and 9 November 2015.*
- information about any proposed special rate, special charge or combination of both under section 163 of the Act  
*Note: Any proposed declaration requires a minimum 28 days of public notice. Proposals are available for inspection during the public notice period. See public notices or contact Council's Economic Development Department for information about existing or proposed Special Rate Schemes.*
- copies of any quality or cost standards which have been adopted by Council under section 208F of the Act.

#### Available on Council's website

- Council's election period policy (section 93B)
- copies of election campaign donation returns (section 62A)
- copies of the Preliminary and Final Reports from the last Electoral Representation Review (section 219F)
- Council's policy in relation to the reimbursement of expenses for councillors and members of Council committees (section 75B)
- Councillor Code of Conduct (section 76C)



## Report of Operations

For the year ended 30 June 2016

- copies of Boroondara's Local Laws (section 120)  
*Note: Any proposed local law requires a minimum 28 days public notice and is available for inspection during the public notice period (section 119). See public notices or contact Council for information about any proposed local laws.*
- the Council Plan (section 125)  
*Note: The proposed Council Plan requires a minimum 28 days of public notice and is available for inspection during the public notice period. See public notices or contact Council for information about any proposed Council Plan.*
- Strategic Resource Plan (section 126)  
*Note: The Strategic Resource Plan is summarised in the Council Plan, and incorporated into Council's Budget.*
- the Council Budget or revised budget (section 130)  
*Note: The proposed Budget requires a minimum 28 days of public notice and is available for inspection during the public notice period. See public notices or contact Council for information about any proposed budget.*
- the Annual Report and the associated Auditors Report on the Financial Statements (section 131)
- information about any declared differential rates (section 161)  
*Note: Council does not have any declared differential rates. More information is available in Council's Rating Strategy 2014-17, adopted by Council on 17 November 2014.*
- Procurement Policy (section 186A).

## Best Value

Compliance with the *Local Government Act 1989* requires Council to report to the community on its achievements in relation to the Best Value principles at least once a year. Council's Best Value principles demonstrate commitment to continuous improvement and the pursuit of service excellence.

Council incorporates Best Value Principles through regular business planning and performance monitoring processes.

## Continuous improvement

Our commitment to continuous improvement and innovation is supported by our Boroondara Customer First Program. The program focusses on three areas: people, projects and process improvement. The people stream involves a culture change program, involving staff in new ways of working. The project stream involves improving document and records systems, customer relationship systems and online services, and developing a customer engagement strategy and a new Business Classification Scheme. The process improvement stream examined more than 300 work processes with a view to improving them.

During the year the most significant continuous improvement activities included:

- continued process improvement documenting and improving all departmental processes, identifying process efficiencies, and reviewing current processes to becoming more customer-centric
- developed and implemented online applications to provide easier customer access
- implemented a workforce management system to accurately monitor real-time call centre traffic and forecast the resources required to respond, improving service effectiveness
- reviewed operations of the Boroondara Volunteer Resource Centre, resulting in improvements to processes, volunteering opportunities and programs
- introduced weekly support sessions for young people and their families at 360, in partnership with Camcare
- provided iPads to 130 Home Support Staff to increase the functionality and efficiency of processing and reporting
- developed the new Boroondara Library Services website following community feedback
- reviewed accounts payable processes and upgraded the system to enable paperless invoice processing
- introduced a process for recycling plastic plant pots where the pots are broken down and used as a virgin material to make new plastic materials



## Report of Operations

For the year ended 30 June 2016

- electronically mapped biodiversity assets across the City.

## Consultation

All departments are required to undertake internal and external consultation. Our Community Engagement Policy 2015 ensures we communicate openly and actively respond to community concerns. Meaningful community engagement is essential for Council to represent the community, to know what the community wants when making decisions, and provide high standards of leadership.

Engagement and consultation programs included:

- Feedback was sought from 1,300 customers to provide feedback on how they communicate with Council and their satisfaction with the service offered through each channel, to help shape our Communications Channel Strategy.
- Some 887 pre-application meetings were held to provide advice to prospective applicants on land use and development proposals.
- Public notice was given about 750 planning applications, enabling the community to have its say. Some 2,066 submissions were received in response to planning applications.
- About 1,700 community members provided feedback to help develop the Boroondara Library Services Plan.
- Some 238 community members provided feedback to help develop an updated Graffiti Management Strategy.
- A Customer Experience Evaluation Project examined the experience of customers' interaction with Council over four years using specific survey methodology.
- More than 100 community members were consulted about their knowledge of Council's Community Disability Advisory Committee at the Boroondara Disability Summit.
- The Community OnBoard Program of capacity-building workshops for not-for-profit community groups was reviewed and evaluated via internal and external surveys.
- More than 400 people shared their views about a plan to redevelop the Camberwell Community Centre.
- Consultation for the upgrade of the Balwyn Community Centre was held with centre management and staff, participants and local residents.
- About 2,000 school students across five schools participated in a Resilience Survey to assess the health and wellbeing of students and identify priorities to support young people.
- The community was consulted about the design of the Balwyn Library Redevelopment Project.
- Preliminary consultation was undertaken with trader associations and groups, peak industry bodies and government agencies, business owners and operators, and the general community to help develop the draft Economic Development and Tourism Strategy 2016-2021.
- Local community and stakeholders gave feedback on the concept design for a new wetland at Chandler Park, Kew.
- Consultation was undertaken regarding lighting installation across a range of sportsgrounds.
- A detailed consultation process with users and the community was undertaken in developing the design of the North East Community Hub.

## Benchmarking

Benchmarking is the practice of measuring Boroondara's performance and practices in key areas and comparing them with other similar organisations to find ways of achieving better results. Comparison could be with other local governments or private sector organisations. Benchmarking our services often reveals performance gaps that need to be closed, helps find the best practices in a particular area and ultimately helps Council to become more accountable to the community.

Benchmarking activities included:

- reviewed other councils' economic development strategies to inform our new Economic Development and Tourism Strategy
- examined venue hire of cultural facilities to help develop fees and charges
- analysed fees and changes of other library services to inform future fees and charges
- benchmarked against the work of nine active interfaith networks to determine future priorities for the Boroondara Interfaith Network
- analysed OHS initiatives for home support staff to further strengthen existing programs in place





## Report of Operations

For the year ended 30 June 2016

- compared performance indicators and statistical information for planning applications and permits with metropolitan and Victoria-wide councils
- benchmarked best practice policy and planning controls against other municipalities
- analysed fee structures and permit models as part of the draft parking permit policy
- researched the way other councils managed groundwater discharged from private properties to help develop a council policy on groundwater management in new developments
- gathered information from other councils to compare to our graffiti removal service
- reviewed options in re-laying existing bluestone pitchers in laneways as part of the Camberwell Junction Laneways Pilot Project
- investigated process improvement and innovation at Local Government Continuous Improvement Innovation Network meetings
- examined digital projects at Manningham, Moreland and Hume councils to inform our communications content strategy and innovation projects
- explored the delivery of youth services and conferences at other councils
- identified collaborative tendering opportunities for line-marking and tree-pruning services through regular Eastern Metropolitan Procurement Network forums
- collaborated with other councils about the introduction of rate capping.

## Contracts

The following table lists contracts for the provision of goods/services valued at \$150,000 or more and contracts for the provision of works valued at \$200,000 or more that were awarded in 2015-16.

During the year Council did not enter into any other contracts for the provision of goods/services valued at \$150,000 or more and contracts for the provision of works valued at \$200,000 or more without engaging in a competitive process.

Contract Title/Description	Contract Type	Awarded By	Contract Term	Contract Value (excluding GST)
Mulching and Under Surfacing Services	Tender	Council	Initial term 3 years with option for further 2 year extension up to a maximum term of 5 years	Estimated \$830,000 over 5 year maximum term
Park and Sports Ground Fencing and Related Infrastructure	Tender	Council	Initial term 3 years with option for further 2 year extension up to a maximum term of 5 years	Estimated \$2.4 million over 5 year maximum term
General Landscape Services	Tender	Council	Initial term 3 years with option for further 2 year extension up to a maximum term of 5 years	Estimated \$1.8 million over 5 year maximum term
Management of Camberwell Fresh Food Market	Tender	Director	Initial term 3 years with options for 2 further extensions of 1 year each up to a maximum term of 5 years	Estimated \$207,000 over 5 year maximum term



## Report of Operations

For the year ended 30 June 2016

Contract Title/Description	Contract Type	Awarded By	Contract Term	Contract Value (excluding GST)
Utilities Management Consultancy Services	Collaborative tender process run by Eastern Metropolitan Procurement Network on behalf of 6 participating councils	Director	Initial term 1 year with options for 2 further extensions of 1 year each up to a maximum term of 3 years	Estimated \$285,000 over 3 year maximum term
Balwyn Park Tennis and Community Facility - Architectural and Consultancy Services	Select tender from Council's Architectural Services Panel	Director	Project	Approx \$323,000
Hawthorn Arts Centre Civic Space - Construction Works	Tender	Council	Project	Approx. \$1.1 million
Highgate Early Learning Centre Redevelopment Works	Selective tender through Victorian Government Construction Suppliers Register	Council	Project	Approx. \$724,000
Glenferrie Oval, Grace Park and LE Bray Reserve Water Management Plan-Stormwater Harvesting-Stage 1 Construction	Expression of Interest (EOI) and subsequent tender to shortlisted to EOI respondents	Council	Project	Approx \$1.6 million
Catering Services - Camberwell Civic Precinct	Tender	Council	Initial term 2 years with options for two further extensions of 1 year each up to a maximum contract term of 4 years	Approx \$165,000 per annum
Camberwell Community Centre Fairholm Grove - Architectural and Consultancy Services	Tender	Director	Project	Approx \$280,000
Supply and Lease of Articulated Front End Loader	Quotations sought via MAV Panel Contract	Director	Lease term of 8 years	Estimated \$324,000 over 8 year lease term
Camberwell Fresh Food Market - Northern Car park Canopy	Tender	Director	Project	Approx \$197,000





## Report of Operations

For the year ended 30 June 2016

Contract Title/Description	Contract Type	Awarded By	Contract Term	Contract Value (excluding GST)
Provision of Animal Pound Services	Tender	Council	Initial term 3 years with options for further terms up to maximum of 9 years	Approx \$853,749
Tree Planting and Tree Establishment	Tender	Council	Initial term 4 years with options for two further extensions of 2 years each up to a maximum contract term of 8 years	Approx \$322,000 per annum
Drainage Pit Clearances and Associated Services	Tender	Council	Initial term 3 years with option for one further 2 year extension up to a maximum contract term of 5 years	Approx \$208,000 per annum
Redevelopment of Gordon Barnard Reserve East	Tender	Council	Project - approx. 4 months	Approx \$716,000
Website Solution Design, Information Architecture and Content Services	Tender	Council	Initial term 2 years with option for one further 1 year extension up to a maximum contract term of 3 years	Approx. \$650,000.
Hawthorn U3A Redevelopment Works	Tender	Council	Project	Approx. \$1 million
North East Precinct Hub Development - Architectural and Consultancy Services	Tender	Council	Project	Approx. \$626,000
Catchment Modelling in Boroondara - Consultancy Services	Tender	Director	Project	Approx. \$200,000
Auburn Kindergarten and Childcare Centre Refurbishment Works	Selective tender through Victorian Government Construction Suppliers Register	Council	Project	Approx. \$577,000
Asphalt Maintenance Services	Tender	Council	Initial 3 year with option for 2 year further extension to maximum term of 5 years	Approx. \$414,000 per annum
Maintenance of Leisure Centre Pool Plant and Equipment	EOI and subsequent tender to shortlisted EOI respondents	Director	Initial term 1 year with options for 4 further extensions of 1 year each to a maximum contract term of 5 years	Approx. \$36,000 per annum Approx. \$180,000 over maximum 5 year term



## Report of Operations

For the year ended 30 June 2016

Contract Title/Description	Contract Type	Awarded By	Contract Term	Contract Value (excluding GST)
Supply and Lease of Four Rear Loading Compactor Vehicles	Quotations sought via MAV Procurement Contract	Council	Non-maintained operating lease 5 year lease	Approx. \$1.28 million (for all four vehicles) over 5 year lease term.
General Tree Services	Tender	Council	Initial term 3 years with option for one further 2 year extension up to a maximum contract term of 5 years	Approx. \$3.8 million for all services over a 5 year term.
Retail Electricity, Natural Gas, Public Lighting & Associated Services(Procurement Australia #1906/0625 - Retail Electricity, Natural Gas, Public Lighting & Associated Services)	Tender process run by Procurement Australia as agent for Council	Council	All contract terms end on 30 June 2018	Approx. \$8.5 million
Provision of MS Dynamics CRM 2015 (Panel Contract)	Tender	Director	Initial term 1 year with options for one further extension of 1 year only up to a maximum contract term of 2 years	Approx. \$480,000
Boroondara Sports Complex Existing Sports Courts - Services Upgrade	Tender	Director	Project	Approx. \$362,000
Burwood Reserve Tennis Club Pavilion Refurbishment Works	Selective tender through Victorian Government Construction Suppliers Register	Council	Project	Approx. \$600,000
Development of Electronic Forms for Council Website	Request for Quotation	Manager	12 months	Approx. \$136,000
Camberwell Junction Tennis Club Pavilion Redevelopment Works	Selective tender through Victorian Government Construction Suppliers Register	Director	Project	Approx. \$414,000
Camberwell Fresh Food Market - Stage 2 Internal Works	Tender	Director	Project	Approx. \$220,000



## Report of Operations

For the year ended 30 June 2016

Contract Title/Description	Contract Type	Awarded By	Contract Term	Contract Value (excluding GST)
Mechanical Maintenance Services - Libraries and other Buildings	Public EOI and subsequent tender to shortlisted EOI respondents	Director	Initial term 1 year with options for 4 further extensions of 1 year each to a maximum contract term of 5 years	Estimated \$312,850 over 5 year maximum term
Maintenance of Leisure Centre Mechanical Plant	Public EOI and subsequent tender to shortlisted EOI respondents	Director	Initial term 1 year with options for 4 further extensions of 1 year each to a maximum contract term of 5 years	Estimated \$330,000 over 5 year maximum term
Turf Renovation and Maintenance Services	Public tender	Director	Initial term 4 years with no options to extend	Estimated \$1.5M over 4 year maximum term
Christmas in Boroondara (Design, Manufacture, Installation and Associated Services)	Public tender	Council	Initial term 1 year with options for four further extensions of 1 year each up to a maximum contract term of 5 years	Estimated \$1.3M over 5 year maximum term
Stormwater Outlet Pipe Maintenance and Replacement - Annual Supply	Public tender	Director	Initial term 2 years with two 1 year extensions	Estimated \$180,000 over 4 year maximum term
Supply and Delivery Landscape Materials	Public tender	Director	Initial term 3 years with no option to extend	Approx. \$337,000
Cleaning Services	Public tender	Council	Initial term 2 years with options for extensions of two years plus 1 year to maximum term of 5 years	Estimated \$3,68 million over 5 year maximum term
Provision of Insurance Brokerage Services	Public Tender	Council	Initial term 3 years with options for two further extensions of 1 year each up to a maximum contract term of 5 years	Estimated \$3.9 million over 5 year maximum term
Tree Root Maintenance Services	Public tender	Council	Initial term 3 years with options for one further extension of 2 years up to a maximum contract term of 5 years	Estimated \$1.5 million over 5 year maximum term
Hawthorn Bowls Club Pavilion - Extension and Refurbishment Works	Selective tender through Victorian Government Construction Suppliers Register	Council	Project	Approx. \$1.3 million



## Report of Operations

For the year ended 30 June 2016

Contract Title/Description	Contract Type	Awarded By	Contract Term	Contract Value (excluding GST)
Camberwell United Tennis Club Pavilion Redevelopment Works	Selective tender through Victorian Government Construction Suppliers Register	Council	Project	Approx. \$795,000
Clayton Regional Landfill - Capping of Southern Cell	Tender organised by Clayton Regional Landfill User Group Management Committee	Council	Project	Approx. \$1.5 million

## Carers recognition

Council has taken all practicable measures to comply with its responsibilities described in the *Carers Recognition Act 2012* by:

- promoting the principles of the Act to people (and families) in a caring relationship
- informing staff of the requirements of the Act at staff meetings
- defining the carer role and relationship to all staff including Home Support Staff
- undertaking necessary changes to the Assessment and Care Planning process to include the carer
- reviewing all necessary policies and practice instructions to include the recognition of the carer and the care relationship.
- where required, collecting individual information about the carers to meet their own needs
- ensuring that intake and information about services is delivered in a timely manner, taking carer stress and fatigue into account, when looking at priority of access to services
- involving carers in all review processes with the clients, as well as seeking their specific feedback through Council surveys.

## Disability Action Plan

In accordance with section 38 of the *Disability Act 2006*, Council has prepared an Access and Inclusion Plan 2013-17 and implemented following actions during 2015-16:

- ensured that all sites where community members access Council information and services quality to displayed the Scope Victoria Communication Accessible Symbol
- developed the functionality of the maps on Council's website so community members were able to access information on accessible features in their neighbourhood
- improved Council communication and information access for community members with a disability by reviewing current methods and implementing more adaptable and accessible information formats as necessary
- evaluated community engagement practices across Council to ensure they are inclusive and respectful of people with a disability
- worked with rooming house operators, Council and community support services to increase the utilisation of Home and Community Care services by tenants with a disability
- developed a strategy to improve food access for people with a disability living independently in Boroondara
- developed a community awareness and information program on the availability of accessible health services in Boroondara
- worked with the Community Safety Advisory Committee to identify specific safety needs of people with a disability in the community and home environments
- provided training opportunities for staff and committees of neighbourhood houses and community centres on inclusive programming for people with a disability.



## Report of Operations

For the year ended 30 June 2016

- actively supported people with a disability to participate in leadership and advocacy training opportunities
- monitored and reported back on the impact of the National Disability Insurance Scheme (NDIS) on Council with services for people with disabilities, should it be implemented nationally
- promoted the achievements of people with a disability through events and activities at Boroondara Libraries.

## Domestic Animal Management Plan

In accordance with the *Domestic Animals Act 1994*, Council prepares a Domestic Animal Management Plan every four years. The Domestic Animal Management Plan 2012-16 was adopted by Council in June 2013. The majority of actions have been completed with a small number of actions currently in progress for completion by November 2016.

## Food Act Ministerial Directions

Food Act Ministerial Directions

In accordance with section 7E of the *Food Act 1984*, Council is required to publish a summary of any Ministerial Directions received during the financial year in its annual report. Council did not receive any Ministerial Directions during the financial year.

## Freedom of Information

Access to documents may be obtained through written request to the Freedom of Information Officer, as detailed in section 17 of the *Freedom of Information Act 1982* and in summary as follows:

- it should be in writing
- it should identify as clearly as possible which document is being requested
- it should be accompanied by the appropriate application fee (the fee may be waived in certain circumstances).

Requests for documents in the possession of Council should be addressed to the Freedom of Information Officer. Requests can also be lodged online or by email. Access charges may also apply once documents have been processed and a decision on access is made (e.g. photocopying and search and retrieval charges).

More information regarding Freedom of Information can be found at [www.foi.vic.gov.au](http://www.foi.vic.gov.au) and on the City of Boroondara website.

## Protected Disclosure Procedures

The *Protected Disclosure Act 2012* aims to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and provide protection for people who make disclosures. Procedures on how to make a disclosure are available on Council's website.

During the 2015-16, there were no disclosures under Section 13 notified by Council to the Independent Broad-based Anti-corruption Commission (IBAC).



## Report of Operations

For the year ended 30 June 2016

### Road Management Act Ministerial direction

In accordance with section 22 of the *Road Management Act 2004*, Council must publish a copy or summary of any Ministerial direction in its annual report. Council did not receive any Ministerial Directions during the financial year.

### Charter of Human Rights and Responsibilities commitment

The Victorian Charter of *Human Rights and Responsibilities Act 2006* is a law that protects the human rights of all people in Victoria. The Charter requires all public authorities and their employees to act compatibly with human rights in the delivery of services and when making decisions.

The City of Boroondara recognises and respects that everyone has the same human rights entitlement to allow them to participate in, and contribute to, society and our community. We recognise that all persons have equal rights in the provision of, and access to, Council services and facilities. We also recognise that, at times, such rights may be limited, insofar as to strike a balance between individual rights and the protection of public interest.

The Charter complements other laws such as Equal Opportunity legislation and protects basic rights such as freedom of speech, freedom from forced work and freedom from degrading treatment which previously had no legal protection. The Charter lists 20 rights that help all people to live with freedom, respect, equality and dignity.

Council has developed a Human Rights Compatibility Assessment Tool to assist staff reviewing decisions or policies. It specifies that Council must observe the rights set out in the Charter when making decisions, creating local laws, setting policies or providing services. The assessment tool is designed to help staff undertake a thorough and methodical assessment of any proposed policy, plan, procedure or decision and to identify whether it has an impact on any of the rights protected in the Charter.

During 2015-16, no Charter of Human Rights-related complaints were made to Council.

### Information on privacy commitment and complaints received

Council is committed to protecting the personal privacy of residents and ratepayers. Council will only collect, use or disclose personal information where it is necessary to perform Council functions or where authorised or required by law. Council has an Information Privacy Policy that is available on Council's website.

During 2015-16, eight complaints were made regarding breaches of customer privacy. These matters were resolved without the involvement of the Commissioner for Privacy and Data Protection.

### Legislation impacting council

Council has responsibilities under a wide range of Victorian and Commonwealth legislation. Some of the key Acts and Regulations that affect Council are:

- *Building Act 1993*
- *Domestic Animals Act 1994*
- *Environment Protection Act 1970*
- *Equal Opportunity Act 2010*
- *Food Act 1984*
- *Freedom of Information Act 1982*
- *Information Privacy Act 2000*
- *Infringements Act 2006*
- *Land Acquisition and Compensation Act 1986*
- *Local Government Act 1989*
- *Local Government Amendment (Improved Governance) Act 2015*
- *Occupational Health and Safety Act 2004*
- *Planning and Environment Act 1987*
- *Protected Disclosure Act 2012*
- *Public Health and Wellbeing Act 2008*



## Report of Operations

For the year ended 30 June 2016

- *Road Management Act 2004*
- *Road Safety Act 1986*
- *Sentencing Act 1991*
- *Subdivision Act 1988*
- *Valuation of Land Act 1960.*

## Local Laws

Council's Local Laws are listed below. More information can be found on Council's website.

- Amenity Local Law (incorporating amendments gazetted in September 2011, May 2012 and September 2012)
- Protection of Council Assets and Control of Building Sites Local Law 2011
- Smoke Free Areas Local Law 2012
- Street Numbering Local Law (incorporating amendments gazetted in September 2011)
- Tree Protection Local Law (incorporating amendments gazetted in September 2011)
- Meeting Procedure Local Law. (incorporating amendments gazetted in August 2011, April 2014, and May 2015)

The Tree Protection Local Law above is due to expire on the 25 November 2016. On 10 December 2015, Council resolved to commence the statutory process to make a new Tree Protection Local Law in accordance with Part 5 of the *Local Government Act 1989*.

## National Competition Policy

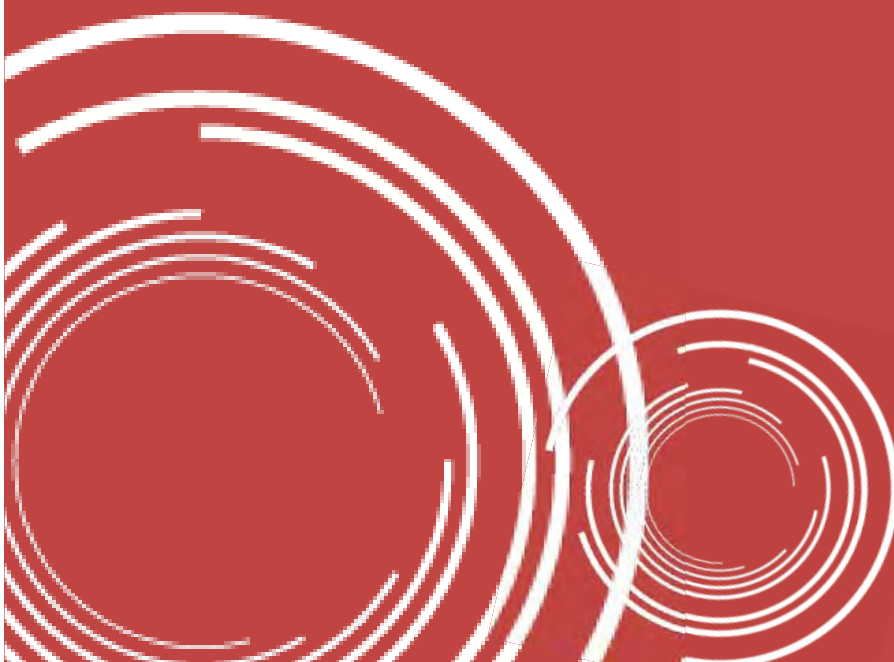
The City of Boroondara has undertaken a review under the National Competition Policy guidelines. This policy covers compliance with trade practices, local laws and competitive neutrality.





# Financials

For the year ended 30 June 2016





## Table of Contents

	Page
<b>Financial Statements</b>	
Comprehensive Income Statement	77
Balance Sheet	78
Statement of Changes in Equity	79
Statement of Cash Flows	80
Statement of Capital Works	81
<b>Notes to Financial Statements</b>	
Introduction	82
Note 1 Significant accounting policies	82
Note 2 Budget comparison	91
Note 3 Rates and charges	95
Note 4 Statutory fees and fines	95
Note 5 User fees	95
Note 6 Grants	96
Note 7 Contributions	97
Note 8 Net gain / (loss) on disposal of property, infrastructure, plant and equipment	97
Note 9 Other income	98
Note 10 Employee costs	98
Note 11 Materials and services	99
Note 12 Bad and doubtful debts	99
Note 13 Depreciation and amortisation	99
Note 14 Borrowing costs	100
Note 15 Other items of expense	100
Note 16 Investments in associates, joint ventures and subsidiaries	100
Note 17 Cash and cash equivalents	101
Note 18 Trade and other receivables	102
Note 19 Other financial assets	103
Note 20 Inventories	103
Note 21 Non current assets held for sale	103
Note 22 Other assets	103
Note 23 Property, infrastructure, plant and equipment	104
Note 24 Investment property	110
Note 25 Intangible assets	110
Note 26 Trade and other payables	111
Note 27 Trust funds and deposits	111
Note 28 Provisions	112
Note 29 Interest bearing loans and borrowings	113
Note 30 Reserves	114
Note 31 Reconciliation of cash flows from operating activities to surplus/(deficit)	116
Note 32 Financing arrangements	116
Note 33 Commitments	117
Note 34 Operating leases	118
Note 35 Superannuation	119
Note 36 Contingent liabilities and contingent assets	121
Note 37 Financial instruments	122
Note 38 Related party transactions	124
Note 39 Events occurring after balance date	125
Certification of the Financial Statements	126
Auditor General's Report on the Financial Statements	127

## Table of Contents

	<b>Page</b>
<b>Performance Statement</b>	129
Sustainable Capacity Indicators	130
Service Performance Indicators	131
Financial Performance Indicators	133
Certification of the Performance Statement	136
Auditor General's Report on the Performance Statement	137

## Comprehensive Income Statement

### For the year ended 30 June 2016

	Note	2016 \$'000	2015 \$'000
<b>Income</b>			
Rates and charges	3	161,428	152,040
Statutory fees and fines	4	13,476	11,847
User fees	5	13,055	12,324
Grants - operating	6	12,158	16,231
Grants - capital	6	4,290	2,280
Contributions - monetary	7	7,554	5,587
Contributions - non-monetary assets	7	423	13
Other income	9	9,645	7,643
Share of net profits of associates and joint ventures	16	525	-
<b>Total income</b>		<u>222,553</u>	<u>207,965</u>
<b>Expenses</b>			
Employee costs	10	(77,856)	(73,573)
Materials and services	11	(54,400)	(51,074)
Bad and doubtful debts	12	(866)	(853)
Depreciation and amortisation	13	(30,547)	(29,638)
Borrowing costs	14	(2,719)	(4,429)
Other expenses	15	(10,564)	(10,434)
Net loss on disposal of property, infrastructure, plant and equipment	8	(4,481)	(3,187)
Share of net (losses) of associates and joint ventures	16	-	(4,668)
<b>Total expenses</b>		<u>(181,432)</u>	<u>(177,856)</u>
<b>Surplus for the year</b>		<u>41,121</u>	<u>30,109</u>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to surplus or deficit in future periods</b>			
Net asset revaluation increments	23	566,583	-
<b>Total comprehensive result</b>		<u>607,704</u>	<u>30,109</u>

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

## Balance Sheet

### As at 30 June 2016

	Note	2016 \$'000	2015 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	17	38,211	10,709
Trade and other receivables	18	11,167	10,274
Other financial assets	19	56,500	66,500
Inventories	20	34	23
Other assets	22	1,293	1,059
<b>Total current assets</b>		<u>107,205</u>	<u>88,565</u>
<b>Non-current assets</b>			
Trade and other receivables	18	27	60
Other financial assets	19	4	4
Property, infrastructure, plant and equipment	23	3,303,521	2,721,187
Investment property	24	8,713	9,191
Intangible assets	25	739	345
<b>Total non-current assets</b>		<u>3,313,004</u>	<u>2,730,787</u>
<b>Total assets</b>		<u>3,420,209</u>	<u>2,819,352</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	26	21,484	24,397
Trust funds and deposits	27	3,204	3,038
Provisions	28	15,274	14,968
Interest-bearing loans and borrowings	29	4,049	3,864
<b>Total current liabilities</b>		<u>44,011</u>	<u>46,267</u>
<b>Non-current liabilities</b>			
Provisions	28	1,986	2,003
Provision for investments in associates and joint ventures	16	739	1,264
Interest-bearing loans and borrowings	29	48,948	52,997
<b>Total non-current liabilities</b>		<u>51,673</u>	<u>56,264</u>
<b>Total liabilities</b>		<u>95,684</u>	<u>102,531</u>
<b>Net assets</b>		<u>3,324,525</u>	<u>2,716,821</u>
<b>Equity</b>			
Accumulated surplus		844,634	803,493
Reserves	30(c)	2,479,891	1,913,328
<b>Total equity</b>		<u>3,324,525</u>	<u>2,716,821</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 2016

		<b>Total</b>	<b>Accumulated</b>	<b>Revaluation</b>	<b>Other</b>
		<b>2016</b>	<b>Surplus</b>	<b>Reserve</b>	<b>Reserves</b>
<b>2016</b>	<b>Note</b>	<b>\$'000</b>	<b>2016</b>	<b>2016</b>	<b>2016</b>
		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Balance at beginning of the financial year		2,716,821	803,493	1,908,058	5,270
Surplus for the year		41,121	41,121	-	-
Net asset revaluation increment	30(a)	566,583	-	566,583	-
Transfers to other reserves	30(b)	-	(3,540)	-	3,540
Transfers from other reserves	30(b)	-	3,560	(3,409)	(151)
<b>Balance at end of the financial year</b>		<b>3,324,525</b>	<b>844,634</b>	<b>2,471,232</b>	<b>8,659</b>

		<b>Total</b>	<b>Accumulated</b>	<b>Revaluation</b>	<b>Other</b>
		<b>2015</b>	<b>Surplus</b>	<b>Reserve</b>	<b>Reserves</b>
<b>2015</b>		<b>\$'000</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>
		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Balance at beginning of the financial year		2,686,712	776,453	1,908,058	2,201
Surplus for the year		30,109	30,109	-	-
Net asset revaluation increment	30(a)	-	-	-	-
Transfers to other reserves	30(b)	-	(3,069)	-	3,069
Transfers from other reserves	30(b)	-	-	-	-
<b>Balance at end of the financial year</b>		<b>2,716,821</b>	<b>803,493</b>	<b>1,908,058</b>	<b>5,270</b>

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

## Statement of Cash Flows

### For the year ended 30 June 2016

		2016 Inflows/ (Outflows) \$'000	2015 Inflows/ (Outflows) \$'000
	Note		
<b>Cash flows from operating activities</b>			
Rates and charges		160,566	152,075
Statutory fees and fines		12,343	10,550
User charges		13,911	13,653
Grants - operating		12,525	16,628
Grants - capital		4,290	4,104
Contributions monetary		7,831	5,815
Interest received		2,903	2,336
Trust funds and deposits taken		20,428	17,795
Other receipts		7,123	5,291
Net GST refund		9,908	9,222
Employee costs		(77,527)	(72,019)
Materials and services		(63,333)	(55,546)
Trust funds and deposits repaid		(20,262)	(17,936)
Other payments		(11,406)	(11,502)
<b>Net cash provided by operating activities</b>	31	<b>79,300</b>	<b>80,466</b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment	23	(55,249)	(51,741)
Payments for investments		(56,500)	(66,500)
Proceeds from sale of investments		66,500	15,000
Payments of loans and advances		50	50
<b>Net cash used in investing activities</b>		<b>(45,199)</b>	<b>(103,191)</b>
<b>Cash flows from financing activities</b>			
Finance costs		(2,735)	(4,623)
Proceeds from borrowings		-	21,160
Repayments of borrowings		(3,864)	(23,013)
<b>Net cash provided by financing activities</b>		<b>(6,599)</b>	<b>(6,476)</b>
Net increase/(decrease) in cash and cash equivalents		27,502	(29,201)
Cash and cash equivalents at the beginning of the financial year		10,709	39,910
<b>Cash and cash equivalents at the end of the financial year</b>		<b>38,211</b>	<b>10,709</b>
Financing arrangements	32		
Restrictions on cash assets	17		

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

## Statement of Capital Works

### For the year ended 30 June 2016

	2016 \$'000	2015 \$'000
<b>Property</b>		
Land	151	-
Land improvements	1,793	28
<b>Total land</b>	<b>1,944</b>	<b>28</b>
Buildings	23,003	26,632
Building improvements	1,771	4,614
<b>Total buildings</b>	<b>24,774</b>	<b>31,246</b>
<b>Total property</b>	<b>26,718</b>	<b>31,274</b>
 <b>Plant and equipment</b>		
Plant, machinery and equipment	1,239	1,079
Fixtures, fittings and furniture	252	264
Computers and telecommunications	2,399	1,079
Library books	1,062	1,081
<b>Total plant and equipment</b>	<b>4,952</b>	<b>3,503</b>
 <b>Infrastructure</b>		
Roads	9,699	8,171
Bridges	-	754
Footpaths and cycleways	1,966	1,802
Drainage	4,143	3,506
Recreational, leisure and community facilities	1,680	1,454
Parks, open space and streetscapes	4,119	3,165
Off street car parks	386	551
Other infrastructure	-	386
<b>Total infrastructure</b>	<b>21,992</b>	<b>19,789</b>
 <b>Total capital works expenditure</b>	<b>53,663</b>	<b>54,566</b>
 <b>Represented by:</b>		
New asset expenditure	8,924	2,557
Asset renewal expenditure	41,912	42,924
Asset expansion expenditure	1,193	3,273
Asset upgrade expenditure	1,634	5,812
<b>Total capital works expenditure</b>	<b>53,663</b>	<b>54,566</b>

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

## Notes to the Financial Report

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

## Note 1 Significant accounting policies

### (a) Basis of accounting

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

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

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

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

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

### (b) Changes in accounting policies

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



## Notes to the Financial Report

### Note 1 Significant accounting policies (cont.)

#### (c) Principles of consolidation

Council had no Entities consolidated at reporting date.

#### (d) Committees of management

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

#### (e) Accounting for investments in associates and joint arrangements

##### Associates

Associates are all entities over which Council has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

##### Joint arrangements

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.

##### (i) Joint operations

Council recognises its direct right to its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate headings.

##### (ii) Joint ventures

Interests in joint ventures are accounted for using the equity method. 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.

AASB 11 Joint Arrangements requires the classification of joint arrangements into joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor rather than the legal structure of the joint arrangement. Depending on the classification, the accounting treatment for the two types of joint arrangements will be different.

Council has reviewed its existing contractual arrangements with Regional Landfill Clayton South Joint Venture (Clayton Landfill) to ensure they are aligned with the new classifications under AASB 11. It has concluded that the existing joint arrangement is a joint operation. Instead of accounting for assets, liabilities, revenues and expenses relating to Council's interest in Clayton Landfill, 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. Details of the joint operation are set out in note 16.

Council interest in joint operations are accounted for using the equity method. Under this method, the interest is initially recognised in the balance sheet at cost and adjusted thereafter to recognise Council's share of the net assets of the entities. The Council's share of the financial result of the entities is recognised in the Comprehensive Income Statement.

## Notes to the Financial Report

### Note 1 Significant accounting policies (cont.)

#### (f) Revenue recognition

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

##### *Rates and charges*

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

##### *Statutory fees and fines*

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

##### *User fees*

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

##### *Grants*

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

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

##### *Contributions*

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

##### *Sale of property, infrastructure, plant and equipment*

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

##### *Interest*

Interest is recognised as it is earned.

##### *Dividends*

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

##### *Other income*

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

## Notes to the Financial Report

### Note 1 Significant accounting policies (cont.)

#### (g) Fair value measurement

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

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

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

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

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

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

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

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

#### (h) Cash and cash equivalents

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

#### (i) Trade and other receivables

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

#### (j) Other financial assets

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

#### (k) Inventories

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

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

## Notes to the Financial Report

### Note 1 Significant accounting policies (cont.)

#### (l) Non-current assets classified as held for sale

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

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

##### *Acquisition*

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

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

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

##### *Revaluation*

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

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

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 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.

## Notes to the Financial Report

### Note 1 Significant accounting policies (cont.)

(m)

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

##### *Land under roads*

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

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

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

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

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.

<i>Asset recognition thresholds and depreciation periods</i>	<b>Depreciation period Years</b>	<b>Threshold limit \$'000</b>
<b>Property</b>		
Land	N/A	-
<b>Buildings</b>		
Buildings	2-55	2
<b>Plant and Equipment</b>		
Plant, machinery and equipment	5-30	0.5
- Arts and heritage	100	0.5
Fixtures, fittings and furniture	10	1
Computers and telecommunications	3-5	1
Library books	6	-
<b>Infrastructure</b>		
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	1
Parks, open space and streetscapes	15-100	1
Off street car parks	30-100	7
<b>Intangible assets</b>		
Intangible assets	3	1

*\*Revised depreciation period in 2015-16, previously 20-100 for Road pavement and seals.*

## Notes to the Financial Report

### Note 1 Significant accounting policies (cont.)

#### (o) Repairs and maintenance

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

#### (p) Investment property

Investment property, comprising 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. Investment property is depreciated on a straight-line basis as per the useful lives disclosed in Note 1(n). 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 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.

#### (q) Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the 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.

#### (r) Trust funds and deposits

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited (refer to Note 27).

#### (s) Borrowings

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

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

##### *Borrowing costs*

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Except where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised.

Borrowing costs include interest on bank overdrafts, interest on borrowings, and finance lease charges.

## Notes to the Financial Report

### Note 1 Significant accounting policies (cont.)

#### (t) Employee costs and benefits

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

##### *Wages and salaries and annual leave*

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

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as 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. Current liability - unconditional LSL is disclosed as a current liability even when the Council does not expect to settle the liability within 12 months because it will not have the unconditional right to defer settlement of the entitlement should an employee take leave within 12 months.

The components of this current liability are measured at :

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

##### *Classification of employee costs*

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

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

#### (u) Leases

##### *Finance leases*

Leases of assets where substantially all the risks and rewards incidental to ownership of the asset, are transferred to the Council are classified as finance leases. Finance leases are capitalised, recording an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the interest expense. Leased assets are depreciated on a straight line basis over their estimated useful lives to the Council where it is likely that the Council will obtain ownership of the asset or over the term of the lease, whichever is the shorter. Council had no finance leases at reporting date.

##### *Operating leases*

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

##### *Leasehold improvements*

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

## Notes to the Financial Report

### Note 1 Significant accounting policies (cont.)

#### (v) Goods and Services Tax (GST)

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

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

#### (w) Financial guarantees

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that that right will be exercised. Details of guarantees that Council has provided, that are not recognised in the balance sheet are disclosed in Note 36 Contingent Liabilities and Contingent Assets.

#### (x) Contingent assets and contingent liabilities and commitments

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

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

#### (y) Pending accounting standards

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

#### (z) Rounding

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



## Notes to the Financial Report

### Note 2 - Budget comparison

The budget comparison notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of 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.

The budget figures detailed below are those adopted by Council on 22 June 2015. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's business plan and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

#### a) Income and Expenditure

		Budget 2016 \$'000	Actual 2016 \$'000	Variance 2016 \$'000	Variance 2016 %
	Ref				
<b>Income</b>					
Rates and charges		160,809	161,428	619	0.4
Statutory fees and fines	1	11,099	13,476	2,377	17.6
User fees		12,990	13,055	65	0.5
Grants - recurrent operating	2	13,547	12,158	(1,389)	(11.4)
Grants - recurrent capital	3	797	1,139	342	30.0
Grants - non recurrent capital		3,185	3,151	(34)	(1.1)
Contributions - monetary	4	1,844	7,554	5,710	75.6
Contributions - non monetary	5	-	423	423	100.0
Other income	6	6,931	9,645	2,714	28.1
Share of net profits of associates and joint ventures	7	-	525	525	100.0
<b>Total income</b>		<b>211,202</b>	<b>222,553</b>	<b>10,826</b>	<b>4.9</b>
<b>Expenses</b>					
Employee costs		77,335	77,856	521	0.7
Materials and services		54,215	54,400	185	0.3
Bad and doubtful debts	8	1,206	866	(340)	(39.3)
Depreciation and amortisation		31,256	30,547	(710)	(2.3)
Borrowing costs		2,718	2,719	1	0.0
Other expenses		11,309	10,564	(745)	(7.1)
Net loss on disposal of property, infrastructure, plant and equipment	9	3,000	4,481	1,481	33.1
<b>Total expenses</b>		<b>181,039</b>	<b>181,432</b>	<b>393</b>	<b>0.2</b>
<b>Surplus for the year</b>		<b>30,163</b>	<b>41,121</b>	<b>10,958</b>	<b>26.6</b>

## Notes to the Financial Report

### Note 2 - Budget comparison (cont.)

#### (i) Explanation of material variations

Variance Ref	Item	Explanation
1	Statutory fees and fines	Statutory fees and fines are higher than budget due to an increased number of infringements issued of \$1.54 million and \$232,000 in town planning fees.
2	Grants - recurrent operating	Decrease is due to the early receipt of the 2015-16 Victoria Grants Commission grant allocation of \$2.17 million (50%) in the 2014-15 financial year.
3	Grants - recurrent capital	Grants - recurrent capital variance is due to higher than expected funding for the Roads to Recovery program.
4	Contributions - monetary	Developer open space contributions are difficult to predict from one year to the next. The 2015-16 contributions were higher than expected due to an increase in the number of multi dwelling developments and hence higher contributions were received. The annual budget is based on the historical level of income received over the prior five year period.
5	Contributions - non monetary	Non monetary contributions are difficult to predict from one year to the next. The 2015-16 non-monetary contributions relate to art and heritage assets.
6	Other income	Other income is above budget due to an increased number of term deposits, resulting in higher interest on investments of \$492,000. Council received an \$874,000 partial refund for carbon tax charges relating to the period 01/07/2012-30/06/2014 and \$390,000 associated with the waste processing contract. Traffic road closures income was \$438,000 above budget due to increased development activity.
7	Share of net losses of associates and joint ventures	The timing of budget information received for the landfill does not allow for its inclusion in Councils budget document.
8	Bad and doubtful debts	Bad and doubtful debts is lower than budget due to State Government improved collection processes for parking fines.
9	Net loss on disposal of property, infrastructure, plant and equipment	The variance of \$1.48 million above budget is primarily due to asset disposals relating to roads, kerb and channel, footpaths, drains and buildings (non-cash). Some of the significant items include disposal of buildings at Hawthorn South and North Balwyn Tennis Clubs.

## Notes to the Financial Report

### Note 2 - Budget comparison (cont.)

#### b) Capital works

		Budget	Actual	Variance	Variance
		2016	2016	2016	2016
Ref		\$'000	\$'000	\$'000	%
<b>Property</b>					
	Land	-	151	151	-
1	Land improvements	2,130	1,793	(337)	(15.8)
	<b>Total land</b>	<b>2,130</b>	<b>1,944</b>	<b>(186)</b>	
2	Buildings	27,353	23,003	(4,350)	(15.9)
	Building improvements	1,909	1,771	(138)	(7.2)
	<b>Total buildings</b>	<b>29,262</b>	<b>24,774</b>	<b>(4,488)</b>	(15.3)
	<b>Total property</b>	<b>31,392</b>	<b>26,718</b>	<b>(4,674)</b>	(14.9)
<b>Plant and equipment</b>					
3	Plant, machinery and equipment	917	1,239	322	35.2
4	Fixtures, fittings and furniture	199	252	53	26.4
	Computers and telecommunications	2,657	2,399	(258)	(9.7)
	Library books	1,080	1,062	(18)	(1.7)
	<b>Total Plant and equipment</b>	<b>4,853</b>	<b>4,952</b>	<b>99</b>	2.0
<b>Infrastructure</b>					
5	Roads	8,809	9,699	890	10.1
6	Bridges	54	-	(54)	(100.0)
	Footpaths and cycleways	1,966	1,966	(0)	(0.0)
7	Drainage	4,918	4,143	(775)	(15.8)
	Recreational, leisure and community facilities	1,820	1,680	(140)	(7.7)
	Parks, open space and streetscapes	3,944	4,119	175	4.4
8	Off street car parks	574	386	(188)	(32.8)
	Other infrastructure	-	-	-	-
	<b>Total infrastructure</b>	<b>22,085</b>	<b>21,992</b>	<b>(93)</b>	(0.4)
	<b>Total capital works expenditure</b>	<b>58,330</b>	<b>53,663</b>	<b>(4,667)</b>	(8.0)
<b>Represented by:</b>					
	New asset expenditure	9,152	8,924	(228)	(2.5)
9	Asset renewal expenditure	46,788	41,912	(4,876)	(10.4)
10	Asset expansion expenditure	878	1,193	315	35.9
	Asset upgrade expenditure	1,512	1,634	122	8.1
	<b>Total capital works expenditure</b>	<b>58,330</b>	<b>53,663</b>	<b>(4,667)</b>	(8.0)

## Notes to the Financial Report

### Note 2 - Budget comparison (cont.)

#### (i) Explanation of material variations

Variance Ref	Item	Explanation
1	Land improvements	Land improvements variance is due to some works not being capital in nature and savings in the Glenferrie Oval Water Management project. The budget for the Glenferrie Oval Water Management Project was based on the estimated value of the works. Tender prices were very competitive and less than the estimated value. A contingency amount was also included in the budget to allow for the removal of contaminated soil or the potential discovery of historic artefacts. This did not eventuate, leading to further savings during the delivery of the project.
2	Buildings	Buildings variance is primarily due to a delay in delivering significant projects including Glenferrie Road Community Facility, Camberwell Hockey Pavilion, Camberwell United Tennis Pavilion and St James Park Bowls Club Pavilion. These projects are expected to be completed in 2016-17. The construction phase of these projects required extensive consultation with user groups to finalise the scope of the works before tenders were called.
3	Plant, machinery and equipment	Plant, machinery and equipment is higher than budget due to additional equipment requirements at the Leisure and Aquatic Centres.
4	Fixtures, fittings and furniture	Fixtures, fittings and furniture are higher than budget due to the relocation of a number of functions within Council offices to facilitate an organisational restructure. In addition an increased focus on occupational health and safety requirements was implemented.
5	Roads	During the financial year it was identified that works included in the operating budget was of a capital nature. The roads operating budget was reduced by \$702,000 and the capital budget increased by the same margin. In addition a carry forward of works of \$191,000 from 2014-15 was completed in 2015-16.
6	Bridges	Bridges variance is due to expenditure not being capital in nature.
7	Drainage	Capital expenditure relating to drainage was below budget due to lower than anticipated prices received to undertake the programmed works and overestimating the extent of some relining works.
8	Off street car parks	Off street car park work programmed for the year was completed with an overall saving achieved. The value of works anticipated to be undertaken to renew car parks for the year was lower than estimated.
9	Asset renewal expenditure	The expenditure was lower than budget as a result of works that were not completed in the 2015-16 financial year and \$4.70 million has been transferred to the 2016-17 financial year as a forward commitment. These projects include 605-609 Glenferrie Road community facility, Camberwell Hockey Pavilion, Camberwell United Tennis Club and St James Park Bowls Club main building.
10	Asset expansion expenditure	The expenditure was higher than budget primarily relating to Ashburton Pool & Recreation Centre works that were not completed in the 2014-15 financial year and carried forward in the 2015-16 financial year and the carry forward amount was not recognised in the 2015-16 original budget.

## Notes to the Financial Report

	2016 \$'000	2015 \$'000
<b>Note 3 - Rates and charges</b>		
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 2015-16 was \$82.54 billion (2014-15: \$81.45 billion). The 2015-16 rate in the CIV dollar was 0.001688 (2014-15: 0.001615).		
General rates	136,767	129,107
Cultural and recreational	54	51
Supplementary rates and rate adjustments	1,617	1,535
Waste management charge	21,737	20,093
Special rates and charges	1,253	1,254
<b>Total rates and charges</b>	<b>161,428</b>	<b>152,040</b>

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2016 and the valuation will be first applied in the rating year commencing 1 July 2016.

### Note 4 - Statutory fees and fines

Infringements and costs	9,819	8,729
Court recoveries	851	627
Town planning fees	1,608	1,376
Land information certificates	196	155
Permits	1,002	960
<b>Total statutory fees and fines</b>	<b>13,476</b>	<b>11,847</b>

### Note 5 - User fees

Aged and health services	2,101	2,085
Building services	1,094	1,126
Road occupancy, traffic and drainage	805	781
Child care/children's program	254	373
Parking	1,954	1,582
Leisure centre and recreation	3,338	2,843
Registrations and other permits	1,027	999
Waste management services	1,349	1,478
Other fees and charges	1,133	1,057
<b>Total user fees</b>	<b>13,055</b>	<b>12,324</b>

## Notes to the Financial Report

	2016 \$'000	2015 \$'000
<b>Note 6 - Grants</b>		
Grants were received in respect of the following :		
<b>Summary of grants</b>		
Commonwealth funded grants	3,645	7,261
State funded grants	12,803	11,251
<b>Total</b>	<b>16,448</b>	<b>18,512</b>
<b>Operating Grants</b>		
<b><i>Recurrent - Commonwealth Government</i></b>		
Victoria Grants Commission	2,167	6,511
Maternal and child health	192	188
Volunteer services	148	143
<b><i>Recurrent - State Government</i></b>		
Primary care partnerships	-	37
Aged care	6,202	6,074
Family and children	229	222
School crossing supervisors	435	407
Libraries	1,031	1,023
Maternal and child health	911	908
Senior citizen centres	183	174
Community safety	269	262
<b>Total recurrent operating grants</b>	<b>11,767</b>	<b>15,949</b>
<b><i>Non-recurrent - Commonwealth Government</i></b>		
Environmental planning	-	20
<b><i>Non-recurrent - State Government</i></b>		
Community health	25	49
Community safety	28	41
Family and children	43	3
Environmental planning	172	107
Recreation	-	3
Other	124	59
<b>Total non-recurrent operating grants</b>	<b>391</b>	<b>282</b>
<b>Total operating grants</b>	<b>12,158</b>	<b>16,231</b>
<b>Capital Grants</b>		
<b><i>Recurrent - Commonwealth Government</i></b>		
Roads to recovery	1,139	399
<b>Total recurrent capital grants</b>	<b>1,139</b>	<b>399</b>

## Notes to the Financial Report

	2016 \$'000	2015 \$'000
<b>Note 6 - Grants (cont.)</b>		
<i><b>Non-recurrent - State Government</b></i>		
Buildings	1,892	900
Plant, machinery and equipment	80	50
Environment	956	299
Streetscapes and transport	-	30
Bridges	15	439
Community safety	138	49
Sport and recreation	45	114
Libraries	25	-
<b>Total non-recurrent capital grants</b>	<b>3,151</b>	<b>1,881</b>
<b>Total capital grants</b>	<b>4,290</b>	<b>2,280</b>
 <b>Unspent grants received on condition that they be spent in a specific manner</b>		
Balance at start of year	(195)	715
Received during the financial year and remained unspent at balance date	123	433
Received in prior years and spent during the financial year	(525)	(1,343)
<b>Balance at year end of unspent grants</b>	<b>(597)</b>	<b>(195)</b>
 <b>Note 7 - Contributions</b>		
Monetary	7,554	5,587
Non-monetary	423	13
<b>Total contributions</b>	<b>7,977</b>	<b>5,600</b>
 <i>Contributions of non-monetary asset were received in relation to the following asset classes</i>		
Other - Art and heritage	423	13
<b>Total non-monetary contributions</b>	<b>7,977</b>	<b>5,600</b>
 <b>Note 8 - Net loss on disposal of property, infrastructure, plant</b>		
Proceeds of sale	-	-
Written down value of assets sold, replaced and disposed	(4,481)	(3,187)
<b>Total net loss on disposal of property, infrastructure, plant and equipment</b>	<b>(4,481)</b>	<b>(3,187)</b>

## Notes to the Financial Report

	2016 \$'000	2015 \$'000
<b>Note 9 - Other income</b>		
Interest	2,774	2,560
Investment property rental	162	154
Other rental income	2,494	2,260
Reimbursements	2,336	1,110
Right-of-way sales	376	451
Traffic and drainage	1,088	973
Other income	415	135
<b>Total other income</b>	<b>9,645</b>	<b>7,643</b>

### Note 10 (a) Employee Costs

Wages and salaries	60,060	57,925
WorkCover	719	667
Casual staff	3,815	2,554
Annual leave and long service leave	6,127	5,951
Superannuation	5,885	5,764
Fringe benefits tax	554	509
Other	696	203
<b>Total employee costs</b>	<b>77,856</b>	<b>73,573</b>

### Note 10 (b) Superannuation

#### Superannuation

Council made contributions to the following funds:

#### Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	600	623
	<b>600</b>	<b>623</b>

Employer contributions payable at reporting date.	-	-
---------------------------------------------------	---	---

#### Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	3,594	3,493
Employer contributions - other funds	1,633	1,511
	<b>5,227</b>	<b>5,004</b>

Employer contributions payable at reporting date.	58	137
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Refer to Note 35 for further information relating to Council's superannuation obligations.



## Notes to the Financial Report

	2016 \$'000	2015 \$'000
<b>Note 11 - Materials and services</b>		
Contract payments and trade services	26,163	24,775
Building maintenance	3,421	3,113
General maintenance	2,037	1,621
Utilities	4,002	3,716
Office and administration	4,918	4,774
Information technology	2,336	2,408
Insurance	1,924	1,591
Consultants	5,604	5,279
Plant and equipment maintenance	1,926	1,852
Financial and legal	1,901	1,829
Other	168	116
<b>Total materials and services</b>	<b>54,400</b>	<b>51,074</b>

### Note 12 - Bad and doubtful debts

Parking fine and local laws debtors	808	804
Other debtors	58	49
<b>Total bad and doubtful debts</b>	<b>866</b>	<b>853</b>

### Note 13 - Depreciation and amortisation

Property	10,988	10,498
Plant and equipment	4,226	4,444
Infrastructure	14,809	14,341
Investment property	144	113
<b>Total depreciation</b>	<b>30,167</b>	<b>29,396</b>
Intangible assets	380	242
<b>Total depreciation and amortisation</b>	<b>30,547</b>	<b>29,638</b>

Refer to Note 23, 24 and 25 for a more detailed breakdown of depreciation and amortisation charges

## Notes to the Financial Report

	2016 \$'000	2015 \$'000
<b>Note 14 - Borrowing costs</b>		
Interest on borrowings	2,719	4,429
<b>Total borrowing costs</b>	<b>2,719</b>	<b>4,429</b>
<b>Note 15 - Other expenses</b>		
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	75	61
Auditors' remuneration - internal	109	69
Councillors' allowances	382	373
Operating lease rentals	4,765	4,953
Community grants and contributions	2,550	2,526
Training and professional development	978	952
Special rate scheme expenditure	1,254	1,254
Impairment losses	172	-
Other expenditure	279	246
<b>Total other expenses</b>	<b>10,564</b>	<b>10,434</b>
<b>Note 16 - Provision for investments in associates and joint ventures</b>		
<b>Background</b>		
The City of Boroondara has entered into a joint venture arrangement called South Eastern Regional Landfill, 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.		
<b><i>Council's share of accumulated surplus(deficit)</i></b>		
Council's share of accumulated surplus(deficit) at start of year	(2,904)	1,764
Reported surplus/(deficit) for year	525	(4,668)
Council's share of accumulated deficit at end of year	<b>(2,379)</b>	<b>(2,904)</b>
<b><i>Movement in carrying value of specific investment</i></b>		
Carrying value of investment at start of year	(1,264)	3,404
Share of surplus/(deficit) for year	525	(4,668)
Carrying value of investment at end of year	<b>(739)</b>	<b>(1,264)</b>
<b><i>Council's share of expenditure commitments</i></b>		
Commitments	30	32
	<b>30</b>	<b>32</b>

## Notes to the Financial Report

2016	2015
\$'000	\$'000

### Note 16 - Provision for investments in associates and joint ventures (cont.)

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.

### Note 17 - Cash and cash equivalents

Cash on hand	9	9
Cash at bank	5,924	9,378
Term deposits	32,278	1,322
	<b>38,211</b>	<b>10,709</b>

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

- Trust funds and deposits (Note 27)

	3,204	3,038
Total restricted funds	<b>3,204</b>	<b>3,038</b>
<b>Total unrestricted cash and cash equivalents</b>	<b>35,008</b>	<b>7,671</b>

#### 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	6,110	3,966
- Cash held to fund carried forward priority projects	1,507	1,166
- Reserves	8,659	5,270
<b>Total funds subject to intended allocations</b>	<b>16,276</b>	<b>10,402</b>

Refer also to Note 19 for details of other financial assets held by Council.

## Notes to the Financial Report

	2016 \$'000	2015 \$'000
<b>Note 18 - Trade and other receivables</b>		
<b>Current</b>		
Rates debtors	4,231	3,369
Parking infringement debtors	5,619	5,318
Provision for doubtful debts - parking infringements	(1,177)	(1,150)
Loans and advances to community organisations	33	50
Other debtors	1,128	1,612
Provision for doubtful debts - other debtors	(71)	(64)
Net GST receivable	1,404	1,139
	<b>11,167</b>	<b>10,274</b>
<b>Non-current</b>		
Loans and advances to community organisations	27	60
	<b>27</b>	<b>60</b>
<b>Total trade and other receivables</b>	<b>11,194</b>	<b>10,334</b>
<b>a) Ageing of receivables</b>		
At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Council's trade and other receivables (excluding statutory receivables) was:		
Current (not yet due)	593	828
Past due by up to 30 days	301	547
Past due between 31 and 180 days	98	191
Past due between 181 and 365 days	50	42
Past due by more than 1 year	146	114
Total trade and other receivables	<b>1,188</b>	<b>1,722</b>
<b>b) Movement in provisions for doubtful debts</b>		
Balance at the beginning of the year	1,214	1,194
New provisions recognised during the year	866	853
Amounts already provided for and written off as uncollectible	(833)	(833)
Balance at end of year	<b>1,247</b>	<b>1,214</b>

### c) Ageing of individually impaired receivables

At balance date there were no other debtors representing financial assets that were impaired (2014-15 Nil).

## Notes to the Financial Report

	2016 \$'000	2015 \$'000
<b>Note 19 - Other financial assets</b>		
<b>Current assets</b>		
Term Deposits	56,500	66,500
<b>Non current assets</b>		
Unlisted shares - at cost	4	4
<b>Total other financial assets</b>	<b>56,504</b>	<b>66,504</b>
The unlisted shares are held with Procurement Australia Limited.		
<b>Note 20 - Inventories</b>		
Inventories for distribution	17	11
Inventories held for sale	17	13
<b>Total inventories</b>	<b>34</b>	<b>24</b>
<b>Note 21 - Non-current assets classified as held for sale</b>		
There are no assets held for sale in 2015-16 (2014-15 -\$77.00).		
<b>Note 22 - Other assets</b>		
Prepayments	1,293	1,059
<b>Total other assets</b>	<b>1,293</b>	<b>1,059</b>

## Notes to the Financial Report

### Note 23 - Property, infrastructure, plant and equipment

#### Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2016	Accumulated Depreciation	WDV 30 June 2016	At Fair Value 30 June 2015	Accumulated Depreciation	WDV 30 June 2015
Land	2,466,245	-	2,466,245	1,925,636	-	1,925,636
Buildings	410,472	(145,750)	264,722	394,436	(153,177)	241,259
Plant and Equipment	47,207	(29,838)	17,369	49,408	(28,825)	20,583
Infrastructure	1,056,111	(522,924)	530,492	1,019,502	(510,660)	508,842
Work in progress	24,693	-	24,693	24,867	-	24,867
	<b>4,004,728</b>	<b>(698,513)</b>	<b>3,303,521</b>	<b>3,413,849</b>	<b>(692,662)</b>	<b>2,721,187</b>

#### Summary of Work in Progress

	Opening WIP	Additions	Transfers	Write Offs	Closing WIP
Buildings	14,462	28,011	(25,933)	(1,276)	15,263
Plant and Equipment	-	7,127	(4,405)	(291)	2,432
Infrastructure	10,405	18,525	(20,280)	(1,651)	6,999
Total	<b>24,867</b>	<b>53,663</b>	<b>(50,618)</b>	<b>(3,218)</b>	<b>24,693</b>

## Notes to the Financial Report

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

#### LAND AND BUILDINGS

	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 2015	1,666,861	258,775	1,925,636	394,436	394,436	14,462	2,334,534
Accumulated depreciation at 1 July 2015	-	-	-	(153,177)	(153,177)	-	(153,177)
	1,666,861	258,775	1,925,636	241,259	241,259	14,462	2,181,357
<b>Movements in fair value</b>							
Acquisition of assets at fair value	147	-	147	24,576	24,576	-	24,723
Revaluation increments/decrements	478,767	60,151	538,918	(5,952)	(5,952)	-	532,966
Fair value of assets disposed	-	-	-	(2,588)	(2,588)	-	(2,588)
Transfers in (out)	-	1,544	1,544	-	-	801	2,345
	478,915	61,694	540,609	16,036	16,036	801	557,446
<b>Movements in accumulated depreciation</b>							
Depreciation and amortisation	-	-	-	10,987	(10,987)	-	(10,987)
Accumulated depreciation of disposals	-	-	-	1,315	1,315	-	1,315
Revaluation increments/decrements	-	-	-	17,099	17,099	-	17,099
Impairment losses recognised in operating result	-	-	-	-	-	-	-
	-	-	-	7,427	7,427	-	7,427
At fair value 30 June 2016	2,145,776	320,469	2,466,245	410,472	410,472	15,263	2,891,980
Accumulated depreciation at 30 June 2016	-	-	-	(145,750)	(145,750)	-	(145,750)
	2,145,776	320,469	2,466,245	264,722	264,722	15,263	2,746,230

## Notes to the Financial Report

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

#### 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 2015	32,136	7,352	4,763	5,146		49,397
Accumulated depreciation at 1 July 2015	(17,833)	(4,357)	(3,195)	(3,430)	-	28,815
	14,303	2,995	1,568	1,717		20,583
<b>Movements in fair value</b>						
Acquisition of assets at fair value	2,152	388	433	1,106	-	4,079
Revaluation increments/decrements	-	-	-	-	-	-
Fair value of assets disposed	(236)	(5)	-	(1,607)	-	1,847
Impairment losses recognised in operating result	-	-	-	-	-	-
Transfers in (out)	(4,385)	-	(37)	-	2,432	1,990
	2,469	384	396	(501)	2,432	242
<b>Movements in accumulated depreciation</b>						
Depreciation and amortisation	(2,235)	(453)	(764)	(774)	-	(4,226)
Accumulated depreciation of disposals	68	3	-	1,071	-	1,142
Impairment losses recognised in operating result	(172)	-	-	-	-	(172)
Transfers in (out)	2,220	-	13	-	-	2,233
	(118)	(450)	(752)	297		(1,023)
At fair value 30 June 2016	29,667	7,736	5,159	4,645	2,432	49,639
Accumulated depreciation at 30 June 2016	(17,951)	(4,807)	(3,947)	(3,133)		(29,838)
	11,715	2,929	1,213	1,512	2,432	19,800



## Notes to the Financial Report

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

#### 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 2015	559,931	13,853	146,036	194,803	40,728	31,657	32,495	10,405	1,029,908
Accumulated depreciation at 1 July 2015	(317,365)	(7,506)	(78,008)	(77,919)	(11,628)	(6,501)	(11,734)	-	(510,661)
	242,566	6,347	68,028	116,884	29,100	25,156	20,761	10,405	519,247
<b>Movements in fair value</b>									
Acquisition of assets at fair value	7,551	13	2,322	3,117	4,739	1,828	709	-	20,280
Revaluation increments/decrements	16,553	(34)	1,786	(5,178)	-	-	1,877	-	15,004
Fair value of assets disposed	(3,472)	(12)	(1,847)	(67)	-	(61)	(297)	-	5,756
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	4,385	-	(3,406)	979
	20,632	-	33	2,261	-	2,128	4,739	6,153	2,289
	(3,406)	-	-	-	-	-	-	-	(3,406)
	20,632	-	33	2,261	-	2,128	4,739	6,153	2,289
<b>Movements in accumulated depreciation</b>									
Depreciation and amortisation	(6,685)	(148)	(1,739)	(2,340)	(1,801)	(1,230)	(865)	-	(14,809)
Revaluation increments/decrements	2,391	(239)	(1,778)	500	-	-	640	-	1,514
Accumulated depreciation of disposals	2,133	-	936	62	-	8	111	-	3,250
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-
Transfers in (out)	-	-	-	-	-	(2,219)	-	-	(2,219)
	(2,162)	(387)	(2,581)	(1,778)	(1,801)	(3,441)	(114)	-	(12,264)
	(2,162)	(387)	(2,581)	(1,778)	(1,801)	(3,441)	(114)	-	(12,264)
At fair value 30 June 2016	580,563	13,820	148,297	192,675	45,467	37,810	34,784	6,999	1,060,415
Accumulated depreciation at 30 June 2016	(319,527)	(7,893)	(80,589)	(79,697)	(13,429)	(9,942)	(11,848)	-	(522,924)
	261,037	5,927	67,708	112,979	32,038	27,868	22,937	6,999	537,491
<b>Total property, infrastructure, plant and equipment</b>									3,303,521

## Notes to the Financial Report

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

#### *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.

Land movements moved by 43% since 1 January 2014 as a result of the low interest rate environment which enabled the property market across Melbourne and Victoria. Across the municipality site values have increased by 35.90%.

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

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

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

	Level 1	Level 2	Level 3
<b>Land</b>		320,469	
<b>Specialised land</b>		48,688	2,097,088
<b>Buildings</b>			264,722
<b>Total</b>		<b>369,157</b>	<b>2,361,810</b>

#### *Valuation of infrastructure*

Valuation of infrastructure assets has been determined by David Elson, Manager Asset Planning, Bachelor Civil Engineering (Hons), Grad Dip Municipal Engineering.

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

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

	Level 1	Level 2	Level 3
<b>Roads</b>			261,038
<b>Bridges</b>			5,926
<b>Footpaths and cycleways</b>			67,707
<b>Drainage</b>			112,979
<b>Recreational, leisure and community facilities</b>			32,038
<b>Parks, open space and streetscapes</b>			27,868
<b>Off Street Car Parks</b>			22,936
<b>Total</b>			<b>530,492</b>

Refer to note 1 (g) for definitions.

## Notes to the Financial Report

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

#### *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 \$9,519 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.

	2016 \$'000	2015 \$'000
<b>Reconciliation of specialised land</b>		
Land under roads	1,869	1,413
Parks and reserves	933,206	726,435
Sports Grounds	741,345	561,043
Other	469,356	377,970
<b>Total specialised land</b>	<b>2,145,776</b>	<b>1,666,861</b>

## Notes to the Financial Report

	2016 \$'000	2015 \$'000
<b>Note 24 - Investment property</b>		
<b>Gross carrying amount</b>		
Balance at beginning of financial year	9,955	8,419
Additions	1,210	1,571
Transfer out	(1,544)	-
Disposals	-	(35)
Balance at end of financial year	<b>9,621</b>	<b>9,955</b>
<b>Accumulated amortisation and impairment</b>		
Balance at beginning of the year	(764)	(662)
Depreciation expense	(144)	(102)
Balance at end of financial year	<b>(908)</b>	<b>(764)</b>
Net book value	<b>8,713</b>	<b>9,191</b>

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

### Note 25 - Intangible assets

Software	739	345
Total intangible assets	<b>739</b>	<b>345</b>
<b>Software</b>		
<b>\$'000</b>		
<b>Gross carrying amount</b>		
Balance at 1 July 2014	5,262	
Additions from internal developments	331	
Disposals	(3,618)	
Balance at 1 July 2015	<b>1,976</b>	
Additions from internal developments	776	
Balance at 30 June 2016	<b>2,752</b>	
<b>Accumulated amortisation and impairment</b>		
Balance at 1 July 2014	(5,007)	
Amortisation expense	3,375	
Balance at 1 July 2015	<b>(1,633)</b>	
Amortisation expense	(380)	
Balance at 30 June 2016	<b>(2,013)</b>	
Net book value at 30 June 2015	<b>345</b>	
Net book value at 30 June 2016	<b>739</b>	

## Notes to the Financial Report

### Note 26 - Trade and other payables

	2016 \$'000	2015 \$'000
Trade and other payables	17,944	21,429
Accrued expenses	3,437	2,874
Prepaid income	103	94
	<b>21,484</b>	<b>24,397</b>

### Note 27 - Trust funds and deposits

Refundable deposits	27(a)	2,609	2,516
Fire services levy	27(b)	404	321
Refundable contract deposits and retention monies	27(c)	22	13
Balwyn Rotary Sunday Market trust funds	27(d)	100	119
Sportsgrounds trust funds	27(e)	69	69
		<b>3,204</b>	<b>3,038</b>

#### *Purpose and restrictions of trust funds and deposits*

Ref.	Purpose:	Nature of any restrictions:
27(a)	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.
27(b)	Fire Services Levy	Council is the collection agent for the 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.
27(c)	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.
27(d)	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.
27(e)	Trust funds collected from cessation of sportsground committees.	Expenditure is restricted to the relevant sportsground.

## Notes to the Financial Report

### Note 28 - Provisions

	Annual leave	Long service leave	Other	Total
	\$ '000	\$ '000	\$ '000	\$ '000
<b>2016</b>				
Balance at beginning of the financial year	4,856	11,824	290	16,970
Additional provisions	5,660	2,598	1,562	9,820
Amounts used	(5,659)	(2,560)	(1,545)	(9,764)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	84	150	-	234
Balance at the end of the financial year	<b>4,941</b>	<b>12,012</b>	<b>307</b>	<b>17,260</b>
<b>2015</b>				
Balance at beginning of the financial year	4,599	11,025	253	15,877
Additional provisions	5,101	2,308	1,479	8,888
Amounts used	(5,102)	(2,247)	(1,442)	(8,791)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	258	738	-	996
Balance at the end of the financial year	<b>4,856</b>	<b>11,824</b>	<b>290</b>	<b>16,970</b>

Employee benefits	2016 \$'000	2015 \$'000
<b>Current provisions expected to be settled within 12 months</b>		
Annual leave	3,916	3,837
Long service leave	8,467	8,701
Other	307	290
	<b>12,690</b>	<b>12,828</b>
<b>Current provisions expected to be settled after 12 months</b>		
Annual leave	1,025	1,019
Long service leave	1,559	1,120
	<b>2,584</b>	<b>2,139</b>
Total current provisions	<b>15,274</b>	<b>14,968</b>
<b>Non-current</b>		
Long service leave	1,986	2,003
Total non-current provisions	<b>1,986</b>	<b>2,003</b>
Aggregate carrying amount of employee provisions:		
Current	15,274	14,968
Non-current	1,986	2,003
Total aggregate carrying amount of employee provisions	<b>17,260</b>	<b>16,970</b>
<b>(b) Other</b>		
Provision for rostered days off		
Current	307	290
	<b>307</b>	<b>290</b>

## Notes to the Financial Report

	2016 \$'000	2015 \$'000
<b>Note 29 - Interest-bearing loans and borrowings</b>		
<b>Current</b>		
Borrowings - secured	4,049	3,864
<b>Non-current</b>		
Borrowings - secured	48,948	52,997
<b>Total</b>	<b>52,997</b>	<b>56,861</b>

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	4,049	3,864
Later than one year and not later than five years	25,735	28,212
Later than five years	23,213	24,785
	<b>52,997</b>	<b>56,861</b>

## Notes to the Financial Report

### Note 30 - Reserves

	Balance at beginning of reporting period	Increment (decrement)	Reversal of previous valuations for assets disposed	Share of increment (decrement) on revaluation by an associate	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>(a) Asset revaluation reserves</b>					
<b>2016</b>					
<b>Property</b>					
Land	1,610,712	538,918	1,037	-	2,150,667
Buildings and other structures	42,510	11,147	(1,096)	-	52,561
	<b>1,653,222</b>	<b>550,065</b>	<b>(59)</b>	<b>-</b>	<b>2,203,228</b>
<b>Infrastructure</b>					
Roads	156,080	18,945	-	-	175,025
Bridges	4,119	(273)	-	-	3,846
Footpaths and cycleways	44,143	7	(908)	-	43,242
Drainage	38,431	(4,677)	276	-	34,030
Carparks and access roads	9,345	2,516	-	-	11,861
	<b>252,118</b>	<b>16,518</b>	<b>(632)</b>	<b>-</b>	<b>268,004</b>
<b>Sub-total property and infrastructure</b>	<b>1,905,340</b>	<b>566,583</b>	<b>(691)</b>	<b>-</b>	<b>2,471,232</b>
<b>Investments in associates</b>					
Clayton Landfill	2,718	-	-	(2,718)	-
	<b>2,718</b>	<b>-</b>	<b>-</b>	<b>(2,718)</b>	<b>-</b>
<b>Total asset revaluation reserves</b>	<b>1,908,058</b>	<b>566,583</b>	<b>(691)</b>	<b>(2,718)</b>	<b>2,471,232</b>
<b>2015</b>					
<b>Property</b>					
Land	1,610,712	-	-	-	1,610,712
Buildings and other structures	42,510	-	-	-	42,510
	<b>1,653,222</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,653,222</b>
<b>Infrastructure</b>					
Roads	156,080	-	-	-	156,080
Bridges	4,119	-	-	-	4,119
Footpaths and cycleways	44,143	-	-	-	44,143
Drainage	38,431	-	-	-	38,431
Carparks and access roads	9,345	-	-	-	9,345
	<b>252,118</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>252,118</b>
<b>Sub-total property and infrastructure</b>	<b>1,905,340</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,905,340</b>
<b>Investments in associates</b>					
Clayton Landfill	2,718	-	-	-	2,718
	<b>2,718</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,718</b>
<b>Total asset revaluation reserves</b>	<b>1,908,058</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,908,058</b>

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



## Notes to the Financial Report

### Note 30 - 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>(b) Other reserves</b>				
<b>2016</b>				
Drainage contributions reserve	233	50	-	283
Strategic acquisition fund	434	-	-	434
Defined Benefit future call up fund	2,000	1,000	-	3,000
Open space development fund	2,603	2,490	(151)	4,942
<b>Total other reserves</b>	<b>5,270</b>	<b>3,540</b>	<b>(151)</b>	<b>8,659</b>
<b>2015</b>				
Drainage contributions reserve	144	89	-	233
Strategic acquisition fund	434	-	-	434
Defined Benefit future call up fund	1,000	1,000	-	2,000
Open space development fund	623	1,980	-	2,603
<b>Total other reserves</b>	<b>2,201</b>	<b>3,069</b>	<b>-</b>	<b>5,270</b>

The drainage contributions reserve represents non refundable contributions that are sought from developers to upgrade drainage as a result of development in the municipality.

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.

	2016 \$'000	2015 \$'000
<b>(c) Total reserves</b>		
Asset revaluation reserves	2,471,232	1,908,058
Drainage contribution reserve	283	233
Strategic acquisition fund	434	434
Defined Benefit future call up fund	3,000	2,000
Open space development fund	4,942	2,603
<b>Total reserves</b>	<b>2,479,891</b>	<b>1,913,328</b>

## Notes to the Financial Report

		2016 \$'000	2015 \$'000
<b>Note 31 - Reconciliation of cash flows from operating activities to surplus</b>			
	<b>Note</b>		
Surplus for the period		41,121	30,109
Depreciation/amortisation	13	30,547	29,638
(Profit) /loss on disposal of property, infrastructure, plant and equipment	8	4,481	3,187
Share of joint venture (profits) / losses net of distributions	16	(525)	4,668
Impairment losses & reversals of impairment losses		172	-
Works in progress not capitalised (expensed)		3,219	2,396
Contributions of non-monetary assets	7	(423)	(13)
Finance costs		2,719	4,429
Change in assets and liabilities:			
(Increase)/decrease in trade and other receivables		(910)	1,508
Increase in prepayments		(234)	(208)
(Increase)/decrease in inventories		(11)	12
Increase/(decrease) in trust funds and deposits		166	(141)
Increase/(decrease) in trade and other payables		(1,370)	3,747
Increase in other liabilities		9	40
Increase in provisions		339	1,094
Net cash provided by operating activities		<b>79,300</b>	<b>80,466</b>

### Note 32 - Financing arrangements

Council does not have a bank overdraft facility.

Credit card facilities	300	300
Borrowing facilities	52,997	56,861
Total facilities	<b>53,297</b>	<b>57,161</b>
Used facilities	<b>53,127</b>	<b>56,970</b>
Unused facilities	<b>170</b>	<b>191</b>

## Notes to the Financial Report

### Note 33 - Commitments

	Not later than 1 year \$'000 GST Incl.	Later than 1 year and not later than 2 years \$'000 GST Incl.	Later than 2 years and not later than 5 years \$'000 GST Incl.	Later than 5 years \$'000 GST Incl.	Total \$'000 GST Incl.
The Council has entered into the following commitments:					
<b>30 June 2016</b>					
<i>Operating</i>					
Recycling	2,053	2,053	6,165	2,739	13,010
Garbage collection	1,866	1,136	1,054	114	4,170
Open space management	8,785	8,398	8,822	1,007	27,012
Consultancies	4,049	2,533	3,282	-	9,864
Home care services	22	22	28	-	72
Cleaning contracts for council buildings	496	-	-	-	496
Meals for delivery	-	-	-	-	-
Information systems and technology	2,042	1,038	278	-	3,358
Other	1,382	332	860	-	2,574
<b>Total operating commitments</b>	<b>20,695</b>	<b>15,512</b>	<b>20,489</b>	<b>3,860</b>	<b>60,556</b>
<i>Capital</i>					
Buildings	3,368	1,205	3,250	362	8,185
Roads	6,920	1,581	1,223	-	9,724
Drainage	4,023	1,693	1,512	-	7,228
Other	1,208	905	353	-	2,466
<b>Total capital commitments</b>	<b>15,518</b>	<b>5,385</b>	<b>6,339</b>	<b>362</b>	<b>27,604</b>
<b>Total commitments after 30 June 2016</b>	<b>36,213</b>	<b>20,897</b>	<b>26,828</b>	<b>4,222</b>	<b>88,160</b>

## Notes to the Financial Report

### Note 33 - Commitments (cont.)

	Not later than 1 year \$'000 GST Incl.	Later than 1 year and not later than 2 years \$'000 GST Incl.	Later than 2 years and not later than 5 years \$'000 GST Incl.	Later than 5 years \$'000 GST Incl.	Total \$'000 GST Incl.
<b>30 June 2015</b>					
<i>Operating</i>					
Recycling	3,300	2,658	6,159	4,790	16,907
Garbage collection	1,544	1,540	985	-	4,069
Open space management	2,553	1,076	1,647	337	5,613
Consultancies	2,657	2,443	1,931	-	7,031
Home care services	22	22	50	-	94
Cleaning contracts for council buildings	859	-	-	-	859
Meals for delivery	13	-	-	-	13
Information systems and technology	1,898	1,138	764	-	3,800
Other	2,342	249	3	-	2,594
<b>Total operating commitments</b>	<b>15,188</b>	<b>9,126</b>	<b>11,539</b>	<b>5,127</b>	<b>40,980</b>
<i>Capital</i>					
Buildings	10,440	121	111	-	10,672
Roads	6,482	6,464	1,126	-	14,072
Drainage	3,805	3,200	970	-	7,975
Other	3,063	1,208	1,259	-	5,530
<b>Total capital commitments</b>	<b>23,790</b>	<b>10,993</b>	<b>3,466</b>	<b>-</b>	<b>38,249</b>
<b>Total commitments after 30 June 2015</b>	<b>38,978</b>	<b>20,119</b>	<b>15,004</b>	<b>5,127</b>	<b>79,229</b>

### Note 34 - Operating leases

	2016 \$'000	2015 \$'000
<i>(a) Operating lease commitments</i>		
At the reporting date, the Council had the following obligations under operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities):		
Not later than one year	3,440	3,577
Later than one year and not later than five years	4,435	5,327
Later than five years	554	262
	<b>8,429</b>	<b>9,166</b>

#### *(b) Operating lease receivables*

Council leases out various offices, buildings and sporting facilities under operating leases expiring within one to seventy-five years. The leases have varying terms. All leases include a CPI based revision of the rental charge annually.

Future minimum rentals receivable under operating leases are as follows:

Not later than one year	1,634	1,270
Later than one year and not later than five years	2,887	2,298
Later than five years	3,552	3,522
	<b>8,073</b>	<b>7,090</b>

## Notes to the Financial Report

### Note 35 - Superannuation

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

#### Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2016, this was 9.5% as required under Superannuation Guarantee legislation).

#### Defined Benefit

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

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

#### Funding arrangements

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

As at 30 June 2015, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 105.8%. To determine the VBI, the fund Actuary used the following long-term assumptions:

Net investment returns 7.0% pa

Salary information 4.25% pa

Price inflation (CPI) 2.5% pa.

Vision Super has advised that the estimated VBI at 30 June 2016 was 102.00%. The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 2015 interim actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

## Notes to the Financial Report

### Note 35 - Superannuation (cont.)

#### Employer contributions

##### Regular contributions

On the basis of the results of the 2015 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2016, this rate was 9.5% of members' salaries (9.5% in 2014/2015). This rate will increase in line with any increase to the contribution rate. In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

##### Funding calls

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

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall. Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up. If there is a surplus in the Fund, the surplus cannot be returned to the participating employers. In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

##### 2015 Interim actuarial investigation surplus amounts

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

A VBI surplus of \$130.8 million; and

A total service liability surplus of \$239 million.

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2015. The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses. Council was notified of the 30 June 2015 VBI during August 2015.

##### Future superannuation contributions

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2017 is \$611,000.

## Notes to the Financial Report

### Note 36 - Contingent liabilities and contingent assets

#### Contingent liabilities

- (a) Council is a party to an agreement signed under Section 173 of the Planning and Environmental Act in relation to proposed developments in Station Street Camberwell. This agreement was signed on 5 March 1996 pursuant to Planning Permit BOR/9941 and originally imposed certain planning conditions upon the owners of the land, including a limit on future floor area. The agreement also provided that Council would undertake the demolition, removal and relocation of the Public Transport Corporation substation and equipment situated in the Council car park to the west of the subject site and to construct car parking on this land. In the 2013-14 financial year, the Victorian Civil and Administrative Tribunal (VCAT) ruled that the originally proposed developments can proceed. There have been several previous VCAT and Supreme Court proceedings (to which Council was a party) in relation to the developments in Station Street Camberwell and the Section 173 Agreement. All previous VCAT and Supreme Court Cases have been finalised, however, Council will likely be liable for costs associated with these proceedings. As of 30 June 2016, the nature timing and quantum of costs associated with these proceedings have not been reliably determined. The nature, timing and costs associated with honouring the terms of the Section 173 Agreement have also not been reliably determined.
- (b) 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 \$144,512 (2014-15 \$227,000). This amount is contingent on the outcome of the resolution of these claims.

#### Guarantees for loans to other entities

During the previous four financial years, Council has resolved to act as a guarantor on loan facilities to various sporting clubs. The purpose of the loan funds was to assist with the cost of resurfacing of tennis courts and hockey subsurface to 'drought proof' the clubs. As at 30 June 2016, Council's maximum potential exposure is as follows:

	Amount outstanding 30-Jun-16	Year loan commenced
<u>Community organisation</u>		
Burwood Tennis Club	\$ 38,501	2007-08
	<u>\$ 38,501</u>	

As at 30 June 2016, the above sporting club has not defaulted on the required loan repayments and therefore no allowance for this contingency is required in the financial report.

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

#### Contingent assets

As of 30 June 2016, there are no potential contingent assets.

## Notes to the Financial Report

### Note 37 - Financial instruments

#### (a) Objectives and policies

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

#### (b) Market risk

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

##### *Interest rate risk*

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rate.

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

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

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

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

#### (c) Credit risk

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

- We may require collateral where appropriate.
- We only invest surplus funds with financial institutions which have a recognised credit rating specified in our investment policy.



## Notes to the Financial Report

### Note 37 - Financial instruments (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 36.

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 36, 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 29.

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

#### e) Fair value

##### *Fair value hierarchy*

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

#### (f) Sensitivity disclosure analysis

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

- A parallel shift of + 1% and -1% in market interest rates (AUD) from year-end rates of 2.94%.

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 Report

### Note 38 - Related party transactions

#### (i) Responsible persons

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

<b>Councillors</b>	Councillor Jim Parke (Mayor from 10 Nov 2015 to current) Councillor Coral Ross (Mayor from 1 July 2015 to 9 Nov 2015 ) Councillor Jack Wegman Councillor Jane Addis Councillor Heinz Kreutz Councillor Judith Voce Councillor Kevin Chow Councillor Philip Mallis Councillor Phillip Healey Councillor Steve Hurd
<b>Chief Executive Officer</b>	Phillip Storer

#### (ii) Remuneration of responsible persons

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

	2016 No.	2015 No.
\$1 - \$9,999	-	-
\$10,000 - \$19,999	-	-
\$20,000 - \$29,999	-	-
\$30,000 - \$39,999	8	9
\$40,000 - \$49,999	-	-
\$50,000 - \$59,999	1	-
\$60,000 - \$69,999	-	-
\$70,000 - \$79,999	1	-
\$90,000 - \$99,999	-	1
\$370,000 - \$379,999	-	-
\$380,000 - \$389,999	-	1
\$390,000 - \$399,999	1	-
	<b>11</b>	<b>11</b>
Total remuneration for the reporting year for Responsible Persons included above amounted to:	<b>\$'000</b> <b>782</b>	<b>\$'000</b> <b>763</b>

## Notes to the Financial Report

### Note 38 - Related party transactions (cont.)

#### (iii) Senior officers remuneration

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

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) whose total annual remuneration exceeds \$139,000 (2014-15: \$136,000)

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

Income range:	2016 No.	2015 No.
\$140,000 - \$149,999	1	2
\$150,000 - \$159,999	1	1
\$160,000 - \$169,999	2	2
\$170,000 - \$179,999	3	8
\$180,000 - \$189,999	6	2
\$190,000 - \$199,999	3	2
\$200,000 - \$219,999	4	4
\$230,000 - \$239,999	-	1
\$240,000 - \$249,999	1	
\$280,000 - \$289,999	-	4
\$290,000 - \$299,999	4	
	<b>25</b>	<b>26</b>
Total remuneration for the reporting year for Senior Officers included above, amounted to:	<b>\$'000</b> <b>5,090</b>	<b>\$'000</b> <b>5,107</b>

#### (iv) Responsible persons retirement benefits

The aggregate amount paid during the reporting period by Council in connection with the retirement of responsible persons was \$0 (2014-15 - \$0).

#### (v) Loans to responsible persons

The 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 was none.

#### (vi) Transactions with responsible persons

During the year, a number of transactions were entered into that require additional disclosures in this note. All transactions listed below occurred under normal commercial terms and conditions.

##### (a) Metropolitan Waste Management Board & Sustainability Victoria

Councillor Heinz Kreutz was the Chairman of the Metropolitan Waste Management Group Board (MWMG). For the year ended 30 June 2016, Council paid \$0 (2014-15 - \$1,340).

##### (b) Municipal Association Victoria

Councillor Coral Ross Mayor became Vice President (Metropolitan) on the Municipal Association Victoria (MAV) Board in April 2015. For the year ended 30 June 2016, Council paid MAV \$157,995 (excluding GST) for a membership subscription, insurance and other professional services.

### Note 39 - Events occurring after balance date

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



## Financial Statements

For the year ended 30 June 2016

# Certification of the Financial Statements

## Certification of the Financial Statements


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

  
 Greg Hall CBA  
 Principal Accounting Officer  
 Date: 26/08/2016  
 Camberwell


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

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

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

  
 Cr Jim Parke  
 Mayor  
 Date: 26/08/2016  
 Camberwell

  
 Cr Judith Voce  
 Councillor  
 Date: 26/08/2016  
 Camberwell

  
 Phillip Storer  
 Chief Executive Officer  
 Date: 26/08/2016  
 Camberwell



## Financial Statements

For the year ended 30 June 2016

# Auditor General's Report on the Financial Statements



## INDEPENDENT AUDITOR'S REPORT

### To the Councillors, Boroondara City Council

#### *The Financial Report*

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

#### *The Councillors' Responsibility for the Financial Report*

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

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

#### *Auditor's Responsibility*

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

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

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

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

*Auditing in the Public Interest*

**Financial Statements**

For the year ended 30 June 2016

**Independent Auditor's Report (continued)***Independence*

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

*Opinion*

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

MELBOURNE  
26 August 2016

  
Dr Peter Frost  
Acting Auditor-General

  
Auditing in the Public Interest



# Performance Statement

For the year ended 30 June 2016



# Performance Statement

For the year ended 30 June 2016

## Description of municipality

The City of Boroondara (the Council) is located in the inner eastern suburbs of Melbourne, between 5 and 10 kilometers 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 174,787 people (at 30 June 2016). Compared with metropolitan Melbourne overall, 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. At the last Census (in 2011) 3.7% of the population needed assistance with daily living tasks.

Boroondara is increasingly culturally and linguistically diverse. The proportion of Boroondara residents who were born overseas increased from 25.5% in 2006 to 28.2% in 2011, when residents were born in more than 150 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 57 secondary, primary and special education schools, including 13 combined primary and secondary schools, as well as Swinburne University, Swinburne TAFE, a University of Melbourne campus and two Universities of the Third Age. The City also has 10 neighbourhood and community centres where residents can complete a short course or obtain certified or pre-accredited training in a variety of subjects.



## Sustainable Capacity Indicators

For the year ended 30 June 2016

### Results

Indicator/measure	2014-15	2015-16	Material Variations
<b>Own-source revenue</b> <i>Own-source revenue per head of municipal population</i> (Own-source revenue/Municipal population)	\$1,019.62	\$1,133.54	The calculation for "Own source revenue" in 2014-15 includes the Loss on disposal of assets however the calculation for 2015-16 does not factor in this item. If adjusted to include this item the result would be \$1,107 with a 8% variance.
<b>Recurrent grants</b> <i>Recurrent grants per head of municipal population</i> (Recurrent grants/Municipal population)	\$94.71	\$73.84	This result is lower than expected as Council received 50% of its 2015-16 Victorian Grants Commission (VGC) \$2.2 million in advance in 2014-15. Boroondara receives the minimum level of VGC grants and is therefore more reliant on rate revenue.
<b>Population</b> <i>Expenses per head of municipal population</i> (Total expenses/Municipal population)	\$984.87	\$1,038.02	Road length now calculated using road pavement length which is a more accurate reflection of kilometres of local roads than the previous method which used road segments.
Infrastructure per head of municipal population (Value of infrastructure/Municipal population)	\$4,608.90	\$ 4,790.26	
Population density per length of road (Municipal population/Kilometres of local roads)	296.58	311.04	
<b>Disadvantage</b> <i>Relative Socio-Economic disadvantage</i> (Index of Relative Socio-Economic Disadvantage by decile)	10	10	

#### 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 2016

Results			
Indicator/measure	2014-15	2015-16	Material Variations
<b>Governance</b> <b>Satisfaction</b> <i>Satisfaction with council decisions</i> (Community satisfaction rating out of 100 with the performance of council in making decisions in the interest of the community)	62	61	
<b>Statutory Planning</b> <b>Decision making</b> <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)	58%	61%	
<b>Roads</b> <b>Satisfaction</b> <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)	74	73	
<b>Libraries</b> <b>Participation</b> <i>Active library members</i> (Number of active library members/municipal population)x100	23%	24%	
<b>Waste collection</b> <b>Waste diversion</b> <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	47%	48%	
<b>Aquatic facilities</b> <b>Utilisation</b> <i>Utilisation of aquatic facilities</i> (Number of visits to aquatic facilities/Municipal population)	15	13	
<b>Animal management</b> <b>Health and safety</b> <i>Animal management prosecutions</i> (Number of successful animal management prosecutions)	23	14	Lower prosecutions in 2015-16 reflects the higher compliance and effectiveness of the animal management service.
<b>Food safety</b> <b>Health and safety</b> <i>Critical and major outcome non-compliance notifications</i> (Number of critical non-compliance outcome notifications and major outcome non-compliance notifications about a food premises followed up/Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about food premises) x 100	91%	99%	

## Service Performance Indicators

For the year ended 30 June 2016

Results			
Indicator/measure	2014-15	2015-16	Material Variations
<b>Home and community care</b> <b>Participation</b> <i>Participation in HACC service</i> (Number of people that received a HACC service/Municipal target population for HACC services) x 100 <b>Participation</b> <i>Participation in HACC service by CALD people</i> (Number of CALD people who receive a HACC service/Municipal target population in relation to CALD people for HACC services)	25%	26%	
<b>Maternal and child health</b> <b>Participation</b> <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 <b>Participation</b> <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	83%	N/A	Data not available due to a delay in MAV's Child Development Information System implementation which is being developed in conjunction with 45 Victorian councils.
	87%	N/A	Data not available due to a delay in MAV's Child Development Information System implementation which is being developed in conjunction with 45 Victorian councils.

### Definitions

"Aboriginal child" means a child who is an Aboriginal person

"Aboriginal person" has the same meaning as in the Aboriginal Heritage Act 2006

"active library member" means a member of a library who has borrowed a book from the library

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

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

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

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

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

## Financial Performance Indicators

For the year ended 30 June 2016

Dimension/Indicator/measure	Results			Forecasts			Material Variations
	2014-15	2016	2017	2018	2019	2020	
<b>Operating position</b> <b>Adjusted underlying result</b> <i>Adjusted underlying surplus (or deficit)</i> <i>(Adjusted underlying surplus (deficit)/Adjusted underlying revenue) x 100</i>	11.7%	14.49%	11.31%	12.71%	13.68%	15.86%	
<b>Liquidity</b> <b>Working capital</b> <i>Current assets compared to current liabilities</i> <i>(Current assets/Current liabilities) x 100</i>	191.4%	243.59%	232.56%	154.58%	168.22%	170.55%	This measure demonstrates Council's sound financial position. Reduction in 2017-18 due to the movement of a loan to current liabilities in preparation for full payment in 2018-19.
<b>Unrestricted cash</b> <i>Unrestricted cash compared to current liabilities</i> <i>(Unrestricted cash/Current liabilities) x 100</i>	144.7%	181.88%	183.22%	117.16%	114.05%	115.56%	This demonstrates Council's ability to repay \$17.02 million debt scheduled for 2018-19.
<b>Obligations</b> <b>Loans and borrowings</b> <i>Loans and borrowings compared to rates</i> <i>(Interest bearing loans and borrowings/Rate revenue) x 100</i>	37.7%	33.09%	29.68%	26.26%	14.97%	13.70%	A debt repayment of \$17.02 million is scheduled to be repaid in 2018-19. Council plans to be debt free by 2026.
<b>Loans and borrowings</b> <i>Loans and borrowings repayments compared to rates</i> <i>(Interest and principal repayments on interest bearing loans and borrowings/Rate revenue) x 100</i>	18.3%	4.12%	3.99%	3.87%	11.44%	1.61%	A 20 year loan was refinanced in 2014-15 and will be repaid in full in 2018-19.
<b>Indebtedness</b> <i>Non-current liabilities compared to own source revenue</i> <i>(Non-current liabilities/Own source revenue) x 100</i>	32.0%	26.68%	24.30%	14.54%	13.44%	12.37%	Reduction in 2017-18 due to the movement of a loan to current liabilities in preparation for full payment in 2018-19.
<b>Asset renewal</b> <i>Asset renewal compared to depreciation</i> <i>(Asset renewal expense/Asset depreciation) x 100</i>	144.8%	137.21%	131.33%	134.53%	136.75%	134.03%	

Dimension/Indicator/measure	Results			Forecasts			Material Variations
	2014-15	2016	2017	2018	2019	2020	
<b>Stability</b>							
<b>Rates concentration</b>							
<i>Rates compared to adjusted underlying revenue (Rate revenue/Adjusted underlying revenue) x 100</i>	78.3%	77.40%	77.35%	77.57%	77.71%	77.92%	
<b>Rates effort</b>							
<i>Rates compared to property values (Rate revenue/Capital improved value of rateable properties in the municipality) x 100</i>	0.2%	0.15%	0.16%	0.16%	0.17%	0.17%	
<b>Efficiency</b>							
<b>Expenditure level</b>							
<i>Expenses per property assessment (Total expenses/Number of property assessments)</i>	\$2,300	\$ 2,361.99	\$ 2,522.87	\$ 2,539.02	\$ 2,567.80	\$ 2,554.58	The increase in 2016-17 reflects additional resources and investment in Council's Boroondara Customer Experience and Digital Programs as well as materials and services costs.
<b>Revenue level</b>							
<i>Average residential rate per residential property assessment (Residential rate revenue/Number of residential property assessments)</i>	\$1,769	\$ 2,152.74	\$ 2,229.54	\$ 2,268.81	\$ 2,306.65	\$ 2,342.95	Residential waste charges were excluded from the 2014-15 calculation. After adjusting for residential waste charges the result for 2014-15 would approximately be \$2,061.
<b>Workforce turnover</b>							
<i>Resignations and terminations compared to average staff (Number of permanent staff resignations and terminations/Average number of permanent staff for the financial year) x 100</i>	8.4%	12.61%	9.97%	9.97%	9.97%	9.97%	The variance is partially attributable to changes in operating models arising from service review as well as normal variances in departures. Forecast based on long term averages.

## 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.



**Performance Statement**  
For the year ended 30 June 2016

## Certification of the Performance Statement

### 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 2014.

Greg Hall, CPA  
Principal Accounting Officer

Date: 26/08/2016  
Camberwell

In our opinion, the accompanying performance statement of the City of Boroondara for the year ended 30 June 2016 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

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

Cr Jim Parke  
Mayor

Date: 26/08/2016  
Camberwell

Cr Judith Voce

Date: 26/08/2016  
Camberwell


Phillip Storer  
Chief Executive Officer

Date: 26/08/2016  
Camberwell



**Performance Statement**  
For the year ended 30 June 2016

## Auditor General's Report on the Performance Statement



**VAGO**

Victorian Auditor-General's Office

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### INDEPENDENT AUDITOR'S REPORT

**To the Councillors, Boroondara City Council**

*The Performance Statement*

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

*The Councillors' Responsibility for the Performance Statement*

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

*Auditor's Responsibility*

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

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

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

*Auditing in the Public Interest*





**Performance Statement**  
For the year ended 30 June 2016

**Independent Auditor's Report (continued)**

*Independence*

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

*Auditor's Opinion*

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

MELBOURNE  
26 August 2016

  
Dr Peter Frost  
Acting Auditor-General



## Indexes

For the year ended 30 June 2016

## Glossary

Glossary of terms	
Accrual accounting	System of accounting where items are brought to account and included in the Financial Statements as they are earned or incurred, rather than as they are received or paid.
Accumulated surplus	The value of all net assets accumulated over time.
Act	Refers to the <i>Local Government Act 1989</i> .
Advocacy	Proactively trying to influence a decision to be made through support and recommendation, for such things as causes, programs and policies.
Annual report	A report of the Council's operations of the previous financial year and contains a report of operations, audited financial statements and an audited performance statement.
Appropriateness	Indicators or measures that provide users with sufficient information to assess the extent to which an entity has achieved a pre-determined target, goal or outcome.
Asset management	Proactively manage the ongoing maintenance and development of Council's assets and facilities to meet the community's current and future needs.
Assets	Future economic benefits controlled by Council as a result of past transactions or other past events.
Balance sheet	A quantitative summary of Council's financial position at 30 June, including assets, liabilities and net equity.
Biodiversity	The variety of all life forms including animals, plants, micro-organisms and the ecosystems which they are a part of.
Budget	A plan setting out the services and initiatives to be funded for the financial year and how they will contribute to achieving the strategic objectives specified in the Council Plan.
Capital works	The expansion, renewal, upgrade and establishment of Council's assets.
Cash flow statement	Shows the expected net cash inflows and outflows in the form of reconciliation between opening and closing balances of total cash and investments for a year.
Comprehensive Income Statement	A financial statement highlighting the accounting surplus or deficit of Council. It provides an indication of whether the Council has sufficient revenue to meet expenses in the current year, including non-cash costs such as depreciation and amortisation expenditure. It also includes other comprehensive income items including net asset revaluation increment (decrements) reversals and share of other comprehensive income of associates and joint ventures accounted for by the equity method to arrive at a 'comprehensive result'. The comprehensive result equates to the moment in net assets or total equity from the prior year.



## Indexes

For the year ended 30 June 2016

Glossary of terms	
Council Plan	This document sets out the medium term goals and objectives for the next four years as part of the overall strategic planning framework and strategic resource plan and is prepared under section 125 of the <i>Local Government Act 1989</i> .
Current assets	Assets where Council expects to receive the future economic benefit within the next twelve months unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
Current liabilities	Liabilities where Council expects to fulfil its obligation within the next twelve months unless the Council does not have an unconditional right to defer settlement of the liability for at least twelve months after reporting date.
Depreciation and amortisation	An expense which recognises the value of a fixed asset as it is used up over time.
Equity	The residual interest in the assets of Council after deduction of its liabilities, which is made up of accumulated surplus and reserves. Total equity is also equal to net assets.
Expense	An outgoing payment made by Council.
Financial performance indicators	A prescribed set of indicators and measures that assess the effectiveness of financial management in a council covering operating position, liquidity, obligations, stability and efficiency.
Financial statements	The financial statements and notes prepared in accordance with the Local Government Model Financial Report, Australian Accounting Standards and other applicable standards as they apply to the general purpose financial reports and a statement of capital works and included in the annual report.
Financial year	The period of 12 months ending on 30 June each year.
Governance	Policies and protocols associated with both the functions of Council and of Council officers to ensure Council is open, transparent, inclusive and accountable to the community.
Grants – non-recurrent income	Grant income received for a 'one off' specific purpose, generally for a particular project.
Grants – recurrent income	Grant income received on a regular basis (i.e. quarterly, annually) and granted to Council by another entity for specific or general purposes.
Indicator	What will be measured to assess performance.
Infrastructure	Physical assets of the entity or of another entity that contribute to meeting the public's need for access to major economic and social facilities and services.
Infringement Court	Refers to Penalty Enforcement by Registration of Infringement Notice. A system established under Schedule 7 of the <i>Magistrates Court Act 1989 (Vic)</i> to deal with unpaid fines.



## Indexes

For the year ended 30 June 2016

Glossary of terms	
Initiatives	Actions that are one-off in nature and/or lead to improvements in service.
Innovation	Process of working out new ways of doing things or doing something better than before.
Liabilities	Future sacrifices of economic benefits that Council is presently obliged to make to other entities as a result of past transactions or other past events.
Major initiative	Significant initiatives that will directly contribute to the achievement of the Council Plan during the current year and have a major focus in the budget.
Measure	How an indicator will be measured and takes the form of a computation, typically including a numerator and denominator.
Minister	The Minister for Local Government.
Net assets	The difference between total assets and total liabilities, which represents Council's net worth. Net assets are also equal to total equity.
Non-current assets	Assets where the future economic benefit is not expected to be received within the next twelve months or where the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
Non-current liabilities	Liabilities where the obligation is not expected to be fulfilled within the next twelve months or where Council has a right to defer settlement of the liability for at least twelve months after reporting date.
Performance statement	A statement including the results of the prescribed service outcome indicators, financial performance indicators and sustainable capacity indicators for the financial year and included in the Annual Report.
Planning and accountability framework	The key statutory planning and reporting documents that are required to be prepared by councils to ensure accountability to local communities in the performance of functions and exercise of powers under the Act.
Property, infrastructure, plant and equipment assets	Often referred to as Fixed Assets. This is the largest component of Council's asset base or worth. This represents the value of all land, buildings, roads, footpaths, drains, bridges, vehicles, plant and equipment and so on, which are recorded on Council's asset register.
Regulations	The Local Government (Planning and Reporting) Regulations 2014
Relevance	Indicators or measures that have a logical and consistent relationship to an entity's objectives and are linked to the outcomes to be achieved.
Report of operations	A report containing a description of the operations of the council during the financial year and included in the Annual Report.
Revenue	Revenue is the amount of money that Council actually receives from its activities, mostly from rates and services provided to customers and ratepayers.
Right-of-way	Former laneway no longer required for access to surrounding properties.



## Indexes

For the year ended 30 June 2016

Glossary of terms	
Risk management	A logical and systematic method of identifying, analysing, evaluating, treating, monitoring and communicating risks associated with any activity, function or process in a way that will enable organisations to achieve objectives and maximise business opportunities. Risk management is as much about identifying opportunities as avoiding or mitigating losses.
Services	Assistance, support, advice and other action undertaken by a council for the benefit of the local community.
Service outcome indicators	The prescribed service performance indicators to be included in the performance statement which measure whether the stated service objective has been achieved.
Service performance indicators	A prescribed set of indicators measuring the effectiveness and efficiency of council services covering appropriateness, quality, cost and service outcomes.
Statement of changes in equity	Summarises the movement in equity accounts during the year.
Strategic objectives	The outcomes a council is seeking to achieve over the next four years and included in the Council Plan.
Strategic Resource Plan	A plan of the financial and non-financial resources for at least the next four years required to achieve the strategic objectives in the Council Plan. It is also referred to as a long term financial plan.
Strategies	High level actions directed at achieving the strategic objectives in the Council Plan.
Surplus (deficit)	Represents the difference between total revenues, expenses, net gain (loss) on disposal of property, plant and equipment, infrastructure and share of net profits (losses) of associates and joint ventures accounted for by the equity method.
Sustainability	Meeting present day needs without compromising future generations ability to meet their needs.
Sustainable capacity indicators	A prescribed set of indicators measuring whether councils have the capacity to meet the agreed service and infrastructure needs of the local community and absorb foreseeable changes and unexpected shocks into the future covering financial performance, capacity and governance and management
Ward	Subdivision of the Council area into sections with an elected Councillor to represent the different sections.



## Indexes

For the year ended 30 June 2016

## Abbreviations

<b>AAS</b>	Australian Accounting Standards	<b>LTFS</b>	Long Term Financial Strategy
<b>AASB</b>	Australian Accounting Standards Board	<b>LAWA</b>	Local Area Workplace Agreement
<b>APARC</b>	Ashburton Pool and Recreation Centre	<b>LGPRF</b>	Local Government Performance Reporting Framework
<b>AUD</b>	Australian Dollar	<b>LSL</b>	Liability for Long Service Leave
		<b>LTIFR</b>	Lost Time Injury Frequency Rate
<b>BCS</b>	Business Classification Scheme	<b>MAV</b>	Municipal Association of Victoria
<b>CALD</b>	Culturally and Linguistically Diverse	<b>MCH</b>	Maternal and Child Health
<b>CCC</b>	Camberwell Community Centre	<b>OHS</b>	Occupational Health and Safety
<b>CEO</b>	Chief Executive Officer	<b>MWMG</b>	Metropolitan Waste Management Group Board
<b>CIV</b>	Capital Improved Value	<b>RSL</b>	Returned and Services League Australia
<b>CO<sub>2</sub></b>	Carbon Dioxide	<b>NAIDOC</b>	National Aborigines and Islanders Day Observance Committee
<b>CPA</b>	Certified Practising Accountant	<b>SEIFA</b>	Socio-Economic Indexes for Areas
<b>CRM</b>	Customer Relationship Management	<b>SLT</b>	Senior Leadership Team
<b>EEO</b>	Equal Employment Opportunity	<b>tCO<sub>2</sub>e</b>	Tonnes of Carbon Dioxide equivalent
<b>ELT</b>	Executive Leadership Team	<b>TAFE</b>	Technical and Further Education
<b>FTE</b>	Full Time Equivalent	<b>VCAT</b>	Victorian Civil and Administrative Tribunal
<b>GST</b>	Goods and Services Tax	<b>VLGI</b>	Victorian Local Government Indicators
<b>HACC</b>	Home and Community Care	<b>VAGO</b>	Victorian Auditor- General's Office
<b>IBAC</b>	Independent Broad-based Anti-corruption Commission	<b>VBI</b>	Vested Benefit Index



## Indexes

For the year ended 30 June 2016

## Index

abbreviations used	
Arts and culture	
Asset management	
Audit committee	
Auditor-General's Reports	
Best Value	
budget	
capital works	
CEO and Mayor message	
committees of Council	
Council Offices	
Council Plan	
Councillors	
assignments to individuals	
attendance at meetings	
delegations	
directorates of Council	
Economic factors	
Equal employment opportunity	
Financial performance indicators	
Financial Report	
<i>Overview</i>	
<i>Accounting standards</i>	
<i>Balance Sheet</i>	
<i>Cash Flow Statement</i>	
<i>Comprehensive Income Statement</i>	
<i>Descriptions of statements</i>	
<i>Notes to the statements</i>	
<i>Performance Statement</i>	
<i>Statement of Capital Works</i>	
<i>Statement of Changes in Equity</i>	
glossary	
governance	
Governance and management checklist	
highlights of the year	
history	
Information Privacy	
Innovation	
Kew Court House	
Long Term Financial Strategy	
local laws	
major achievements	
major initiatives	
major projects	
maps of Boroondara	
Mayor and CEO message	
mission	
National Competition Policy	
organisation structure	
Planning framework	
performance	



## Indexes

For the year ended 30 June 2016

Performance Statement for the year	
population of Boroondara	
profile	
risk management	
senior managers	
services	
Service performance indicators	
social profile information	
Sustainable capacity indicators	
staff	
Strategic objective	
Strategic Resource Plan	
Theme	
values	
Victorian Local Government Indicators	
vision	
wards of the municipality	
waste management	





## Contact us

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**After hours emergencies: 9278 4444**

**Email: [boroondara@boroondara.vic.gov.au](mailto:boroondara@boroondara.vic.gov.au)**

**Website: [www.boroondara.vic.gov.au](http://www.boroondara.vic.gov.au)**

**Postal address:**

Private Bag 1  
Camberwell VIC 3124

**Customer Service Centres**

Camberwell office  
8 Inglesby Road, Camberwell

Hawthorn Arts Centre  
360 Burwood Road, Hawthorn

Kew Library  
Corner Cotham Road and Civic Drive Kew

### Copies

For a copy of the City of Boroondara 2015-16 Annual Report, please call Customer Service on 9278 4444 or visit [www.boroondara.vic.gov.au](http://www.boroondara.vic.gov.au).

### Feedback

Feedback on this document is welcome.  
Please write to:  
City of Boroondara  
Private Bag 1  
Camberwell VIC 3124  
or email: [boroondara@boroondara.vic.gov.au](mailto:boroondara@boroondara.vic.gov.au)

### Acknowledgments

Council would like to thank all those who contributed to the development of the 2015-16 Annual Report.

### For speech or hearing impaired

National Relay Service TTY 13 36 77  
Speak and Listen 1300 555 727

**Free interpreting service 9278 4002**

### Translation needed?

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### Mandarin

如果您希望我们翻译本文档的某部分，请联系议会的免费普通话口译服务，电话：8692 2945。

### Cantonese

如果您希望我們翻譯本文檔的某部分，請聯繫議會的免費粵語口譯服務，電話：8692 2941。

### Greek

Αν θέλετε τη μετάφραση κάποιου τμήματος αυτού του εγγράφου παρακαλούμε καλέστε την δωρεάν υπηρεσία διερμηνείας στο 8692 2943.

### Italian

Se desiderate che vi venga tradotta una parte di questo documento, siete pregati di chiamare gratis il servizio telefonico di interpretariato del Comune al 8692 2944.

### Vietnamese

Nếu quý vị muốn một phần nào đó của tài liệu này được biên dịch, xin hãy gọi đến dịch vụ thông dịch miễn phí của Hội đồng ở số 8692 2946.

# MINUTES ATTACHMENTS



## Ordinary Council

**Monday 10 October 2016**

Attachments as annexed to the resolution:

- 3 Instrument of Delegation from Council to the Chief Executive Officer - Post Election Period

## **SCHEDULE**

The power to

1. determine any issue;
2. take any action; or
3. do any act or thing

arising out of or connected with any duty imposed, or function or power conferred on Council by or under any Act.

### **Conditions and Limitations**

1. The delegate must only exercise the powers, functions and duties specified in this Schedule:
  - 1.1 during the period commencing at 6pm on election day for a general election and ending on the date that the first Special Meeting of Council is held following a general election; and
  - 1.2 in circumstances where, in the opinion of the delegate, the determination of the issue, taking of the action or doing the act or thing cannot reasonably wait until after the first Special Meeting of Council following the general election.
2. Where the delegate exercises any power, fulfils any function or discharges any duty under this Instrument of Delegation, he or she must provide a report on all such activities to the next Ordinary Meeting of Council.
3. This delegation is subject to the same conditions and limitations as those specified in the Instrument of Delegation dated 25 July 2016, with the exception of the following:

the delegate may:

  - 3.1 award a contract or approve a purchase or payment provided that it does not exceed \$2 million;
  - 3.2 determine the issue, take the action or do the act or thing if:
    - 3.2.1 it is an issue, action, act or thing which Council has previously designated as an issue, action or thing which must be the subject of a Resolution of Council;
    - 3.2.2 determine the issue, take the action or do the act or thing if it would or would be likely to involve a decision which is inconsistent with a policy or strategy adopted by Council;
  - 3.3 determine any other issue, take any other action or do any other act or thing in accordance with the following table:


## POST-ELECTION DELEGATIONS

In exercise of the power conferred by s 98(1) of the *Local Government Act 1989* (the Act) and all other powers enabling it, Boroondara City Council (Council) delegates to the member of Council staff holding, acting in or performing the position of Chief Executive Officer, the powers, duties and functions set out in the Schedule to this Instrument of Delegations,

AND declares that

1. this Instrument of Delegation is authorised by Resolution of Council passed on 10 October 2016;
2. the delegation
  - 2.1 comes into force immediately the common seal of Council is affixed to this Instrument of Delegation;
  - 2.2 is subject to any conditions and limitations set out in the Schedule;
  - 2.3 must be exercised in accordance with any guidelines or policies which Council from time to time adopts;
  - 2.4 remains in force until Council resolves to vary or revoke it;
  - 2.5 is in addition to, and does not derogate from, the powers, duties and functions delegated to the Chief Executive Officer in the Instrument of Delegation from Council to the Chief Executive Officer dated 25 July 2016; and
  - 2.6 where there is any inconsistency between this Instrument of Delegation and the Instrument of Delegation from Council to the Chief Executive Officer dated 25 July 2016, this Instrument of Delegation will prevail to the extent of the inconsistency during the period commencing at 6pm on election day for a general election and ending on the date that the first Special Meeting of Council is held following a general election;
3. the member of Council staff occupying, or acting in, the position of Chief Executive Officer must not delegate to any other member of Council staff any of the powers, functions or duties set out in the Schedule.

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

  
 .....

Mayor

  
 .....

Chief Executive Officer

10.10.16  
 .....

Date



Type of Expenditure or Item	Condition, Expenditure Limit for Individual or Prohibition
Acquisition or disposal of the fee simple in any land	To be undertaken in accordance with the relevant legislative processes
Acquisition or disposal of any other interest in land	\$2 million excluding GST
Urgent repairs to buildings and equipment (including replacement of equipment)	\$2 million excluding GST
Appointment or engagement of legal practitioners or external consultants	\$2 million excluding GST
Leases or licences of land, buildings, vehicles or equipment	\$500,000 excluding GST