

# ANNUAL UAL REP ORT

2020  
- 2021

Melton City Council A thriving community where everyone belongs







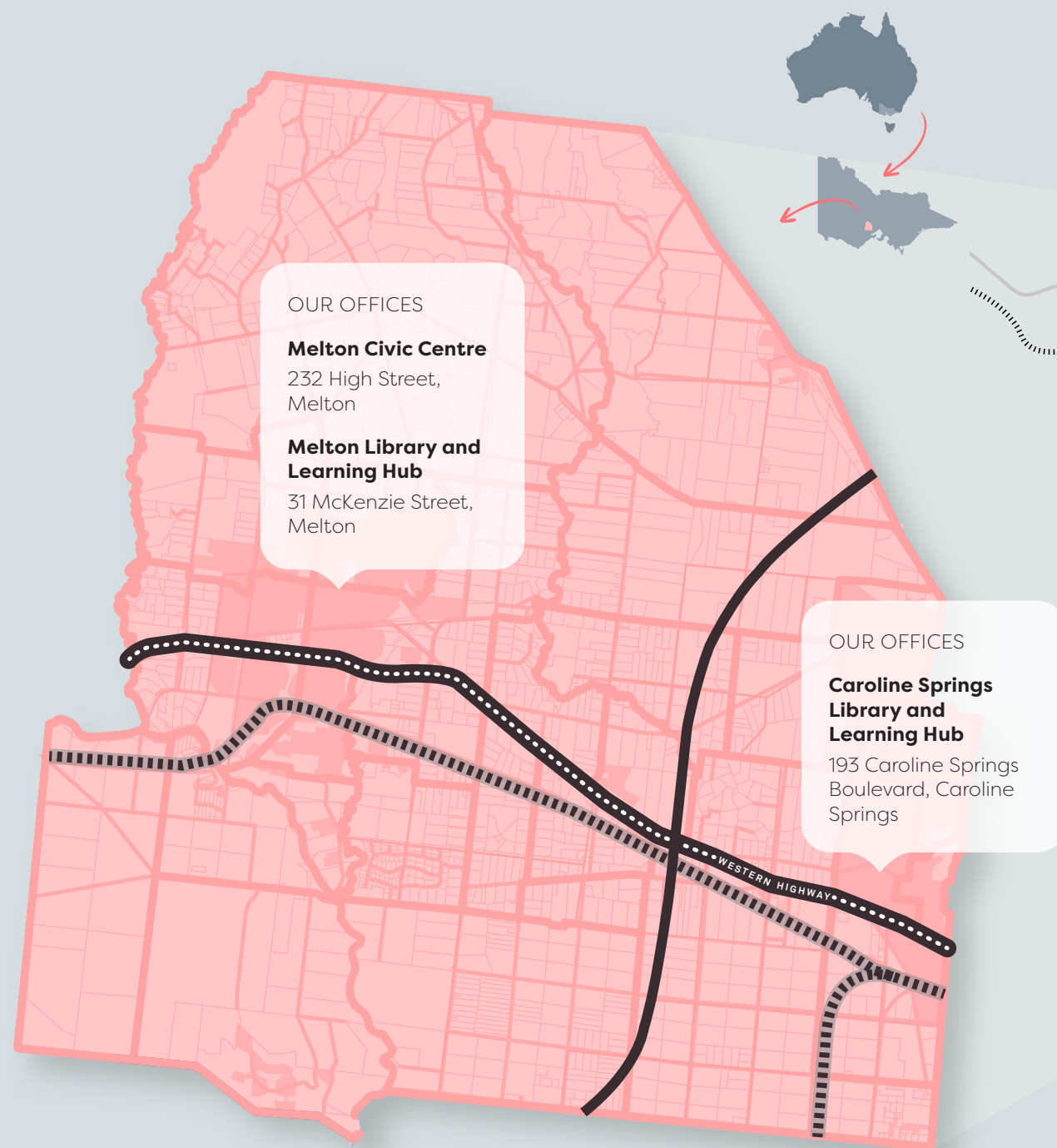
Melton City Council acknowledges Aboriginal and/or Torres Strait Islander peoples living and working in Melton. Council recognises the people of the Kulin Nations as the original custodians of the land now known as City of Melton. On behalf of the municipality, Council pays respect to their Elders, past, present and future.

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# Where is the City of Melton?



# CITY OF

## Population

# 180,636

THE TOP FIVE OVERSEAS COUNTRIES OF BIRTH

**India**  
**Philippines**  
**United Kingdom**  
**New Zealand**  
**Malta**

THE TOP FIVE LANGUAGES SPOKEN AT HOME BY OUR OVERSEAS BORN POPULATION

**Filipino/Tagalog**  
**Vietnamese**  
**Punjabi**  
**Maltese**  
**Arabic**

FAMILIES / PEOPLE MOVING TO THE CITY OF MELTON

**EACH DAY**



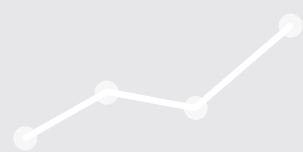
**7 families or 21 people**

**EACH WEEK**



**47 families or 147 people**

ESTIMATED ANNUAL GROWTH RATE



**4.6%**

NUMBER OF RATEABLE PROPERTIES



**70,483**

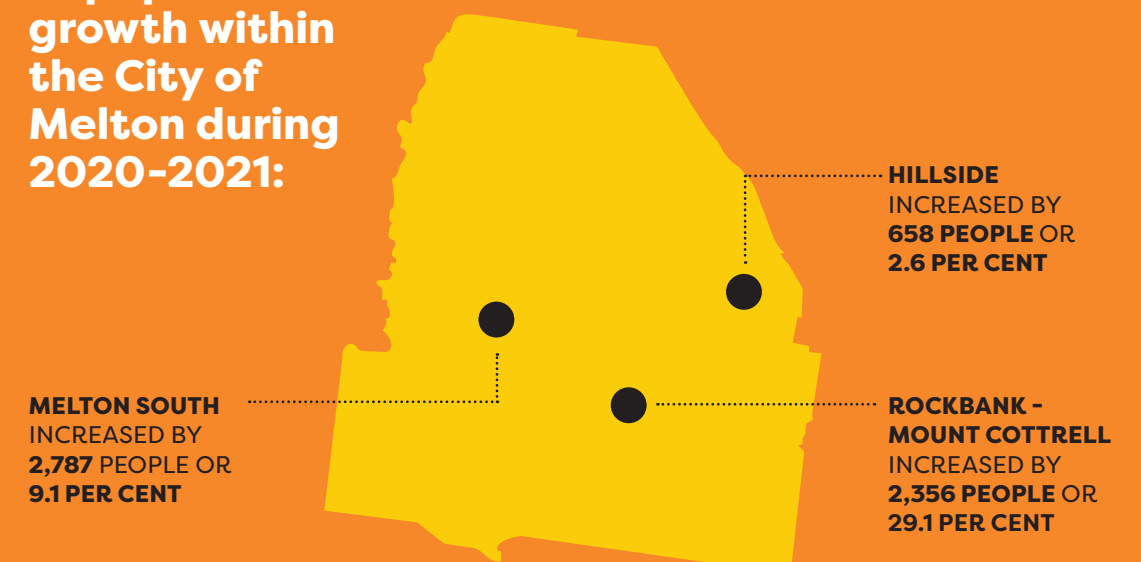
BABIES BORN IN THE CITY OF MELTON EACH WEEK



**52**

# MELTON

Distribution of population growth within the City of Melton during 2020-2021:



## Business and employment



MORE THAN  
**10,300**  
 LOCAL BUSINESSES



MORE THAN  
**26,100**  
 LOCAL JOBS



OF THE LOCAL WORKERS

**48.7%**

ARE MALE

**51.3%**

ARE FEMALE



# Welcome and Introduction to the City of Melton Annual Report for 2020-2021

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# Welcome

Welcome to Melton City Council’s 2020-2021 Annual Report. Council is committed to transparent reporting and accountability to the community.

This Annual Report provides the City of Melton community with information about Council’s operations and performance during the financial year and meets all obligations under Section 131 of the Local Government Act 1989 (Vic).

## Themes

- THEME 1:** A proud, inclusive and safe community
- THEME 2:** A thriving and resilient natural environment
- THEME 3:** A well planned and built City
- THEME 4:** A strong local economy and a lifelong learning City
- THEME 5:** A high performing organisation demonstrating leadership and advocacy.

## Vision

A thriving community where everyone belongs.

## Mission

To support the growth, wellbeing and aspirations of our community through leadership, excellence and inclusion.





# Our Values

Our values are an important expression of who we are as an organisation, introducing an ethical framework to the way we do business and engage with our communities.

We are Vibrant MELTON:

## MOTIVATE

### WE ARE MOTIVATED BY:

- our essential responsibility to strive and to deliver the best possible outcomes for community
- creativity, innovation and co-design approaches, with people at the heart of everything we do
- our commitment to continuous improvement
- our ability to maximise our time and resources
- the pride we take in our work and the quality of our outcomes.

## EMPOWER

### WE ARE EMPOWERED TO:

- involve others in solving problems, making decisions, and celebrate success
- encourage and recognise the contributions of others
- build capacity of staff and community
- take responsibility and be accountable for our decisions and actions
- be curious, think differently and try new things.

## LEAD

### WE LEAD BY:

- demonstrating our Vibrant MELTON Values
- embracing challenges and seeking to understand the drivers of future change
- encouraging creativity, innovation, design thinking and continuous improvement
- welcoming new ideas and ways of working from all levels of the organisation and community.

## TRUST

### WE BUILD TRUST BY:

- demonstrating kindness, respecting all people and valuing differences
- learning from other's experiences and perspectives
- dealing with others fairly and equitably by actively listening and responding appropriately
- taking responsibility to follow through on the commitments we make.

## OPEN

### WE DEMONSTRATE OPENNESS AND INTEGRITY BY:

- creating an environment that fosters honest communication
- collaborating with community and partners to achieve outcomes
- developing clear plans, policies and procedures and consistently applying them
- being transparent, accessible and providing relevant and timely feedback.

## NURTURE

### WE NURTURE BY:

- supporting growth and learning to achieve organisational and community goals
- being responsible for the way we treat others, and the natural environment
- encouraging a sense of belonging by sharing knowledge and actively supporting colleagues and community
- enriching the wellbeing and needs of current and future communities
- recognising people and projects that exceed expectations, celebrating achievements individually and together.



## Message from the Mayor

### It gives me great pleasure to present Melton City Council's 2020/2021 Annual Report.

Nothing could have prepared us for the events of 2020/2021 and yet this past year has been filled with countless examples of how Council managed the fast-changing climate with strong leadership, sensitivity to the needs of our residents, and resilience.

In the face of the ongoing coronavirus pandemic, Council continued to deliver services, programs, and projects to our residents in new and innovative ways. Occasional Care, Vacation Care and Family Day Care services continued to operate, and Maternal and Child Health services provided critical face-to-face and over-the-phone support to local families.

We also transitioned many of our existing face-to-face programs to online delivery, including the highly successful Careers Expo which attracted more than 9,500 online views.

Council launched its highly anticipated FOGO service in July 2020. Despite COVID challenges, the program rolled out on schedule, and delivered around 5,000 FOGO kitchen caddies to residents across the community.

Council undertook a program to promote awareness of remote access to library resources through e-collections with an aim to increase digital loans, resulting in a 31.4 per cent increase in the number of loans across all e-resources to 56,524 loans, along with establishing library Access Points at Timbertop and Fraser Rise Children's and Community Centres.

In July, Council also launched its Community Connector Hubs initiative in response to COVID. Council established three Hubs across the municipality in Kurunjang, Caroline Springs and Aintree, providing food relief, care packs, financial and mental health support and job readiness programs, to residents hardest hit by the pandemic.

We have also delivered a significant capital works program including community centres, playgrounds, recreation facilities and important road upgrades to help make the City of Melton an even better place to live and raise a family.

Highlights include the completion of Eynesbury Station Early Learning Centre and Melton Central Community Centre, extension of the Diggers Rest Kindergarten and Caroline Springs Community Pavilion, completion of Eynesbury Recreation Reserve, Stage 1 of the MacPherson Park redevelopment project, and the construction of new playspaces at Arbour Boulevard Reserve, Bloomsbury Drive Reserve and Marlo Reserve. We also saw significant progress on the construction of our most financially ambitious project to date – the six-court Cobblebank Indoor Stadium, valued at \$31 million.

On the advocacy front, Council ran a very successful Stop the Soil campaign, and partnered with West of Melbourne Economic Development Alliance to launch an economic report on the impacts of the establishing a hospital in Melton. Pleasingly, the Melton Hospital received \$75 million in funding from the State Government in this year's budget, which is a great outcome for this vital community project.

**Cr Kathy Majdlik**  
Mayor  
City of Melton



These exciting projects and initiatives complement more than 120 community services Council offers our residents in areas like family and children's services, social support for seniors, and programs for teens.

We are particularly proud of the initiatives developed to support our business community during some very challenging times, including offering tailored support to over 1,500 local businesses, and growing the Venture Melton Business Network to more than 1,200. Council also delivered a Buy Local campaign that saw the distribution of more than 80 Open for Business A-Frames across the community and create over 50 full page Open for Business features in the local paper—that's 730 individual ads showcasing 200 businesses. An Outdoor Dining program was also completed featuring more than 50 installations across the City.

In terms of ensuring that our local communities are well planned and meet the future needs of our growing municipality, Council approved the Climate Change Adaptation Plan, and signed up to the Local Government Power Purchase Agreement, which will see Council move 100 per cent of electricity to renewable energy. We were also successful in having three heritage properties conserved under the Heritage Assistance Fund.

Many Council projects were recognised for their innovation and excellence throughout the year. The City of Melton won the Asset Management Information Management Award at the Asset Management Councils' 2021 Asset Management Excellence Awards for our Asset Data Workflow project, which improved a number of processes involved with capturing and reviewing asset information from new subdivisions and capital projects.

Council also received two awards for the Macpherson Park Redevelopment Project including the AFL Victoria Community Football Facility of the Year Award and was joint winner of AFL National Community Football Project of the Year as part of the AFL's Ken Gannon Community Football Facilities Awards.

As always, the wellbeing of our community was paramount for Council, and I would like to acknowledge the way in which our organisation worked to ensure our residents continued to have access to the programs and services they need to lead healthy and happy lives.

On behalf of my fellow Councillors, I would like to take this opportunity to thank our residents for their support over the past 12 months, and our Executive Team and staff for the delivery of the quality services they provide to our community.

# Message from the Chief Executive Officer

**On behalf of Melton City Council, I am pleased to present this Annual Report which outlines our organisational performance in 2020/2021.**

The COVID-19 pandemic has had an impact on Council’s revenue, but despite this Council remains in a strong financial position, with significant cash reserves, low debt and cost containment placing us in a strong position for recovery.

Throughout the year we continued to deliver an impressive range of community services despite the challenges presented by coronavirus. Forced closures of a number of facilities and programs meant that Council focused on the delivery of essential services and pivoted to online programming, wherever possible.

Despite the COVID-19 pandemic, we were able to deliver on our commitment to complete several major infrastructure projects, including Stage 1 of the MacPherson Park redevelopment, the Melton Central Community Centre and an upgrade to Caroline Springs Community Pavilion.

In addition Council commenced construction of the six-court Cobblebank Indoor Stadium, a \$31 million project, funded from proceeds of land sales at Atherstone.

Organisationally, a number of changes occurred to better equip Council to meet the challenges of growth, and changes in government direction and policy. A key change was the creation of a Environment and Waste unit to address the substantial challenges that exist around waste management and environmental sustainability.

Our Business Transformation Project delivered increased benefits in efficiency by streamlining processes that enable customers to do more business with Council online. This project was also instrumental in facilitating Council staff quickly moving to remote working arrangements, and online delivery of many of the services that could no longer be delivered in person due to the restrictions imposed in response to the pandemic.



**Kelvin Tori**  
Chief Executive Officer  
Melton City Council

A number of staff were seconded to business units experiencing a steep increase in workload due to COVID-19. I would like to commend staff for the way in which they rose to the challenges presented by the pandemic, and for their collective preparedness to be flexible and agile in their approach to serving our community.

Pleasingly, the performance measures from the annual household survey, conducted by independent consultants, achieved very strong results and indicated the community’s general satisfaction with Council’s performance across all sectors; something I know we are all extremely proud of.

In closing, I extend my sincere appreciation to all staff and Councillors for their commitment to the City of Melton community, and for their significant contribution to enhancing the lives of our residents, particularly in light of the challenges that the pandemic presented us with.

A stylized, handwritten signature in black ink, appearing to be 'K. Tori'.



# HIGHLIGHTS FOR 2020-2021

## THEME ONE A Proud, Inclusive and Safe Community

### STRATEGIC OBJECTIVE A City of people leading happy and healthy lives



- The Eynesbury Station ELC commenced operations in January this year and was officially opened in March. Both the kindergarten service and the Maternal and Child Health services are operating well in the new space.
- Conferred citizenship to 364 residents of the City of Melton. Citizenship ceremonies and the number of conferees is much lower than usual in 2020-21 due to the impact of COVID.
- The Reconciliation Roadmap 2018-2021 was successfully completed and reported on at the 8 February Council Meeting.

## THEME TWO A thriving and resilient natural environmenty

### STRATEGIC OBJECTIVE A City that preserves and enhances its natural environment for future generations



- The Climate Change Adaptation Plan has been published and now forms part of Council's pledge under the Climate Change Act.
- Heritage Week was held with a number of events undertaken including tours of Rockbank Inn archaeological dig, researching Aboriginal history workshop and drystone wall workshop.

## THEME THREE A well planned and built City

### STRATEGIC OBJECTIVE A City with a clear vision to manage growth in a sustainable and accessible way



- A feasibility study for an Arts and Cultural Facility in the City was completed and presented to Council.
- Construction commenced on the Eynesbury Active Open Space precinct. The precinct will be fully operational in July 2021.
- Council's advocacy efforts have seen a range of key infrastructure projects funded including the upgrade of the following key intersections:
  - Intersection of Leakes Road/Melton Highway, Plumpton
  - Intersection of Norton Drive/High Street, Melton
  - Intersection of Coburns Road/High Street, Melton
- Council constructed a total of 130,373 metres of pathways this financial year.
- An Outdoor Dining program has been completed with more than 50 installations across the City.

## THEME FOUR A strong local economy and a lifelong learning City

### STRATEGIC OBJECTIVE A City rich in local employment and education opportunities



- The Venture Melton Business Network ended 2020/2021 with over 1,200 members.
- Council's Investment Attraction Strategy was completed.
- In response to the COVID situation, a program to promote awareness of remote access to library resources through e-collections with an aim to increase digital loans, resulted in a 31.4% increase in the number of loans across all e-resources to 56,524 loans.
- Library Access Points at Timbertop (Aintree) and Fraser Rise were launched in April.

## THEME FIVE A high performing organisation demonstrating leadership and advocacy

### STRATEGIC OBJECTIVE An organisation operating with innovation, transparency, accountability and sustainability



- The Melton Communications Strategy was endorsed by Executive and Councillors earlier this year.
- Work on the Council & Wellbeing Plan 2021-2025 has progressed in line with the statutory timelines prescribed by the Local Government Act 2020. Council undertook a deliberative engagement process with the community and partners, and a number of engagements with Councillors and staff to develop the Plan.

# Introduction to the Annual Report

**The year in review** (page 24) provides an overview of our operations in 2020-2021. It includes a summary of how we spent your rates, a financial summary for the year and information about our sustainability, our challenges and the future, our community satisfaction survey, an events calendar and awards received by the City of Melton.

**Our City** (page 36) provides information about the City of Melton, our Councillors and the workings of Council.

**Our People** (page 64) provides information about the organisation, its leaders, our employees and our organisational culture. It also includes information about our volunteers.

**Our Community** (page 56) provides information about community awards, volunteers and community grants.

**Our Performance** (page 72) gives the detail on how we have delivered on the themes, objectives and strategies in the Council and Wellbeing Plan 2017-2021.

**Governance and Management Information** (page 116) provides information on our organisational governance including audit and statutory information.

**Performance Statement** (page 138) includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures and an explanation of material variations in the results.

This statement has been prepared to meet the requirements of the *Local Government Act 1989* and Local Government (Planning and Reporting) Regulations 2014.

**Annual Financial Report** (page 136) contains the audited financial statements we are required by law to provide.



# Our Services

More detail is provided in the section “Our Performance” commencing on page 74.

**THEME 1**  
**A PROUD, INCLUSIVE AND SAFE COMMUNITY**

- Families and Children
- Community Care
- Community Planning
- Recreation and Youth.

**THEME 2**  
**A THRIVING AND RESILIENT NATURAL ENVIRONMENT**

- Environment and Waste
- Operations.

**THEME 3**  
**A WELL PLANNED AND BUILT CITY**

- City Design and Strategy
- Engineering Services
- Planning Services
- Capital Projects.

**THEME 4**  
**A STRONG LOCAL ECONOMY AND A LIFELONG LEARNING CITY**

- Libraries and Arts.

**THEME 5**  
**A HIGH PERFORMING ORGANISATION DEMONSTRATING LEADERSHIP AND ADVOCACY**

- Community Safety
- Engagement and Advocacy
- Finance
- Information Services
- People and Culture
- Executive and Councillors
- Legal and Governance
- Risk and Performance
- Property & Projects.





## Our Stakeholders

| Stakeholder                                      | Community groups and volunteers  | Government – State, Federal and other Councils   | Ratepayers   | Residents  | Local Businesses  | Visitors to Melton  | Suppliers  | Media  | Customers   | Partners  | Employees and their representatives  |
|--|--|--|--|--|---|---|--|--|---|---|--|
| <b>They are important to us because they....</b> | <ul style="list-style-type: none"> <li>Connect us with our community</li> <li>Encourage community participation</li> <li>Help with planning and advocacy</li> <li>Contribute to the development of strategies, policies and programs</li> </ul>  | <ul style="list-style-type: none"> <li>Provide resources, guidance, legislation and regulations</li> <li>Support partnerships and networks</li> </ul>  | <ul style="list-style-type: none"> <li>Provide funding for local services and infrastructure</li> <li>Give feedback about local issues</li> <li>Use the services we provide</li> </ul>   | <ul style="list-style-type: none"> <li>Provide funding for local services and infrastructure</li> <li>Give feedback about local issues</li> <li>Use the services we provide</li> <li>Tell us which issues are most important to them</li> </ul>  | <ul style="list-style-type: none"> <li>Invigorate the local economy and provide employment</li> </ul>   | <ul style="list-style-type: none"> <li>Invigorate the local economy by visiting, shopping and studying in Melton</li> </ul> | <ul style="list-style-type: none"> <li>Provide goods and services</li> </ul>   | <ul style="list-style-type: none"> <li>Help us communicate with our community and raise awareness of services, facilities and events</li> </ul>  | <ul style="list-style-type: none"> <li>Use our services and facilities and provide feedback for improvement</li> </ul>                                      | <ul style="list-style-type: none"> <li>Share their knowledge, innovation, experience and resources and allow for economies of scale</li> </ul>    | <ul style="list-style-type: none"> <li>Bring experience and knowledge to the organisation and are crucial to our delivery of services</li> </ul>   |
| <b>We are important to them because we....</b>   | <ul style="list-style-type: none"> <li>Provide support and resources</li> <li>Develop services, strategies, policies and programs in response to advice</li> <li>Build social inclusion and environmental sustainability</li> <li>Improve the wellbeing of Melton residents</li> </ul> | <ul style="list-style-type: none"> <li>Provide local services</li> <li>Drive local economic growth</li> <li>Reduce unemployment</li> <li>Create networks</li> <li>Stimulate tourism</li> <li>Provide local data and information</li> </ul> | <ul style="list-style-type: none"> <li>Provide services and infrastructure</li> <li>Encourage local economic growth</li> <li>Consult widely to find out what is most important to them</li> </ul>  | <ul style="list-style-type: none"> <li>Provide services, infrastructure, leadership and representation</li> <li>Encourage local economic growth and links to local jobs</li> <li>Welcome and encourage diversity</li> </ul>  | <ul style="list-style-type: none"> <li>Support job creation</li> <li>Encourage new businesses</li> <li>Run development and education sessions</li> <li>Host networking events</li> <li>Issue permits</li> </ul>   | <ul style="list-style-type: none"> <li>Provide good quality products, services and facilities</li> </ul>                    | <ul style="list-style-type: none"> <li>Purchase their goods and services</li> </ul>  | <ul style="list-style-type: none"> <li>Provide local data and information</li> </ul>   | <ul style="list-style-type: none"> <li>Provide services and facilities and host events</li> </ul>   | <ul style="list-style-type: none"> <li>Provide leadership, create local jobs and share knowledge, innovation, experience and resources</li> </ul> | <ul style="list-style-type: none"> <li>Provide a challenging and rewarding work environment, training, career progression, equal opportunity employment and work/life balance</li> </ul> |
| <b>We engage with this group via....</b>         | <ul style="list-style-type: none"> <li>Advisory committees and reference groups</li> <li>Workshops</li> <li>Community meetings and forums</li> <li>Face-to-face meetings</li> <li>Online</li> </ul>  | <ul style="list-style-type: none"> <li>Formal legislative reporting</li> <li>Partnerships</li> <li>Meetings</li> <li>Briefings</li> <li>Networking events</li> <li>Correspondence</li> </ul>   | <ul style="list-style-type: none"> <li>Rates notices</li> <li>Community forums</li> <li>Publications, including Annual Report</li> <li>Website</li> <li>Mail outs</li> <li>Consultation sessions/ meetings</li> <li>Customer service centres</li> <li>Telephone</li> </ul> | <ul style="list-style-type: none"> <li>Council meetings</li> <li>Forums / consultation sessions</li> <li>Community surveys, door to door interviews</li> <li>Website</li> <li>Publications including the Annual Report</li> <li>Social media</li> <li>Mail outs</li> <li>Customer service centres</li> </ul> | <ul style="list-style-type: none"> <li>Our economic development unit and health teams</li> <li>Our business incubator</li> <li>Trade associations</li> <li>Consultation sessions</li> <li>Networking events</li> <li>Surveys and face to face meetings</li> </ul> | <ul style="list-style-type: none"> <li>Events, publications, our website and social media channels</li> </ul>               | <ul style="list-style-type: none"> <li>Contract management, face to face visits, public notices, networking groups, and our online tender and quotation process</li> </ul> | <ul style="list-style-type: none"> <li>Press releases, briefings, interviews, social media, council meetings and briefings with culturally and linguistically diverse media</li> </ul> | <ul style="list-style-type: none"> <li>Customer surveys, face to face customer service, our website, publications, and our telephone call centre</li> </ul> | <ul style="list-style-type: none"> <li>Networking meetings, and contract management</li> </ul>  | <ul style="list-style-type: none"> <li>Newsletters, staff intranet, email, meetings, surveys, performance reviews, events and meetings with union representatives</li> </ul>             |





# The Year in Review 2020/2021

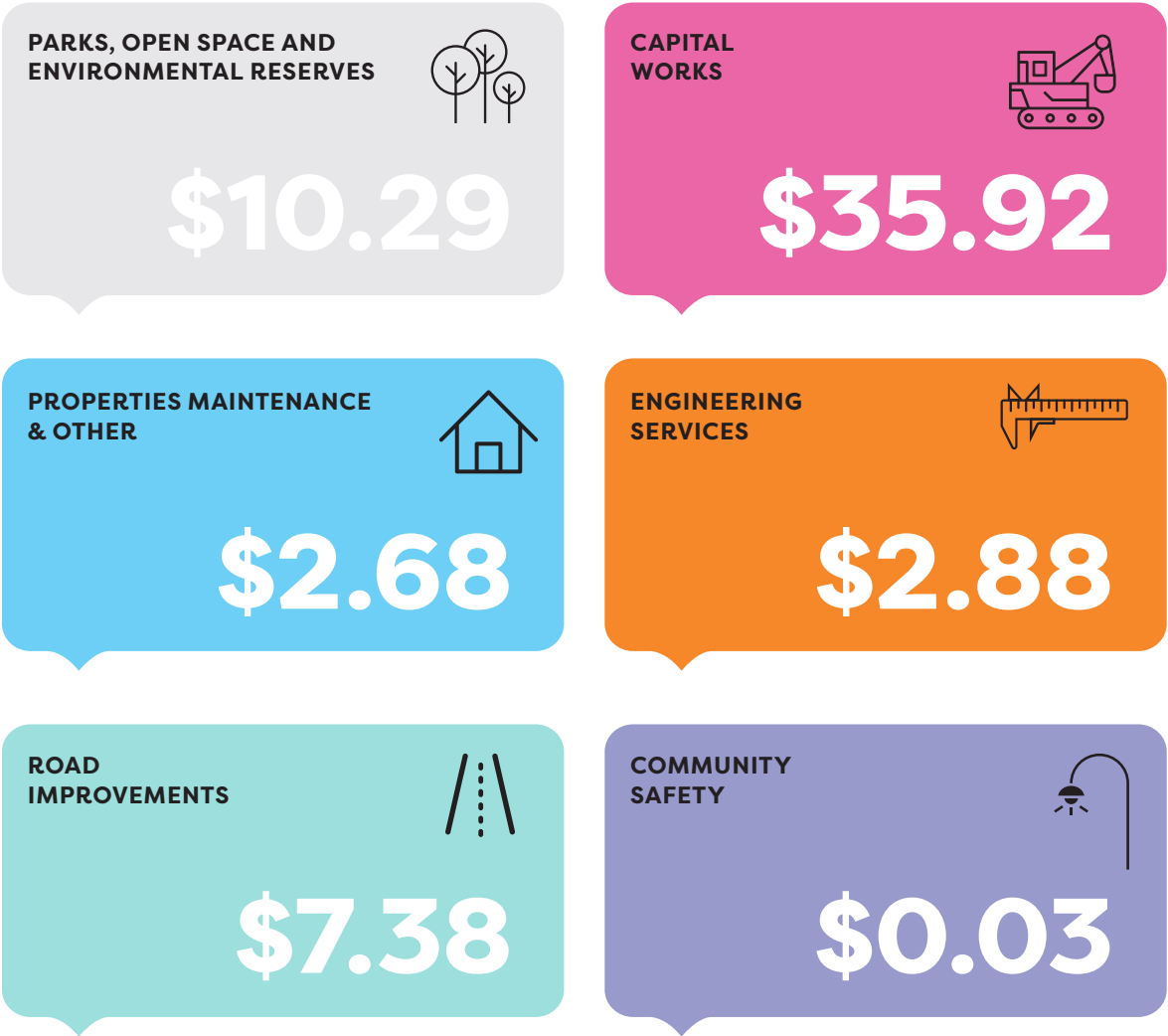
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The Year in Review 2020/2021

WHAT YOU GOT FOR \$100

A summary of how we spent your rates in 2020/2021  
We delivered a broad range of services to our diverse community of residents, traders, business owners and visitors. This list shows how rates revenue was spent across these services for every \$100 spent in 2020/2021.





# 2020/2021 Financial Summary

## NET WORTH

\$3.06B

## OPERATING SURPLUS

\$290.6M

### Operating Position

Council achieved an operating surplus of \$290.6M for the 2020/2021 reporting period. This is \$21.71M higher than the previous year.

The result was predominantly driven by an increase in land sales income from Atherstone development and other income related to development activity. The increase in income was largely due to government economic stimulus measures. Prudent financial management by Council continued to contain costs which assisted in generating an increase in operating surplus.

### Liquidity Position

Council's cash position at the end of the year was a healthy \$75.5M. It should be noted that Council holds a further \$292.7M in term deposits with a maturity of over 3 months classified as other financial assets.

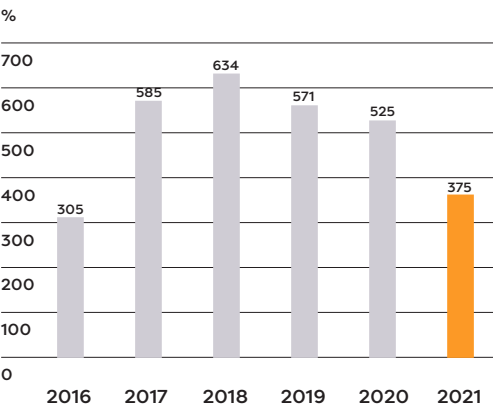
The working capital (liquidity) ratio, which is the measure of Council's ability to pay existing (current) commitments in the next 12 months, is calculated by measuring Council's current assets as a percentage of current liabilities.

For 2020/2021 this measure was 375 per cent. A ratio higher than 100 per cent means there is more cash and liquid assets than short-term liabilities.

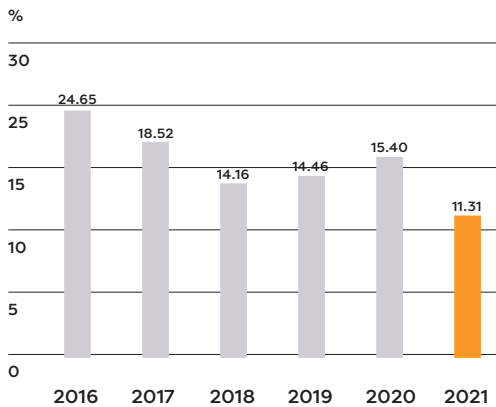
### Indebtedness Ratio

Council aims to ensure that it is in a position to maintain its infrastructure assets at expected levels while continuing to deliver essential services and new infrastructure required for a growing community.

#### LIQUIDITY RATIO



#### INDEBTEDNESS RATIO



## CASH

\$75.5M

## SPENT ON INFRASTRUCTURE RENEWAL

\$6.9M

In 2020/2021, Council spent \$6.9M in infrastructure renewal and \$58.2M on Capital Works during the reporting period.

At the end of the financial year Council had \$10.7M in outstanding borrowings.

Council's indebtedness ratio is a comparison of non-current liabilities (mainly comprised of borrowings) to own-sourced revenue. It is a measure of Council's capacity to pay non-current liabilities when they fall due. The higher the percentage, the less able to cover non-current liabilities from the revenues the entity generates.

For 2020/2021 the indebtedness ratio is 11.31 per cent, borrowings were repaid, and own source revenue increased which has driven a favourable movement in this ratio. A percentage under 40 per cent is considered as no concern over the ability to repay debt from own-sourced revenue.

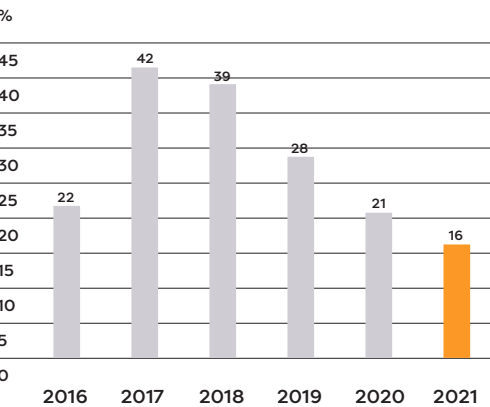
### Asset Renewal Ratio

This is a measure of Council's expenditure on maintaining existing assets as a percentage of depreciation expenses. Asset Renewal expenditure is based on engineering data, Council renewal expenditure is considered appropriate given the age and condition of its assets.

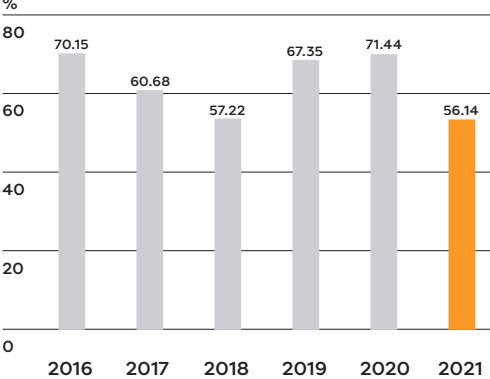
### Stability

Council's revenue stream comprises of rates revenue, land sales, grants and contributions, fees, fines and charges. Rates form a significant part of the Council's revenue stream. Council is focused on maximising income from other income sources such as investment income and government grants in its attempt to reduce the dependence on rates revenue. The stability ratio trended favourably in 2020/2021 due mainly to higher land sales.

#### RENEWAL GAP



#### PERCENTAGE OF RATE INCOME ON UNDERLYING REVENUE





# 2020/2021 Capital Works

## Caroline Springs Community Pavilion Extension

As part of the Victorian Government's Growing Suburbs Fund, the City of Melton received \$1M towards the \$2.1M Caroline Springs Community Pavilion Extension. The extension doubled the social space, provided additional amenities and refurbished existing spaces to cater for the growth in the use of the recreation reserve.



## New Play Spaces at Arbour Boulevard Reserve, Bloomsbury Drive Reserve and Marlo Reserve

The Arbour Boulevard Reserve upgrade provides opportunities for informal recreation, community connection and ensures residents in Burnside Heights have access to quality open space.

The Bloomsbury Drive Reserve Upgrade improves amenity and features of the reserve for residents of all ages.

The Marlo Reserve project was co-funded by Council and the Victorian State Government through the Growing Suburbs Fund. The project has developed Marlo Reserve into a play space which can be enjoyed by the local community of Harkness.



## MacPherson Park Redevelopment

The \$12.3M stage 1 project saw Council deliver a two-storey sports pavilion for football, cricket and netball, new bitumen carpark servicing the new pavilion new multi-purpose synthetic oval, new netball court, 1/3 size training netball court, sheds to accommodate cricket storage and the Pigeon Club, new netball shelter and landscaping. External funding of \$2M was being provided by the Victorian State Government through the Growing Suburbs Fund and \$100,000 from AFL Victoria.

Stage 2 has begun and includes realignment and shaping of oval 2 and construction of new multipurpose soccer pavilion.



## Stan Payne Reserve Upgrade

The \$800K Stan Payne Reserve Upgrade saw a portion of the reserve refurbished. The works included upgrade of the shelter, upgrade of the toilet block, picnic tables, improvement of bowls club carpark, garden beds, park furniture, and new tree planting. The construction of Stan Payne Reserve was partly funded by the Victorian Government Growing Suburbs Fund.



## Cobblebank Stadium

The new Cobblebank Stadium is a \$31M multi-purpose community facility that responds to the growing need for additional indoor courts within the municipality. The new indoor stadium will increase community participation and provide greater access for a range of sports including basketball, netball, badminton, table tennis, volleyball, futsal, school curriculum and community health and wellness programs. The Stadium is nearing completion and will be open in late 2021.



## Eynesbury Recreation Reserve

The \$13.8M Eynesbury Recreation Reserve will provide a key meeting point for the community and provide a suitable space for training and competition for the local clubs. The reserve will have a pavilion, oval and hard courts to ensure that a variety of active sport pursuits including AFL, cricket, tennis and netball can be played in a safe community setting alongside passive recreational opportunities like an adventure playground, BBQ facilities and walking paths. The reserve will be open to the public in late 2021.



## Eynesbury Station Early Learning Centre

Council worked with the Victorian Government to build the \$4.2M Eynesbury Station Early Learning Centre co-located at the new Eynesbury Station Primary School. This centre delivers more kindergarten places for local three and four-year-old children, and more support for their families.



## Melton Central Community Centre

The delivery of this \$4.7M project involved the demolition of the existing building and preparation of the site for construction of the new building. This Centre houses Djerriwarrh Community and Education Services (DjCES) and provides a range of new community services for the broader Melton municipality.



## Diggers Rest Kindergarten

As part of the Victorian Government's Children's Facilities Capital Program Major Grants, Council received \$350,000 towards the Diggers Rest Kindergarten Extension.

This project at the corner of Houdini Dr and Plumpton Rd doubles the capacity of the kindergarten from 33 to 66 children with new reception, storage and landscaped play area.





# Economic Factors

**The City of Melton had a strong rate of population growth in 2020-2021. Residential development across parts of the municipality performed well compared with Victoria overall.**

More broadly, businesses that have not been able to continue to trade in their “normal” way continue to be impacted by the pandemic, and unemployment has grown to unprecedented levels.

Council’s resources continued to be impacted by the pandemic, with reduced revenue from fees and charges due to the closure of most Council facilities, and the provision of hardship relief to impacted homeowners.

Atherstone, Council’s joint venture development, together with the wider Melbourne property market, has exceeded financial year sales expectations, specifically due to the Government First Home Buyers stimulus packages, the project’s strong value proposition, delivery of the Cobblebank Stadium and recent announcements of the Melton Hospital location.

Despite the various impact of COVID, Council remains in a strong financial position, with good cash reserves and low debt.

# Major Changes

**A number of changes occurred with the organisational structure of Council, to better equip Council to meet the challenges of growth, rate capping and changes in government direction and policy.**

This included the dissolution of the Risk and Performance unit to better align the functions of this team with service delivery across the organisation. The Corporate Planning and Performance function now sits with the Executive Manager Property & Projects. Risk was moved to Legal and Governance with Occupational Health & Safety, and Emergency Management moved to People and Culture and Operations respectively.

This structural realignment also resulted in the removal of a manager position within the structure and the creation of a dedicated Risk Officer.

The Business Transformation project continued to deliver benefits to Council, particularly assisting in providing a mobility platform as Council continues to “Work from Home” in response to the pandemic challenge.

Staff have continued to respond to the challenges of COVID, and their collective preparedness to be flexible and agile has greatly assisted in Council facing the pandemic in a proactive way and ensuring a continued level of service for our community.

# Sustainability Statement

**At Melton City Council we integrate sustainability into all aspects of our work. Along with acting in an environmentally sustainable way, we consider the social and financial impacts of our activities and ensure that they are also sustainable.**

## Social Sustainability

To be socially sustainable, we aim to develop programs and infrastructure that meet the needs of our community now and into the future. We foster a socially sustainable community that is equitable, safe, diverse, connected and inclusive.

We offer a range of initiatives to support the health and wellbeing of our community. Policies, strategies and programs are in place to support our growing population, address social inequities, increase physical activity, celebrate cultural diversity and Indigenous culture, promote gender equality and community safety, encourage healthy eating and build community leadership.

## Workplace Sustainability

Providing a safe and healthy workplace in which employees can grow and prosper is critical to the development of an appropriate corporate culture. Council provides mechanisms to allow for work/life balance and openly explores flexible working arrangements. Policies, Procedures and Frameworks are in place to promote health and wellbeing, learning and development, emerging leader development and leadership

development. Policies, Procedures and mechanisms for advice and support are also communicated through induction and awareness training to protect employees from discrimination, harassment and bullying in the workplace.

More information about our workforce can be found in the Report of Operations in this Annual Report

## Environmental Sustainability

Council is committed to protecting and enhancing its natural environment including grasslands, woodlands and waterways. Our community values the City’s natural spaces and works to ensure that they are preserved, accessible and welcoming now and for future generations. We recognise the many benefits of the natural environment – including for health and wellbeing. We also recognise the adverse impacts of climate change and habitat degradation and are committed to actively taking steps to reduce those effects. In coming years, as climate change and high rates of development impact our local environment, environmental sustainability will continue to be a strong focus of our work. In 2017 Council adopted its Environment Plan, in 2018 its Integrated Water Management Plan, and 2020 its Climate Change Adaptation Plan. The principles outlined in these plans will ensure that environmental sustainability at a time of changing climate will be considered in all of council’s services and operations.

The Environment Plan can be found at:  
**[melton.vic.gov.au/Services/Environment-and-sustainability/Environment-Plan](https://melton.vic.gov.au/Services/Environment-and-sustainability/Environment-Plan)**

The Integrated Water Management Plan can be found at:  
**[melton.vic.gov.au/Services/Environment-and-sustainability/Water-and-waterways](https://melton.vic.gov.au/Services/Environment-and-sustainability/Water-and-waterways)**

The Climate Change Adaptation Plan is available on request.

### Economic Sustainability

A healthy and resilient local economy helps to ensure a better quality of life for residents. Melton City Council has a lead role in stimulating the local economy to build community pride and prosperity.

To support the economic sustainability and resilience of the City of Melton economy we have developed a range of strategies and programs that are delivered under the 'Venture Melton'

brand. They revolve around creating meaningful and enriching programs that support and inspire businesses to start, grow, connect and excel. Council's vision is for the City of Melton to have the most connected and supported business community in Australia.

### Financial Sustainability

As well as our focus on the external economy, Council's financial sustainability is a paramount consideration in the way we operate. We apply sustainability principles to procurement, operational efficiency, financial planning, and asset management.

Strategies and policies are implemented to ensure the organisation's long-term financial sustainability. Information about the work we are doing to ensure financial sustainability is contained in our Financial Report section of this Annual Report.

## Challenges and the Future

### Council was faced with, and responded to, the following challenges in 2020-2021:

- Responding to the COVID pandemic
- Managing growing population
- Advocating for improved health facilities and services, including Melton Hospital
- Advocating for improved public transport, particularly the upgrade of the Western Highway and Melton Highway
- Delivering key community infrastructure at the right time
- Addressing family violence and community perceptions of safety.

### Council is looking ahead to 2021-2022 and plans to undertake the following actions:

- Continue to respond to the COVID pandemic and implement recovery initiatives
- Continue to advocate for the electrification of the Melton rail line, Melton Hospital, more schools and road improvements
- Complete projects identified in the Capital Works Plan
- Undertake service planning to identify efficiencies and cost saving opportunities
- Maximise funding from State and Federal governments to support the provision of infrastructure and services.

## Community Satisfaction Survey

### Council has commissioned a Community Satisfaction Survey annually since 2014/15.

Usually conducted door-to-door, in both 2020 and 2021 it was conducted as a telephone survey (including both mobile and landline phones). A total of 800 residents were randomly surveyed from a sample drawn proportionally from across the municipality. Completed between April and June each year, respondents broadly represent the City's community profile.

The Survey program comprises the following core components which are included each year:

- Satisfaction with Council's overall performance and change in performance
- Satisfaction with aspects of governance and leadership
- Importance of and satisfaction with a range of Council services and facilities
- Current issues of importance for Council to address
- Satisfaction with aspects of planning and housing development
- Community perception of safety in public areas of Melton and
- Satisfaction with Council customer service.

In addition to these core components, the Melton City Council – 2021 Annual Community Satisfaction Survey includes questions exploring current issues of importance that reflect Council's current requirements.

The 2021 survey also included questions related to the following issues:

- Sense of community
- Family violence and
- Volunteering.

This information is used for Council performance reporting purposes and plays an integral role in Council's annual strategic planning activities.

In 2021, satisfaction with Council's overall performance was rated at 6.81 out of 10, and Governance and Leadership was 6.60. Average satisfaction with services was 7.58. The top three issues identified by community in 2021 were traffic management (21.8%), roads maintenance and repairs (10.0%), and parks, gardens, and open spaces (7.0%).

More information about the Annual Community Satisfaction Survey is available on the Council website.



# Events Calendar



Due to the restrictions and challenges facing large public events as a result of COVID, Council’s annual major events program (Djerriwarrh Festival and Carols by Candlelight) was cancelled in 2020/2021. Planning for these events has resumed under the Victorian State Government’s Public Events Framework.

## Harmony Day

The Harmony Day event 2021 was cancelled due to restrictions and challenges facing medium sized public events as a result of COVID. Council is hopeful of celebrating a Harmony Day event in 2022.

## Celebrating Australia Day

The City of Melton welcomed 75 new residents during the annual Citizen Ceremony as part of Australia Day celebrations on 26 January. Community Achievement Award recipients were recognised for their contribution to the City and their communities, including:

**Citizen of the Year:**  
Annette Butterworth

**Young Citizen of the Year:**  
Lachlan Wright

**Gender Equity Leader of the Year:**  
Prabha Shrestha

**Access & Inclusion Leader of the Year:**  
Zoe Attard

**Intercultural Engagement Leader of the Year:**  
Ehab Hadaya.

# Awards



- The City of Melton won the Asset Management Information Management Award at the Asset Management Councils’ 2021 Asset Management Excellence Awards. The award was given for their Asset Data Workflow project, which improved a number of processes involved with capturing and reviewing asset information from new subdivisions and capital projects.

- City of Melton received two awards for the Macpherson Park Redevelopment Project this year. The awards won were:
  - AFL Victoria Community Football Facility of the Year Award
  - Joint Winner of AFL National Community Football Project of the Year as part of the AFL’s Ken Gannon Community Football Facilities Awards.

The annual awards recognise best practise in community football facility development across Australia, along with the people, clubs and other stakeholders driving the best projects



# Our City

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# About the City of Melton

**The City of Melton is a key part of Melbourne’s western growth corridor. It is directly connected by the Western Ring Road and Deer Park bypass to Melbourne’s major freeways, main airport, major industrial hub and the Port of Melbourne. The Western Highway, an important national freight route runs through the City. The City’s residential population is currently concentrated in the Melton township and Melton eastern corridor districts.**

The Melton township comprises the suburbs of Melton, Melton West, Harkness, Melton South, Kurunjang and Brookfield and is centred on the Melton major activity centre, around 35 kilometres north west of the Melbourne CBD. The township continues to grow while preserving features of its rural heritage.

The City of Melton’s eastern corridor is centred on the major activity centre of Caroline Springs, approximately 19 kilometres north west of the Melbourne CBD. The eastern corridor includes the suburbs of Burnside, Burnside Heights, Caroline Springs, Hillside and Taylors Hill.

Increasingly, the focus of development is in growth suburbs including Diggers Rest, Aintree, Bonnie Brook, Cobblebank, Deanside, Fieldstone, Fraser Rise, Grangefields, Ravenhall, Rockbank, Strathulloh, Thornhill Park, Truganina and Weir Views.

The City of Melton also has a number of significant rural areas including Parwan, Plumpton, Mount Cottrell, Exford, parts of Diggers Rest, Toolern Vale and Eynesbury.

## Our history

The City of Melton has a rich Aboriginal heritage which goes back over 40,000 years. Three different but related language groups, each made up of a number of individual clans, lived in the areas now covered by the Melton Local Government Area. These three language groups are the Wurundjeri Woi-Wurrung, Wadawurrung and Bunurong peoples. These three Traditional Owner groups form three of the five tribes that make up the Kulin Nations. Historically and today, the inheritance of cultural practice for next generations is important, encouraging connection to people and places. City of Melton Aboriginal and/or Torres Strait Islander community members are diverse, coming from the three Traditional Owner groups, but also many Aboriginal nations and clans from across Australia.

Aboriginal stone tools and camp sites have been found along local water courses, as well as a number of scarred trees where bark had been excised out of the tree without causing harm to the ongoing health of the tree. This bark was used for making canoes, carrying containers, shields and shelters. There are a number of Aboriginal cultural heritage sites in the City of Melton; the Melton Valley Golf Course canoe scar tree, the Bullum Bullum camp site in Burnside and the site of the area’s last known corroboree of 1863 in Hannah Watts Park, Melton.

The first European settlers arrived in the late 1830s. By 1862, Melton was created as a district, which would develop a rich pastoral and farming heritage. This era is still evident with numerous remaining pastoral homesteads, dry stone walls and dams.

In 1974, Melton was declared as Melbourne’s first satellite city. Extensive suburban development led to a major increase in population through the 1980s. Throughout the last decade, the municipality has continued to experience unprecedented population growth and is currently recognised as one of the fastest growing municipalities in Australia. In acknowledgement of our fast growth, Melton Shire Council was granted city status by the State Government in September 2012 and is now known as Melton City Council.

## The Role of Council

The *Local Government Act* 1989 sets out the purpose and objectives of Melton City Council and defines its functions and powers. Council is a statutory body incorporated under the Act. Its role is to provide leadership for the City of Melton in service of the community.

Melton City Council:

- Acts as a representative government and considers community needs when making decisions
- Establishes strategic objectives for municipal services and monitors their achievement
- Ensures the responsible and accountable management of its resources
- Advocates local community interests to other communities and governments
- Is a responsible partner in government, taking the needs of other communities into account
- Fosters community cohesion and encourages participation in civic life.



# Ward Map

## Councillor Vacancies and Appointments

The year 2020 was a general election year for Victorian Councils. The 2020-2021 financial year saw the end of the term for Councillors elected on 20 October 2016 and the election of Councillors for the 2020-2024 term of Council.

### OUR COUNCILLORS

#### 2016-2020 TERM

(ended 24 October 2020)

Steven Abboushi  
Lara Carli  
Melissa De Santis \*  
(resigned on 9 May 2019)  
Ken Hardy  
Goran Kesic  
Kathy Majdlik  
Michelle Mendes  
Sophie Ramsey  
Bob Turner  
Yvonne Sebire \*  
(elected on countback  
12 June 2019, following  
resignation of Cr De Santis)

### Our Councillors

#### 2020-2024 TERM

Local Government General Elections were held on 24 October 2020, resulting in the following appointments to the Melton City Council.

Steven Abboushi  
Lara Carli  
Moira Deeming  
Goran Kesic (Deputy Mayor)  
Kathy Majdlik (Mayor)  
Sophie Ramsey  
Bob Turner  
Julie Shannon  
Ashleigh Vandenberg

## COBURN WARD

### Cr Sophie Ramsey

0412 584 067  
sophie.ramsey@melton.vic.gov.au

### Cr Julie Shannon

0499 801 302  
julie.shannon@melton.vic.gov.au

### Cr Bob Turner

0412 584 224  
bob.turner@melton.vic.gov.au

### Cr Ashleigh Vandenberg

0499 801 183  
ashleigh.vandenberg@melton.vic.gov.au

## WATTS WARD

### Cr Lara Carli

0409 951 020  
lara.carli@melton.vic.gov.au

### Cr Moira Deeming

0499 801 198  
moira.deeming@melton.vic.gov.au



## CAMBRIDGE WARD

### Cr Kathy Majdlik, Mayor

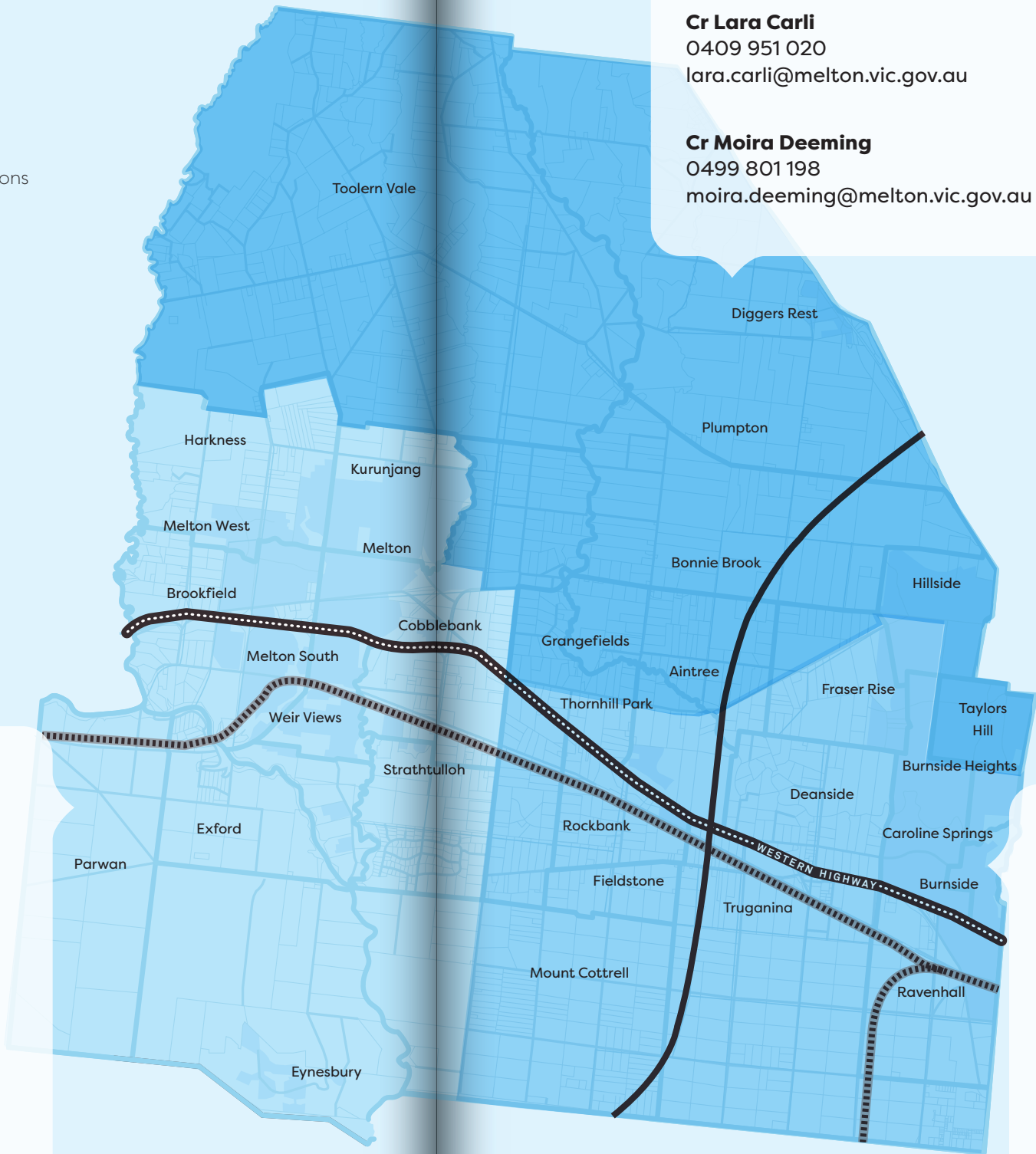
0412 584 058  
kathy.majdlik@melton.vic.gov.au

### Cr Goran Kesic, Deputy Mayor

0437 241 436  
goran.kesic@melton.vic.gov.au

### Cr Steve Abboushi

0437 231 680  
steve.abboushi@melton.vic.gov.au





# Cambridge Ward

## Cr Steve Abboushi, Cambridge Ward

Steve has been a City of Melton resident for 15 years and during that time has, as a volunteer, mentored and taught disadvantaged young people life skills to help them lead fulfilling lives.

He is passionate about ensuring the community's most vulnerable and disenfranchised residents have a voice and are represented in key Council issues. He is particularly interested in relieving the cost-of-living pressures faced by residents.

The achievements and passion of this city's residents, together with the picturesque parks, gardens and lakes are what make Steve a proud resident and Councillor of the municipality.

Steve and his wife Mariasol, a cancer nurse, have two primary school aged sons: Rafael, Orlando and cute groodle puppy named Aldo.

He has a Bachelor of Arts in Criminal Justice Administration, graduating with a high distinction average and has worked in the State Government and not-for-profit sector.

First elected November 2016  
0437 231 680  
steve.abboushi@melton.vic.gov.au

- Second term on Council
- Served as Deputy Mayor (2019/20)



## Cr Goran Kesic, Deputy Mayor, Cambridge Ward

As a Councillor, Goran cares for the needs of the community and advocates for greater job creation and investment in the local economy, a local tertiary learning environment, more police patrolling our streets, a new aquatic centre, more sporting facilities, and the permanent closure or relocation of the Ravenhall landfill.

A Caroline Springs resident of 20 years, Goran is married with an adult daughter and son, and works as an interpreter for South Slavic Languages at Western Health.

He holds a Bachelor's Degree in Strategic Studies and International Relations and a Master's Degree in International Relations from the Deakin University. He is an experienced analyser, investigator and adviser with many years' experience in linguistics, civil and military

intelligence, security analysis and project management both internationally and locally. He has previously worked for the United Nations, UNHCR, ICRC and the Organisation for Security and Co-operation in Europe with various projects in the Balkans.

First elected November 2016  
0437 241 436  
goran.kesic@melton.vic.gov.au

- Second term on Council
- Served as Deputy Mayor (current)



## Cr Kathy Majdlik, Mayor, Cambridge Ward

As a local resident of more than 20 years and a councillor since 2008, Kathy is passionate about creating a better future for families here in the City of Melton.

Her desire to help others and to ensure local families thrive in a happy, healthy and safe environment drives her work in representing and advocating for the community.

Disability services and access and inclusion for everyone are priorities Kathy values highly.

She is also strongly committed to environmental and economic sustainability and the health, wellbeing and safety of all those who call the City of Melton home.

Kathy brings her strong business background to Council, with a Double Masters in Business

Administration (MBA) and Entrepreneurial Innovation (MEI). She also holds a Diploma in Local Government and is a Graduate of the Australian Institute of Company Directors (GAICD).

First elected November 2008  
0412 584 058  
kathy.majdlik@melton.vic.gov.au

- Fourth term on Council
- Served as Mayor (current; 2015/16; 2012/13), and Deputy Mayor (2009/10; 2008/09)



# Coburn Ward

## Cr Sophie Ramsey, Coburn Ward

A local resident for more than 30 years, Sophie has been involved in and continues to support many volunteer and community groups.

She sees the local community as the city's greatest asset and strives to be a strong voice for everyone, so that even the most vulnerable and isolated can be heard.

Sophie's greatest aspirations for the community, and the things she tirelessly advocates for are a new Melton Hospital, a tertiary and TAFE facility for Melton, local road and highway upgrades, and more investment into local jobs.

As a mother to three beautiful daughters and having been the carer for her mother and grandmother, family is very important to her.

First elected to council in 2001, Sophie holds the honour of being Melton City Council's longest serving Councillor – elected for six terms and serving as Mayor four times.

**First elected October 2001**  
**0412 584 067**  
[sophie.ramsey@melton.vic.gov.au](mailto:sophie.ramsey@melton.vic.gov.au)

- Sixth term on Council
- Served as Mayor (2016/2017; 2014/2015; 2004/2005; 2002/2003), and Deputy Mayor (2013/2014)



## Cr Julie Shannon, Coburn Ward

Julie truly values learning about and understanding the needs of residents and giving them a voice on the issues that matter to them.

Honoured to fulfil her first term as a councillor, she's very interested in making Melton a destination for visitors and, among many ideas, would love to advocate for the Weir to be developed one day.

Family violence, homelessness and food security are issues Julie plans to help address in her role.

Julie lives, works and volunteers in Coburn Ward. She has been married to husband Paul for 35 years and has three daughters and four adorable grandchildren.

Her life experiences include small business, education, retail, hospitality, not-for-profit and faith-based activities. Julie has served on various industry and not-for-profit boards over the past 25 years which have taught her to appreciate diversity and value a difference of opinion.

**First elected October 2020**  
**0499 801 302**  
[julie.shannon@melton.vic.gov.au](mailto:julie.shannon@melton.vic.gov.au)

- First term on Council



## Cr Bob Turner, Coburn Ward

Bob is passionate about the health and wellbeing of young people, and strongly advocates for enhanced program delivery, more primary and secondary schools, and local TAFE and university.

Also a strong advocate for improving our transport system and roads, he campaigns for the electrification of the Melton Railway Line, improved local bus connections, and an upgrade of the Western Highway.

Bob immigrated to Australia from Dundee, Scotland, in 1989 with his wife and three sons and settled in Melton in 1990. Since then, his sons have married and Bob is now proud grandad to six beautiful grandchildren.

A toolmaker by trade, Bob was a founding member of the Melton Street Surfer Bus, Melton

Idol and The Gap on Graham Inc Youth Centre initiatives. He is an active member of The Gap on Graham Inc, local community radio station 979fm, the Lions Club of Melton, the Red Cross, and is an L2P driving instructor.

**First elected November 2008**  
**0412 584 224**  
[bob.turner@melton.vic.gov.au](mailto:bob.turner@melton.vic.gov.au)

- Fourth term on Council
- Previously served as Mayor (2018/19; 2017/18; 2013/14), and Deputy Mayor (2016/17; 2012/13)



## Cr Ashleigh Vandenberg, Coburn Ward

Ashleigh's passion for helping others and her ambition to represent local needs saw her successfully elected in 2020.

Growing up in the City of Melton and now raising her two young children here, Ashleigh describes the local community as vibrant, inclusive and welcoming.

As a Councillor, she wants to ensure the City of Melton receives adequate funding for roads, services and community assets, and works to advocate to the state and federal governments to help deliver these outcomes for a healthy, safe and strong future.

She is the City of Melton's first Aboriginal Councillor and has a strong community

connection and heritage to the Wiradjuri people.

Ashleigh is a registered nurse and holds a Bachelor of Nursing and Bachelor of Biomedical Science, completing her studies at Victoria University. She works on a surgical ward in a Melbourne hospital and has been on the front lines of the COVID-19 pandemic.

**First elected October 2020**  
**0499 801 183**  
[ashleigh.vandenberg@melton.vic.gov.au](mailto:ashleigh.vandenberg@melton.vic.gov.au)

- First term on Council





# Watts Ward

## Cr Lara Carli, Watts Ward

In her role as a Councillor, Lara always finds meeting local residents and doing what she can to address their needs very rewarding. It's important to her that Council delivers worthwhile, affordable projects of benefit to all residents, and she's particularly focused on the health, safety and wellbeing of the community.

As the city's population grows, Lara strives to help ensure residents have a great place to live – one that's well connected, with diverse education opportunities, local jobs, and positive health outcomes.

She is a proud Taylors Hill resident, often taking the time to explore what she calls the 'hidden gems' in our city – local eateries, gardens, walking trails, public art and more – with her husband and two children.



Before moving to the City of Melton, Lara served one term at Whittlesea Council where she was elected the first female Mayor in its history.

First elected October 2012  
0409 951 020

lara.carli@melton.vic.gov.au

- Third term on Council
- Served as Mayor (2019/20), and Deputy Mayor (2018/19)

## Cr Moira Deeming, Watts Ward

With the City of Melton's rapidly growing community in mind, Moira is interested in making sure that the infrastructure needs of the community are well planned for and well built.

She wants to ensure that rates are spent wisely and especially that support is provided to those volunteer community organisations that provide the personal, social investments in young and vulnerable people.

She enjoys writing on topics she is passionate about, is heavily involved with her local Presbyterian church and loves soccer, having played all through University where she was captain of the women's team.



Moira has studied a Bachelor of International Relations and went on to do a Post Grad Diploma in Teaching. She has worked as a teacher for more than a decade, and is now also a researcher, enabling her to work from home and look after her four children aged from two to 12 years old.

First elected October 2020  
0499 801 198  
moira.deeming@melton.vic.gov.au

- First term on Council

# Council Meetings

## Council meetings are held approximately every four weeks.

Meeting agendas and minutes are available on the Council website. From 11 May 2020, Council meetings have been live streamed with a video recording of the meeting made available on Council's website approximately two days after the meeting with each item on the agenda 'bookmarked' so information is easy to find.

Council meetings in 2020/2021 were held on the dates below. With restrictions in place for much of 2020-2021 due to the pandemic, most meetings were held via a videoconference with only the meeting on 10 May 2021 actually held in the Council Chambers at the Melton Civic Centre.

- Monday 20 July 2020
- Monday 17 August 2020
- Monday 31 August 2020 (Special Meeting)
- Monday 14 September 2020
- Monday 21 September 2020 (Special Meeting – for matters adjourned from 14 September 2020 meeting agenda)
- Monday 12 October 2020
- Tuesday 16 November 2020 (Special Meeting to elect the Mayor)
- Monday 30 November 2020
- Monday 21 December 2020
- Monday 8 February 2021
- Monday 15 March 2021
- Monday 12 April 2021
- Monday 10 May 2021
- Monday 7 June 2021
- Monday 28 June 2021.

## Committees

| COMMITTEE   | COUNCILLOR REPRESENTATIVE                           |  |
|---|---|--|
|   | NOVEMBER 2019<br>TO OCTOBER<br>2020                 | NOVEMBER<br>2020 TO<br>OCTOBER 2021  |
| Arts & Culture Advisory Committee   | Cr Turner<br>Cr Sebire<br>Cr Mendes                 | Cr Carli<br>Cr Deeming<br>Cr Turner  |
| Audit & Risk Committee  | Cr Hardy<br>Cr Carli<br>(Cr Ramsey –<br>Substitute) | Cr Majdlik<br>Cr Shannon<br>(Substitute:<br>Cr Deeming)  |
| Boral Deer Park Community Liaison Committee   | Cr Abboushi<br>(Cr Kesic –<br>Substitute)           | Cr Abboushi<br>(Cr Kesic –<br>Substitute)  |
| Caroline Springs Leisure Centre Users Forum   | Cr Abboushi<br>Cr Kesic                             | Disbanded by<br>Council – 30<br>November 2020  |
| CEO Review Advisory Committee   | All Councillors                                     | All Councillors  |
| Community Grants Program – Semi-Annual Grants Assessment Panel  | Cr Majdlik<br>Cr Kesic<br>Cr Ramsey<br>Cr Turner    | No Councillor<br>appointments<br>from 15 March<br>2021   |
| City of Melton Community Benefit Program – Grants Assessment Panel<br>(The Club Caroline Springs)                     | Cr Abboushi<br>Cr Kesic<br>Cr Majdlik<br>Cr Mendes  | No Councillor<br>appointments<br>from 15 March<br>2021   |
| City of Melton Community Benefit Program – Grants Assessment Panel<br>(Harness Racing Victoria / TABCORP Park Grants) | Cr Sebire<br>Cr Hardy<br>Cr Ramsey<br>Cr Turner     | No Councillor<br>appointments<br>from 15 March<br>2021   |
| Community Grants Program – Bi-Monthly Response Grant<br>Assessment Panel  | Cr Carli<br>Cr Kesic<br>Cr Turner                   | No Councillor<br>appointments<br>from 15 March<br>2021   |
| Community Achievement Awards Assessment Panel   | All Councillors                                     | All Councillors  |
| Community Learning Board  | Cr Ramsey   | Cr Ramsey  |
| Community Safety Committee  | Cr Carli<br>Cr Abboushi                             | Dissolved by<br>Council –<br>20 July 2020<br><br>Replaced by<br>the Safe City<br>Advisory<br>Committee |

| COMMITTEE   | COUNCILLOR REPRESENTATIVE                             |  |
|---|---|--|
|   | NOVEMBER 2019<br>TO OCTOBER<br>2020                   | NOVEMBER<br>2020 TO<br>OCTOBER 2021                  |
| Councillor Representations Nominations Advisory Committee | All Councillors                                       | All Councillors                                      |
| Disability Advisory Committee                             | Cr Carli<br>Cr Majdlik<br>Cr Ramsey                   | Cr Carli<br>Cr Majdlik<br>Cr Ramsey                  |
| Early Years Partnership Committee                         | Cr Carli<br>Cr Ramsey                                 | Cr Deeming<br>Cr Vandenberg                          |
| Heritage Advisory Committee                               | Cr Sebire<br>Cr Turner                                | Cr Ramsey<br>Cr Turner                               |
| Intercultural Advisory Committee                          | Cr Turner<br>Cr Sebire                                | Cr Abboushi<br>Cr Carli<br>Cr Deeming<br>Cr Turner   |
| Interface Councils  | Cr Carli  | Cr Ramsey  |
| LeadWest Committee  | Cr Ramsey<br>(Cr Hardy– Proxy)                        | Cr Ramsey<br>(Cr Shannon –<br>Proxy)                 |
| Leisure Advisory Committee                                | Cr Abboushi<br>Cr Turner                              | Cr Abboushi<br>Cr Carli<br>Cr Turner                 |
| Mayoral Charity Fund Advisory Committee                   | Cr Carli<br>Cr Abboushi                               | Cr Majdlik<br>Cr Kesic                               |
| Melbourne Regional Landfill Community Reference Group     | Cr Majdlik<br>Cr Turner<br>(Cr Kesic –<br>Substitute) | Cr Deeming<br>Cr Turner<br>(Substitute:<br>Cr Kesic) |
| Melton Indoor Recreation Centre                           | Cr Sebire<br>Cr Ramsey                                | Cr Ramsey<br>Cr Vandenberg                           |
| Melton Waves Reference Group                              | Cr Ramsey<br>Cr Hardy                                 | Dissolved by<br>Council – 30<br>November 2020        |
| Melton Weir Development Advisory Group                    | Disbanded –<br>9 December 2019                        |  |



| COMMITTEE  | COUNCILLOR REPRESENTATIVE  |  |
|--|--|--|
|  | NOVEMBER 2019<br>TO OCTOBER<br>2020                              | NOVEMBER<br>2020 TO<br>OCTOBER 2021  |
| Metropolitan Transport Forum                                 | Cr Majdlik<br>Cr Mendes<br>Cr Turner                             | Officer<br>representation  |
| Metropolitan Waste Management Forum                          | Cr Turner<br>(Cr Abboushi -<br>Substitute)                       | Cr Turner<br>(Cr Abboushi -<br>Substitute)                                   |
| Military Commemoration Investment Advisory Committee (MCIAC) | All Councillors  | All Councillors  |
| Municipal Association of Victoria                            | Cr Majdlik   | Cr Majdlik   |
| Municipal Emergency Management Planning Committee            | Cr Carli<br>(Cr Ramsey -<br>Substitute)                          | Cr Turner<br>(Cr Ramsey -<br>Substitute)                                     |
| Municipal Fire Management Planning Committee                 | Cr Ramsey<br>(Cr Carli -<br>Substitute)                          | Cr Abboushi<br>(Cr Ramsey -<br>Substitute)                                   |
| National Growth Areas Alliance (NGAA)                        | Cr Carli<br>Cr Sebire<br>Cr Turner<br>(Cr Kesic -<br>Substitute) | Cr Kesic<br>Cr Ramsey<br>Cr Turner   |
| Policy Review Panel  | Cr Carli<br>Cr Hardy<br>Cr Majdlik<br>Cr Ramsey                  | Cr Carli<br>Cr Majdlik<br>Cr Ramsey<br>Cr Shannon                            |
| Preventing Family Violence Advisory Committee                | All Councillors  | Cr Carli<br>Cr Ramsey<br>Cr Shannon<br>Cr Turner<br>(up to 9<br>Councillors) |
| Public Hospital for Melton Advisory Committee                | All Councillors  | Dissolved by<br>Council – 30<br>November 2020                                |
| Reconciliation Advisory Committee                            | Cr Carli<br>Cr Sebire  | Cr Turner<br>Cr Vandenberg   |
| Road Safe Westgate   | Cr Ramsey  | Cr Ramsey  |

| COMMITTEE  | COUNCILLOR REPRESENTATIVE                           |  |
|--|---|--|
|  | NOVEMBER 2019<br>TO OCTOBER<br>2020                 | NOVEMBER<br>2020 TO<br>OCTOBER 2021  |
| Road to Zero Steering Committee                      | Cr Carli<br>Cr Ramsey                               | Dissolved by<br>Council – 30<br>November 2020<br>Replaced by the<br>Safe City<br>Advisory<br>Committee |
| Safe City Advisory Committee                         |   | Cr Abboushi<br>Cr Carli<br>Cr Ramsey<br>Cr Shannon<br>Cr Turner<br>Cr Vandenberg                       |
| Section 223 Submissions Advisory Committee           | All Councillors                                     | All Councillors  |
| Transport Community Reference Group                  | Cr Carli<br>Cr Kesic<br>Cr Turner                   | Cr Carli<br>Cr Kesic<br>Cr Turner  |
| Victorian Local Governance Association               | Cr Hardy  | Cr Shannon   |
| Western Highway Action Committee (WHAC)              | Cr Mendes   | Cr Deeming   |
| Western Melbourne Tourism Board                      | Officer<br>representation                           | Cr Shannon   |
| Western Region Mayors Forum                          | Cr Carli  | Cr Majdlik   |
| West Waters/City of Melton Community Benefit Program | Cr Abboushi<br>Cr Majdlik<br>Cr Mendes              | Cr Abboushi<br>Cr Kesic<br>Cr Majdlik  |
| The Willows Historical Park Advisory Committee       | Cr Sebire<br>Cr Hardy<br>Cr Ramsey<br>Cr Turner     | Cr Ramsey<br>Cr Shannon<br>Cr Turner<br>Cr Vandenberg  |
| Youth Council  | Cr Abboushi<br>Cr Majdlik<br>Cr Sebire<br>Cr Turner | Cr Abboushi<br>Cr Carli<br>Cr Deeming<br>Cr Turner   |

## Councillor's Code of Conduct

A new Councillor Code of Conduct was adopted by the Council on 8 February 2021 as required by the *Local Government Act 2020* (the Act).

Prior to the adoption of the Councillor Code of Conduct under the 2020 Act, Councillors were governed by a Code of Conduct adopted on 20 February 2017 under the *Local Government Act 1989*.

Section 139 of the Act requires that within four months of a general election (s139(2),(3)) every council must review and adopt a new Councillor Code of Conduct which includes:

- The standards of conduct prescribed by the regulations
- Any provisions prescribed by the regulations
- Provisions addressing any matters prescribed by the regulations
- Any other matters which the Council considers appropriate, other than any other standards of conduct.

Outside of an election, a Council may review and amend its Councillor Code of Conduct at any time (s140(1)).

Part 3 of the Code sets out the Key Statutory Provisions covering:

- The Municipal Community
- Overarching Governance Principles
- Role of Council
- Role of a Councillor
- Role of the Mayor.

Part 4 of the Code sets out the Standards of Conduct covering:

- Treatment of others
- Performing the role of Councillor
- Compliance with good governance measures
- Discrediting or misleading Council or public
- Robust political debate.

Part 5 of the Code covers Breaches of Prescribed Standards of Conduct.

Failure by a Councillor to comply with the prescribed standards of conduct constitutes misconduct for the purposes of the Act. The Act provides for a range of sanctions that may be imposed by an arbiter upon councillors for misconduct.

Failure to comply with the Council's internal arbitration process or failure to comply with a sanction directed by an arbiter amounts to serious misconduct.

Continued or repeated misconduct after an initial finding will also amount to serious misconduct.

Parts 6 and 7 of the Code relate to Councillor Conduct Outside of the Prescribed Standards of Conduct and Breaches of Councillor Conduct Outside of the Prescribed Standards of Conduct respectively.

A Councillor Code of Conduct can relate only to complaints by Council or Councillors against another or other Councillors(s). A complaint made by a member of the public in relation to a breach of this Councillor Code of Conduct has no effect unless the matters is 'taken up' by the Council or a Councillor or group of Councillors on behalf of the complainant. A complaint by a member of the public can otherwise be made to the Minister for Local Government or the Chief Municipal Inspector.

The Code of Conduct is available from Council's website: [www.melton.vic.gov.au](http://www.melton.vic.gov.au)

## Conflict of Interest

Councils are entrusted with a range of decision-making powers to govern in the best interests of local communities. These powers must only be exercised impartially, with integrity, and must not seek to deliberately confer an advantage or disadvantage on any person. It must be clear that the private interests of Councillors are not affecting public duties and the position of Councillor is not being used for personal benefit.

The new *Local Government Act 2020* sets out the circumstances that give rise to a conflict of interest and describes the actions that Councillors must take to disclose a conflict of interest where a conflict arises.

This is supported by Chapter 5 of the Governance Rules sets out the how disclosures of interest are made in order to meet statutory obligations.

## Delegations of Authority

With few exceptions, the powers granted to Melton City Council under the *Local Government Act 2020* and other pieces of legislation may be delegated to a delegated committee of Council, the Chief Executive Officer or a Council officer through a properly authorised Instrument of Delegation.

The delegation of powers is a mechanism to ensure the effective day-to-day functioning of Council where resolutions of Council would prove impractical.

In accordance with Section 11 of the Act, Council periodically revises and updates instruments of delegation to ensure appropriate authorisation. The Council updated its instruments of delegation on the following dates:

- S5 Instrument of Delegation from the Council to the Chief Executive Officer – 31 August 2020
- S6 Instrument of Delegation – Members of Staff – 24 March 2021
- S7 Instrument of Sub-delegation by CEO to Council Staff – 25 March 2021
- S13 Instrument of Delegation of CEOs powers, duties and functions – 25 March 2021

- S14 Instrument of Delegation by the CEO for VicSmart Applications under the *Planning & Environment Act 1987* – 31 August 2020
- Instrument of Sub-Delegation from CEO to Council staff – Toolern Development – 7 June 2021

## Governance Charter

Council represents the broad interests of the community and will implement decisions and follow processes that that are informed by good information and data and stakeholder views. Council is committed to the principles of good governance and adopted a Governance Charter at the Meeting of Council on 6 February 2017. Specifically, the Charter is aimed at providing:

- Clear information on decision making processes
- Advice on the authorising environment of Council
- Guidelines for Councillors, Executive and Managers in relation to roles and responsibilities
- A reference point for disputes and clarifies the relationship between the law and internal rules/policies/ documents.

The current Governance Charter will be updated in late 2021 after the Council adopts its next Council & Wellbeing Plan 2021-2025.

The Governance Charter is available from Council's website; [www.melton.vic.gov.au](http://www.melton.vic.gov.au)



### Section 6 Councillor Allowances

Councillors are paid an allowance set by Council within a prescribed range by State legislation. This allowance is paid in recognition of their voluntary Councillor roles in carrying out their civic and statutory duties as representatives of Melton City Council. For the purposes of calculating allowances payable, Melton City Council is classified as a Category 3 Council.

In accordance with section 74(1) of the Act, Council reviewed and determined the level of the Councillor and Mayoral allowance within six months of the October 2016 election. Allowances were confirmed on 3 May 2017 after a notice of intention to review Councillor and Mayoral Allowances was advertised on 4 April 2017 and no submissions were received.

A general election for all Victorian Councils took place on 24 October 2020 and as a result three Councillors left office and three new Councillors were elected to Council.

### Mayor and Councillor allowances for 2020/2021

| COUNCILLOR                                     | ALLOWANCE \$ |
|--|--------------|
| Steven Abboushi                                | 34,431       |
| Lara Carli<br>(Mayor up to 24 October 2020)    | 59,612       |
| Ken Hardy<br>(left office October 2020)        | 11,477       |
| Moira Deeming<br>(elected October 2020)        | 22,954       |
| Goran Kesic                                    | 34,431       |
| Kathy Majdlik<br>(Mayor from 16 November 2020) | 84,794       |
| Michelle Mendes<br>(left office October 2020)  | 11,477       |
| Sophie Ramsey                                  | 34,431       |
| Yvonne Sebire<br>(left office October 2020)    | 11,477       |
| Bob Turner                                     | 34,431       |
| Julie Shannon<br>(elected October 2020)        | 22,954       |
| Ashleigh Vandenberg<br>(elected October 2020)  | 22,954       |

### Councillor Expenses

Councillors are entitled to be reimbursed for any necessary out-of-pocket expenses they incur while performing their duties as a Councillor.

To ensure that Council policy, in relation to the appropriate provision of resources and support provided to Councillors, meets contemporary standards of probity and community expectations, the Council adopted its latest Councillors and

Delegated Committee Members Resources and Expenses Policy at its 31 August 2020 Council meeting.

The policy governs the appropriate provision of motor vehicles, office equipment, secretarial support, travel expenses, training and seminar expenses, hospitality and caring allowances. The policy applies to the Mayor, Councillors and appointed members of delegated committees of Council.

|                                       | Cr Steven<br>Abboushi | Cr Lara<br>Carli<br>(Mayor up to<br>24 October<br>2020) | Cr Moira<br>Deeming<br>(elected<br>October<br>2020) | Ken Hardy<br>(left office<br>October<br>2020) | Cr Goran<br>Kesic | Cr Kathy<br>Majdlik<br>(Mayor from<br>16 November<br>2020) | Michelle<br>Mendes<br>(left office<br>October<br>2020) | Cr Sophie<br>Ramsey | Yvonne<br>Sebire<br>(left office<br>October<br>2020) | Cr Julie<br>Shannon<br>(elected<br>October<br>2020) | Cr Bob<br>Turner | Cr Ashleigh<br>Vandenberg<br>(elected<br>October<br>2020) |
|---------------------------------------|-----------------------|---|---|---|-------------------|--|--|---------------------|--|---|------------------|---|
| Conferences, Seminars<br>& Training   | 0                     | 0   | 0   | 550   | 0                 | 915  | 0  | 550                 | 0  | 0   | 678              | 0   |
| Travel Local                          | 0                     | 0   |   | 0   | 0                 | 18   | 0  | 0                   | 0  | 0   | 0                | 0   |
| Communications                        | 1,995                 | 1,797   | 644   | 1,785   | 894               | 2,651  | 796  | 2,890               | 228  | 1,299   | 2,738            | 1,012   |
| Functions External<br>to Civic Centre | 0                     | 174   | 174   | 63  | 0                 | 110  | 63   | 282                 | 0  | 109   | 596              | 218   |
| Child Care Expenses                   | 0                     | 0   | 1,173   | 0   | 0                 | 819  | 0  | 0                   | 0  |   | 0                | 0   |
| Councillor Allowances                 | 34,431                | 59,612  | 22,954  | 11,477  | 34,431            | 84,794   | 11,477   | 34,431              | 11,477   | 22,954  | 34,431           | 22,954  |
| Total                                 | 36,426                | 61,583  | 24,945  | 13,875  | 35,325            | 89,307   | 12,336   | 38,153              | 11,705   | 24,362  | 38,443           | 24,184  |



A young man and woman are standing outdoors in front of a building. The man is wearing a grey Lacoste sweatshirt and the woman is wearing a light-colored turtleneck sweater. They are both smiling. The background shows a building with a 'Slices' sign and a 'PICK-UP DELIVERY' sign.

# Our Community

|  |    |
|--|----|
| Celebrating our Community Achievement Awards winners | 58 |
| 2021 City of Melton Youth Awards                     | 60 |
| 2020 City of Melton Sports Awards                    | 60 |
| 2020 City of Melton Business Excellence Awards       | 60 |
| Celebrating Melton Volunteers                        | 61 |
| Community Grants                                     | 62 |





# Celebrating our Community Achievement Awards winners

## Community Achievement Awards 2021

The Community Achievement Awards (CAA) Program recognises the work of individuals and their contribution to community projects and the community. The CAA Program inspires individual and community pride and strengthens community life in Melton.

Annual award winners are announced and celebrated at a formal awards evening at the end of each year. Winners are also invited to Council's Australia Day Ceremony where they are further celebrated and recognised for their achievement.

### Citizen of the Year

#### ANNETTE BUTTERWORTH

Annette has volunteered in the City of Melton for several years. Annette served on the Committee of Management for the Melton Uniting Pre-School, and as Treasurer for Rotary Club Caroline Springs when the Club was first chartered. Since 2013, Annette has been the driving force in the development and ongoing delivery of the BusyFeet Melton program, a weekly dance and movement program for children with disabilities to grow and develop while having fun. During the COVID lockdown, she was integral to establishing online BusyFeet classes, providing continuity and engaging children from their homes.



### Young Citizen of the Year

#### LACHLAN WRIGHT

At 19 years of age, Lachlan has already been a member of the Caroline Springs Fire Brigade for many years. Lachlan is frequently seen throughout the City of Melton putting out fires, running fire safety community programs and supporting the annual Christmas Brigade. Lachlan attended the 2019/2020 bushfires, which were amongst the worst fires Victoria and Australia has ever seen. His efforts won him the Encouragement Award from the Country Fire Authority (CFA) in 2020.



### Gender Equity Leader of the Year

#### PRABHA SHRESTHA

Prabha is the Vice President of the Didi Bahini Samaj Victoria (DBSV), a women-led organisation committed to gender equality and women's empowerment. Prabha designed and implemented a women's capacity and confidence program which assisted over 300 international students and women to access health and counselling services. Prabha also designed a short awareness-raising movie on family violence and has facilitated community discussions to raise awareness of family violence prevention in the community.



### Access & Inclusion Leader of the Year

#### ZOE ATTARD

Zoe is the senior's head coach at Specialist Hoops Basketball in the City of Melton, where she has made a difference to the lives of many people living with disability. Before joining Specialist Hoops, 90 per cent of participants had had little opportunity to participate in group sports. Zoe also referees basketball and coaches for the Falcon Rebels Basketball Club.



### Intercultural Engagement Leader of the Year

#### EHAB HADAYA

Since settling in Melbourne in 2018, Ehab has actively supported many community initiatives and the local Iraqi Assyrian community. Ehab has volunteered with the Western Bulldogs Community Foundation, various disability services and participated in numerous meetings, workshops and events in support of newly arrived community members. Ehab was instrumental in supporting the activities of the Iraqi group that meets in Caroline Springs and throughout 2020, actively distributed in-language COVID related updates to his networks.



2021 CITY OF MELTON YOUTH AWARDS

The City of Melton Youth Awards recognise the positive contribution that young people make to our community. The City of Melton Youth Awards categories are:

- Being connected
- Being heard
- Being inclusive
- Being all you can be
- Being happy and healthy.

Nominees must be aged 12 to 25 years and must also live, work or attend school in the City of Melton.

The City of Melton Youth Awards did not go ahead in the first half of 2021, as per previous years due to the impact of COVID restrictions and operational constraints. It is anticipated the City of Melton Youth Awards will be held late 2021.

2020 CITY OF MELTON SPORTS AWARDS

The City of Melton Sports Awards recognise, celebrate and acknowledge the achievements and positive contribution clubs and individuals make to our community. The City of Melton Sports Award categories are the:

- Lydia Lassila Youth Sports Scholarship
- Sport Encouragement Awards
- Volunteer Recognition Awards
- Club of the Year Award.

The City of Melton Sports Awards did not go ahead in 2020 due to the pandemic. COVID had a significant impact on community sport in 2020 with restrictions placed on training and competition for community sport for much of 2020 including the cancellation of most winter sports competitions.

2020 CITY OF MELTON BUSINESS EXCELLENCE AWARDS

Due to COVID restrictions in Victoria, the 2020 Melton Business Excellence Awards program was cancelled.

During the report year, the 2021 Business Excellence Awards was reimagined and designed to showcase and reward businesses that were able to pivot and remerge from a difficult year. New award categories were created acknowledging that businesses have had to adapt and transition in the last 12 months. The categories also provide great scope with the refreshed award categories to be open to all businesses irrespective of what industry they operate in. The Awards are planned to be announced in November 2021.

Celebrating Melton’s Volunteers



Melton City Council thanks the 129 people who volunteered their time, skills and expertise to assist in Council programs, events and festivals in 2020-2021.

The table below shows the number of volunteers for each of the Council areas listed. This report does not include volunteer members on Council Committees and Advisory Groups.

| COUNCIL SERVICE UNIT        | NUMBER OF VOLUNTEERS | VOLUNTEER ROLE  |
|-----------------------------|----------------------|---|
| Ageing Well                 | 6                    | Ambassadors delivered Council’s Ageing Well exercise programs where COVID restrictions permitted; inclusive of the Seniors Walking Group. |
| Events                      | 5                    | Volunteers assisted in the only event that was run during the year as a result of COVID restrictions – Australia Day                      |
| Food Services               | 3                    | Volunteers unable to return due to COVID restrictions.  |
| Men’s Shed                  | 23                   | Volunteers provided support to Men’s Shed, projects and groups where restrictions permitted at both Melton and Taylors Hill Men’s Sheds   |
| Neighbourhood House Program | 20                   | Neighbourhood House volunteers planned and supported local activities, and the operation of weekly community centre programs              |
| Social Support              | 15                   | Volunteers unable to return due to COVID restrictions   |
| Libraries                   | 15                   | Volunteers assisted in the English conversation club facilitation (online and in person) and Genealogy help.                              |
| Volunteer Transport         | 14                   | Volunteers unable to return due to COVID restrictions   |
| Youth                       | 28                   | Volunteers took part in eight youth-led event programs that engaged young people  |

MELTON FAMILY HISTORY GROUP

Bev Price met her long-lost brother Kevin Bateman for the very first time, with a little help from her local library.

Deb Slattery from the Melton Family History Group at Melton City Libraries, joined Bev in searching for her sibling, bringing the two together after decades of separation.

Bev and Kev’s story was captured in a short film, the first of five videos released as part of a state-wide campaign for Libraries Change Lives in early 2021.

These short films were produced to tell surprising, moving and unique stories about the way individuals use their local libraries to enrich and empower their lives. The videos continue the Libraries Change Lives’ work of challenging the stereotypes that exist about libraries and highlighting the breadth of services and supports they provide.

Melton City Libraries proudly supports the Melton Family History Group and the ‘Genealogy Help’ program which runs each Wednesday morning at Melton Library.



# Community Grants

Council recognises and values the important contribution individuals and community groups provide to the local community. Local community organisations are ideally placed to understand local needs and encourage community participation to create significant benefit for the community through the instigation of local programs and projects.

Council provides financial support to community groups through the Community Grants Program, Young Communities Grants Program, and World Environment Day Grants Program.

## 2020/2021 Council Grant Program Categories

Council directly provided community funding through the following program categories:

| GRANT CATEGORY  | PURPOSE  | AMOUNT AVAILABLE                                       |
|---|--|--|
| <strong>Community Grants Program</strong>             |  |  |
| Responsive Grants                                     | Financial assistance for projects that provide a timely response to emerging community needs/issues.   | Up to \$2,000  |
| Establishment Grants                                  | Supporting establishment costs of new groups.  | Up to \$1,500  |
| Semi-Annual Grants                                    | Access to community grants across two categories:<br>Community Project Grants – up to \$10,000<br>Entry-Level Grants – up to \$2,000   | Up to \$10,000   |
| Resident Achievement Contributions                    | Recognises achievements and financial sacrifices made by residents participating in leisure and cultural activities at a higher level.   | International \$750<br>Interstate \$500<br>State \$250 |
| COVID Community Relief and Recovery Fund Program      | For COVID related emergency relief services provided by community services and groups to City of Melton residents.   | Up to \$5,000  |
| <strong>Young Communities Grants Program</strong>     |  |  |
| Project Grants  | For projects that aim to address the issues faced by young people in the City of Melton.   | Up to \$5,000  |
| Individual Grants                                     | For young individuals (12-25 years) from the City of Melton to further their skills through chosen activities.   | Up to \$500  |
| <strong>World Environment Day Grants Program</strong> |  |  |
| Environmental Grants                                  | For projects with a primary focus on flora and fauna.  | Up to \$10,000   |
| Sustainability Grants                                 | For projects with a primary focus on promoting resource efficiency (waste, water, energy), reducing litter, minimising greenhouse gas emissions, or promoting climate change adaptation. | Up to \$10,000   |

The following tables below provide a summary of the successful allocation of funds across all program areas for the 2020/2021 financial year:

| GRANT CATEGORY                                  | NUMBER OF SUCCESSFUL APPLICATIONS | AMOUNT FUNDED                 |
|---|-----------------------------------|-------------------------------|
| <strong>Community Grants Program</strong>       |                                   |                               |
| Semi-Annual Grants                              | 9                                 | \$45,312.50                   |
| Responsive Grants & Establishment Grants        | 6                                 | \$8,615.22                    |
| Resident Achievement Contributions              | 0                                 | \$0.00                        |
| COVID Relief and Recovery Fund                  | 20                                | \$83,162.00                   |
| The Club Caroline Springs Grants                | 5                                 | \$21,629.97                   |
| HRV/Tabcorp Park Grants                         | 0                                 | \$0.00                        |
| <strong>TOTAL Community Grants Program</strong> |                                   | <strong>\$158,719.69</strong> |

## World Environment Day Grants Program

|   |   |                             |
|---|---|-----------------------------|
| Environmental Grants                              | 2 | \$7,000.00                  |
| Sustainability Grants                             | 1 | \$2,201.25                  |
| <strong>TOTAL Environment Grants Program</strong> |   | <strong>\$9,201.25</strong> |

The Young Communities Grants Program was delayed in 2020/2021.





# Our People

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| Reward and Recognition Program                              | 70 |
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Executive team

To support Council in its functions, an Executive Management Team is appointed to administer staff and the operational activities of Council. This team, led by the Chief Executive Officer, is responsible for managing the implementation of Council's decisions.

The Executive Management Team consists of three General Managers and one Executive Manager, led by the Chief Executive Officer (CEO). The CEO reports directly to Council.

**Kelvin Tori**  
CHIEF EXECUTIVE OFFICER



Appointed as Chief Executive Officer in 2011, Kelvin provides strategic guidance for the management and development of Council. Kelvin is responsible for providing strong leadership to the organisation and oversees the management and operations of Council, including the Legal and Governance portfolio. Kelvin holds a Bachelor of Economics and Politics, is a Certified Practising Account and has over 30 years of experience in local government.

**CONTRACT PERIOD**  
May 2020-May 2024

**REMUNERATION**  
\$392,733 includes a motor vehicle and employer's superannuation.

**ENTITLEMENTS**  
Reimbursement or payment of all membership fees and subscriptions as approved and reimbursement or payment of the reasonable costs of the Officer attending conferences, seminars, in-service training courses and study.

**Peter Bean**  
GENERAL MANAGER  
CORPORATE SERVICES



Peter has worked in Local Government for over 30 years in councils in metropolitan and interface areas of Melbourne as well as North Eastern Victoria. His portfolio covers areas such as Finance, Information Services, People and Culture, Engagement and Advocacy and Capital Projects.

Peter holds a Bachelor of Business (Local Government), Graduate Certificate in Local Government Management and a Master of Business Administration.

**Maurie Heaney**  
GENERAL MANAGER  
COMMUNITY SERVICES



Maurie has 33 years experience in local government in the management of service delivery. His experience in the past has been planning for major infrastructure and service delivery to meet community needs.

Maurie's portfolio includes departments such as Community Care, Families and Children, Recreation and Youth, Community Planning, and Libraries and Arts.

**Luke Shannon**  
GENERAL MANAGER  
PLANNING AND DEVELOPMENT



Luke is responsible for providing advice to Council and general management in the areas of Planning, Community Safety, City Design and Strategy, Environment and Waste, Engineering Services and Operations.

Luke holds a Bachelor of Applied Science (Environmental Planning) and a Graduate Diploma in Cultural Heritage.

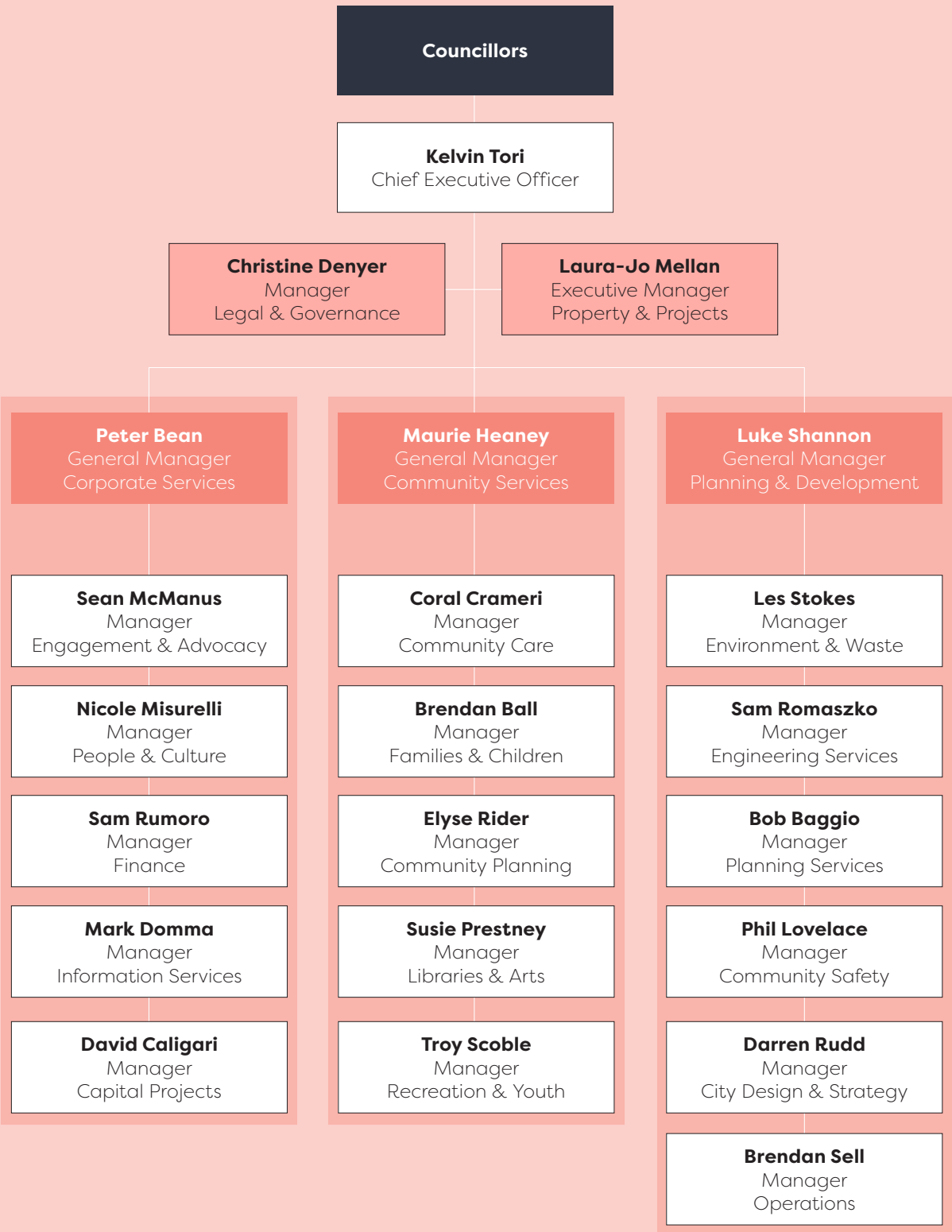
**Laura-Jo Mellan**  
EXECUTIVE MANAGER  
PROPERTY AND PROJECTS



Laura-Jo is responsible for strategically managing Council's property and projects portfolio, including its joint-venture land development, Atherstone, as well as leading Council's input into key State capital projects to support their timely, planned and efficient delivery. Laura-Jo is also responsible for the organisation's Corporate Planning and Performance functions.

Laura-Jo holds a Bachelor of Arts with Honours in Environmental Planning (BAHons) and Master of Science (M.Sc.) focused in Urban Design.

Organisational Structure



# Employee Breakdown

## Employee Breakdown 1 July 2020 to 30 June 2021

|                  | Office of the CEO | Community Services | Corporate Services | Planning & Development | Total      |
|------------------|-------------------|--------------------|--------------------|------------------------|------------|
| <b>FULL TIME</b> |                   |                    |                    |                        |            |
| Male             | 6                 | 25                 | 35                 | 95                     | 161        |
| Female           | 18                | 109                | 62                 | 56                     | 245        |
| <b>PART TIME</b> |                   |                    |                    |                        |            |
| Male             | 0                 | 11                 | 1                  | 19                     | 31         |
| Female           | 4                 | 155                | 21                 | 84                     | 264        |
| <b>CASUALS</b>   |                   |                    |                    |                        |            |
| Male             | 0                 | 10                 | 0                  | 5                      | 15         |
| Female           | 1                 | 33                 | 1                  | 10                     | 45         |
| <b>Total</b>     | <b>29</b>         | <b>343</b>         | <b>120</b>         | <b>269</b>             | <b>761</b> |

## Employment by Remuneration Classification

|        | Band 1 | Band 3 | Band 5 | Band 7 | Nurses          | Total |
|--------|--------|--------|--------|--------|-----------------|-------|
| Male   | 20     | 14     | 34     | 37     | 0               |       |
| Female | 81     | 67     | 98     | 42     | 54              |       |
|        | Band 2 | Band 4 | Band 6 | Band 8 | Senior Officers |       |
| Male   | 8      | 17     | 43     | 19     | 15              | 207   |
| Female | 14     | 107    | 69     | 15     | 7               | 554   |

In 2020/2021, Council employed 761 people in full time, part time and casual capacities.

This year 129 volunteers also assisted Council to deliver programs, services and events. COVID had a significant impact on the opportunities for volunteers to participate in the majority of Council programs, services and events with many being cancelled.

# Workforce Diversity and Inclusion

Council aims to create a workplace which is diverse and inclusive and in which the best applicants secure employment opportunities. This is achieved by proactively seeking out and inviting a diverse candidate pool, by using innovative attraction and selection methods and removing unnecessary barriers which are unrelated to job suitability. We recognise by inviting and creating a diverse workforce, we will be able to provide better outcomes for our vibrant and diverse community.

Council's induction program for all staff sets a strong platform of expectations starting with our Values: Motivate, Empower, Lead, Trust, Openness and Nurture (MELTON) awareness of anti-discrimination, prevention of bullying and harassment.

Recruitment panels are balanced to ensure gender diversity and to eliminate unconscious gender bias in the selection process. Our Equality and Respect Strategy introduced actions including staff training in unconscious bias and family violence which will stand us in good stead to improve and grow our gender equality and implement the Gender Equality Act 2020.

Training programs in cultural awareness enable leaders to be aware of issues for both staff and recipients of Council services, and to understand the importance of embracing difference. We provide amenity and support for staff such as a family room and family-friendly amenities, prayer room and a Flexible Work framework introduced in 2020 which has now seen flexible work arrangements adopted widely across Council.





## Enterprise Bargaining Agreement

The Melton City Council Enterprise Bargaining Agreement No 9 2019 is in place until 30 June 2022. We have commenced planning for negotiations to begin for our next Agreement in late 2021.

## Professional Development

A variety of professional development opportunities are offered to staff via the Corporate Training Calendar. This framework is funded by People & Culture and provides access to a range of workshops in areas such as business skills, communication skills, Microsoft Office, and personal development. Council offered a wide range of corporate leadership and development programs, many adapted to be online, supporting staff working remotely, in new technology skills and to manage the challenges of COVID.

## Leadership Development Program

Council offers comprehensive development opportunities to all leaders, as well as to staff who aspire to lead people. This includes a Leadership Development Calendar, which in 2020-21 included the Elevate program which is a group of nominated up-and-coming leaders running a significant action learning program. This year's Elevate team developed the platform for a new Council intranet site. In 2020, despite challenges of COVID, Council coordinated two mentoring cycles and held a development day for Coordinators.

## Reward & Recognition Program

The Reward and Recognition framework provides opportunities for any staff member to nominate another member to be recognised for their contribution in a range of ways. Over the past 12 months, numerous reward and recognition nominations were given to staff for going above and beyond their roles. The annual STAR awards and reward and recognition program is under review such that recognition will be tied to Council's Values.

## Prevention of violence against women/gender equity strategy

Council provides a Family Violence policy and procedure to support staff who have

experienced family violence. Council also focuses on preventing family violence through its Equality and Respect 2030: A Strategy to prevent violence against women, by promoting gender equity in the City of Melton.

Council is demonstrating leadership by recognising gender inequality as the root cause of violence against women and has committed to working towards a gender equitable, safe, and inclusive community and workplace.

Targeted staff groups and managers were included in Family Violence awareness training. Planning for the implementation of the *Gender Equality Act 2020* and development of a Gender Equality Action Plan commenced, and the Equality and Respect Steering Group, a cross-sectional group of senior Council staff, will guide our continuing growth toward a gender equal workplace.

## Occupational Health and Safety, Workplace Health and Wellbeing, Injury Management/Return to Work and Enterprise Risk Management

### OCCUPATIONAL HEALTH AND SAFETY (OHS)

COVID presented some challenging times in the OHS space during this year. OHS training that is predominately delivered face to face needed to be reviewed to have flexible delivery options. Council's Learning and Development training platform enabled some of the OHS training to be moved to online LEARN modules. This meant that a large number of employees received OHS training that would have been delivered only once a year. No down time with educating our employees in the OHS space.

First Aid and CPR training has also had a delivery review with the theory component of the training moved to online and then a shorter face to face assessment component. The delivery of this format was offered late in December 2020 and then recommenced in April 2021 with sessions booked monthly for the remainder of 2021.

The 2020-2024 OHS Strategy - Building a Safer Melton Together was endorsed by the Executive late 2020 with the delivery of Due Diligence and OHS Legislation training for leaders. Those attended were asked how they can contribute to the OHS culture at Melton.



Reporting of injuries, incidents and near misses also was moved to a temporary online form that has been successfully used while working from home. QuickSafe is currently being rolled out with a projected October 2021 launch. This will enable all reporting of this kind to be online, ensuring timely reporting and information sharing to the relevant employees.

### WORKPLACE HEALTH AND WELLBEING

Good health equals good business. Council promotes and supports employees to make healthier lifestyle choices by providing an array of programs and information.

Regular updates and messages were sent to staff during the pandemic to support self-care and resilience strategies, and mental health and wellbeing.

Despite COVID impacting a number of our programs, it was pleasing to see the following achievements:

- The 2018-2021 WHWB Strategy was impacted by COVID but the Global Challenge managed to be completed in September 2020 with 140 employees participating
- Employees raised awareness of mental health by participating in the Push Up Challenge (June 2021). We had two teams (19 employees) who raised \$2954
- The Movember (2020) campaign raised \$1590
- Dry July (2020) raised \$486.10.

### INJURY MANAGEMENT/RETURN TO WORK

The Municipal Association of Victoria Self-insurance Scheme was dissolved as of

June 30, 2020. Council transitioned claims to WorkCover insurance agent Xchanging.

Lost Time Injuries continue to trend down with 12 during 2020/2021 compared to 16 for the previous year.

Seven new WorkCover claims were lodged during 2020/2021. Three standard claims, two minor claims and two claims were rejected. Three out of the five accepted claims were for psychological injuries sustained in the workplace. The number of WorkCover claims submitted continues to tend downward with 11 submitted throughout 2019/2020 and 15 claims for 2018/19.

Five injuries sustained in the workplace did not progress to a WorkCover claim due to early intervention and workplace support such as return to work planning. Two were physical injuries and three were psychological.

Three non work-related cases were managed by providing return to work support.

As of 30 June 2021, the Melton injury management portfolio comprised 14 open claims compared to 17 for the same time last year. There were 20 open at 30 June 2019 and 36 open at 30 June 2018.

### ENTERPRISE RISK MANAGEMENT

Council undertook an internal audit of its integrity framework which includes the fraud and corruption plan and enterprise risk management framework. This audit has provided a work plan for the review and update of a number of plans and policies to minimise Council's exposure to risks such as fraud and serious misconduct. The internal risk management committee continued to meet to review and update council strategic and corporate risk profile.





# Our Performance

|  |    |
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| Report of Operations                             | 74 |
| Planning and Accountability Framework            | 74 |
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| Melton City Council and Wellbeing Plan 2017-2021 | 75 |
| Performance                                      | 76 |
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# Report of Operations

Council is committed to transparent reporting and accountability to the community and the Report of Operations 2020/2021 is the primary means of informing the community about Council's operations and performance during the financial year.

## Planning and Accountability Framework

The Local Government Act 1989 requires councils to prepare:

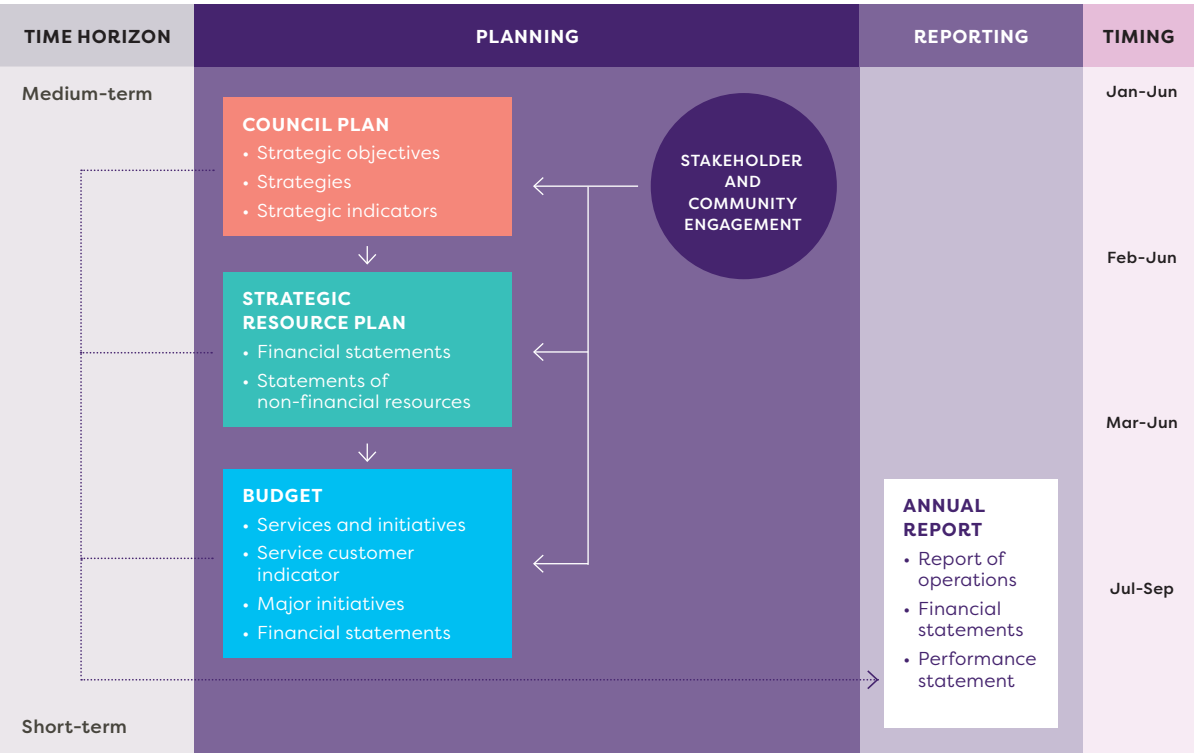
- A Council Plan within the six months after each general election or by 30 June, whichever is later
- A strategic resource plan for a period of at least four years and include this in the Council Plan

- A budget for each financial year
- An Annual Report in respect of each financial year.

The following diagram shows the relationships between the key planning and reporting documents that make up the planning and accountability framework for local government. It also shows that there are opportunities for community and stakeholder input and feedback at each stage of the planning and reporting cycle.

## Description of Operations

Council is responsible for more than 100 services. These include family and children's services, traffic regulation, open spaces, youth facilities, waste



management and community planning. Other matters concerning business development, planning for appropriate development and ensuring accountability for Council's Budget are also part of day-to-day operations at Melton City Council.

Council's broad range of community services and infrastructure support the wellbeing and prosperity of the community. Council's vision, strategic objectives and strategies to further improve services and facilities are described in the Council and Wellbeing Plan, and the budget, and reported in this Annual Report.

The delivery of services, facilities, support and advocacy to achieve strategic objectives is measured by a set of service performance indicators and measures. Council also has a wide range of responsibilities under Victorian legislation.

## Melton City Council and Wellbeing Plan 2017-2021

The Council and Wellbeing Plan guides all council activities over the four-year term of the elected council. The key elements of the Council and Wellbeing Plan are:

|                                  |   |
|----------------------------------|---|
| Themes                           | Used to focus Council's strategic planning into common subject matter and are usually a few key words followed by a short statement of explanation. |
| Strategic Outcome                | Describes the desired future condition upon the achievement of the stated objectives.   |
| Objectives                       | The strategic purpose statements that set the direction to manage underlying issues or take advantage of presenting opportunities.                  |
| Strategies                       | Set of approaches directed at achieving the objectives in the Council and Wellbeing Plan.   |
| Strategic Performance Indicators | What is measured to assess performance against Council and Wellbeing Plan strategic objectives?   |
| Health and wellbeing icons       | Objectives, strategies and performance indicators with a strong health and wellbeing focus have been identified with a health and wellbeing icon    |

The Melton City Council and Wellbeing Plan 2017-2021 themes and strategic outcomes are:



**THEME 1**  
A proud, inclusive and safe community

**STRATEGIC OUTCOME**  
A City of people leading happy and healthy lives



**THEME 2**  
A thriving and resilient natural environment

**STRATEGIC OUTCOME**  
A City that preserves and enhances its natural environment for future generations



**THEME 3**  
A well planned and built City

**STRATEGIC OUTCOME**  
A City with a clear vision to manage growth in a sustainable and accessible way



**THEME 4**  
A strong local economy and a lifelong learning City

**STRATEGIC OUTCOME**  
A City rich in local employment and education opportunities



**THEME 5**  
A high performing organisation demonstrating leadership and advocacy

**STRATEGIC OUTCOME**  
An organisation operating with innovation, transparency, accountability and sustainability

Performance

Council's performance for the 2020/2021 year has been reported against each Council and Wellbeing Plan theme, desired outcome and objective, to demonstrate how Council is performing in achieving the Council and Wellbeing Plan 2017-2021.

Performance has been measured as follows:

- Results achieved in relation to the strategic indicators in the Council and Wellbeing Plan
- Progress in relation to the major initiatives identified in the budget
- Services funded in the budget and the persons or sections of the community for whom those services are provided
- Results against the Local Government Victoria prescribed service performance indicators and measures.

Council Annual Action Plan

All Melton City Council and Wellbeing Plan activities (services, programs and projects) are recorded in Service Unit business plans. This ensures all activities align to the relevant objectives and strategies. The Melton City Council Action Plan is an annual plan that documents key activities and initiatives. Progress reports are prepared on a quarterly basis and are published on Council's website.

The 2020-2021 Council Annual Action Plan End of Year Performance Report was presented to Council at the 30 August 2021 meeting. The report provides commentary on achievements, progress and explanations for delays and postponements.

A copy of this report is available at:  
[melton.vic.gov.au/Council/Publications/Documents-Reports-Strategies](https://melton.vic.gov.au/Council/Publications/Documents-Reports-Strategies)

The 2020/2021 year represents the final year of the Council and Wellbeing Plan 2017-2021. Across those four years of the plan, a total of 326 unique actions were undertaken in the support of the delivery of the Council and Wellbeing Plan 2017-2021. Any actions not complete will be carried over to the 2021/2022 Council Annual Action Plan.

Detailed Performance Analysis

The following pages outline Council's performance, by theme, against the Strategic Indicators in the Council and Wellbeing Plan 2017-2021, progress reports against initiatives in the 2020/2021 budget, significant achievements for the year, and information in relation to services funded in the 2020/2021 budget. It also provides results for the prescribed service performance indicators and measures as set out in the Local Government Performance Reporting Framework and a look at what the future holds.

Theme one

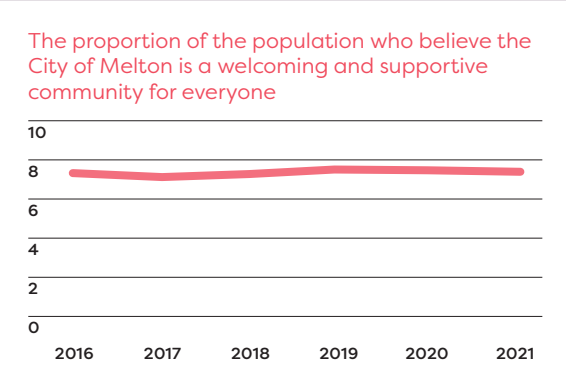
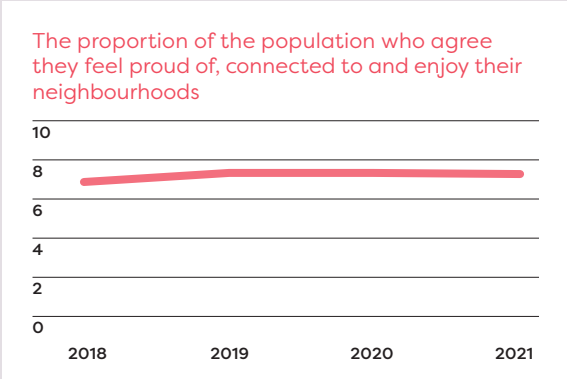
THEME ONE  
A Proud, Inclusive and Safe Community

STRATEGIC OUTCOME  
A City of people leading happy and healthy lives



OBJECTIVE: 1.1  
A community where all people feel welcome, valued, and proud

| STRATEGIC INDICATOR  | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS   |
|--|---------------------|---------------------|---------------------|---------------------|--|
| The proportion of the population who agree they feel proud of, connected to, and enjoy their neighbourhoods          | 7.03                | 7.34                | 7.35                | 7.23                | The 2021 result is similar to that of the previous years. It indicates the community is generally proud of, connected to and enjoy their neighbourhoods.                 |
| Source: Metropolis Community Satisfaction Survey 2021  |                     |                     |                     |                     |  |
| The proportion of the population who believe the City of Melton is a welcoming and supportive community for everyone | 7.57                | 7.91                | 7.91                | 7.72                | The 2021 result shows a marginal decline compared to that of the previous years. It indicates the community generally agrees that Melton welcomes and supports everyone. |
| Source: Metropolis Community Satisfaction Survey 2021  |                     |                     |                     |                     |  |

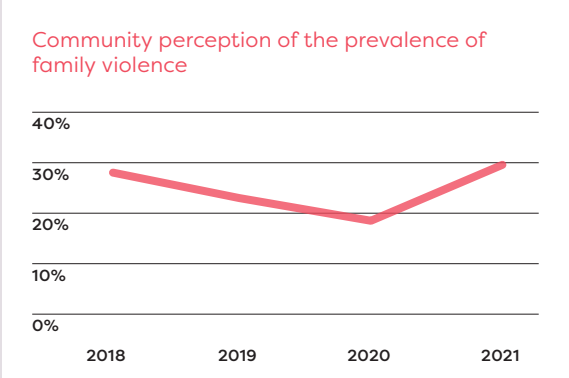
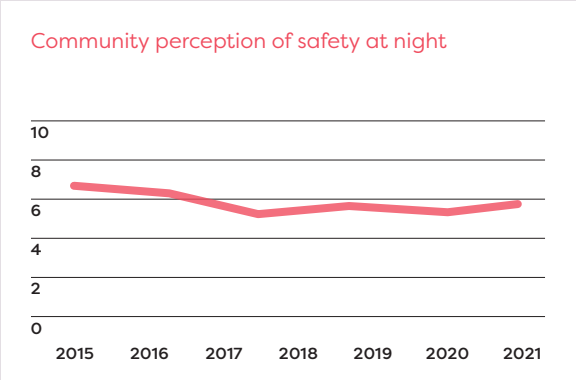
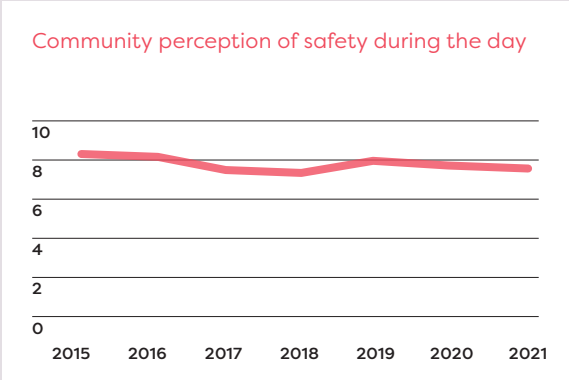




OBJECTIVE: 1.2

A safe and equitable community

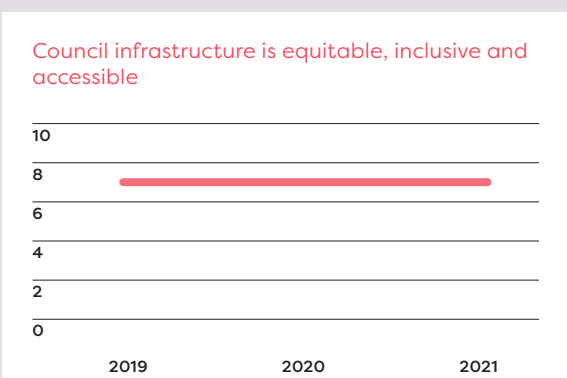
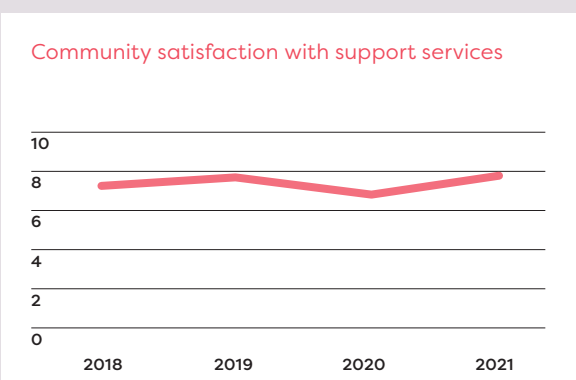
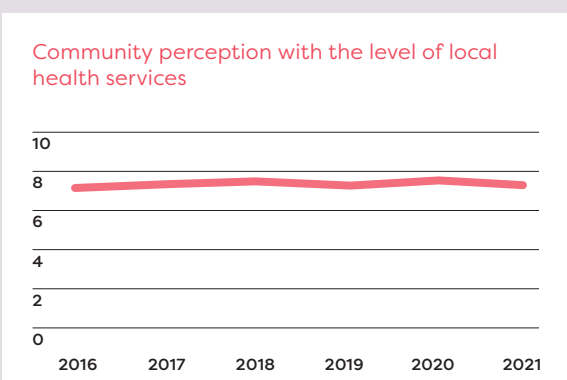
| STRATEGIC INDICATOR                                       | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS  |
|---|---------------------|---------------------|---------------------|---------------------|---|
| Community perception of safety during the day             | 7.43                | 7.9                 | 7.81                | 7.75                | The 2021 result is similar to that of the previous year. It indicates the community generally feels safe during the day.  |
| Community perception of safety at night                   | 5.64                | 6.18                | 5.68                | 5.73                | The 2021 result has improved marginally compared to the previous year results, however, still remains lower than 2019 results. Perceptions remain lower than that of greater Melbourne (6.98) and the western region (6.49).          |
| Community perception of the prevalence of family violence | 28.6% agree         | 23.4% agree         | 19.0% agree         | 29.4% agree         | The number of respondents who agree with the statement that family violence is common has increased from previous years (and less disagreeing), indicating increased awareness and understanding of what constitutes family violence. |



OBJECTIVE: 1.3

Equitable, inclusive, and accessible community and health infrastructure services

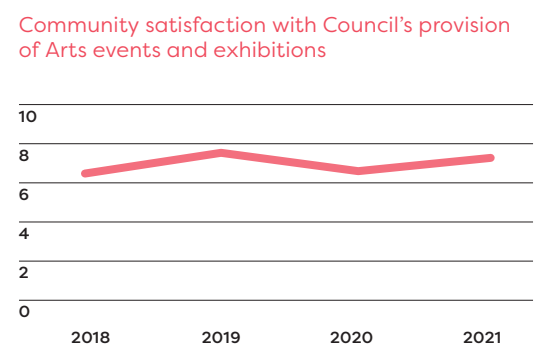
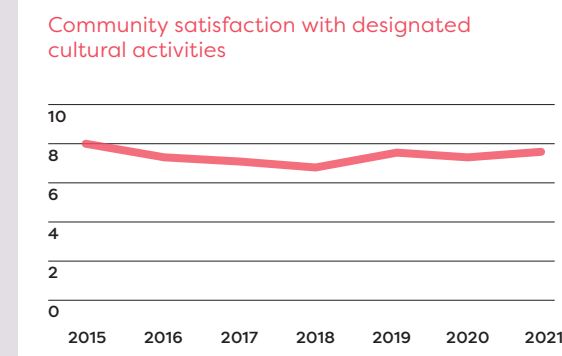
| STRATEGIC INDICATOR  | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS   |
|--|---------------------|---------------------|---------------------|---------------------|--|
| Community satisfaction with the level of access to local health services | 7.53                | 7.32                | 7.49                | 7.21                | The 2021 result shows a small decline to that of the previous year. It still indicates the community generally "agreed" or "strongly agreed" they can access local health services when they need to.                |
| Community satisfaction with support services                             | 7.32                | 7.76                | 7.32                | 7.84                | The 2021 result is a small improvement from that of the previous year. It indicates the community generally considers the support services provided in Melton to be "very good".                                     |
| Council infrastructure is equitable, inclusive, and accessible           | N/A                 | 7.07                | 7.11                | 6.99                | The 2021 result has a small decrease in agreement compared to previous years. It indicates the community generally "agreed" or "strongly agreed" that Council infrastructure is equitable, inclusive and accessible. |



## OBJECTIVE: 1.4

### A resilient community promoting social cohesion

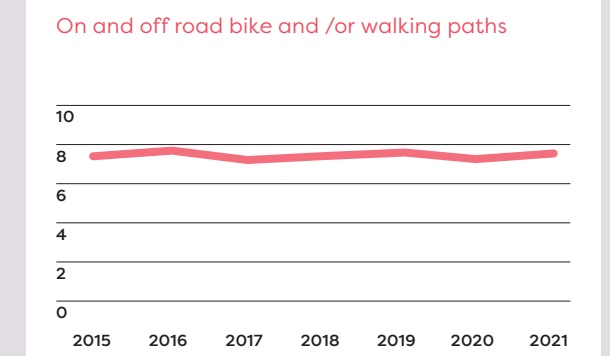
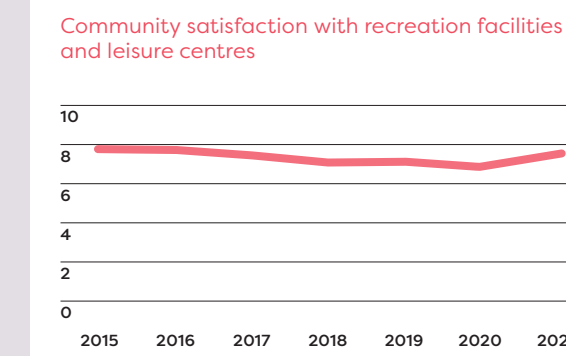
| STRATEGIC INDICATOR  | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS  |
|--|---------------------|---------------------|---------------------|---------------------|---|
| Community satisfaction with designated cultural activities                     | 7.22                | 7.65                | 7.33                | 7.59                | Restrictions on public gatherings due to COVID in 2020/2021 significantly impacted the delivery of cultural activities. With a number of events cancelled or postponed across the State, Council's event program was unable to be delivered as planned. Planning for the 2021/22 program will incorporate a series of COVID Safe measures to welcome the community back together again. The 2021 result continues to rate as "very good". |
| Community satisfaction with Council's provision of Arts events and exhibitions | 7.09                | 7.70                | 7.03                | 7.25                | The 2021 result demonstrates an increase in community satisfaction with public art and exhibitions. It indicates the community generally considers the provision of arts and exhibitions to be good.  |



## OBJECTIVE: 1.5

### Environments that enable and encourage positive public health and wellbeing outcomes

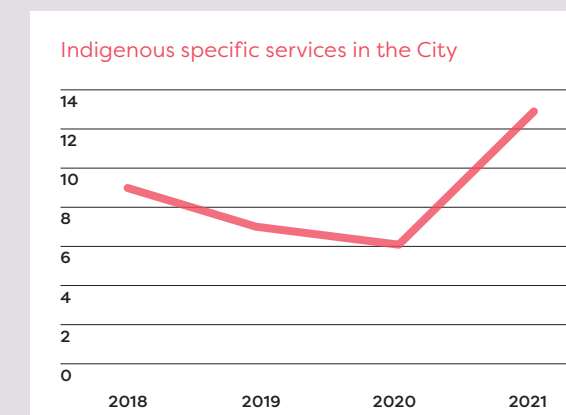
| STRATEGIC INDICATOR   | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS  |
|---|---------------------|---------------------|---------------------|---------------------|---|
| Community satisfaction with recreational facilities and leisure centres | 7.54                | 7.52                | 7.35                | 7.64                | The 2021 result has improved compared to the previous years. Community satisfaction continues to rate as "very good".   |
| On and off-road bike and/or walking paths                               | 7.3                 | 7.5                 | 7.41                | 7.57                | The 2021 result has improved marginally compared to the previous years. It indicates community satisfaction with on and off-road bike / walking paths is "very good". |



## OBJECTIVE: 1.6















### Reconciliation to support healthy communities'

| STRATEGIC INDICATOR                      | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS   |
|--|---------------------|---------------------|---------------------|---------------------|--|
| Indigenous specific services in the City | 11                  | 9                   | 8                   | 13                  | There has been a small increase in the number of indigenous specific services this year. |





The following statement reviews the progress of Council in relation to initiatives identified in the 2020/2021 budget for the year.

| MAJOR INITIATIVES   | PROGRESS   | COMMENTS  |
|---|--|---|
| 1) Pavilion upgrade at Hillside Recreation Reserve (\$460,000 net cost)   | <br>IN PROGRESS   |   |
| INITIATIVES   | PROGRESS   | COMMENTS  |
| 2) Resurfacing of tennis courts at Hillside Tennis Club (\$60,000 net cost)   | <br>IN PROGRESS   | Project commenced to be completed early July 2021.  |
| 3) Replacement of fence (northern boundary) and upgrade to main entrance at Melton Bowling Club (\$11,000 net cost)                         | <br>COMPLETED     | Initiative completed  |
| 4) Scoreboard upgrade at Diggers Rest Reserve (\$60,000 net cost)   | <br>DEFERRED      | Project has not commenced. To be delivered in conjunction with oval 2 realignment commencing October 2021.  |
| 5) Permanent shed storage for Sydenham Hillside Cricket Club (\$30,000 net cost)  | <br>IN PROGRESS   | Project scope is being finalised. Request for quote to commence July 2021.  |
| 6) Contribution towards the Living Rockbank program (\$10,000 net cost)   | <br>DEFERRED      | Purchase order raised. Payment deferred to 2021/22 at request of Djerriwarrh Health.  |
| 7) Installation of fencing and landscaping of the Southern Wetland runoff area for the Caroline Springs Scout Group (\$35,000 net cost)     | <br>COMPLETED   | Initiative completed  |
| 8) Provision of infrastructure and support for the Melton Relay for Life (\$5,000 net cost)   | <br>CANCELLED   | The event was cancelled in 2020/2021 due to COVID. As a result the contribution was not required.   |
| 9) Contribution to car replacement for the L2P Program (\$7,500 net cost)   | <br>COMPLETED   | These funds have been distributed to L2P for the purchase of the vehicle.   |
| 10) Shelter and tiered seating - \$35,000 and erection of a scoreboard - \$10,000 at the Hockey Stadium, Cobblebank (\$45,000 net cost)     | <br>IN PROGRESS | Request for quotation completed. Contract to be awarded July 2021.  |
| 11) Temporary hire of a relocatable change rooms facility for the Melton Phoenix Soccer Club (\$30,000 net cost)                            | <br>COMPLETED   | Initiative completed.   |
| 12) Gym activity unit - \$26,300 and table tennis table - \$15,000 at the Royal Crescent Park (next to shops), Hillside (\$41,300 net cost) | <br>IN PROGRESS | Work is being undertaken on this project prior to a small community consultation exercise in late August 2021 (subject to COVID restrictions). Subject to the results of the consultation this project is expected to be completed by end 2021. |
| 13) Purchase of 4 display cabinets for the Melton Historical Society (\$7,000 net cost)   | <br>COMPLETED   | Initiative completed.   |
| 14) Contribution to the Diggers Rest Carols by Candlelight (\$10,000 net cost)  | <br>COMPLETED   | Completed. Payment was made late in the 2020-2021 financial year as allocated. This payment is for the coming 2021 Christmas event.   |

## Significant Achievements for the Year

- The Eynesbury Station Early Learning Centre commenced operations in January this year and was officially opened in March. Both the kindergarten service and the Maternal and Child Health services are operating well in the new space.
- In a year affected by COVID, Council conferred citizenship to 364 residents of the City of Melton.
- Establishment of the Safe City Advisory Committee with Councillors, agencies and stakeholders.
- Transformed community centre based community engagement and support into the Connector Hubs program for emergency food relief for households facing financial hardship during the pandemic: The Connector Hubs delivered 2,185 food hampers in 2020-21.
- Hosted the Stand Up Take Action Forum – aimed at sporting clubs and community groups to learn how to prevent family violence in their communities.
- Council also received State Government funding under the Melton Local Partnership to support local efforts to reduce the spread of COVID, including testing, outbreak and vaccination and support for people impacted by the pandemic amongst vulnerable culturally and linguistically diverse communities of Melton.
- Transformed community centre based community engagement and support into the Connector Hubs program for emergency food relief for households facing financial hardship during the pandemic: The Connector Hubs delivered 2,185 food hampers in 2020-21.

The following statement provides information in relation to the services funded in the 2020/2021 budget and the persons or sections of the community for whom the services are provided.

| SERVICE   | Net Cost<br>Actual<br>Budget<br>Variance<br>\$000 |
|---|---|
| <b>FAMILIES AND CHILDREN'S SERVICES</b>   |   |
| This department provides services for children 0-12 years and their families. Programs include Maternal and Child Health, childcare services, kindergarten enrolment, playgroup and children's programs, family parenting programs, family support services, Preschool Field Officer Program and Best Start program. The service also facilitates Council's Early Years Partnership committee delivering Melton's Municipal Early Years Plan.   | \$3,271<br><u>\$4,303</u><br>\$1,032              |
| <b>COMMUNITY CARE</b>   |   |
| This department provides a range services and programs for older people, people with disability and their carers including delivered and centre-based meals, personal care, domestic assistance, community transport, property maintenance, community and centre-based respite, the Men's Sheds and housing support to vulnerable individuals and families.   | \$1,125<br><u>\$2,788</u><br>\$1,663              |
| <b>RECREATION AND YOUTH</b>   |   |
| This department provides leisure and aquatic centres, sports infrastructure, reserves, youth support services and youth programs through Melton and Taylors Hill Youth Centres. The department also provides advice to Council on open space planning, sport development, leisure needs and access to recreation activities.  | \$3,473<br><u>\$3,983</u><br>\$510                |
| <b>COMMUNITY PLANNING</b>   |   |
| This department enables equity, inclusion, learning, connection, belonging and wellbeing for the current and future communities of Melton. It plans and delivers community learning and participation, wellbeing and health promotion, and social inclusion and awareness programs and initiatives for diverse community members, organisations and groups. Community Planning provides advice, social policy development, and social research and planning services to the whole of Council. It manages Council's community grants program, community engagement service, and community centre activation and programming. It works in partnership with Council services, Government agencies and Not for Profit stakeholders. | \$4,014<br><u>\$4,345</u><br>\$331                |

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations. *(No material variation means the result is within the permissible range figure provided by Local Government Victoria).*

| Service / indicator / measure   | RESULT 2018    | RESULT 2019    | RESULT 2020 | RESULT 2021 | MATERIAL VARIATIONS   |
|---|----------------|----------------|-------------|-------------|---|
| <b>Aquatic Facilities</b>   |                |                |             |             |   |
| <b>Service standard</b><br>AF2 Health inspections of aquatic facilities<br><small>[Number of authorized officer inspections of Council aquatic facilities / Number of Council aquatic facilities]</small> | 1              | 2              | 1           | 0           | No Health inspections carried out as centre either closed or restrictions impacted service levels.  |
| <b>Utilisation</b><br>AF6 Utilisation of aquatic facilities<br><small>[Number of visits to aquatic facilities / Municipal population]</small>   | 1.69           | 1.57           | 0.96        | 0.43        | Attendance figures were much lower due to closure of reduced services during pandemic periods/lock downs.   |
| <b>Service cost</b><br>AF7 Cost of aquatic facilities<br><small>[Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]</small>                                 | Not applicable | Not applicable | \$5.18      | \$14.12     | <p>The number of visits to the centre were substantially lower (77,717 compared to 166,951) than the previous year as the centre was closed for significant periods of time across the year as a result of COVID and subsequent restrictions.</p> <p>Major maintenance works were conducted during October/ November to address leaking pipes and faulty circulation pump. This involved trench work and concrete footings as well as a new pump.</p> |

## Maternal and Child Health

|  |         |         |         |         |  |
|--|---------|---------|---------|---------|--|
| <b>Service standard</b><br>MC2 Infant enrolments in the MCH service<br><small>[Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x 100</small> | 100.00% | 101.82% | 100.69% | 101.17% | The increases in the number of infants enrolled in the service and in the number of notifications has been consistent across both datasets. As a result, there has been little change to the overall results over the past 5 years.  |
| <b>Service Cost</b><br>MC3 Cost of MCH Service<br><small>[Cost of the MCH service / Hours worked by MCH nurses]</small>  | \$89.95 | \$86.42 | \$81.83 | \$84.22 | This year has been a challenge for the MCH service. There was a significant decrease in nursing staff while concurrently there was an increase in births and people moving into the City of Melton. There have also been extra services provided to the community – for example, in Family Violence and in the Sleep and Settling program. |

| Service / indicator / measure  | RESULT 2018    | RESULT 2019    | RESULT 2020 | RESULT 2021 | MATERIAL VARIATIONS   |
|--|----------------|----------------|-------------|-------------|---|
| <b>Participation</b><br>MC4 Participation in the MCH service<br><small>[Number of children who attend the MCH service at least once in the year / Number of children enrolled in the MCH service] x100</small>   | 68.95%         | 66.92%         | 64.86%      | 62.66%      | Providing telehealth during COVID was difficult for families and some families declined the service. This has contributed to a small decrease in the result compared to previous years.   |
| <b>Participation</b><br>MC5 Participation in the MCH service by Aboriginal children<br><small>[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</small> | 57.31%         | 57.28%         | 70.63%      | 71.07%      | A conscious effort by the Outreach nurse to provide a stronger connection with the local Aboriginal community has contributed to a small increase in the results compared to the previous year and coupled with improvements to the service in the previous year has resulted in a significant increase over earlier years. |
| <b>Participation</b><br>MC6 Participation in 4-week Key Age and Stage visit<br><small>[Number of 4-week key age and stage visits / Number of birth notifications received] x 100</small>   | Not applicable | Not applicable | 97.06%      | 93.51%      | During the COVID period of lockdowns there was a glitch in getting birth notices – some clients did not get seen in the appropriate times.  |



# Theme two

## THEME TWO

### A Thriving and Resilient Natural Environment

#### STRATEGIC OUTCOME

A City that preserves and enhances  
its natural environment for future  
generations



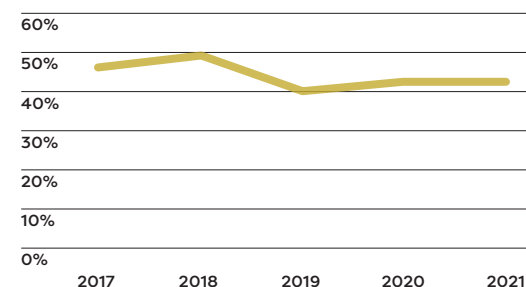
#### OBJECTIVE: 2.1

A resource efficient City 📍

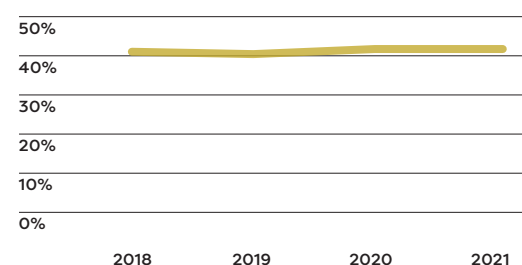
| STRATEGIC INDICATOR  | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS  |
|--|---------------------|---------------------|---------------------|---------------------|---|
| Kerbside collection waste diverted from landfill*                          | 49.3%               | 40.26%              | 43.4%               | 43.48%              | With a growth in the kerbside waste service of approximately 7%. Total kerbside waste volumes increased in the 2020/2021 year by 9%.  |
| Percentage of Council buildings (floor space) audited for water efficiency | 41.15%              | 41.15%              | 41.2%               | 41.2%               | Upgrades have been actioned through our regular maintenance regime as per the previous financial year. Opportunities for environmental improvements and cost savings will be explored through audits and a review of the Environment Plan in 2021/2022. |

\* Denotes performance indicator is required under the Local Government Performance Reporting Framework

Kerbside collection waste diverted from landfill



Percentage of council buildings (floor space) audited for water efficiency

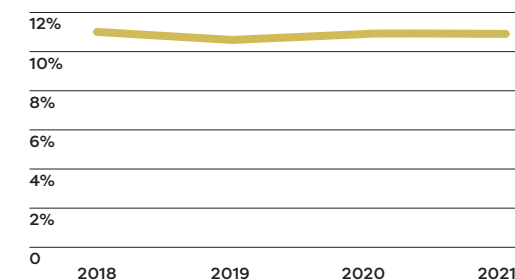


#### OBJECTIVE: 2.2

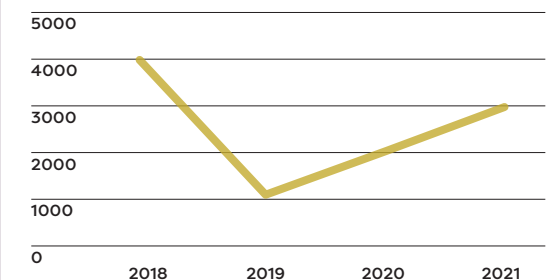
A 'low carbon city' well-adapted to changing climate conditions 📍

| STRATEGIC INDICATOR   | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS   |
|---|---------------------|---------------------|---------------------|---------------------|--|
| Percentage of Council buildings (floor space) audited for energy efficiency | 10.88%              | 10.88%              | 11.0%               | 11.0%               | The priority to date has been the implementation of the existing audit reports prior to commissioning new ones. Although some upgrades have been actioned through our regular maintenance regime, there are still opportunities for environmental improvements and cost savings to be realised through audit recommendations. The Environment Plan will be reviewed for the 2020/2021 financial year and will assess next best steps in more detail. |
| Trees planted in the City   | 4,000               | 1,100               | 2,000               | 3,000               | The tree planting program has been delivered in line with the budget   |

Percentage of council buildings (floor space) audited for energy efficiency



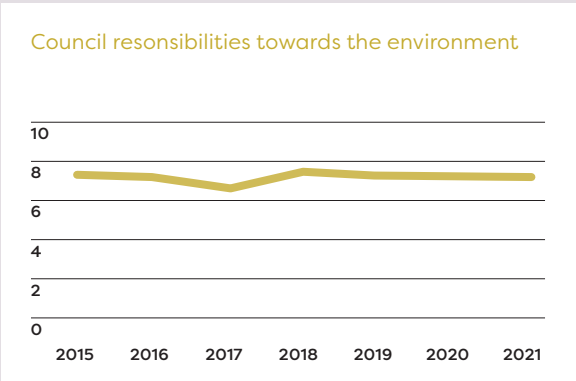
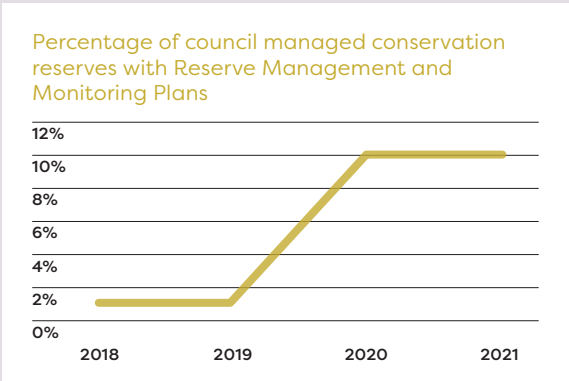
Trees planted in the City



OBJECTIVE: 2.3

A City with healthy waterways, biodiversity, and ecosystems

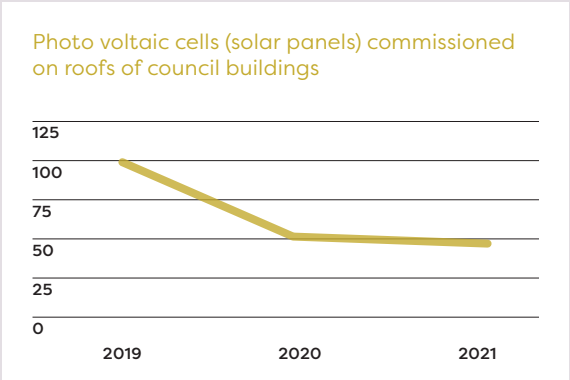
| STRATEGIC INDICATOR  | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS  |
|--|---------------------|---------------------|---------------------|---------------------|---|
| Percentage of Council managed conservation reserves with Reserve Management and Monitoring Plans                         | 1%                  | 1%                  | 10.0%               | 10.0%               | The priority to date has been the implementation of the existing audit reports prior to commissioning new ones. Although some upgrades have been actioned through our regular maintenance regime, there are still opportunities for environmental improvements and cost savings to be realised through audit recommendations. The Environment Plan objectives will be reviewed for the 2021/2022 financial year and will assess next best steps in more detail. |
| Council responsibilities towards the environment<br><small>Source: Metropolis Community Satisfaction Survey 2021</small> | 7.56                | 7.24                | 7.17                | 7.07                | The 2021 result has declined marginally compared to the previous year. Although there is a small decline it is still a "good" result.   |



OBJECTIVE: 2.4

A City growing and developing sustainably

| STRATEGIC INDICATOR  | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS   |
|--|---------------------|---------------------|---------------------|---------------------|--|
| Photo voltaic cells (solar panels) commissioned on the rooftops of Council buildings | 0 kilowatts         | 99 kilowatts        | 50 kilowatts        | 50 kilowatts        | The solar retrofit project has been delayed due to COVID restrictions and no photo voltaic cells have been installed as part of this program. The program should be completed in 2021/2022. Photo voltaic cells have been installed at Eynesbury ELC and Eynesbury Recreation Reserve. |

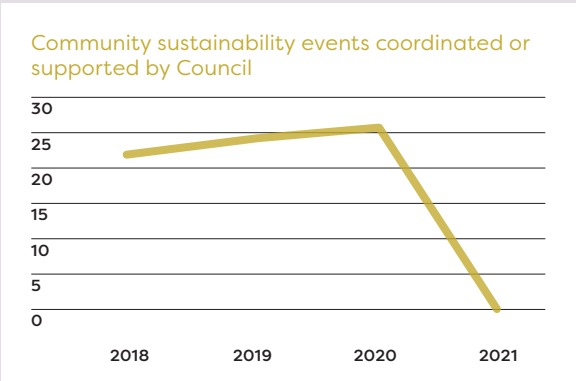
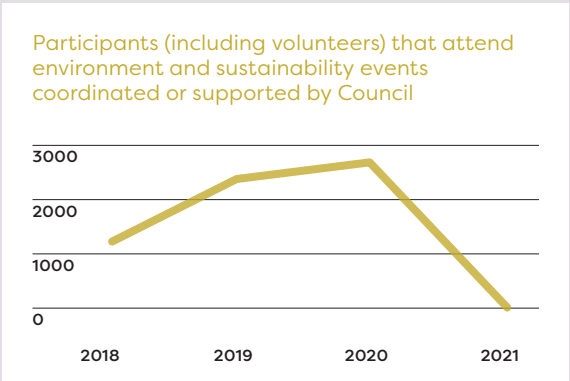


OBJECTIVE: 2.5

An environmentally aware community that appreciates the City's unique environmental assets

| STRATEGIC INDICATOR   | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS   |
|---|---------------------|---------------------|---------------------|---------------------|--|
| Participants (including volunteers) that attend environment and sustainability events coordinated or supported by Council | 1,346               | 2,319               | 2,589               | 45                  | The main vehicle during lockdown and other COVID restrictions has been an online version of the Nature Stewards, successfully completed in partnership with Hume and Macedon Ranges. |
| Community sustainability events coordinated or supported by Council   | 22                  | 24                  | 26                  | 0                   | Face to face events cancelled from early 2020 due to COVID lockdowns.  |

\* Denotes performance indicator is required under the Local Government Performance Reporting Framework





Significant Achievements for the Year

- Council’s Climate Change Adaptation Plan has been published and now also forms part of council’s pledge under the *Climate Change Act*.
- Heritage Week was held with a number of events undertaken including tours of Rockbank Inn archaeological dig, researching Aboriginal history workshop and drystone wall workshop.

The following statement provides information in relation to the services funded in the 2020/2021 budget and the persons or sections of the community for whom the services are provided.

| SERVICE  | Net Cost<br>Actual<br>Budget<br>Variance<br>\$000  |
|--|--|
| <strong>CITY DESIGN AND STRATEGY</strong>  |  |
| This department provides strategic planning and administration of the Melton Planning Scheme, urban design and landscape architecture for assessment of planning permits, design and delivery of Council assets and facilities.  | <b>\$1,143</b><br><b>\$3,265</b><br><b>\$2,122</b> |
| <strong>ENVIRONMENT AND WASTE</strong>   |  |
| This department provides waste management, graffiti removal and cleaning services that include kerbside waste, recycling and organics collection, street and footpath sweeping services, hard waste and dumped rubbish collection, graffiti removal, cleaning of Council’s buildings, public toilets and BBQs. The department also oversees the operations of the Melton Recycling Facility. It also provides environmental planning and administration of Council’s Environmental Enhancement Program. It also creates, maintains and implements Council’s environment, climate change, sustainability and integrated water management policies and plans, as well as the delivery of Council’s environmental outreach activities to the community. | <b>\$7,996</b><br><b>\$9,552</b><br><b>\$1,556</b> |
| <strong>OPERATIONS</strong>  |  |
| This department maintains our parks, open spaces, trees, property, drainage and roads. It also manages the municipal fire prevention, business continuity and community emergency management (planning, preparedness and recovery).  | <b>\$24,805</b><br><b>\$25,540</b><br><b>\$734</b> |

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations. *(No material variation means the result is within the permissible range figure provided by Local Government Victoria).*

| Service / indicator / measure   | RESULT 2018 | RESULT 2019 | RESULT 2020 | RESULT 2021 | MATERIAL VARIATIONS  |
|---|-------------|-------------|-------------|-------------|--|
| <strong>Waste</strong>  |             |             |             |             |  |
| <strong>Satisfaction</strong><br>WC1 Kerbside bin collection requests<br><br>[Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000  | 172.9       | 171.2       | 304.78      | 272.22      | The number of new bin services were slightly lower than previous year. A number of state lockdowns saw delays in the construction industry and therefore new residential properties particularly in the second half of the year.                                     |
| <strong>Service standard</strong><br>WC2 Kerbside collection bins missed<br><br>[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000                           | 3.26        | 4.65        | 1.54        | 0.94        | The number of ‘contractor at fault’ missed bins has significantly reduced this year. Rescheduling of bin collection days have created efficiencies in the collection service.  |
| <strong>Service cost</strong><br>WC3 Cost of kerbside garbage bin collection service<br><br>[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]   | \$104.12    | \$99.95     | \$118.84    | \$119.75    | With the challenges of population growth and state lockdowns seen in 2020/2021, there was an increase in waste generated in households with more people being at home and have in turn contributed to a small increase in direct costs associated with this service. |
| <strong>Service cost</strong><br>WC4 Cost of kerbside recyclables collection service<br><br>[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]   | \$24.50     | \$24.97     | \$43.61     | \$49.93     | With population growth and state lockdowns in 2020/2021, there was an increase in recyclables generated in households with more people being at home and have in turn contributed to an increase in direct costs associated with this service.                       |
| <strong>Waste diversion</strong><br>WC5 Kerbside collection waste diverted from landfill<br><br>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100 | 49.30%      | 40.26%      | 43.41%      | 43.48%      | Population growth, state lockdowns and the introduction of food waste to our kerbside organics’ collections has seen an overall increase of just under 5,000 tonnes in kerbside waste.   |

# Theme three

## THEME THREE

### A Well Planned and Built City

#### STRATEGIC OUTCOME

A City with a clear vision to manage growth in a sustainable and accessible way

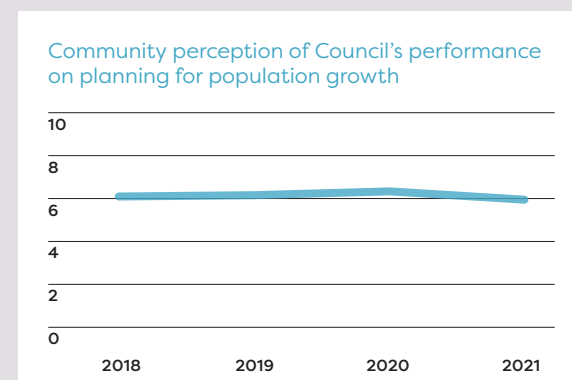


#### OBJECTIVE: 3.1

A City that strategically plans for growth and development

| STRATEGIC INDICATOR  | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS  |
|--|---------------------|---------------------|---------------------|---------------------|---|
| Community perception of Council's performance on planning for a growing population | 6.4                 | 6.35                | 6.47                | 6.04                | This result tends to fluctuate and potentially reflects the fact that due to the COVID pandemic, Council has undertaken limited engagement directly with the community on how we are planning for growth. |

Source: Metropolis Community Satisfaction Survey 2021



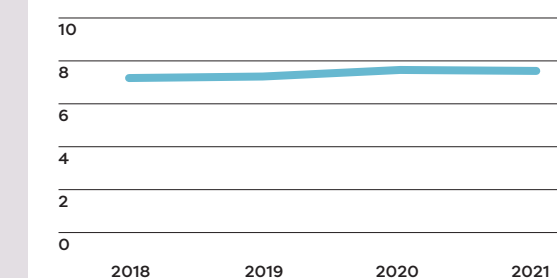
#### OBJECTIVE: 3.2

Community facilities, infrastructure and services that are equitably planned for, provided, and maintained

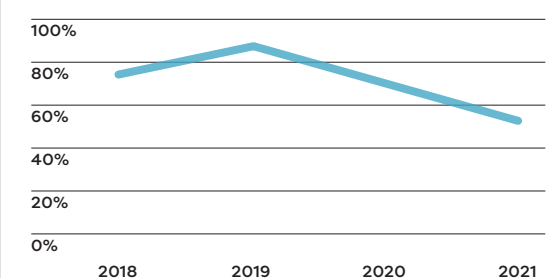
| STRATEGIC INDICATOR                                       | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS  |
|---|---------------------|---------------------|---------------------|---------------------|---|
| Community satisfaction with Council facilities            | 7.32                | 7.35                | 7.34                | 7.55                | The 2021 result shows a marginal (3%) improvement to that of the previous years. It indicates a "very good" level of community satisfaction with Council facilities.  |
| Percentage completion of the Annual Capital Works Program | 76.0%               | 90%                 | 73%                 | 54%                 | Total spend for 2020/2021 was \$62M against a budget of \$113M which equates to 54% delivery of the Capital Works Program. Various factors impacted the ability to achieve the 75% target including COVID, project delays and profiling of projects across financial years. |

Source: Metropolis Community Satisfaction Survey 2021

Community perception of Council's performance on planning for population growth



Percentage completion of the annual capital works program

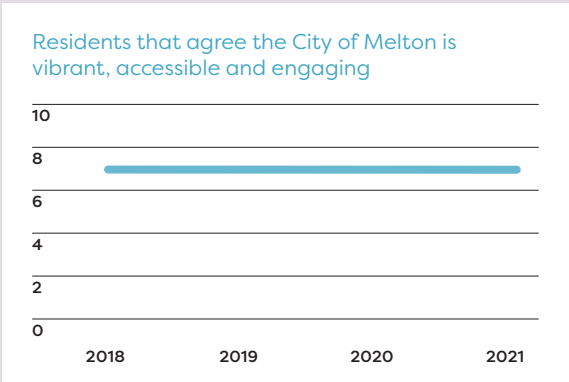
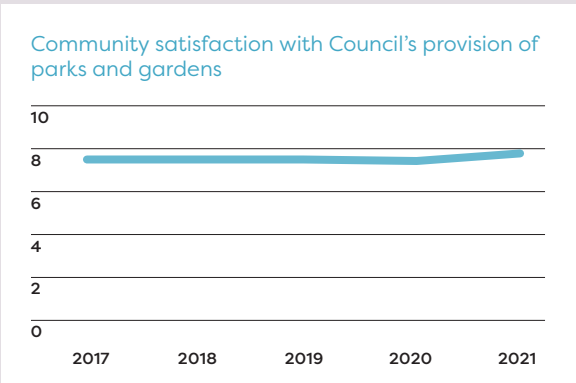
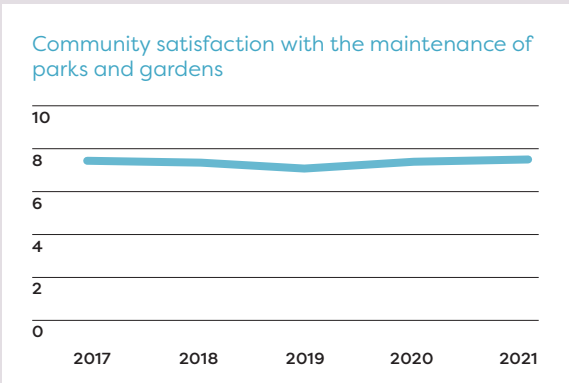




OBJECTIVE: 3.3

Public spaces that are vibrant and engaging places for all

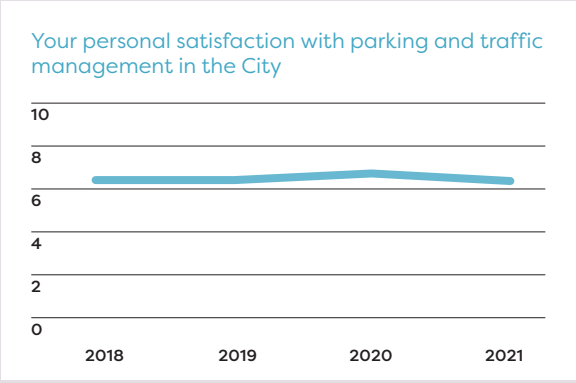
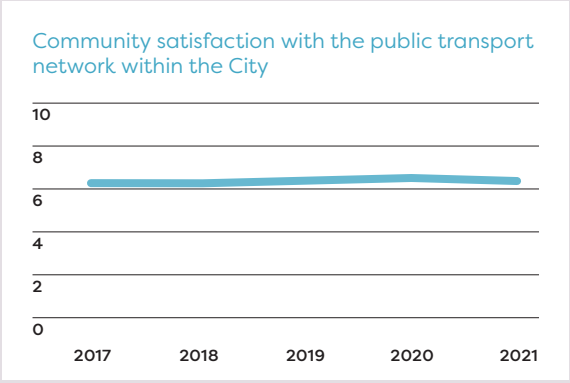
| STRATEGIC INDICATOR  | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS   |
|--|---------------------|---------------------|---------------------|---------------------|--|
| Community satisfaction with the maintenance of parks and gardens             | 7.33                | 7.06                | 7.29                | 7.4                 | The 2021 result has marginally increased compared to that of the previous year. It indicates a "very good" level of community satisfaction with how parks and gardens in the municipality are maintained.  |
| Community satisfaction with Council's provision of parks and gardens         | 7.44                | 7.38                | 7.29                | 7.67                | The 2021 result is similar to that of the previous year. It indicates a "very good" level of community satisfaction with the provision of parks and gardens in the municipality. It should be noted that this result has been achieved when the community has had a greater focus on parks and gardens due to the COVID lockdowns. |
| Residents that agree the City of Melton is vibrant, accessible, and engaging | 6.95                | 7.07                | 7.09                | 7.12                | The 2021 result is similar to that of the previous year with a marginal improvement. It indicates a "strong" level of agreement across the community that Melton is vibrant, accessible and engaging.  |



OBJECTIVE: 3.4

A flexible, safe and health promoting transport network that enables people to move around

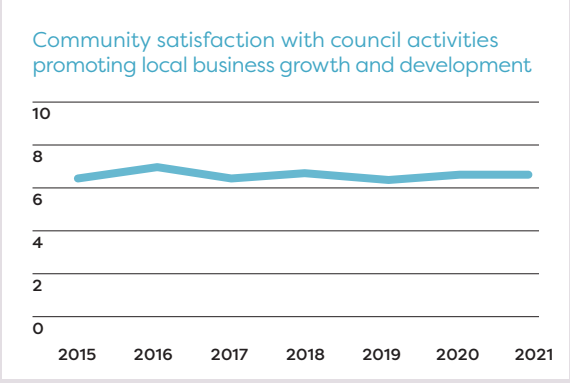
| STRATEGIC INDICATOR  | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS  |
|--|---------------------|---------------------|---------------------|---------------------|---|
| Community satisfaction with the public transport network within the City | 6.57                | 6.81                | 6.97                | 6.87                | The 2021 result has marginally decreased over the previous year. The results typically indicate the community satisfaction with the public transport network is "good". |
| Community satisfaction with parking and traffic management in the City   | 6.80                | 6.82                | 6.79                | 6.77                | The 2021 result is similar to that of the previous year. It indicates the community satisfaction with parking and traffic management in Melton is "good".               |



OBJECTIVE: 3.5

A City that encourages and enables people to work, shop and spend time locally

| STRATEGIC INDICATOR  | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS   |
|--|---------------------|---------------------|---------------------|---------------------|--|
| Community satisfaction with Council activities promoting local business growth and development | 7.06                | 6.87                | 7.21                | 7.1                 | The 2021 result has declined marginally compared to that of the previous year. The community generally considers Council's activities in promoting local business growth and development to be "good". |



The following statement reviews the progress of Council in relation to initiatives identified in the 2020/2021 budget for the year.

| INITIATIVES  | PROGRESS  | COMMENTS             |
|--|---|----------------------|
| 15) Pedestrian crossing in Westwood Drive in front of Atherton Avenue (\$20,000 net cost)                              | <div><div></div><div></div><div></div><div></div><div></div></div> <div>COMPLETED</div> | Initiative completed |
| 16) Fifteen metres of footpath from the Op Shop to the Foodbank for the Combined Churches Food Bank (\$4,000 net cost) | <div><div></div><div></div><div></div><div></div><div></div></div> <div>COMPLETED</div> | Initiative completed |

Significant Achievements for the Year

- A feasibility study for an Arts and Cultural Facility in the City has been completed and presented to Council
  - Council's advocacy efforts have seen a range of key infrastructure projects funded including the upgrade of the following key intersections:
    - Intersection of Leakes Road/Melton Highway, Plumpton
- Intersection of Norton Drive/High Street, Melton
  - Intersection of Coburns Road/High Street, Melton
  - A total of 130,373 metres of pathways constructed this financial year.

The following statement provides information in relation to the services funded in the 2020/2021 budget and the persons or sections of the community for whom the services are provided.

| SERVICE   | Net Cost<br>Actual<br>Budget<br>Variance<br>\$000                 |
|---|---|
| <b>ENGINEERING SERVICES</b>   |   |
| This department provides the design for capital works, traffic management planning, built assets management, civil and landscape infrastructure planning, and geographic information systems.   | <div><div>-\$322</div><div>\$2,523</div><div>\$2,201</div></div>  |
| <b>PLANNING</b>   |   |
| This department provides the assessment of planning and subdivision proposals under the relevant planning and subdivision legislation and ensures compliance with the planning controls. Services provided include the assessment of planning and subdivision applications, pre-application consultation, planning advice, post permit approvals, issue of Statements of Compliance, and collection, monitoring and reporting of development contributions. | <div><div>\$1,571</div><div>\$885</div><div>-\$686</div></div>    |
| <b>CAPITAL PROJECTS</b>   |   |
| This department is responsible for the planning, design and construction of a complex suite of new civil and community infrastructure within an operational framework delivering a works program via project management processes and controls. The department's primary responsibility is to achieve the timely programming and roll-out of Council's capital projects.  | <div><div>\$2,432</div><div>\$4,597</div><div>\$2,165</div></div> |

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

| Service / indicator / measure   | RESULT 2018 | RESULT 2019 | RESULT 2020 | RESULT 2021 | MATERIAL VARIATIONS  |
|---|-------------|-------------|-------------|-------------|--|
| <b>Roads</b>  |             |             |             |             |  |
| <b>Satisfaction of use</b><br>R1 Sealed local road requests<br><br>[Number of sealed local road requests / Kilometres of sealed local roads] x100   | 26.37       | 37.87       | 53.19       | 65.55       | Due to the boom in subdivisions across the growth areas, the communities on the fringes of these developments are submitting more requests to improve the standard of their local roads.       |
| <b>Condition</b><br>R2 Sealed local roads maintained to condition standards<br><br>[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100                         | 93.81%      | 96.52%      | 96.61%      | 97.05%      | The result for this year is comparable to previous years and continues to be a good result.  |
| <b>Service cost</b><br>R3 Cost of sealed local road reconstruction<br><br>[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]   | \$78.47     | \$0.00      | \$35.18     | \$0.00      | The upgrade road reconstruction projects to be undertaken were not completed by the end of the financial year, deferred to 2021-2022   |
| <b>Service cost</b><br>R4 Cost of sealed local road resealing<br><br>[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]  | \$10.04     | \$0.00      | \$6.37      | \$25.79     | Council's road resealing work this financial year, has increased with the focus being on local roads rather than road reconstructions  |
| <b>Satisfaction</b><br>R5 Satisfaction with sealed local roads<br><br>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]<br><br>Source: Metropolis Community Satisfaction Survey 2021 | 63          | 71          | 67          | 64          | The result is marginally down on previous years. As reflected in the increase in local road requests, the communities on the fringes of growth development may wish for better roads.          |
| <b>Statutory Planning</b>   |             |             |             |             |  |
| <b>Timeliness</b><br>SP1 Time taken to decide planning applications<br><br>[The median number of days between receipt of a planning application and a decision on the application]  | 64days      | 83 days     | 82 days     | 79 days     | There has been little or no change to the median number of days taken to decide planning applications due to number of applications and the complexity of those applications staying the same. |



| Service / indicator / measure   | RESULT 2018 | RESULT 2019 | RESULT 2020 | RESULT 2021 | MATERIAL VARIATIONS   |
|---|-------------|-------------|-------------|-------------|---|
| <b>Service standard</b><br>SP2 Planning applications decided within required time frames<br><br>[(Number of planning application decisions made within 60 days + Number of Vic Smart planning application decisions made within 10 days) / Number of planning application decisions made] x 100 | 75.82%      | 67.45%      | 48.14%      | 72.66%      | There has been an increase in the number of planning applications determined within 60 days due to an increase in resourcing within the Statutory Planning and Major Developments Unit following the implementation of the new Planning Services department structure over the past twelve months. The result is now comparable to the years prior to 2019/2020.  |
| <b>Service cost</b><br>SP3 Cost of statutory planning service<br><br>[Direct cost of the statutory planning service / Number of planning applications received]   | \$2,010.65  | \$2,627.45  | \$3,822.92  | \$3,492.97  | Despite an increase in the number of planning applications received, there has been a slight decrease in the cost of the statutory planning service over the past 12 months. This is due to an increase in the number of amendments to existing planning applications received and a reduction in the number of contract staff employed as permanent positions in the Planning Services restructure.  |
| <b>Decision making</b><br>SP4 Council planning decisions upheld at VCAT<br><br>[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100                                  | 25.00%      | 40.00%      | 100.00%     | 53.33%      | There has been a significant increase in the number of appeals lodged with VCAT (15) against decisions made in favour of Council in relation to planning applications over the past 12 months. This is due to the increasing complexity of applications received. However, more than half of the decisions made by VCAT supported (i.e. did not set aside) Council's original decision in relation to these planning applications (8).<br><br>The variation appears significant due to the low numbers of applications. |

# Theme four

THEME ONE

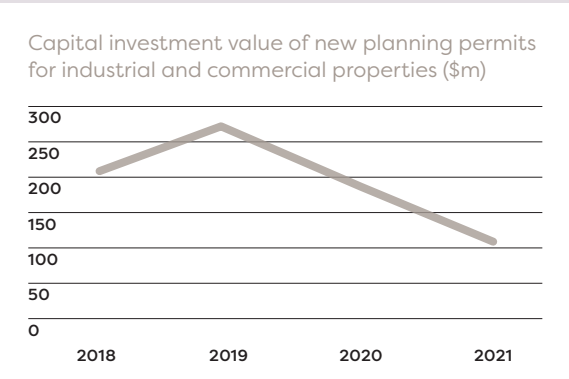
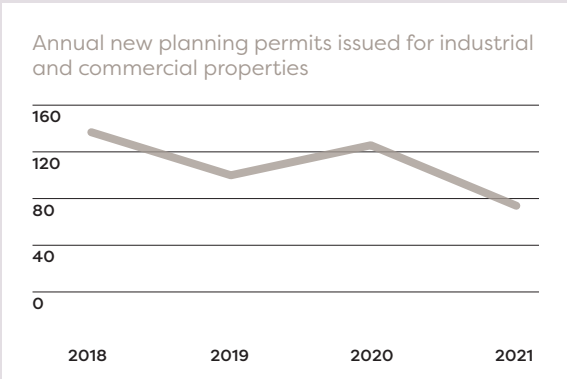
A Strong Local Economy and Lifelong Learning City

STRATEGIC OUTCOME

A City rich in local employment and education opportunities



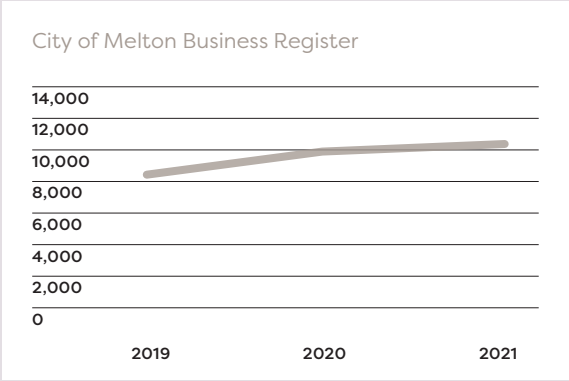
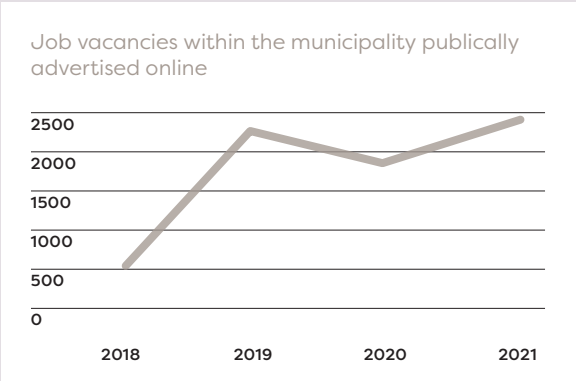
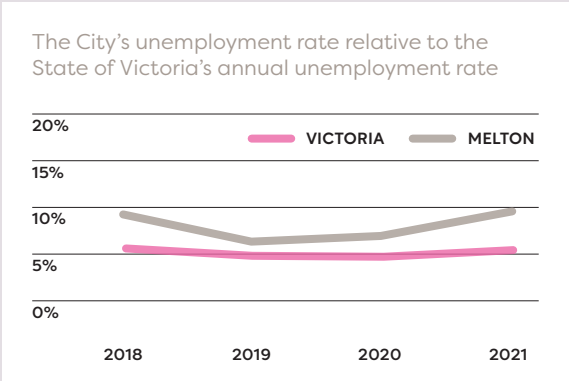
| OBJECTIVE: 4.1  |                     |                     |                     |                     |  |
|---|---------------------|---------------------|---------------------|---------------------|--|
| A diverse economy that fosters business growth, encourages new investment, and leads and responds to change |                     |                     |                     |                     |  |
| STRATEGIC INDICATOR   | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS   |
| Annual new planning permits issued for industrial and commercial properties                                 | 137                 | 110                 | 127                 | 75                  | A total of 142 new permits were issued for industrial and commercial properties for the year representing approximately 34.3% of all new planning permits issued.  |
| Capital investment value of new planning permits for industrial and commercial properties                   | \$199,793,677       | \$269,107,085       | \$184,986,711       | \$115,691,899       | The 2021 result is down on previous years due in part to COVID, a lower number of planning applications received by Council and permits being issued for large scale industrial and commercial development such as shopping centres or warehouse distribution centres. |



OBJECTIVE: 4.2

More local employment options with an increasing number of residents employed

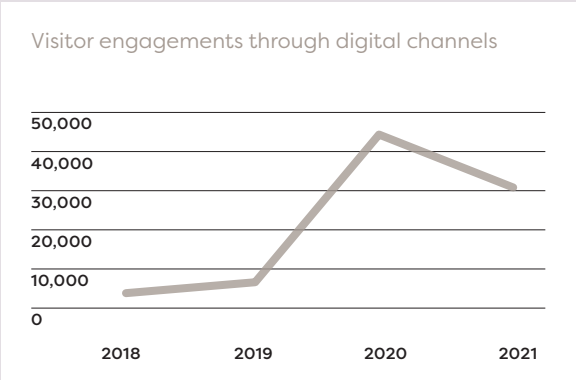
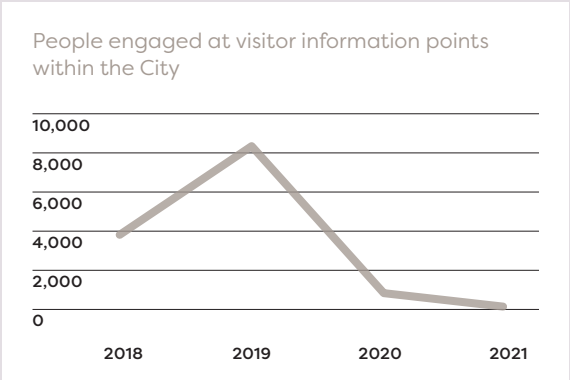
| STRATEGIC INDICATOR   | RESULT 30 JUNE 2018            | RESULT 30 JUNE 2019            | RESULT 30 JUNE 2020            | RESULT 30 JUNE 2021             | COMMENTS  |
|---|--------------------------------|--------------------------------|--------------------------------|---------------------------------|---|
| The City's unemployment rate relative to the state of Victoria's annual unemployment rate | 9.2% (Melton CC)<br>5.9% (Vic) | 6.7% (Melton CC)<br>4.7% (Vic) | 6.8% (Melton CC)<br>4.5% (Vic) | 9.7% (Melton CC)<br>6.50% (Vic) | The unemployment rate has seen a slight increase to the end Dec 2020, no further updates have been released for remaining quarters. The increase in unemployment is likely due to the impact of COVID, however trend matches Greater Melbourne and State reporting. |
| Job vacancies within the municipality publically advertised locally                       | 496                            | 2,296                          | 1,839                          | 2,314                           | Job advertisements through Melton Jobs Hub have returned to pre COVID levels, following a downturn in 2020.   |
| City of Melton Business Register  | Not Applicable                 | Total Businesses = 8,688       | Total Businesses = 9,472       | Total Businesses = 10,344       | New business registrations have continued to grow which is an expected outcome tied to the population growth.<br><br>Non-employing 7,116; 1-19 Employees 3,101; 20-199 employees 127; 200+ employees 0  |



OBJECTIVE: 4.3

A visitor economy that adds value to local businesses

| STRATEGIC INDICATOR  | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS  |
|--|---------------------|---------------------|---------------------|---------------------|---|
| People engaged at visitor information points within the City | 3,555               | 8,246               | 725                 | 0                   | The Visitor Information Centre closed in late 2018. No further engagements are planned in person, with a focus on digital engagement                              |
| Visitor engagements through digital channels                 | 1,977               | 7,325               | 44,984              | 30,616              | Digital engagement includes likes and followers through Melton City Much More Facebook page, app download and users, web page engagements and Instagram hashtags. |

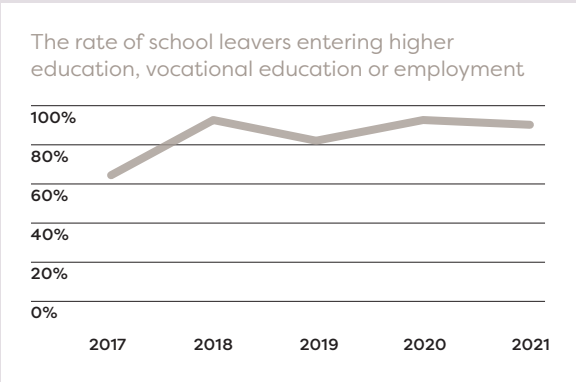
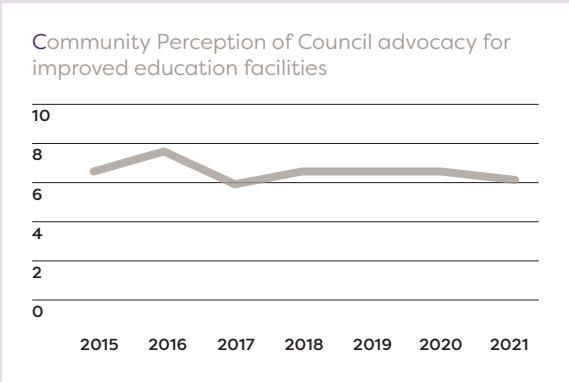




OBJECTIVE: 4.4

A City with a variety of local education facilities and programs

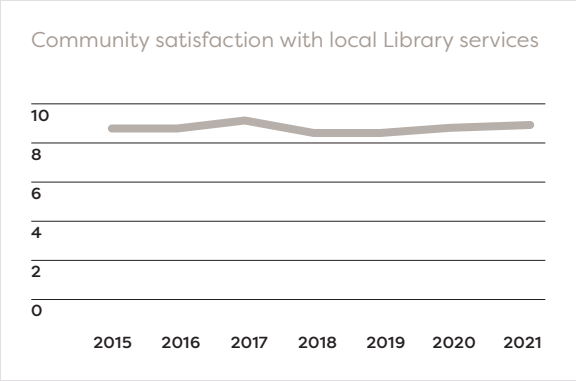
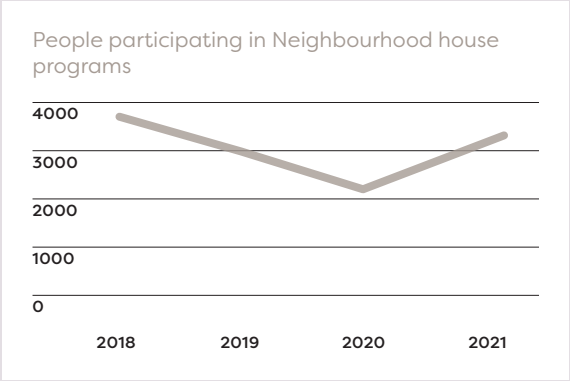
| STRATEGIC INDICATOR  | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS   |
|--|---------------------|---------------------|---------------------|---------------------|--|
| Community perception of Council advocacy for improved education facilities<br><small>Source: Metropolis Community Satisfaction Survey 2021</small>   | 6.83                | 6.77                | 6.81                | 6.41                | Advocacy remains on track for education provision. We are looking for a positive result given the number of schools secured for the municipality in line with growth needs.  |
| The rate of school leavers entering higher education, vocational education, or employment<br><small>Source: On Track Survey – Local Government Area Website</small><br><br><small>NB: Data is only provided for those school leavers who actually completed the government surveys</small> | 92.7%               | 88.0%               | 93%                 | 92%                 | 54% of responding school leavers were enrolled in university<br><br>12% of responding school leavers were enrolled in TAFE<br><br>8% of respondents had obtained apprenticeships<br><br>18% of respondents had found Full Time or Part Time employment and 6% of respondents were unemployed |



OBJECTIVE: 4.5

Lifelong learning opportunities are available and promoted

| STRATEGIC INDICATOR  | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS  |
|--|---------------------|---------------------|---------------------|---------------------|---|
| People participating in neighbourhood house programs   | 3,759               | 3,053               | 2,310               | 3,345               | 3,345 people enrolled in CA&L programs and activities in the financial year 2020/2021. This was a good result in another year impacted by COVID.              |
| Community satisfaction with local library services<br><small>Source: Metropolis Community Satisfaction Survey 2021</small> | 8.40                | 8.45                | 8.7                 | 8.75                | The 2021 result is commensurate with the previous year's result. It indicates the community generally agrees that library services in Melton are "excellent". |



Significant Achievements for the Year

- City of Melton was one of three finalists in the Neighbourhood Houses Victoria award for Gender Equity Awareness. The first component of this project was the creation and promotion of the 'What Respect Means to Me' video, featuring a diverse range of community members sharing their views on what respect means to them and why it is important to them. The second component was a Gender Equality Art Ideas Competition which invited the community to share art creations inspired by the concept of gender equality. This local project was delivered at Timbertop Children's and Community Centre with the local communities of Aintree and Rockbank and surrounds.
- A dedicated website for the Venture Melton Business Network and a dedicated electronic newsletter to local businesses have been established.
- Completed Council's Investment Attraction Strategy.
- A traineeship program has been established in partnership with AFL Sports Ready.
- Library Access Points at Timbertop (Aintree) and Fraser Rise were launched in April.
- A \$500,000 Outdoor Dining program has been completed with more than 50 installations across the City.

The following statement provides information in relation to the services funded in the 2020/2021 budget and the persons or sections of the community for whom the services are provided.

| SERVICE   | Net Cost<br>Actual<br>Budget<br>Variance<br>\$000 |
|---|---|
| <b>LIBRARIES AND ARTS</b>   | <b>\$3,088</b>                                    |
| This department provides public library services, including collections, programs, activities and access to technology from two library locations, four library access points, online and via outreach services to promote reading, learning and literacy. This department also delivers Council's variety of arts and cultural activities, managing Council's public art collection, a vibrant exhibition program across three gallery spaces, and a variety of arts learning workshops to support skills development and bring arts participation to new audiences. | <b>\$3,546</b>                                    |
| Through arts engagement and development, we support community wellbeing and respond to community needs, achieving both social and artistic outcomes.  | <b>\$458</b>                                      |

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

| Service / indicator / measure   | RESULT 2018 | RESULT 2019 | RESULT 2020 | RESULT 2021 | MATERIAL VARIATIONS  |
|---|-------------|-------------|-------------|-------------|--|
| <b>Libraries</b>  |             |             |             |             |  |
| <b>Utilisation</b><br>LB1 Physical Library collection usage<br><small>[Number of physical library collection item loans / Number of physical library collection items]</small>  | 5.25        | 5.92        | 5.12        | 3.38        | Loans of physical items were impacted by the forced closure of libraries in periods of lockdown caused by the pandemic. Libraries had to close for 142 days. Restricted services and caps on numbers applied to all other days of the financial year.  |
| <b>Resource standard</b><br>LB2 Recently purchased library collection<br><small>[Number of library collection items purchased in the last 5 years / Number of library collection items] x100</small>  | 74.77%      | 83.61%      | 82.75%      | 85.52%      | Within the threshold, the size of the collection has increased slightly.   |
| <b>Participation</b><br>LB4 Active library members in municipality<br><small>[(No. of active library borrowers 2 years ago + No. of active library borrowers one year ago + No. of active library borrowers this year) / (Municipal population + municipal population 1 year ago + municipal population this year)] x 100</small> | 9.43%       | 9.09%       | 8.66%       | 6.74%       | Active library membership has declined due to COVID-enforced closure of the service in 2020/2021. Libraries were forced to close for 142 days, which restricted patron capacity to borrow physical items. Library opening times were restricted for the remaining days when we could open to the public. Use of e-collections saw some increase.         |
| <b>Service cost</b><br>LB5 Cost of library service per population<br><small>[Direct cost of the library service / Municipal population]</small>   | \$26.56     | \$26.10     | \$25.89     | \$22.94     | Expenditure was impacted by forced periods of closure and limited services in the second half of 2020. Direct costs relating to public programming, which was all moved online at minimal cost, coupled with staffing vacancies due to a freeze on recruitment, have resulted in leaner direct service costings for libraries for this reporting period. |



# Theme five

## THEME FIVE

### A High Performing Organisation Demonstrating Leadership and Advocacy

#### STRATEGIC OUTCOME

An organisation operating with innovation, transparency, accountability, and sustainability



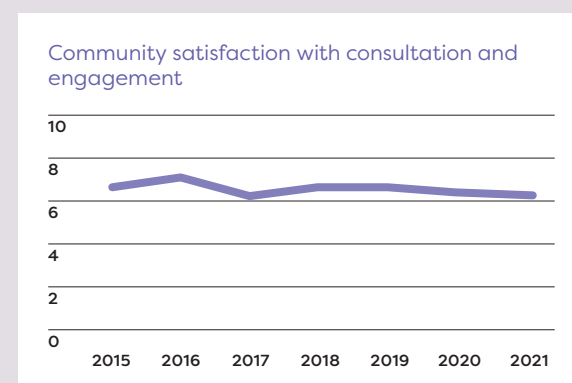
#### OBJECTIVE: 5.1

Deliberative engagement and effective communication with the community that informs planning and decision making

| STRATEGIC INDICATOR                                      | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS   |
|--|---------------------|---------------------|---------------------|---------------------|--|
| Community satisfaction with consultation and engagement* | 6.74                | 6.79                | 6.69                | 6.5                 | The 2021 result has marginally declined compared to previous years. It indicates the community generally agrees that consultation and engagement by Council is "good". |

Source: Metropolis Community Satisfaction Survey 2021

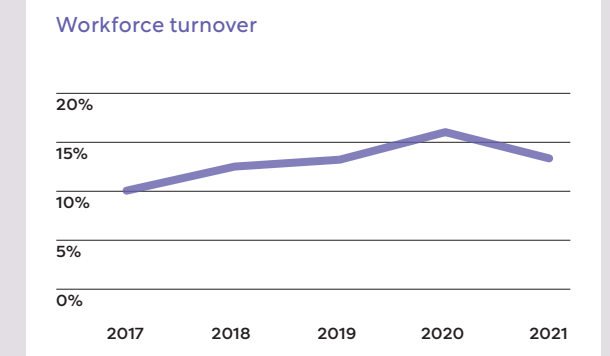
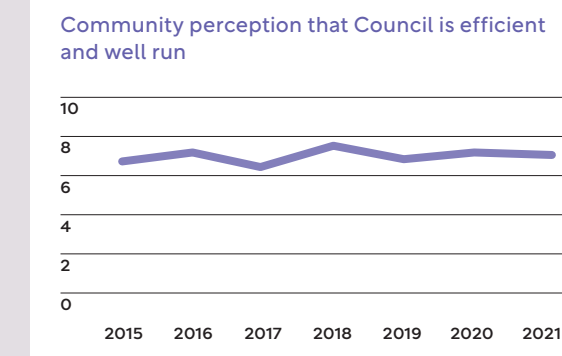
\* Denotes performance indicator is required under the Local Government Performance Reporting Framework



#### OBJECTIVE: 5.2

A flexible, innovative, and creative organisation that responds to rapidly changing community and operating environments

| STRATEGIC INDICATOR   | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS   |
|---|---------------------|---------------------|---------------------|---------------------|--|
| Community perception that Council is efficient and run well | 7.12                | 6.87                | 6.93                | 6.81                | The 2020-2021 result has marginally decreased compared to the previous year. It indicates the community satisfaction that Council is efficient and well run is "good".                 |
| Workforce turnover  | 12.42%              | 13.10%              | 15.4%               | 13.45%              | 75 employees were employed through the Work for Victoria Program which was a 6-month contract ending on 30 June. Turnover figure including Work for Victoria termination equals 24.18% |

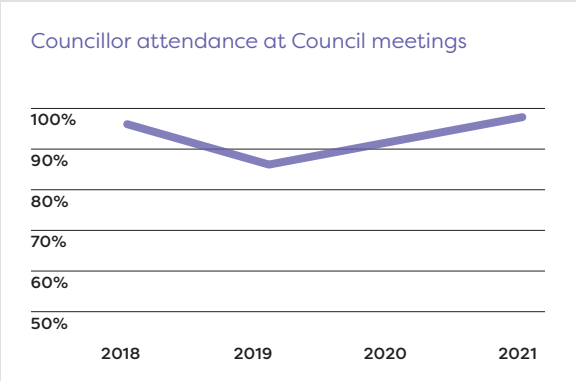
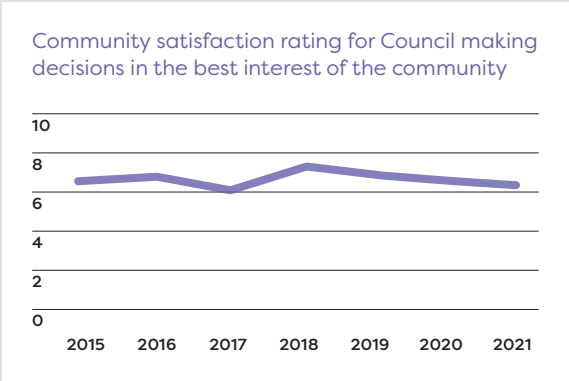


OBJECTIVE: 5.3

Effective civic leadership, advocacy, partnerships, and good governance

| STRATEGIC INDICATOR   | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS  |
|---|---------------------|---------------------|---------------------|---------------------|---|
| Community satisfaction rating for Council making decisions in the best interest of the community* | 7.07                | 6.82                | 6.72                | 6.61                | The 2020-2021 result, while similar to that of the previous year, does again indicate a downward trend in community satisfaction in Council's decision making. That being said, the result does still indicate the community is generally satisfied with the decisions Council makes. |
| Councillor attendance at Council meetings*  | 97.6%               | 88.0%               | 93.0%               | 99%                 | Councillor attendance at meetings in 2020/2021 was very high. Of the 15 meetings held only one meeting had one apology; full attendance at all others.  |

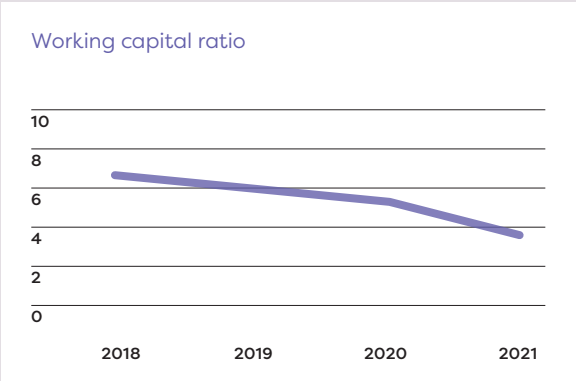
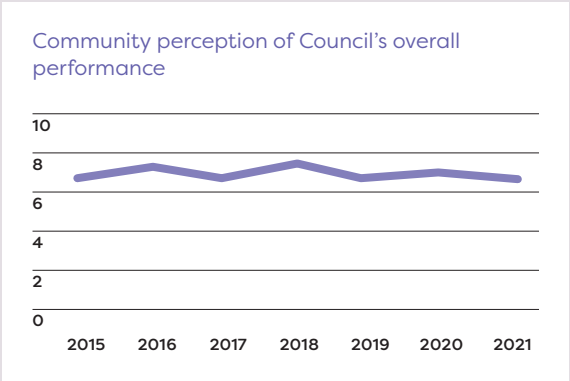
\* Denotes performance indicator is required under the Local Government Performance Reporting Framework



OBJECTIVE: 5.4


An organisation that demonstrates excellence in local government leadership and customer and community service

| STRATEGIC INDICATOR                                   | RESULT 30 JUNE 2018 | RESULT 30 JUNE 2019 | RESULT 30 JUNE 2020 | RESULT 30 JUNE 2021 | COMMENTS   |
|---|---------------------|---------------------|---------------------|---------------------|--|
| Community perception of Council's overall performance | 7.12                | 6.87                | 6.72                | 6.81                | Satisfaction with the performance of Council across all areas of responsibility (overall performance) decreased by a small amount this year. This remains a "good" level of satisfaction, the same level as recorded in each of the six years of the survey program. |
| Working capital ratio                                 | 6.26:1              | 6.67:1              | 12.0:1              | 3.92:1              |  |





The following statement reviews the progress of Council in relation to initiatives identified in the 2020/2021 budget for the year.

| INITIATIVES   | PROGRESS   | COMMENTS  |
|---|--|---|
| 17) Installation of Flag Poles, Gourlay Road<br>(\$38,000 net cost) | <br>COMPLETED | This project has been completed by Council's Operations Team. |

### Significant Achievements for the Year

- Council undertook significant advocacy programs including:
  - Social and affordable housing
  - Improved public transport networks
  - Primary and Secondary school provision
  - Tertiary education
  - The Melton Hospital
  - Improved waterway health
  - A range of key infrastructure projects.
- Worked with community stakeholders to develop the Community Vision for Melton: Melton City 2041—The City We Create

The following statement provides information in relation to the services funded in the 2020/2021 budget and the persons or sections of the community for whom the services are provided.

|   | Net Cost<br>Actual<br>Budget<br>Variance<br>\$000 |
|---|---|
| <b>SERVICE</b>  |   |
| <b>COMMUNITY SAFETY</b>   |   |
| This department provides for the safety, amenity and health of the community through the education, administration and enforcement of relevant legislation. To achieve this objective, it provides programs in Animal Management, Health Services, Building Services, School Crossing Supervision, Local Laws, Litter Prevention and Parking Enforcement. | \$38<br><u>\$2,244</u><br>\$2,206                 |
| <b>ENGAGEMENT &amp; ADVOCACY</b>  |   |
| This department provides inbound call handling and counter services, communication campaigns and media management, hosting of events, artistic and cultural activities, facilitation of economic development and tourism outcomes, and promotion of Council's advocacy priorities.  | \$4,002<br><u>\$6,269</u><br>\$2,267              |
| <b>FINANCE</b>  |   |
| This department provides financial services to both internal and external customers including the management of Council's finances, raising and collection of rates and charges and property valuation.   | -\$1,288<br><u>-1,062</u><br>-\$226               |
| <b>INFORMATION SERVICES</b>   |   |
| This department provides leadership, support and improvement capability in the area of information and technology so that the organisation can deliver effective services.  | \$15,550<br><u>\$14,989</u><br>-\$561             |

## PEOPLE AND CULTURE

This department provides human resources, learning and development, payroll, industrial relations, occupational health and safety programs, workers' compensation services, and staff health and wellbeing initiatives.

**\$2.329**  
**\$2,292**  
**-\$37**

## LEGAL & GOVERNANCE

This department provides a range of internal services to Council including governance, legal, procurement, insurance, contractual, internal audit services, risk management services, fraud and corruption control, as well as administrative support to the Mayor and Councillors.

**\$3,508**  
**\$3,144**  
**-\$364**

## PROPERTY & PROJECTS

This department provides the strategic management of Council's property and projects portfolio, as well as leading Council input into key State capital projects to support their timely, planned and efficient delivery. It also provides Council's corporate planning and performance functions including the development and revision of the Council and Wellbeing Plan, Annual Report and Council's non-financial end-of-year reporting.

\$382  
\$308  
-\$74

## EXECUTIVE AND COUNCILLORS

This area of governance includes the Mayor, Councillors, Chief Executive Officer and Executive Management Team and associated support which cannot be easily attributed to the direct service provision areas.

\$2,149  
\$2,261  
          
\$112

## RISK & PERFORMANCE

Provides risk management services through occupational health and safety programs, workers' compensation services, health and wellbeing initiatives, fraud and corruption control, municipal fire prevention, business continuity management, and community emergency management (planning, preparedness and recovery). Provides performance management through corporate planning and performance reporting functions.

\$445  
\$1,541  
          
\$1.096

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

| Service / indicator / measure   | RESULT 2018 | RESULT 2019 | RESULT 2020 | RESULT 2021 | MATERIAL VARIATIONS  |
|---|-------------|-------------|-------------|-------------|--|
| Animal Management   |             |             |             |             |  |
| <b>Timeliness</b><br>AM1 Time taken to action animal management requests<br>[Number of days between receipt and first response action for all animal management requests / Number of animal management requests] x100 | 2.38 days   | 1.92 days   | 1.19 days   | 4.08 days   | The time taken to action requests has increased due to the higher number of complaints through the COVID period.   |
| <b>Service standard</b><br>AM2 Animals reclaimed<br>[Number of animals reclaimed / Number of animals collected] x100  | 44.74%      | 41.70%      | 33.52%      | 36.6%       | A decrease of 400 animals impounded from the previous year due to the pandemic with more people at home to care for their pets, keeping them occupied with a higher percentage reclaiming. |

| Service / indicator / measure  | RESULT 2018    | RESULT 2019    | RESULT 2020 | RESULT 2021 | MATERIAL VARIATIONS  |
|--|----------------|----------------|-------------|-------------|--|
| <b>Service standard</b><br>AM5 Animals rehomed<br>[Number of animals rehomed / Number of animals collected] x100   | Not applicable | Not applicable | 3.43%       | 39.04%      | The increase is a result of an improved rehousing program which engages Rescue Groups to rehouse unclaimed animals. 2020 data recorded using this process would have read as 656 animals rehomed opposed to the recorded 81 thus showing an increase this year of 110 animals rehomed. |
| <b>Service cost</b><br>AM6 Cost of animal management service per population<br>[Direct cost of the animal management service / Municipal population]   | \$6.29         | \$6.45         | \$7.65      | \$6.85      | Contributing to the reduction in unit cost compared to previous years was the loss of a staff member who was not replaced within the Animal Management unit in addition to a number of budgetary realignments.   |
| <b>Health and safety</b><br>AM7 Animal management prosecutions<br>[Number of successful animal management prosecutions / Number of animal management prosecutions]   | Not applicable | Not applicable | 85.71%      | 100%        | There were 15 prosecutions listed for court however only 12 matters have been heard and proven.  |
| <b>Food Safety</b>   |                |                |             |             |  |
| <b>Timeliness</b><br>FS1 Time taken to action food complaints<br>[Number of days between receipt and first response action for all food complaints / Number of food complaints]  | 2.46 days      | 1.25 days      | 0.97 days   | 1.96 days   | Council response time has held steady despite an increase in complaints overall.   |
| <b>Service standard</b><br>FS2 Food safety assessments<br>[Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100 | 83.99%         | 93.14%         | 90.77%      | 63.8%       | Coupled with a significant increase in the number of premises, COVID has had a significant impact on this service, with restrictions impacting officer's ability to conduct inspections.   |
| <b>Service cost</b><br>FS3 Cost of food safety service<br>[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]   | \$567.97       | \$506.90       | \$509.26    | \$353.86    | Council experienced a significant increase (29%) in the number of new food premises registered this year compared to the previous year, decreasing the total cost per premises.  |

| Service / indicator / measure   | RESULT 2018 | RESULT 2019 | RESULT 2020 | RESULT 2021 | MATERIAL VARIATIONS  |
|---|-------------|-------------|-------------|-------------|--|
| <b>Health and safety</b><br>FS4 Critical and major non-compliance outcome notifications<br>[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100   | 0           | 0           | 0           | 0           | No notifications received this year.   |
| <b>Governance</b>   |             |             |             |             |  |
| <b>Transparency</b><br>G1 Council decisions made at meetings closed to the public<br>[Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors ] x100 | 8.89%       | 9.39%       | 8.45%       | 10.13%      | The number of resolutions considered by Council in both total resolutions and resolutions made at closed meetings in 2020-2021 is higher than the stats for 2019-2020. The new Local Government Act 2020 has a new 'confidential information' definition and that has seen a higher proportion of decisions made in closed sessions this year; principally reports on tenders and contracts. |
| <b>Consultation and engagement</b><br>G2 Satisfaction with community consultation and engagement<br>Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement<br>Source: Metropolis Community Satisfaction Survey 2021   | 59          | 68          | 67          | 65          | The 2021 result is similar to that of the previous year. It indicates the community is generally satisfied with how Council consults and engages with the community.   |
| <b>Attendance</b><br>G3 Councillor attendance at council meetings<br>[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100   | 97.62%      | 87.30%      | 93.06%      | 99.26%      | Councillor attendance at meetings in 2021 was very high. Of the 15 meetings held only 1 meeting had 1 apology; full attendance at all others.  |



| Service / indicator / measure  | RESULT 2018 | RESULT 2019 | RESULT 2020 | RESULT 2021 | MATERIAL VARIATIONS  |
|--|-------------|-------------|-------------|-------------|--|
| <b>Service cost</b><br>G4 Cost of governance<br>[Direct cost of the governance service / Number of Councillors elected at the last Council general election]   | \$56,696.76 | \$59,810.62 | \$62,066.93 | \$51,431.07 | Costs relating to elected representation went down significantly in 2020/2021. All but one Council meeting was held via a videoconference and livestreamed. This led to little catering costs and carer expenses were also way down. The cost of running the Mayoral Vehicle was down due to restrictions in place and much more use of videoconference for meetings. Training costs and meetings costs were also down. Costs to livestream Council meetings now included in this expense. |
| <b>Satisfaction</b><br>G5 Satisfaction with Council decisions<br>Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community<br>Source: Metropolis Community Satisfaction Survey 2021 | 60          | 68          | 67          | 66          | The 2021 result, while similar to that of the previous year, does again indicate a downward trend in community satisfaction in Council's decision making. That being said, the result does still indicate the community is generally satisfied with the decisions that Council makes.  |







# Governance and Management Information

|                                       |     |
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Management Statement

Council has implemented a number of statutory and better practice initiatives to strengthen its management framework. Having strong governance and management frameworks leads to better decision making. The Act requires Council to undertake an assessment against the prescribed Governance and Management Checklist and include this in its Report of Operations. Council's Governance and Management Checklist is set out on the following pages. The following items have been highlighted as important components of the management framework.

Audit Committee

The Audit and Risk Committee is an independent advisory committee of Council established under Section 53 of the *Local Government Act 2020*.  
  
The Audit and Risk Committee Charter sets out the Committee's functions and responsibilities, authority, composition and tenure, roles and responsibilities, reporting and administrative arrangements. The Audit and Risk Committee does not have executive powers or authority to implement actions in areas over which Council management has responsibility. The Audit and Risk Committee does not have any management functions and is therefore independent of management.

Melton City Council is committed to maintaining effective internal audit practices, inclusive of an Audit and Risk Committee that meets industry best practice guidelines. The internal audit function is an integral component of Council's commitment to good governance.  
  
The primary function and responsibility of the Committee is to monitor the compliance of Council policies and procedures with the Act including any regulations, and chiefly, the overarching governance principles, Council's financial and performance reporting, Council's risk management and fraud prevention systems and controls, and also oversee the internal and external audit function.

Members of the Audit Committee

This Committee is made up of three external independents and two Councillors with full voting rights. The committee is chaired by one of the three external independents.  
  
The Audit and Risk Committee met six times during the year and reviewed the 2019/2020 Annual Financial Statements and Performance Statement, which included the provision of comments on the external auditors' management letter.

Members of the Audit and Risk Committee and meetings attended during 2020/2021

| Audit and Risk Committee Member | Position                         | Meetings Attended |
|---------------------------------|----------------------------------|-------------------|
| Robert Tommasini                | Chairperson Independent external | 6                 |
| Farshan Mansoor                 | Independent external             | 6                 |
| Celeste Gregory                 | Independent external             | 6                 |
| Cr Hardy                        | Councillor (until November 2020) | 2                 |
| Cr Carli                        | Councillor (until November 2020) | 2                 |
| Cr Majdlik                      | Councillor (from November 2020)  | 3                 |
| Cr Shannon                      | Councillor (from November 2020)  | 3                 |

All recommendations from the Audit and Risk Committee were presented to Council for consideration at the next ordinary meeting of Council. The Legal and Governance Department provides secretarial support to the Audit and Risk Committee.

Internal Audit

The internal audit function for 2020/2021 was provided by auditors Moore Australia (Vic) Pty Ltd, under contract, that commenced 1 January 2021.  
  
During 2020/2021, the following reports/audits were undertaken by Council's internal auditors:

- Internal Audit Plan for 2021-2023
- Capital Projects Framework.

External Audit

The Victorian Auditor-General externally audits Council each year. The Victorian Auditor-General's representative conducted the annual external audit of Council's financial statements and performance statement. The external auditors attended the September 2020, February and May 2021 Audit and Risk Committee meetings to present the independent audit report and annual audit plan. The external audit management letter and responses are also provided to the Audit and Risk Committee.

## Governance and Management Checklist

The following are the results in the prescribed form of Council's assessment against the prescribed Governance and Management Checklist.

| GOVERNANCE AND MANAGEMENT CHECKLIST |   |   |   |
|-------------------------------------|---|---|---|
|                                     | GOVERNANCE AND MANAGEMENT ITEMS   | ASSESSMENT  |   |
| 01                                  | <b>Community engagement policy</b> (Policy outlining Council's commitment to engaging with the community on matters of public interest)   | Date of operation of policy: 7 June 2021.   | ✓ |
| 02                                  | <b>Community engagement guidelines</b> (Guidelines to assist staff to determine when and how to engage with the community)  | Date of operation of current guidelines: 24 June 2019.  | ✓ |
| 03                                  | <b>Financial Plan</b> (plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years)  | The Financial Plan is to be developed and adopted by 31 October in accordance with section 91 (4) of the Act 2020. It has been through the deliberative engagement process and is currently on public exhibition, with adoption scheduled for 27 September 2021.      | ✓ |
| 04                                  | <b>Asset Plan</b> (plan under section 92 of the Act that sets out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)                          | The Asset Plan is to be developed and adopted by 30 June 2022 in accordance with section 92 (6) of the Act 2020.<br><br>It has been through the deliberative engagement process and is currently on public exhibition, with adoption scheduled for 27 September 2021. | ✓ |
| 05                                  | <b>Rating and Revenue Plan</b> (plan under section 93 of the Act that sets out the rating structure of Council to levy rates and charges)   | Date of operation of the Plan: 28 June 2021.  | ✓ |
| 06                                  | <b>Annual Budget</b> (plan under section 94 of the Act that sets out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required) | Date of approval of the budget: 28 June 2021.   | ✓ |
| 07                                  | <b>Risk policy</b> (Policy outlining Council's commitment and approach to minimising the risks to Council's operations)   | Date of operation of current policy: 8 March 2018.  | ✓ |
| 08                                  | <b>Fraud policy</b> (policy outlining council's commitment and approach to minimising the risk of fraud)  | Date of operation of current policy: 6 February 2017.   | ✓ |

|    | GOVERNANCE AND MANAGEMENT ITEMS   | ASSESSMENT   |   |
|----|---|--|---|
| 09 | <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 Act.<br><br>Date of preparation: 4 November 2020.   | ✓ |
| 10 | <b>Procurement policy</b> (Policy under section 108 of the Act outlining the principles, processes and procedures that will apply to the purchase of goods and services by the Council)   | Prepared and approved in accordance with section 186A of the Act 1989.<br><br>Date of approval: 14 October 2019.   | ✓ |
| 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)   | Date of current plan: 15 August 2019.  | ✓ |
| 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)  | Information Technology Disaster Recovery Plan.<br><br>Date of preparation: 3 July 2020.  | ✓ |
| 13 | <b>Risk management framework</b> (Framework outlining Council's approach to managing risks to the Council's operations)   | Date of operation of current framework: 8 March 2018.  | ✓ |
| 14 | <b>Audit &amp; Risk Committee</b> (Advisory committee of Council under section 53 of the Local Government Act whose role is to monitor the compliance of Council policies and procedures, monitor Council's financial reporting, monitor and provide advice on risk management, and provide oversight on internal and external audit functions) | The current Audit & Risk Committee Charter was adopted by Council 31 August 2020.  |   |
| 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)   | Moore's appointed as Internal Auditor with contract awarded at the 21 December 2020 Meeting of Council.  | ✓ |
| 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 Local Government Act 1989)   | Council has incorporated the Local Government Performance Reporting Framework into the Council and Wellbeing Plan 2017-2021 which was adopted by Council 26 June 2017.   | ✓ |
| 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)   | Dates for Council Annual Action Plan Progress Reporting to Council: 14/09/2020, 21/12/2020, 15/3/2021, 10/5/2021. Reporting on the Council Plan Strategic Indicators occurs twice a year via the Annual Report, adopted by Council, 14/10/2020 and the Midterm Performance Report to Executive, 25/2/2021. | ✓ |
| 18 | <b>Financial reporting</b> (Quarterly statements to Council under section 138(1) of the Act 1989 comparing budgeted revenue and expenditure with actual revenue and expenditure)  | 14/09/2020, 21/12/2020, 15/03/2021 and 7/06/2021 were dates that quarterly reports were presented to Council.  | ✓ |



|    | GOVERNANCE AND MANAGEMENT ITEMS   | ASSESSMENT   |   |
|----|---|--|---|
| 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)   | Report to the Audit & Risk Committee presented on 2 September 2020. The second report was not presented due to a vacancy in the risk officer role.   | ✓ |
| 20 | <b>Performance reporting</b> (Six-monthly reports of indicators measuring results against financial and non-financial performance including the performance indicators referred to in section 131 of the Act 1989)    | Reporting on the indicators occurred twice this year via the Annual Report on 12/10/2020 and in a mid-term Executive Report on 25/2/2021.  | ✓ |
| 21 | <b>Annual report</b> (Annual report under sections 131, 132 and 133 of the Act 1989 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. Report submitted to the Minister 26 September 2020. Adopted by Council, 12 October 2020.   | ✓ |
| 22 | <b>Councillor Code of Conduct</b> (Code under section 139 of the Act setting out the standards of conduct to be followed by Councillors and other matters)  | Reviewed in accordance with section 139 of the Act.<br><br>Date reviewed: 8 February 2021.   | ✓ |
| 23 | <b>Delegations</b> (Documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff, in accordance with sections 11 and 47 of the Act) | Reviewed in accordance with sections 11 and 47 of the Act.<br><br>Delegation by Council to CEO - 31 August 2020 Sub-delegation by CEO to Staff - 25 March 2021<br>Delegation by Council to Staff - 24 March 2021 Delegation by CEO to Staff - 25 March 2021 Delegation by CEO for VicSmart Applications - 31 August 2020 Sub-delegation by CEO to Staff (Toolern Delegations) - 7 June 2021. | ✓ |
| 24 | <b>Meeting procedures</b> (Governance Rules under section 60 of the Act governing the conduct of meetings of Council and delegated committees)  | Meeting procedures are included in the Governance rules in accordance with section 60 of the Act. The Governance Rules were approved by Council on the 31 August 2020.   | ✓ |

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



**Kelvin Tori**  
Chief Executive Officer  
Dated: 3 September 2021



**Cr Kathy Majdlik**  
Mayor  
Dated: 3 September 2021

## Statutory Information

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

### Documents available for public inspection

The *Local Government Act* 2020 (the 2020 Act) was proclaimed in stages over 2020 and 2021. In conjunction with the introduction of the 2020 Act, sections of the *Local Government Act* 1989 (the 1989 Act) were repealed in stages. Section 222 of the 1989 Act dealing with inspection of prescribed documents was repealed on 1 May 2020.

Instead of prescribing which documents are to be made available for public inspection under the 1989 Act, the 2020 Act is predicated on a set of Overarching Governance Principles and Supporting Principles. One of the Supporting Principles are the Public Transparency Principles, and these are set out in section 58 of the 2020 Act.

Under Section 57 of the 2020 Act, the Council adopted its Public Transparency Policy on 31 August 2020. It is available on Council's website.

This purpose of this policy is to:

- Give effect to the Public Transparency Principles
- Describe the ways in which Council Information will be made publicly available
- Specify which Council Information will be made publicly available as a matter of course
- Describe the categories of Council Information that may be unavailable to the public.

### Best Value

Melton City Council incorporates Best Value principles through regular business planning and performance monitoring processes, and through a commitment to continuous improvement.

Councils are required by the *Local Government Act* to take into account Best Value Principles to ensure that services:

- Meet their agreed quality and cost standards

- Are responsive to the needs of our community
- Are accessible to those members of the community for whom the service is intended
- Achieve continuous improvement in the provision of services for the community
- Include consultation with the community in relation to the services it provides
- Regularly report on their performance to the community.

Council undertook the following Best Value activities during 2020/2021:

- Six service units undertook a service review or were restructured during the year
- Due to COVID restrictions, My City, My Say face to face engagement opportunities were not able to be delivered in 2020/2021. Council responded by significantly increasing its engagement with community online via the City of Melton Conversations page, hosting 61 projects to 30 June 2021
- Initiated a Safe City Advisory Committee to ensure safety principles are embedded in Council's operational processes
- A range of Community Learning programs were successfully delivered providing critical learning and engagement opportunities for the community online during COVID lockdowns
- Finalised and launched the Climate Change Adaptation Plan
- Reviewed and modified a number of programs improving the delivery of services to the community
- Reviewed and developed new organisational values to align with the Corporate Mission and Vision
- Finalised and launched the Investment Attraction Strategy
- Determined an appropriate community event program aligned to government guidelines in response to COVID restrictions
- Established a youth traineeship program at Council
- Delivered new Library Access Points at Aintree (Timbertop) and Fraser Rise Children's and Community Centres

- Completed a significant deliberative engagement process with the community in the development of the Council and Wellbeing Plan 2021-2025

### Carer's recognition

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

Council has taken all practicable measures to comply with its responsibilities outlined in the *Carers Recognition Act 2012*.

Council has promoted the principles of the *Carers Recognition Act 2012* to people in care relationships who receive Council services, to people in care relationships, and to the wider community by:

- Distributing printed material in the Care Melton Packs as part of the Melton Care Expo.
- Providing information to organisations represented in Council and the Melton Service Provider Network meeting.
- Involving carers in decision-making, planning and reviews of the support for carers program through Zoom and face to face consultations.
- Continuing the support provided to carers during the lockdown periods via zoom, teleconferences and welfare calls.
- Building the partnership with Carers Australia (Victoria) to establish the Carers Hub which will offer a range of opportunities and resources that will benefit carers who reside within the municipality.
- Registered Melton City Council as a participant of the Victorian Carers Card program. The Carer Card provides carers with a wide range of discounts and benefits on offer from businesses, local government, and community organisations. Liaising with internal departments for promotion of the carers card and to local businesses within the LGA.

Council has taken all practicable measures to ensure staff and volunteers are informed about the principles and obligations of the *Carers Recognition Act 2012* by including information on the care relationship in:

- Induction and training programs for staff working in community care
- Induction and training programs for staff working in front-line positions with the general community.

Council's process, policies and procedures, as well as Council's enterprise bargaining agreement, include the principles of the *Carers Recognition Act 2012* such as:

- Flexible working arrangements
- Employee wellbeing
- Personal/carers leave provisions
- Induction and training programs for volunteers working directly with the community.

### Disability Action Plan

In accordance with section 38 of the *Disability Act 2006* (The Act), Council has incorporated its Disability Action Plan within the Melton A City for All People Strategy 2017-2021. In accordance with the Act, Council must report on the implementation of the Disability Action Plan in the Annual Report.

The following highlights from the strategy Melton: A City for All People were delivered in 2020/2021:

- Carer Support Programs were delivered to enhance carer's physical and emotional wellbeing. Although these programs were ceased during COVID, a Carers Connected Facebook page was created for carers to maintain connection with each other, staying involved in activities and keeping up to date with information.
- Carers support programs were re-established in 2021 and carers were able to attend face to face coffee catch ups and various outings to re-engage with one another, socialise and receive informal support.
- In lieu of the cancelled CARE Melton Expo 2020, carers were provided with Care Packs which included information, resources, giveaways, vouchers and free items that supported carers to adopt healthy lifestyles within their community.

- Increased engagement in the Melton Service Provider Network with 160 members. It continued to meet online during the pandemic and consultations with service providers continued on improving strategies to better assist carers and their families during COVID.
- Continued to support the community to transition to the National Disability Insurance Scheme (NDIS).
- Supported the Business Excellence Awards as a platform to educate local businesses about the benefits of engaging people of all abilities.
- Revised 'Access Keys' which are customised accessibility guides that provide people with disabilities with a vertical experience prior to visiting a venue or an event. The Access Keys were created for Melton and Caroline Spring libraries.
- Included Changing Places facilities at Cobblebank Stadium
- Introduction of Social Stories for all Municipality Events.
- Update of Council website to include 'Accessible Melton'

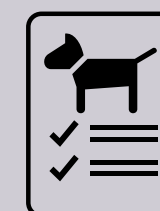
### Domestic Animal Management Plan

In accordance with the *Domestic Animals Act 1994*, Council is required to prepare a Domestic Animal Management Plan at four-yearly intervals and evaluate its implementation in the Annual Report.

In accordance with the *Domestic Animals Act 1994*, Council adopted the Domestic Animal Management Plan 2017-2021 on 18 December 2017.

Key achievements in 2020/2021 included:

- Sending SMS to all animal owners reminding of annual registration period.
- Council's website updated daily providing information on animals impounded and available for adoption.
- New initiative: Council provided an online portal for animal owners to register their pets in addition to receiving e-notices to go paperless.
- All 12 domestic animal businesses operating in the City of Melton were inspected and complied with the *Domestic Animals Act 1994*.



167 reported dog attacks (including dog rushes)



Council was successful with 12 prosecutions

REGISTER



Animal registrations decreased due to COVID from 22,596 in 2019/2020 down to 21,153 in 2020/2021.



### 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 received no Ministerial Directions during the financial year.

### Freedom of Information

Access to Council's 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*, the request should:

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

Further information can be found at [ovic.vic.gov.au](http://ovic.vic.gov.au) and on Council's website.

In 2020/2021, Council received 24 requests for information under the *Freedom of Information Act 1982*. The results of the applications are as follows:

| RESULT OF ACCESS  | NUMBER OF REQUESTS |
|---|--------------------|
| Access granted in full  | 16                 |
| Access granted in part  | 2                  |
| Access denied in full   | 0                  |
| <b>Other:</b>   |                    |
| No documents  | 1                  |
| Request withdrawn   | 0                  |
| Request closed / did not proceed / not valid (no response from applicant) | 3                  |
| Request not yet finalised as at 30 June 2018                              | 0                  |
| Released outside the Act  | 2                  |
| Request transferred to another agency                                     | 0                  |
| <b>Total Number of Requests</b>   | <b>24</b>          |

### Public Interest Disclosures Procedures

The *Public Interest Disclosures 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 publicly available on Council's website.

During 2020/2021, no disclosures were notified to Council officers appointed to receive disclosures, or to the Independent Broad-based Anti-Corruption Commission (IBAC).

### Road Management Act Ministerial direction

In accordance with section 22 of the *Road Management Act 2004*, a council must publish a copy or summary of any Ministerial Direction in its Annual Report.

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

## Victorian Local Government Indicators

The Victorian Government requires all Victorian councils to measure and annually report against 11 Victorian Local Government Indicators (VLGI). These indicators provide information regarding expenditure, cost of services and infrastructure provision, customer satisfaction and governance.

The following table presents the results of the VLGI for the 2020/2021 year.

| INDICATORS  | CALCULATION  | 2020/21 | 2019/20 |
|---|--|---------|---------|
| <b>1 Average rates and charges per assessment</b>   | Total rates and charges receivable at the beginning of the year / number of assessments in the adopted budget  | \$2,058 | \$2,089 |
| <b>2 Average residential rates and charges per assessment</b>   | Rates and charges declared for residential assessments receivable at the beginning of the year / number of residential assessments in the adopted budget | \$1,893 | \$1,920 |
| <b>3 Average liabilities per assessment</b>   | Total liabilities / number of assessments in the adopted budget  | \$1,998 | \$1,371 |
| <b>4 Operating result per assessment</b>  | Net surplus / number of assessments in the adopted budget  | \$4,456 | \$4,537 |
| <b>5 Average operating expenditure per assessment</b>   | Operating expenditure / number of assessments in the adopted budget  | \$2,974 | \$3,149 |
| <b>6 Community satisfaction rating for overall performance generally of Council</b>                             | Result from the annual Council Community Satisfaction Survey*  | 68      | 69      |
| <b>7 Average capital expenditure per assessment</b>   | Capital expenditure / number of assessments in the adopted budget  | \$894   | \$858   |
| <b>8 Renewal gap</b>  | Capital renewal / average annual asset consumption   | 16%     | 21%     |
| <b>9 Renewal and maintenance gap</b>  | Capital renewal and maintenance / average annual asset consumption planned maintenance   | 29%     | 39%     |
| <b>10 Community satisfaction rating for Council's advocacy and community representation on key local issues</b> | Result from the annual Council Community Satisfaction Survey*  | 64      | 68      |
| <b>11 Community satisfaction rating for Council's engagement in decision making on key local issues</b>         | Result from the annual Council Community Satisfaction Survey*  | 66      | 67      |

# Development Contributions Plan Report

## Infrastructure and development contributions

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

Table 1: Total DCP Levies Received 2020-2021

| DCP Name and Year Approved | Levies Received in 2020-2021 Financial Year (\$)* |
|----------------------------|---|
| Diggers Rest (2012)        | \$2,157,900.34                                    |
| Melton North (2010)        | \$535,939.19                                      |
| Rockbank North (2012)      | -\$10,810.00                                      |
| Taylors Hill West (2010)   | \$61,040.00                                       |
| Toolern (2011)             | \$6,794,339.99                                    |
| Paynes Road                | \$3,670,119.50                                    |
| Toolern Park (2014)        | \$1,081,805.77                                    |
| <b>Total</b>               | <b>\$14,290,334.79</b>                            |

\* Levies include DIL and CIL

Table 2: DCP Land, Works, Services or Facilities accepted as Works in Kind 2020-2021

| DCP Name and Year Approved | Project ID | Project Description   | Item Purpose   | Project Value (\$) |
|----------------------------|------------|---|--|--------------------|
| Diggers Rest (2012)        | IT03       | Intersection. Land acquisition of 0.263ha for ultimate and construction of roundabout (Vineyard Rd and License Road). | Vineyard Rd and License Road - Land acquisition was required as part of works associated with PA2015/4850 for a residential subdivision at Alexander Park estate.        | \$248,388.89       |
| Diggers Rest (2012)        | IT03       | Intersection. Construction of a roundabout (Vineyard Rd and License Road).  | Vineyard Rd and License Road - Construction of a roundabout was required as part of works associated with PA2013/4257 for a residential subdivision at Bloomdale estate. | \$5,593,972.12     |
| Diggers Rest (2012)        | IT05       | Intersection. Construction of a roundabout (Diggers Rest-Coimadai Rd).  | Diggers Rest-Coimadai Rd - Construction of a roundabout was required as part of works associated with PA2013/4257 for a residential subdivision at Bloomdale estate.     | \$3,525,944.47     |

| DCP Name and Year Approved | Project ID | Project Description   | Item Purpose  | Project Value (\$) |
|----------------------------|------------|---|---|--------------------|
| Melton North (2010)        | RD02       | Coburns Road. Land acquisition of 0.69ha to allow for future duplication between (internal) east-west connector road and Minns Road.  | Coburns Road - Land acquisition was required as part of works associated with PA2018/6228 for a residential subdivision at Coburns Rise estate.   | \$200,000.00       |
| Melton North (2010)        | AR01       | Purchase of land for an active open space (5.82ha) to accommodate 1 senior AFL oval or cricket pitch, tennis courts, pavilion and associated facilities.  | Active Open Space - Land acquisition was required as part of works associated with PA2017/5930 for a residential subdivision at Little Creek estate.  | \$5,477,500.00     |
| Rockbank North (2012)      | RD01       | "Balance Phase (3.00ha) Taylors Rd Carriageway between RD04 & RD05 East-west arterial between Leakes Road and the Outer Metropolitan Ring Road. Land acquisition for ultimate and construction of the first carriageway."   | Taylors Road - Land acquisition for the purpose of road construction was required as part of works associated with PA2018/5966 for a residential subdivision at Woodlea estate.                       | \$3,489,691.78     |
| Rockbank North (2012)      | RD01       | "Balance Phase Taylors Rd Carriageway between RD04 & RD05 East-west arterial between Leakes Road and the Outer Metropolitan Ring Road. Land acquisition for ultimate and construction of the first carriageway."  | Taylors Road - Construction of a road was required as part of works associated with PA2017/5565 for a residential subdivision at Woodlea estate.  | \$4,774,876.13     |
| Rockbank North (2012)      | RD11       | Vehicle Bridge 2. Construction of a two lane bridge over Kororoit Creek   | Taylors Road Vehicle Bridge - Construction of vehicle bridge was required as part of works associated with PA2017/5565 for a residential subdivision at Woodlea estate.                               | \$7,150,391.89     |
| Toolern (2011)             | RD03       | East West Arterial: Exford Road Section. Re-construct existing 2-lane road to provide 2-lane carriageway of divided secondary arterial road (38 metre road reserve, length 900 metres - Interim Layout) and purchase land to increase reserve width from 20 to 38 metres for 900 metres (Ultimate). | Exford Road - Construction of a road was required as part of works associated with PA2017/5955 for a residential subdivision at Opalia estate.  | \$2,523,651.27     |
| Toolern (2011)             | IT24       | Intersection. Construction of a signalised T-intersection and slip lanes (Exford Road and Connector Road).  | Exford Road and Connector Road - Construction of a signalised T-intersection and slip lanes was required as part of works associated with PA2017/5955 for a residential subdivision at Opalia estate. | \$978,399.77       |



| DCP Name and Year Approved | Project ID | Project Description   | Item Purpose   | Project Value (\$) |
|----------------------------|------------|---|--|--------------------|
| Toolern (2011)             | RD11       | Mount Cottrell Road. Land acquisition including native vegetation re-alignment to increase reserve width from 20 metres to 45 metres for 2,190 metres (ultimate). | Mount Cottrell Road - Land acquisition was required as part of works associated with PA2017/5796 for a residential subdivision at Thornhill Park estate.                       | \$450,000.00       |
| Paynes Road                | IT19A      | Intersection. Land acquisition of 0.1764ha (Mount Cottrell Road and southern connector road).   | Mount Cottrell Road and Southern Connector Road - Land acquisition was required as part of works associated with PA2018/6141 for a residential subdivision at Mt Aliza estate. | \$387,826.86       |
| Paynes Road                | RD12A      | Mount Cottrell Road. Land acquisition of 0.9419ha between Western Freeway to Melbourne Ballarat Rail Line.  | Mount Cottrell Road - Land acquisition was required as part of works associated with PA2018/6141 for a residential subdivision at Mt Aliza estate.                             | \$2,070,828.31     |
| Paynes Road                | RD12A      | Mount Cottrell Road. Land acquisition of 1.4445ha between Western Freeway to Melbourne Ballarat Rail Line.  | Mount Cottrell Road - Land acquisition was required as part of works associated with PA2017/5804 for a residential subdivision at Thornhill Park estate.                       | \$2,722,617.71     |
| Paynes Road                | RD12B      | Mount Cottrell Road: Construction of Western Freeway to Melbourne Ballarat Rail Line  | Mount Cottrell Road - Construction of Mount Cotrell Road was required as part of works associated with PA2017/5804 for a residential subdivision at Thornhill Park estate.     | \$4,430,158.41     |
| Paynes Road                | RD12A      | Mount Cottrell Road. Land acquisition of 0.1921ha between Western Freeway to Melbourne Ballarat Rail Line.  | Mount Cottrell Road - Land acquisition was required as part of works associated with PA2015/5038 for a residential subdivision at Thornhill Park estate.                       | -\$155,407.46      |
| Paynes Road                | BR-03A     | Paynes Road Freeway Flyover. Land acquisition of 0.1804ha.  | Paynes Road Freeway Flyover - Land acquisition was required as part of works associated with PA2015/5038 for a residential subdivision at Thornhill Park estate.               | -\$125,825.76      |
| Paynes Road                | IT10A      | Intersection: Land acquisition of 1.14ha (Mount Cottrell Road and Shogaki Drive).   | Mount Cottrell Road and Shogaki Drive - Land acquisition was required as part of works associated with PA2015/5038 for a residential subdivision at Thornhill Park estate.     | \$694,455.57       |
| Paynes Road                | IT11A      | Intersection: Land acquisition of 0.0808ha (Paynes Road and Murray Road).   | Paynes Road and Murray Road - Land acquisition was required as part of works associated with PA2015/5038 for a residential subdivision at Thornhill Park estate.               | \$94,343.50        |

| DCP Name and Year Approved | Project ID | Project Description   | Item Purpose   | Project Value (\$)     |
|----------------------------|------------|---|--|------------------------|
| Paynes Road                | BR01       | Bridge: Land acquisition of 1.48ha (Mount Cottrell Freeway Interchange).  | Mount Cottrell Freeway Interchange - Land acquisition was required as part of works associated with PA2015/5038 for a residential subdivision at Thornhill Park estate.                      | \$467,513.01           |
| Paynes Road                | BR02       | Bridge: Land acquisition of 0.3091ha (Mount Cottrell Road Rail Flyover).  | Mount Cottrell Road Rail Flyover - Land acquisition was required as part of works associated with PA2017/5804 for a residential subdivision at Thornhill Park estate.                        | \$532,794.46           |
| Paynes Road                | BR04A      | Bridge: Land acquisition of 0.48ha (Paynes Road Rail Flyover).  | Paynes Road Rail Flyover - Land acquisition was required as part of works associated with PA2017/5804 for a residential subdivision at Thornhill Park estate.                                | \$530,497.96           |
| Paynes Road                | RD05B      | Paynes Road: Construction of Paynes Road between Western Freeway (BR03) to Murray Road (IT11).                    | Paynes Road - Construction of Paynes Road was required as part of works associated with PA2015/5038 for a residential subdivision at Thornhill Park estate.                                  | \$97,931.65            |
| Paynes Road                | RD12B      | Mount Cottrell Road: Construction of Mount Cottrell Road between Western Freeway to Melbourne Ballarat Rail Line. | Mount Cottrell Road - Construction of Mount Cottrell Road was required as part of works associated with PA2017/5804 for a residential subdivision at Thornhill Park estate.                  | \$396,582.48           |
| Paynes Road                | IT11B      | Intersection: Construction of an intersection between Paynes Road and Murray Road.                                | Paynes Road and Murray Road Intersection - Construction of an intersection was required as part of works associated with PA2015/5038 for a residential subdivision at Thornhill Park estate. | \$109,588.21           |
| <b>Total</b>               |            |   |  | <b>\$46,666,721.23</b> |

\*\* Paynes Road was part of Toolern DCP

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

| DCP Name and Year Approved | Total Levies Received (\$) | Total Levies Expended (\$) | Total Works-In-Kind Accepted (\$) | Total DCP Contributions Received (Levies and Works-In-Kind) (\$) |
|----------------------------|----------------------------|----------------------------|-----------------------------------|--|
| Rockbank (August 2016)     | \$10,023,516.65            | \$-                        | \$7,289,994.81                    | \$17,313,511.46  |
| <b>Total</b>               | <b>\$10,023,516.65</b>     | <b>\$-</b>                 | <b>\$7,289,994.81</b>             | <b>\$17,313,511.46</b>   |

\* Levies include DIL and CIL

Table 4: Land, Works, Services or Facilities delivered in 2020-2021 from DCP Levies Collected

| Project Description  | Project ID | DCP Name and Year Approved | DCP Fund Expended (\$) | Works-In-Kind Accepted (\$) | Council's Contribution (\$) | Other Contribution (\$) | Total Project Expenditure (\$) | Percentage of Item Delivered |
|--|------------|----------------------------|------------------------|-----------------------------|-----------------------------|-------------------------|--------------------------------|------------------------------|
| 2 senior football/cricket ovals - construction   | DI_OS_1    | Taylors Hill West (2010)   | \$26,986.33            | \$-                         | \$529.30                    | \$-                     | \$27,515.63                    | 100.00%                      |
| Pavilion - construction  | CI_OS_1    | Taylors Hill West (2010)   | \$18,890.43            | \$-                         | \$370.51                    | \$-                     | \$19,260.94                    | 100.00%                      |
| Tennis courts - construction   | CI_OS_2    | Taylors Hill West (2010)   | \$5,936.99             | \$-                         | \$116.45                    | \$-                     | \$6,053.44                     | 100.00%                      |
| Multi-purpose Community Centre - construction (Maternal child health and kindergarten components)  | DI_CF_1    | Taylors Hill West (2010)   | \$64,949.15            | \$-                         | \$5,812.73                  | \$-                     | \$70,761.88                    | 100.00%                      |
| Multi-purpose Community Centre - construction (community component)  | CL_CF_1    | Taylors Hill West (2010)   | \$43,299.43            | \$-                         | \$3,875.16                  | \$-                     | \$47,174.59                    | 100.00%                      |
| Pedestrian signals - City Vista Drive  | DI_RO_08   | Taylors Hill West (2010)   | \$162,790.56           | \$-                         | \$723,496.98                | \$-                     | \$886,287.54                   | 100.00%                      |
| Construction of Community Centre 1. Construction of multi-purpose community centre including maternal and child health care services, pre-school and associated facilities including car parking and landscape works | CO2        | Rockbank North (2012)      | \$73,200.48            | \$-                         | \$-                         | \$39,500.00             | \$112,700.48                   | 100.00%                      |
| Taylors Road upgrade - construction  | DI_RO_04a  | Taylors Hill West (2010)   | \$119,393.84           | \$-                         | \$9,197.79                  | \$-                     | \$128,591.64                   | 4.00%                        |
| Taylors Road duplication - construction  | DI_RO_04b  | Taylors Hill West (2010)   | \$65,940.20            | \$-                         | \$5,079.86                  | \$-                     | \$71,020.06                    | 4.00%                        |
| Roundabout at southern entry City Vista Drive - construction   | DI_RO_06   | Taylors Hill West (2010)   | \$26,571.65            | \$-                         | \$2,047.01                  | \$-                     | \$28,618.66                    | 4.00%                        |
| Bridge Road Rec Reserve Stage 2  | AR15A      | Toolern (2011)             | \$3,288.00             | \$-                         | \$-                         | \$-                     | \$3,288.00                     | 0.01%                        |
| Bridge Road Rec Reserve Stage 2  | AR15B      | Toolern (2011)             | \$2,192.00             | \$-                         | \$-                         | \$-                     | \$2,192.00                     | 0.01%                        |
| Preparation of Precinct Structure Plan and Development Contributions Plan  | PL01       | Toolern (2011)             | \$426,501.30           | \$-                         | \$-                         | \$-                     | \$426,501.30                   | 62.92%                       |
| Abey Road and Bridge Native Vegetation Offsets   | RD18       | Toolern (2011)             | \$8,161.23             | \$-                         | \$-                         | \$-                     | \$8,161.23                     | 61.18%                       |
| Abey Road and Bridge Native Vegetation Offsets   | RD18A      | Toolern (2011)             | \$40.42                | \$-                         | \$-                         | \$-                     | \$40.42                        | 61.18%                       |
| Abey Road and Bridge Native Vegetation Offsets   | RD18B      | Toolern (2011)             | \$3,328.35             | \$-                         | \$-                         | \$-                     | \$3,328.35                     | 61.18%                       |
| <b>Total</b>   |            |                            | <b>\$1,051,470.36</b>  | <b>\$-</b>                  | <b>\$750,525.78</b>         | <b>\$39,500.00</b>      | <b>\$1,841,496.14</b>          |                              |



# Glossary of terms related to the non-financial sections

**Act**

In terms of the Annual Report, means the *Local Government Act 1989*

**Annual Report**

means 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**

means 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

**Budget**

means 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

**Council plan**

means a plan setting out the medium-term strategic objectives, strategies, strategic indicators and resources reflecting vision and aspirations of the community for the next four years

**Financial performance indicators**

means 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**

means 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**

means the period of 12 months ending on 30 June each year

**Governance and management checklist**

means a prescribed checklist of policies, plans and documents that councils must report the status of in the report of operations, covering engagement, planning, monitoring, reporting and decision making

**Indicator**

means what will be measured to assess performance

**Initiatives**

means actions that are one-off in nature and/or lead to improvements in service

**Major initiative**

means 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**

means how an indicator will be measured and takes the form of a computation, typically including a numerator and denominator

**Minister**

means the Minister for Local Government

**Performance statement**

means 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**

means 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

**Regulations**

means the Local Government (Planning and Reporting) Regulations 2014

**Relevance**

means 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**

means a report containing a description of the operations of the council during the financial year and included in the Annual Report

**Services**

means assistance, support, advice and other actions undertaken by a council for the benefit of the local community

**Service outcome indicators**

means 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**

means a prescribed set of indicators measuring the effectiveness and efficiency of council services covering appropriateness, quality, cost and service outcomes

**Strategic objectives**

means the outcomes a council is seeking to achieve over the next four years and included in the council plan

**Strategic resource plan**

means 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**

means high level actions directed at achieving the strategic objectives in the council plan

**Sustainable capacity indicators**

means 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



# Annual Financial Report

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# Performance Statement

For the year ended 30 June 2021

## Description of municipality

The Melton City Council (the council) is one of the fastest growing municipalities in Australia, offering the best in urban and rural lifestyles and affordable land within a comfortable commuting distance from Melbourne, Victoria and links to Melbourne's key freeways, airports and the Port of Melbourne.

The City of Melton embraces a series of townships and communities including Caroline Springs (19 kilometres west of Melbourne's CBD) and Melton (35 kilometres west of Melbourne's CBD).

The council is also the home of harness racing. Tabcorp Park, the harness racing and entertainment complex in Melton, along with many horse trainers, training facilities and breeders located in the City of Melton enhances the City's reputation as one of the premier equine municipalities in the country.

## Other Information

### 1. Basis of preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the *Local Government Act 1989* and Local Government (Planning and Reporting) Regulations 2014 (as per the transitional provisions of the Local Government Act 2020).

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

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

The forecast figures included in the performance statement are mainly those adopted by Council in its Budget document adopted on 28 June 2021 and which forms part of the Council Financial Plan. The Budget document and Financial Plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The Budget Document can be obtained from Council's website ([melton.vic.gov.au](http://melton.vic.gov.au)) or by contacting Council.

For the year ended 30 June 2021 the COVID-19 pandemic impacted Council's operations with the closure of a number of facilities and revised modes of operation for some services. The impacts of the pandemic are detailed within the performance statements for the period.

# Sustainable Capacity Indicators

For the year ended 30 June 2021

| Indicator / measure   | Results     |             |             | Material Variations   |
|---|-------------|-------------|-------------|---|
|   | 2018        | 2019        | 2020        | 2021  |
| <b>Population</b>   |             |             |             |   |
| Expenses per head of municipal population<br>[Total expenses / Municipal population]                                      | \$1,005.32  | \$1,009.26  | \$1,078.38  | \$1,070.71  |
|   |             |             |             | Council continue to manage expenditure prudently despite the high level of growth experienced within the municipality, ratio has moved in a favourable direction in 2021.   |
| Infrastructure per head of municipal population<br>[Value of infrastructure / Municipal population]                       | \$10,136.42 | \$11,268.03 | \$11,604.68 | \$12,113.97   |
|   |             |             |             | Infrastructure constructed within the municipality has and will continue to increase at levels higher than population growth. Increase over the last 4 years is due to the significant amount of contributed assets which is due to a high level of development activity. Recent trend is likely to continue. |
| Population density per length of road<br>[Municipal population / Kilometres of local roads]                               | 138.71      | 141.62      | 138.79      | 136.74  |
|   |             |             |             | Results reflect a significant investment in road infrastructure.  |
| <b>Own-source revenue</b>   |             |             |             |   |
| Own-source revenue per head of municipal population   | \$993.37    | \$833.34    | \$824.47    | \$955.30  |
|   |             |             |             | Indicator is impacted by fluctuations in populations data. The 2020-21 result was impacted by strong performance of Atherstone land development which increased income.   |
| [Own-source revenue / Municipal population]   |             |             |             |   |
| <b>Recurrent grants</b>   |             |             |             |   |
| Recurrent grants per head of municipal population   | \$189.32    | \$188.07    | \$176.82    | \$165.71  |
|   |             |             |             | Population growth has outpaced growth in recurrent government grant funding. This is likely to continue in short term with Grants Commission funding likely increase only modestly.   |
| [Recurrent grants / Municipal population]   |             |             |             |   |
| <b>Disadvantage</b>   |             |             |             |   |
| Relative socio-economic disadvantage  | 5           | 5           | 5           | 5   |
|   |             |             |             | Results have been consistent over the past four years.  |
| <b>Workforce turnover</b>   |             |             |             |   |
| Resignations and terminations compared to average staff   | 15.99%      | 13.40%      | 15.65%      | 14.20%  |
|   |             |             |             | Staff turnover rate varies from year to year. The 2020-21 result was impacted by COVID-19 with staff looking to remain in stable employment.  |
| [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100 |             |             |             |   |

# Service Performance Indicators

For the year ended 30 June 2021

| Service/indicator /measure  | Results |       |       | Material Variations |
|---|---------|-------|-------|---------------------|
|   | 2018    | 2019  | 2020  | 2021                |
| <b>Aquatic facilities</b>   |         |       |       |                     |
| <b>Utilisation</b>  |         |       |       |                     |
| Utilisation of aquatic facilities<br>[Number of visits to aquatic facilities / Municipal population]  | 1.69    | 1.57  | 0.96  | 0.43                |
| <b>Animal management</b>  |         |       |       |                     |
| <b>Health and safety</b>  |         |       |       |                     |
| Animal management prosecutions<br>[Number of successful animal management prosecutions/Number of animal management prosecutions] x100   | n/a     | n/a   | 86%   | 100%                |
| <b>Health and safety</b>  |         |       |       |                     |
| Animal management prosecutions<br>[Number of successful animal management prosecutions]   | 14      | 20    | n/a   | n/a                 |
| <b>Food safety</b>  |         |       |       |                     |
| <b>Health and safety</b>  |         |       |       |                     |
| Critical and major non-compliance notifications<br>[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100 | 0.00%   | 0.00% | 0.00% | 0.00%               |
| No notifications received this year as has been the case for past three years.  |         |       |       |                     |

# Service Performance Indicators

For the year ended 30 June 2021

| Service/indicator /measure   | Results |        |        | Material Variations |
|--|---------|--------|--------|---------------------|
|  | 2018    | 2019   | 2020   | 2021                |
| <b>Governance</b>  |         |        |        |                     |
| <b>Satisfaction</b>  |         |        |        |                     |
| Satisfaction with council decisions<br>[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]  | 60      | 68     | 67     | 66                  |
| The result indicates the community is generally satisfied with the decisions that Council makes and trend is steady.   |         |        |        |                     |
| <b>Libraries</b>   |         |        |        |                     |
| <b>Participation</b>   |         |        |        |                     |
| Active library borrowers in municipality<br>[Number of active library borrowers / Municipal population] x100   | 9.43%   | 9.09%  | 8.66%  | 6.74%               |
| Active library membership has declined due to Covid-enforced closure of the service in 2020-21. Libraries were forced to close for 142 days, which restricted patrons' capacity to borrow physical items. Library opening times were restricted for remaining days when we could open to the public. Use of e-collections saw some increase. |         |        |        |                     |
| <b>Maternal and child health</b>   |         |        |        |                     |
| <b>Participation</b>   |         |        |        |                     |
| Participation in the MCH service<br>[Number of children who attend the MCH service at least once (in the year) / Number of children]   | 68.95%  | 66.92% | 64.86% | 62.66%              |
| Providing telehealth during COVID was difficult for families and some families declined the service. This has contributed to a small decrease in the result compared to previous years.  |         |        |        |                     |
| <b>Participation</b>   |         |        |        |                     |
| Participation in the MCH service by Aboriginal children<br>[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100   | 57.31%  | 57.28% | 70.63% | 71.07%              |
| A conscious effort by the Outreach Nurse to provide a stronger connection with the local Aboriginal community has contributed to a small increase in the results compared to the previous year and coupled with improvements to the service in the previous year has resulted in a significant increase over the earlier years.              |         |        |        |                     |
| <b>Roads</b>   |         |        |        |                     |
| <b>Satisfaction</b>  |         |        |        |                     |
| Satisfaction with sealed local roads<br>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]   | 63      | 71     | 67     | 64                  |
| The result is marginally down on previous years. As reflected in the increase in local road requests, the communities on the fringes of growth development may wish for better road performance.   |         |        |        |                     |



# Service Performance Indicators

For the year ended 30 June 2021

| Service/indicator /measure  | Results |        |         |        | Material Variations  |
|---|---------|--------|---------|--------|--|
|   | 2018    | 2019   | 2020    | 2021   |  |
| <b>Statutory Planning</b>   |         |        |         |        |  |
| <b>Decision making</b>  |         |        |         |        |  |
| <i>Council planning decisions upheld at VCAT</i><br>[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100 | 25.00%  | 40.00% | 100.00% | 53.33% | There has been a significant increase in the number of appeals lodged with VCAT (15) against decisions made in favour of Council in relation to planning applications over the past 12 months. This is due to the increasing complexity of applications received. However, more than half of the decisions made by VCAT supported (i.e. did not set aside) Council's original decision in relation to these planning applications (8). |
| <b>Waste Collection</b>   |         |        |         |        |  |
| <b>Waste diversion</b>  |         |        |         |        |  |
| <i>Kerbside collection waste diverted from landfill</i><br>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100            | 49.30%  | 40.26% | 43.41%  | 43.48% | Population growth, state lockdowns and the introduction of food waste to our kerbside organics collections has seen an overall increase of just under 5,000 Tonnes in kerbside waste.  |

# Financial Performance Indicators

For the year ended 30 June 2021

| Forecasts   |            |            |            |            |            |            |            |            |   |
|---|------------|------------|------------|------------|------------|------------|------------|------------|---|
| Results   |            |            |            |            |            |            |            |            |   |
| Dimension/indicator /measure  | 2018       | 2019       | 2020       | 2021       | 2022       | 2023       | 2024       | 2025       | Material Variations   |
| Efficiency  |            |            |            |            |            |            |            |            |   |
| Revenue level   |            |            |            |            |            |            |            |            |   |
| Average rate per property assessment<br>[General rates and Municipal charges/<br>Number of property assessments]                              | n/a        | n/a        | \$1,583.94 | \$1,685.11 | \$1,620.59 | \$1,634.22 | \$1,648.07 | \$1,677.10 | Fluctuations with regards to this indicator are due to timing of assessment growth.   |
| Revenue level   |            |            |            |            |            |            |            |            |   |
| Average residential rate per residential<br>property assessment<br>[Residential rate revenue / Number of<br>residential property assessments] | \$1,690.12 | \$1,746.06 | n/a        | n/a        | n/a        | n/a        | n/a        | n/a        | This measure was discontinued in 2019-20.   |
| Expenditure level   |            |            |            |            |            |            |            |            |   |
| Expenses per property assessment<br>[Total expenses / Number of property<br>assessments]  | \$2,764.22 | \$2,805.53 | \$2,871.35 | \$2,762.97 | \$2,698.46 | \$2,530.08 | \$2,377.73 | \$2,362.25 | Council has managed to keep expenditure contained and in line with growth in assessments with prudent financial management. This trend is forecast to continue.   |
| Liquidity   |            |            |            |            |            |            |            |            |   |
| Working capital   |            |            |            |            |            |            |            |            |   |
| Current assets compared to current<br>liabilities<br>[Current assets / Current liabilities] x100  | 633.96%    | 570.97%    | 524.76%    | 375.53%    | 558.43%    | 566.32%    | 633.00%    | 508.74%    | Short term unfavourable movement in this ratio is largely due to an increase in payables which is cyclical in nature. Overall Council's liquidity remains strong in dollar terms and is forecasted to remain so with substantial cash reserves in place over the medium term. |

# Financial Performance Indicators

For the year ended 30 June 2021

| Dimension/Indicator /measure  | Results |        |         |          | Forecasts |         |         |         |
|---|---------|--------|---------|----------|-----------|---------|---------|---------|
|   | 2018    | 2019   | 2020    | 2021     | 2022      | 2023    | 2024    | 2025    |
| <b>Unrestricted cash</b>  |         |        |         |          |           |         |         |         |
| Unrestricted cash compared to current liabilities   | 125.47% | 49.76% | -61.11% | -156.53% | 61.65%    | 102.42% | 174.95% | 222.24% |
| [Unrestricted cash / Current liabilities] x100  |         |        |         |          |           |         |         |         |
| Movements in actual figures in years 2019-20 and 2020-21 relates to classification of term deposits greater than 90 days as Other Financial Assets. Forecasts assume term deposits are classified as cash. Positive trend is due to projected operating surpluses in future years.  |         |        |         |          |           |         |         |         |
| <b>Obligations</b>  |         |        |         |          |           |         |         |         |
| <b>Asset renewal and upgrade</b>  |         |        |         |          |           |         |         |         |
| Asset renewal and upgrade compared to depreciation  | n/a     | n/a    | 86.46%  | 37.62%   | 119.01%   | 68.80%  | 39.12%  | 53.69%  |
| [Asset renewal and asset upgrade expenses/ Asset depreciation] x100   |         |        |         |          |           |         |         |         |
| Asset renewal expenditure is based on engineering data not depreciation calculations. Council will have significant growth in assets in the medium to long term and therefore higher depreciation charge. Council assets are largely new and therefore don't require significant renewal expenditure in the short to medium term. |         |        |         |          |           |         |         |         |
| <b>Asset renewal</b>  |         |        |         |          |           |         |         |         |
| Asset renewal compared to depreciation  | 39.22%  | 28.41% | n/a     | n/a      | n/a       | n/a     | n/a     | n/a     |
| [Asset renewal expenses / Asset depreciation] x100  |         |        |         |          |           |         |         |         |
| This measure was discontinued in 2019-20.   |         |        |         |          |           |         |         |         |
| <b>Loans and borrowings</b>   |         |        |         |          |           |         |         |         |
| Loans and borrowings compared to rates  | 17.68%  | 14.05% | 10.44%  | 7.92%    | 14.57%    | 10.52%  | 4.70%   | 2.82%   |
| [Interest bearing loans and borrowings / Rate revenue] x100   |         |        |         |          |           |         |         |         |
| Council has over recent years repaid borrowings as they mature. Council has had sufficient cash inflows to achieve this. There will be a need to borrow to fund significant infrastructure investment in years 2021-22 and 2022-23.   |         |        |         |          |           |         |         |         |

# Financial Performance Indicators

For the year ended 30 June 2021

| Dimension/Indicator /measure  | Results |        |        |        | Forecasts |        |        |        |
|---|---------|--------|--------|--------|-----------|--------|--------|--------|
|   | 2018    | 2019   | 2020   | 2021   | 2022      | 2023   | 2024   | 2025   |
| <b>Loans and borrowings repayments compared to rates</b>  |         |        |        |        |           |        |        |        |
| Loans and borrowings repayments compared to rates   | 4.07%   | 3.23%  | 2.89%  | 2.08%  | 4.57%     | 5.47%  | 4.79%  | 1.57%  |
| [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100  |         |        |        |        |           |        |        |        |
| Council has over recent years repaid borrowings as they mature. Council has had sufficient cash inflows to achieve this. There will be a need to borrow to fund significant infrastructure investment in years 2021-22 and 2022-23.           |         |        |        |        |           |        |        |        |
| <b>Obligations (cont.)</b>  |         |        |        |        |           |        |        |        |
| <b>Indebtedness</b>   |         |        |        |        |           |        |        |        |
| Non-current liabilities compared to own source revenue  | 14.16%  | 14.46% | 15.40% | 11.31% | 17.47%    | 12.56% | 10.25% | 8.74%  |
| [Non-current liabilities / Own source revenue] x100   |         |        |        |        |           |        |        |        |
| Council's Non Current Liabilities continue to remain stable and at a manageable levels. Increase projected in year 2021-22 and 2022-23 relates to borrowings to fund significant investment in infrastructure.                                |         |        |        |        |           |        |        |        |
| <b>Operating position</b>   |         |        |        |        |           |        |        |        |
| <b>Adjusted underlying result</b>   |         |        |        |        |           |        |        |        |
| Adjusted underlying surplus (or deficit)  | 15.44%  | 1.19%  | -7.26% | 19.48% | 33.45%    | 26.19% | 25.45% | 23.65% |
| [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100   |         |        |        |        |           |        |        |        |
| Underlying surplus is and is forecasted to continue to be strong with growth in income forecasted to remain high due to development activity. Council has managed to absorb the challenges of COVID-19 pandemic and perform well financially. |         |        |        |        |           |        |        |        |



# Financial Performance Indicators

For the year ended 30 June 2021

| Dimension/indicator /measure   | Results |        |        |        | Forecasts |        |        |        | Material Variations   |
|--|---------|--------|--------|--------|-----------|--------|--------|--------|---|
|  | 2018    | 2019   | 2020   | 2021   | 2022      | 2023   | 2024   | 2025   |   |
| Stability  |         |        |        |        |           |        |        |        |   |
| Rates concentration  |         |        |        |        |           |        |        |        |   |
| Rates compared to adjusted underlying revenue  | 57.22%  | 67.35% | 71.44% | 56.14% | 46.30%    | 54.51% | 58.49% | 61.08% | Council has and will continue to have a high level of growth in rate revenue. Fluctuations in land sales income will impact this indicator. |
| [Rate revenue / Adjusted underlying revenue] x100  |         |        |        |        |           |        |        |        |   |
| Rates effort   |         |        |        |        |           |        |        |        |   |
| Rates compared to property values  | 0.42%   | 0.34%  | 0.33%  | 0.34%  | 0.36%     | 0.39%  | 0.41%  | 0.42%  | This measure has remained stable over recent years, Council is projected to have a high level of growth in rates revenue.                   |
| [Rate revenue / Capital improved value of rateable properties in the municipality ] x100 |         |        |        |        |           |        |        |        |   |

# 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 (as per the transitional provisions of the Local Government Act 2020).

**Sam Rumoro CPA**  
**Principal Accounting Officer**  
Dated: 13 September 2021  
232 High Street, Melton VIC

In our opinion, the accompanying performance statement of the Melton City Council for the year ended 30 June 2021 presents fairly the results of the council's performance in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014 (as per the transitional provisions of the Local Government Act 2020).

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 the performance statement in their final form.

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

**Cr Kathy Majdlik**  
**Mayor**  
Dated: 13 September 2021  
232 High Street, Melton VIC

**Cr Goran Kesic**  
**Deputy Mayor**  
Dated: 13 September 2021  
232 High Street, Melton VIC

**Kelvin Tori**  
**Chief Executive Officer**  
Dated: 13 September 2021  
232 High Street, Melton VIC

Independent Auditor’s Report




To the Councillors of Melton City Council

|   |   |
|---|---|
| Opinion   | <p>I have audited the accompanying performance statement of Melton City Council (the council) which comprises the:</p> <ul style="list-style-type: none"><li>description of the municipality for the year ended 30 June 2021</li><li>sustainable capacity indicators for the year ended 30 June 2021</li><li>service performance indicators for the year ended 30 June 2021</li><li>financial performance indicators for the year ended 30 June 2021</li><li>other information and</li><li>certification of the performance statement.</li></ul> <p>In my opinion, the performance statement presents fairly, in all material respects, the performance of the council for the year ended 30 June 2021 in accordance with the performance reporting requirements of Part 6 of the <i>Local Government Act 1989</i>.</p>   |
| Basis for Opinion   | <p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor’s Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. I and my staff are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria and have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p> |
| Councillors' responsibilities for the performance statement           | <p>The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 1989</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.</p>  |
| Auditor’s responsibilities for the audit of the performance statement | <p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists.</p>  |

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|   |
|---|
| <p>Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.</p> <p>As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none"><li>identify and assess the risks of material misstatement of performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.</li><li>obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council’s internal control</li><li>evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.</li></ul> <p>I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.</p> |
|---|

MELBOURNE  
21 September 2021

  
Sanchu Chummar  
as delegate for the Auditor-General of Victoria



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### Content Overview

- i. These financial statements are General Purpose Financial Statements and cover the consolidated operations for Melton City Council.
- ii. All figures presented in these financial statements are presented in Australian Currency.
- iii. These financial statements were authorised for issue by the Council on dd/mm/yy. Council has the power to amend and reissue these financial statements.

## Certification of Financial Statements

In my opinion the accompanying financial statements have been prepared in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014* (as per the transitional provisions of the *Local Government Act 2020*), the Australian Accounting Standards and other mandatory professional reporting requirements.



**Sam Rumoro CPA**  
**Principal Accounting Officer**  
Dated: 13 September 2021  
232 High Street, Melton VIC

In our opinion the accompanying financial statements present fairly the financial transactions of Melton City Council for the year ended 30 June 2021 and the financial position of the Council as at that date.

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.

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.



**Cr Kathy Majdlik**  
**Mayor**  
Dated: 13 September 2021  
232 High Street, Melton VIC



**Cr Goran Kesic**  
**Deputy Mayor**  
Dated: 13 September 2021  
232 High Street, Melton VIC



**Kelvin Tori**  
**Chief Executive Officer**  
Dated: 13 September 2021  
232 High Street, Melton VIC




Independent Auditor’s Report

To the Councillors of Melton City Council

|  |   |
|--|---|
| Opinion  | <p>I have audited the financial report of Melton City Council (the council) which comprises the:</p> <ul style="list-style-type: none"><li>balance sheet as at 30 June 2021</li><li>comprehensive income statement for the year then ended</li><li>statement of changes in equity for the year then ended</li><li>statement of cash flows for the year then ended</li><li>statement of capital works for the year then ended</li><li>notes to the financial statements, including significant accounting policies</li><li>certification of the financial statements.</li></ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2021 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p> |
| Basis for Opinion                                      | <p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor’s Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>                                   |
| Councillors’ responsibilities for the financial report | <p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>   |

|  |   |
|--|---|
| Auditor’s responsibilities for the audit of the financial report | <p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p> <p>As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none"><li>identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.</li><li>obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council’s internal control</li><li>evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors</li><li>conclude on the appropriateness of the Councillors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor’s report. However, future events or conditions may cause the council to cease to continue as a going concern.</li><li>evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.</li></ul> <p>I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.</p> |
|--|---|

MELBOURNE  
21 September 2021

  
Sanchu Chummar  
as delegate for the Auditor-General of Victoria



# Understanding Council's Financial Report

For the year ended 30 June 2021

## Introduction

Each year, individual Local Governments across Victoria are required to present a set of audited financial statements to their council and community.

## What you will find in the Report

The financial report set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2021.

The format of the financial report is standard across all Victorian Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down by Local Government Victoria.

## About the Certification of the Financial Statements

The financial statements must be certified by senior staff and Councillors as "presenting fairly" the Council's financial results for the year as well as Council's financial position, and are required to be adopted by Council - ensuring both responsibility for and ownership of the financial statements.

## About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

### 1. Comprehensive Income Statement

Summarises Council's financial performance for the year, listing all income & expenses.

Includes other comprehensive income which primarily records changes in the fair values of Council's property, infrastructure, plant and equipment.

### 2. Balance Sheet

A 30 June snapshot of Council's financial position indicating its assets, liabilities and "net wealth".

### 3. Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

### 4. Statement of Cash Flows

Indicates where Council's cash came from and where it was spent.

### 5. Statement of Capital Works

This statement details all amounts expended by Council on capital works.

## About the Notes to the Financial Statements

The Notes to the financial statements provide greater detail and additional information on the five primary financial statements and together with the primary financial statements, make up the financial report.

## About the Auditor's Reports

Council's financial statements are required to be audited by external accountants (that generally specialise in local government).

The auditor provides an audit reports which gives an opinion on whether the financial statements present fairly the Council's financial performance and position.

## Who uses the Financial Report?

The financial report is a publicly available document and is used by (but not limited to) Councillors, residents and ratepayers, employees, suppliers, contractors, customers, Local Government Victoria, state and federal governments, and financiers including banks and other financial institutions.

The financial statements must be presented at a Council meeting no later than one month after submitting the annual report to the Minister.

# Financial Statements

# Comprehensive Income Statement

For the year ended 30 June 2021

|  | Notes | 2021<br>\$ '000 | 2020<br>\$ '000 |
|--|-------|-----------------|-----------------|
| <b>Income</b>  |       |                 |                 |
| Rates and charges  | 3.1   | 134,841         | 124,314         |
| Statutory fees and fines   | 3.2   | 10,460          | 10,448          |
| User fees  | 3.3   | 9,802           | 9,652           |
| Grants - operating   | 3.4   | 33,733          | 30,004          |
| Grants - capital   | 3.4   | 5,454           | 8,659           |
| Contributions - monetary   | 3.5   | 33,000          | 63,127          |
| Contributions - non monetary   | 3.5   | 239,280         | 211,066         |
| Net gain on disposal of property, infrastructure, plant and equipment              | 3.6   | 11,592          | —               |
| Other income   | 3.7   | 5,866           | 9,620           |
| <b>Total income</b>  |       | <b>484,028</b>  | <b>466,890</b>  |
| <b>Expenses</b>  |       |                 |                 |
| Employee costs   | 4.1   | 58,590          | 53,806          |
| Materials and services   | 4.2   | 87,825          | 91,704          |
| Depreciation   | 4.3   | 44,415          | 38,989          |
| Amortisation - Intangible assets   | 4.4   | 327             | 327             |
| Amortisation - Right of use assets   | 4.5   | 350             | 127             |
| Bad and doubtful debts   | 4.6   | 1,182           | 437             |
| Borrowing costs  | 4.7   | 494             | 632             |
| Finance Costs - Leases   | 4.8   | 25              | 10              |
| Net loss on disposal of property, infrastructure, plant and equipment              | 3.6   | —               | 11,114          |
| Fair value decrement on investment properties                                      | 6.3   | 200             | 228             |
| Other expenses   | 4.9   | —               | 606             |
| <b>Total expenses</b>  |       | <b>193,408</b>  | <b>197,980</b>  |
| <b>Surplus/(deficit) for the year</b>  |       | <b>290,620</b>  | <b>268,910</b>  |
| <b>Other comprehensive income:</b>   |       |                 |                 |
| <b>Items that will not be reclassified to surplus or deficit in future periods</b> |       |                 |                 |
| Net asset revaluation increment/(decrement)  | 6.2   | 21,756          | (7,200)         |
| <b>Total other comprehensive income for the year</b>                               |       | <b>21,756</b>   | <b>(7,200)</b>  |
| <b>Total comprehensive result</b>  |       | <b>312,376</b>  | <b>261,710</b>  |

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

# Balance Sheet

For the year ended 30 June 2021

|  | Notes  | 2021<br>\$ '000  | 2020<br>\$ '000  |
|--|--------|------------------|------------------|
| <b>Assets</b>                                    |        |                  |                  |
| <b>Current assets</b>                            |        |                  |                  |
| Cash and cash equivalents                        | 5.1    | 75,460           | 146,866          |
| Non-current assets classified as "held for sale" | 6.1    | 674              | 1,618            |
| Trade and other receivables                      | 5.1    | 22,806           | 43,867           |
| Other financial assets                           | 5.1    | 292,719          | 104,334          |
| Inventories                                      | 5.2    | 28               | 41               |
| Other assets                                     | 5.2    | 16,931           | 14,432           |
| <b>Total current assets</b>                      |        | <b>408,618</b>   | <b>311,158</b>   |
| <b>Non-current assets</b>                        |        |                  |                  |
| Inventories                                      | 5.2    | 65               | 67               |
| Property, infrastructure, plant and equipment    | 6.2    | 2,771,558        | 2,509,570        |
| Investment property                              | 6.3    | 6,975            | 7,175            |
| Intangible assets                                | 5.2    | 2,704            | 3,031            |
| Right-of-use assets                              | 5.8    | 1,136            | 613              |
| <b>Total non-current assets</b>                  |        | <b>2,782,438</b> | <b>2,520,456</b> |
| <b>Total assets</b>                              |        | <b>3,191,056</b> | <b>2,831,614</b> |
| <b>Liabilities</b>                               |        |                  |                  |
| <b>Current liabilities</b>                       |        |                  |                  |
| Trade and other payables                         | 5.3    | 51,744           | 30,241           |
| Trust funds and deposits                         | 5.3    | 18,055           | 8,946            |
| Unearned income                                  | 5.3    | 22,886           | 5,701            |
| Provisions                                       | 5.5    | 13,084           | 11,846           |
| Interest-bearing liabilities                     | 5.4    | 2,402            | 2,306            |
| Lease liabilities                                | 5.8(b) | 640              | 255              |
| <b>Total current liabilities</b>                 |        | <b>108,811</b>   | <b>59,295</b>    |
| <b>Non-current liabilities</b>                   |        |                  |                  |
| Trust funds and deposits                         | 5.3    | 9,238            | 9,245            |
| Provisions                                       | 5.5    | 1,503            | 1,668            |
| Interest-bearing liabilities                     | 5.4    | 8,272            | 10,674           |
| Lease liabilities                                | 5.8(b) | 508              | 384              |
| <b>Total non-current liabilities</b>             |        | <b>19,521</b>    | <b>21,971</b>    |
| <b>Total liabilities</b>                         |        | <b>128,332</b>   | <b>81,266</b>    |
| <b>Net assets</b>                                |        | <b>3,062,724</b> | <b>2,750,348</b> |
| <b>Equity</b>                                    |        |                  |                  |
| Accumulated surplus                              |        | 1,847,702        | 1,584,786        |
| Reserves   | 9.1    | 1,215,022        | 1,165,562        |
| <b>Total Equity</b>                              |        | <b>3,062,724</b> | <b>2,750,348</b> |

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



## Statement of Changes in Equity

For the year ended 30 June 2021

|   | Notes | Total<br>\$ '000 | Accumulated<br>Surplus<br>\$ '000 | Revaluation<br>Reserves<br>\$ '000 | Other Reserves<br>\$ '000 |
|---|-------|------------------|-----------------------------------|------------------------------------|---------------------------|
| <b>2021</b>   |       |                  |                                   |                                    |                           |
| Balance at beginning of the financial year  |       | 2,750,348        | 1,584,786                         | 931,889                            | 233,673                   |
| <b>Surplus/(deficit) for the year</b>   |       | 290,620          | 290,620                           | —                                  | —                         |
| <b>Other comprehensive income</b>   |       |                  |                                   |                                    |                           |
| - Net asset revaluation increment/(decrement)                                       |       | 21,756           | —                                 | 21,756                             | —                         |
| <b>Other comprehensive income</b>   |       | 21,756           | —                                 | 21,756                             | —                         |
| <b>Total comprehensive income</b>   |       | 312,376          | 290,620                           | 21,756                             | —                         |
| Transfers to other reserves   | 9.1   | —                | 91,927                            | —                                  | (91,927)                  |
| Transfers from other reserves   | 9.1   | —                | (119,631)                         | —                                  | 119,631                   |
| <b>Balance at end of the financial year</b>   |       | 3,062,724        | 1,847,702                         | 953,645                            | 261,377                   |
| <b>2020</b>   |       |                  |                                   |                                    |                           |
| Balance at beginning of the financial year  |       | 2,492,853        | 1,397,244                         | 939,089                            | 156,520                   |
| Impact of change in accounting policy - AASB 1058 Income of Not-for-Profit Entities |       | (4,215)          | (4,215)                           | —                                  | —                         |
| <b>Adjusted opening balance</b>   |       | 2,488,638        | 1,393,029                         | 939,089                            | 156,520                   |
| <b>Surplus/(deficit) for the year</b>   |       | 268,910          | 268,910                           | —                                  | —                         |
| <b>Other comprehensive income</b>   |       |                  |                                   |                                    |                           |
| - Net asset revaluation increment/(decrement)                                       |       | (7,200)          | —                                 | (7,200)                            | —                         |
| <b>Other comprehensive income</b>   |       | (7,200)          | —                                 | (7,200)                            | —                         |
| <b>Total comprehensive income</b>   |       | 261,710          | 268,910                           | (7,200)                            | —                         |
| Transfers to other reserves   | 9.1   | —                | (115,666)                         | —                                  | 115,666                   |
| Transfers from other reserves   | 9.1   | —                | 38,513                            | —                                  | (38,513)                  |
| <b>Balance at end of the financial year</b>   |       | 2,750,348        | 1,584,786                         | 931,889                            | 233,673                   |

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

## Statement of Cash Flows

For the year ended 30 June 2021

|   | Notes | 2021<br>Inflows/<br>(Outflows)<br>\$ '000 | 2020<br>Inflows/<br>(Outflows)<br>\$ '000 |
|---|-------|---|---|
| <b>Cash flows from operating activities</b>                         |       |   |   |
| Rates and charges   |       | 134,733                                   | 119,639                                   |
| Statutory fees and fines  |       | 11,090                                    | 10,448                                    |
| User fees   |       | 9,802                                     | 9,652                                     |
| Grants - operating  |       | 38,396                                    | 30,004                                    |
| Grants - capital  |       | 17,098                                    | 4,444                                     |
| Contributions - monetary  |       | 33,000                                    | 63,127                                    |
| Interest received   |       | 2,125                                     | 3,432                                     |
| Trust funds and deposits taken                                      |       | 9,102                                     | 10,423                                    |
| Other receipts  |       | 23,210                                    | 1,052                                     |
| Net GST refund/payment  |       | 17,564                                    | 20,760                                    |
| Employee costs  |       | (57,517)                                  | (53,318)                                  |
| Materials and services  |       | (83,706)                                  | (88,595)                                  |
| Other payments  |       | (4,280)                                   | (4,347)                                   |
| <b>Net cash provided by/(used in) operating activities</b>          | 9.2   | 150,617                                   | 126,721                                   |
| <b>Cash flows from investing activities</b>                         |       |   |   |
| Payments for property, infrastructure, plant and equipment          | 6.2   | (58,215)                                  | (57,232)                                  |
| Proceeds from sale of property, infrastructure, plant and equipment |       | 27,966                                    | 5,694                                     |
| Payments for investments  |       | (188,585)                                 | (42,160)                                  |
| <b>Net cash provided by/(used in) investing activities</b>          |       | (218,834)                                 | (93,698)                                  |
| <b>Cash flows from financing activities</b>                         |       |   |   |
| Finance costs   |       | (494)                                     | (632)                                     |
| Repayment of borrowings   |       | (2,306)                                   | (2,963)                                   |
| Interest paid - lease liability                                     |       | (25)                                      | (10)                                      |
| Repayment of lease liabilities                                      |       | (364)                                     | (101)                                     |
| <b>Net cash flow provided by/(used in) financing activities</b>     |       | (3,189)                                   | (3,706)                                   |
| <b>Net Increase (decrease) in cash and cash equivalents</b>         |       | (71,406)                                  | 29,317                                    |
| Cash and cash equivalents at the beginning of the financial year    |       | 146,866                                   | 117,549                                   |
| <b>Cash and cash equivalents at the end of the financial year</b>   |       | 75,460                                    | 146,866                                   |
| Financing arrangements  | 5.6   | 2,000                                     | 2,000                                     |
| Restrictions on cash assets   | 5.1   | 195,757                                   | 157,428                                   |

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

# Statement of Capital Works

For the year ended 30 June 2021

|  | 2021<br>\$ '000 | 2020<br>\$ '000 |
|--|-----------------|-----------------|
| <b>Property</b>                                |                 |                 |
| Land   | —               | —               |
| <b>Total land</b>                              | <b>—</b>        | <b>—</b>        |
| Buildings                                      | 31,116          | 21,557          |
| <b>Total buildings</b>                         | <b>31,116</b>   | <b>21,557</b>   |
| <b>Total property</b>                          | <b>31,116</b>   | <b>21,557</b>   |
| <b>Plant and equipment</b>                     |                 |                 |
| Plant, machinery and equipment                 | 26              | 991             |
| Fixtures, fittings and furniture               | 37              | —               |
| Computers and telecommunications               | 198             | 698             |
| Library books                                  | 493             | 478             |
| <b>Total plant and equipment</b>               | <b>754</b>      | <b>2,167</b>    |
| <b>Infrastructure</b>                          |                 |                 |
| Roads  | 9,322           | 9,568           |
| Bridges  | 429             | 166             |
| Footpaths and cycleways                        | 1,211           | 1,254           |
| Drainage                                       | 298             | 579             |
| Recreational, leisure and community facilities | 14,151          | 15,281          |
| Other infrastructure                           | 933             | 275             |
| <b>Total infrastructure</b>                    | <b>26,344</b>   | <b>27,123</b>   |
| <b>Total capital works expenditure</b>         | <b>58,214</b>   | <b>50,847</b>   |
| <b>Represented by:</b>                         |                 |                 |
| New asset expenditure                          | 38,540          | 14,912          |
| Asset renewal expenditure                      | 6,942           | 8,300           |
| Asset expansion expenditure                    | 2,966           | 2,225           |
| Asset upgrade expenditure                      | 9,766           | 25,410          |
| <b>Total capital works expenditure</b>         | <b>58,214</b>   | <b>50,847</b>   |

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

# Annual Financial Report

For the year ended 30 June 2021

## Overview

### Introduction

The Melton City Council was established by an Order of the Governor in Council on 15 December 1994 and is a body corporate.

The Council's main office is located at 232 High Street, Melton

### Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1989*, and the *Local Government (Planning and Reporting) Regulations 2014 (as per the transitional provisions of the Local Government Act 2020)*.

### Significant accounting policies

#### (a) Basis of accounting

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.2.)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.2.).
- the determination of employee provisions (refer to Note 5.5.).
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of *AASB 15 Revenue from Contracts with Customers* or *AASB 1058 Income of Not-for-Profit Entities* (refer to Note 3)
- the determination, in accordance with *AASB 16 Leases*, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- whether or not AASB 1059 Service Concession Arrangements: Grantors is applicable (refer to Note 8.2)
- other areas requiring judgements

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) Impact of Covid-19

On 16 March 2020 a state of emergency was declared in Victoria due to the global pandemic COVID-19 virus, known as coronavirus. A state of disaster was subsequently declared on 2 August 2020. While the impacts of the pandemic have abated somewhat throughout the 2020-2021 financial year, Council has noted the following significant impacts on its financial operations.

Council is charged with the ongoing delivery of community services as well as renewing and constructing new infrastructure for our growing community. The ongoing pandemic event and staged restrictions have presented unprecedented challenges which Council is navigating.



# Annual Financial Report

For the year ended 30 June 2021

## Overview (continued)

In response to the pandemic, Council considered all financial support packages being provided by both Federal and State Governments to support members of the public as well as business owner. Council formulated a position that integrated with the offerings at both a Federal and State level but also provided assistance in areas which were missed by Federal and State support packages. Examples of support provided by Council during the pandemic are as follows;

- \$200 waiver on fourth rate installment to eligible ratepayers (2019-2020)
- Delivered meals (MOW) – expanded service
- Taxi support for medical appointments
- Freeze all library fines and extended hiring dates
- For a period of time ceased all fees and charges for Sporting Clubs and Associations
- Various support packages for local businesses and economy
- Planning fees waived for period of time relating to commercial use and development
- Waiver of 2020/21 business permit renewal fees
- Amenity Protection – waived Street Trader Permits
- Relaxation of animal registration and parking enforcement
- Waiver of food & health registrations
- Extra immunisation sessions for eligible residents to attend for influenza vaccination.

During 2020-2021 Council continued to operate under its COVID-19 Financial Assistance Policy where those residents in financial hardship were offered relaxed payment terms or deferral of payments in certain circumstances without penalty. Council suspended of all legal action for rates & charges.

During periods of lock-down Council maintained the existing workforce, redeploying staff where remote working was not possible, or standing down staff with pay. All employees have access to the Employee Assistance Program, whereby counselling services and independent support can be obtained at no charge. Council continues to support employees through the restrictions.

Council has maintained a healthy working capital position with a significant amount of cash and financial assets (Note 5.1). Cash flow from rates instalments have remained strong, improving over the last half of the financial year. Council has reviewed the provision for doubtful debts, recognising that some impairment exists across infringement debt portfolio as a result of the pandemic (Note 4.6).

Council's underlying financial performance was favourable to budget, while the pandemic had an unfavourable impact on investment returns due to a lower cash rate, Council's revenues remained strong and favourable to budget due largely to a continued growth in development activity which was buoyed by economic stimulus provided by State and Federal Governments. Continued prudent management of Councils operating costs enabled a modest underlying surplus to be generated by Council in 2020-2021.

Council has not identified any subsequent events that may impact the organisations ability to continue as a going concern and has determined that the going concern assumption remains the appropriate basis to prepare Council's financial report.

# Contents of the Notes accompanying the Financial Statements

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# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 1. Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$250,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

These notes are prepared to meet the requirements of the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014 (as per the transitional provisions of the Local Government Act 2020)*.

|   | Budget<br>2021<br>\$ '000 | Actual<br>2021<br>\$ '000 | Variance<br>2021<br>\$ '000 | Variance<br>2021<br>% | Ref |
|---|---------------------------|---------------------------|-----------------------------|-----------------------|-----|
| <b>1.1 Income and expenditure</b>                                     |                           |                           |                             |                       |     |
| <b>Income</b>   |                           |                           |                             |                       |     |
| Rates and charges   | 132,203                   | 134,841                   | 2,638                       | 2%                    | 1   |
| Statutory fees and fines  | 8,852                     | 10,460                    | 1,608                       | 18%                   | 2   |
| User fees   | 7,028                     | 9,802                     | 2,774                       | 39%                   | 3   |
| Grants - operating  | 29,591                    | 33,733                    | 4,142                       | 14%                   | 4   |
| Grants - capital  | 9,202                     | 5,454                     | (3,748)                     | (41)%                 | 5   |
| Contributions - monetary  | 66,487                    | 33,000                    | (33,487)                    | (50)%                 | 6   |
| Contributions - non monetary  | 174,948                   | 239,280                   | 64,332                      | 37%                   | 6   |
| Net gain on disposal of property, infrastructure, plant and equipment | 4,799                     | 11,592                    | 6,793                       | 142%                  | 7   |
| Other income  | 7,970                     | 5,866                     | (2,104)                     | (26)%                 | 8   |
| <b>Total income</b>   | <b>441,080</b>            | <b>484,028</b>            | <b>42,948</b>               | <b>10%</b>            |     |
| <b>Expenses</b>   |                           |                           |                             |                       |     |
| Employee costs  | 63,342                    | 58,590                    | 4,752                       | 8%                    | 9   |
| Materials and services  | 79,575                    | 87,825                    | (8,250)                     | (10)%                 | 10  |
| Depreciation  | 41,520                    | 44,415                    | (2,895)                     | (7)%                  | 11  |
| Amortisation - intangible assets                                      | 327                       | 327                       | —                           | 0%                    |     |
| Amortisation - right of use assets                                    | 238                       | 350                       | (112)                       | (47)%                 | 12  |
| Bad and doubtful debts  | 458                       | 1,182                     | (724)                       | (158)%                | 13  |
| Borrowing costs   | 525                       | 494                       | 31                          | 6%                    |     |
| Finance costs - leases  | 19                        | 25                        | (6)                         | (32)%                 |     |
| Fair value decrement on investment properties                         | —                         | 200                       | (200)                       | ∞                     | 14  |
| Other expenses  | 8,120                     | —                         | 8,120                       | 100%                  | 15  |
| <b>Total expenses</b>   | <b>194,124</b>            | <b>193,408</b>            | <b>716</b>                  | <b>0%</b>             |     |
| <b>Surplus/(deficit) for the year</b>                                 | <b>246,956</b>            | <b>290,620</b>            | <b>43,664</b>               | <b>18%</b>            |     |

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 1. Performance against budget (continued)

### (i) Explanation of material variations

- Favourable variance for the year is attributable to supplementary rates received being higher than budgeted due to a higher number of properties titled than expected.
- The favourable variance to budget for Statutory Fees & Fines was due to:
  - Higher than budgeted Property Information Requests due to an increase in new development and building activities across Council.
  - Higher than budgeted infringement revenues in Litter and Building compliance.
- The favourable variance to budget for User Fees and Charges is due to the below listed factors:
  - Increased demand for subdivision construction supervision fees and nonstandard street lighting fees in Engineering Services due to higher land development activity.
  - Higher than anticipated asset protection permits fees.
  - Higher than anticipated planning information and permit fees.
- Favourable variance to budget was due to unbudgeted operating grants, including funding for:
  - COVID-19 Working for Victoria
  - Outdoor Eating & Entertainment Package
  - CALD Communities Taskforce
  - Youth Learning Pathways
  - Sleep and Settling
- Unfavourable variance to budget was due to non-completion of several projects by year end, leading to associated grant funding received being held on balance sheet until performance obligations are met in future years. The most significant of these projects include:
  - Melton Recycling Facility - Stage 2
  - Brookside Pavilion redevelopment
 These favourable variances were partly offset by the receipt and recognition of various unbudgeted capital grants.
- In aggregate, Developer Contributions received during the year were higher than budget due to a significant increase in the level of development activity during the year than was projected. While total contributions were higher than budgeted on aggregate, the contribution split relative to budget saw Council receive greater than budgeted Non-Monetary Contributions (i.e. gifted assets), and lower than budgeted Monetary Contributions.
- Higher than anticipated land sales volume within the Atherstone development is the main contributor to the favourable variance. This is partly offset by unbudgeted disposal of various infrastructure assets.
- The unfavourable variance in Other Income is attributable to interest on investments providing lower returns than budgeted due to a fall in the cash rate.
- Employee costs are favourable to budget due to unfilled vacancies. Savings are particularly concentrated in the Community Services division because of COVID-19 impacting demand for services, which saw recruitment for vacant positions being delayed. This is partly offset by the costs of contract labour required to fill some of these vacant roles as reported under Materials and Services, and expenditure on COVID-19 Working for Victoria projects which are funded by unbudgeted external grants received during the year.
- This unfavourable variance to budget is attributable to:
  - Increased contract labour costs required to fill vacant budgeted positions (as noted above), as well as other temporary staff assignments.
  - Increase in Parks and Open Space costs due to development of new subdivisions and assistance provided to maintain City Vista for George Cross during COVID-19.
  - Works offset by unbudgeted funding received from Working for Victoria Grant.
 These unfavourable variances were partly offset by:
  - Realised savings from Melton Recycling Facility site restrictions,
  - Lower than budgeted maintenance as less people using Council facilities resulted in reduced need for reactive maintenance, compounded by delays in programmed attendance due to COVID-19 lockdowns.
  - Underspends in Graffiti and Cleaning Services primarily due to site restrictions in the first half of the year as a result of COVID-19.
- Actual depreciation was higher than anticipated due to higher than anticipated increase in asset base.
- Amortisation of Right of Use Assets and associated Finance Costs have been recognised as per AASB16 and are higher than budgeted due to Council entering new lease arrangements for their fleet renewal program.
- Bad and Doubtful debts is unfavourable to budget, attributable to higher than anticipated write off of infringement debts deemed unrecoverable due to impacts of COVID-19.
- Unbudgeted decrease in the Fair Value of Council's investment property had occurred in 2020/21. These included Melton Country Club and Melton Valley Golf Club.
- The favourable variance to budget is mostly due to Utilities expenditure being reported under Materials and Services, while budgeted as Other Expenses.



# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 1. Performance against budget (continued)

|  | Budget<br>2021<br>\$ '000 | Actual<br>2021<br>\$ '000 | Variance<br>2021<br>\$ '000 | Variance<br>2021<br>% | Ref |
|--|---------------------------|---------------------------|-----------------------------|-----------------------|-----|
| <b>1.2 Capital works</b>                       |                           |                           |                             |                       |     |
| <b>Property</b>                                |                           |                           |                             |                       |     |
| Land   | 1,350                     | —                         | (1,350)                     | (100)%                | 1   |
| <b>Total land</b>                              | <b>1,350</b>              | <b>—</b>                  | <b>(1,350)</b>              | <b>(100)%</b>         |     |
| Buildings                                      | 49,799                    | 31,116                    | (18,683)                    | (38)%                 | 2   |
| <b>Total buildings</b>                         | <b>49,799</b>             | <b>31,116</b>             | <b>(18,683)</b>             | <b>(38)%</b>          |     |
| <b>Total property</b>                          | <b>51,149</b>             | <b>31,116</b>             | <b>(20,033)</b>             | <b>(39)%</b>          |     |
| <b>Plant and equipment</b>                     |                           |                           |                             |                       |     |
| Plant, machinery and equipment                 | 1,364                     | 26                        | (1,338)                     | (98)%                 | 3   |
| Fixtures, fittings and furniture               | 120                       | 37                        | (83)                        | (69)%                 | 4   |
| Computers and telecommunications               | 535                       | 198                       | (337)                       | (63)%                 | 5   |
| Library books                                  | 518                       | 493                       | (25)                        | (5)%                  |     |
| <b>Total plant and equipment</b>               | <b>2,537</b>              | <b>754</b>                | <b>(1,783)</b>              | <b>(70)%</b>          |     |
| <b>Infrastructure</b>                          |                           |                           |                             |                       |     |
| Roads  | 34,154                    | 9,322                     | (24,832)                    | (73)%                 | 6   |
| Bridges  | 234                       | 429                       | 195                         | 83%                   | 7   |
| Footpaths and cycleways                        | 1,336                     | 1,211                     | (125)                       | (9)%                  | 8   |
| Drainage                                       | 397                       | 298                       | (99)                        | (25)%                 | 9   |
| Recreational, leisure and community facilities | 18,493                    | 14,151                    | (4,342)                     | (23)%                 | 10  |
| Other infrastructure                           | 5,214                     | 933                       | (4,281)                     | (82)%                 | 11  |
| <b>Total infrastructure</b>                    | <b>59,828</b>             | <b>26,344</b>             | <b>(33,484)</b>             | <b>(56)%</b>          |     |
| <b>Total capital works expenditure</b>         | <b>113,514</b>            | <b>58,214</b>             | <b>(55,300)</b>             | <b>(49)%</b>          |     |
| <b>Represented by:</b>                         |                           |                           |                             |                       |     |
| New asset expenditure                          | 66,676                    | 38,540                    | (28,136)                    | (42)%                 |     |
| Asset renewal expenditure                      | 10,944                    | 6,942                     | (4,002)                     | (37)%                 |     |
| Asset expansion expenditure                    | 19,089                    | 2,966                     | (16,123)                    | (84)%                 |     |
| Asset upgrade expenditure                      | 16,805                    | 9,766                     | (7,039)                     | (42)%                 |     |
| <b>Total capital works expenditure</b>         | <b>113,514</b>            | <b>58,214</b>             | <b>(55,300)</b>             | <b>(49)%</b>          |     |

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 1. Performance against budget (continued)

### (i) Explanation of material variations

1. Budgeted land purchases within development areas are now planned to take place during 2021/22 financial year. This includes Shogaki Drive.

2. Under expenditure compared to budget was due to the following projects did not complete the full scope of budgeted works and being delayed until 2021/22:

- Melton Recycling Facility Improvement Stage 2
- Taylors Hill Youth & Community Centre Extension & Upgrade
- Brookside Pavilion redevelopment works
- Western Region Emergency Network Warehouse
- Diggers Rest Community Pavilion and Oval No. 02
- Cobblebank Indoor stadium, Community Pavilion and Grandstand

3. Council has begun transitioning its fleet to leasing arrangements, hence vehicle purchases have been largely halted.

4. Furniture and fittings purchases saw realised savings relative to budget due to lower use as a significant amount of staff worked from home throughout the year.

5. The favourable variance to budget is due to much of the Annual Computer Replacement Project being brought forward in 2019/20 in response to afford staff the flexibility to work remotely during COVID-19 restrictions, hence there was less need for the funds in 2020/21.

6. The variance is largely due to budgeted road projects being in the design phase, and to a lesser degree government regulation, social distancing and other COVID-19 restrictions delaying projects which will be carried forward for completion in 2020/21. These include:

- Taylors Road and Westwood Drive intersection – service authority relocation requirements resulting in delays;
- Boundary Road (Mt. Cottrell Rd) – negotiations delayed this joint project;
- Caroline Springs Boulevard and Rockbank Middle Road signalised intersection – service authority relocation requirements resulting in delays;
- Brooklyn Road and Station Road signalised intersection – service authority relocation requirements resulting in delays;
- Sealed roads renewal program - Outstanding road rehabilitation projects have been tendered and currently under evaluation;
- Alfred Rd, Cobblebank-Rd Construction
- Taylors Rd (City Vista-Gourlay)–Rd Duplication & Signals - service authority relocation requirements resulting in delays.

7. Bridgeworks on Sinclairs Road, Deanside were brought forward from 2021/22.

8. Some sub-projects in the Footpath Construction Program have been delayed until 2021/22.

9. The Water Sensitive Urban Design (WSUD) has completed its annual program under budget while delivery of the Drainage infrastructure programs has been delayed due to the impacts of COVID-19.

10. Under expenditure compared to budget was due to the following projects being delayed until 2021/22:

- Melton Secondary College Sports Field - Project is no longer being delivered by Council is now being delivered by the VSBA. Project on hold whilst VSBA finalise agreement and procurement.
- Parks Development Program
- Eynesbury Sporting Facility

11. Under expenditure compared to budget was due to the following projects being delayed until 2021/22:

- Solar Retrofit Program
- Silverdale Estate - Sound Walls
- Renewal of Synthetic Playing Surfaces

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 2. Analysis of Council results by program

### 2.1 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

#### CEO and governance

The office of the CEO incorporates Legal Services and Governance Services.

#### Corporate services

The Corporate Services directorate incorporates the Finance, Information Technology, Engagement & Advocacy, Capital Projects and People & Culture service units. The Corporate Services directorate provides internal support to Council Staff, and engages in advocacy on behalf of the municipality.

#### Community services

The Community Services directorate incorporates the Community Care, Families & Children, Community Planning, Recreation & Youth and Libraries service units. The Community Services directorate provides a range of services to people within our community, through provision of leisure and sporting infrastructure, libraries, care services for families, children, the elderly and those with disabilities.

#### Planning and Development

The Planning & Development directorate incorporates the Engineering Services, Operations, Planning Services, Compliance, City Design and Strategy & Environment and Waste service units. The Planning & Development directorate provides planning, engineering, environmental health and building services to the community.

### 2.2 Summary of revenues, expenses, assets and capital expenses by program

| Functions/activities                  | Income<br>\$ '000 | Expenses<br>\$ '000 | Surplus /<br>(Deficit)<br>\$ '000 | Grants<br>included in<br>income<br>\$ '000 | Total<br>assets<br>\$ '000 |
|---------------------------------------|-------------------|---------------------|-----------------------------------|--|----------------------------|
| <b>2021</b>                           |                   |                     |                                   |  |                            |
| CEO and governance                    | 1,592             | 5,314               | (3,722)                           | —  | —                          |
| Corporate services                    | 436,752           | 77,616              | 359,136                           | 16,441                                     | 416,017                    |
| Community services                    | 15,817            | 31,236              | (15,419)                          | 13,972                                     | 69,373                     |
| Planning and development              | 29,867            | 79,242              | (49,375)                          | 8,775                                      | 2,707,091                  |
| Unattributed                          | —                 | —                   | —                                 | —  | (1,425)                    |
| <b>Total functions and activities</b> | <b>484,028</b>    | <b>193,408</b>      | <b>290,620</b>                    | <b>39,188</b>                              | <b>3,191,056</b>           |
| <b>2020</b>                           |                   |                     |                                   |  |                            |
| CEO and governance                    | 824               | 3,302               | (2,478)                           | —  | —                          |
| Corporate services                    | 420,607           | 86,790              | 333,817                           | 16,768                                     | 1,008,687                  |
| Community services                    | 15,122            | 32,309              | (17,187)                          | 13,132                                     | 56,798                     |
| Planning and development              | 30,337            | 75,579              | (45,242)                          | 8,763                                      | 1,766,129                  |
| <b>Total functions and activities</b> | <b>466,890</b>    | <b>197,980</b>      | <b>268,910</b>                    | <b>38,663</b>                              | <b>2,831,614</b>           |

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 3. Funding for the delivery of our services

|  | 2021<br>\$ '000 | 2020<br>\$ '000 |
|--|-----------------|-----------------|
|--|-----------------|-----------------|

### 3.1 Rates and charges

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

The valuation base used to calculate general rates for 2020/21 was \$37,338 million (2019/20: \$34,853 million).

|  |                |                |
|--|----------------|----------------|
| General rates                            | 83,028         | 76,545         |
| Municipal charge                         | 9,770          | 8,891          |
| Supplementary rates and rate adjustments | 6,504          | 5,964          |
| Interest on rates and charges            | 750            | 491            |
| Commercial                               | 6,293          | 5,945          |
| Industrial                               | 7,881          | 6,825          |
| Rural                                    | 4,482          | 4,750          |
| Garbage charge                           | 16,133         | 14,903         |
| <b>Total rates and charges</b>           | <b>134,841</b> | <b>124,314</b> |

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

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

### 3.2 Statutory fees and fines

|                                       |               |               |
|---------------------------------------|---------------|---------------|
| Infringements and costs               | 1,976         | 3,012         |
| Court recoveries                      | 88            | 529           |
| Land information certificates         | 238           | 159           |
| Permits                               | 5,136         | 4,720         |
| Property information requests         | 2,002         | 1,282         |
| Other                                 | 1,020         | 746           |
| <b>Total statutory fees and fines</b> | <b>10,460</b> | <b>10,448</b> |

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.



# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 3. Funding for the delivery of our services (continued)

|   | 2021<br>\$ '000 | 2020<br>\$ '000 |
|---|-----------------|-----------------|
| <b>3.3 User fees</b>                              |                 |                 |
| Aged and health services                          | 345             | 440             |
| Leisure centre and recreation                     | 770             | 1,257           |
| Child care/children's programs                    | 647             | 533             |
| Registration and other permits                    | 630             | 433             |
| Building services                                 | 903             | 592             |
| Youth program fees                                | 32              | 49              |
| Subdivision fees                                  | 5,103           | 4,931           |
| Other fees and charges                            | 1,372           | 1,417           |
| <b>Total user fees</b>                            | <b>9,802</b>    | <b>9,652</b>    |
| <b>User fees by timing of revenue recognition</b> |                 |                 |
| User fees recognised over time                    | 430             | —               |
| User fees recognised at a point in time           | 9,372           | —               |
| <b>Total user fees</b>                            | <b>9,802</b>    | <b>—</b>        |

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

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 3. Funding for the delivery of our services (continued)

|  | 2021<br>\$ '000 | 2020<br>\$ '000 |
|--|-----------------|-----------------|
| <b>3.4 Funding from other levels of government</b> |                 |                 |
| Grants were received in respect of the following:  |                 |                 |
| <b>Summary of grants</b>                           |                 |                 |
| Commonwealth funded grants                         | 22,549          | 22,891          |
| State funded grants                                | 16,638          | 15,772          |
| <b>Total grants received</b>                       | <b>39,187</b>   | <b>38,663</b>   |
| <b>(a) Operating Grants</b>                        |                 |                 |
| <b>Recurrent - Commonwealth Government</b>         |                 |                 |
| Financial Assistance Grant                         | 17,597          | 16,768          |
| Family day care                                    | 1,534           | 1,470           |
| Other  | 2,551           | 3,369           |
| <b>Recurrent - State Government</b>                |                 |                 |
| Aged care  | 569             | 1,204           |
| Libraries  | 960             | 937             |
| Children's services                                | 3,231           | 3,127           |
| Community support and development                  | 1,369           | 1,171           |
| Community health                                   | 86              | 102             |
| Youth services                                     | 414             | 506             |
| Other community                                    | 215             | 155             |
| Other  | 518             | 486             |
| <b>Total recurrent operating grants</b>            | <b>29,044</b>   | <b>29,295</b>   |
| <b>Non-recurrent - State Government</b>            |                 |                 |
| Community health                                   | 69              | 44              |
| Family and children                                | 145             | 33              |
| Children's services                                | 496             | 43              |
| Community support and development                  | 440             | 179             |
| Community safety                                   | 33              | 4               |
| Environment  | 47              | 100             |
| Family, youth and housing                          | 136             | 78              |
| Other  | 3,323           | 228             |
| <b>Total non-recurrent operating grants</b>        | <b>4,689</b>    | <b>709</b>      |
| <b>Total operating grants</b>                      | <b>33,733</b>   | <b>30,004</b>   |

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 3. Funding for the delivery of our services (continued)

|  | 2021<br>\$ '000 | 2020<br>\$ '000 |
|--|-----------------|-----------------|
| <b>(b) Capital Grants</b>  |                 |                 |
| <b>Recurrent - Commonwealth Government</b>   |                 |                 |
| Roads to recovery  | 712             | 1,284           |
| Roads  | 55              | —               |
| Foot Paths   | 100             | —               |
| <b>Recurrent - State Government</b>  |                 |                 |
| Other  | 23              | 23              |
| <b>Total recurrent capital grants</b>  | <b>890</b>      | <b>1,307</b>    |
| <b>Non-recurrent - State Government</b>  |                 |                 |
| Buildings  | 1,698           | 2,342           |
| Recreation   | 2,866           | 4,775           |
| Other  | —               | 235             |
| <b>Total non-recurrent capital grants</b>  | <b>4,564</b>    | <b>7,352</b>    |
| <b>Total capital grants</b>  | <b>5,454</b>    | <b>8,659</b>    |
| <b>(c) Unspent grants received on condition that they be spent in a specific manner:</b> |                 |                 |
| <b>Operating</b>   |                 |                 |
| Balance at start of year   | —               | 2,220           |
| Received during the financial year and remained unspent at balance date                  | 5,645           | (2,220)         |
| <b>Balance at year end</b>   | <b>5,645</b>    | <b>—</b>        |
| <b>Capital</b>   |                 |                 |
| Balance at start of year   | —               | —               |
| Received during the financial year and remained unspent at balance date                  | 16,811          | —               |
| Received in prior years and spent during the financial year                              | —               | —               |
| <b>Balance at year end</b>   | <b>16,811</b>   | <b>—</b>        |

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

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 3. Funding for the delivery of our services (continued)

|   | 2021<br>\$ '000 | 2020<br>\$ '000 |
|---|-----------------|-----------------|
| <b>3.5 Contributions</b>  |                 |                 |
| Monetary  | 33,000          | 63,127          |
| Non-monetary  | 239,280         | 211,066         |
| <b>Total contributions</b>  | <b>272,280</b>  | <b>274,193</b>  |
| <i>Contributions of non monetary assets were received in relation to the following asset classes.</i> |                 |                 |
| Land  | 55,310          | 23,438          |
| Land under roads  | 30,784          | 34,362          |
| Roads   | 58,239          | 57,064          |
| Footpaths   | 17,613          | 16,433          |
| Drainage  | 35,319          | 56,658          |
| Recreation  | 4,762           | 716             |
| Kerb and channel  | 20,738          | 13,550          |
| Traffic management  | 4,758           | 5,578           |
| Bridges   | 7,685           | 300             |
| Car parks   | 4,072           | 2,967           |
| <b>Total non-monetary contributions</b>   | <b>239,280</b>  | <b>211,066</b>  |

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

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

|   |                |                 |
|---|----------------|-----------------|
| <b>Land Held for Sale</b>   |                |                 |
| Proceeds of sale  | 25,876         | 5,287           |
| Written down value of assets disposed   | (9,058)        | (6,020)         |
| <b>Total net gain/(loss) on disposal of land held for sale</b>                            | <b>16,818</b>  | <b>(733)</b>    |
| <b>Buildings</b>  |                |                 |
| Written down value of assets disposed   | —              | (394)           |
| <b>Total net gain/(loss) on disposal of land and buildings</b>                            | <b>—</b>       | <b>(394)</b>    |
| <b>Plant and equipment</b>  |                |                 |
| Proceeds of sale  | 2,090          | 407             |
| Written down value of assets disposed   | (1,216)        | (528)           |
| <b>Total net gain/(loss) on disposal of plant and equipment</b>                           | <b>874</b>     | <b>(121)</b>    |
| <b>Infrastructure Assets</b>  |                |                 |
| Written down value of assets disposed   | (6,100)        | (9,866)         |
| <b>Total net gain/(loss) on disposal of Infrastructure Assets</b>                         | <b>(6,100)</b> | <b>(9,866)</b>  |
| <b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b> | <b>11,592</b>  | <b>(11,114)</b> |

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



# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 3. Funding for the delivery of our services (continued)

|                            | 2021<br>\$ '000 | 2020<br>\$ '000 |
|----------------------------|-----------------|-----------------|
| <b>3.7 Other income</b>    |                 |                 |
| Interest                   | 1,928           | 3,432           |
| Investment property rental | 501             | 617             |
| Festival sponsorship       | 6               | 113             |
| Program revenue            | 292             | 607             |
| Waste facility             | 2,331           | 3,763           |
| Other                      | 808             | 1,088           |
| <b>Total other income</b>  | <b>5,866</b>    | <b>9,620</b>    |

Interest is recognised as it is earned.

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

Interest income has been affected by lower interest rates on investments as a result of lower market interest rates on term deposits which was primarily due to impact of COVID-19 pandemic.

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 4. The cost of delivering services

|                             | 2021<br>\$ '000 | 2020<br>\$ '000 |
|-----------------------------|-----------------|-----------------|
| <b>4.1 Employee costs</b>   |                 |                 |
| <b>(a) Employee costs</b>   |                 |                 |
| Wages and salaries          | 51,775          | 46,729          |
| WorkCover                   | 1,033           | 904             |
| Casual staff                | 516             | 860             |
| Superannuation              | 4,663           | 4,348           |
| Fringe benefits tax         | 70              | 136             |
| Other                       | 533             | 829             |
| <b>Total employee costs</b> | <b>58,590</b>   | <b>53,806</b>   |

### (b) Superannuation

Council made contributions to the following funds:

#### Defined benefit fund

|  |           |            |
|--|-----------|------------|
| Employer contributions to Local Authorities Superannuation Fund (Vision Super) | 93        | 163        |
|  | <b>93</b> | <b>163</b> |

#### Accumulation funds

|  |              |              |
|--|--------------|--------------|
| Employer contributions to Local Authorities Superannuation Fund (Vision Super) | 2,386        | 2,262        |
| Employer contributions - other funds   | 2,184        | 1,923        |
|  | <b>4,570</b> | <b>4,185</b> |

### Total superannuation costs

**4,663** **4,348**

Refer to Note 9.3. for further information relating to Council's superannuation obligations.

## 4.2 Materials and services

|   |               |               |
|---|---------------|---------------|
| Contract payments   | 35,897        | 38,272        |
| General maintenance   | 8,101         | 11,166        |
| Utilities   | 6,971         | 6,555         |
| Information technology  | 3,110         | 2,761         |
| Insurance   | 1,696         | 1,189         |
| Consultants   | 491           | 334           |
| Garbage collection and disposal   | 3,591         | 2,891         |
| Contract labour   | 8,651         | 9,864         |
| Administrative support  | 7,498         | 6,530         |
| Program expenses  | 4,832         | 4,568         |
| Professional fees   | 2,679         | 3,322         |
| Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals | 57            | 56            |
| Auditors' remuneration - internal   | 70            | 108           |
| Contributions and donations   | 535           | 559           |
| Councillors allowances  | 385           | 380           |
| Transport and vehicle operations  | 280           | 406           |
| Other   | 2,981         | 2,743         |
| <b>Total materials and services</b>   | <b>87,825</b> | <b>91,704</b> |

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 4. The cost of delivering services (continued)

|   | 2021<br>\$ '000 | 2020<br>\$ '000 |
|---|-----------------|-----------------|
| <b>4.3 Depreciation</b>                         |                 |                 |
| <b>Property</b>                                 |                 |                 |
| Buildings - specialised                         | 6,518           | 5,828           |
| Buildings - non specialised                     | 721             | 591             |
| <b>Total depreciation - property</b>            | <b>7,239</b>    | <b>6,419</b>    |
| <b>Plant and equipment</b>                      |                 |                 |
| Plant machinery and equipment                   | 737             | 832             |
| Fixtures fittings and furniture                 | 46              | 44              |
| Computers and telecomms                         | 434             | 233             |
| Library books                                   | 194             | 180             |
| <b>Total depreciation - plant and equipment</b> | <b>1,411</b>    | <b>1,289</b>    |
| <b>Infrastructure</b>                           |                 |                 |
| Roads   | 11,502          | 10,277          |
| Bridges   | 1,285           | 1,256           |
| Footpaths and cycleways                         | 3,743           | 3,520           |
| Drainage  | 5,120           | 4,674           |
| Recreational, leisure and community             | 5,420           | 3,521           |
| Off street car parks                            | 520             | 457             |
| Kerb and channel                                | 4,398           | 4,092           |
| Traffic management                              | 3,686           | 3,393           |
| Other infrastructure                            | 91              | 91              |
| <b>Total depreciation - infrastructure</b>      | <b>35,765</b>   | <b>31,281</b>   |
| <b>Total depreciation</b>                       | <b>44,415</b>   | <b>38,989</b>   |

Refer to note 5.2( c ), 5.8 and 6.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

## 4.4 Amortisation - Intangible assets

|   |            |            |
|---|------------|------------|
| Intangible assets                             | 327        | 327        |
| <b>Total Amortisation - Intangible assets</b> | <b>327</b> | <b>327</b> |

## 4.5 Amortisation - Right of use assets

|   |            |            |
|---|------------|------------|
| Vehicles  | 146        | —          |
| Equipment                                       | 204        | 127        |
| <b>Total Amortisation - Right of use assets</b> | <b>350</b> | <b>127</b> |

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 4. The cost of delivering services (continued)

|  | 2021<br>\$ '000 | 2020<br>\$ '000 |
|--|-----------------|-----------------|
| <b>4.6 Bad and doubtful debts</b>  |                 |                 |
| Parking fine debtors   | 12              | 36              |
| Other debtors  | 3               | 184             |
| Infringements  | 1,167           | 217             |
| <b>Total bad and doubtful debts</b>  | <b>1,182</b>    | <b>437</b>      |
| <b>Movement in provisions for doubtful debts - other debtors</b>   |                 |                 |
| Balance at the beginning of the year   | 491             | 549             |
| New provisions recognised during the year  | 341             | 184             |
| Amounts already provided for and written off as uncollectible  | (362)           | (242)           |
| <b>Balance at end of year</b>  | <b>470</b>      | <b>491</b>      |
| <b>Movement in provisions for doubtful debts - infringements</b>   |                 |                 |
| Balance at the beginning of the year   | 2,968           | 2,995           |
| New provisions recognised during the year  | 1,336           | 893             |
| Amounts already provided for and written off as uncollectible  | (176)           | (920)           |
| <b>Balance at end of year</b>  | <b>4,128</b>    | <b>2,968</b>    |
| Provision for doubtful debt is recognised based on an expected credit loss model.  |                 |                 |
| This model considers both historic and forward looking information in determining the level of impairment.   |                 |                 |
| <b>4.7 Borrowing costs</b>   |                 |                 |
| Interest - Borrowings  | 494             | 632             |
| <b>Total borrowing costs</b>   | <b>494</b>      | <b>632</b>      |
| 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. |                 |                 |
| <b>4.8 Finance Costs - Leases</b>  |                 |                 |
| Interest - Lease Liabilities   | 25              | 10              |
| <b>Total finance costs</b>   | <b>25</b>       | <b>10</b>       |
| <b>4.9 Other expenses</b>  |                 |                 |
| Other  | —               | 300             |
| Loss on Sale of Financial Assets   | —               | 306             |
| <b>Total other expenses</b>  | <b>—</b>        | <b>606</b>      |

Council's share of Regional Kitchen Pty Ltd was sold during 2019/20 to Western Health (ABN 61 166 735 672), a State Government entity.



# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 5. Our financial position

|  | Notes | 2021<br>\$ '000  | 2020<br>\$ '000 |
|--|-------|------------------|-----------------|
| <b>5.1 Financial assets</b>  |       |                  |                 |
| <b>(a) Cash and cash equivalents</b>   |       |                  |                 |
| <b>Current</b>   |       |                  |                 |
| Cash on hand   |       | 8                | 8               |
| Cash at bank   |       | 3,348            | 2,904           |
| Term deposits  |       | 72,104           | 143,954         |
| <b>Total current cash and cash equivalents</b>   |       | <b>75,460</b>    | <b>146,866</b>  |
| <b>(b) Other financial assets</b>  |       |                  |                 |
| <b>Current</b>   |       |                  |                 |
| Term deposits  |       | 292,719          | 104,334         |
| <b>Total current other financial assets</b>  |       | <b>292,719</b>   | <b>104,334</b>  |
| <b>Total current financial assets</b>  |       | <b>368,179</b>   | <b>251,200</b>  |
| <b>External restrictions</b>   |       |                  |                 |
| Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include: |       |                  |                 |
| Trust funds and deposits   | 5.3   | 27,293           | 18,191          |
| Reserves   |       | 167,921          | 137,546         |
| Fire services levy   |       | 543              | 1,691           |
| <b>Total restricted funds</b>  |       | <b>195,757</b>   | <b>157,428</b>  |
| <b>Total unrestricted cash and cash equivalents</b>  |       | <b>(120,297)</b> | <b>(10,562)</b> |
| <b>Intended allocations</b>  |       |                  |                 |
| Although not externally restricted the following amounts have been allocated for specific future purposes by Council:                      |       |                  |                 |
| Cash held to fund carried forward capital works  |       | 50,569           | 27,368          |
| <b>Total funds subject to intended allocations</b>   |       | <b>50,569</b>    | <b>27,368</b>   |

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

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

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 5. Our financial position (continued)

|  | 2021<br>\$ '000 | 2020<br>\$ '000 |
|--|-----------------|-----------------|
| <b>(c) Trade &amp; Other Receivables</b>   |                 |                 |
| <b>Current</b>   |                 |                 |
| <i>Statutory receivables</i>   |                 |                 |
| Rates debtors  | 11,470          | 11,362          |
| Infringement debtors   | 5,125           | 4,616           |
| <i>Non-statutory receivables</i>   |                 |                 |
| Accrued interest   | 19              | 221             |
| Other debtors  | 10,790          | 31,127          |
| <i>Provisions for doubtful debts</i>   |                 |                 |
| Provision for doubtful debts - other debtors   | (470)           | (491)           |
| Provision for doubtful debts - infringements   | (4,128)         | (2,968)         |
| <b>Total current trade and other receivables</b>   | <b>22,806</b>   | <b>43,867</b>   |
| <b>Total trade and other receivables</b>   | <b>22,806</b>   | <b>43,867</b>   |
| Short term receivables are carried at invoice amount. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Long term receivables are carried at amortised cost using the effective interest rate method. |                 |                 |
| <b>(d) Ageing of receivables</b>   |                 |                 |
| The ageing of the Council's trade & other receivables (excluding statutory receivables) that are not impaired was:   |                 |                 |
| Current (not yet due)  | 7,957           | 1,733           |
| Past due by up to 30 days  | 1,833           | 11,493          |
| Past due between 31 and 180 days   | 239             | 15,849          |
| Past due between 181 and 365 days  | 315             | 1,782           |
| <b>Total trade and other receivables</b>   | <b>10,344</b>   | <b>30,857</b>   |

## (e) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$470,093 (2020: \$491,563) were impaired. The amount of the provision raised against these debtors was \$470,093 (2020: \$491,563). They individually have been impaired as a result of their doubtful collection.

Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

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

|  |            |            |
|--|------------|------------|
| Past due between 181 and 365 days        | 470        | 491        |
| <b>Total trade and other receivables</b> | <b>470</b> | <b>491</b> |

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 5. Our financial position (continued)

|   | 2021<br>\$ '000 | 2020<br>\$ '000 |
|---|-----------------|-----------------|
| <b>5.2 Non-financial assets</b>   |                 |                 |
| <b>(a) Inventories</b>  |                 |                 |
| <b>Current</b>  |                 |                 |
| Land for interment purposes at cost   | 28              | 41              |
| <b>Total current inventories</b>  | <b>28</b>       | <b>41</b>       |
| <b>Non-Current</b>  |                 |                 |
| Land for interment purposes at cost   | 65              | 67              |
| <b>Total non-current inventories</b>  | <b>65</b>       | <b>67</b>       |
| Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition. |                 |                 |
| <b>(b) Other assets</b>   |                 |                 |
| <b>Current</b>  |                 |                 |
| Prepayments   | 295             | 1,215           |
| Accrued income  | 16,636          | 13,217          |
| <b>Total current other assets</b>   | <b>16,931</b>   | <b>14,432</b>   |
| <b>(c) Intangible assets</b>  |                 |                 |
| Non-exclusive licences - Caroline Springs College Creekside Campus  | 216             | 290             |
| Non-exclusive licences - Springside Children's and Community Centre   | 938             | 1,036           |
| Non-exclusive licences - Kororoit Creek Early Learning Centre   | 1,550           | 1,705           |
| <b>Total intangible assets</b>  | <b>2,704</b>    | <b>3,031</b>    |

The Department of Education and Early Childhood Development and the Caroline Springs College have granted non-exclusive licences to the Melton City Council to use the Creekside facility. Amortisation of the licence is expensed over the term of the licence until 30 June 2026. The Department of Education and Early Childhood Development has granted non-exclusive licences to the Melton City Council to use the Springside and Kororoit Creek facilities. Amortisation of the licence is expensed over the term of the licence until 30 June 2029 (Springside) and 30 June 2031 (Kororoit Creek).

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 5. Our financial position (continued)

|  | Non-exclusive licences                               |   |   |                  |
|--|--|---|---|------------------|
|  | Caroline Springs College Creekside Campus<br>\$ '000 | Springside Children's and Community Centre<br>\$ '000 | Kororoit Creek Early Learning Centre<br>\$ '000 | Total<br>\$ '000 |
| <b>Gross Carrying Amount</b>                   |  |   |   |                  |
| Balance at 1 July 2020                         | 1,478  | 1,962   | 3,100   | <b>6,540</b>     |
| <b>Balance at 1 July 2021</b>                  | <b>1,478</b>   | <b>1,962</b>  | <b>3,100</b>                                    | <b>6,540</b>     |
| <b>Accumulated amortisation and impairment</b> |  |   |   |                  |
| Balance at 1 July 2020                         | 1,188  | 926   | 1,395   | <b>3,509</b>     |
| Amortisation expense                           | 74   | 98  | 155   | <b>327</b>       |
| <b>Balance at 1 July 2021</b>                  | <b>1,262</b>   | <b>1,024</b>  | <b>1,550</b>                                    | <b>3,836</b>     |
| <b>Net book value at 30 June 2020</b>          | <b>290</b>   | <b>1,036</b>  | <b>1,705</b>                                    | <b>3,031</b>     |
| <b>Net book value at 30 June 2021</b>          | <b>216</b>   | <b>938</b>  | <b>1,550</b>                                    | <b>2,704</b>     |

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



# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 5. Our financial position (continued)

|   | 2021<br>\$ '000 | 2020<br>\$ '000 |
|---|-----------------|-----------------|
| <b>5.3 Payables</b>                                   |                 |                 |
| <b>(a) Trade and other payables</b>                   |                 |                 |
| <b>Current</b>  |                 |                 |
| Trade payables  | 43,482          | 21,442          |
| Accrued expenses                                      | 7,719           | 7,108           |
| Fire services levy                                    | 543             | 1,691           |
| <b>Total current trade and other payables</b>         | <b>51,744</b>   | <b>30,241</b>   |
| <b>(b) Trust funds and deposits</b>                   |                 |                 |
| <b>Current</b>  |                 |                 |
| Refundable deposits                                   | 17,941          | 8,832           |
| Construction retention monies                         | 114             | 114             |
| <b>Total current trust funds and deposits</b>         | <b>18,055</b>   | <b>8,946</b>    |
| <b>Non-current</b>                                    |                 |                 |
| Refundable deposits                                   | 9,096           | 9,100           |
| Other refundable deposits                             | 142             | 145             |
| <b>Total non-current trust funds and deposits</b>     | <b>9,238</b>    | <b>9,245</b>    |
| <b>(c) Unearned income</b>                            |                 |                 |
| <b>Current</b>  |                 |                 |
| <b>Grants received in advance:</b>                    |                 |                 |
| Grants received in advance - operating                | 5,645           | 982             |
| Grants received in advance - capital                  | 16,811          | 4,654           |
| <b>Total grants received in advance</b>               | <b>22,456</b>   | <b>5,636</b>    |
| <b>User fees received in advance:</b>                 |                 |                 |
| Income received in advance - contracts with customers | 430             | 65              |
| <b>Total user fees received in advance</b>            | <b>430</b>      | <b>65</b>       |
| <b>Total unearned income</b>                          | <b>22,886</b>   | <b>5,701</b>    |

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

### Purpose and nature of items

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

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.

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

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 5. Our financial position (continued)

|   | 2021<br>\$ '000 | 2020<br>\$ '000 |
|---|-----------------|-----------------|
| <b>5.4 Interest-bearing liabilities</b>   |                 |                 |
| <b>Current</b>  |                 |                 |
| Borrowings - secured  | 2,402           | 2,306           |
|   | <b>2,402</b>    | <b>2,306</b>    |
| <b>Non-current</b>  |                 |                 |
| Borrowings - secured  | 8,272           | 10,674          |
|   | <b>8,272</b>    | <b>10,674</b>   |
| <b>Total</b>  | <b>10,674</b>   | <b>12,980</b>   |
| Borrowings are secured by way of mortgages over the general rates of the Council. |                 |                 |
| <b>a) The maturity profile for Council's borrowings is:</b>                       |                 |                 |
| Not later than one year   | 2,402           | 2,306           |
| Later than one year and not later than five years                                 | 8,272           | 9,752           |
| Later than five years   | —               | 922             |
|   | <b>10,674</b>   | <b>12,980</b>   |

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.

|   | Employee<br>provisions<br>\$ '000 | Total<br>\$ '000 |
|---|-----------------------------------|------------------|
| <b>5.5 Provisions</b>                           |                                   |                  |
| <b>2021</b>                                     |                                   |                  |
| Balance at the beginning of the financial year  | 13,515                            | 13,515           |
| Additional provisions                           | 4,808                             | 4,808            |
| Amounts used                                    | (3,735)                           | (3,735)          |
| <b>Balance at the end of the financial year</b> | <b>14,588</b>                     | <b>14,588</b>    |
| <b>2020</b>                                     |                                   |                  |
| Balance at the beginning of the financial year  | 12,264                            | 12,264           |
| Additional provisions                           | 4,855                             | 4,855            |
| Amounts used                                    | (3,604)                           | (3,604)          |
| <b>Balance at the end of the financial year</b> | <b>13,515</b>                     | <b>13,515</b>    |

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 5. Our financial position (continued)

|  | 2021<br>\$ '000 | 2020<br>\$ '000 |
|--|-----------------|-----------------|
| <b>(a) Employee provisions</b>   |                 |                 |
| <b>Current provisions expected to be wholly settled within 12 months</b> |                 |                 |
| Annual leave   | 3,658           | 3,312           |
| Long service leave   | 927             | 887             |
|  | <b>4,585</b>    | <b>4,199</b>    |
| <b>Current provisions expected to be wholly settled after 12 months</b>  |                 |                 |
| Annual leave   | 1,656           | 1,334           |
| Long service leave   | 6,843           | 6,313           |
|  | <b>8,499</b>    | <b>7,647</b>    |
| <b>Total current employee provisions</b>                                 | <b>13,084</b>   | <b>11,846</b>   |
| <b>Non-Current</b>   |                 |                 |
| Long service leave   | 1,503           | 1,668           |
| <b>Total Non-Current Employee Provisions</b>                             | <b>1,503</b>    | <b>1,668</b>    |
| Aggregate Carrying Amount of Employee Provisions:                        |                 |                 |
| Current  | 13,084          | 11,846          |
| Non-current  | 1,503           | 1,668           |
| <b>Total Aggregate Carrying Amount of Employee Provisions</b>            | <b>14,587</b>   | <b>13,514</b>   |

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

### Wages and salaries and annual leave

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

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

### Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. LSL is measured at present value. Unconditional LSL is disclosed as a current liability. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non - current liability.

### Key assumptions:

|                 |       |       |
|-----------------|-------|-------|
| - discount rate | 1.49% | 0.56% |
| - index rate    | 2.95% | 4.25% |

## 5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2021

|                          |              |              |
|--------------------------|--------------|--------------|
| Bank overdraft           | 1,800        | 1,800        |
| Credit card facilities   | 200          | 200          |
| <b>Total Facilities</b>  | <b>2,000</b> | <b>2,000</b> |
| <b>Used facilities</b>   | <b>71</b>    | <b>53</b>    |
| <b>Unused facilities</b> | <b>1,929</b> | <b>1,947</b> |

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 5. Our financial position (continued)

|  | Not later than 1<br>year<br>\$ '000 | Later than 1<br>year and not<br>later than 2<br>years<br>\$ '000 | Later than 2<br>years and not<br>later than 5<br>years<br>\$ '000 | Later than 5<br>years<br>\$ '000 | Total<br>\$ '000 |
|--|-------------------------------------|--|---|----------------------------------|------------------|
|--|-------------------------------------|--|---|----------------------------------|------------------|

## 5.7 Commitments

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

### 2021

#### Operating

|                                  |               |               |               |          |               |
|----------------------------------|---------------|---------------|---------------|----------|---------------|
| Recycling facility operations    | 4,800         | —             | —             | —        | 4,800         |
| Garbage and recycling collection | 10,400        | 11,100        | 28,000        | —        | 49,500        |
| Facility maintenance             | 544           | —             | —             | —        | 544           |
| Health/cleaning services         | 1,590         | —             | —             | —        | 1,590         |
| Parks maintenance services       | 5,386         | —             | —             | —        | 5,386         |
| Road maintenance                 | 6,442         | 1,400         | 1,500         | —        | 9,342         |
| IT services                      | 3,670         | 3,415         | 3,415         | —        | 10,500        |
| Recreation/Leisure services      | 153           | —             | —             | —        | 153           |
| <b>Total</b>                     | <b>32,985</b> | <b>15,915</b> | <b>32,915</b> | <b>—</b> | <b>81,815</b> |

#### Capital

|              |               |               |              |           |               |
|--------------|---------------|---------------|--------------|-----------|---------------|
| Buildings    | 15,317        | 34,475        | 2,114        | 14        | 51,920        |
| Roads        | 765           | 370           | 10           | 20        | 1,165         |
| Recreational | 2,415         | 25            | 25           | —         | 2,465         |
| Other        | 535           | 535           | 535          | —         | 1,605         |
| <b>Total</b> | <b>19,032</b> | <b>35,405</b> | <b>2,684</b> | <b>34</b> | <b>57,155</b> |

### 2020

#### Operating

|                                  |               |               |               |              |               |
|----------------------------------|---------------|---------------|---------------|--------------|---------------|
| Recycling facility operations    | 4,875         | 5,000         | —             | —            | 9,875         |
| Garbage and recycling collection | 8,265         | 9,200         | 26,952        | 9,000        | 53,417        |
| Health/cleaning services         | 1,450         | —             | —             | —            | 1,450         |
| Parks maintenance services       | 5,305         | 5,386         | —             | —            | 10,691        |
| Road maintenance                 | 6,366         | 6,500         | 2,990         | —            | 15,856        |
| IT services                      | 784           | 580           | 580           | —            | 1,944         |
| Recreation/Leisure services      | 384           | 10            | —             | —            | 394           |
| <b>Total</b>                     | <b>27,429</b> | <b>26,676</b> | <b>30,522</b> | <b>9,000</b> | <b>93,627</b> |

#### Capital

|              |               |            |          |          |               |
|--------------|---------------|------------|----------|----------|---------------|
| Buildings    | 22,700        | 500        | —        | —        | 23,200        |
| Roads        | 298           | —          | —        | —        | 298           |
| Recreational | 8,924         | 50         | —        | —        | 8,974         |
| <b>Total</b> | <b>31,922</b> | <b>550</b> | <b>—</b> | <b>—</b> | <b>32,472</b> |



# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 5. Our financial position (continued)

### 5.8 Leases

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

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

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

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

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

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

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

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

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

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

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

### (a) Right-of-Use Assets

|                           | Vehicles<br>\$ '000 | Equipment<br>\$ '000 | Total<br>\$ '000 |
|---------------------------|---------------------|----------------------|------------------|
| <b>2021</b>               |                     |                      |                  |
| Balance at 1 July         | –                   | 613                  | 613              |
| Additions                 | 873                 | –                    | 873              |
| Amortisation charge       | (146)               | (204)                | (350)            |
| <b>Balance at 30 June</b> | <b>727</b>          | <b>409</b>           | <b>1,136</b>     |
| <b>2020</b>               |                     |                      |                  |
| Balance at 1 July         | –                   | 740                  | 740              |
| Amortisation charge       | –                   | (127)                | (127)            |
| <b>Balance at 30 June</b> | <b>–</b>            | <b>613</b>           | <b>613</b>       |

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 5. Our financial position (continued)

|  | 2021<br>\$ '000 | 2020<br>\$ '000 |
|--|-----------------|-----------------|
| <b>(b) Lease Liabilities</b>                                       |                 |                 |
| Maturity analysis - contractual undiscounted cash flows            |                 |                 |
| Less than one year   | 721             | 337             |
| One to five years  | 559             | 471             |
| <b>Total undiscounted lease liabilities as at 30 June:</b>         | <b>1,280</b>    | <b>808</b>      |
| <b>Lease liabilities included in the Balance Sheet at 30 June:</b> |                 |                 |
| Current  | 640             | 255             |
| Non-current  | 508             | 384             |
| <b>Total lease liabilities</b>                                     | <b>1,148</b>    | <b>639</b>      |

### Short-term and low value leases

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

Council had no short-term leases or leases of low value assets during the financial year.

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 6. Assets we manage

|  | 2021    | 2020    |
|--|---------|---------|
|  | \$ '000 | \$ '000 |

### 6.1 Non-current assets classified as "held for sale"

|  |     |       |
|--|-----|-------|
| Current  |     |       |
| Fair value of land                                   | 674 | 1,618 |
| Total non current assets classified as held for sale | 674 | 1,618 |

Non-current assets classified as held for sale (including disposal groups) are measured at the lower of its carrying amount and fair value less costs of disposal, and are not subject to depreciation. Non-current assets, disposal groups and related liabilities and assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 6. Assets we manage (continued)

### 6.2 Property, infrastructure, plant and equipment

| Summary of property, infrastructure, plant and equipment | At Fair Value<br>30 June 2020<br>\$ '000 | Additions<br>\$ '000 | Contributions<br>\$ '000 | Revaluation<br>\$ '000 | Depreciation<br>\$ '000 | Disposal<br>\$ '000  | Write-off<br>\$ '000 | Transfers<br>\$ '000 | At Fair Value<br>30 June 2021<br>\$ '000 |
|--|--|----------------------|--------------------------|------------------------|-------------------------|----------------------|----------------------|----------------------|--|
| Property   | 681,310                                  | 1,764                | 87,089                   | —                      | (7,239)                 | (46)                 | —                    | 1,283                | 764,161                                  |
| Plant and equipment                                      | 4,291                                    | 608                  | —                        | —                      | (1,411)                 | (1,215)              | —                    | —                    | 2,273                                    |
| Infrastructure   | 1,801,547                                | 2,043                | 153,185                  | 21,756                 | (35,765)                | (5,738)              | —                    | 4,680                | 1,941,708                                |
| Work in progress   | 22,422                                   | 57,812               | —                        | —                      | —                       | —                    | (2,180)              | (14,608)             | 63,446                                   |
| Total  | 2,509,570                                | 62,227               | 240,274                  | 21,756                 | (44,415)                | (6,999)              | (2,180)              | (8,645)              | 2,771,588                                |
| Summary of Work in Progress                              |  |                      |                          |                        |                         |                      |                      |                      |  |
|  |  |                      |                          | Opening WIP<br>\$ '000 |                         | Additions<br>\$ '000 | Write-off<br>\$ '000 | Transfers<br>\$ '000 | Closing WIP<br>\$ '000                   |
| Property   |  |                      |                          | 1,041                  |                         | 31,379               | (55)                 | (6,158)              | 26,207                                   |
| Infrastructure   |  |                      |                          | 21,381                 |                         | 26,433               | (2,125)              | (8,450)              | 37,239                                   |
| Total  |  |                      |                          | 22,422                 |                         | 57,812               | (2,180)              | (14,608)             | 63,446                                   |



Notes to the Financial Statements

For the year ended 30 June 2021

| Note 6. Assets we manage (continued)        |                             |                                 |                             |  |                                  |                                      |                            |                             |                                   |                           |
|---|-----------------------------|---------------------------------|-----------------------------|--|----------------------------------|--------------------------------------|----------------------------|-----------------------------|-----------------------------------|---------------------------|
| Property                                    |                             |                                 |                             |  |                                  |                                      |                            |                             |                                   |                           |
|   | Land specialised<br>\$ '000 | Land non specialised<br>\$ '000 | Land under roads<br>\$ '000 | Total land and land improve-ments<br>\$ '000 | Buildings specialised<br>\$ '000 | Buildings non specialised<br>\$ '000 | Total buildings<br>\$ '000 | Work in progress<br>\$ '000 | Total work in progress<br>\$ '000 | Total property<br>\$ '000 |
| At fair value 1 July 2020                   | 324,323                     | 90,546                          | 86,256                      | 501,125                                      | 255,093                          | 30,669                               | 285,762                    | 1,041                       | 1,041                             | 787,928                   |
| Accumulated depreciation at 1 July 2020     | -                           | -                               | -                           | -  | (94,149)                         | (11,428)                             | (105,577)                  | -                           | -                                 | (105,577)                 |
| Carrying value - 1 July 2020                | 324,323                     | 90,546                          | 86,256                      | 501,125                                      | 160,944                          | 19,241                               | 180,185                    | 1,041                       | 1,041                             | 682,351                   |
| Movements in fair value                     |                             |                                 |                             |  |                                  |                                      |                            |                             |                                   |                           |
| Additions                                   | -                           | -                               | -                           | -  | 1,764                            | -                                    | 1,764                      | 31,379                      | 31,379                            | 33,143                    |
| Contributions                               | 56,305                      | -                               | 30,784                      | 87,089                                       | -                                | -                                    | -                          | -                           | -                                 | 87,089                    |
| Revaluation                                 | -                           | -                               | -                           | -  | -                                | -                                    | -                          | -                           | -                                 | -                         |
| Disposal                                    | -                           | -                               | -                           | -  | (110)                            | -                                    | (110)                      | -                           | -                                 | (110)                     |
| Write-off                                   | -                           | -                               | -                           | -  | -                                | -                                    | -                          | (55)                        | (55)                              | (55)                      |
| Transfers                                   | (4,875)                     | -                               | -                           | (4,875)                                      | 6,158                            | -                                    | 6,158                      | (6,158)                     | (6,158)                           | (4,875)                   |
| Total movements in fair value               | 51,430                      | -                               | 30,784                      | 82,214                                       | 7,812                            | -                                    | 7,812                      | 25,166                      | 25,166                            | 115,192                   |
| Movements in accumulated depreciation       |                             |                                 |                             |  |                                  |                                      |                            |                             |                                   |                           |
| Depreciation and amortisation               | -                           | -                               | -                           | -  | (6,518)                          | (721)                                | (7,239)                    | -                           | -                                 | (7,239)                   |
| Accumulated depreciation of disposals       | -                           | -                               | -                           | -  | 64                               | -                                    | 64                         | -                           | -                                 | 64                        |
| Total movements in accumulated depreciation | -                           | -                               | -                           | -  | (6,454)                          | (721)                                | (7,175)                    | -                           | -                                 | (7,175)                   |
| At fair value 30 June 2021                  | 375,753                     | 90,546                          | 117,040                     | 583,339                                      | 262,875                          | 30,669                               | 293,544                    | 26,207                      | 26,207                            | 903,090                   |
| Accumulated depreciation at 30 June 2021    | -                           | -                               | -                           | -  | (101,324)                        | (11,428)                             | (112,752)                  | -                           | -                                 | (112,752)                 |
| Carrying value - 30 June 2021               | 375,753                     | 90,546                          | 117,040                     | 583,339                                      | 161,551                          | 19,241                               | 180,792                    | 26,207                      | 26,207                            | 790,338                   |

Notes to the Financial Statements

For the year ended 30 June 2021

| Note 6. Assets we manage (continued)        |  |  |                                    |                          |                                      |
|---|--|--|------------------------------------|--------------------------|--------------------------------------|
|   | Plant machinery and equipment<br>\$ '000 | Fixtures fittings and furniture<br>\$ '000 | Computers and telecomms<br>\$ '000 | Library books<br>\$ '000 | Total plant and equipment<br>\$ '000 |
| Plant and Equipment                         |  |  |                                    |                          |                                      |
| At fair value 1 July 2020                   | 5,399                                    | 800  | 6,949                              | 1,675                    | 14,823                               |
| Accumulated depreciation at 1 July 2020     | (3,091)                                  | (754)                                      | (5,983)                            | (704)                    | (10,532)                             |
| Carrying value - 1 July 2020                | 2,308                                    | 46   | 966                                | 971                      | 4,291                                |
| Movements in fair value                     |  |  |                                    |                          |                                      |
| Additions                                   | —  | —  | 115                                | 493                      | 608                                  |
| Disposal                                    | (3,257)                                  | —  | —                                  | (285)                    | (3,542)                              |
| Total movements in fair value               | (3,257)                                  | —  | 115                                | 208                      | (2,934)                              |
| Movements in accumulated depreciation       |  |  |                                    |                          |                                      |
| Depreciation and amortisation               | (737)                                    | (46)                                       | (434)                              | (194)                    | (1,411)                              |
| Accumulated depreciation of disposals       | 2,210                                    | —  | —                                  | 117                      | 2,327                                |
| Total movements in accumulated depreciation | 1,473                                    | (46)                                       | (434)                              | (77)                     | 916                                  |
| At fair value 30 June 2021                  | 2,142                                    | 800  | 7,065                              | 1,882                    | 11,889                               |
| Accumulated depreciation at 30 June 2021    | (1,618)                                  | (800)                                      | (6,417)                            | (781)                    | (9,616)                              |
| Carrying value - 30 June 2021               | 524                                      | —  | 648                                | 1,101                    | 2,273                                |

Plant and Equipment

At fair value 1 July 2020  
Accumulated depreciation at 1 July 2020  
Carrying value - 1 July 2020  
Movements in fair value  
Additions  
Disposal  
Total movements in fair value  
Movements in accumulated depreciation  
Depreciation and amortisation  
Accumulated depreciation of disposals  
Total movements in accumulated depreciation  
At fair value 30 June 2021  
Accumulated depreciation at 30 June 2021  
Carrying value - 30 June 2021

Notes to the Financial Statements

For the year ended 30 June 2021

Notes to the Financial Statements

For the year ended 30 June 2021

Note 6. Assets we manage

|  | Roads<br>\$ '000 | Bridges<br>\$ '000 | Foot-<br>paths and<br>cycle-<br>ways<br>\$ '000 | Recrea-<br>tional,<br>leisure<br>and comm-<br>unity<br>\$ '000 | Off street<br>car parks<br>\$ '000 | Kerb and<br>channel<br>\$ '000 | Traffic<br>manage-<br>ment<br>\$ '000 | Other<br>infra-<br>structure<br>\$ '000 | Total<br>\$ '000 | Work in<br>progress<br>\$ '000 | Total<br>work in<br>progress<br>\$ '000 | Total<br>infra-<br>structure<br>\$ '000 |
|--|------------------|--------------------|---|--|------------------------------------|--------------------------------|---------------------------------------|---|------------------|--------------------------------|---|---|
| <b>Infrastructure</b>                        |                  |                    |   |  |                                    |                                |                                       |   |                  |                                |   |   |
| At fair value 1 July 2020                    | 939,787          | 87,553             | 208,948   | 84,143   | 32,958                             | 254,967                        | 96,014                                | 2,874                                   | 2,185,909        | 21,381                         | 21,381                                  | 2,207,290                               |
| Accumulated depreciation at 1 July 2020      | (137,364)        | (16,663)           | (45,923)  | (27,345)   | (5,605)                            | (57,827)                       | (23,241)                              | (1,652)                                 | (384,362)        | -                              | -                                       | (384,362)                               |
| Carrying value - 1 July 2020                 | 802,423          | 70,890             | 163,025   | 56,798   | 27,353                             | 197,140                        | 72,773                                | 1,222                                   | 1,801,547        | 21,381                         | 21,381                                  | 1,822,928                               |
| <b>Movements in fair value</b>               |                  |                    |   |  |                                    |                                |                                       |   |                  |                                |   |   |
| Additions                                    | -                | -                  | 594   | -  | 456                                | 186                            | 680                                   | -                                       | 2,043            | 26,433                         | 26,433                                  | 28,476                                  |
| Contributions                                | 58,239           | 7,685              | 17,613  | 4,762  | 4,072                              | 20,738                         | 4,757                                 | -                                       | 153,185          | -                              | -                                       | 153,185                                 |
| Revaluation                                  | -                | -                  | -   | 18,326   | -                                  | -                              | 6,175                                 | -                                       | 24,501           | -                              | -                                       | 24,501                                  |
| Disposal                                     | (2,199)          | -                  | (1)   | (3,794)  | (48)                               | (39)                           | -                                     | -                                       | (8,918)          | -                              | -                                       | (8,918)                                 |
| Write-off                                    | -                | -                  | -   | -  | -                                  | -                              | -                                     | -                                       | -                | (2,125)                        | (2,125)                                 | (2,125)                                 |
| Transfers                                    | 2,699            | 439                | 449   | (5,750)  | -                                  | -                              | 6,678                                 | -                                       | 4,680            | (8,450)                        | (8,450)                                 | (3,770)                                 |
| Total movements in fair value                | 58,739           | 8,124              | 18,655  | 13,544   | 4,480                              | 20,885                         | 18,290                                | -                                       | 175,491          | 15,858                         | 15,858                                  | 191,349                                 |
| <b>Movements in accumulated depreciation</b> |                  |                    |   |  |                                    |                                |                                       |   |                  |                                |   |   |
| Depreciation and amortisation                | (11,502)         | (1,285)            | (3,743)   | (5,420)  | (520)                              | (4,398)                        | (3,686)                               | (91)                                    | (35,765)         | -                              | -                                       | (35,765)                                |
| Accumulated depreciation of disposals        | 1,510            | -                  | 316   | 1,185  | 16                                 | 7                              | -                                     | -                                       | 3,180            | -                              | -                                       | 3,180                                   |
| Revaluation                                  | -                | -                  | -   | (570)  | -                                  | -                              | (2,175)                               | -                                       | (2,745)          | -                              | -                                       | (2,745)                                 |
| Transfers                                    | -                | -                  | -   | 2,515  | -                                  | -                              | (2,515)                               | -                                       | -                | -                              | -                                       | -                                       |
| Total movements in accumulated depreciation  | (9,992)          | (1,285)            | (3,427)   | (2,290)  | (504)                              | (4,391)                        | (8,376)                               | (91)                                    | (35,330)         | -                              | -                                       | (35,330)                                |
| At fair value 30 June 2021                   | 998,526          | 95,677             | 227,603   | 97,688   | 37,437                             | 275,853                        | 114,304                               | 2,874                                   | 2,361,401        | 37,238                         | 37,238                                  | 2,398,639                               |
| Accumulated depreciation at 30 June 2021     | (147,355)        | (17,948)           | (49,350)  | (29,636)   | (6,108)                            | (62,219)                       | (31,617)                              | (1,743)                                 | (419,692)        | -                              | -                                       | (419,692)                               |
| Carrying value - 30 June 2021                | 851,171          | 77,729             | 178,253   | 68,052   | 31,329                             | 213,634                        | 82,687                                | 1,131                                   | 1,941,709        | 37,238                         | 37,238                                  | 1,978,947                               |

Note 6. Assets we manage (continued)

Acquisition

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

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

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

Asset recognition thresholds and depreciation periods

|                                   | Depreciation<br>Period<br>years | Threshold<br>Limit<br>\$ '000 |
|-----------------------------------|---------------------------------|-------------------------------|
| <b>Land and land improvements</b> |                                 |                               |
| Land                              | N/A                             | -                             |
| Land under roads                  | N/A                             | -                             |
| <b>Buildings</b>                  |                                 |                               |
| Buildings                         | 50                              | -                             |
| <b>Plant and Equipment</b>        |                                 |                               |
| Plant and machinery               | 5                               | 5                             |
| Furniture and equipment           | 3-5                             | 5                             |
| Library assets                    | 10                              | -                             |
| <b>Infrastructure</b>             |                                 |                               |
| Roads                             | 10-100                          | 10                            |
| Bridges                           | 25-100                          | 25                            |
| Other                             | 20-100                          | -                             |
| Footpaths                         | 10-70                           | 10                            |
| Car parks                         | 10-70                           | 10                            |
| Drainage works                    | 80-100                          | 25                            |
| Recreation facilities             | 3-30                            | 1                             |
| Kerb and channel                  | 10-70                           | 10                            |
| Traffic management                | 10-70                           | 10                            |

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

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

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

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

Straight line depreciation is charged based on the residual useful life as determined each year. Depreciation periods used are listed above and are consistent with the prior year unless otherwise stated.



# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 6. Assets we manage (continued)

### Repairs and maintenance

Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

### Valuation of land and buildings

Valuation of land and buildings were undertaken by qualified independent valuers Opteon Pty Ltd and FG Dixon Group respectively. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

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

|                      | Level 1<br>2021<br>\$ '000 | Level 2<br>2021<br>\$ '000 | Level 3<br>2021<br>\$ '000 | Date of<br>valuation |
|----------------------|----------------------------|----------------------------|----------------------------|----------------------|
| Non-specialised Land | —                          | 90,546                     | —                          | 30/06/16             |
| Specialised land     | —                          | —                          | 374,743                    | 30/06/16             |
| Land Under Roads     | —                          | —                          | 117,040                    | 30/06/16             |
| Buildings            | —                          | —                          | 293,544                    | 01/07/18             |
| <b>Total</b>         | <b>—</b>                   | <b>90,546</b>              | <b>785,327</b>             |                      |

### Valuation of Infrastructure

Valuation of infrastructure assets has been determined in accordance with an independent valuation undertaken by Infrastructure Management Group and Ray Hutchinson & Associates.

The Park Active Areas component of Recreational Open Space Facilities class of assets were revalued as at 30 June 2021 as well as the OS Lighting Assets component of Transportation Open Space Facilities class of assets.

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

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

|  | Level 1<br>2021<br>\$ '000 | Level 2<br>2021<br>\$ '000 | Level 3<br>2021<br>\$ '000 | Date of<br>independe<br>nt<br>valuation |
|--|----------------------------|----------------------------|----------------------------|---|
| Roads  | —                          | —                          | 851,171                    | 30/06/19                                |
| Bridges                                      | —                          | —                          | 77,729                     | 30/06/19                                |
| Footpaths and cycleways                      | —                          | —                          | 178,253                    | 30/06/20                                |
| Drainage                                     | —                          | —                          | 437,723                    | 30/06/16                                |
| Recreational, leisure & community facilities | —                          | —                          | 68,052                     | 30/06/20                                |
| Off street car parks                         | —                          | —                          | 31,329                     | 30/06/19                                |
| Traffic management                           | —                          | —                          | 82,687                     | 30/06/17                                |
| Other Infrastructure                         | —                          | —                          | 1,131                      | 30/06/14                                |
| Kerb and channel                             | —                          | —                          | 213,634                    | 30/06/19                                |
| <b>Total</b>                                 | <b>—</b>                   | <b>—</b>                   | <b>1,941,709</b>           |   |

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 6. Assets we manage (continued)

### 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 \$1 and \$815 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. Current replacement costs is calculated on a square metre basis and ranges from \$240 to \$6,700 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 2 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure asses are determined on the basis of the current condition of the asset and vary from 2 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

### Reconciliation of specialised land

|                               | 2021<br>\$ '000 | 2020<br>\$ '000 |
|-------------------------------|-----------------|-----------------|
| Land under roads              | 374,743         | 324,323         |
| Parks and reserves            | —               | —               |
| <b>Total specialised land</b> | <b>374,743</b>  | <b>324,323</b>  |

## 6.3 Investment property

|   |              |              |
|---|--------------|--------------|
| Balance at beginning of financial year  | 7,175        | 7,300        |
| Additions                               | —            | 103          |
| Fair value decrement                    | (200)        | (228)        |
| <b>Balance at end of financial year</b> | <b>6,975</b> | <b>7,175</b> |

Investment property is held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to the Council. Subsequent to initial recognition at cost, investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the comprehensive income statement in the period that they arise.

### Valuation of investment property

Valuation of investment property has been determined in accordance with an independent valuation by Opteon Pty Ltd who has recent experience in the location and category of the property being valued.

The valuation is at fair value, based on the current market value.

The market that the assets are transacted in is being impacted by a high degree of uncertainty caused by the COVID-19 pandemic. The extent to which Covid-19 has impacted fair value measurements is not available and market conditions are changing daily at present. As at the date of valuation we consider that there is a market uncertainty resulting in significant valuation uncertainty.

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 7. People and relationships

### 7.1 Council and key management remuneration

#### (a) Related Parties

*Parent entity*  
Melton City Council is the parent entity.

*Subsidiaries and Associates*  
Council has no interests in subsidiaries or associates.

#### (b) Key Management Personnel

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

|   |  | 2021<br>No. | 2020<br>No. |
|---|--|-------------|-------------|
| <b>Councillors</b>                              | Councillor Lara Carli (Mayor to 9 November 2020)                 |             |             |
|   | Councillor Bob Turner  |             |             |
|   | Councillor Steve Abboushi  |             |             |
|   | Councillor Ken Hardy (Councillor to 9 November 2020)             |             |             |
|   | Councillor Goran Kesic   |             |             |
|   | Councillor Kathy Majdlik (Mayor from 9 November 2020)            |             |             |
|   | Councillor Michelle Mendes (Councillor to 9 November 2020)       |             |             |
|   | Councillor Sophie Ramsey   |             |             |
|   | Councillor Yvonne Sebire (Councillor to 9 November 2020)         |             |             |
|   | Councillor Ashleigh Vandenberg (Councillor from 9 November 2020) |             |             |
|   | Councillor Julie Shannon (Councillor from 9 November 2020)       |             |             |
|   | Councillor Moira Deeming (Councillor from 9 November 2020)       |             |             |
|   |  |             |             |
|   |  |             |             |
| <b>Total Number of Councillors</b>              |  | 12          | 9           |
| Chief Executive Officer                         | Kelvin Tori  | 1           | 1           |
| General Manager - Corporate Services            | Peter Bean   | 1           | 1           |
| General Manager - Community Services            | Maurie Heaney  | 1           | 1           |
| General Manager - Planning & Development        | Luke Shannon   | 1           | 1           |
| Executive Manager - Property & Projects         | Laura-Jo Mellan  | 1           | 1           |
| <b>Total Number of Key Management Personnel</b> |  | 17          | 14          |

|  | 2021<br>\$ '000 | 2020<br>\$ '000 |
|--|-----------------|-----------------|
| <b>(c) Remuneration of Key Management Personnel</b>            |                 |                 |
| Total remuneration of key management personnel was as follows: |                 |                 |
| Short-term benefits  | 1,784           | 1,573           |
| Long-term benefits   | 36              | 33              |
| Post employment benefits                                       | 136             | 113             |
| <b>Total</b>   | <b>1,956</b>    | <b>1,719</b>    |

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 7. People and relationships (continued)

|  | 2021<br>No. | 2020<br>No. |
|--|-------------|-------------|
| The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands: |             |             |
| \$1 - \$9,999  | 3           | —           |
| \$20,000 - \$29,999  | 3           | —           |
| \$30,000 - \$39,999  | 4           | 7           |
| \$50,000 - \$59,999  | 1           | 2           |
| \$80,000 - \$89,999  | 1           | —           |
| \$90,000 - \$99,999  | —           | 1           |
| \$230,000 - \$239,999  | 1           | —           |
| \$280,000 - \$289,999  | —           | 3           |
| \$300,000 - \$309,999  | 3           | —           |
| \$400,000 - \$409,999  | —           | 1           |
| \$410,000 - \$419,999  | 1           | —           |
|  | <b>17</b>   | <b>14</b>   |

#### (d) Senior Officer Remuneration

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

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

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

|                       | 2021<br>No. | 2020<br>No. |
|-----------------------|-------------|-------------|
| Income Range:         |             |             |
| \$20,000 - \$29,999   | 1           | —           |
| \$30,000 - \$39,999   | 1           | —           |
| \$70,000 - \$79,999   | 1           | —           |
| \$100,000 - \$109,999 | 1           | —           |
| \$151,000 - \$169,999 | —           | 3           |
| \$170,000 - \$179,999 | 6           | 6           |
| \$180,000 - \$189,999 | 6           | 6           |
| \$190,000 - \$199,999 | 3           | 3           |
|                       | <b>19</b>   | <b>18</b>   |

|  | 2021<br>\$ '000 | 2020<br>\$ '000 |
|--|-----------------|-----------------|
| Total Remuneration for the reporting year for Senior Officers included above amounted to*: | 3,107           | 3,095           |

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 7. People and relationships (continued)

|  | 2021<br>\$ '000 | 2020<br>\$ '000 |
|--|-----------------|-----------------|
|--|-----------------|-----------------|

### 7.2 Related party disclosure

#### (a) Transactions with related parties

No transactions other than remuneration payments or the reimbursement of approved expenses were entered into by Council with Key Management Personnel, or Related Parties of such Key Management Personnel during the reporting year. All transactions are at arms-length.

|   |     |     |
|---|-----|-----|
| Salaries paid to close family members of Key Management Personnel | 272 | 233 |
|---|-----|-----|

#### (b) Outstanding balances with related parties

There are no outstanding balances with related parties as at 30 June 2021 (2020: Nil).

#### (c) Loans to/from related parties

No loans have been made, guaranteed or secured by the Council to Key Management Personnel of the Council during the reporting period (2020: Nil).

#### (d) Commitments to/from related parties

There are no commitments to or from related parties as at 30 June 2021 (2020: Nil).

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 8. Managing uncertainties

|  | 2021<br>\$ '000 | 2020<br>\$ '000 |
|--|-----------------|-----------------|
|--|-----------------|-----------------|

### 8.1 Contingent assets and liabilities

#### (a) Contingent assets

Developer contributions to be received in respect of estates currently under development is expected to be in the range of \$250m to \$270m (2020: \$140m to \$160m).

#### Operating lease receivables

The Council has entered into commercial property leases on its investment property, consisting of surplus freehold buildings.

These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 5 years.

All leases include a CPI based revision of the rental charge annually.

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

|   |       |       |
|---|-------|-------|
| Not later than one year                           | 1,091 | 1,035 |
| Later than one year and not later than five years | 3,201 | 3,301 |
|   | 4,292 | 4,336 |

#### (b) Contingent liabilities

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

#### Superannuation

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

#### Future superannuation contributions

There were no contributions outstanding and no loans issued from or to the above scheme as at 30 June 2021. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2022 are \$209,643.

#### Liability Mutual Insurance

Council is a participant of the MAV Liability Mutual Insurance (LMI) Scheme. The LMI scheme provides public liability and professional indemnity insurance cover. The LMI scheme states that each participant will remain liable to make further contributions to the scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability will continue whether or not the participant remains a participant in future insurance years.

#### MAV Workcare

In November 2017, the Victorian WorkCover Authority (the Authority) granted the Municipal Association of Victoria (MAV) a three-year self-insurance licence allowing it to provide workers' compensation insurance to Victorian councils. When the MAV WorkCare Scheme commenced, there were 31 inaugural members, including the MAV.

In accordance with the Authority's decision not to renew the MAV's self-insurance licence, the MAV WorkCare Scheme ceased operation on 30 June 2021. The MAV is continuing to support the orderly transition of claims management responsibilities to the Authority.

Council was a participant of the MAV WorkCare Scheme.

The MAV WorkCare Scheme participation agreement stated that each participant would remain liable to make further contributions to the Scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability would continue whether or not the participant remained a participant in future insurance years.



# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 8. Managing uncertainties (continued)

The net financial impact on Council as a result of the cessation of the MAV WorkCare Scheme for the 2020-21 financial year is yet to be determined. Any obligation is dependent upon the Authority's initial actuarial assessment of the tail claims liabilities of the MAV WorkCare Scheme.

In accordance with the *Workplace Injury Rehabilitation and Compensation Act 2013*, there is a six- year liability period following the cessation of the MAV WorkCare Scheme. During the liability period, adjustment payments may be required (or received) by Council. The determination of any adjustment payments is dependent upon revised actuarial assessments of the Scheme's tail claims liabilities as undertaken by the Authority.

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 8. Managing uncertainties (continued)

### 8.2 Change in accounting standards

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

### 8.3 Financial instruments

#### (a) Objectives and policies

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

#### (b) Market risk

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

##### **Interest rate risk**

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

Investment of surplus funds is made with approved financial institutions under the Local Government Act 2020. Council manages interest rate risk by adopting an investment policy that ensures:

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

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

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

#### (c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council has exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

- Council has a policy for establishing credit limits for the entities Council deals with;
- Council may require collateral where appropriate; and
- Council only invests surplus funds with financial institutions which have a recognised credit rating specified in Council's investment policy.

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

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 8. Managing uncertainties (continued)

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 Council provides a guarantee for another party. Details of our contingent liabilities are disclosed in Note 8.1(b).

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

### (d) Liquidity risk

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

To help reduce these risks Council:

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

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

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

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

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

### (e) Sensitivity disclosure analysis

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

- A parallel shift of + 0.25 % and - 0.25 % in market interest rates (AUD) from year-end rates of 0.35%.

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.

## 8.4 Fair value measurement

### Fair Value Hierarchy

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

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

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

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 8. Managing uncertainties (continued)

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

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

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

### Revaluation

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

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

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

### 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 of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 8. Managing uncertainties (continued)

### 8.5 Events occurring after balance date

The COVID-19 pandemic continues to create a level of economic uncertainty. Actual economic events and conditions in the future may be materially different from those estimated by the City of Melton at the reporting date.

This event does not affect amounts recognised in the 2020-21 financial statements.

Council continues to monitor and review the financial impacts of COVID-19 on its operating budget. No other matters or circumstances have arisen since the end of the financial year which significantly affected or may affect the operations of the City of Melton, the results of the operations or the state of affairs of the City of Melton in future financial years.

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 9. Other matters

|  | Balance at<br>beginning of<br>reporting<br>period<br>\$ '000 | Increment<br>(decrement)<br>\$ '000 | Share of incr.<br>(decr) on<br>revaluation of<br>the asset class<br>by an<br>associate<br>\$ '000 | Balance at end<br>of reporting<br>period<br>\$ '000 |
|--|--|-------------------------------------|---|---|
|--|--|-------------------------------------|---|---|

### 9.1 Reserves

#### (a) Asset revaluation reserves 2021

|  |                |               |          |                |
|--|----------------|---------------|----------|----------------|
| <b>Property</b>                                |                |               |          |                |
| Land - non specialised                         | 226,355        | —             | —        | 226,355        |
| Buildings                                      | 7,789          | —             | —        | 7,789          |
|  | <b>234,144</b> | <b>—</b>      | <b>—</b> | <b>234,144</b> |
| <b>Infrastructure</b>                          |                |               |          |                |
| Roads  | 518,407        | —             | —        | 518,407        |
| Bridges  | 51,858         | —             | —        | 51,858         |
| Drainage                                       | 123,430        | —             | —        | 123,430        |
| Recreational, leisure and community facilities | 3,371          | 17,756        | —        | 21,127         |
| Traffic management                             | —              | 4,000         | —        | 4,000          |
| Other infrastructure                           | 679            | —             | —        | 679            |
|  | <b>697,745</b> | <b>21,756</b> | <b>—</b> | <b>719,501</b> |
| <b>Total asset revaluation reserves</b>        | <b>931,889</b> | <b>21,756</b> | <b>—</b> | <b>953,645</b> |

#### 2020

|  |                |                |          |                |
|--|----------------|----------------|----------|----------------|
| <b>Property</b>                                |                |                |          |                |
| Land - non specialised                         | 226,355        | —              | —        | 226,355        |
| Buildings                                      | 7,789          | —              | —        | 7,789          |
|  | <b>234,144</b> | <b>—</b>       | <b>—</b> | <b>234,144</b> |
| <b>Infrastructure</b>                          |                |                |          |                |
| Roads  | 528,065        | (9,658)        | —        | 518,407        |
| Bridges  | 51,858         | —              | —        | 51,858         |
| Drainage                                       | 123,430        | —              | —        | 123,430        |
| Recreational, leisure and community facilities | 913            | 2,458          | —        | 3,371          |
| Other infrastructure                           | 679            | —              | —        | 679            |
|  | <b>704,945</b> | <b>(7,200)</b> | <b>—</b> | <b>697,745</b> |
| <b>Total asset revaluation reserves</b>        | <b>939,089</b> | <b>(7,200)</b> | <b>—</b> | <b>931,889</b> |

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



# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 9. Other matters (continued)

|   | Balance at beginning of reporting period<br>\$ '000 | Transfer from Accumulated Surplus<br>\$ '000 | Transfer to Accumulated Surplus<br>\$ '000 | Balance at end of reporting period<br>\$ '000 |
|---|---|--|--|---|
| <b>(b) Other reserves</b>               |   |  |  |   |
| <b>2021</b>                             |   |  |  |   |
| <b>Restricted reserves</b>              |   |  |  |   |
| Street trees/drainage                   | 942   | 7  | –  | 949   |
| Community infrastructure                | 136,604   | 91,578                                       | (61,210)                                   | 166,972                                       |
| <b>Total restricted reserves</b>        | <b>137,546</b>                                      | <b>91,585</b>                                | <b>(61,210)</b>                            | <b>167,921</b>                                |
| <b>Discretionary reserves</b>           |   |  |  |   |
| Asset replacement                       | 2,756   | 21   | (2,777)                                    | –   |
| Perpetual maintenance                   | 131   | 1  | –  | 132   |
| Public art                              | 104   | 1  | (46)                                       | 59  |
| Defined benefit call                    | 372   | 3  | –  | 375   |
| Accommodation reserve                   | 6,884   | –  | (6,884)                                    | –   |
| Infrastructure and strategic investment | 85,880  | 28,020                                       | (21,010)                                   | 92,890  |
| <b>Total discretionary reserves</b>     | <b>96,127</b>                                       | <b>28,046</b>                                | <b>(30,717)</b>                            | <b>93,456</b>                                 |
| <b>Total Other reserves</b>             | <b>233,673</b>                                      | <b>119,631</b>                               | <b>(91,927)</b>                            | <b>261,377</b>                                |
| <b>2020</b>                             |   |  |  |   |
| <b>Restricted reserves</b>              |   |  |  |   |
| Street trees/drainage                   | 924   | 18   | –  | 942   |
| Community infrastructure                | 77,713  | 90,460                                       | (31,569)                                   | 136,604                                       |
| <b>Total restricted reserves</b>        | <b>78,637</b>                                       | <b>90,478</b>                                | <b>(31,569)</b>                            | <b>137,546</b>                                |
| <b>Discretionary reserves</b>           |   |  |  |   |
| Asset replacement                       | 3,691   | 65   | (1,000)                                    | 2,756   |
| Perpetual maintenance                   | 129   | 2  | –  | 131   |
| Public art                              | 169   | 3  | (68)                                       | 104   |
| Defined benefit call                    | 365   | 7  | –  | 372   |
| Accommodation reserve                   | 7,858   | –  | (974)                                      | 6,884   |
| Infrastructure and strategic investment | 65,671  | 25,111                                       | (4,902)                                    | 85,880  |
| <b>Total discretionary reserves</b>     | <b>77,883</b>                                       | <b>25,188</b>                                | <b>(6,944)</b>                             | <b>96,127</b>                                 |
| <b>Total Other reserves</b>             | <b>156,520</b>                                      | <b>115,666</b>                               | <b>(38,513)</b>                            | <b>233,673</b>                                |

### Street trees/drainage

Developer contributions for provision of drainage assets and street beautification.

### Community infrastructure

Developer contributions collected to deliver community infrastructure within PSP and non-PSP areas in accordance with the Planning and Environment Act and section 173 agreements.

### Asset replacement

Provision of ongoing replacement of plant and equipment for Council operations.

### Perpetual maintenance

Provision for perpetual maintenance of Melton Cemetery.

### Public art

Provision for installation and maintenance of public art throughout the municipality.

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 9. Other matters (continued)

### Defined benefit call

Provision for potential future funding call under the Defined Benefits Superannuation scheme.

### Accommodation reserve

Provision for update of staff accommodation.

### Infrastructure and strategic investment

Income generated from Atherstone estate set aside for strategic investment and major capital works.

|  | 2021<br>\$ '000 | 2020<br>\$ '000 |
|--|-----------------|-----------------|
|--|-----------------|-----------------|

## 9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)

|  |           |           |
|--|-----------|-----------|
| Surplus/(deficit) for the year   | 290,620   | 268,910   |
| Depreciation/amortisation  | 45,092    | 39,443    |
| Profit/(loss) on disposal of property, infrastructure, plant and equipment | (11,592)  | 11,114    |
| Fair value adjustments for investment property                             | 200       | 228       |
| Contributions - Non-monetary assets  | (239,280) | (211,066) |
| Amounts disclosed in financing activities                                  | 519       | 642       |
| Adjustment for unearned grants   | 19,877    | –         |
| Adjustment for prior year income under AASB1058                            | –         | (4,215)   |

### Change in assets and liabilities:

|  |                |                |
|--|----------------|----------------|
| (Increase)/decrease in trade and other receivables         | 21,061         | (16,262)       |
| (Increase)/decrease in inventories                         | 15             | 52             |
| (Increase)/decrease in prepayments                         | 920            | (45)           |
| Increase/(decrease) in accrued income                      | (3,419)        | 16,222         |
| Increase/(decrease) in trade and other payables            | (756)          | 10,025         |
| Increase/(decrease) in provisions                          | 1,073          | 1,250          |
| (Decrease)/increase in other liabilities                   | 9,102          | 10,423         |
| Increase/(decrease) in unearned income                     | 17,185         | –              |
| <b>Net cash provided by/(used in) operating activities</b> | <b>150,617</b> | <b>126,721</b> |

## 9.3 Superannuation

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

### Accumulation

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

### Defined Benefit

Council does not use defined benefit accounting for its defined benefit obligations under 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

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 9. Other matters (continued)

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 Employee Benefits.

### Funding Arrangements

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

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

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

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

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

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2020 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

### Employer contributions

#### Regular contributions

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

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

#### Funding calls

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

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

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

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up. If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

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

#### The 2020 triennial actuarial investigation surplus amounts

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

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 9. Other matters (continued)

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

|   | 2020<br>(Triennial) | 2019<br>(Interim) |
|---|---------------------|-------------------|
|   | \$m                 | \$m               |
| - A VBI Surplus                         | 100.0               | 151.3             |
| - A total service liability surplus     | 200.0               | 233.4             |
| - A discounted accrued benefits surplus | 217.8               | 256.7             |

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2020.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2020.

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

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

#### The 2021 interim actuarial investigation

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

#### Superannuation contributions

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

| Scheme       | Type of scheme    | Rate | 2021<br>\$ '000 | 2020<br>\$ '000 |
|--------------|-------------------|------|-----------------|-----------------|
| Vision Super | Defined benefits  | 0.0% | 93              | 163             |
| Vision Super | Accumulation fund | 0.0% | 2,386           | 2,262           |

In addition to the above contributions, Council has paid no unfunded liability payments to Vision Super during the 2020/21 year (2019/20 nil).

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

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2021 is \$209,643.

# Notes to the Financial Statements

For the year ended 30 June 2021

## Note 10. Changes in accounting policies

### 10.1 Changes in accounting policies due to adoption of new accounting standards – not retrospective

#### i) Impact of adoption of new accounting standards

**AASB 1059 Service Concession Arrangements: Grantors (AASB 1059) (applies 2020/21 for LG Sector)**  
Council has adopted *AASB 1059 Service Concession Arrangements: Grantors* , from 1 July 2020.

AASB 1059 addresses the accounting for a service concession arrangement by a grantor that is a public sector entity by prescribing the accounting for the arrangement from the grantor's perspective. It requires the grantor to:

- recognise a service concession asset constructed, developed or acquired from a third party by the operator, including an upgrade to an existing asset of the grantor, when the grantor controls the asset;
- reclassify an existing asset (including recognising previously unrecognised identifiable intangible assets and land under roads) as a service concession asset when it meets the criteria for recognition as a service
- initially measure a service concession asset constructed, developed or acquired by the operator or reclassified by the grantor at current replacement cost in accordance with the cost approach to fair value in *AASB 13 Fair Value Measurement* . Subsequent to the initial recognition or reclassification of the asset, the service concession asset is accounted for in accordance with *AASB 116 Property, Plant and Equipment* or *AASB 138 Intangible Assets* , as appropriate, except as specified AASB 1059;
- recognise a corresponding liability measured initially at the fair value (current replacement cost) of the service concession asset, adjusted for any other consideration between the grantor and the operator; and
- disclose sufficient information to enable users of financial statements to understand the nature, amount, timing and uncertainty of assets, liabilities, revenue and cash flows arising from service concession arrangements.

Based on the Council's current assessment, there is expected to be no impact on the transactions and balances recognised in the financial statements as the Council is not a grantor in a service concession arrangement.

**AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material (applies 2020/21 for LG Sector)**  
Council has adopted *AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material*, from 1 July 2020.

The Standard principally amends *AASB 101 Presentation of Financial Statements* and *AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors* . The amendments refine the definition of material in AASB 101. The amendments clarify the definition of material and its application by improving the wording and aligning the definition across AASB Standards and other publications. The impacts on the local government sector are expected to be minimal.

**AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework (applies 2020/21 for LG Sector)**  
Council has adopted *AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework* from 1 July 2020.

This Standard sets out amendments to Australian Accounting Standards, Interpretations and other pronouncements to reflect the issuance of the Conceptual Framework for Financial Reporting (Conceptual Framework) by the AASB. The impacts on the local government sector are expected to be minimal.

# Glossary of Financial Terms

1. Accounts receivable (AR)

**Accounts receivable (AR) definition:**  
The amount of money owed by customers or clients to a business after goods or services have been delivered and/or used.
2. Accounting (ACCG)

**Accounting (ACCG) definition:**  
A systematic way of recording and reporting financial transactions for a business or organisation.
3. Accounts payable (AP)

**Accounts payable (AP) definition:**  
The amount of money a company owes creditors (suppliers, etc.) in return for goods and/or services they have delivered.
4. Assets (fixed and current) (FA, CA)

**Assets (fixed and current) definition:**  
**Current assets (CA)** are those that will be converted to cash within one year. Typically, this could be cash, inventory or accounts receivable. **Fixed assets (FA)** are long-term and will likely provide benefits to a company for more than one year, such as a real estate, land or major machinery.
5. Asset classes

**Asset class definition:** An asset class is a group of securities that behaves similarly in the marketplace. The three main asset classes are equities or stocks, fixed income or bonds, and cash equivalents or money market instruments.
6. Balance sheet (BS)

**Balance sheet (BS) definition:**  
A financial report that summarises a company's assets (what it owns), liabilities (what it owes) and owner or shareholder equity at a given time.
7. Capital (CAP)

**Capital (CAP) definition:** A financial asset or the value of a financial asset, such as cash or goods. Working capital is calculated by taking your current assets subtracted from current liabilities—basically the money or assets an organisation can put to work.
8. Cash flow (CF)

**Cash flow (CF) definition:**  
The revenue or expense expected to be generated through business activities (sales, manufacturing, etc.) over a period of time.
9. Certified public accountant (CPA)

**Certified public accountant (CPA) definition:** A designation given to an accountant who has passed a standardised CPA exam and met government-mandated work experience and educational requirements to become a CPA.
10. Cost of goods sold (COGS)

**Cost of goods sold (COGS) definition:**  
The direct expenses related to producing the goods sold by a business. The formula for calculating this will depend on what is being produced, but as an example this may include the cost of the raw materials (parts) and the amount of employee labour used in production.



## 11. Credit (CR)

**Credit (CR) definition:** An accounting entry that may either decrease assets or increase liabilities and equity on the company's balance sheet, depending on the transaction. When using the double-entry accounting method there will be two recorded entries for every transaction: A credit and a debit.

## 12. Debit (DR)

**Debit (DR) definition:** An accounting entry where there is either an increase in assets or a decrease in liabilities on a company's balance sheet.

## 13. Diversification

**Diversification definition:** The process of allocating or spreading capital investments into varied assets to avoid over-exposure to risk.

## 14. Enrolled agent (EA)

**Enrolled agent (EA) definition:** A tax professional who represents taxpayers in matters where they are dealing with the Internal Revenue Service (IRS).

## 15. Expenses (fixed, variable, accrued, operation) (FE, VE, AE, OE)

**Expenses (FE, VE, AE, OE) definition:** The fixed, variable, accrued or day-to-day costs that a business may incur through its operations.

- Fixed expenses (FE): payments like rent that will happen in a regularly scheduled cadence.
- Variable expenses (VE): expenses, like labour costs, that may change in a given time period.
- Accrued expense (AE): an incurred expense that hasn't been paid.
- Operation expenses (OE): business expenditures not directly associated with the production of goods or services—for example, advertising costs, property taxes or insurance expenditures.

## 16. Equity and owner's equity (OE)

**Equity and owner's equity (OE) definition:** In the most general sense, equity is assets minus liabilities. An owner's equity is typically explained in terms of the percentage of stock a person has ownership interest in the company. The owners of the stock are known as shareholders.

## 17. Insolvency

**Insolvency definition:** A state where an individual or organisation can no longer meet financial obligations with lender(s) when their debts come due.

## 18. Generally accepted accounting principles (GAAP)

**Generally accepted accounting principles (GAAP) definition:** A set of rules and guidelines developed by the accounting industry for companies to follow when reporting financial data. Following these rules is especially critical for all publicly traded companies.

## 19. General ledger (GL)

**General ledger (GL) definition:** A complete record of the financial transactions over the life of a company.

## 20. Trial balance

**Trial balance definition:** A business document in which all ledgers are compiled into debit and credit columns in order to ensure a company's bookkeeping system is mathematically correct.

## 21. Liabilities (current and long-term) (CL, LTL)

**Liabilities (current and long-term) definition:** A company's debts or financial obligations incurred during business operations. Current liabilities (CL) are those debts that are payable within a year, such as a debt to suppliers. Long-term liabilities (LTL) are typically payable over a period of time greater than one year. An example of a long-term liability would be a multi-year mortgage for office space.

## 22. Limited Liability Company (LLC)

**Limited Liability Company (LLC) definition:** An LLC is a corporate structure where members cannot be held accountable for the company's debts or liabilities. This can shield business owners from losing their entire life savings if, for example, someone were to sue the company.

## 23. Net income (NI)

**Net income (NI) definition:** A company's total earnings, also called net profit. Net income is calculated by subtracting total expenses from total revenues.

## 24. Present value (PV)

**Present value (PV) definition:** The current value of a future sum of money based on a specific rate of return. Present value helps us understand how receiving \$100 now is worth more than receiving \$100 a year from now, as money in hand now has the ability to be invested at a higher rate of return.

## 25. Profit and loss statement (P&L)

**Profit and loss statement (P&L) definition:** A financial statement that is used to summarise a company's performance and financial position by reviewing revenues, costs and expenses during a specific period of time, such as quarterly or annually.

## 26. Return on investment (ROI)

**Return on investment (ROI) definition:** A measure used to evaluate the financial performance relative to the amount of money that was invested. The ROI is calculated by dividing the net profit by the cost of the investment. The result is often expressed as a percentage.

## 27. Individual retirement account (IRA, Roth IRA Individual retirement account (IRA)) definition:

IRAs are savings vehicles for retirement. A traditional IRA allows individuals to direct pre-tax dollars toward investments that can grow tax-deferred, meaning no capital gains or dividend income is taxed until it is withdrawn, and, in most cases, it's tax deductible. Roth IRAs are not tax-deductible; however, eligible distributions are tax-free, so as the money grows, it is not subject to taxes upon withdrawals.

## 28. 401K & Roth 401K

**401k & Roth 401k definition:** A 401K is a savings vehicle that allows employees to defer some of their compensation into an investment-based retirement account. The deferred money is usually not subject to tax until it is withdrawn; however, an employee with a Roth 401K can make contributions after taxes. Additionally, some employers chose to match the contributions made by their employees up to a certain percentage.

## 29. Subchapter S Corporation (S-CORP)

**Subchapter S Corporation (S-CORP) definition:** A form of corporation (that meets specific IRS requirements) and has the benefit of being taxed as a partnership versus being subject to the "double taxation" of dividends with public companies.

## 30. Bonds and coupons (B&C)

**Bonds and coupons (B&C) definition:** A bond is a form of debt investment and is considered a fixed income security. An investor, whether an individual, company, municipality or government, loans money to an entity with the promise of receiving their money back plus interest. The "coupon" is the annual interest rate paid on a bond.



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