



Annual Report

2021–22



Acknowledgement of Country

Mornington Peninsula Shire acknowledges the Bunurong people, who have been the custodians of this land for many thousands of years; and pays respect to their elders past and present. We acknowledge that the land on which we meet is the place of age-old ceremonies, celebrations, initiation and renewal; and that the Bunurong peoples' living culture continues to have a unique role in the life of this region.

Offices and Contact Details

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Mornington

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About our annual report

The Mornington Peninsula Shire is proud to present its Annual Report for the the 31 June 2022 to 30 June 2022 financial year.

Mornington Peninsula Shire Council is committed to transparent reporting and accountability to the community. Alongside our Quarterly Community Report, the Annual Report 2021–22 is the primary means of advising our community about Council's operations and performance during the financial year.

The Annual Report is an overview of Council's performance in the 2021–22 financial year against the three strategic themes set out in our Council and Wellbeing Plan 2021 – 2025. The report details Council's operations and performance during the financial year, including the State Government's Local Government Performance Reporting Framework (LGPRF) which can also be found at [knowyourcouncil.vic.gov.au](https://www.knowyourcouncil.vic.gov.au)

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

Mornington Peninsula Shire is responsible for more than 40 community services, from Child and Family Health, Climate Emergency Action, Open Space, Youth Support, Waste Management and Community Development, to matters concerning economic development and recovery, planning for appropriate development, and ensuring accountability for Council's budget. This broad range of community services and infrastructure for residents support the wellbeing and prosperity of our community. Refer to the section on Our Performance for more information about Council services.

Council's vision, strategic objectives and strategies to further improve services and facilities are described in our Council Plan and the annual Budget and are reported on in this document.

Economic Factors

Council's revenue raising capability is limited by the rate cap, under the Fair Go Rates System, which was set at 1.50 percent for 2021–22.

Major Achievements and Capital Works / Major Projects

Please see our Highlights of the Year section.

About our shire

The Mornington Peninsula separates Port Phillip Bay and Western Port. 'The Peninsula', as it is affectionately known to local residents, contains a diversity of scenic landscapes and is almost surrounded by the sea, with coastal boundaries of more than 190 kilometres and approximately 10 per cent of Victoria's coastline. It is a mixture of urban areas, townships, natural reserves and rural land.

Approximately 70 per cent of the Shire is retained as rural within the Green Wedge planning zone, while the other 30 per cent is towns and villages. Within the Green Wedge there are areas of highly productive agricultural land as well as highly significant landscapes and ecosystems.

A uniquely biodiverse region, the Peninsula is home to an incredible range of plants and animals, including species and areas of national and international conservation significance. The diverse natural environments on the Peninsula

provide a range of habitats for wildlife with more than 400 species of native animals recorded here, including 293 species of birds, 34 mammals, 31 fish and 25 reptiles.

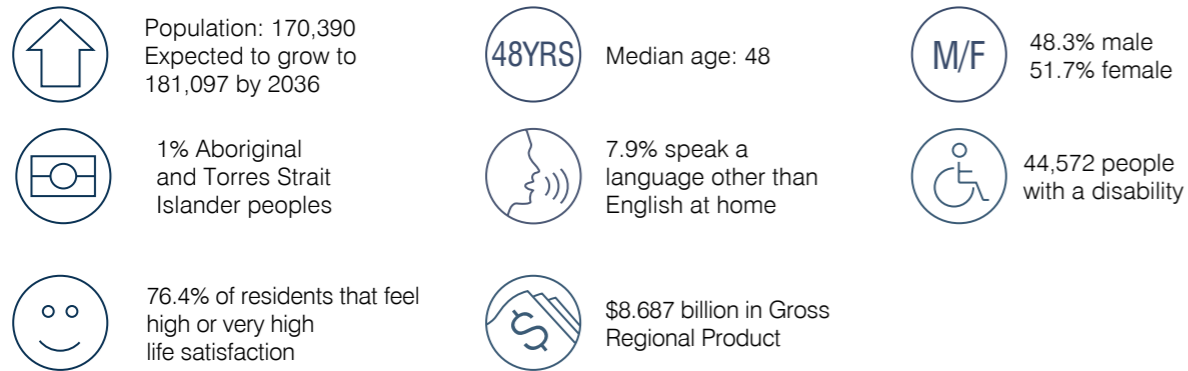
The Peninsula has a diverse local economy including tourism, agriculture, retail, manufacturing, construction and business services. The Peninsula also has a distinguished agricultural history with many of our existing food and wine producers recognised as world class and industry leaders in their respective fields.

The Mornington Peninsula is also home to one of Australia's most vibrant tourism industries, offering an ever-expanding range of attractions and events with the local economy continuing to grow in its overall size and level of employment despite the many challenges of COVID-19.

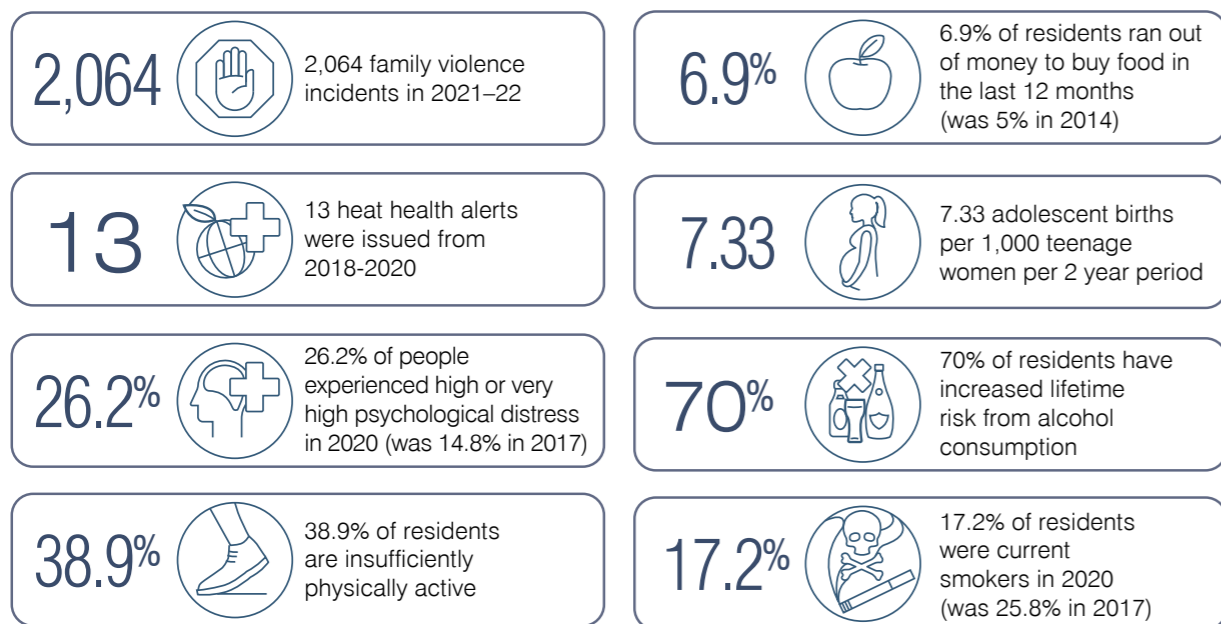
About the Mornington Peninsula

Data below is taken from our Shire website

mornpen.vic.gov.au/ourregion



Snapshot Health & Wellbeing



Our Vision and Mission

Our Shared Community Vision

Welcome (Wominjeka) to the Mornington Peninsula, bound by green spaces and sea.

We honour and pay respects to the Traditional Owners of this beautiful land – the Bunurong people. We also pay our deepest respects to their Ancestors and Elders. We are inspired to protect and enhance our distinct region that values its diverse community, environments and townships. Our community spirit thrives, with safe, accessible and inclusive spaces for all. Together we continue to create a sustainable, vibrant and prosperous future that values innovation and shared compassion.

Our Mission

We will achieve this by:

- Providing effective leadership and representation by democratically elected Councillors
- Listening and reflecting your collective aspirations in our plans
- Helping you create a resilient, inclusive community that can respond to challenges
- Bringing new ideas to discussions that create new opportunities
- Encouraging you to get involved in your community
- Working hard to provide the best possible service and value
- Keeping you up to date with what is happening across the Shire in an open and direct way

Our Organisational Values

The Shire is committed to the highest standards of performance, behaviour and service.

To guide us in the delivery of exceptional community outcomes, we have five CORE values that are integral to everything we do:

- Integrity
- Openness
- Courage
- Respect
- Excellence.

Our Core Values set the framework for how we work together to achieve outstanding outcomes for our customers and our community.

Our values guide us in clearly defining and communicating:

- How we do things at the Shire
- How we make decisions in the best interests of the community we serve, and
- How we hold ourselves and each other accountable the highest standards of performance and conduct.


Our Values set our organisational culture and articulate the shared behaviours we are all required to live by when making decisions in the course of our work.


In living our values, we build a collective culture committed to high performance, and send a clear message to our colleagues and our community about how we go about our business.

Our Values




 **Integrity**
We take ownership and responsibility for our decisions; keep our promises; and hold each other accountable to the highest standards of performance.

 **Courage**
We give honest advice; make tough calls with conviction; stand by our decisions; admit if we get it wrong; and challenge ourselves to explore new ways of thinking.

 **Openness**
We share knowledge and learning for the benefit of all; actively engage with our community; and are transparent in our decision making.

 **Respect**
We treat everyone with dignity, fairness and empathy; look out for our safety and wellbeing; and nurture positive and inclusive relationships.

 **Excellence**
We provide exceptional customer service; strive for innovative team outcomes for the betterment of our community; and step up to lead where we recognise an opportunity for improvement.

The year in **review**



Mayor's Message

The past year has been one of recovery, renewal and revitalisation. We adopted our Council and Wellbeing Plan to guide us over the Council term, setting out our priorities based on your feedback. Significantly, our first Citizens' Panel created our Community Vision. Council was so impressed by the invaluable insights provided by the panel that we committed to establishing a new panel each year to guide our decision-making further.

The Shire undertook a significant activation of arts and culture during the year. We adopted our Music Plan 2025 to support and grow an active, rich and diverse music culture. Council initiated an exciting and ambitious project to explore the feasibility of a state-of-the-art performing arts and culture centre on the Peninsula, and we launched our new Performing Arts Fund to support local artists. For 11 days over autumn, the Peninsula celebrated art and music with the inaugural DRIFT Arts Festival, bringing venues, places and spaces to life with performances, music, visual arts, film, public art installations, multimedia and projections, writing and literature. The Shire also commissioned several mural projects to bring new life to our streets and buildings. Finally, we saw a new direction for Schoolies, with the Shire hosting a highly successful two-day inaugural Peninsula Schoolies festival in Rye.

After revamping our Budget process, we saw an incredible jump in community feedback, receiving over 2,500 individual responses - a 40-fold increase on the prior year. We adopted our first Universal Design Policy and selected our advocacy priorities in the lead-up to the state and federal elections. One of our major advocacy priorities - the Peninsula Trail - attracted significant funding, enabling us to start work on the first of the Peninsula Trail's 'missing links' - the Somerville to Baxter shared path. Despite the significant delays and shortages experienced across the sector, we continued to progress and deliver several projects. We began construction of the Flinders Community Hall, commenced or delivered footpaths in Tootgarook, Mount Martha, Somers and beyond, started work on the Civic Reserve Soccer and Athletics Pavilion, committed \$1 million to fund upgrades to the Sorrento Surf Lifesaving Club, completed a significant upgrade to Bentons Road, installed new cricket nets in Rosebud, started work on the Somerville Active Recreation Hub, installed a new fish cleaning station in Hastings, and began an extensive restoration of the McCrae Lighthouse, just to name a few!

The Peninsula was in the spotlight this year. We were chosen to host the Australian Local Government

Women's Association (ALGWA) National Conference being held in 2023, Hastings was named Australia's top town in the Sustainable Communities Tidy Town Awards, Yawa won the Community Facility of the Year Award, and the Rye Coastal Wetland was awarded the Stormwater Victoria Industry Award 2022 for Infrastructure Excellence.

The Shire doubled down on our support for local businesses, reaffirming our commitment to the Small Business Friendly Council Charter. We began a wide-ranging review of economic development and planning functions to support local businesses, which will drive the development of a refreshed Economic Development and Tourism Strategy. We also commenced our new Building Better Business networking events and held the inaugural Innovation Summit, exploring the many opportunities and challenges for the Peninsula's economic development over the coming decade.

We backed our community as they fought to protect the Peninsula we all know and love. After an extraordinary and unrelenting community campaign, you saved the Flinders Pier! We also celebrated the success of the Save Arthurs Seat community campaign with the abandonment of the Hillview Quarry project. Making up for lost time, during National Volunteer Week we finally had the opportunity to recognise our volunteers who dedicate so much of their time to our community. I also had the pleasure of hosting the long overdue Civic Recognition event to honour our local champions who go above and beyond for our community.

I'd also like to mention the Mayoral Charity Paddle, a personal highlight of mine - 2 Bays, 4 Days, 100ks. This unforgettable experience gave me the opportunity to kayak along the pristine Port Phillip and Western Port coastlines over the Easter long weekend. Together we raised \$36,000 for our local SES units and Coast Guard flotillas. I want to thank everyone involved - particularly my support crew and event sponsors - for making this event a huge success.

And finally, I'd like to thank my councillor colleagues, our CEO John Baker and all our incredible staff for their dedication and commitment to making the Peninsula the best place to live, work and play.

Anthony Marsh
Mayor



Chief Executive Officer's Message

It has been another challenging 12 months at the Shire as we continue to adjust and readjust to the ever-changing world around us. We've experienced a great deal in the past year, requiring our staff and community to show incredible resilience, flexibility and understanding. We must continue striving to meet community needs and expectations.

As we emerged out of lockdowns toward the end of 2021, we stepped up our COVID Recovery Program with the launch of our Local Economy Booster Program. This injected \$82,768 into the local tourism economy, giving Peninsula tourism operators a much-needed boost. We also re-opened our Outdoor Dining Program, encouraging local businesses to create extra outdoor dining and retail space in order to maximise trade over summer.

Staff shortages in the hospitality sector, however, have become a significant issue for our local businesses. In response, we partnered with Chisholm TAFE, Frankston Mornington Peninsula Local Learning and Employment Network and the Brotherhood of Saint Laurence to create and deliver two entry-level hospitality short courses.

In the midst of all this, the Peninsula was lashed by one of the biggest storms we've seen in years. We committed additional Shire resources to the immense clean-up operation to ensure residents and visitors could once more travel safely around the Peninsula. We received more than 3,000 calls for assistance and had up to 12 teams, plus sub-contractors, working up to seven days a week to inspect and remove dangerous trees and debris. Such was the extent of the damage that the clean-up continued into the new year and unfortunately caused inconvenience and distress to some residents.

Our focus on advocacy sharpened in 2022 in the lead up to the federal election. The Mayor and I met with election candidates from across the political spectrum, seeking their support to achieve some of the goals of our Community Vision. We presented each candidate with an information pack outlining Council's advocacy priorities for the Peninsula, which range across areas such as homelessness and affordable housing, public transport, coastal management, digital connectivity, better roads and water security.

Our online pledge tracker kept our community up to date on funding commitments made by local election candidates, and it was particularly pleasing to see our efforts rewarded with \$15 million secured for much-needed upgrades at Emil Madsen Reserve in Mount Eliza.

Our Better Buses advocacy campaign also bore fruit with welcome changes to the 788 bus route implemented. Transport is a huge issue on the Peninsula and our advocacy for better public transport continues through ongoing discussions with Public Transport Victoria, particularly about the lack of a cross-Peninsula bus service.

I'm delighted to report our Yawa Aquatic Centre was named 'Community Facility of the Year' at the 2022 Parks and Leisure Australia Awards of Excellence. This award recognises facilities demonstrating innovative features of design, development and operation and it is a huge credit to our team and to the previous Council for its leadership.

While the construction industry in general was beset with supply and workforce issues, we were still able to complete many capital works projects, including the Somerville Active Recreation Hub, stage four of the Hastings Streetscape Renewal Project, the Tyabb preschool upgrade and the award-winning Rye Coastal Foreshore biofiltration project.

This year we also introduced a new online budget portal to make it easier for everyone to have their say. We're proud the community response was more than 40 times higher compared to previous years' submissions.

We are planning for the continued responsible management of the Shire's \$2.3 billion in infrastructure assets. Our 2022-32 Asset Plan informs the spend of just over \$1 billion across the next 10 years where it's needed most, within the four key areas of transportation, stormwater, buildings and open space.

Despite the difficult economic environment of the past year, our financial position remains strong. We achieved a surplus and maintained a strong cash position while also paying down our loan liability. Our \$10 million COVID recovery package demonstrates our ability to continue to support the community through these challenging times.

As we reflect on the past year and absorb the learnings from this time, I'd like to thank our Mayor, Anthony Marsh, and all our councillors for their support and leadership. I am incredibly proud of our staff and what they have achieved during a turbulent year. Together we look to the future with a sense of optimism and purpose.

John Baker
Chief Executive Officer



Road to COVID-19 recovery

The COVID-19 pandemic made 2021–22 an extremely challenging time for many in our community.

Since the pandemic was declared in March 2020, we have worked to reshape public spaces and services to accommodate people safely, while also prioritising the most vulnerable in our community. In the 2021–22 financial year, we continued to work with local businesses, the community, service providers and other levels of government to ensure the Peninsula's lasting resilience and renewal. Additionally, significant work occurred in responding to COVID-19 Relief and Recovery needs including:

- Distribution of free Rapid Antigen Tests to several Community Houses and Support Centres, which are supporting vulnerable members of our community.
- Provision of Covid relief care packages to the community. Since recording the number of packages began in September 2021, we have provided almost 500 packages, with 154 people supported.
- Supporting Peninsula Health and Monash Health in activating vaccination 'pop ups' across the Peninsula including within our facilities, events and schools.
- Continuing to support key State COVID vaccination messages targeting priority populations and the 5–11-year-old cohort.

We made a \$10 million investment in the 2021–22 budget to recovery projects, programs, and initiatives, which included:

- \$1 million to waive fees and charges. This relief has been, and continues to be, applied across the community and business sector and to our most vulnerable. In some instances, permits or licensing fees were automatically waived for a 12-month period, whilst for other fees or charges, Council has been able to support the request for financial hardship assistance by application throughout the year.
- \$650,000 was used to re-establish the Outdoor Dining and Township Activation program between October 2021 – April 2022. This has been such a successful initiative for our hospitality industry that requests have been made by some businesses to prolong the program until the end of June 2022.
- The roll out of \$2.2 million worth of grants to empower our community and those most in need. Grants included the Accessible Business

Improvements Grant, Business Association Covid-19 Recovery Grant, Community Place Making Grant, Climate Action Grant 2022, and the Biolinks Support Grant 2022.

- The fast-tracking of several priority Climate Emergency Actions from the Community Action Plan continued to ensure a green recovery and rebuild our local economy with a focus on transitioning to a net zero carbon energy sector.
- Creating a new Mornington Peninsula Festival to help our community celebrate and reconnect. The Drift Arts and Culture Festival took place in April 2022.
- A number of initiatives were rolled out in the 'Communities That Care' program, including the Fathering Project, Resilient Youth, and The Family Adventure Challenge.
- Supporting community-built bike tracks where kids and adults can connect, enjoy themselves and get active. \$250,000 will be split over this year and next. We progressed our BMX strategy and a pilot of community-built bike jumps at Citation Reserve.
- Used \$125,000 to expedite rezoning of land in Hastings/Tyabb to allow for the establishment of a Mornington Peninsula Technology Park with the rezoning to take a further 18-24 months and into 2022–23.
- Continuing to work to build disaster resilience by enhancing our Emergency Management capability. A Crisis Management Plan was created to assist in our community's preparedness for future disasters, such as fire, floods, and storms. Funds will contribute to our evacuation and relief centres, ensuring they are fit for purpose.
- \$4 million in capital projects that will support vital infrastructure and community connections including the delivery of priority small missing link footpaths. In addition, support for young people's mental health and wellbeing, with key projects such as the Southern Peninsula Youth Hub, Civic Reserve athletics/soccer pavilion, Emil Madsen Reserve main soccer field, Sorrento Tennis Court lighting, Fruit Growers Reserve scoreboard.
- Scope and implement an 'on demand' bus service trial to the value of \$110,000.

As the pandemic continues and restrictions ease, we will work closely with the community to ensure that further distribution of recovery funding is targeted where it is needed the most.



This year's Highlights

Strategic theme 1: A healthy natural environment and well-planned townships

Vibrant and unique townships balanced with a natural environment that is protected now and into the future, accelerating climate action and celebrating cultural heritage. See section on Our Performance for more details.

Major Achievements

- Supported our local community and members of the Save Flinders Pier campaign in their opposition to the demolition of the timber Flinders Pier. The Victorian Government announced in May 2022 that \$1.5 million would be allocated to the restoration of the timber Flinders Pier, which is a significant result for our community, environment, and heritage.
- Worked alongside other Victorian Councils in the Council Alliance for a Sustainable Built Environment with the aim of achieving 'net zero carbon development' in new buildings and resolved to join stage 2 of the Elevating Targets project. Stage 2 includes finalising financial analysis and moving forward with a joint planning scheme amendment with other participating Councils.
- Partnered with Westernport Catchment Management Authority, Bass Coast Landcare Network, Ozfish and Parks Victoria to increase fish habitat across Western Port Bay by planting thousands of mangroves over the next two years.
- Launched Gardens for Wildlife program. Mornington Peninsula's free Gardens for Wildlife program is designed to encourage and support residents in creating a haven for local wildlife using local plants in their gardens.

- The Shire was officially certified Carbon Neutral under the Climate Active Carbon Neutral Standard for the 2020/21 financial year.
- Yawa Aquatic Centre was named 'Community Facility of the Year' at the 2022 Parks & Leisure Australia Awards of Excellence. This award recognises facilities demonstrating innovative features of design, development, and operation. We are now in the running for the National Awards of Excellence.



Image: Yawa Aquatic Centre

- Our coastal biofiltration project in Rye's Coastal Wetland was awarded the Stormwater Victoria Industry Award 2022 for 'Infrastructure Excellence'. The Award recognises excellence in stormwater infrastructure projects that have been delivered and are now operational.



Image: Flinders Pier

Strategic theme 2: A robust, innovative and diverse economy

A community with abundant and varied education and local employment opportunities. We are open to new ideas and work with our partners to grow a strong, diverse and future-focused economy. See Our Performance section for more details.

Major Achievements

- Held our inaugural Innovation Summit at the Continental in Sorrento. The event provided a creative collaborative space for invited business owners, Councillors, and Citizens' Panel members to come together and discuss the challenge of 'Revitalising the Mornington Economy through Investment, Tourism and Circular Economy'.
- Rolled out our Local Economy Booster Program as part of our COVID-19 recovery response. Over 340 participants spent over \$82,000 in support of our local tourism industry. For participants to receive a \$100 reimbursement, participants needed to visit local tourism attractions, experiences and accommodation during the off-peak season and spend a minimum of \$150.
- Launched our Building Better Business Networks at our inaugural event at Jimmy Rum Distillery. More than 50 of our local businesses came together to network and learn from each other. The event also showcased some of our local Victorian Tourism Award winners and finalists, including Jimmy Rum Distillery.
- Successfully advocated to the Victorian Government for investment to improve digital connectivity through the Connecting Victoria initiative and the NBN Regional Co-Investment Fund. The first funded projects



Image: Building Better Business Network event

- will see businesses in Dromana get access to faster and more reliable fibre internet through Enterprise Ethernet services.
- The Shire and a multi-partner regional consortium were granted a two-year National Landcare Program Smart Farms grant of \$400,000 for a project that will support 235 regional farmers to better understand their soils and the practices required to measure and improve soil health.
- Collaborated with Chisholm TAFE, the Frankston Mornington Peninsula Local Learning and Employment Network and the Brotherhood of Saint Laurence to create and deliver two four-day hospitality entry level short courses to address hospitality shortages on the Peninsula.
- Mornington Peninsula wine region was declared free from the significant grapevine pest by the Minister for Agriculture, the Hon. Mary-Anne Thomas and was awarded official Phylloxera Exclusion Zone status.



Image: Innovation Summit at The Continental in Sorrento

**Strategic theme 3:
A flourishing, healthy and
connected community**

An inclusive and creative community that values safety, physical and mental health and wellbeing. A community with accessible services and transport to keep us connected. See section on Our Performance for more details.

Major Achievements

- Council made a \$10 million commitment over the next five years towards the Peninsula Trail project. With over \$17 million in funding committed from Council and the Victorian and Federal Government, we are well on our way to constructing the 11 identified missing links and transforming the Peninsula into a world-class cycling and walking destination.
- The Mornington Peninsula Shire Council offered a range of grants to support our community over the course of the year. Our Community Investment Funding for the 2021–22 financial year was \$2.658 million.
- As part of the \$10 million investment in to COVID-19 Recovery, Council allocated \$430,000 towards a grant program that targeted

experienced and established service providers whose primary function was facilitating services and supports within five identified priority areas (unemployment, young people, mental health, family violence and social isolation).

- Worked with Public Transport Victoria to implement changes from our successful Better Buses advocacy campaign. Some of the changes included improving the frequency of bus route 788; weekend services operating with the same frequency as weekdays over Summer and replacing route 787 between Rosebud and Safety Beach with a new FlexiRide on-demand bus service as part of a 12-month trial.



- Launched our new Performing Arts Fund. The \$500,000 fund will support local creative organisations and individuals to develop new artistic works, grow employment opportunities, and further engage our community with the performing arts.



Major capital works

highlights

**Red Hill ward:
Flinders Civic Hall Redevelopment
(total value \$5,200,000).**

The Mornington Peninsula Shire successfully obtained \$2.25 million through the Victorian Government Growing Suburbs Fund, which was matched by Council for the redevelopment of the Flinders Civic Hall. The Shire was also successful in receiving \$110,000 as part of the Changing Places Grant, again funded through the Victorian Government. Works undertaken during the 2021–22 year included:

- Demolition
- Asbestos and hazardous materials removal
- Earthworks including excavation, footings and underground services.



**Watson ward:
Somerville Active Recreation Hub
(total value \$1,480,000).**

Construction for our Somerville Active Recreation Hub was completed by June 2022. The Somerville Active Recreation Hub, located at Fruit Growers Reserve (Edward Street side) features a designated area of BMX, scooter and skate components and a variety of other recreational features such as a multi-use court space, 4 square, parkour equipment and mini trampolines.



**Cerberus ward:
Hastings High Street Streetscape
Renewal project – Stage 4
(total value \$1,200,000).**

The Mornington Peninsula Shire successfully obtained partial funding through the Victorian Government Growing Suburbs Fund 2017/19 for the Streetscape Renewal of High Street Hastings from Queen Street to Marine Parade, and the laneway renewal of five laneways adjoining High Street Hastings between Victoria Street and Marine Parade.

Stage 4 works of the High Street Streetscape Renewal Project, for the length of High Street, between Queen St and Victoria St, were completed by June 2022 and included:

- New raised pedestrian crossing facilities at the intersection of Victoria Street
- Realignment of on-street parking within High Street
- Concrete pathways with feature paving elements and
- Street furniture and landscape planting



**Nepean ward:
Rye, Elgan Avenue Coastal Biofiltration
(\$350,000).**



Our award winning Coastal Biofiltration project in Rye was completed in 2021–22. The biofiltration basin includes an altering upstream drainage pipe, a gross pollutant trap and relevant inlet and outlet scour controls. A level indicator was also installed to monitor sand migration. 11,000 plants were ordered for the landscaping and volunteers were recruited from the local community to help with the planting to ensure it keeps it natural aesthetic. The Biofiltration basin will improve the water quality of stormwater entering the bay.

**Seawinds ward:
McCrae Lighthouse
(total value \$1,000,000).**

Council was successful in receiving a grant from Heritage Victoria in 2020 for the restoration and conservation of the lighthouse structure. The McCrae Lighthouse (Eastern Shore Light) has served as an integral part of the Port Phillip Bay navigation system since the 1850s and is the tallest lighthouse on mainland Victoria.



Total works consisted of abrasive blasting, removal of rust, patch repairs, painting, cleaning and other minor repairs to both the interior and exterior of the lighthouse.

**Briars ward:
Narambi Reserve Junior Oval
(total value \$2,500,000).**

Construction works for the Narambi Reserve Junior oval were underway with all works to be completed by September 2022. Works progressed over the 2021–22 year included:

- Demolition of existing infrastructure, removal of unsuitable material, earthworks, preparation of subgrade for oval and car park.
- Installation of drainage, water tank, irrigation, retaining walls. Works also included excavation for multiuse court and pouring of oval kerb.
- Earthworks and subgrade preparation for multiuse court and concrete works around the oval including cricket pitch, coaches box pads and stairs identified in our Sports Capacity Plan.

The addition of a second oval will support the growth of Mornington's AFL clubs and the increase in female participation in AFLW, improve amenity and informal use of local open space and ensure the life and sustainability of the first oval.



Advocacy, communications and engagement

Overview

The Shire is committed to open, transparent and clear communication with our community and stakeholders. Our communications reflect the Shire's values and voice and align with strategic goals across our three themes. We strive to:

- convey information in a clear, accessible and inclusive way
- promote our many projects, services and events
- advocate on behalf of our community
- engage genuinely with our community
- raise awareness of issues that affect our community.

Our stakeholders include:

- residents and ratepayers
- community groups and volunteers
- partners
- visitors
- government
- Shire staff.

ADVOCACY

Every day Council makes decisions that affect everyone.

We represent the community and strive to deliver on their needs and aspirations.

One of the ways we do this is through advocacy – representing our community by seeking either financial or policy support from the Victorian and Australian Governments to deliver what is important to the community.

Based on what residents, ratepayers and other stakeholders have told us during our many community consultation sessions over the past year, Council developed a list of advocacy priorities. These are projects we know will deliver real benefits and enrich the quality of life for Mornington Peninsula residents and visitors alike.

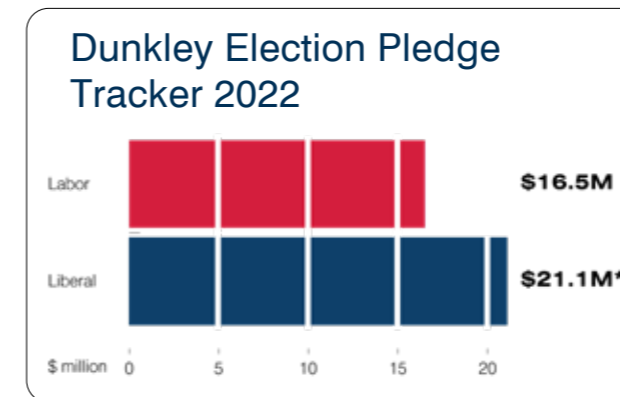
Our advocacy priorities:

- Homelessness
- Peri-Regional Peninsula
- Public transport
- Coastal management
- Peninsula Trail
- Performing arts centre
- Mobile coverage
- Road safety
- Recycled water
- Medical research precinct.



In the lead-up to the federal election in May 2022, we created an online pledge tracker to document funding commitments made by the major parties in the Dunkley and Flinders electorates.

Local candidates received our advocacy pack with information on our priority infrastructure projects and advocacy priorities.



COMMUNICATION

Tailor-made communication support was provided for more than 187 projects across all areas of the Shire throughout 2021–22.

While there are many tools at our disposal, some outputs included:

- 266 media releases
- 1,354 social media posts
- 26 videos made and distributed across our online channels
- more than 1,200 pieces of graphic design ranging from strategy and policy documents, social tiles, email signatures, advertisements, signage and other branding
- managed more than 8,000 webpages that attracted more than 9.3 million views
- 132 e-newsletters sent
- six full-page advertorials in local newspaper
- 50 speeches written for Councillors.

Additionally, more than 200 media responses were supplied to strengthen the Shire's reputation, promote our narrative and deliver key messages.

Major projects included:

- Budget 2021–22
- Housing Partnership Project
- Outdoor dining
- Southern Peninsula Youth Hub
- Mountain bike and BMX strategy
- New food waste collection.



External publications

In December 2021 we launched a new monthly e-publication – Peninsula Buzz, which has quickly become a valuable and effective communications channel for Shire news and information. It is emailed monthly to more than 67,000 subscribers and includes stories across projects, services, events, advocacy and issues.

Peninsula Wide continues as our flagship publication and is delivered to all households on the Peninsula plus non-resident ratepayers – in total approximately 120,000 copies.

The Summer Guide – summer is for everyone – has increased its readership and distribution and is now sought after by tourism operators and accommodation services. It provides Summer holiday news and information for visitors and locals with fun and festive branding.



Digital

Through our digital communication channels, we connect with thousands of residents, communities, businesses and stakeholders.

The core platform is the Shire website – providing information, services and transactions to our community, plus several specialist community websites, such as arts and culture, our libraries, youth services and community houses.

In 2021–22 we managed more than 8,000 web pages, which attracted more than 9.3 million views.

Email communication continues to be a key channel for keeping our community updated, with 132 e-newsletters sent in the past year.

Social media

Facebook

Council increased its social media presence in 2021–22 with a 20.37% increase in Facebook followers from 19,325 to 23,262.

Total Posts – 1354

Engagement [likes, comments, shares] – 396,981

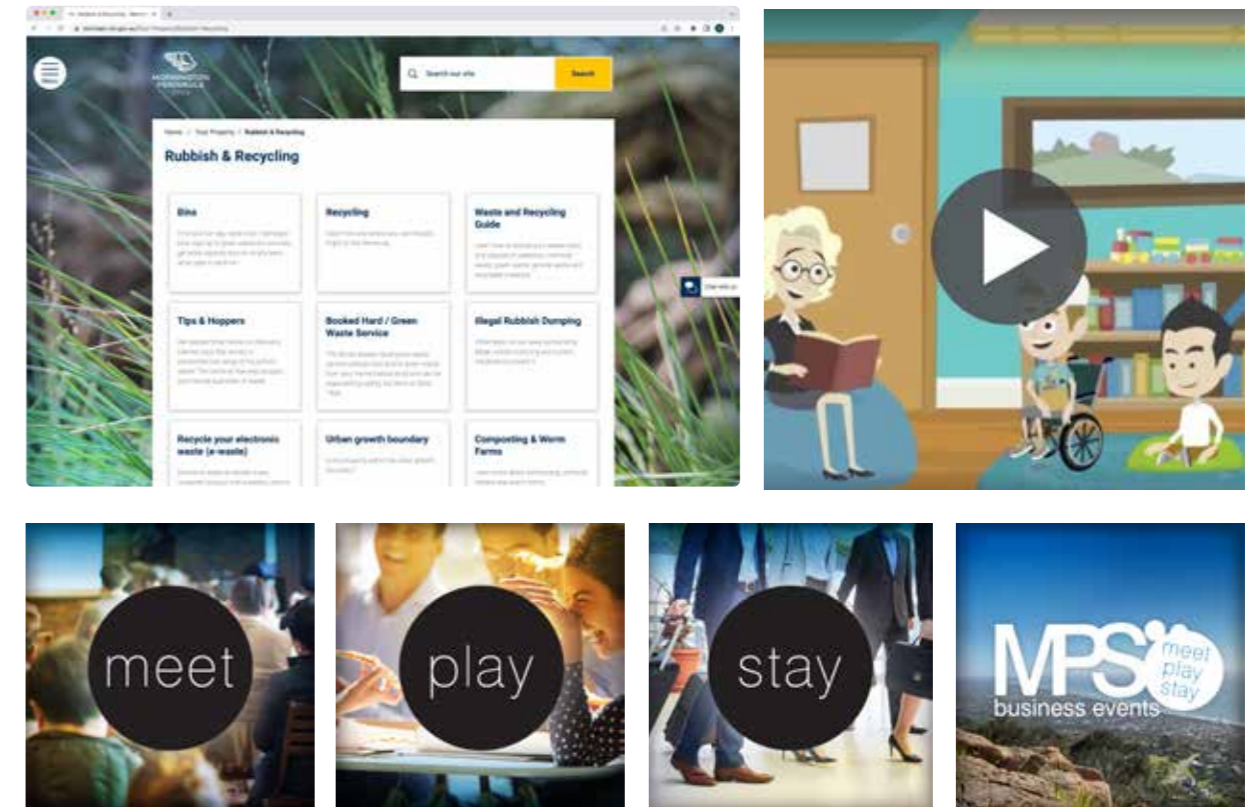
Instagram

Council increased its presence in the social media space in 2021–22 with an Instagram following of 5,362 – an increase of 23.5%.

Total posts 370.

LinkedIn

Council's LinkedIn page has 8,828 followers – an increase of 19.77%.



COMMUNITY ENGAGEMENT

The Shire is committed to engaging with the community to ensure everyone has the opportunity to give their feedback and opinion on issues, projects and services that affect them. Inclusivity is at the core of our conversations so that our decision-making truly reflects the needs of the whole Peninsula. We strive to engage genuinely with all stakeholders, knowing that collaboration

and consultation leads to better outcomes for all. Due to the impact of COVID-19, our ability to undertake face-to-face engagement with our community was limited and there was a greater reliance on Shape, our new online community engagement platform. In 2021–22 the Shire undertook 79 community engagement projects, which received 19,774 contributions and more than 300,000 page views on our Shape platform.

Overview of our Climate Emergency Plan

| Annual Achievements | Total | Carbon Emissions Impact |
|---|---------------------|--|
| Number of Climate Emergency Tasks in progress, ongoing or completed | 138 of 172 (78%) | 78% progress on delivery of 10-year plan within first 1.75 years |
| Number of Small Business Energy Saver program upgrades | 205 | 628 tonnes of carbon dioxide equivalent (tCO ₂ -e) annual emissions savings or averted. Annual savings to businesses \$175,847 |
| Number of solar systems on Shire-operated Buildings | 52 | 1,482,958 kWh annual generation 1,171 tCO ₂ -e annual emissions averted |
| Number of take ups of Solar and Energy Bulk Buy Program | 66 | 437 tCO ₂ -e annual emissions savings (equivalent to taking 32 cars off the road) |
| Number of consultations for Energy Advice Service | 350 | Engagement to prepare community transition to efficient appliances and renewables |
| Number of solar systems installed on Shire-owned buildings in FY 21–22 | 7 | 122,853 kWh annual generation capacity |
| Number of Scorecard (energy) assessments as part of the Energy Savvy Upgrades Program | 89 | Energy advice for vulnerable households |
| Number of schools participating in education program | 29 | Behaviour change and engagement with future leaders & generations |
| Number of students educated | 1,795 | Behaviour change and engagement with future leaders and generations |
| Landfill gas captured and energy generated from Rye Landfill | 6,000 Megawatt hour | On average, 1.7 million cubic metres of methane captured every year 5500 tCO ₂ -e annual emissions savings (equivalent to powering 1,300 local houses) |
| TOTAL | | 7,736 tCO₂-e Annual emissions reduced or averted |

Our award-winning Climate Emergency Plan



In November 2021 the Shire's Climate Emergency Plan won the Cities Power Partnership Award in the Ambition category. These awards recognise outstanding council-led initiatives from around the country. Find out more about the awards here or find out more about the Plan in this Case Study.

Online Portal for Climate Emergency Plan Progress now live

A new tool to enable the community to track the progress of the Climate Emergency Plan is now live on the Shire website, you can access it here: www.mornpen.vic.gov.au/Environment/Climate-Change/What-is-the-Shire-doing-about-climate-change/Track-our-progress. The status of all 172 tasks from the Plan can be viewed in detail and an interactive map pinpoints every solar installation the Shire has been involved with. There is also a live dashboard detailing the energy produced from the Rye landfill. This shows how we are reducing our landfill emissions by converting landfill gas to electricity in real time. This important resource will be further developed over time – so make sure you track our progress.

Facilitating community owned renewable energy projects

The Shire conducted two workshops in September 2021 in partnership with Sydney-based not-for-profit Community Power Agency (CPA) to support the establishment of a Mornington Peninsula community owned renewable energy group. The objectives are to upskill the community, connect individuals and groups with common goals, and to ensure the community derives genuine benefits from any future renewable energy funding opportunities.



Concerned community members have since formed a decarbonisation and renewable energy group called Repower Mornington Peninsula. Repower conducted a

community survey to better understand the community's ambitions. They are focusing their efforts on decarbonising through promoting electrification and renewable uptake on homes, businesses and in our cars, on a postcode basis. The group has been featured by Carbon Neutral Cities Alliance regarding how communities are using the Climate Emergency to make big new moves to decarbonise.

The Shire will continue to support the group through knowledge sharing as well as developing a communications plan to support Repower's community engagement, membership recruitment and business partnerships. For more information see:

repowermornpen.org.au/

Climate emergency training for Shire staff

The Shire has recently developed and launched an e-learning module on Climate Emergency Training, for all officers. This delivers on task 18.7 in the Climate Emergency Plan. The objective is to build knowledge and capacity across the organisation. This recognises that climate change will continue to impact our services, and it will take all of us acting together to find solutions and support our community to become resilient.

The training is complemented with a series of targeted workshops in the Shire, which will aid Shire staff to consider climate change impacts to services, programs and projects. A key outcome of these workshops is to embed climate change consideration into corporate reporting and business planning across the Shire.

Community Education Program

During March, April and June 2022 we educated the largest number of students in one quarter for many years, with 943 students across 10 schools participating in the Shire's Schools Education Program.

Our Council

Briars
 Cr Steve Holland
 Cr Anthony Marsh
 Cr Despi O'Connor

Watson
 Cr Paul Mercurio AM

Seawinds
 Cr Antonella Celi
 Cr Debra Mar
 Cr Kerri McCafferty

Cerberus
 Cr Lisa Dixon

Nepean
 Cr Susan Bissinger
 Cr Sarah Race

Red Hill
 Cr David Gill

Contacting our Councillors

- Cr Anthony Marsh – Mayor**
 ☎ 0435 610 745
 ✉ anthony.marsh@mornpen.vic.gov.au
- Cr Lisa Dixon – Deputy Mayor**
 ☎ 0435 630 007
 ✉ lisa.dixon@mornpen.vic.gov.au
- Cr Despi O'Connor**
 ☎ 0435 569 710
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- Cr Sarah Race**
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 ✉ sarah.race@mornpen.vic.gov.au
- Cr Antonella Celi**
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 ✉ antonella.celi@mornpen.vic.gov.au
- Cr David Gill**
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- Cr Steve Holland**
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- Cr Kerri McCafferty**
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 ✉ kerri.mccafferty@mornpen.vic.gov.au
- Cr Debra Mar**
 ☎ 0466 255 385
 ✉ debra.mar@mornpen.vic.gov.au
- Cr Paul Mercurio AM**
 ☎ 0435 457 773
 ✉ councillor.support@mornpen.vic.gov.au
- Cr Susan Bissinger**
 ☎ 0401 297 978
 ✉ susan.bissinger@mornpen.vic.gov.au

Our People

Organisational Structure

Council is the governing body that appoints a Chief Executive Officer (CEO). The CEO has responsibility for the day-to-day management of operations in accordance with the Council Plan. Details of the CEO and senior officers reporting directly to the CEO are set out below.

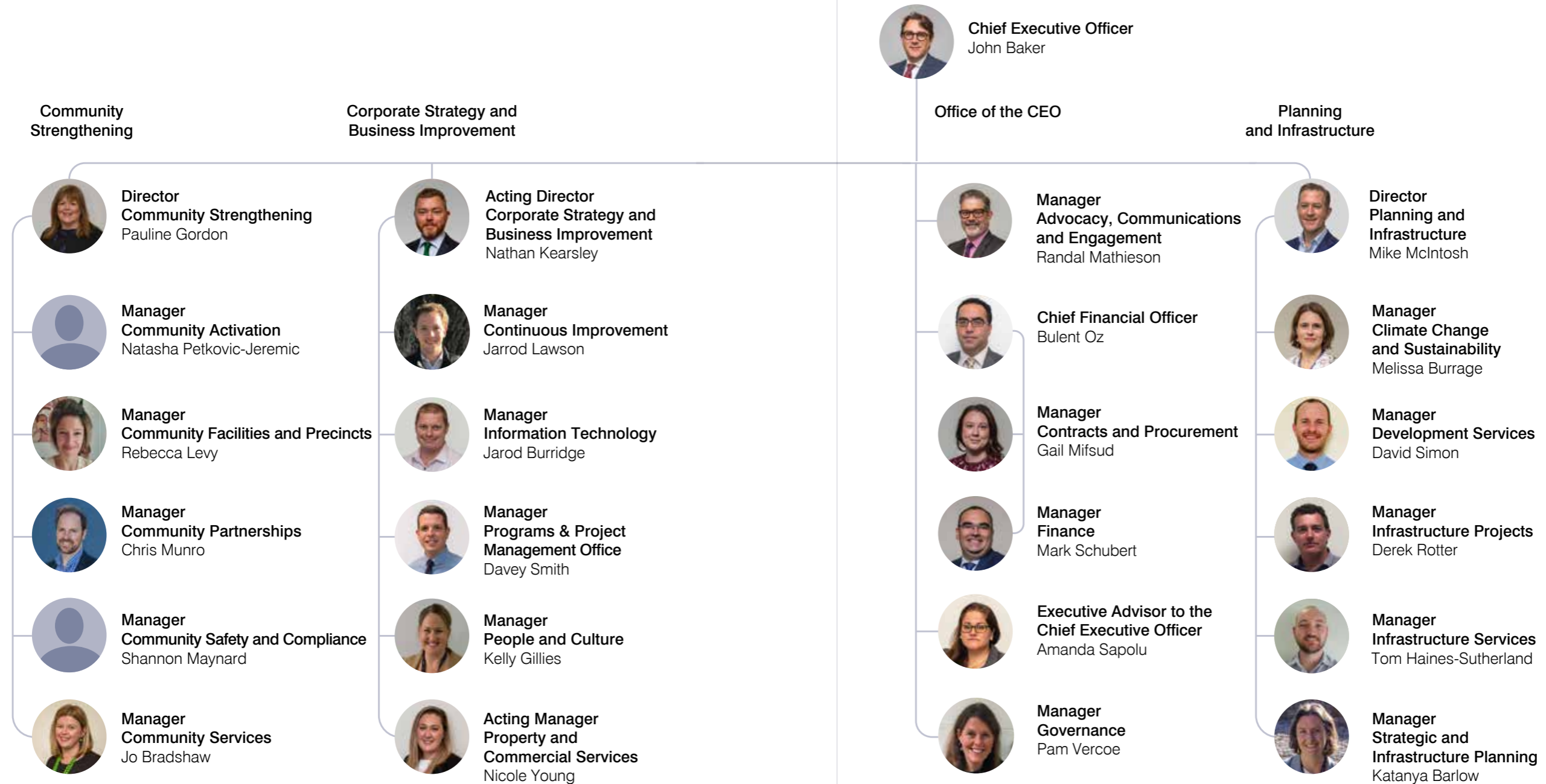
As at 30 June 2022

Chief Executive Officer
 John Baker

Senior officers reporting directly to the CEO

-
- Acting Director Corporate Strategy and Business Improvement**
 Nathan Kearsley
-
- Director Planning and Infrastructure**
 Mike McIntosh
-
- Director Community Strengthening**
 Pauline Gordon
-
- Chief Financial Officer**
 Bulent Oz
-
- Executive Adviser to the Chief Executive Officer**
 Amanda Sapolu
-
- Manager Governance**
 Pamela Vercoe
-
- Manager Advocacy, Communication & Engagement**
 Randal Mathieson

Organisational Structure



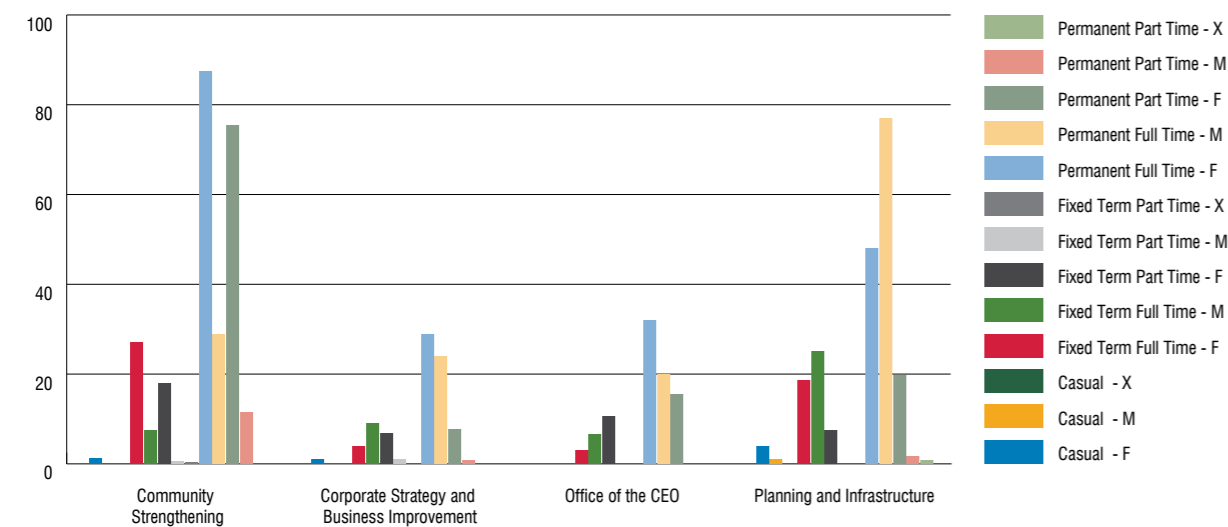
Council staff

A summary of the number of full time equivalent (FTE) Council staff by organisation structure, employment type and gender is set out below.

| FTE by Status by Directorate | Community Strengthening | Corporate Strategy and Business Improvement | Office of the CEO | Planning and Infrastructure | Total |
|------------------------------|-------------------------|---|-------------------|-----------------------------|--------------|
| Casual – F | 1.2 | 1.0 | – | 4.0 | 6.2 |
| Casual – M | – | – | – | 1.0 | 1.0 |
| Casual – X | – | – | – | – | – |
| Fixed Term Full Time – F | 27.1 | 4.0 | 3.0 | 18.6 | 52.7 |
| Fixed Term Full Time – M | 7.5 | 9.0 | 6.6 | 25.0 | 48.1 |
| Fixed Term Part Time – F | 17.9 | 6.8 | 10.6 | 7.5 | 42.8 |
| Fixed Term Part Time – M | 0.6 | 1.0 | – | – | 1.6 |
| Fixed Term Part Time – X | 0.4 | – | – | – | 0.4 |
| Permanent Full Time – F | 87.5 | 28.8 | 32.0 | 48.0 | 196.3 |
| Permanent Full Time – M | 28.8 | 24.0 | 20.0 | 77.0 | 149.8 |
| Permanent Part Time – F | 75.4 | 7.7 | 15.4 | 19.8 | 118.3 |
| Permanent Part Time – M | 11.4 | 0.7 | – | 1.6 | 13.7 |
| Permanent Part Time – X | – | – | – | 0.8 | 0.8 |
| Grand Total | 257.8 | 83.1 | 87.6 | 203.3 | 631.8 |

* Casual FTE based on total hours worked during 2021–22 financial year

Note: Permanent figures are based on contracts for the year ending 30 June 2022; casual figures are based on actual hours worked over the year 2020–21.



Note: Permanent figures are based on contracts for the year ending 30 June 2022; casual figures are based on actual hours worked over the year 2020–21.

Gender Equality Strategy 2020 – 2030

The Shire has a long-standing commitment to promoting and improving gender equality and acknowledging and responding to the link between gender inequities and family violence.

In February 2020, the Shire launched its first Gender Equality Strategy 2020-30 (adopted by Council in November 2019). Since the launch, the Year One and Year Two Annual Action Plans have been developed and implemented through actions under six key settings of the Strategy.

Key achievements under the Gender Equality Strategy in 2022 (Year 3) include:

- The Shire held a successful celebration for International Women's Day on 8th March 2022 at The Briars in line with the theme #break the bias. The event highlighted the stories of local women through music featuring Tulliah, Suzi and Jalgany (Nola Lauch). Over one hundred people enjoyed the relaxed picnic environment with MC Tracee Hutchison. The Shire's Libraries also hosted an International Women's Day themed 'author talk' at 11am on 8th March and put together a reading list.
- The Shire received VicHealth funding of \$120,000 over two years to advance gender equality and improve health and wellbeing of men, boys and the broader community by addressing outdated masculine stereotypes. The Mornington Peninsula Communities

Creating Change project has successfully built momentum throughout the two-year lifespan to achieve greater community awareness and knowledge in building and promoting healthier masculinities through a series of 'Unpacking the Man Box' workshops delivered to whole of community. Twenty five community members have been mobilised and empowered after completing the Modelling Respect and Equality (MoRE) training over six months and are now implementing projects in their community settings. The project reached over 680 community members. Monash University is finalising the evaluation report.

- The Shire is implementing the obligations under the recently legislated Gender Equality Act 2020. The Shire has just received endorsement from the Commissioner for Gender Equality in the Public Sector to implement the first Workplace Gender Equality Action Plan which was developed with Staff based upon the Gender Equality Audit workplace findings. The Shire is currently finalising an approach to rolling out Gender Impact Assessments (GIA) across the organisation and simplifying the gender impact assessment tool for staff. Twenty-five staff from across the organisation have been trained in how to conduct a GIA.

Wellbeing

As the ever-changing nature of the COVID-19 pandemic continued to impact on our community and workforce, we are proud of the resilience and flexibility that our team members have shown. Throughout this period the safety, health and wellbeing of our team, and their ability to deliver for our community has remained our highest priority.

We have been proactive in supporting effective engagement and wellbeing throughout this period through information, resources and training on looking after yourself and others, resilience and psychological wellbeing. Our Employee Assistance Program has also been well utilised during this time with resources and support across seven assist streams, which include counselling, money and lifestyle and family assistance.

Inclusive Employment

By creating a safer, fairer, more inclusive workplace culture, we will improve the wellbeing of all staff and be more likely to keep them. This, in turn, will improve our performance and resilience as an organisation and enable us to better serve our community.

We were proud to complete our Gender Equality Action Plan (GEAP) in March 2022 following a comprehensive workforce data audit, survey, consultation, and co-design process across our workforce. Our GEAP vision for the future is that by 2025, Council will be a united, respectful, and safe workplace that models and promotes gender equality and enables dignity and fairness for all staff.

The GEAP is based around three fundamental priorities:

- Eliminate instances of inappropriate conduct and create a safe space for staff to speak up that leads to action.
- Provide equal opportunities, pay, and progression across all levels of the organisation and minimise the gender pay gap.
- Create greater gender diversity across all levels of the organisation.

As part of our commitment to the GEAP priorities, ongoing training on the prevention and management of sexual harassment has continued with structured programs being delivered to all leaders and staff, including specific training for key People & Culture personnel on managing workplace complaints and investigations.

Workforce Plan 2021-2025

In December 2021, the Shire delivered its Workforce Plan 2021-2025, which aims to ensure a sustainable and high performing workforce who will deliver on the Council and Wellbeing Plan for our community. The Workforce Plan identified the challenges and opportunities that the Shire may face in meeting this aim and the subsequent strategies needed to achieve this aim. Twenty-nine strategies addressing the workforce capacity, capability and culture requirements have been identified and the implementation of these are managed through the People & Culture roadmap.

As part of this strategy and as the world of work continues to evolve, the Shire has implemented a Hybrid Working model which enables a flexible approach to work locations depending on each individual area's service, customer, and workforce requirements. The approach has been welcomed by staff who have reported higher levels of work/life balance and the productivity benefits of remote working, whilst embracing the tangible benefits of relationship building, innovation and collaboration that are often best achieved within an 'in-person' workplace environment.

Leadership Framework

A new leadership framework was approved in December 2021. This framework identifies the key leadership capabilities required of managers and leaders across all levels of the Shire in four pillars – Self Leadership, People Leadership, Organisational Leadership and Operational Leadership.

These capability pillars inform the leadership development program which will increase the

skills and abilities of all leaders to deliver for our community. The comprehensive program will include core skill development, accelerated future leaders' programs, coaching, feedback and planning forums and a Women in Leadership pathway program. These programs are underpinned by our Goals and Performance and talent management programs as well as our organisational values.

Our Performance



Our Performance

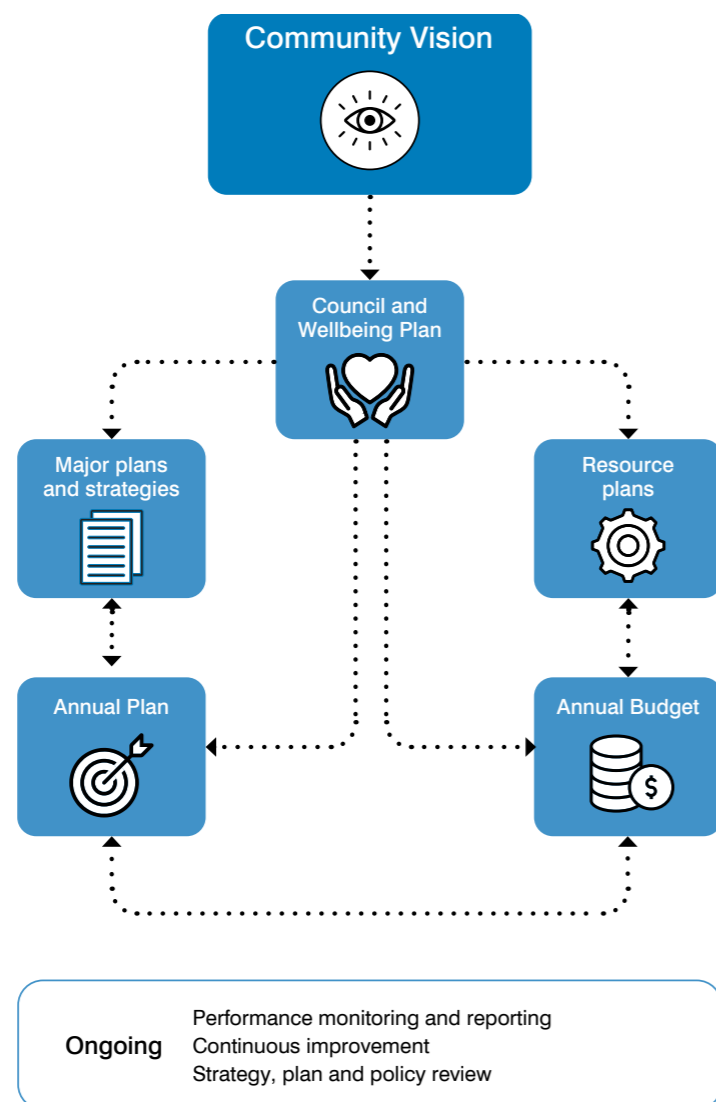
Planning and Accountability Framework

The Integrated Strategic Planning and Reporting Framework provides an overview of the relationship between Council's key planning and reporting documents that support strategic decision making and ensure accountability to local communities in the performance of functions and exercise of powers under the Local Government Act 2020.

This section describes how the Annual Report, as part of our ongoing reporting, links to the achievement of the Community Vision and Council and Wellbeing Plan within an overall integrated strategic planning and reporting framework.

This framework guides the Council in identifying community needs and aspirations over the long term through the Community Vision, Financial Plan and Asset Plan, medium term through the Council and Wellbeing Plan, Workforce Plan, and Revenue and Rating Plan, and short term via the Budget and Annual Report.

The following diagram shows the relationships between the key planning and reporting documents that make up the integrated strategic planning and reporting framework for local government.



How we deliver your vision

Development of Council and Wellbeing Plan

How our Council and Wellbeing Plan was developed

Our Council and Wellbeing Plan 2021-2025 was developed from our Community Vision.

3,600 people shared their ideas to help shape our future, with the aim of creating a shared Community Vision for the Peninsula. Our community's key priorities from the 'Imagine Peninsula 2040' survey were:

- Our natural environment
- Our connected community and relaxed lifestyle
- Local attractions, facilities, and experiences
- Moving easily around our Peninsula
- Support services and opportunities for community wellbeing
- A responsibly developed Peninsula
- Our local economy and business development
- Effective Council processes and quality services.

An independent and randomly selected Citizens' Panel then met over several sessions to develop the following principles to support our Community Vision. These principles were:

- Climate – Addressing climate change
- Transport – Integrated public transport and accessibility infrastructure
- Community – Support an inclusive, connected and safe society
- Economy – Innovative planning and development of the local economy
- Opportunity – Encourage and expand education, sport and arts opportunities
- Nature – Protect and enhance all elements of our natural land, sea and biodiverse environments
- Housing – Plan and regulate responsible and innovative housing development.

Health priorities, as reflected in the State Government Victorian Public Health and Wellbeing Plan were also identified:

- Climate Impacts – Tackling the climate emergency and its impact on health
- Stop Violence – Preventing all forms of violence
- Healthy Eating – Increasing healthy eating
- Active Living – Increasing active living
- Mental Health – Improving mental wellbeing
- Sexual Health – Improving sexual and reproductive health
- Reduce Tobacco – Reducing tobacco-related harm
- Reduce Harm – Reducing harmful alcohol and drug use.

The Mornington Peninsula Shire Council and Wellbeing Plan 2021–2025 has the following components:

- Themes: Sets Council's strategic direction to work towards the Community Vision.
- Strategic Objectives: Outlines what the future looks like.
- The Strategies Council will put in place to reach the strategic objectives: What we will do to achieve our objectives.
- The Strategic Indicators that monitor the achievement of objectives: How we measure our progress.

The following Themes, Strategic Objectives, Strategies and Strategic Indicators from the Council and Wellbeing Plan were developed using the thoughts and ideas our community shared with us during preparation of our Community Vision, and outline Council's priorities and how we will work towards fulfilling our community's vision for the future.

Theme One



A healthy natural environment and well-planned townships

Vibrant and unique townships balanced with a natural environment that is protected now and into the future, accelerating climate action and celebrating cultural heritage.

| | |
|--|--|
| 519,373m ² garden beds maintained | 5,101 pets registered and 23,361 renewals |
| 2,673 planning applications completed | 42,718 tonnes of kerbside waste diverted from landfill |
| 6,272 potholes filled | 741,520 lineal km of beaches cleaned |

Strategic Objective 1.1

An accessible and unique natural environment that helps our community to be healthy and well.

LEGEND On track Increase / decrease Not on track

| Strategic Indicator | Result | Comments |
|---|--------|--|
| Initiatives are delivered to protect, maintain and enhance natural and cultural heritage | | <p>Initiatives delivered over the year include:</p> <ul style="list-style-type: none"> Working alongside Friends Groups to protect and enhance biodiversity values. Making single use plastic grants available to organisations. Our anti-litter campaign Pretty as a picture. Leave it as you found it. Working with Bunurong Land Council Aboriginal Corporation on our Coastal and Marine Management Plan 2020-2025, coastal area maintenance and the naming of trails. |
| Increased levels of community satisfaction with our environmental sustainability activities | | Community satisfaction with Council decisions, conducted by an independent research company that measures the opinions of local people in the community, declined one index point from last year to 60. |
| Maintain Carbon Neutral accreditation for the Shire's Operations. | | The Shire was certified carbon neutral in 2021–22 under the Climate Active Neutral Standard for the 2019/2021 financial year. Our Carbon Neutral Policy was adopted by Council in 2016, when we made a commitment to operate with zero net emissions by 2021 and become certified as carbon neutral. |

| | | |
|--|--|--|
| Continue to reduce carbon emissions for Shire facilities and activities and develop local carbon offset opportunities. | | <p>The Shire continued to develop local carbon offset opportunities and reduce carbon emission across our facilities and activities including:</p> <ul style="list-style-type: none"> Diverting food waste from landfill. Our total kerbside collection waste diverted from landfill for the year was 57.21%, an increase of 2.47% from last year. Installing solar systems on three community-operated buildings as part of The Shire's Tenanted Facility Energy Upgrade Agreement trial. |
| Work towards the Climate Emergency Plan 2040 target of net zero emissions right across the Peninsula. | | Of the 172 tasks in our Climate Emergency Plan: 9 tasks were completed, 6 were delayed and 138 were in progress at 30 June 2022. |
| Strong community participation in the Climate Emergency Plan actions. | | <p>We received strong community participation in our Climate Emergency Plan across several initiatives including:</p> <ul style="list-style-type: none"> Regenerative Farming training program, demonstration farm projects and Zero Emissions Farming conference. The Shire's Gardens for Wildlife program. Friends Group working bees. Schools Education program. Climate Conversations Facilitator program. |

| Strategy | Key Achievements |
|--|---|
| 1.1.1 Protect natural sites of cultural and Aboriginal and Torres Strait Islander significance | The Shire worked with the Bunurong Land Council Aboriginal Corporation on our Coastal and Marine Management Plan 2020-2025, coastal area maintenance and the naming of trails to ensure natural sites of cultural and Aboriginal and Torres Strait Islander significance are acknowledged and highlighted as part of Peninsula's trail signage. |
| 1.1.2 Work with our community to raise awareness about the value of our natural environment. | We worked with our community to embed sustainability and raise awareness of our natural environment across a few initiatives, including: <ul style="list-style-type: none"> Schools Education Program. Community Environmental Education Program. Resource Smart School Program. |
| 1.1.3 Look after our public spaces through our Open Space Strategy and site-specific plans. | We commenced preparation of an updated Open Space Strategy to guide the future planning, provision, design, and management of our existing and future open space through to 2040. We also completed our Stringer Road Reserve Concept Plan, which will provide direction for the long-term development of the Reserve. |

1.1.4
Improve our trail network to achieve connection and advocate for funding

Council successfully advocated on behalf of our community to both the Victorian and Australian Governments for a Peninsula Trail, which will extend over 100km and offer a continuous off-road cycling and walking trail around the Mornington Peninsula.

With over \$17 million in funding committed from Council and the Victorian and Australian Government, we are well on our way to constructing the 11 identified missing links and transforming the Peninsula into a world-class cycling and walking destination.

The Baxter to Somerville missing link section of the Peninsula Trail is now fully funded with concept design and planning permit applications progressed over the year. We also held an online information session for the Somerville to Baxter missing link and began planning for a Mornington to Moorooduc information session.

1.1.5
Continue putting the Climate Emergency Plan into action and build community resilience to mitigate the effects of climate emergency.

The Shire continued to implement the Climate Emergency Plan and build community resilience to mitigate the effects of the climate emergency through a few actions including:

- Conducting two workshops in partnership with Sydney-based not-for-profit Community Power Agency to support the establishment of a Mornington Peninsula community owned renewable energy group.
- Awarded \$180,000 in Climate Action Grants to support small businesses, schools and community groups to undertake projects that contribute to our goal of net zero by 2040 or facilitate climate change adaptation.






1.1.6
Run programs to reduce the impact of the climate emergency on the health and wellbeing of our community.

Over the year we commenced a number of programs to reduce the impact of the climate emergency on the health and wellbeing of our community, including:

- A beach cleaning trial that uses hand collection methods instead of machine cleaning, which reduces disposal of organic material to landfill.
- Regenerative Farming training program, demonstration farm projects and a Zero Emissions Farming conference.
- The Shire's Gardens for Wildlife program.
- Friends Group working bees.
- Schools Education program.
- Community Environmental Education Program.
- Resource Smart School.

Strategic Objective 1.2

A healthy ecosystem, in which our coastline, bushland, wildlife and Green Wedge is resilient to the climate emergency and development.

| Strategic Indicator | Result | Comments |
|---|---|--|
| Increased levels of community participation and satisfaction with environmental sustainability. |  | Community satisfaction with environmental sustainability, conducted by an independent research company that measures the opinions of local people in the community, declined one index point from last year to sixty. |
| Increased levels of community participation and satisfaction with waste management. |  | Community satisfaction with waste management, conducted by an independent research company that measures the opinions of local people in the community, declined five points from last year to sixty-five. |
| Our community is highly engaged in the Shire's conservation and education programs. |  | Our community is highly engaged in the Shire's conservation and education programs, including: <ul style="list-style-type: none"> • Regenerative Farming training program demonstration farm projects and Zero Emissions Farming conference. • The Shire's Gardens for Wildlife program. • Friends Group working bees. • Schools Education program. |
| Programs to protect and maintain our biodiversity and wildlife are delivered. |  | Programs to protect and maintain our biodiversity and wildlife are delivered, including: <ul style="list-style-type: none"> • Launched a Landcare bio link project at Civic Court Balnarring. • Launched the Shire's Gardens for Wildlife. • Worked alongside Friends Groups. • Assisted Mornington Peninsula Koala Conservation Group. • Partnered with Westernport Catchment Management Authority, Bass Coast Landcare Network, Ozfish and Parks Victoria to increase fish habitat across Western Port Bay. |
| Increase in kerbside collection waste diverted from landfill. |  | Our total kerbside collection waste diverted from landfill for the 2021–22 year was 57.21%. An increase of 2.47% from last year. |

| Strategy | Key Achievements |
|---|--|
| <p>1.2.1 Work with our community to protect native flora and fauna and coastal foreshores.</p> | <p>The Shire launched its Shires Gardens for Wildlife program in October. Mornington Peninsula's free Gardens for Wildlife program is designed to encourage and support residents in creating a haven for local wildlife using local plants in their gardens.</p> <p>We worked with the Bunurong Land Council Aboriginal Corporation on our Coastal and Marine Management Plan 2020-2025 and coastal area maintenance and launched our Summer anti-litter campaign 'Pretty as a Picture' to help make sure litter didn't spoil our environment.</p> <p>We also trialed a new beach cleaning method to reduce organic matter collection taken to landfill and keep organic matter, including seaweed, on our beaches. We received 76 responses back from the community with:</p> <ul style="list-style-type: none"> 92% of respondents in favour of maintaining seaweed in the environment. 79% preferring hand cleaning rather than mechanical cleaning. |
| <p>1.2.2 Implement Coastal and Marine Management Plans, including the Mornington Peninsula Coastal Strategy, to look after our coastal heritage and marine wildlife.</p> | <p>Over the year we delivered a Coastal and Marine Management Plan for the Flinders Foreshore, which provides strategic direction and details management actions for the foreshore with work progressing on the Mount Eliza and Portsea plans. Development of a Coastal Strategy also commenced which will provide a strategic approach for managing our extensive coastline alongside the Department of Energy, Land, Water and Planning (Crown landowner).</p> |
| <p>1.2.3 Protect the Green Wedge using the Green Wedge Management Plan and advocate for maintaining its special role and character.</p> | <p>We continued to advocate to protect the Mornington Peninsula's Green Wedge through the Victorian Government's Planning for Melbourne's Green Wedges and Agricultural Land initiative and received Ministerial authorisation for amendment C270. The amendment seeks to protect the Mornington Green Wedge from inappropriate development through rezoning a number of sites across the Shire and progressed to public consultation in the year.</p> |
| <p>1.2.4. Protect our biodiversity and wildlife in both urban and bush settings in the face of the climate emergency by implementing the Biodiversity Conservation Plan with the community and partners.</p> | <p>Some of the actions delivered over the year in the implementation of the Biodiversity Conservation Action Plan include:</p> <ul style="list-style-type: none"> Launching our Biodiversity Maps Online, which was accessed over 1,100 times by our community in three months. Launching our new web based Local Native Plants Guide tool, which received nearly 300 views per week. Making it easier for our community to connect with their Friends Group through some new features on our website and in our reserves. Launching our Gardens for Wildlife program. We received over 100 registrations from residents for a visit. Participating in the 2021 BioBlitz – Mornington Peninsula residents uploaded 6,130 geolocated photos of 1,201 species, showcasing the amazing diversity of species across the Peninsula. |
| <p>1.2.5. Implement the Domestic Animal Management Plan to promote responsible animal management.</p> | <p>Council adopted the new 2021-2025 Domestic Animal Management Plan (DAMP). The DAMP provides a strategic framework for the provision of animal management services in the Shire and identifies objectives and actions to be implemented. The development of a Dogs in Public Places Policy (one of the objectives of DAMP) was also progressed in the year.</p> |

1.2.6.
Continue towards our goal of zero waste to landfill by 2030, by strengthening our circular economy as part of our Beyond Zero Waste Strategy.

The Shire held our inaugural Innovation Summit at the The Continental in Sorrento. The event provided a creative collaborative space for invited business owners, Councillors, and Citizen Panel members to come together and discuss the challenge of 'Revitalising the Mornington Economy through Investment, Tourism and Circular Economy.'

We hosted a Circular Economy Co-Design Workshop in Mornington in the year. Facilitated by Monash University, Food and Agribusiness stakeholders were invited to take part in a breakfast workshop, which was a Phase 2 component of the 'Sparking the Circular Economy in Melbourne's Manufacturing Industry' project.



We also met with the Mornington Peninsula Vignerons Association in May to discuss Circular Economy opportunities, energy resilience risks and pathways for solutions.

The Shire trialed sustainable concrete in Somers and Crib Point with the aim of reducing emissions as well as diverting waste from landfill.

And we rolled out our Food Organics and Garden Organics collection service during the year to further divert food scraps from landfill.

Strategic Objective 1.3

A sustainable built environment that respects the natural environment and protects the community from the impacts of the climate emergency.

| Strategic Indicator | Result | Comments |
|---|---|--|
| Increase adaptation to the impacts of the climate emergency. |  | <p>The Mornington Peninsula Shire continued to increase our adaptation to the impacts of the climate emergency through the implementation of our Climate Emergency Plan.</p> <p>Of the 172 tasks in our Climate Emergency Plan:</p> <ul style="list-style-type: none"> 9 tasks were completed, 6 were delayed and 138 were in progress at 30 June 2022. |
| Our building and assets are constructed with environmentally sustainable design principles. |  | <p>The Shire continues to implement Environmentally Sustainable Design (ESD) into the design and construction of Council buildings and civil works. We also:</p> <ul style="list-style-type: none"> Held trials of sustainable asphalt and road pavement design, and concrete footpath options with one trial of sustainable concrete in Somers and Crib Point reducing emissions as well as diverting waste from landfill. Completed public consultation on amendment C232, which seeks to introduce a new local planning policy to provide guidance for ESD and ensure that development on the Mornington Peninsula achieves best practice in environmental sustainability, from the design stage through to construction and operation. |

Our resilience to flood is strengthened and we have more responsible use of water on the Peninsula.



Over the year we sought community feedback and adopted our Integrated Water Management Plan and Flood and Stormwater Strategy. The Integrated Water Management Plan addresses climate change, urbanisation, population growth, greater demands for food, water and changing land use. The Plan brings together the Shire, collaborative partners, and our communities in overcoming current and future challenges in line with local and state directions with the Flood and Stormwater strategy.





| Strategy | Key Achievements |
|---|---|
| <p>1.3.1 Invest in renewable energy and energy efficiency programs.</p> | <p>Over 2021–22 the Shire:</p> <ul style="list-style-type: none"> • Trialled next generation solar lighting at Derril Rd and Balnarring Tennis Court carpark. • Completed a new detailed design for the Pelican Park Electrification Project, with the intent to eliminate all gas usage and non-renewable carbon emissions. • Partnered with Repower Mornington Peninsula to drive community decarbonisation through promoting electrification and renewable uptake on homes, businesses and in our cars, on a postcode basis. Council will share learning and expertise on energy reduction trials and virtual power plant pilots within Shire-managed facilities and provide support for community capacity building. |
| <p>1.3.2 Encourage responsible use of water sources on the Peninsula by implementing the Smart Water Plan.</p> | <p>During the year, Council adopted our Integrated Water Management Plan, which addresses climate change, urbanisation, population growth, greater demands for food, water and changing land use. The Plan brings together the Shire, collaborative partners, and our communities in overcoming current and future challenges in line with local and state directions and with the Flood and Stormwater strategy.</p> |
| <p>1.3.3 Incorporate Indigenous culture in all project planning and design.</p> | <p>The Shire delivered Indigenous artworks on NBN nodes, incorporated identified places for Artist in Residence and made use of Indigenous artists to deliver workshops. We also incorporated cultural values information into the design and planning of projects through engagement and partnership with Bunurong Land Council Aboriginal Corporation.</p> |
| <p>1.3.4 Implement the Environmentally Sustainable Design Policy for Shire buildings and civil works.</p> | <p>We reviewed our Environmentally Sustainable Design (ESD) Policy for adoption in the 2022–23 Financial Year and integrated high levels of ESD into a number of key projects including:</p> <ul style="list-style-type: none"> • Flinders Hall project, which is currently in the procurement phase and is due to be awarded with construction to begin in the 2022–23 Financial Year. • Southern Peninsula Youth Hub, which was nearing completion of detailed design at the end of June 2022. • Bentons Road, which had 9,200kg of recycled rubber included (equivalent to 920 tyres) in the asphalt laid. <p>Works for Flinders Community Hub and Civic Reserve Pavilion started in early 2022 with both designed in accordance with the Shire's Environmentally Sustainable Design Policy.</p> <p>We also continue to trial sustainable options of asphalt and road pavement design, with concrete footpaths completed. The results of these trials will inform future standards updates to embed sustainability across all projects.</p> |

| | |
|---|--|
| <p>1.3.5 Advocate for environmentally sustainable design principles to be integrated into the Mornington Peninsula Planning Scheme.</p> | <p>Over the year we completed public exhibition on Planning Scheme amendment C232, which seeks to introduce a new local planning policy to provide guidance for Environmentally Sustainable Development (ESD) and ensure that development on the Mornington Peninsula achieves best practice in environmental sustainability, from the design stage through to construction and operation.</p> <p>Through Amendment C232, the Shire joins over 20 other Councils across Victoria to implement a local ESD Policy to protect our environment, secure today's living standards and future-proof our communities against rising energy, water and waste disposal costs.</p> |
| <p>1.3.6 Manage stormwater and build resilience to flood as it affects our community, our environment and infrastructure.</p> | <p>Council adopted our Integrated Water Management Plan, which addresses climate change, urbanisation, population growth, greater demands for food, water and changing land use. The Plan brings together the Shire, collaborative partners, and our communities in overcoming current and future challenges in line with local and state directions and with the Flood and Stormwater strategy. Implementation of the plan commenced over the year.</p> |
| <p>1.3.7 Revise the planning scheme with consideration to our vulnerability to flooding and bushfires and the protection of native vegetation.</p> | <p>Council received authorisation for and completed public exhibition of C271, which seeks to implement Council's adopted Western Port Coastal Villages and Surrounding Settlements Strategy with new and modified planning controls to address sea level rise hazards (i.e. inundation and erosion) and protect local township character for towns and villages along the coast and surrounding hinterland.</p> |
| <p>1.3.8 Deliver strategies to minimise the impact of the climate emergency on our built assets.</p> | <p>Through Action 21 of our Climate Emergency Ensuring our Future Plan, Understanding Climate Risks on Assets and Services, and our involvement with the South East Councils Climate Change Alliance, we completed an asset vulnerability assessment and began works to upgrade Shire assets in line with the outcomes from the assessment.</p> |

Strategic Objective 1.4

An accessible built environment that supports diverse, current and future community needs.

| Strategic Indicator | Result | Comments |
|---|--------|--|
| 80% of annual capital works budget delivered. | | <p>Annual expenditure totalled 105% (\$45 million) of the adopted Annual Capital Works Budget (\$43 million).</p> <p>The adjusted Annual Capital Works Budget including carry forward projects from 2020–21 and new projects added during the year, totalled approximately \$100 million.</p> <p>93% of the adjusted Annual Capital Works Budget was either expended, underway or in the procurement phase at the end of the 2021–22 financial year.</p> |
| Shire asset renewal targets are met. | | <p>All allocated asset projects were completed in 2021–22. The Shire's asset renewal spend for 2021–22 was:</p> <ul style="list-style-type: none"> • Actual renewal spend: \$23.92 million. <p>This is above our target renewal spend of \$16.4 million as renewal projects generally have some form of upgrade in them or require additional work/costs to bring our assets up to today's standards.</p> |

| | | |
|---|---|---|
| Increased levels of satisfaction with appearance of public areas. |  | Community satisfaction with Council's appearance of public areas performance, conducted by an independent research company that measures the opinions of local people in the community, declined four index points from last year to 66. |
| Increased levels of satisfaction with recreation facilities. |  | Community satisfaction with Council's Recreational Facilities Performance, conducted by an independent research company that measures the opinions of local people in the community, declined two index points from last year to 67. |
| Increase in number of Shire assets that incorporate universal design principles. |  | Council adopted our Universal Design policy in early 2022, which is designed to ensure we deliver inclusive and equitable spaces and services for everyone in our community and as such, we have installed more all-access assets. Several all-access picnic tables, plus ramps and rubber pathways into some of our playgrounds were completed in the year. |
| Initiatives delivered to decrease financial stress and homelessness in the community. |  | Several initiatives were delivered over the year, including: <ul style="list-style-type: none"> • Covid Recovery Community Service Provider Grants, including one to The Salvation Army Homelessness service to provide outreach support to rooming house residents in Hastings. • Supporting the Peninsula Housing Network who facilitated coordinated outreach to people who are sleeping rough. • Subsidising support or grants to organisations providing food distribution or meals for people in need. • Partnering with the Southern Peninsula Community Support SPLaSh program to provide facilities for the engagement of people who are sleeping rough. |

| Strategy | Key Achievements |
|---|---|
| 1.4.1 Apply universal design principles in the construction, refurbishment and use of Shire owned facilities, public spaces, and open spaces. | Council adopted our Universal Design policy in early 2022, which is designed to ensure we deliver inclusive and equitable spaces and services for everyone in our community and as such, we have installed more all-access assets which incorporate universal design principles. Several all-access picnic tables, plus ramps and rubber pathways into some of our playgrounds were completed in the year. We also installed communication boards in several of our playgrounds after consultation with specialist learning centres and speech pathologists to allow non-verbal children to communicate. We also asked our community for feedback on assets, both existing and new all-access. |
| 1.4.2 Build and maintain Shire infrastructure and facilities based on community needs and facility condition. | Council adopted its Asset Plan 2022–32, which establishes a framework for how community assets will be managed. The plan will guide where Council invests approximately one billion dollars in asset management over the next 10 years in a responsible and cost-effective way, ensuring we continue to deliver important services and facilities to our community. Community feedback from the 2022–23 Shire Budget Have Your Say survey, our Citizens' Panel, and key stakeholder workshops helped shape the document. Projects completed over the year based on our community needs and facility condition include restoration of the Edna Dunk clock in Rosebud in time for its anniversary in December 2021 and the Somerville Cenotaph lighting upgrade in time for ANZAC Day. Council continued to advocate on behalf of our community over the year and in the lead-up to the federal election and we successfully applied to Federal and State Government Infrastructure Grant Programs for a total of \$10.5 million over the 2022–23 financial year. |

| | |
|--|---|
| 1.4.3 Develop a Community Facilities Infrastructure Strategy, to plan for shared community facilities that meet the current and future needs of our communities. | The development of our Community Facilities Infrastructure Strategy will commence in the 2022–23 financial year. |
| 1.4.4 Continue to implement the Triple A Housing Plan. | The Implementation of our Triple A Housing Plan is ongoing with several key actions delivered over the year, including: <ul style="list-style-type: none"> • Commencing an Affordable Housing Partnership Project. The project is proposing that 10 parcels of Council land across Hastings, Mornington, Rosebud and Capel Sound be offered for lease for up to 50 years for the purpose of the development and management of affordable housing. • Submitting to relevant reviews and inquiries such as the Social Housing Regulation Review; The Standing Committee on Tax and Revenue inquiry into Affordable Housing in Australia and supporting the Regional Local Government Homelessness and Social Housing Charter Group's submission on the Productivity Commission's review of the National Housing and Homelessness Agreement. • Participated in major stakeholder campaigns and alliances, including the Everybody's Home Campaign (national housing campaign); Youth2 Campaign for youth crisis accommodation and a youth foyer; and the Regional Local Government Homelessness and Social Housing Charter Group. |
| 1.4.5 Develop an Affordable Housing Policy to facilitate contributions in private developments. | The development of our Affordable Housing policy and a strategy will commence in the 2022–23 financial year. |
| 1.4.6 Advocate to state government for additional social and affordable housing and better housing support services. | As part of our COVID-19 response we allocated \$100,000 to fast track and expand our social housing planning and advocacy and advocated for affordable housing in the lead-up to the Federal and Victorian State elections. We also: <ul style="list-style-type: none"> • Participated in direct group advocacy to the Minister of Planning for inclusionary zoning at an Affordable Housing Agreements Resources event, which was run by the Municipal Association of Victoria and the Community Housing Association Victoria. |
| 1.4.7 Improve our unique townships and villages by developing and maintaining accessible public spaces. | The Shire is continually developing and maintaining our accessible public spaces. Over the year we: <ul style="list-style-type: none"> • Identified open space areas that surrounded playgrounds, removed weeds, and planted indigenous and native plants. • Completed the upgrade lighting at the Somerville Cenotaph prior to ANZAC Day. • Upgraded lighting at Memorial Park in Mornington to LED lighting. • Trialled solar lights in Mornington and Dromana to improve community safety. |
| 1.4.8 Advocate for stronger universal design guidance in the State Planning Scheme and encourage best practise for privately owned buildings. | Council lodged submissions to the following initiatives in the 2021–22 year: <ul style="list-style-type: none"> • Inquiry into Apartment Design Standards in Victoria, which seeks better outcomes for environmentally sustainable development, universal design, health and wellbeing, housing diversity and affordability, and neighbourhood and township character. • Victorian Property Market Review, which seeks to improve property market laws and ensure residents of Victoria and the Mornington Peninsula have fairer and easier access to the housing market. |

1.4.9
Deliver actions in the Housing and Settlement Strategy and Neighbourhood character Study to manage demand for housing and population growth.

During the year we completed exhibition of Planning Scheme Amendment C219, which is a major strategic planning initiative intended to direct predicted housing growth over the next 15 years to appropriate areas on the Peninsula, protect valued neighbourhood character, reduce red tape for a single dwelling on a lot and simplify the planning scheme. The amendment implements Council's adopted Housing and Settlement Strategy and Neighbourhood Character Study and Guidelines.

1.4.10
Protect built sites and features of cultural significance and history.

The Shire is continually looking at protecting built sites and features of cultural significance and history. During the quarter we:

- Commenced restoration of the Cyril Young Memorial Chapel. Over the year we restored the pulpit and platform, using stone from onsite and revegetated the site.
- Progressed Stage 4 of the Shire-wide Heritage Review to identify places of heritage significance in the Red Hill Ward.
- Received Ministerial authority for Planning Scheme Amendment C239, which seeks to apply heritage controls.
- Identified places of heritage significance in Shoreham and Merricks North.
- Received approval from the Victorian Government Planning Minister for planning scheme amendment C262. The Amendment applies a permanent Heritage Overlay (HO) to 50 individual places included in the Heritage Review Area 3 study which covers Blairgowrie, Portsea and Sorrento. The amendment also applies a permanent heritage overlay to the following places (outside these townships):
 - HO403 Hajek House 40 Nestle Court, Arthurs Seat.
 - HO434 Foreshore Cottages 1 Bucher Place, Rosebud.
 - HO465 Tower House 1146 Frankston Flinders Road, Somerville.
 - HO463 House 12 Graydens Road, Tyabb.

Services funded in FY21–22 Budget

| Service | Description | | |
|-------------------------------|--|----------|----------|
| Animal Management | Our Animal Management service develops and manages the Domestic Animal Management Plan through registration, enforcement, and compliance of domestic animals, animal-related businesses, and livestock. Council manages an Animal Shelter. | Actual | 1,117 |
| | | Budget | 1,573 |
| | | Variance | (456) |
| Building Safety | Our Building Safety service maintains a record of all permits and investigates illegal building activities to keep the Peninsula's built environment safe. | Actual | (328) |
| | | Budget | (647) |
| | | Variance | 319 |
| Climate Emergency Action | Our Climate Emergency Action service focuses on achieving net zero-emissions right across the Peninsula and preparing our community for the change already occurring. | Actual | (1,922) |
| | | Budget | (2,667) |
| | | Variance | 745 |
| Environment Management | Our Environment Management service manages planning and regulation activities so that our natural environment and biodiversity remain healthy, valued, and protected. | Actual | (4,035) |
| | | Budget | (4,638) |
| | | Variance | 603 |
| Fire and Emergency Management | Our fire and emergency management service provide mitigation, preparedness, and execution of emergency response, relief, and recovery activities to ensure a safe and resilient community. | Actual | (3,328) |
| | | Budget | (3,187) |
| | | Variance | (141) |
| Land-use Planning | Our Land Use Planning service guides planning decisions to help build well-designed communities that meet regulatory requirements. | Actual | (3,693) |
| | | Budget | (6,858) |
| | | Variance | 3,165 |
| Open Space | Our Open Space manages our diverse range of open spaces to protect natural areas that people of all ages and abilities can enjoy. | Actual | (9,977) |
| | | Budget | (7,597) |
| | | Variance | (2,380) |
| Public Safety | Our Public Safety service ensures the public safety and amenity for Shire community members are protected through the management, enforcement and community education and awareness of local laws and other shire safety services including School Crossing safety. | Actual | (4,963) |
| | | Budget | (6,941) |
| | | Variance | 1,978 |
| Public Works Safety | Ensures management, enforcement and community education and awareness for activities that take place on public space and assets or private developments that may affect public safety. Focused on public safety and the protection of Shire owned assets, as well as development impacts on the public realm and Shire assets. | Actual | 597 |
| | | Budget | 90 |
| | | Variance | 507 |
| Waste Management | Our Waste Management service provides all residents and visitors with access to sustainable waste disposal options and strives to ensure a circular economy. | Actual | (24,204) |
| | | Budget | (25,351) |
| | | Variance | 1,147 |

Grants awarded in support of the Community

Each year, Council awards grant funding to support local community groups to provide a range of services, programs and activities. Theme 1 grants awarded in 2021–22 are listed below.

| Grant | Applicant | Value |
|---------------------------|---|--------------------------|
| Single Use Plastics Grant | Baxter Kindergarten and Children's Centre | \$3,927.00 |
| | St Thomas More Primary School | \$1,175.00 |
| | RNB Croquet Club Inc | \$1,600.00 |
| | SES Hastings | \$4,719.00 |
| | Dromana Football and Netball Club | \$2,705.00 |
| | Somerville Primary School | \$4,755.00 |
| | Climate Action Grant | Padua College Mornington |
| | St Joseph's Primary School Sorrento | \$2,500.00 |
| | Polperro Dolphin Swims & Charter Service PtyLtd | \$8,015.00 |
| | Mornington Men's Shed Inc | \$4,613.00 |
| | YSAS Pty Ltd (operating as Bunjilwarra) | \$10,000.00 |
| | Mount Eliza North Primary School | \$5,000.00 |
| | Mornington Rotary Club | \$3,500.00 |
| | Mt Eliza Fifty Five Plus Club | \$6,600.00 |
| | Hickinbotham of Dromana | \$10,000.00 |
| | bfe hire | \$10,000.00 |
| | Grow Corp | \$5,000.00 |
| | Empower Community Decarbonisation Inc. | \$10,000.00 |
| | Rye Community House | \$10,000.00 |
| | Bittern Pre-School | \$5,000.00 |
| | Western Port Biosphere Reserve Foundation | \$10,000.00 |
| | Balnarring Primary School | \$10,000.00 |
| | Southern Seagreens P/L | \$10,000.00 |
| | Somerville Primary School | \$9,690.00 |
| | Net Zero Heroes Incorporated | \$2,200.00 |

| Grant | Applicant | Value |
|-----------------------|--|-------------|
| Biolink Support Grant | Somerville Secondary College | \$3,800.00 |
| | Nepean Conservation Group Inc | \$9,685.00 |
| | Balcombe Estuary Reserves Group Mt Martha Inc (BERG Mt Martha) | \$10,000.00 |
| | Mornington Peninsula Landcare Network | \$10,000.00 |
| | Manton and Stony Creeks Landcare Group | \$10,000.00 |
| | South West Mornington Peninsula Landcare (SWaMP Landcare) | \$10,000.00 |
| | Friends of the Beleura Cliff Path | \$10,000.00 |
| | Mornington Community Garden | \$8,720.00 |
| | Merricks Coolart Catchment Landcare Group | \$9,840.00 |
| | Willum Warrain | \$3,573.00 |

Service performance indicators and measures:

A healthy natural environment and well-planned townships

The following statement provides the results of the prescribed service performance indicators and measures in the Local Government Performance Reporting Framework, including explanation of material variations.

| Service/indicator/measure | 2019 | 2020 | 2021 | 2022 | Material variations & comments |
|---|--------|--------|--------|--------|---|
| Animal Management | | | | | |
| AM1 Timeliness Time taken to action animal management requests [Number of days between receipt and first response action for all animal management requests / Number of animal management requests] | 2.75 | 3.80 | 2.34 | 3.29 | The increase in the time taken to action animal management requests can be attributed to COVID-19, which adversely affected staffing and our ability to respond to some animal matters over the year. Officers continued to prioritise high risk animal management matters to manage the risk to the community appropriately. |
| AM2 Animals reclaimed [Number of animals reclaimed / Number of animals collected] x100 | 74.28% | 73.56% | 68.17% | 68.88% | The decrease from 2020 is due to the reduced number of animals collected and is attributed to the effect of COVID-19 restrictions, which led to more pet owners being home to ensure their pets were contained. We continue to prioritise reuniting pets with their owners. |

| Service/indicator/measure | 2019 | 2020 | 2021 | 2022 | Material variations & comments |
|--|-------------|---------|---------|---------|---|
| AM5 Animals rehomed [Number of animals rehomed / Number of animals collected] x100 | New in 2020 | 19.75% | 11.09% | 13.39% | As per AM2 measure the decrease from 2020 is due to the reduced number of animals collected – and is attributed to the effect of COVID-19 restrictions, which led to more pet owners being home to ensure their pets were contained. However, the demand for animal companions in the COVID-19 environment meant we only had a slight increase against last year, as were able to rehome almost as many unclaimed animals with fewer animals collected. |
| AM6 Service cost Cost of animal management service per population [Direct cost of the animal management service / Population] | New in 2020 | \$16.93 | \$16.89 | \$12.86 | The decrease from 2020 is largely attributed to a reduction in salaries and wages due to shortages in the labour market which resulted in multiple vacancies, reduced agency labour and use of contractors, and a reduction in overall vet costs through our appointment of a new vet services contractor. |
| AM7 Health and safety [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100 | New in 2020 | 98.98% | 100.00% | 100.00% | Council is committed to protecting the safety of the community and the health and safety of animals on the Peninsula by instituting prosecution where appropriate and necessary. Council prosecuted 63 Animal Management matters over the year. Note: This measure is replacing previous 'Animal management prosecutions,' which was a measure of number, not proportion. |

| Service/indicator/measure | 2019 | 2020 | 2021 | 2022 | Material variations & comments |
|---|------------|------------|------------|------------|---|
| Statutory Planning | | | | | |
| SP1 Timeliness Time taken to decide planning applications [The median number of days between receipt of a planning application and a decision on the application] | 90.00 | 95.00 | 84.00 | 105.00 | The increase in the time taken to decide planning applications can be attributed to a higher-than-average number of applications received, shortages in the labour market and not being able to fill all vacant positions, which resulted in a higher workload per planner and an increase in processing time. |
| SP2 Service standard Planning applications decided within required time frames [(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100 | 63.62% | 70.80% | 63.47% | 44.56% | As per our SP1 time taken to decide planning applications measure, timeframes have increased due to a higher-than-average volume of applications received, coupled with shortages in the labour market and our inability to fill vacancies, which have all contributed to a higher workload per planner. |
| SP3 Service cost Cost of statutory planning service [Direct cost of the statutory planning service / Number of planning applications received] | \$3,536.39 | \$2,495.26 | \$2,278.65 | \$1,815.93 | The decrease in the cost of service is mainly attributed to an organisational restructure and shortages in the labour market, which resulted in multiple vacancies and an overall reduction of our normal salaries and wages, reduced legal representation (decreased fees), a decrease in property rentals and reduced reliance on external consultants. |

| Service/indicator/measure | 2019 | 2020 | 2021 | 2022 | Material variations & comments |
|--|--------|--------|--------|--------|--|
| SP4 Decision making Council planning decisions upheld at VCAT [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100 | 32.35% | 39.13% | 51.28% | 68.85% | The upward trend in VCAT decisions upheld from 2019 is partially due to the emphasis on refined and informed decision making across the Unit – resulting in more easily defended decisions when appealed to VCAT. The Housing and Settlement Strategy (Amendment C219) is currently progressing through the formal amendment process with an aim for it to be included in the Planning Scheme – further assisting in the assessment of Planning Applications |

Waste Collection

| | | | | | |
|---|--------|--------|--------|--------|---|
| WC1 Satisfaction Kerbside bin collection requests [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000 | 114.65 | 121.54 | 129.94 | 157.63 | The increase in requests is primarily associated with damaged bins (rubbish and recycling), stolen bins, missed bins (rubbish) and extra capacity bins (recycling) as residents continue to work from home, ageing bin stock and greater use of non-primary residence on the Peninsula (increased bin presentation rates) due to the continued impact of the COVID-19 pandemic. |
| WC2 Service standard Kerbside collection bins missed Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000 | 3.54 | 3.86 | 4.61 | 5.99 | The increase is attributed to the COVID-19 pandemic. With changed or staggered start collection times to ensure the safety of staff, more people (working) at home and with increased permanent use of holiday homes, there were more bins put out for collection, which meant that residents may have inadvertently missed their bin collection or reported bins missed prematurely due to the modified collection schedule. |

| Service/indicator/measure | 2019 | 2020 | 2021 | 2022 | Material variations & comments |
|---|---------|---------|---------|---------|---|
| WC3 Service cost Cost of kerbside garbage bin collection service [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins] | \$64.97 | \$64.78 | \$65.63 | \$77.60 | The increase is attributed to an annual adjustment to the kerbside garbage bin collection contract and an increase in the landfill levy from \$65.90 to \$105.90 per tonne. |
| WC4 Cost of kerbside recyclables collection service [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins] | \$28.16 | \$36.51 | \$37.69 | \$34.30 | The decrease in the kerbside recyclables collection service is due to a nation-wide shortage of truck drivers, which meant we were unable to run our Summer weekly recycling service this year (7-week program). |
| WC5 Waste diversion Kerbside collection waste diverted from landfill Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100 | 53.62% | 55.31% | 54.73% | 57.21% | The increase from last year is due to a reduction in household waste that was collected through our newly implemented Food Organics and Garden Organics service, which saw an increase in kerbside green waste received, an increase of green waste due to storm events and increased access to our transfer stations (less COVID-19 restrictions). |

Theme Two



A robust, innovative and diverse economy

A community with abundant and varied education and local employment opportunities. We are open to new ideas and work with our partners to grow a strong, diverse and future-focused economy.

| | |
|--|--|
| 63 businesses mentored | 2,193 food safety inspections |
| 38 business associations / groups worked with | \$2.658M in grants paid in support of the community |
| 10,500+ young people attending Shire delivered youth programs and activities | 2,356 enrolments in Shire delivered learning opportunities (libraries / U3A) |

Strategic Objective 2.1

A community that has access to world class local learning opportunities through all stages of life.

LEGEND On track Increase / decrease Not on track

| Strategic Indicator | Result | Comments |
|---|--------|---|
| Initiatives to increase education and employment pathways supported. | | <p>The Shire continued to support education and employment pathways including:</p> <ul style="list-style-type: none"> Partnered with Chisholm TAFE, Frankston Mornington Peninsula Local Learning and Employment Network and the Brotherhood of Saint Laurence to create and deliver two entry-level hospitality short courses. Participated in the Victorian Government's Southern Region Employment and Training Task Force – a response to the loss of workers and skills shortages created by 2 years of COVID-19 lockdowns. Partnered with Victorian Government and local partners to discuss staff shortages in aged care. Developed mentorships for young artists/performers/musicians to work with professionals. |
| Level of community participation in Shire delivered life-long learning opportunities. | | <p>The Shire experienced good community participation in Shire delivered learning opportunities, including:</p> <ul style="list-style-type: none"> 237 new language learners through Mango. 138 STEM (Science, Technology, Engineering and Math) program participants. 47 new student sign-ups through Studiosity (on-demand tutoring). 192 LinkedIn Learning participants. 1,740+ University of the Third Age active participants. |

| Strategy | Key Achievements |
|--|---|
| <p>2.1.1 Connect schools, education providers and business to improve social and economic outcomes.</p> | <p>The Shire partnered with Chisholm TAFE, Frankston Mornington Peninsula Local Learning and Employment Network and the Brotherhood of Saint Laurence to create and deliver two entry-level hospitality short courses. We also provided support to schools to work with local artists and creative businesses.</p> |
| <p>2.1.2 Advocate for additional training and education services and centres of excellence.</p> | <p>The Shire partnered with Chisholm TAFE to review business needs across the Peninsula. We will advocate for future projects that were identified.</p> |
| <p>2.1.3 Work in partnership with a wide range of education providers to promote lifelong and inclusive learning opportunities.</p> | <p>Our libraries continued to provide our community with a wide range of free educational resources, such as LinkedIn Learning, Encyclopedia Britannica and Mango languages, which allows library members to learn a new language from short courses in over 70 languages.</p> <p>We also delivered a variety of programs and activities that included early years literacy, STEM (Science, Technology, Engineering and Math) / STEAM (Science, Technology, Engineering, Arts and Math) and digital literacy to improve school readiness levels, promote social inclusion and ensure our community stays in touch with the latest technologies. Through University of the Third Age (U3A), we had more than 1,740 participants in courses and activities.</p> |

Strategic Objective 2.2

A strong food economy, promoting growth to enhance community access.

| Strategic Indicator | Result | Comments |
|--|--------|--|
| Participation of food businesses engaged in a diverse variety of programs and initiatives. | | <p>We had good participation from food businesses in several programs and initiatives including:</p> <ul style="list-style-type: none"> our inaugural Mayor's 'Building Better Business Networks, of which Hawkes Vegetable Farm was an award winner. holding a Food Forum to expose local farmers and producers to new ideas, case studies and enable discussion and networking. showcasing local Mornington Peninsula Produce (MPP) branded producers at the Red Hill show. |
| Percentage of facilities and events that meet Healthy Choices Guidelines. | | <p>50% of Shire owned recreation facilities and events met Healthy Choices Guidelines with the remaining working towards 100% in 2022–23.</p> |
| Reduction in residents that require food relief services. | | <p>Community Support Centres on the Peninsula reported a growth in demand for food relief services, but this was not necessarily associated with more people presenting for food help, people may have presented more frequently with greater need.</p> |

Increase our food economy contribution to our Gross Regional Product.



The Mornington Peninsula Shire's value of the food and agriculture economy for 2021 was \$1.3 million, which increased \$200,000 from 2020.

Number of initiatives delivered encouraging productive and sustainable use of the Green Wedge.



The Shire delivered several initiatives to encourage productive and sustainable use of our Green Wedge, including partnering with the Westernport Catchment Landcare Network to deliver regenerative farming workshops on topics such as soil health and carbon credits, dung beetles, pastures, cover crops and water stewardship. We also obtained \$37,000 in funding from the Port Phillip Westernport Catchment Management Authority for the 'Farmers Digging Deeper' Project, which will benchmark and assess improvements in soil health.

| Strategy | Key Achievements |
|--|---|
| 2.2.1 Foster access to affordable local healthy food options by working with our key partners implementing our Agro-ecology Strategy. | Over 2021–22 we completed public exhibition of our draft Food Economy and Agroecology Strategy and also met with the Victorian Farmers Federation Mornington Peninsula branch for further input, which helped shape the final draft strategy and provide more direction for implementation. |
| 2.2.2 Support and foster the growth of our farmers through a variety of food businesses e.g., farm gates, sea gates, food trucks, local stalls, and local farmers markets. | <p>The Shire hosted a Mornington Peninsula Produce (MPP) paddock at the Red Hill Show in March to showcase MPP growers and their produce. Torello Farm, Red Hill Truffles, Mushroom Forestry, Peninsula Avocados and One Ridge Over were all at the promotional stand.</p> <p>About 24 local farmers and producers and 40 Melbourne based chefs networked at the inaugural Mornington Peninsula Shared Tables Food and Wine Educational Tour. It was a great opportunity for local farmers and food producers to showcase fresh seasonal food and beverages and to promote the Mornington Peninsula Produce brand.</p> |
| 2.2.3 A strong food economy that supports food relief, rescue and re-distribution programs. | <p>The Shire provided a \$221,000 subsidy to each of our three community support centres, which assist people in our community to access food. In addition, we:</p> <ul style="list-style-type: none"> Commenced a feasibility study for The Community Grocer, a not-for-profit social enterprise that runs fresh produce markets and programs to increase social, economic, and physical access to fresh food, as part of The Community Plate collective impact project. Completed our first harvest of freshly grown produce at The Briars as part our Food for Change. The harvest was packaged up by volunteers and distributed to families in need across the Peninsula. Introduced seed libraries into each of our libraries to facilitate a strong, healthy food economy. |

2.2.4
Continue to implement the Green Wedge Management Plan prioritising and encouraging productive use of the Green Wedge.

The Mornington Peninsula Green Wedge is one of Victoria's most important assets, which requires careful planning and management to protect its values for the benefit of our community over the long term. Over the course of the year, we:

- Delivered a series of Regenerative Farming workshops and farm discussion groups walks.
- Obtained funding from the Port Phillip Westernport Catchment Management Authority for the 'Farmers Digging Deeper' Project, which will ensure productive and suitable use of Green Wedge farmland.
- Assisted GrowCorp, a philanthropic organisation in Main Ridge, on a regenerative farming demonstration, a local food system incubation project and their submission to the Victorian Government's 'On-Farm Action Plan' grant round, with the hope of participating in an emission reduction pilot project for the beef sector.

2.2.5
Help our food businesses by delivering programs to grow a circular food economy.

We held our inaugural Innovation Summit at The Continental in Sorrento. The event provided a creative collaborative space for business owners to come together and discuss the challenge of 'Revitalising the Mornington Economy through Investment, Tourism and Circular Economy'. Discussions included waste from farms and a waste to energy project, trialling a bio-degrader. We also delivered a series of Regenerative Farming workshops and held twelve farm discussion groups.







2.2.6
Promote the Mornington Peninsula food economy including promoting the MPP brand.

We promoted our food economy, including the Mornington Peninsula Produce (MPP) brand through our website, social media, dedicated business website and eNewsletters. Over the course of the year:

- The Mornington Peninsula wine region was declared free from the significant grapevine pest Phylloxera by the Victorian Minister for Agriculture the Hon. Mary-Anne Thomas and now has official Phylloxera Exclusion Zone status.
- We created an MPP Paddock at the Red Hill Show to showcase MPP businesses and their activities and produce.

Strategic Objective 2.3

A thriving entrepreneurial economy, with a vibrant tourism sector, that provides accessible employment to our diverse community

| Strategic Indicator | Result | Comments |
|---|---|--|
| Benchmark industry employment and identify barriers to employment. |  | The Shire conducted face to face surveying with businesses in April 2021, including the Rosebud Business Estate and Mount Martha, Rye and Flinders townships. More than 4,000 businesses have been approached with 1,500 surveys completed to identify opportunities and barriers to employment. |
| Number of initiatives delivered to support Council's commitment to the Small Business Friendly Charter. |  | Seven initiatives were undertaken in the year to support the Mornington Peninsula Shire Council's commitment to the Small Business Charter including: <ul style="list-style-type: none"> Partnering with the Victorian Small Business Commission to run two information webinars on the reintroduced Commercial Tenancy Relief Scheme. Grant funding to support small business creation and new small businesses. Streamlining straightforward permit approval process. Ensuring payment of invoices within 30 days. Providing details of the Victorian Small Business Commission to small businesses for dispute resolution. |
| Strong level of business participation in Shire delivered initiatives. |  | We experienced a strong level of participation from businesses across the Peninsula in initiatives aimed at strengthening business development and revitalising the Mornington Peninsula economy. Some of the initiatives included: <ul style="list-style-type: none"> The Innovation Summit. Business networking series. Industry Development Workshop series. Business engagement and forums for plans and strategies. |
| Increase in visitor yield, off-peak visitation and dispersal of visitors. |  | Overall visitations to the Mornington Peninsula increased to 4.9 million in 2021, an increase of 36% from 2020. Important Note: Figures only available for the year ending December 2021. Figures for January 2022 and beyond are not yet released at the time of print. |
| Initiatives delivered that grow the creative economy. |  | The Shire delivered a series of creative workshops aimed at developing greater collaboration and sustainability in our broad and diverse arts and culture community through our Creators Network. |
| Increase levels of satisfaction with lobbying and advocacy on behalf of the community. |  | Community satisfaction with Council's Lobbying on Behalf of the Community Performance, conducted by an independent research company that measures the opinions of local people in the community, declined four index points to 47 from last year. |
| Increased levels of satisfaction with our business and tourism services. |  | Community satisfaction with Business and Community Development and Tourism Performance, conducted by an independent research company that measures the opinions of local people in the community, declined four index points to 58 from last year. |

Strategy

Key Achievements

| | |
|---|--|
| <p>2.3.1 Work closely with all sectors including hospitality, manufacturing, tourism, retail, education, health and agriculture so they are strong and grow through COVID recovery and beyond.</p> | <p>The Shire held its first Innovation Summit, where business owners, Councillors and members of our Citizens' Panel came together to discuss the challenge of 'Revitalising the Mornington Peninsula economy through investment, tourism and circular economy.' We also:</p> <ul style="list-style-type: none"> Awarded business grants to the value of \$460,000. Delivered a Local Economy Booster program. Three hundred and forty-three residents made 461 visits to tourism businesses injecting \$82,788 into the local economy. Partnered with Business Victoria to deliver the Small Business Bus in townships, supported Chambers of Commerce and Industry Associations to build capacity and skills. Partnered with the Frankston Mornington Peninsula Local Learning and Employment Network, the Brotherhood of St Laurence and Chisholm TAFE to deliver two entry-level hospitality courses to address staff shortages in the hospitality sector across the Peninsula. Partnered with the Small Business Mentoring Service to deliver individual business mentoring. |
| <p>2.3.2 Deliver a new Economic Development and Tourism Strategy.</p> | <p>The Economic Development and Tourism Strategy is currently in development with a consultant's brief outlining the project for tender developed over the 2021–22 year.</p> |
| <p>2.3.3 Work with the Regional Tourism Board and other key stakeholders to deliver a new Tourism Destination Management Plan.</p> | <p>The Tourism Destination Management Plan was replaced by the Economic Development and Tourism Strategy, which is currently in development.</p> |
| <p>2.3.4 Work with tourism stakeholders to promote the Mornington Peninsula as a premier tourism destination focussing on encouraging visitation throughout the Peninsula, off-peak visitation, and business and corporate events.</p> | <p>Over the 2021–22 year we worked with major stakeholders to promote the Mornington Peninsula Shire as a premier tourism destination, including:</p> <ul style="list-style-type: none"> Promoting the region at the Business Events Victoria Showcase to 150 conference buyers. Working with conference organisers to support conferences booked across the Peninsula and source additional experiences for conference attendees. Promoting local businesses through the MPS Business Events referral program. Submitting to the 2022 Victorian Top Tourism Town Awards for which both Sorrento and Flinders were finalists. |
| <p>2.3.5 Support our creative economy by delivering on the Arts and Culture Plan.</p> | <p>Council launched a new Performing Arts Fund. The \$500,000 fund will support local creative organisations and individuals to develop new artistic works, grow employment opportunities, and further engage our community with the performing arts.</p> <p>Also completed during the year was a location and site analysis for a creative precinct and Performing Arts Centre. Three preferred sites were recommended for further investigation with a Needs Analysis and Feasibility Assessment of these three site options to be undertaken in the 2022–23 year.</p> <p>We also created an action plan to define deliverables and timeframes and opened our Creative Economy Grants.</p> |

2.3.6
Deliver on the Reconciliation Action Plan, supporting Aboriginal and Torres Strait Islander businesses and employment opportunities.

The Mornington Peninsula Shire celebrated National Aboriginals and Islanders Day Observance Committee (NAIDOC) week with local Indigenous artist Beverley Meldrum exhibiting her work at Mornington Peninsula Regional Gallery and developing a short film about her art practice.

Council adopted the Willum Warrain Masterplan and committed to increasing the leased area of the Gathering Place to facilitate the Masterplan, which includes the development of a Gathering Place building, meeting spaces, café, kitchen, artefacts/art display area. This will significantly strengthen the social, economic, and cultural prosperity of our local Aboriginal community.

2.3.7
Work in partnership with other levels of government and service providers to promote grants, programs and services to encourage inclusive employment and volunteering opportunities.

The Mornington Peninsula Shire worked with the Frankston Mornington Peninsula Local Learning and Employment Network, Brotherhood of St Laurence and Chisholm TAFE to promote inclusive employment and delivered monthly eNewsletters and bulletins to businesses with respect to promoting government initiatives, Mornington Peninsula Shire Council initiatives, programs, assistance and services.

We also provided:

- Information to businesses in the Accessible Business Checklists about benefits of employing people with disabilities and where to find assistance.
- Information to local employers about disability employment agencies helping people look for work.





2.3.8
Advocate for planning system changes to support affordable housing initiatives in our townships and access to local employment for our businesses.

Mornington Peninsula Shire advocated for affordable housing and crisis accommodation on the Peninsula. Our CEO, John Baker spoke at a community forum about affordable housing for those living below the poverty line and we submitted to the Victorian Property Market Review – calling for our residents to have fairer and easier access to housing. We also:

- Lodged a submission into the Inquiry into Protections within the Victorian Planning Framework, which seeks better outcomes on a broad range of issues including the high cost of housing, environmental and vegetation protection and decision making in planning processes.
- Worked with other Councils in the Regional Local Government Homelessness and Social Housing Charter Group, including the preparation of a submission to the Productivity Commission's review of the National Housing and Homelessness Agreement.

Strategic Objective 2.4

A diverse economy, with green and renewable opportunities, encouraging entrepreneurship, investment and innovation.

| Strategic Indicator | Result | Comments |
|---|--|--|
| Increased levels of satisfaction with our business and tourism services. |  | Community satisfaction with Council's Business and Community Development and Tourism Performance, conducted by an independent research company that measures the opinions of local people in the community, declined four index points to 58 from last year. |
| Model and site identified for a Performing Arts and Cultural Precinct. |  | A location and site analysis for a creative precinct and Performing Arts Centre was completed. Three preferred sites were recommended for further investigation to be undertaken in 2022–23. |
| Number of initiatives implemented within the Industrial Land Assessment and Rezoning Strategy and Activity Centre Strategy. |  | Council sought authorisation from the Minister for Planning to prepare a planning scheme amendment to facilitate a high technology and advanced manufacturing industrial precinct at 79 Bungower Road, Somerville. |
| Increased levels of satisfaction with lobbying and advocacy on behalf of the community. |  | Community satisfaction with Council's Lobbying on Behalf of the Community Performance, conducted by an independent research company that measures the opinions of local people in the community, declined four index points from last year to 47. |

Strategy

2.4.1
Provide an environment where new and existing businesses are supported to grow and transition to a green economy.

Key Achievements

The Shire hosted a Circular Economy Co-Design Workshop in Mornington in the year. Facilitated by Monash University, Food and Agribusiness stakeholders were invited to take part in a breakfast workshop, which was a Phase 2 component of the 'Sparking the Circular Economy in Melbourne's Manufacturing Industry' project.

We also:

- Partnered with the South East Councils Climate Change Alliance to deliver a Small Business Energy Saver program that assists small business with energy upgrades.
- Worked with Repower Mornington Peninsula to drive community decarbonisation through promoting electrification and renewable uptake on homes, businesses and in our cars, on a postcode basis.
- Held workshops on regenerative farming and waste management.

2.4.2
Investigate and develop a Performing Arts and Cultural Precinct with a specific focus on a performing arts centre, advocating for funding opportunities.

During the year, the Shire completed a location and site analysis for a creative precinct and Performing Arts Centre. Three preferred sites were recommended for further investigation with a Needs Analysis and Feasibility Assessment of these three site options to be undertaken in the 2022–23 year.

| | |
|--|--|
| <p>2.4.3 Use our industrial and commercial land to aid business growth and attract new and emerging industries to help diversify our economy.</p> | <p>The Shire continues to aid Peninsula businesses wherever possible and advocated to the Victorian Government for investment to improve digital connectivity through the Connecting Victoria initiative and the NBN Regional Co-Investment Fund. The first funded projects of up to 10,000 Victorian businesses, including Dromana, will get access to faster and more reliable fibre internet through Enterprise Ethernet services. We also:</p> <ul style="list-style-type: none"> Commenced our face-to-face business surveys when COVID-19 restrictions allowed. Since April 2021 more than 4,000 businesses have been approached with 1,500 surveys completed. Sought feedback from businesses regarding industrial and commercial land area issues. |
| <p>2.4.4 Collaborate with the community about the future role of the Port of Hastings and the surrounding port-related land.</p> | <p>Council continues to advocate for certainty in relation to the Port of Hastings and its future role, including the substantial swathes of land currently zoned for port related uses.</p> |

Services Funded in FY21–22 Budget

| Service | Description | | |
|----------------------------------|---|----------|---------|
| Arts and Cultural Development | Our Arts and Cultural Development service invests in and supports spaces, events, and experiences to cultivate vibrant, sustainable arts and cultural sector. | Actual | (3,618) |
| | | Budget | (3,776) |
| | | Variance | 158 |
| Economic Development and Support | Our Economic Development service provides support to local industries and businesses for a sustainable economy, local employment opportunities, and a year-round visitor economy. | Actual | (1,643) |
| | | Budget | (1,395) |
| | | Variance | (248) |

Grants awarded in support of the Community

Each year, Council awards grant funding to support local community groups to provide a range of services, programs and activities. Theme 2 grants awarded in 2021–22 are listed below:

| Grant | Applicant | Value |
|--|---|----------|
| Tourism Marketing and Membership Subsidy | Good House Holiday Rental | \$600.00 |
| | Foxeys Hangout Wine Co P/L | \$819.00 |
| | Go Coastal Pty Ltd | \$546.00 |
| | St Andrews Beach Country Club Golf Course Pty Ltd | \$819.00 |
| | Talfound Pty Ltd | \$600.00 |
| | Mornington Peninsula Tours trading as MP Experience | \$819.00 |

| Grant | Applicant | Value |
|-------|---|------------|
| | Le Capucin | \$230.00 |
| | Bay Views Golf Course | \$546.00 |
| | Peninsula Gourmet Co | \$546.00 |
| | Bayplay Adventure Tours Pty Ltd | \$461.00 |
| | Daytripper Tours and Charters | \$546.00 |
| | Moonraker Dolphin Swims | \$819.00 |
| | The Dromana Drive In | \$682.00 |
| | Rhino loves tiger loves bear | \$546.00 |
| | Fairways Resort | \$546.00 |
| | UNRIVALLED EVENTS | \$819.00 |
| | HostAbout Pty Ltd | \$546.00 |
| | Green Olive at Red Hill | \$546.00 |
| | Chocolate Vine Pty Ltd | \$1,000.00 |
| | D & K Golding Pty Ltd T/as Red Hill Brewery | \$955.00 |
| | TULLY'S CORNER PRODUCE STORE | \$819.00 |
| | Yabby Lake International Pty. Ltd. | \$819.00 |
| | Torello Farm | \$819.00 |
| | Wild Adventures Melbourne | \$546.00 |
| | Portsea Village Resort Pty Ltd | \$600.00 |
| | Elements Eatery | \$819.00 |
| | Elevate Wine Tours | \$819.00 |
| | Red Hill Candle Co | \$546.00 |
| | Boodleberry Pty Ltd trading as Lakeside Villas at Crittenden Estate | \$546.00 |
| | Stumpy Gully Vineyard | \$546.00 |
| | Moody's Motel | \$546.00 |
| | Locked in Escape Rooms | \$546.00 |
| | Timeout Fishing Charters | \$546.00 |
| | Max's Restaurant | \$546.00 |
| | Ripe 'N' Ready Cherry Farm | \$546.00 |
| | Carmel at Sorrento | \$546.00 |
| | The Dunes Golf Links Pty Ltd | \$955.00 |
| | Yal Yal Ptd Ltd | \$819.00 |
| | Phaedrus Estate | \$546.00 |

| Grant | Applicant | Value |
|-----------------------------|---|------------|
| | Escape Discovery Adventures | \$819.00 |
| | Red Gum BBQ | \$819.00 |
| | Bass Strait Views Pty Ltd | \$762.00 |
| | Victorian Yacht Charters | \$546.00 |
| | Merricks General Wine Store | \$546.00 |
| | Staples Apples Pty Ltd | \$546.00 |
| | Green Box Eco Shop | \$546.00 |
| | Blue Mini Enterprises Pty Ltd | \$819.00 |
| | Mornington Peninsula Chocolaterie & Ice Creamery | \$819.00 |
| | Smart Brothers Brewing | \$819.00 |
| | Amberlee Family Hoidays | \$751.00 |
| | Polperro Dolphin Swims and Charter Service Pty Ltd | \$546.00 |
| | Hickinbotham of Dromana | \$819.00 |
| | Chief's Son Distillery | \$819.00 |
| | Elan Vineyard & Winery | \$955.00 |
| | WaterMaarq Pty Ltd | \$546.00 |
| | Hart's Farm | \$819.00 |
| | Mornington Boat Hire | \$819.00 |
| | Penni Ave Distillery | \$819.00 |
| Business Online Initiatives | Lisa Coffey Racing Education trading as Racing Hearts | \$1,590.00 |
| | Elemental Creative Pty Ltd | \$3,000.00 |
| | From xo | \$2,850.00 |
| | BCS Construction Services | \$3,000.00 |
| | B2B Domestics | \$3,000.00 |
| | Purple Soup Pty Ltd | \$3,000.00 |
| | Peninsula Plants Pty Ltd | \$3,000.00 |
| | Home Soul.d | \$2,850.00 |
| | Zen Frames Pty Ltd | \$3,000.00 |
| | Elevation A Building and design | \$3,000.00 |
| | Origins Counselling and Healing | \$3,000.00 |
| | ROEMY PTY LTD | \$3,000.00 |
| | Tri-Dente Management | \$1,998.00 |
| | Nielsen's Garden Development Pty Ltd. | \$2,700.00 |

| Grant | Applicant | Value |
|-------|---|------------|
| | Living Culture Ltd. | \$3,000.00 |
| | Red Hill Trail Co | \$3,000.00 |
| | Lift X Pty Ltd | \$2,750.00 |
| | Your Coastal Connection | \$3,000.00 |
| | Linstall Trade Services | \$3,000.00 |
| | Michelle Fortuna | \$3,000.00 |
| | Vanessa Ferriggi Studio | \$2,000.00 |
| | Bedrecycle | \$1,487.00 |
| | Screens & Fireplaces Australia Pty Ltd | \$2,679.00 |
| | The Butterfly Effect transitioning to Halcyon Women | \$3,000.00 |
| | Oh Bother PTY LTD | \$1,280.00 |
| | Peninsula Paletto | \$3,000.00 |
| | The Submission Writer | \$3,000.00 |
| | SorrentoHUB Coworkspace | \$2,700.00 |
| | TCCCS Pty Ltd T/A anderida | \$2,920.00 |
| | Business needs IT | \$1,700.00 |
| | Woodruff and Co | \$3,000.00 |
| | Peninsula Gourmet Co | \$3,000.00 |
| | Sonnet studios | \$3,000.00 |
| | CBD Releaf Pty Ltd – Trading as OUTBACK SPIRIT (AUSTRALIA) | \$2,728.00 |
| | Great Golf Getaways | \$2,700.00 |
| | Enhanced Wellbeing Co | \$2,960.00 |
| | Nordie Café | \$2,200.00 |
| | Marisol Designs | \$3,000.00 |
| | Just Graze | \$2,920.00 |
| | Kate Enno Photography | \$3,000.00 |
| | The Trustee for Riley Plumbing Family Trust T/As Laser Plumbing Blairgowrie | \$3,000.00 |
| | All State Vic Conveyancers | \$3,000.00 |
| | Travel Management Services Pty Ltd trading as Mornington Travel | \$2,700.00 |
| | Bay Print & Design | \$3,000.00 |
| | Emerald Collectice trading as The Pop Up Wedding Collective | \$2,564.00 |
| | AMIE Brooklyn Pty Ltd t/as Peachie Lingerie | \$2,950.00 |

| Grant | Applicant | Value |
|-------|---|------------|
| | Orbit Enterprises Pty Ltd | \$3,000.00 |
| | Wrenn & Co Naturopathic Dispensaries T/A Peninsula Herbal Dispensary | \$3,000.00 |
| | Artisan's Alley Mornington | \$3,000.00 |
| | Moonface Studio | \$3,000.00 |
| | Smart Brothers Brewing | \$3,000.00 |
| | Belle Fine Art Photography | \$3,000.00 |
| | Q and Co Interiors | \$3,000.00 |
| | G&C Events and Styling PTY LD. | \$2,840.00 |
| | Hutchison Earthworks | \$3,000.00 |
| | Anroka Pty Ltd IIOC Ronal Chowanetz Family Trust (RonC Finance) | \$3,000.00 |
| | Torello Farm | \$3,000.00 |
| | Creative Custom Cars | \$2,900.00 |
| | For the love of grape | \$3,000.00 |
| | Mellett Constructions | \$2,775.00 |
| | Fairweather Graphic design | \$3,000.00 |
| | Albert & Daphne | \$1,800.00 |
| | Peninsula School of Dance Pty Ltd ATF Gard Family Trust | \$2,727.00 |
| | SG Hospitality Pty Ltd trading as Stumpy Gully Dining | \$2,803.00 |
| | Tuerong Group Pty Ltd as Trustee for the Tuerong Group Unit Trust trading as Plover Wellbeing | \$3,000.00 |
| | Peninsula Aero Club | \$2,750.00 |
| | Two To Tango Cafe | \$3,000.00 |
| | Kerstin Lindsay | \$2,784.15 |
| | Chief's Son Distillery | \$3,000.00 |
| | Real Connections Art Therapy | \$2,050.00 |
| | GSTRUCT GROUP | \$3,000.00 |
| | O'Halloran Electrics Pty Ltd | \$3,000.00 |
| | Amazing Toys | \$2,820.00 |
| | Coastal Hair and Makeup | \$3,000.00 |
| | Just Press Print and Design Pty Ltd | \$3,000.00 |
| | Julie Samson Tax | \$3,000.00 |
| | The Beauty Emporium | \$3,000.00 |

| Grant | Applicant | Value |
|---|---|------------|
| | Wall Repair | \$3,000.00 |
| | George Marks Design | \$3,000.00 |
| | Alison Tehan Nutrition | \$3,000.00 |
| | Fenix Candle Co | \$2,365.00 |
| | Commonfolk Coffee Company Pty Ltd | \$3,000.00 |
| | Your Move Health | \$3,000.00 |
| | Carter Marketing Project Management | \$2,900.00 |
| | The Cutting Hedge | \$2,497.00 |
| | BP Electrical Group Pty Ltd | \$3,000.00 |
| | Functioning Together | \$3,000.00 |
| | Design to Print Solutions Pty Ltd | \$2,678.15 |
| | Liz Fitzgerald Art | \$3,000.00 |
| | Soeur Creperie (Bretagne Pty Ltd) | \$2,950.00 |
| | Holistic Hikes | \$2,840.00 |
| | Marci Wellness | \$2,979.00 |
| | Escape Discovery Adventures | \$3,000.00 |
| | Looking Forward Counselling & Mindfulness | \$3,000.00 |
| | AFG Wines | \$1,600.00 |
| | Farrells Bookshop | \$3,000.00 |
| Township/ Industrial Estate Revitalisation Initiatives | Rita & Frank Creative Studios | \$9,035.00 |
| New Business Support Grant | EVERWEAR DENIM | \$2,998.00 |
| | Katrina Louise Pty Ltd | \$3,000.00 |
| | Aspect Posters | \$3,000.00 |
| | Babbler | \$3,000.00 |
| | Red Hill Trail Co | \$3,000.00 |
| | Deanswood Distillery | \$3,000.00 |
| | Peninsula Indulgence | \$3,000.00 |
| | ReWildly | \$3,000.00 |
| | By Claire Monique | \$3,000.00 |
| | The Better Uniforms Co. | \$3,000.00 |
| | Polly's farm | \$2,950.00 |

| Grant | Applicant | Value |
|---|--|------------|
| | Branzo Food Pty Ltd t/a Island Pasta Company | \$2,393.00 |
| | acura co | \$3,000.00 |
| | Wild Adventures Melbourne | \$3,000.00 |
| | ProPag Infrastructure | \$3,000.00 |
| | Alepp Project | \$2,900.00 |
| | LG Legal & Consulting | \$3,000.00 |
| | Fi Foott Designs | \$3,000.00 |
| Business Continuity Planning and Expansion | Richard L E McIntyre TA Moorooduc Estate Winery | \$3,000.00 |
| | Total Energy Pty Ltd | \$3,000.00 |
| | Adam Morris Carpentry | \$3,000.00 |
| | Bundle Women's Health Pty Ltd | \$3,000.00 |
| | Sea Salt Tours | \$3,000.00 |
| | Djindi Investments Pty Limited | \$3,000.00 |
| | Ocean Fitness | \$3,000.00 |
| | AMIE Brooklyn Pty Ltd t/as Peachie Lingerie | \$3,000.00 |
| | Conservation Collective Pty Ltd | \$3,000.00 |
| | OPT4Lifestyle | \$3,000.00 |
| | Little Koala Living Pty Ltd | \$2,025.00 |
| | The Butterfly Effect transitioning to Halcyon Women | \$3,000.00 |
| | Bite Local Australia Pty Ltd | \$3,000.00 |
| | Natural Outlook (Vic) Pty Ltd | \$3,000.00 |
| | Bliss Architecture | \$3,000.00 |
| | The Vallentine Project | \$3,000.00 |
| | Australian Cuvee Centre | \$2,750.00 |
| | The Woods Group | \$3,000.00 |
| | Headlines of Mt Eliza – Lines Perrier Family Trust | \$3,000.00 |
| | Barrbuilt Constructions Pty Ltd T/As Victorian House Inspections | \$3,000.00 |
| Sparx Power & Data Pty Ltd | \$3,000.00 | |
| Nepean Building Permits and Consultants Unit Trust (Comet Trail Pty Ltd is trustee) | \$3,000.00 | |

| Grant | Applicant | Value |
|---------------------------------|---|-------------|
| | Flinders Black Garlic | \$3,000.00 |
| | AGAS PLUMBER | \$3,000.00 |
| | Rahona Valley Vineyard | \$2,750.00 |
| | Lorida restaurant | \$3,000.00 |
| | Connection Village | \$3,000.00 |
| | Saltwater Unit Trust | \$3,000.00 |
| | Zoe Manning | \$3,000.00 |
| | Rondelle Designs | \$3,000.00 |
| | Rhino loves tiger loves bear | \$3,000.00 |
| | Building Dreams Group | \$3,000.00 |
| | Dunne Constructions (Aust) Pty Ltd | \$3,000.00 |
| Outdoor Dining Activation Grant | Green Studio & Co | \$5,000.00 |
| | Leigh Vial | \$950.00 |
| | Leigh Vial | \$1,000.00 |
| | Steve Rault | \$1,000.00 |
| | Peter Pascoe | \$1,000.00 |
| Homegrown Events Grant | Footstep Events Ltd | \$5,000.00 |
| | Red Hill Agricultural & Horticultural Society | \$5,000.00 |
| | Sorrento Community Centre | \$5,000.00 |
| | Mt Eliza Chamber of Commerce | \$5,000.00 |
| | Mornington Chamber of Commerce | \$5,000.00 |
| | Rotary Club of Sorrento | \$2,000.00 |
| Event Partnership Grant | Sterling Events | \$25,000.00 |
| | NINCHFEST | \$50,000.00 |
| Arts Festival Grant | Mt Eliza Chamber of Commerce | \$5,000.00 |
| | Spark Youth Dance Company Inc. | \$25,000.00 |
| | DREAMHOUSE THEATRE COMPANY INC. | \$5,000.00 |

Service performance indicators and measures:

| Service/indicator/measure | 2019 | 2020 | 2021 | 2022 | Material variations & comments | |
|---------------------------|---|----------|----------|----------|--------------------------------|---|
| Food Safety | | | | | | |
| FS1 | Timeliness | 3.19 | 2.10 | 2.15 | 2.56 | The increase from last year can be attributed to a challenging COVID-19 environment, however we are still down in time taken to respond to food complaints from 2019, which is due to a decrease in the number of food complaints and improved data management and processes. |
| | Time taken to action food complaints [Number of days between receipt and first response action for all food complaints / Number of food complaints] | | | | | |
| FS2 | Service standard | 98.71% | 97.36% | 94.65% | 96.04% | The Shire continues to prioritise the community's safety in a challenging COVID-19 environment to ensure that all food premises on the Peninsula receive an annual food safety assessment. |
| | Food safety assessments [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the 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 | | | | | |
| FS3 | Service cost | \$721.11 | \$688.16 | \$710.52 | \$822.69 | The increase in service cost can be attributed to the recruitment of new staff within the Environmental Health Team which is funded by the Victorian Government and a South East Water subsidy. |
| | Cost of food safety service [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984] | | | | | |

| Service/indicator/measure | 2019 | 2020 | 2021 | 2022 | Material variations & comments | |
|---------------------------|--|--------|--------|--------|--------------------------------|--|
| FS4 | Health and safety | 98.51% | 96.40% | 92.37% | 92.86% | As per FS2 measure, the Shire continues to prioritise the community's safety to ensure that all critical and major non-compliance outcome notifications are followed up in the midst of a challenging environment. The decrease since 2019 can be attributed to the difficulty in following up assessments with food businesses that had closed for some or all of the lockdown periods. |
| | Critical and major non-compliance outcome notifications Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100 | | | | | |
| Libraries | | | | | | |
| LB1 | Utilisation | 8.57 | 5.50 | 3.15 | 4.72 | The increase in our physical library usage from last year can be attributed to in an increase in the uptake of our Click and Deliver collect services, however COVID restrictions, customer uncertainty in returning to public spaces and a difference in the calculation of parameters, which excluded eBooks and eAudioBooks from 2020 have all contributed to a decrease since our 2019 result. |
| | Physical library collection usage [Number of physical library collection item loans / Number of physical library collection items] | | | | | |
| LB2 | Resource standard | 70.22% | 78.63% | 70.89% | 74.32% | The increase from 2021 can be attributed to a slight rise in the overall number of library collection items purchased (in the last 5 years) and increased weeding (removal) of damaged and worn items from our libraries. |
| | Recently purchased library collection [Number of library collection items purchased in the last 5 years / Number of library collection items] x100 | | | | | |

| Service/indicator/measure | 2019 | 2020 | 2021 | 2022 | Material variations & comments |
|---|-------------|---------|---------|---------|--|
| LB4 Participation Active library borrowers in municipality [Number of active library borrowers in the last three years / The sum of the population for the last three years] x100 | 15.76% | 15.60% | 16.70% | 15.07% | A 9% decline in this year's sum of the number of active library borrowers compared to last year's sum, which could be attributed to customer uncertainty in returning to public spaces and COVID-19 restrictions, has resulted in a decline against 2021. |
| LB5 Service cost Cost of library service per population [Direct cost of the library service / Population] | New in 2020 | \$23.61 | \$20.32 | \$22.20 | The increase from last year is largely due to the Victorian Government's requirement of having COVID-19 Marshals at the entry to each library (to ensure customer check-ins and vaccination status), program resources (which included in-person activities for school holidays and events) for our reopened libraries, an increase in salaries and wages as we transitioned the last of our casual staff to full time employment and maternity leave. |

Theme Three



A flourishing, healthy and connected community

An inclusive and creative community that values safety, physical and mental health and wellbeing. A community with accessible services and transport to keep us connected.

| | |
|---|------------------------------------|
| 38,713 rounds of golf played | 741,010 Community library loans |
| 2,937 participants in Learn to Swim program | 12,895kms of streets swept |
| 591,852 Aquatic Centre visitations | 1,668kms of unsealed roads graded. |

Strategic Objective 3.1

A healthy and self-determined community where everyone feels valued, supported and safe.

LEGEND On track Increase / decrease Not on track

| Strategic Indicator | Result | Comments |
|---|--------|--|
| Increased levels of community satisfaction in services we provide to older people. | | Community satisfaction with Council's Elderly Support Services Performance, conducted by an independent research company that measures the opinions of local people in the community, declined six points from last year to 62. |
| Increased levels of community satisfaction for family support services we provide. | | Community satisfaction with Council's Family Support Services Performance, conducted by an independent research company that measures the opinions of local people in the community, declined six index points from last year to 61. |
| Increase in initiatives implemented that support active living and mental health and wellbeing. | | The Shire delivered several initiatives including: <ul style="list-style-type: none"> • The Fathering Project. • The Food Connection Project. • Mental Health First Aid courses. • First Time Parent Groups. • Sleep and Settling Information Group. • Ride 2 School. • Active Paths. • This Girl Can (social media campaign). |

Increase in initiatives delivered that support our diverse community.



The Shire continued to deliver initiatives that supported diversity within our community, including:

- Running lunchtime diversity programs for young LGBTIQ+ people across schools.
- Suicide Prevention Training to marginalised priority groups, primarily young people with a disability (Autism) and/or LGBTIQ+ young people, mentors, volunteers and parents/carers.

Implement initiatives that support our Reconciliation Action Plan.



Mornington Peninsula Shire Council commenced development of an agreement to partner with the Bunurong Land Council Aboriginal Corporation to support engagement and cultural capacity across Shire projects. We also planned to expand our NBN Node Aboriginal Art project across an additional 11 sites, which will further celebrate Aboriginal and Torres Strait Islander art and culture on the Mornington Peninsula.

Strategy

Key Achievements

3.1.1

Deliver the Gender Equality Strategy in partnership with community organisations.

In partnership with VicHealth, we delivered the 'Mornington Peninsula Communities Creating Change project' which aimed to empower men and boys and the broader community about the pressures of living up to outdated stereotypes of manhood. Over 550 people were engaged in Unpacking the Man Box training.

We also:

- Reaffirmed our commitment to the Victorian Local Government Women's Charter and appointed Champions to action the Charter.
- Held successful online events for International Women's Day, 16 Days of Activism and This Girl Can.
- Commissioned eight female artists for murals, photography and our Artist in Residence program and promoted over 75 creative women's stories.
- Completed Female friendly change facilities in new and existing sport pavilion developments including Tyabb Pavilion, RM Hooper Pavilion and Crib Point Pavilion.

3.1.2

Deliver the Reconciliation Action Plan, guided by the traditional owners, respecting Aboriginal and Torres Strait Islander peoples.

In the third and final year of our Reconciliation Action Plan 2020-22 we have now delivered over 80% of the plan's actions, including:

- Supporting and promoting Aboriginal and Torres Strait Islander arts and cultures through a National Reconciliation Week celebration.
- Developing and maintaining mutually beneficial relationships with Aboriginal and Torres Strait Islander peoples, communities, and organisations to support positive outcomes such as our Aboriginal Art Node project and adoption of the Willum Warrain Masterplan.
- Working in partnership with the Bunurong Land Council to identify and manage Aboriginal cultural heritage in our Coastal and Marine Management Plan and in the naming of trails to acknowledge and highlight sites of cultural significance.

We also continued to facilitate the Early Years Yarning Circle in partnership with the Department of Education Koorie Engagement Support Officers and Frankston City Council.

3.1.3

Deliver the Communities That Care Action Plan increasing connection for young people.

A preventative approach to improving the health and wellbeing of children and young people on the Peninsula, our Communities That Care delivered a number of actions and initiatives over the year, including:

- The Fathering Project, which was rolled out in four schools with 475 fathers engaged.
- The Family Adventure Challenge which included over 90 registrations and 63 photo entries of families reengaging in their local community through various fun activities.
- Launching a social marketing strategy to raise awareness of family conflict and the impact it has on our young people.
- Ten schools trained up by Resilient Youth Victoria in their Play program with 227 Grade 5 students trained up as Play leaders in their school communities.

3.1.4

Deliver on a new integrated Lifespan Strategy that will enhance the health and wellbeing of all generations.

Our Lifespan Strategy is planned for development in the 2022-23 financial year.

3.1.5

Support and participate in local and regional programs to improve sexual and reproductive health.

A signatory to the Good Health Down South Regional Strategy, the Mornington Peninsula Shire participated in the planning and launch of the Good Health Down South 2021-2025 strategy, which was coordinated by Women's Health in the South East (WHISE) and shared with partners across the region. In partnership with WHISE, we delivered a social media campaign during Sexual Health Week which received significant engagement.

3.1.6

Provide a harm minimisation approach to alcohol through our Alcohol Management Policy.

The Mornington Peninsula Shire continued to participate in the Response, Assessment and Discharge Frankston Mornington Peninsula Network with a focus on advocacy for harm minimisation approaches in areas of high-density alcohol outlets.

Together with a local event producer, Hardware Group and media agency Bolster, we hosted a ticketed event for school leavers who graduated in 2020 and 2021 to reduce harm caused by alcohol and other drugs during Schoolies Week.

3.1.7

Deliver the Positive Ageing Strategy promoting the respectful inclusion of older people.

An active member of the Frankston and Mornington Peninsula Respecting Seniors Network we worked to raise awareness of elder abuse through key initiatives including:

- World Elder Abuse Awareness Day.
- 16 Days of Activism.
- Every Age Counts Ageism awareness campaign.

3.1.8

Carry out an Active Living Census to better understand people's activity levels and preferences.

The Active Living Census is planned for commencement in 2022-23.

3.1.9





Healthy eating options are available at Shire owned and managed facilities and events.

We continue to ensure that healthy eating options are available at Shire owned and managed facilities and events and over the year we:

- Commenced planning for the tender of the Shire's new catering contract, which will be finalised in 2022-23.
- Finalised Nudge Trials initiative in partnership with Peninsula Health and Belgravia Leisure, which aims to improve healthy food options in recreation facilities.

Strategic Objective 3.2

A resilient and confident community where everyone connects and is supported.







| Strategic Indicator | Result | Comments |
|--|--|---|
| Improve level of uptake of community support programs. |  | Outside of COVID-19 lockdowns we continued to see good community uptake in our support programs. |
| Community support initiatives delivered in partnership with key stakeholders. |  | Council continues to support initiatives in partnership with key stakeholders, including: <ul style="list-style-type: none"> Dance Wise and Red Frogs for a 2-day festival for young people. Chatty Café through Mornington Community House. |
| Mental health and wellbeing programs delivered in partnership with key stakeholders. |  | The Shire coordinated delivery of several initiatives with key partners including: <ul style="list-style-type: none"> Regional Suicide Prevention Network. Mental Health First Aid training. The Fathering Project. First Time Parent Groups. Sleep and Settling Information Groups. |
| Reduction of telecommunications and internet black spots on the Peninsula. |  | Council continues to advocate on behalf of our community for funding on digital connectivity and increased mobile coverage across the Peninsula and successfully advocated to the Victorian Government for investment to improve digital connectivity through the Connecting Victoria initiative and the NBN Regional Co-Investment Fund. The first funded projects of up to 10,000 Victorian businesses, including Dromana, will get access to faster and more reliable fibre internet through Enterprise Ethernet services. |

| Strategy | Key Achievements |
|---|--|
| 3.2.1 Develop a range of community, creative and business support grants. | The Mornington Peninsula Shire Council continued to offer a range of grants in support of our community and to ensure the Peninsula's lasting resilience and renewal. Our Community Investment Funding for the 2021–22 financial year was \$2.658 million. |
| 3.2.2 Collaborate with our community to prepare for the climate emergency. | The Shire collaborated with our community on a number of key initiatives in preparation for a climate emergency, including: <ul style="list-style-type: none"> Community-led carbon emission reduction projects that included community energy advice and support, and carbon farming initiatives. Bulk-buy solar and energy upgrade programs. Partnering with Repower Mornington Peninsula and their satellite groups to assist the community with advice, tools and opportunities to decarbonise at a postcode level. Investing in a Regenerative Farming training program and demonstration farm projects. Delivering community environmental education programs and webinars. |
| 3.2.3 Deliver the Shire's COVID-19 recovery program, including grants and key projects. | As part of the \$10 million investment in COVID-19 Recovery, Council allocated \$430,000 towards a grant program that targeted experienced and established service providers whose primary function was facilitating services and supports within five identified priority areas (unemployment, young people, mental health, family violence and social isolation). Seventeen organisations were successful in securing funding that will enable them to facilitate an amazing array of creative, dynamic and engaging activities that will contribute to long term community recovery. |

| | |
|--|---|
| 3.2.4 Increase social connection and reduce social isolation in our community. | The Mornington Peninsula Shire worked hard to increase social connection in our community through several initiatives including: <ul style="list-style-type: none"> Awarding \$430,000 in grants to seventeen organisations whose primary function was facilitating services and support in priority areas, which included a program to teach older people valuable skills in using technology that enables them to stay connected to their loved ones through online platforms and devices. Celebrating National Volunteer Week, which gave our returned volunteers the chance to get to know each other and launching our Volunteer Locally campaign to promote volunteering across the Mornington Peninsula. Holding over 700 in-person events at our Libraries, when appropriate and not in lockdown, which reached over 25,000 people. Introducing the Chatty Café initiative to our Mornington Library, which encourages members of our community to come together to just chat in our cafe and enjoy each other's company. Facilitating over 670 parent groups, which are designed to share health information and reduce social isolation. Established a dementia Umbrella Café at Seawinds Community Centre to provide peer support and social connection. |
| 3.2.5 Deliver programs to prevent, recognise and respond to mental health and wellbeing concerns. | The Mornington Peninsula Shire continues to offer a range of programs, services and grants to support our community mental health and wellbeing, including: <ul style="list-style-type: none"> Supporting families through our Enhanced and Maternal Child Health services, which include referrals to family violence agencies and mental health services. Hosting online and in-person wellbeing events via our libraries to support the mental health and wellbeing of our community. Delivering Youth and Teen Mental Health First Aid training in community settings and schools. Introduced Skittle Squad, which is a social program for LGBTIQ+ young people and allies who will come together at our youth centres on a weekly basis for support and fun. |
| 3.2.6 Develop a Community Strengthening Strategy to improve social inclusion, boost volunteering and build resilience. | In 2021–22 we launched our Volunteer Locally campaign to promote and build volunteering across the Mornington Peninsula. We also celebrated National Volunteer Week, which acknowledges the important contribution our volunteers make to the functioning and resilience of our community. The Community Strengthening Strategy is planned for development in Financial Year 2022–23. |
| 3.2.7 Support and participate in local and regional initiatives that focus on suicide prevention and positive mental health and wellbeing. | The Mornington Peninsula Shire continued to support local and regional initiatives that focus on suicide prevention and mental health and wellbeing, including: <ul style="list-style-type: none"> Facilitation of a virtual event to approximately 250 participants acknowledging World Suicide Prevention Day in September. Supporting a Blue Christmas event, which brought together those who are bereaved by suicide or other loss, and to provide support for each other during what can be a particularly difficult time of year in December. Supporting the launch of the Frankston Mornington Peninsula Suicide Prevention Collaborative, which is funded and facilitated through the South East Melbourne Primary Health Network. Funding a grant program targeting service providers of which one successful organisation will facilitate a Suicide Prevention Training to marginalised priority groups. |
| 3.2.8 Advocate for improved telecommunication networks to ensure a strong digital connection and increase social inclusion. | Council successfully advocated to the Victorian Government for investment to improve digital connectivity through the Connecting Victoria initiative and the NBN Regional Co-Investment Fund. The first funded projects will see businesses in Dromana get access to faster and more reliable fibre internet through Enterprise Ethernet services. |

Strategic Objective 3.3

A community in which people from all generations, backgrounds and abilities can access local services.

| Strategic Indicator | Result | Comments |
|--|---|---|
| Implement initiatives that enhance community inclusion and wellbeing outcomes. |  | The Shire planned, implemented, and evaluated several initiatives with a focus on priority populations (e.g. LGBTIQ+, people with disability, children and young people, older people and women) using an intersectional lens. |
| Increase levels of satisfaction with family, older and disadvantaged support services. |  | Community satisfaction with Council's Disadvantaged Support Services Performance, conducted by an independent research company that measures the opinions of local people in the community, declined five index points from last year to 55. |
| Level of community participation in programs that support our community's diverse needs. |  | The level of community participation in our 2021–22 programs that supported our community's diverse needs was strong, including: <ul style="list-style-type: none"> Reaching over 25,000 people across 708 in-person (when appropriate and not in lockdown) library events. Establishing committees, networks and working groups, which coordinated and/or supported by the Shire, underpinned a community engagement model to provide a formalised approach for community members to contribute to community wellbeing and inclusion initiatives. These included LGBTIQ+ Collaborative, Disability Advisory Committee, PACE, and Youth Advisory Committee. |
| Implement initiatives to increase awareness and access to social and support services. |  | The Mornington Peninsula Shire published resources to increase people's awareness around accessing housing and homelessness services. They include: <ul style="list-style-type: none"> Food and other help guide. Keeping your home and living safely. Connect Up business cards. Integrated Assertive Outreach Tool for workers. |
| Improved services for Aboriginal and Torres Strait Islander community. |  | The Mornington Peninsula Shire consistently aims to improve services to our community and enrolled 232 children who identify as Aboriginal or Torres Strait Islander in our Maternal and Child Health Service. We had an 82% participation rate for the 2021–22 year. |
| Shire owned assets with all-abilities entrances and facilities. |  | The Mornington Peninsula Shire adopted our Universal Design Policy in 2021–22 to ensure inclusive and equitable access to buildings, services, employment, information, events, and public spaces. |





| Strategy | Key Achievements |
|--|--|
| 3.3.1 Remove barriers so people of all abilities can participate and access services. | The Mornington Peninsula Shire launched a Business Accessibility Improvements Grant to support local businesses to be more accessible and inclusive. Five businesses received \$5,000 each to improve access and inclusion to their business. |
| 3.3.2 Explore partnership opportunities for programs that address tobacco-related and gambling harm. | Council continued its membership with the Alliance for Gambling Harm Reform. We also: <ul style="list-style-type: none"> Collaborated with gambling venues and welfare agencies through our Consultative Committee to reduce gambling harm. Held an online cross sector conversation to analyse the interplay between gambling and other issues during the year in partnership with Peninsula Voice and Gamblers Help. |
| 3.3.3 Deliver programs, services and events that engage and empower children, young people and their families. | The Shire delivered several programs and services that would empower children, young people and their families. Over the year we: <ul style="list-style-type: none"> Successfully advocated for a \$150k Building Blocks Planning Grant to support the development of a pipeline of kindergarten infrastructure and expansion projects. Successfully advocated for a \$330k Building Blocks Grant from the Victorian School Building Authority to upgrade the facility and build a new and inclusive playground at Wallaroo Preschool, Hastings. Opened our Mt Martha House kindergarten. Updated our Kindergarten Priority of Access Allocation Criteria to include children wishing to remain at the same service for two years. Completed our Tyabb Preschool upgrade. Worked with primary and secondary schools across the Shire to implement programs addressing challenges some of our young people are facing in returning to school and remaining in education. Celebrated National Children's Week with over 400 families. |
| 3.3.4 Engage with LGBTIQ+ community members and deliver programs to support them. | The Shire delivered several programs in support of our LGBTIQ+ community including: <ul style="list-style-type: none"> IDAHOBIT rainbow flag event with over 70 community members and stakeholders in attendance. Youth rainbow programs, including Skittle Squad. Supported community-led groups Rainbow Connections and Out on the Peninsula. Co-convened LGBTIQ+ collaborative with Frankston City Council. LGBTIQ+ staff training. |
| 3.3.5 Support Aboriginal and Torres Strait Islander community members to self-determine community services and programs as required. | In collaboration with Local Aboriginal Gathering Places, further improvements were made to the Kindergarten Central Registration system to promote and connect First Nations families to their Local Gathering Places and the cultural programs available. Council adopted the Willum Warrain Masterplan and committed to increasing the leased area of the Gathering Place to facilitate the Masterplan. The masterplan will support the implementation of the association's vision and significant growth of the organisation's membership, staffing and the extensive development of the grounds: which will include a gathering place building, meeting spaces, café, kitchen, artefacts/art display area and a dedicated elders' area. |

| Strategy | Key Achievements |
|---|---|
| <p>3.3.6 Advocate for more local services to meet current and future community need.</p> | <p>The Mornington Peninsula Shire continued to advocate on behalf of our community to ensure that local services meet current and future needs. Over the year we:</p> <ul style="list-style-type: none"> • Successfully implemented several changes to the frequency and routes of local buses across the Peninsula through Public Transport Victoria as a result of our Better Buses campaign. • Successfully advocated to the Victorian Government for investment to improve digital connectivity through the Connecting Victoria initiative and the NBN Regional Co-Investment Fund. Dromana will be a part of the first funded project of up to 10,000 Victorian businesses to get access to faster and more reliable fibre internet through Enterprise Ethernet services. • Advocated for social affordable housing and crisis accommodation on the Peninsula. • Supported our community in successfully advocating for the restoration of the timber Flinders pier and advocated for the pier and its surrounding historic precinct to be included within the Victorian Heritage Register. • Advocated to both the Australian and Victorian Governments for the missing trail links to create a world class, 100-kilometre cycling and walking Peninsula Trail. • Implemented a dedicated advocacy page on our website that includes further information on our community's advocacy priorities, why and how we advocate, funding success and election pledges. |

| Strategy | Key Achievements |
|---|--|
| <p>3.4.1 In partnership with our community, using Universal Design Principles, improve access to and promote cultural, sport and recreational opportunities.</p> | <p>The Mornington Peninsula Shire adopted our Universal Design Policy in 2021–22 to ensure inclusive and equitable access to buildings, services, employment, information, events, and public spaces. Over 2021–22 we:</p> <ul style="list-style-type: none"> • Trialled beach matting in four new locations which brings the total number of beach matting over summer across the Mornington Peninsula to five locations. • Delivered a writability program to 12 local disabled writers in partnership with Writers Victoria and Peninsula Writers Club. • Installed communication boards to assist in inclusive play to three playgrounds. • Provided a portable Changing Places Marveloo accessible toilet to the Into the Wilderness Balnarring festival. |
| <p>3.4.2 Implement the Shire's Arts and Culture Plan, creating an environment in which the arts thrive.</p> | <p>In a challenging COVID-19 environment we developed and commenced implementation of our Arts and Culture Action Plan, including:</p> <ul style="list-style-type: none"> • A location and site analysis for a creative precinct and Performing Arts Centre. • Opened our Creative Economy grants for application. • Exhibiting artists' works at the Mornington Library Foyer. • The creation of four murals as part of our Anti-Graffiti Mural Project. • The delivery of several workshops by our Police Point Artist in Residence program. |
| <p>3.4.3 Engage with culturally and linguistically diverse communities to share and protect cultural heritage, beliefs, traditions, and stories.</p> | <p>The Mornington Peninsula Shire celebrated National Aboriginals and Islanders Day Observance Committee (NAIDOC) week with local Indigenous artist Beverley Meldrum exhibiting her work at Mornington Peninsula Regional Gallery and developing a short film about her art practice.</p> <p>In partnership with Department of Education Koorie Engagement Support Officers and Frankston City Council we facilitated an Early Years Yarning Circle. Yarning Circles are an opportunity to build knowledge and understanding of Aboriginal culture, history and perspectives in early childhood education and share ideas to strengthen cultural safety practices within services.</p> |
| <p>3.4.4 Implement a Libraries Strategy to provide accessible services and programs for our diverse community.</p> | <p>Development of our Libraries Strategy commenced during the year and is planned for release in 2022–23.</p> |
| <p>3.4.5 Support and deliver inclusive events and festivals.</p> | <p>Over 2021–22 we reviewed our upcoming events and festivals to ensure there was a focus on affordability and diversity.</p> <p>Our inaugural arts festival Drift, which is our new annual festival of art, music and celebration on the Peninsula was developed with this in mind and included all-ability access such as: audio description; wheelchair accessibility; assisted listening; captioned performance and Auslan interpreting.</p> |






Strategic Objective 3.4

A community with vibrant arts, culture, sport and recreational opportunities that foster connections and participation across generations, backgrounds and abilities.

| Strategic Indicator | Result | Comments |
|---|---|--|
| Increase level of satisfaction with community and cultural activities and services. |  | Community satisfaction with Council's Community and Cultural Services Performance, conducted by an independent research company that measures the opinions of local people in the community, declined 1 index point from last year to 63. |
| Increase participation in arts, cultural, sport and recreational initiatives delivered. |  | The Shire experienced good participation across our arts, cultural, sport and recreational initiatives over 2021–22 when not in lockdown. |
| Increase participation in our diverse services and programs. |  | The level of community participation in our 2021–22 library programs that supported our community's diverse needs was strong and we reached over 25,000 people across 708 in-person (when appropriate and not in lockdown) events. |
| Increase signature events on the Peninsula that utilise local talent. |  | We launched our inaugural arts festival Drift, which is a new annual festival of art, music and celebration on our Peninsula. For 11 days in autumn, our venues, places and spaces came to life with performances, music, visual arts, film, public art installations, multimedia and projections, writing and literature and local food and wine. |

Strategic Objective 3.5

A community that is well connected through sustainable, accessible and integrated transport options.

| Strategic Indicator | Result | Comments |
|---|---|--|
| Improve condition of local roads and footpaths and increase community satisfaction. |  | Community satisfaction with Council's Local Streets and Footpaths Services Performance, conducted by an independent research company that measures the opinions of local people in the community, declined four index points from last year to 51. |
| Improve parking facilities and increase levels of community satisfaction. |  | Community satisfaction with Council's Parking Facilities Services Performance, conducted by an independent research company that measures the opinions of local people in the community, declined one index point from last year to 56. |
| Number of initiatives delivered to support a connected community. |  | Council continued to advocate for better public transport on the Peninsula including more frequent and better integrated public transport, upgrades to existing train stations to improve safety and amenity and funding for rail electrification from Frankston to Hastings. We delivered a number of additional disabled parking bays across the Shire to increase the accessibility of our community buildings and continued to better link our existing footpath network by installed footpaths where there are gaps in the network. |
| An increase in new and upgraded footpaths, bike lanes and trails so they are accessible and encourage active transport. |  | Over the 2021–22 year, the Shire: <ul style="list-style-type: none"> Renewed 12,640sqm of footpaths. Renewed 383 metre of boardwalks. Upgraded grates to ensure they were bike safe. |
| Progress on peninsula bike safe trial for Victoria on the Mornington Peninsula. |  | We continued to advocate for improvements to on-road cycling including more cycle lanes and removal of gaps in cycle lanes throughout the Shire. |

| Strategy | Key Achievements |
|---|--|
| 3.5.1 Advocate for more accessible and frequent public transport services, including connected pathways, trails, buses and trains for the Mornington Peninsula. | Council continued to advocate on behalf of our community for more accessible and frequent public transport for the Mornington Peninsula. Over 2021–22 we: <ul style="list-style-type: none"> Successfully implemented several changes to the frequency and routes of local buses across the Peninsula through Public Transport Victoria as a result of our Better Buses campaign. Advocated to both the Victorian and Australian Governments for funding to help construct the identified missing links for a cycling and walking 100km Peninsula Trail. Continued to advocate for rail electrification from Frankston to Hastings. |

| | |
|--|--|
| 3.5.2 Improve accessibility to Shire-managed car parking and footpaths. | Over the 2021–22 year, the Shire: <ul style="list-style-type: none"> Introduced the Pillars resident parking permit trial which aimed to reduce negative impacts of large visitor numbers on residents. The trial ran from 1 December 2021 to 30 April 2022. Trialed new generation solar lighting at Derril Rd and Balharring Tennis Court carpark. Installed solar operated lighting at the Mornington Library car park and Beach Street car park in Dromana to improve public safety. Realigned on-street parking within High Street Hastings as part our High Street Streetscape Renewal project. Renewed 12,640sqm of footpaths. |
| 3.5.3 Deliver on the Pedestrian Access Strategy, creating safe, accessible and connected pedestrian networks. | Over 2021–22 we delivered footpaths identified in the Pedestrian Access Strategy, including: <ul style="list-style-type: none"> Martin Street and Colin Parade, Crib Point. Harrap Road, Mount Martha. Camp Hill Road, Somers. Alma and Field Street, Tootgarook – Stage 1. |
| 3.5.4 Advocate for an expansion of the electric vehicle charging network and promote the use of electric vehicles. | The Shire partnered with South East Councils Climate Change Alliance and four neighbouring Councils to continue work on the development of an Electric Vehicle Charging Roadmap for the South East. We also: <ul style="list-style-type: none"> Partnered with EVie Networks who completed construction of 2 x 50kW DC public charging stations at Morce Avenue, Sorrento with a further four public charging stations to be located in Rosebud, Red Hill, Mornington and Hastings from 2022–23. Installed an EV charging station at the Briars Eco Living Display Centre as a demonstration resource for community members. |
| 3.5.5 Implement the Towards Zero Road Safety Strategy in our continued commitment to zero road deaths and serious injuries towards 2050. | Council continued to work with the Department of Transport in evaluating the Shire's two-year trial of 80 kmh speed limits on 33 Shire-managed, high risk sealed roads and we finalised several road safety improvements across our local roads, including: <ul style="list-style-type: none"> Myers Road and Hendersons Road Intersection. Bittern roundabout. Hodgins Road and Stumpy Gully Road Intersection. Tuerong roundabout Shoreham Road and Shoreham shoulder sealing. Rye/Tootgarook Local Area Traffic Management. Mornington and Pottery Road Jones Road, Somerville intersection upgrade. Bungower Road Pedestrian Operated Signal. |
| 3.5.6 Deliver on the new Integrated Transport Strategy to create a connected, accessible and sustainable transport network. | The development of our Integrated Transport Strategy will commence in the 2022–23 financial year. |
| 3.5.7 Deliver on the new RideSafe Strategy to create a safe and accessible cycling network that accommodates the needs of all users. | The development of the RideSafe Strategy will commence in the 2022–23 financial year, and it will take into account community feedback from our draft RideSafe Strategy which was released for public exhibition in 2020. |

Services Funded in FY21–22 Budget

| Service | Description | | |
|-------------------------|--|----------|----------|
| Community Care | Community Care provides supports based on individual needs that help people be safe, active, and independent. | Actual | (8,869) |
| | | Budget | (3,612) |
| | | Variance | (5,257) |
| Community Development | Our Community Wellbeing service provides the opportunities for people to engage and connect within their community. | Actual | (5,130) |
| | | Budget | (3,514) |
| | | Variance | (1,616) |
| Child and Family Health | The Child and Family Health service supports children's health and development from birth until school age through specialist advice, programs and information, targeted assistance for at-risk families and vaccinations. | Actual | (1,655) |
| | | Budget | (1,909) |
| | | Variance | 254 |
| Early Years | Our Early Years' service provides programs for families with young children so that all children have the best possible start in life. | Actual | (258) |
| | | Budget | (337) |
| | | Variance | 79 |
| Libraries | Our Libraries service provides free access to resources and spaces to support community literacy, lifelong learning, education, and social inclusion. | Actual | (3,261) |
| | | Budget | (3,684) |
| | | Variance | 423 |
| Public Health | Ensures that the public health for MPSC community members is protected through the management, enforcement and community education and awareness of the Public Health Act 1958 and Food Act 1984. | Actual | (2,036) |
| | | Budget | (1,715) |
| | | Variance | (321) |
| Recreation and Leisure | Our Recreation and Leisure service provides access to a broad range of facilities to support community participation in recreation and leisure activities. | Actual | (3,159) |
| | | Budget | (2,621) |
| | | Variance | (538) |
| Transport Connections | Our Transport Connections service provides local roads, footpaths, and parking so that our customers can travel throughout the Peninsula | Actual | (20,444) |
| | | Budget | (17,646) |
| | | Variance | (2,798) |
| Youth Services | Our Youth Support provides a range of services, programs and information for young people and their families to support an engaged, healthy, and safe journey into adult life. | Actual | (1,397) |
| | | Budget | (1,768) |
| | | Variance | 371 |

Grants awarded in support of the Community

Each year, Council awards grant funding to support local community groups to provide a range of services, programs and activities. Theme 3 grants awarded in 2021–22 are listed below.

| Grant | Applicant | Value |
|---------------------------|--|------------|
| Flexi Grant | Flinders Community Association Inc. | \$1,000.00 |
| | 1st Red Hill Scouts | \$981.00 |
| | Lions Club of McCrae and District | \$1,000.00 |
| | Mornington Peninsular Bee Keeping Association | \$1,000.00 |
| | Flinders Cricket Club | \$995.00 |
| | Flinders Golf Club | \$1,000.00 |
| | Mount Martha House Historical Collection | \$1,000.00 |
| | Southern Peninsula Choir Inc | \$1,000.00 |
| | RNB Croquet Club Inc | \$1,000.00 |
| | Presentation Family Centre (Saltbush, Balnarring Beach) | \$1,000.00 |
| | Sorrento Community Centre | \$908.00 |
| | Mornington Community Garden | \$1,000.00 |
| | Mornington Peninsula Dog Rescue | \$960.00 |
| | Mornington Peninsula Pleasure Harness Club | \$990.00 |
| | Probus Club of the Southern Peninsula | \$1,000.00 |
| | Red Hill District Lions Club | \$1,000.00 |
| | Point Nepean Men's Shed | \$500.00 |
| Defibrillator Grant | Lions Club of McCrae and District | \$1,934.00 |
| | The Dunes Golf Club | \$1,595.00 |
| | Tootgarook Senior Citizens Club Inc | \$1,795.00 |
| | Portsea Surf Lifesaving Club | \$2,000.00 |
| | Somerville Rise Primary School | \$2,000.00 |
| | Blairgowrie Yacht Squadron | \$2,000.00 |
| | Rye Historical Society | \$2,000.00 |
| | Shoreham Community Association Inc | \$2,000.00 |
| | Hastings Junior Football Club | \$2,000.00 |
| | Sorrento Football Netball Club trading as Sorrento Football Club Inc | \$2,000.00 |
| Peninsula Surfriders Club | \$1,995.00 | |

| Grant | Applicant | Value |
|-------------------------|---|------------|
| | Balnarring Community Child Care | \$2,000.00 |
| | Mount Martha Life Saving Club Incorporated | \$2,000.00 |
| | Mount Eliza Anglican Church | \$2,000.00 |
| | Rosebud Yacht Club Inc | \$1,996.00 |
| | Mornington Peninsula Legacy Club | \$1,996.00 |
| | Mt Martha Bowls, Petanque & Social Club Inc. | \$1,996.00 |
| | Mornington Community Garden | \$2,000.00 |
| | Dromana Foreshore Committee of Management Incorporated | \$1,996.00 |
| | Ranelagh Club | \$1,996.00 |
| | The Scout Association Of Australia Victorian Branch | \$1,996.00 |
| | Southern Peninsula Basketball Association | \$1,996.00 |
| | Dromana Community House Inc | \$1,996.00 |
| | Flinders Yacht Club Inc | \$1,996.00 |
| | Sorrento Couta Sailing Boat Club | \$2,000.00 |
| | YMCA Camp Manyung | \$1,996.00 |
| | Hastings Seafarers Centre Inc | \$1,750.00 |
| | Point Nepean Men's Shed Association | \$1,996.00 |
| Community Support Grant | The Lions Club of Red Hill District Inc | \$3,000.00 |
| | Somers Yacht Club (Inc) | \$5,000.00 |
| | Kindred Clubhouse Inc | \$5,000.00 |
| | Shoreham Community Association Inc | \$3,198.00 |
| | Mornington Community Information and Support Centre | \$5,000.00 |
| | Merricks Beach Residents' Association Inc | \$5,000.00 |
| | The Salvation Army (Victoria) Property Trust – Westernport Mission Centre | \$4,735.00 |
| | Wallaroo Community House, Good Shepherd Australia New Zealand | \$5,000.00 |
| | Mornington Community Garden | \$4,928.00 |
| | Rye Community House Inc | \$4,295.00 |
| | Sorrento Community Centre | \$5,000.00 |
| | Tyabb Cricket Club | \$4,884.00 |

| Grant | Applicant | Value |
|-----------------------------------|---|-------------|
| Community Placemaking Grant | OzHarvest Limited | \$7,040.00 |
| | Nepean Conservation Group Inc | \$8,900.00 |
| | Dromana Primary School | \$10,000.00 |
| | Rotary Club of Mornington | \$10,000.00 |
| | Mt Martha Bowls, Petanque & Social Club Inc. | \$10,000.00 |
| | Community Kinders Plus | \$692.00 |
| | McCrae Homestead Coastal Group.inc | \$1,276.00 |
| | Red Hill District Lions Club inc | \$1,000.00 |
| | Family Life Limited | \$10,000.00 |
| | 1st Mornington Scouts | \$10,000.00 |
| | Food For Change Foundation Ltd | \$4,830.00 |
| | Shoreham Tennis Club Inc. | \$10,000.00 |
| | Mornington Peninsula Beachside Tourism Association (trading as Sorrento Beachside Visitor Information Centre) | \$9,500.00 |
| | Kunyang Primary School | \$10,000.00 |
| Creative Community Grant | Rosebud Astral Theatre Society and Southern Peninsula Players | \$5,000.00 |
| | Liz Walker | \$9,950.00 |
| | Mornington Peninsula Music Network Inc. | \$10,000.00 |
| | Lisa Roet | \$10,000.00 |
| | Peninsula Culture Collective | \$10,000.00 |
| | Seawinds Community Hub | \$860.00 |
| | Radio Port Phillip Association Inc | \$10,000.00 |
| | Peter Crawley-Boevey | \$10,000.00 |
| | The Rotary Club of Mornington Inc / Mornington Art Show | \$6,750.00 |
| | Dromana Primary School | \$10,000.00 |
| | Andrea Rowe | \$3,650.00 |
| | Peninsula Writers' Club | \$10,000.00 |
| Community Service Providers Grant | Peninsula Community Legal Centre | \$25,000.00 |
| | Mornington Community Information and Support Centre | \$19,000.00 |
| | Playgroup Australia | \$25,000.00 |
| | Tanti Park Social Enterprises | \$25,000.00 |
| | Bentons Square Community Centre | \$25,000.00 |

| Grant | Applicant | Value |
|----------------------------------|---|-------------|
| | Connecting2Australia | \$24,121.00 |
| | Anglicare Victoria | \$22,580.00 |
| | Fusion Mornington Peninsula | \$25,000.00 |
| | Kindred Clubhouse Inc | \$25,000.00 |
| | Salvation Army Homelessness Peninsula | \$25,000.00 |
| | The Chatty Café Scheme Australia | \$21,275.00 |
| | Rye Community House Inc | \$25,000.00 |
| | Family Life Limited | \$19,000.00 |
| | Women's Spirit Project | \$15,000.00 |
| | U3A Hastings | \$6,600.00 |
| | Girl Guides Association of Victoria | \$13,000.00 |
| | Bayview Care | \$25,000.00 |
| Accessible Business Improvements | Hove | \$5,000.00 |
| | The Vanilla Slice Cafe – Sorrento | \$5,000.00 |
| | Dromana Dumpling Restaurant | \$5,000.00 |
| | Diet Link | \$5,000.00 |
| | Boodleberry Pty Ltd trading as Lakeside Villas at Crittenden Estate | \$5,000.00 |

Service performance indicators and measures:

| Service/indicator/measure | 2019 | 2020 | 2021 | 2022 | Material variations and comments | |
|---------------------------|--|------|------|------|----------------------------------|--|
| Aquatic Facilities | | | | | | |
| AF2 | Service standard | 3.00 | 2.50 | 3.50 | 0.00 | There were no authorised officer inspections of Council aquatic facilities carried out in 2021–22 as ELM (Chem) Pty Ltd were engaged to undertake routine scientific analyses of pool water across our three facilities. Seventeen analyses (12 at Yawa, 4 at Pelican Park and 1 at Crib Point Pool) were undertaken in 2021–22 to ensure that our pools' water quality was in line with the Public Health and Wellbeing Regulations 2019. |
| | Health inspections of aquatic facilities | | | | | [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities] |
| AF6 | Utilisation | 1.31 | 1.00 | 0.66 | 3.50 | The increase in the utilisation of our aquatic centres is attributed to strong attendance numbers at our newest Aquatic Centre Yawa, which opened on 9 July 2021. Facilities were closed for 95 days during 2021–22 due to COVID-19 restrictions. |
| | Utilisation of aquatic facilities | | | | | [Number of visits to aquatic facilities / Municipal population] |

| Service/indicator/measure | 2019 | 2020 | 2021 | 2022 | Material variations and comments | |
|---------------------------|----------------------------|-------------|--------|---------|----------------------------------|--|
| AF7 | Service cost | New in 2020 | \$7.98 | \$12.14 | \$3.06 | The significant decrease in the costs of our aquatic facilities is mainly attributed to the opening of Yawa on the 9 July 2021. Yawa experienced strong attendance numbers, despite facilities being closed for 95 days during 2021–22 due to COVID-19 restrictions, which meant that our direct costs were offset by a 429% increase in total visitations. We also had underspend in contract expense lines for Pelican Park and Crib Point as we await Quarter 4 invoices for COVID-19 support payments and await Quarter 4 and End of Financial Year performance bonus numbers for Yawa, which will be paid in 2022–23. |
| | Cost of aquatic facilities | | | | | [Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities] |

Maternal and Child Health (MCH)

| | | | | | | |
|-----|--------------------------------------|---------|---------|---------|---------|---|
| MC2 | Satisfaction | 100.97% | 101.03% | 100.65% | 100.78% | Uptake of the service remains consistently high, demonstrating the importance of maternal and child health services for families with children aged 0-6 years across the Peninsula. |
| | Infant enrolments in the MCH service | | | | | [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100 |
| MC3 | Service cost | \$59.84 | \$64.37 | \$67.87 | \$67.22 | The increase from 2019 can be mainly attributed to the increase in the number of staff to deliver the Victorian Government's Sleep and Settling model of care and an expanded Enhanced Maternal Child Health (MCH) program, increased use of casual MCH staff and additional hours worked by permanent part time staff employed to cover furloughed staff due to COVID-19, venue and equipment hire and an increase in Workcover premiums. |
| | Cost of the MCH service | | | | | [Cost of the MCH service / Hours worked by MCH nurses] |
| MC4 | Participation | 75.83% | 74.85% | 74.30% | 72.58% | The decrease in participation rates can be attributed to the ongoing COVID-19 pandemic affects and an increased furloughing of staff, which resulted in a disruption to service delivery at times, particularly for children attending older Key Age and Stage (KAS) consultations. In a challenging environment we continue to actively contact clients who are overdue for 2 and 3 1/2 year KAS consultations via an outreach service to childcare centres. |
| | Participation in the MCH service | | | | | [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100 |

| Service/indicator/measure | 2019 | 2020 | 2021 | 2022 | Material variations and comments |
|---|-------------|--------|--------|--------|--|
| MC5 Participation in the MCH service by Aboriginal children [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100 | 89.19% | 87.16% | 84.25% | 82.32% | The gradual decline can be attributed to COVID-19 restrictions placed on the service throughout the financial year. Whilst the Maternal Child Health (MCH) service remained available to all Aboriginal families throughout periods of restrictions, the furloughing of MCH staff because of the pandemic limited our service capacity, which meant that unless Aboriginal families attended an Early Learning Centre we did not have the staff or capacity to follow up on missed appointments. |
| MC6 Satisfaction Participation in 4-week Key Age and Stage visit [Number of 4-week key age and stage visits / Number of birth notifications received] x100 | New in 2020 | 99.45% | 96.74% | 98.31% | The increase in the 4-week Key Age and Stage participation rates against last year can be attributed to a concerted effort to redirect remaining resources whilst staff were furloughed. We focused on ensuring younger infants and those deemed at risk or vulnerable were seen within a timely manner. |

Roads

| | | | | | |
|---|--------|--------|--------|--------|--|
| R1 Satisfaction of use Sealed local road requests [Number of sealed local road requests / Kilometres of sealed local roads] x100 | 64.10 | 82.23 | 78.51 | 115.00 | Customer requests for sealed local road maintenance increased 46% from 2021 and can be attributed to an increase in traffic volumes returning to pre-COVID-19 values and heavy spring rainfall, both of which adversely affect road pavement. Reported defects decreased substantially in the second half of the year. |
| R2 Condition Sealed local roads maintained to condition standards [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100 | 99.71% | 99.57% | 99.93% | 96.76% | Of the 1,387 kilometres of sealed local roads across the Shire, 1,342 kilometres were maintained within condition standards. |

| Service/indicator/measure | 2019 | 2020 | 2021 | 2022 | Material variations and comments |
|--|---------|---------|---------|----------|--|
| R3 Service cost Cost of sealed local road reconstruction [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed] | \$54.28 | \$86.80 | \$93.50 | \$128.41 | The increase in the cost of sealed local reconstructions can be attributed to an increase in the cost of bitumen, which reflects the rising cost of oil worldwide and the works undertaken. Most projects undertaken throughout the year were on local arterial and collector roads, which require greater depths of asphalt and subsequently have a greater cost per square metre. |
| R4 Service Cost Cost of sealed local road resealing [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed] | \$10.57 | \$9.60 | \$8.96 | \$0.00 | There were no works undertaken in the Road Resealing program over the course of the year as resources were concentrated on the Shire's Road Rehabilitation program (sealed local road reconstruction). |
| R5 Satisfaction Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads] | 57.00 | 51.00 | 58.00 | 49.00 | Community satisfaction with sealed local roads, conducted by an independent research company that measures the opinions of local people in the community, declined 9 index points from last year to 49. The decrease in our community's satisfaction could be attributed to an increase in traffic volumes returning to higher pre-COVID-19 lockdown values and heavy spring rainfall, both of which adversely affected road pavement and resulted in an increase in sealed local road requests. |

Materiality Thresholds

| Service/indicator/measure | Measure expressed as: | Materiality threshold: |
|--|---|--------------------------|
| Aquatic Facilities | | |
| Service Standard | | |
| Health inspections of aquatic facilities | Number of health inspections per Council aquatic facility | Movement of +/- 1 |
| Utilisation | | |
| Utilisation of aquatic facilities | Number of visits to aquatic facilities per head of municipal population | Movement of +/- 2 visits |
| Service Cost | | |
| Cost of aquatic facilities | \$ direct cost less any income received of providing aquatic facilities per visit | Movement of +/- \$1 |

| Service/indicator/measure | Measure expressed as: | Materiality threshold: |
|---|---|---------------------------------|
| Animal Management | | |
| Timeliness | | |
| Time taken to action animal requests | Number of days taken to action animal requests | Movement of +/- 1 day |
| Service Standard | | |
| Animals reclaimed | % of collected animals reclaimed | Movement of +/- 7.5% |
| Animals rehomed | % of collected animals rehomed | |
| Service Cost | | |
| Cost of animal management service | \$ direct cost of the animal management service per head of municipal population | Movement of +/- \$5 |
| Health and Safety | | |
| Animal management prosecutions | % of successful animal management prosecutions | Movement of +/- 10 prosecutions |
| Food Safety | | |
| Timeliness | | |
| Time taken to action food complaints | Number of days taken to action food complaints | Movement of +/- 1 day |
| Service Standard | | |
| Food safety assessments | % of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment | Movement of +/- 10% |
| Service Cost | | |
| Cost of food safety service | \$ direct cost of the food safety service per registered food premises | Movement of +/- \$75 |
| Health and Safety | | |
| Critical and major non-compliance notifications | % of critical and major non-compliance outcome notifications that are followed up by Council | Movement of +/- 10% |
| Governance | | |
| Transparency | | |
| Council resolutions at meetings closed to the public | % of Council resolutions made at meetings closed to the public | Movement of +/- 1.5% |
| Consultation and Engagement | | |
| Satisfaction with community consultation and engagement | Satisfaction rating out of 100 | Movement of +/- 5 |
| Attendance | | |
| Council attendance at Council meetings | % of Council attendance at ordinary and special Council meetings | Movement of +/- 10% |
| Service Cost | | |

| Service/indicator/measure | Measure expressed as: | Materiality threshold: |
|---|--|-----------------------------|
| Cost of governance | \$ direct cost of the governance service per Councillor | Movement of +/- \$5000 |
| Decision-making | | |
| Satisfaction with Council decisions | Satisfaction rating out of 100 | Movement of +/- 5 |
| Libraries | | |
| Utilisation | | |
| Physical library collection usage | Number of physical library collection item loans per physical library collection item | Movement of +/- 0.5 loans |
| Resource Standard | | |
| Recently purchased library collection | % of the library collection that has been purchased in the last 5 years | Movement of +/- 7.5% |
| Participation | | |
| Active library borrowers in municipality | % of the municipal population that are active library members | Movement of +/- 5% |
| Service Cost | | |
| Cost of library service per population | \$ direct cost of the library service per population | Movement of +/- \$1 |
| Maternal and Child Health | | |
| Service Standard | | |
| Infant enrolments in the MCH service | % of infants enrolled in the MCH service | Movement of +/- 5% |
| Service Cost | | |
| Cost of the MCH service | \$ cost of the MCH service per hour of service delivered | Movement of +/- \$10 |
| Participation | | |
| Participation in MCH service | % of children enrolled who participate in the MCH services | Movement of +/- 5% |
| Participation in MCH service by Aboriginal children | % of Aboriginal children enrolled who participate in the MCH service | Movement of +/- 10% |
| Participation in 4 week Key Age and Stage visit | % of infants enrolled in the MCH service who participate in 4 week Key Age and Stage visit | Movement of +/- 5% |
| Roads | | |
| Satisfaction of Use | | |
| Sealed local road requests | Number of sealed local road requests per 100 kilometres of sealed local road | Movement of +/- 20 requests |
| Condition | | |
| Sealed local roads below the intervention level | % of sealed local roads that are below the renewal intervention level | Movement of +/- 5% |
| Service Cost | | |

| Service/indicator/measure | Measure expressed as: | Materiality threshold: |
|---|--|-----------------------------|
| Cost of sealed local road reconstruction | \$ direct reconstruction cost per square metre of sealed local roads reconstructed | Movement of +/- \$15 |
| Cost of sealed local road resealing | \$ direct resealing cost per square metre of sealed local roads resealed | Movement of +/- \$2 |
| Satisfaction | | |
| Satisfaction with sealed local roads | Satisfaction rating out of 100 | Movement of +/- 5 |
| Statutory Planning | | |
| Timeliness | | |
| Time taken to decide planning applications | Days between receipt of a planning application and a decision on the application | Movement of +/- 10 days |
| Service Standard | | |
| Planning applications decided within required time frames | % of planning application decisions made within required time frames | Movement of +/- 7.5% |
| Service Cost | | |
| Cost of statutory planning service | \$ direct cost of the statutory planning service per planning application | Movement of +/- \$250 |
| Decision-making | | |
| Planning decisions upheld at VCAT | % of decisions subject to review by VCAT that were not set aside | Movement of +/- 10% |
| Waste Collection | | |
| Satisfaction | | |
| Kerbside bin collection requests | Number of kerbside bin collection requests per 1000 kerbside bin collection households | Movement of +/- 10 requests |
| Service Standard | | |
| Kerbside collection bins missed | Number of kerbside collection bins missed per 10,000 scheduled kerbside collection bin lifts | Movement of +/- 5 bins |
| Service Cost | | |
| Cost of kerbside garbage collection service | \$ direct cost of the kerbside garbage bin collection service per kerbside garbage collection bin | Movement of +/- \$10 |
| Cost of kerbside recyclables collection service | \$ direct cost of the kerbside recyclables collection service per kerbside recyclables collection bin | Movement of +/- \$5 |
| Waste Diversion | | |
| Kerbside collection waste diverted from landfill | % of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill | Movement of +/- 10% |

Our Governance



Our Governance

Governance, Management and Other Information

Governance

The Mornington Peninsula Shire Council is constituted under the Local Government Act 2020 to provide leadership for the good governance of the municipal district and the local community. Council has a number of roles including:

- Taking into account the diverse needs of the local community in decision-making.
- Providing leadership by establishing strategic objectives and monitoring achievements.
- Ensuring that resources are managed in a responsible and accountable manner.
- Advocating the interests of the local community to other communities and governments.
- Fostering community cohesion and encouraging active participation in civic life.

Council is committed to effective and sustainable forms of democratic and corporate governance as the key to ensuring that Council and its administration meet the community's priorities. The community has many opportunities to provide input into Council's decision-making processes including community consultation, public forums such as ward meetings and the ability to make submissions to Special Committees of Council.

Council's formal decision-making processes are conducted through Council Meetings and Special Committees of Council. Council delegates the majority of its decision-making to Council staff. These delegations are exercised in accordance with adopted Council policies.

Meetings of Council

Council conducts open public meetings on the second and fourth Tuesday of each month. Council Meetings are live streamed with members of the community able to access and watch meetings in real-time as they happen on the Mornington Peninsula Shire YouTube channel. Our community members are also welcomed to attend these meetings and observe from the gallery in person. Council meetings also provide the opportunity for community members to submit a question to the council, make a submission or speak to an item. For the 2021–22-year, Council held the following meetings:

- 22 ordinary Council meetings.
- 4 unscheduled Council meetings.

The following table provides a summary of Councillor attendance at Council meetings and special Council meetings for the 2021–22 financial year.

| Councillors | Council Meeting | Unscheduled Council Meeting | Total |
|---------------|-----------------|-----------------------------|-------|
| Cr Bissinger | 17 | 4 | 21 |
| Cr Celi | 22 | 4 | 26 |
| Cr Dixon | 21 | 4 | 25 |
| Cr Gill | 21 | 4 | 25 |
| Cr Holland | 19 | 3 | 22 |
| Cr Mar | 21 | 4 | 25 |
| Cr Marsh | 22 | 4 | 26 |
| Cr McCafferty | 18 | 4 | 22 |
| Cr Mercurio | 15 | 4 | 19 |
| Cr O'Connor | 13 | 2 | 15 |
| Cr Race | 21 | 3 | 24 |

Delegated Committees

The Act allows councils to establish one or more special committees consisting of:

- Councillors
- Council staff
- Other persons
- Any combination of the above

The following table contains a list of delegated committees established by the Council that are in operation and the purpose for which each committee was established.

| Special Committee | Councillors | Officers | Other |
|-----------------------------|-------------|----------|-------|
| Planning Services Committee | – | – | – |

Purpose

To exercise Council's powers, discretions and authorities to perform Council's functions under the Planning and Environment Act 1987, Planning Scheme Amendments and all Ministerial Directions and policy issues relating thereto, the Subdivision Act 1988, and the Building Act 1993 in accordance with relevant policies and guidelines of the Council and to do all things necessary or convenient to be done for or in connection with the performance of those functions, duties and powers.

Councillor Code of Conduct

The Act requires councils to develop and approve a Councillor Code of Conduct within 12 months after each general election. On 23 February 2021, Council adopted a revised Councillor Code of Conduct which is designed to:

- Outline standards of conduct expected of elected representatives.
- Foster good working relationships between Councillors to enable Councillors to work constructively together in the best interests of the local community; and
- Mandate Councillor conduct designed to build public confidence in the integrity of local government.

Conflict of Interest

Councillors are elected by the residents and ratepayers to act in the best interests of the community. This is a position of trust that requires Councillors to act in the public interest. When a Council delegates its powers to a Council officer or a committee, the committee or officer also needs to act in the public interest.

A conflict of interest occurs when a personal or private interest might compromise the ability to act in the public interest. A conflict of interest exists even if no improper act results from it. Council has a comprehensive procedure in place to accommodate the disclosure of a conflict of interest. Declaration of a conflict of interest is a standard agenda item for all Council and Committee meetings.

While the procedures vary depending on the particular role and circumstances, in general they involve disclosing the relevant interests in a specific way and then stepping aside from the relevant decision-making process or from the exercise of the public duty. A register is maintained to record all disclosed conflict of interests. During 2021–22, 10 conflicts of interest were declared at Council and Delegated Committee meetings.

Councillor Allowances

In accordance with Section 39 of the Local Government Act 2020, Councillors are entitled to receive an allowance while performing their duty as a Councillor. The Mayor is also entitled to receive a higher allowance.

The Victorian Government sets the upper and lower limits for all allowances paid to Councillors and Mayors. Councils are divided into three

categories based on the income and population of each Council. In this instance Mornington Peninsula Shire Council is recognised as a category three Council.

The following table contains details of current allowances and superannuation guarantee equivalent paid for the Mayor and Councillors during the year.

| Councillor | Allowance \$ | Superannuation \$ | Total \$ |
|---------------|--------------|-------------------|-----------|
| Cr Bissinger | 33,881.65 | 3,388.14 | 37,269.79 |
| Cr Celi | 33,881.65 | 3,388.14 | 37,269.79 |
| Cr Dixon | 46,633.70 | 4,663.35 | 51,297.05 |
| Cr Gill | 33,881.65 | 3,388.14 | 37,269.79 |
| Cr Holland | 33,881.65 | 3,388.14 | 37,269.79 |
| Cr Mar | 34,165.33 | 3,388.14 | 37,553.47 |
| Cr Marsh | 84,499.58 | 8,449.94 | 92,949.52 |
| Cr McCafferty | 33,881.65 | 3,388.14 | 37,269.79 |
| Cr Mercurio | 33,881.65 | 3,388.14 | 37,269.79 |
| Cr O'Connor | 56,869.00 | 5,685.09 | 62,554.09 |
| Cr Race | 33,881.65 | 3,388.14 | 37,269.79 |

Councillor Expenses

In accordance with Section 75 of the Local Government Act 2020, Council is required to reimburse a Councillor for expenses incurred whilst performing her or his duties as a Councillor. Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for Councillors.

The details of the expenses including reimbursement of expenses for each Councillor and member of a Council committee paid by Council for the 2021–22 year are:

| Councillor | CC \$ | CM \$ | CT \$ | IC \$ | TR \$ | OT \$ | Total \$ |
|---------------|----------|----------|----------|----------|--------|-------|-----------|
| Cr Bissinger | – | 1,007.48 | 13.64 | 719.41 | – | – | 1,740.53 |
| Cr Celi | – | 2,646.63 | 1,977.17 | 600.00 | – | 51.59 | 5,275.39 |
| Cr Dixon | – | – | 1,025.22 | 600.00 | – | 39.18 | 1,664.40 |
| Cr Gill | – | – | – | 1,343.28 | – | – | 1,343.28 |
| Cr Holland | – | 1,624.76 | – | 615.05 | – | 86.72 | 2,326.53 |
| Cr Mar | – | 1,559.52 | 625.00 | 609.09 | – | – | 2,793.61 |
| Cr Marsh | – | 2,819.41 | 5,970.91 | 572.42 | 219.93 | 51.59 | 9,634.26 |
| Cr McCafferty | 4,469.09 | – | 5,718.39 | 600.00 | – | 51.59 | 10,839.07 |
| Cr Mercurio | – | – | – | 702.90 | – | – | 702.90 |
| Cr O'Connor | – | – | 1,545.21 | 1,127.72 | – | – | 2,672.93 |
| Cr Race | – | – | 1,365.89 | 709.09 | – | 71.59 | 2,146.57 |

Legend:

- TR – Travel
- CM – Car Mileage
- CC – Child Care
- IC – Information and Communication expenses
- CT – Conferences and Training expenses
- OT – Other (including memberships, meals, uniforms and stationery).

Management

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

Audit and Risk Committee

The Audit and Risk Committee's role is to oversee and monitor the effectiveness of Council in carrying out its responsibilities for accountable financial management, good corporate governance, maintaining an effective system of internal control and risk management and fostering an ethical environment. The Audit and Risk Committee consists of three independent members and two Councillors. The independent members for 2021–22 financial year were:

- Ms Lisa Woolmer (Chair) Appointed February 2016 for a three-year term and re-appointed for a further three-year term until February 2022
- Ms Lisa Tripodi (Chair) Appointed September 2017 for a three-year term and re-appointed for a further three-year term until October 2023. Appointed Chair effective from 3 February 2022
- Mr Tom Kaewkhampa Appointed October 2017 for a three-year term and re-appointed for a further three-year term until October 2023. Resigned from Committee effective from 30 May 2022
- Mr Jonathon Kyvelidis Appointed 2 February 2022 for a three year-term until February 2025.

The Councillor members for 2021–22 financial year were:

- Cr Anthony Marsh
23 November 2020 – 23 November 2021
- Cr Steve Holland
23 November 2020 – 23 November 2021
- Cr Antonella Celi
1 January 2022 – 31 December 2022
- Cr Sarah Race
1 January 2022 – 31 December 2022

- Independent members are appointed for a three-year term, with a maximum of two terms.

The Audit and Risk Committee meets five times a year. The Chief Executive Officer, Director of Corporate Strategy and Business Improvement, Chief Financial Officer and Manager – Governance attend all Audit and Risk Committee meetings. Other management representatives attend as required to present reports. The external auditors and outsourced internal auditors also attend each meeting. Recommendations from each Audit and Risk Committee meeting are subsequently reported to and considered by Council.

Internal Audit

Council's internal audit function provides independent and objective external assurance that the appropriate processes and controls are in place across Council. The internal audit function is resourced by an external provider which was Pitcher Partners for the 2021–22 financial year.

Council's Finance team coordinates the process as well as following up the closure of internal audit recommendations. An Internal Audit Plan is endorsed by the Audit and Risk Committee annually to ensure the audit resources remain focused on the appropriate areas. The review process considers Council's risk framework, the Council Plan, prior audit coverage and management input.

A report is prepared for each Audit and Risk Committee meeting outlining the status of the Internal Audit Plan and an update on the implementation of audit recommendations based on discussions with the responsible managers. The Internal Auditor also presents findings of completed reviews with all audit issues identified being risk rated. The Manager for each area reviewed is required to attend the Audit and Risk Committee meeting to respond to questions in relation to the review. Quality assurance is measured through a client satisfaction survey, the annual Audit and Risk Committee self-assessment and completion of the internal audit plan.

The Internal Audit Plan for 2021–22 was completed with the following reviews finalised:

- Fraud and Corruption (Integrity) Framework
- Yawa Aquatic Centre Post-Implementation Review
- Tree Management
- Community Grants
- Procurement.

The following reviews commenced in 2021–22 and are currently being finalised:

- Statutory Planning
- Cyber / IT Security
- Risk Management Framework

External Audit

For the 2021–22 year the annual external audit of Council's Financial Statements and Performance Statement was conducted by RSD Audit. The external auditors attend all Audit and Risk Committee meetings and present the annual audit strategy and Independent Audit Report. The external audit management letter and responses are also provided to the Audit and Risk Committee.

Risk Management

On 5 April 2022, Council adopted a revised Risk Management Framework representing Council's commitment to risk management. The Framework has been designed in line with the Australian Standard (AS) / New Zealand Standard (NZS) ISO 1000:2018 Risk management – Guidelines and consists of the following components:

- Risk Management Policy
- Risk Management Principles, Framework and Processes
- Risk Management Plan.

Council adopted this simplified structure in line with best practice, but also as a result of feedback that the prior framework was overly complex.

During 2021–22 Council continued to progress its Enterprise Risk Management Improvement Plan, which enables Officers to confidently anticipate risk and opportunities in pursuit of Shire's strategy.

Governance Service Performance Indicators

| Service/indicator/measure | 2019 | 2020 | 2021 | 2022 | Material variations & comments |
|---------------------------|-------|-------|-------|-------|--|
| Governance | | | | | |
| G1 Transparency | 8.67% | 3.36% | 9.62% | 9.27% | Twenty-four decisions were made at meetings closed to the public. Of these, six related to business information that would prejudice the Council's position in commercial negotiations if prematurely released; two were for legal privileged information; five were for personal information that if released would result in the unreasonable disclosure of information about any person or their personal affairs; seven were for private commercial information (being information provided by a business, commercial or financial); three were regarding land use planning information that if prematurely released would likely encourage speculation in land values, and one was for business information, private commercial information and confidential meeting information being the records of meetings closed to the public under Section 66(2)(a). Of the 24 decisions, 15 decisions were retained as confidential items with nine being released to the public. |
| | | | | | Council decisions made at meetings closed to the public [Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x100 |

| Service/indicator/measure | 2019 | 2020 | 2021 | 2022 | Material variations & comments |
|---|-------------|-------------|-------------|-------------|--|
| G2 Consultation and engagement Satisfaction with community consultation and engagement Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement | 56.00 | 55.00 | 54.00 | 50.00 | Community satisfaction with Council consultation and engagement, conducted by an independent research company that measures the opinions of local people in the community, declined 4 index points to 50 from last year. We hope to address the decline from 2019 by improving how we consult and engage to further support the needs of the Mornington Peninsula Shire community. |
| G3 Attendance Councillor attendance at council meetings [The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)] x100 | 85.52% | 93.75% | 96.65% | 93.36% | The increase in Councillor attendance from 2019 can be attributed to moving our meetings online during COVID-19 lockdowns and our introduction of a hybrid meeting model, which meant that Councillors who may not have been able to attend physical meetings due to travel, personal, and health reasons can now attend. |
| G4 Service cost Cost of elected representation [Direct cost of the governance service / Number of Councillors elected at the last Council general election] | \$62,035.82 | \$55,561.73 | \$42,914.18 | \$55,205.18 | Overall costs are in line with 2020 but are significantly up from 2021 due to an increase in physical Council meetings and briefings, Councillor workshops, training and development, Workcover premiums and Councillors claiming car mileage as we emerge from a COVID-19 environment. |



| Service/indicator/measure | 2019 | 2020 | 2021 | 2022 | Material variations & comments |
|--|-------|-------|-------|-------|---|
| G5 Satisfaction Satisfaction with council decisions [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community] | 55.00 | 54.00 | 55.00 | 49.00 | Community satisfaction with Council decisions, conducted by an independent research company that measures the opinions of local people in the community, declined 6 index points from last year to 49. We hope to address the decline by better understanding the needs of the Mornington Peninsula Shire community through engagement in 2023. |

Governance and Management Checklist

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

| Governance and Management Items | Assessment |
|---|--|
| 1 Community engagement policy (policy outlining Council's commitment to engaging with the community on matters of public interest) | Adopted in accordance with section 55 of the Act Date of Adoption: 23 March 2021 |
| 2 Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community) | Current guidelines in operation Date of Adoption: 8 December 2020 |
| 3 Financial Plan (Strategic Resource Plan) (plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years) | Adopted in accordance with section 91 of the Act Date of Adoption: 28 October 2021 |
| 4 Asset Plan (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years). | Adopted in accordance with section 92 of the Act Date of Adoption: 14 June 2022 |
| 5 Revenue and Rating plan (strategy setting out the rating structure of Council to levy rates and charges) | Adopted in accordance with section 93 of the Act Date of Adoption: 22 June 2021 |
| 6 Annual budget (plan setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required) | Budget adopted in accordance with section 94 of the Act Date of Adoption: 7 June 2022 |

| Governance and Management Items | Assessment |
|---|---|
| 7 Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations) | Current policy in operation Date of adoption: 5 April 2022 |
| 8 Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud) | Current policy in operation Date of commencement of current policy: 24 April 2022 |
| 9 Municipal emergency management plan (plan under section 60ADB of the Emergency Management Act 2013 for emergency mitigation, response and recovery) | Prepared and maintained in accordance with section 60ADB of the Emergency Management Act 2013 Date of preparation: 19 November 2021 Last amended: 19 November 2021 |
| 10 Procurement policy (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) | Adopted in accordance with section 108 of the Act Date of Adoption: 14 December 2021 |
| 11 Business continuity plan (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster) | Current plan in operation Date of Adoption: 31 March 2021 |
| 12 Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster) | Current plan in operation Date of Preparation: 5 February 2019 |
| 13 Risk management framework (framework outlining Council's approach to managing risks to the Council's operations) | Current framework in operation Date of Adoption: 5 April 2022 |
| 14 Audit and Risk Committee (advisory committee of Council under section 53 and 54 of the Act) | Established in accordance with section 53 of the Act Date of establishment: 11 June 1996 |
| 15 Internal audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls) | Current auditor engaged: Pitcher Partners Date commenced: 1 July 2020 |
| 16 Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act) | Current framework in operation Date of operation of current framework: 1 July 2015 |
| 17 Council Plan reporting (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year) | Report on the Council Plan is included in the Quarterly Community Report to Council Date of reports: 1 November 2021 (Q1), 8 February 2022 (Q2), 17 May 2022 (Q3), 23 August 2022 (Q4) |

| Governance and Management Items | Assessment |
|---|---|
| 18 Quarterly budget reports (quarterly statements to the Council under section 97(1) of the Local Government Act 2020, comparing actual and budgeted results and an explanation of any material variations) | Report on the Council Plan is included in the Quarterly Community Report to Council Date of reports: Date of reports: 1 November 2021 (Q1), 8 February 2022 (Q2), 17 May 2022 (Q3), 23 August 2022 (Q4) |
| 19 Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies) | Date of Risk reports prepared and presented to Audit and Risk Committee: 12 August 2021, 25 November 2021, 24 February 2022, and 26 May 2022. |
| 20 Performance reporting (6-monthly reports of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the Local Government Act 2020) | Bi-annual reports to the Audit and Risk Committee Date of reports: 2 September 2021 and 24 February 2022 |
| 21 Annual report (annual report under sections 98, 99 and 100 of the Local Government Act 2020 containing a report of operations and audited financial and performance statements). | Presented at a meeting of Council in accordance with section 100 of the Act Date statements presented: 18 October 2022 |
| 22 Councillor Code of Conduct (Code under section 139 of the Act setting out the standards of conduct to be followed by Councillors and other matters) | Code of conduct reviewed and adopted in accordance with section 139 of the Act Date of review: February 2022 Date of adoption: 23 October 2021 |
| 23 Delegations (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 section 11 (7) of the Act and a register kept in accordance with sections 11 (8) and 47 (7) of the Act. Dates of review: 3 May 2022 Council to Officers 14 June 2022 S5 Instrument Council to CEO Registration of delegations under sections 11(8) and 47(7) of the LGA 2020 is published on the website. |
| 24 Meeting procedures (Governance rules under section 60 of the Act governing the conduct of meetings of Council and delegated committees) | Governance rules adopted in accordance with section 60 of the Act Date of adoption: 24 August 2021 |
| I certify that this information presents fairly the status of council's governance and management arrangements. | |
|  John Baker Chief Executive Officer |  Cr Anthony Marsh Mayor |

Statutory Information

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

Documents Available for Public Inspection

In accordance with regulation 12 of the Local Government (Governance and Integrity) Regulations 2020 and our Public Transparency Policy, Council makes the following information available on the Council website and is available for public inspection at 90 Besgrove Street, Rosebud:

- Minutes of ordinary and special meetings held in the previous 12 months which are kept under section 93 of the Act, other than those agendas and minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act.
- The minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months, other than those minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act.
- A register of delegations kept under sections 87(1) and 98(4) of the Act, including the date on which the last review took place under sections 86(6) and 98(6), respectively, of the Act.

Contracts

This year, Mornington Peninsula Shire Council engaged 2 contractors where the accumulative value over 2 years was over \$150,000 for services and did not comply to section 186(5)(a) of the Local Government Act 1989.

| Supplier | Engagement description | Accumulative value | Rationale |
|------------------------------|---------------------------|--------------------|--|
| Assetic Australia Pty Ltd | Building condition audits | \$243,284 | Multiple quotations bringing accumulative value above tender threshold |
| Hardware Corporation Pty Ltd | Event production | \$260,000 | Multiple quotations bringing accumulative value above tender threshold |

Council did not enter into any contracts for works valued at \$200,000 or more for works or more of a kind without engaging in a competitive process.

Disability Inclusion Plan 2018–22

The Disability Inclusion Plan aims to build upon the Mornington Peninsula Shire's long-standing commitment to and success in ensuring our community is inclusive and accessible for everyone.

This commitment allows us to ensure that people of all ages and abilities have opportunities to live active, connected and fulfilling lives.

Key achievements under the Disability Inclusion Plan 2018-22 include:

- Adopted a Universal Design Policy to ensure inclusive and equitable access to buildings, services, employment, information, events, and public spaces.
- Launched the Business Accessibility Improvements Grant with associated checklists and video to support local businesses to be more accessible and inclusive.
- Trialled four new accessible beach matting locations from January – May 2022, bringing the total number of locations to five, which is the most of any local government in Australia. Trial also included a new maintenance model.
- Two new Changing Places facilities to be built in Flinders (as part of new community hub), Pt Leo (by Foreshore committee as part of accessible change rooms), both receiving state funding through the Changing Places grants. Changing places provides suitable facilities for people with complex disabilities and their carers who cannot use standard accessible toilets.
- Communication Boards added to three playgrounds in Hastings, Rosebud and Mornington to support inclusive play, with more planned at other locations.

- Accessible carpark upgrades completed at Dromana, Mount Martha, Peninsula Community Theatre Mornington, Mornington Pre-school, Main Ridge Community Centre and kerb cuts at 4 locations.
- Five new members recruited to the Disability Advisory Committee and an Easy Read version of the Committee's Terms of Reference developed.
- Writability program delivered to local disabled writers in partnership with Writers Victoria and Peninsula Writers Club. Monthly online writing sessions were held for up to 15 participants with a local mentor, resulting in several writers entering competitions, winning awards and getting published for the first time.
- Sensory-friendly chill-out zone and portable Changing Places Marveloo accessible toilet offered at Into the Wilderness Festival in Balnarring in April 2022.
- Libraries continued to offer accessible and inclusive programming for the community (e.g. sensitive Santa, alternative formats, home delivery, sensitive Storytime).
- Autism friendship group and The Lab technology club run weekly programs from The Corner Youth Centre in Mornington.

Domestic Animal Management Plan

A new Domestic Animal Management Plan 2021-2025 was adopted by Council on 1 November 2021 and will remain in force until December 2025. The following is a summary of the key actions identified in the Plan:

- Support Shire Officers to continue to develop their skills.
- Provide a planned and focused communication approach.
- Promote community compliance with dog controls in public places.
- Provide a greater presence in the community to improve compliance and enhance education.
- Continue to improve animal welfare outcomes.
- Continue to seek opportunities to support affordable pet desexing.
- Increase registration compliance and opportunities for lost pets to be more easily reunited with their owners.
- Support a strategic and consistent approach to leash free and dog prohibited areas across the Shire.

- Provide a consistent approach to enforcement of regulations.
- Decrease dog waste in public places.
- Reduce dog attacks.
- Identify and register declared dogs.
- Ensure compliance by owners of declared dogs.
- Identify operating Domestic Animal Businesses (DABs).
- Ensure compliance by Domestic Animal Businesses (DABs).
- Annual review of plan and reporting.

Food Act Ministerial directions

In accordance with section 7E of the Food Act 1984, Council is required to publish a summary of any Ministerial Directions received during the financial year in its Annual Report. No such Ministerial Directions were received by Council during the 2021–22 financial year.

Road Management Act Ministerial directions

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 such Ministerial Directions were received by Council during the 2021–22 financial year.

Freedom of Information

In accordance with section 7(4AA)(a) and 7(4AA)(b) of the Freedom of Information Act 1982, Council is required to publish certain statements in their annual report or separately such as on its website, concerning its functions and information available. Council has chosen to publish the statements separately however provides the following summary of the application and operation of the Freedom of Information Act 1982.

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

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

Requests for documents in the possession of Council should be addressed to the Freedom of Information Officer. Requests can also be lodged online or by email.

Access charges may also apply once documents have been processed and a decision on access is made (e.g. photocopying and search and retrieval charges).

Freedom of Information Requests

| | |
|---|----|
| Requests Received | 62 |
| Access granted in full (no exempt material) | 3 |
| Access granted in part (some exempt material) | 30 |
| Access denied in full (all material exempt) | 1 |
| Other: | |
| Withdrawn | 3 |
| Not proceed with | 5 |
| Act does not apply | 0 |
| Not processed | 0 |
| No documents | 3 |
| Outside the act | 10 |
| Not yet finalised | 7 |

Further information regarding FOI can be found at www.foi.vic.gov.au and the Mornington Peninsula Shire website.

Protected Disclosure Procedures

In accordance with section 69 of the Public Interest Disclosure Act 2012 a council must include in their annual report information about how to access the procedures established by the council under Part 9 of that Act. It is also required to provide certain information about the number and types of public interest disclosure complaints investigated during the financial year.

During the 2021–22 period the Mornington Peninsula Shire received 75 Freedom of Information requests, of which only 62 were valid requests. Outcomes of these requests received in the period 1 July 2021 to 30 June 2022 are provided in the tables below:

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

During the 2021–22-year, no disclosures were notified to Council officers appointed to receive disclosures, or to IBAC.



Performance

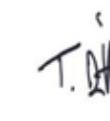
Statement

Independent Auditor's Report

To the Councillors of Mornington Peninsula Shire Council

| | |
|--|---|
| Opinion | <p>I have audited the accompanying performance statement of Mornington Peninsula Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> description of municipality for the year ended 30 June 2022 sustainable capacity indicators for the year ended 30 June 2022 service performance indicators for the year ended 30 June 2022 financial performance indicators for the year ended 30 June 2022 other information and certification of the performance statement. <p>In my opinion, the performance statement of Mornington Peninsula Shire Council in respect of the year ended 30 June 2022 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the <i>Local Government Act 2020 and Local Government (Planning and Reporting) Regulations 2020</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>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement 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 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 2020</i> and the <i>Local Government (Planning and Reporting) Regulations 2020</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement 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. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement. As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none"> identify and assess the risks of material misstatement of the performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation. <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> |
|--|--|



Performance Statement

For the year ended 30 June 2022

Description of Municipality

Mornington Peninsula Shire covers 723 square kilometres of land with a coastline that extends for 192 kilometres (approximately 10 per cent of Victoria's total). The region is one of Victoria's premier holiday and retirement destinations and has magnificent landscapes, coasts and beaches that are of state significance and attract 7 million visitors every year.

Our Community

The Shire has 40 towns and villages spread across the Peninsula, with the majority of the residential population living along the coastline. The Shire has an estimated permanent resident population of 168,865, as well as a non-resident population who spend part of the week, or their holidays, on the Peninsula. Many beach holiday houses are based along the Port Phillip coastline, with the population swelling by up to 30 per cent in the summer months.

Our Environment

Approximately 70 per cent of the Shire is retained as rural land within the Green Wedge planning zone, whilst the other 30 per cent is taken up by towns and villages. Within the Green Wedge, there are areas of highly productive farmland as well as highly significant landscapes and ecosystems. The Mornington Peninsula and Western Port have become part of the world-wide network of biosphere reserves recognised by the United Nations. The region has been recognised for its: high biological diversity; many significant, rare native plants and vegetation; wetlands; sites of geomorphological significance; remnant indigenous vegetation; highly scenic landscape values; and sites of historic importance.

Our Economy

The Shire has a strong local economy, with \$8.687 billion in Gross Regional Product. There are over 16,000 businesses from a diverse range of industries including retail, manufacturing, construction and business services. The region also has a distinguished agricultural history, including beef, viticulture (grapes) and horticulture (fruit, vegetables and flowers), with the existing food and wine producers being recognised as world class and industry leaders in their respective fields. Tourism is also another sector that plays a significant role in our local economy.

COVID-19

On 30 January 2020, COVID 19 was declared as a global pandemic by the World Health Organisation. Since then, various measures have been taken by all three levels of Government in Australia to reduce the spread of COVID-19. To ease the financial burden on Mornington Peninsula residents, local businesses and community groups, Council introduced a range of measures to ensure resilience and recovery within our community and businesses. These measures can be found in our Road to COVID-19 Recovery summary in the Report of Operations and Financial Statements.

Sustainable Capacity Indicators

For the year ended 30 June 2022

| Indicator / measure / formula | Results | | | | Material Variations and Comments |
|---|------------|------------|------------|------------|--|
| | 2019 | 2020 | 2021 | 2022 | |
| Population | | | | | |
| Expenses per head of municipal population [Total expenses / Municipal population] | \$1,388.31 | \$1,391.75 | \$1,434.22 | \$1,550.19 | Council always seeks to deliver the highest quality services in the most efficient way and has contained expenditure per head of municipality through its goal for ongoing savings. The increase above CPI in 2022 is largely due to additional spend to support community from the budgeted Covid Recovery Package of \$10 million. |
| Infrastructure per head of municipal population [Value of infrastructure / Municipal population] | \$8,354.51 | \$8,587.23 | \$8,592.21 | \$8,972.15 | Investment in Infrastructure is impacted by the delivery of Capital Works Program (\$45 million) and the revaluation of infrastructure assets. |
| Population density per length of road [Municipal population / Kilometres of local roads] | 97.14 | 97.92 | 98.58 | 98.52 | No material change |
| Own-source revenue | | | | | |
| Own-source revenue per head of municipal population [Own-source revenue / Municipal population] | \$1,233.01 | \$1,273.29 | \$1,312.65 | \$1,411.32 | Growth in own source revenue is in line with budget expectations and driven by the rate cap and supplementaries during the year. |

| Indicator / measure / formula | Results | | | | Material Variations and Comments |
|---|----------|----------|----------|----------|---|
| | 2019 | 2020 | 2021 | 2022 | |
| Recurrent Grants | | | | | |
| Recurrent grants per head of municipal population [Recurrent grants / Municipal population] | \$131.36 | \$128.42 | \$136.86 | \$127.39 | Whilst our population has only increased 0.01% from 2021, recurrent grants, driven by a decrease in payment for Roads to Recovery program of 28.6%, decreased in 2021–22. This is in line with its 5-year program schedule which fluctuates year on year depending on type of works being carried out. Recurrent operating grants decreased by 4.6%, primarily due to less hours delivered in aged care services. |
| Disadvantage | | | | | |
| Relative socio-economic disadvantage [Index of Relative Socio-economic Disadvantage by decile] | 8.00 | 8.00 | 8.00 | 8.00 | There has been no significant change to the Mornington Peninsula Shire's ranking. |
| Workforce Turnover | | | | | |
| Percentage of staff turnover [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100 | 10.9% | 10.6% | 9.5% | 32.5% | The significant increase in our workforce turnover result from previous years is due to redundancies from the cessation of In-Home Services and Valuations services, redundancies associated with organisational realignment; and involuntary terminations, including those that related to our vaccination policy. Our voluntary workforce turnover rate is 14%, of which 18% were related to retirements. This measure has also been impacted by world-wide trends in increased turnover following the COVID-19 pandemic. |

Definitions

adjusted underlying revenue means total income other than:

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

(b) non-monetary asset contributions; and

(c) contributions to fund capital expenditure from sources other than those referred to above

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

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

population means the resident population estimated by council

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

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

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

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

Service Performance Indicators

For the year ended 30 June 2022

| Service / indicator / measure | Results | | | | Material Variations and Comments |
|--|-------------|--------|--------|--------|--|
| | 2019 | 2020 | 2021 | 2022 | |
| Aquatic facilities | | | | | |
| Utilisation Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population] | 1.31 | 1.00 | 0.66 | 3.50 | The increase in the utilisation of our aquatic centres is attributed to strong attendance numbers at our newest Aquatic Centre Yawa, which opened on 9 July 2021. Facilities were closed for 95 days during 2021–22 due to COVID-19 restrictions. |
| Animal Management | | | | | |
| Health and safety Animal management prosecutions [Number of successful animal management prosecutions/ Number of animal Management prosecutions] x100 | New in 2020 | 99% | 100% | 100% | Council is committed to protecting the safety of the community and the health and safety of animals on the Peninsula by instituting prosecution where appropriate and necessary. Council prosecuted 63 Animal Management matters over the year. Note: This measure is replacing previous 'Animal management prosecutions,' which was a measure of number, not proportion. |
| Food Safety | | | | | |
| Health and safety Critical and major non-compliance notifications [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 a food premises] x100 | 98.51% | 96.40% | 92.37% | 92.86% | As per FS2 measure, the Shire continues to prioritise the community's safety to ensure that all critical and major non-compliance outcome notifications are followed up in the midst of a challenging environment. The decrease since 2019 can be attributed to the difficulty in following up assessments with food businesses that had closed for some or all of the lockdown periods. |

| Service / indicator / measure | Results | | | | Material Variations and Comments |
|--|---------|--------|--------|--------|---|
| | 2019 | 2020 | 2021 | 2022 | |
| Governance | | | | | |
| Satisfaction Satisfaction with council decisions [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community] | 55 | 54 | 55 | 49 | Community satisfaction with Council decisions, conducted by an independent research company that measures the opinions of local people in the community, declined 6 index points from last year to forty-nine We hope to address the decline from 2021 by better understanding the needs of the Mornington Peninsula Shire community through engagement in 2023. |
| Libraries | | | | | |
| Participation Active library members [The sum of the number of active library borrowers in the last 3 financial years / The sum of the population in the last 3 financial years] | 15.76% | 15.60% | 16.70% | 15.07% | A 9% decline in this year's sum of the number of active library borrowers compared to last year's sum, which could be attributed to customer uncertainty in returning to public spaces and COVID-19 restrictions, has resulted in a decline against 2021. |
| Maternal Child Health | | | | | |
| Participation Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100 | 75.83% | 74.85% | 74.30% | 72.58% | The decrease in participation rates can be attributed to the ongoing COVID-19 pandemic affects and an increased furloughing of staff, which resulted in a disruption to service delivery at times, particularly for children attending older Key Age and Stage (KAS) consultations. In a challenging environment we continue to actively contact clients who are overdue for 2 and 3 half year KAS consultations via an outreach service to childcare centres. |
| Participation in the MCH service by Aboriginal children [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100 | 89.19% | 87.16% | 84.25% | 82.32% | The gradual decline can be attributed to COVID-19 restrictions placed on the service throughout the financial year. Whilst the Maternal Child Health (MCH) service remained available to all Aboriginal families throughout periods of restrictions, the furloughing of MCH staff because of the pandemic limited our service capacity, which meant that unless Aboriginal families attended an Early Learning Centre, we did not have the staff or capacity to follow up on missed appointments. |

| Service / indicator / measure | Results | | | | Material Variations and Comments |
|---|---------|--------|--------|--------|--|
| | 2019 | 2020 | 2021 | 2022 | |
| Roads | | | | | |
| Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads] | 57 | 51 | 58 | 49 | Community satisfaction with sealed local roads, conducted by an independent research company that measures the opinions of local people in the community, declined 9 index points from last year to forty-nine. The decrease in our community's satisfaction could be attributed to an increase in traffic volumes returning to higher pre-COVID-19 lockdown values and heavy Spring rainfall, both of which adversely affected road pavement and resulted in an increase in sealed local road requests. |
| Strategic Planning | | | | | |
| Decision making Council planning decisions upheld at VCAT [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100 | 32.35% | 39.13% | 51.28% | 68.85% | The upward trend in VCAT decisions upheld from 2019 is partially due to the emphasis on refined and informed decision making across the Unit – resulting in more easily defended decisions when appealed to VCAT. The Housing and Settlement Strategy (Amendment C219) is currently progressing through the formal amendment process to with an aim for it to be included in the Planning Scheme – further assisting in the assessment of Planning Applications |
| Waste Management | | | | | |
| Waste diversion Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100 | 53.62% | 55.31% | 54.73% | 57.21% | The increase from last year is due to a reduction in household waste that was collected through our newly implemented Food Organics and Garden Organics service, which saw an increase in kerbside green waste received, an increase of green waste due to storm events and increased access to our transfer stations (less COVID-19 restrictions). |

Definitions

Aboriginal child means a child who is an Aboriginal person

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

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

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

CALD means culturally and linguistically diverse and refers to persons born outside Australia in a country whose national language is not English

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

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

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

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

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

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

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

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

major non-compliance outcome notification means a notification received by a council under section 19N(3) or (4) of the Food Act 1984, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken

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

population means the resident population estimated by council

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

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

Financial Performance Indicators

For the year ended 30 June 2021

| Dimension/indicator/measure | Results | | | | Forecasts | | | | Material Variations and Comments |
|---|------------|------------|------------|------------|------------|------------|------------|------------|---|
| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | |
| Efficiency | | | | | | | | | |
| Expenditure level | \$2,256.99 | \$2,290.41 | \$2,351.31 | \$2,521.89 | \$2,466.04 | \$2,547.25 | \$2,608.86 | \$2,693.94 | Council always seeks to deliver the highest quality services in the most efficient way and has contained expenditure per property assessment through its goal for ongoing savings. The increase in 2022 are largely attributed to CPI and the indexation of the Shire's contracts, along with increased expenditure in 2022 due to Covid Recovery package of \$10 million which would have previously been capital works. |
| Expenses per property assessment [Total expenses / Number of property assessments] | | | | | | | | | |
| Revenue level | New | \$1,452.06 | \$1,483.22 | \$1,510.44 | \$1,551.31 | \$1,570.89 | \$1,615.69 | \$1,661.52 | Council's rates, our primary source of income that delivers essential services to our community, is limited by the rate cap, under the Fair Go Rates System, which was set at 1.5% for 2021–22. Increasing waste costs have also seen waste service charge increase 5.3% and supplementary income is 0.7% of the total rates revenue in 2021, which is growth of our rates income in 2022. |
| Average residential rate per residential property assessment [Residential rate revenue / Number of residential property assessments] | in 2020 | | | | | | | | |
| Liquidity | | | | | | | | | |
| Working capital | 203.86% | 229.34% | 216.33% | 193.01% | 106.00% | 101.47% | 99.55% | 98.43% | Increase in current liabilities, due to increases in unearned income with capital grants received in advance and increased provisions for exiting aged care services at year-end, have decreased our working capital. |
| Current assets compared to current liabilities [Current assets / Current liabilities] x100 | | | | | | | | | |
| Unrestricted cash | 69.47% | 119.58% | 71.84% | 70.52% | 75.68% | 74.76% | 74.54% | 73.70% | Remains strong with over \$50 million in unrestricted cash at year-end. |
| Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100 | | | | | | | | | |
| Obligations | | | | | | | | | |
| Loans and borrowings | 7.53% | 19.37% | 23.15% | 20.08% | 17.23% | 15.54% | 13.91% | 12.33% | No new loans drawn during the year and \$4.5M principal loan re-payments as the rates revenue increase resulted in the reduction of this ratio. |
| Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x100 | | | | | | | | | |
| Loans and borrowings repayments compared to rates | 2.67% | 2.51% | 3.06% | 2.85% | 2.44% | 1.85% | 1.57% | 1.51% | Increase in rate revenue and paying-out of loans that expired resulted in the reduction of this ratio. |
| [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100 | | | | | | | | | |
| Indebtedness | 8.35% | 19.66% | 25.51% | 21.30% | 19.86% | 18.79% | 17.95% | 18.45% | Own source revenue has increased by 7.5% due to rate revenue, increasing user fees and demand following Covid impacts in 2021, and additional volume in planning income. Non-current liabilities have decreased by \$6 million primarily due to loan re-payments, overall improving indebtedness ratio in 2022. |
| Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100 | | | | | | | | | |

| Dimension/indicator/measure | Results | | | | Forecasts | | | | Material Variations and Comments |
|---|-------------|--------------------|--------|--------|-----------|--------|--------|--------|---|
| | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | |
| Asset renewal and upgrade Asset renewal and upgrade compared to depreciation [Asset renewal and asset upgrade expense / Asset depreciation] x100 | New in 2020 | 102.42% | 70.06% | 80.58% | 93.54% | 89.40% | 91.81% | 90.74% | Asset renewal and upgrade are driven by the condition assessment of assets and varies year on year |
| Operating position Adjusted underlying result Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100 | -0.94% | 2.27% | 3.05% | 0.27% | 0.68% | -0.60% | -0.35% | -0.92% | The decrease from last year is substantially driven by our \$10 million COVID-19 recovery budget, which included \$5.8 million normally spent on capital works, fee waiver initiatives and increased expenditure for community and business grants, all of which reduced our operating surplus. |
| Stability Rates concentration Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100 | 76.00% | 76.76% | 77.08% | 75.86% | 80.11% | 79.72% | 79.74% | 79.76% | Although we have grown other revenue (own-source revenue) Council revenue is still largely dependent on rate revenue to fund services and capital works. |
| Rates effort Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality] x100 | 0.20% | 0.20% | 0.19% | 0.19% | 0.15% | 0.15% | 0.16% | 0.16% | No material change |
| Retired Measures Animal Management Health and Safety Animal management prosecutions [Number of successful animal prosecutions] | 52 | Retired In 2020 | #N/A | #N/A | #N/A | #N/A | #N/A | #N/A | This measure was replaced by AM7 from 1 July 2019. |
| Efficiency Revenue level Average residential rate per residential property assessment [Residential rate revenue / Number of residential property assessments] | \$1,645.74 | Retired In 2020 | #N/A | #N/A | #N/A | #N/A | #N/A | #N/A | This measure was replaced by E4 from 1 July 2019. |
| Obligations Asset renewal Asset renewal compared to depreciation [Asset renewal expense / Asset depreciation] x100 | 93.28% | Retired In 2020 | #N/A | #N/A | #N/A | #N/A | #N/A | #N/A | This measure was replaced by O5 from 1 July 2019. |

Other Information

For the year ended 30 June 2022

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 2020 and Local Government (Planning and Reporting) Regulations 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 year and for the prescribed financial performance indicators and measures, the results forecast by the Council's strategic resource plan. The Local Government (Planning and Reporting) Regulations 2020 requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan in the budget on 22 June 2022. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting Council.

Certification of the Performance Statement

In my opinion, the accompanying performance statement has been prepared in accordance with the Local Government Act 2020 and the Local Government (Planning and Reporting) Regulations 2020.



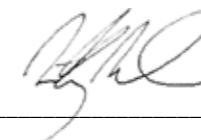
Bulent Oz, CPA
Chief Financial Officer
Date: 18 October 2022

In our opinion, the accompanying performance statement of the Mornington Peninsula Shire Council for the year ended 30 June 2022 presents fairly the results of Council's performance in accordance with the Local Government Act 2020 and the Local Government (Planning and Reporting) Regulations 2020.

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

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

We have been authorised by the council and by the Local Government (Planning and Reporting) Regulations 2020 to certify this performance statement in its final form.



Cr Anthony Marsh
Mayor
Date: 18 October 2022



Cr Lisa Dixon
Deputy Mayor
Date: 18 October 2022



John Baker
Chief Executive Officer
Date: 18 October 2022

Financial

Statement



Chief Financial Officer Message



The Mornington Peninsula Shire's financial position continues to remain sound with strong cash flows, reserves and a solid balance sheet. The council was able to deliver an underlying surplus of \$0.7 million in the 2021–22 financial year which is a reduction of \$6.9 million on the prior year. This surplus was achieved despite many challenges the Council faced through the year, the impacts of COVID-19, storm events and the changes in macroeconomic dynamics. The Council was able to support the community with a \$10 million COVID recovery package and \$3.5 million to assist the community with the storm events, while delivering much needed essential services and capital works.

As detailed in the Comprehensive Income Statement, total income for the year increased by three per cent to \$273.3 million. User fees increased by 26 per cent on the prior year levels as the services returned to pre-COVID levels and utilisation rates increased in

services such as foreshore camping and leisure centres. Higher planning applications during the year is the main contributor of 28 per cent in statutory fees.

In addition to our COVID-recovery budget of \$10 million, Council spent an additional \$3.5 million in infrastructure services to mitigate the damage caused by the storm events during the year. Adding to the expenditure, \$3.8 million provision was recognised in employee costs as the Council determined to exit aged care services. An increase in depreciation and amortisation costs of \$2 million is mainly attributable to new assets added to property and infrastructure as well as the increases in values from the revaluation of our assets. Total expenses increased 7.6 per cent on the prior year.

The table below provides a brief snapshot of the 2021–22 Financial Year:

| Financial Results | 2021–22 (Actual) (\$'000) | 2020–21 (Actual) (\$'000) |
|--|---------------------------|---------------------------|
| Comprehensive Income Statement Surplus | 11,482 | 22,189 |
| Underlying Result | 705 | 7,610 |
| Capital Works | 45,155 | 52,455 |
| Cash and Cash Equivalents | 57,788 | 116,321 |
| Loans | 39,983 | 44,572 |
| Net Assets | 3,225,379 | 2,791,851 |
| Liquidity Ratio | 193% | 216% |

Net assets increased \$429 million to \$3.2 billion due to asset valuation increase (\$366.7 million) related to property, infrastructure, plant and equipment (refer Note 6.2, AFS) – the main factor being an increase in Land (\$366.7 million) due to a revaluation of land assets by more than 19 per cent. During the year \$45.1 million was spent on capital works. Cash and cash equivalents decreased to \$57.8 million mainly due to transfer of cash to term deposits. Term deposits increased to \$70.6 million. Total liabilities represent three per cent of total assets. At year end, total borrowings decreased by \$4.6 million to \$40 million.

The Shire's liquidity ratio, which measures its financial strength, reduced to 193 per cent as a result of \$18.3 million received for capital grants, which was reported in the balance sheet as unearned income as it relates to future expenditure – as per AASB 1058.

Despite the numerous financial challenges experienced this financial year, the Council's finances have been agile enough to combat these difficult times while maintaining our services and assisting the community with COVID recovery. The Council is well placed financially and remains in a good position to tackle future challenges and ensure its financial stability for the long-term financial plan and beyond.

Bulent Oz
Chief Financial Officer

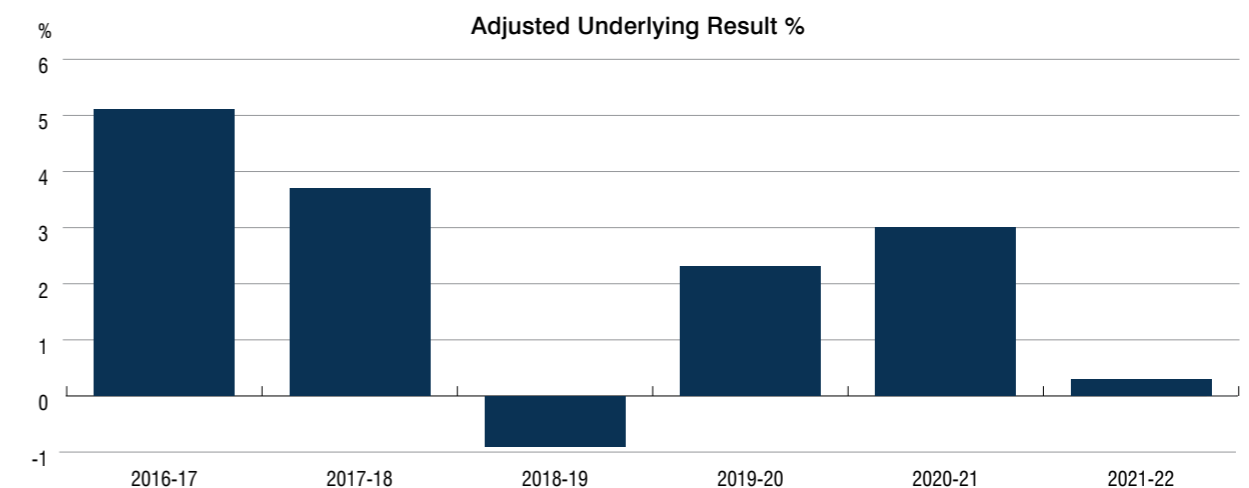
Financial Summary

Council's financial position continues to remain sound with strong cash flows, reserves and a solid balance sheet. A summary of our performance is outlined below. Detailed information relating to council's financial performance is included within the financial statements and performance statement sections of this report.

Operating position

Council achieved a surplus of \$11.5 million in 2021–22. This surplus is a reduction to the

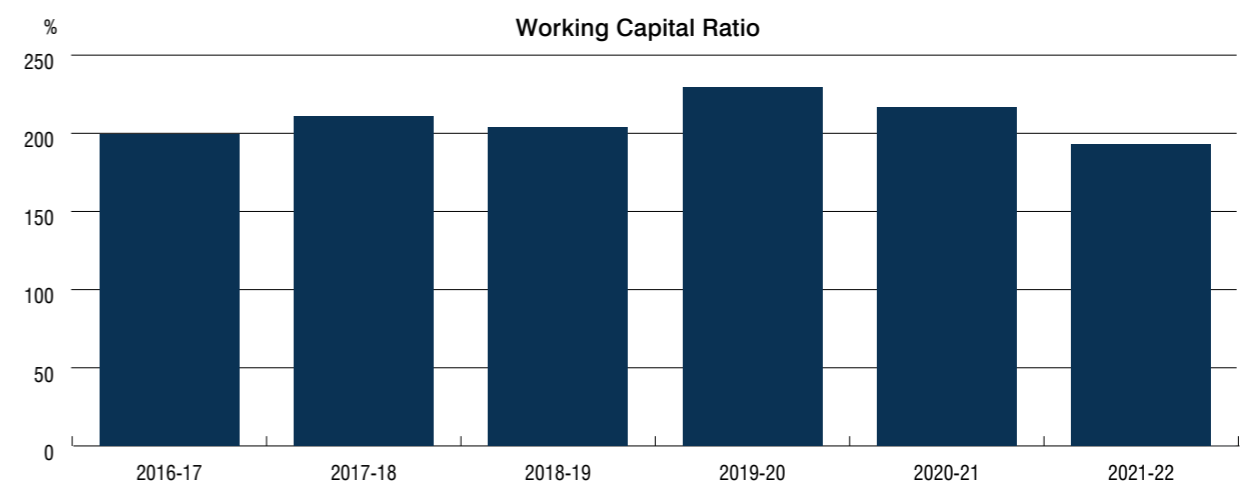
prior year surplus of \$22.1 million. The adjusted underlying surplus of council, after removing non-recurrent capital grants, cash capital contributions and non-monetary capital contributions, is a surplus of \$0.7 million. This compares unfavourably to the prior year surplus of \$7.6 million due to our \$10 million COVID-19 recovery budget. Sustaining an adjusted underlying surplus is a critical financial strategy that provides capacity to renew the \$3.2 billion of community assets under council's control.



Liquidity

Net movement in cash and cash equivalent and other financial assets has decreased \$58.5 million compared to prior year. A shift from cash to term deposits over 90 days has moved by \$70 million from the prior year, due to increasing interest rates on offer. The working capital ratio (which assesses

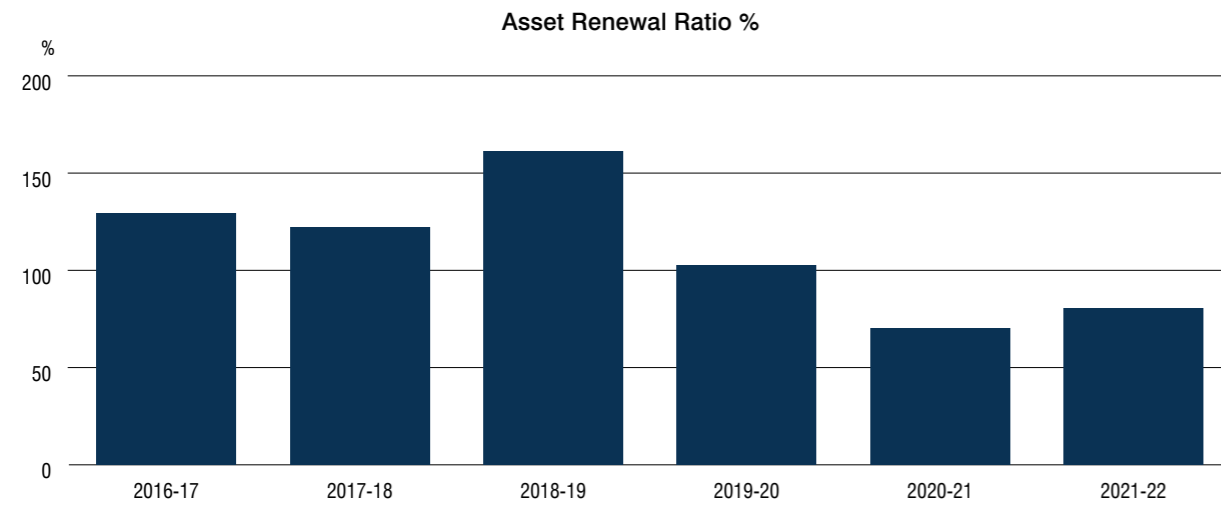
council's ability to meet current commitments), is calculated by measuring council's current assets as a percentage of current liabilities. Council's result of 193% is an indicator of a strong financial position and within the Target of 100% to 400%.



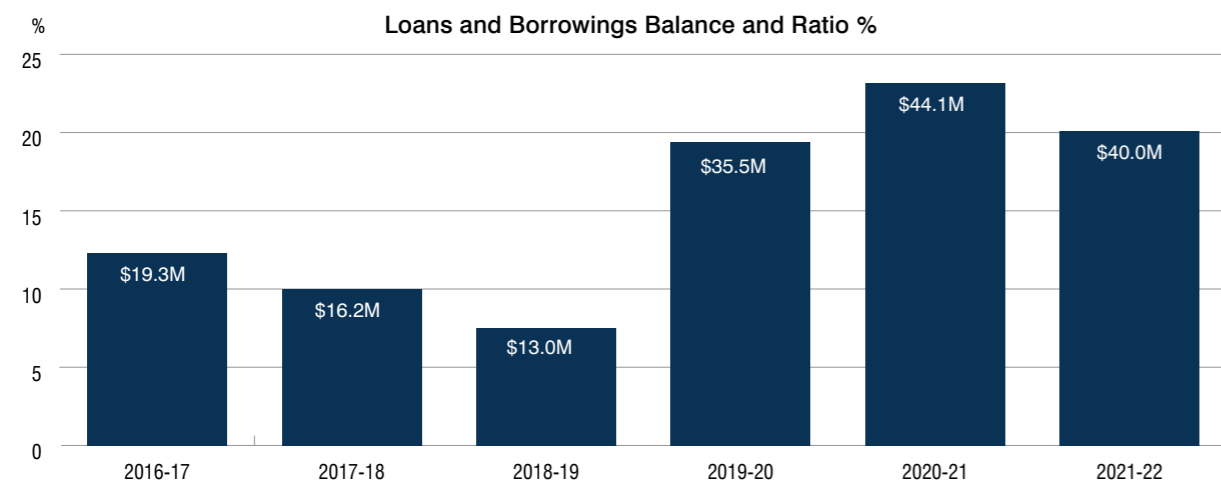
Obligations

Council aims to ensure that it is able to maintain its infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by the community.

Council's asset renewal ratio which is measured by comparing asset renewal and upgrade expenditure to depreciation was 80.6% which was within the Target of 40%-130%.



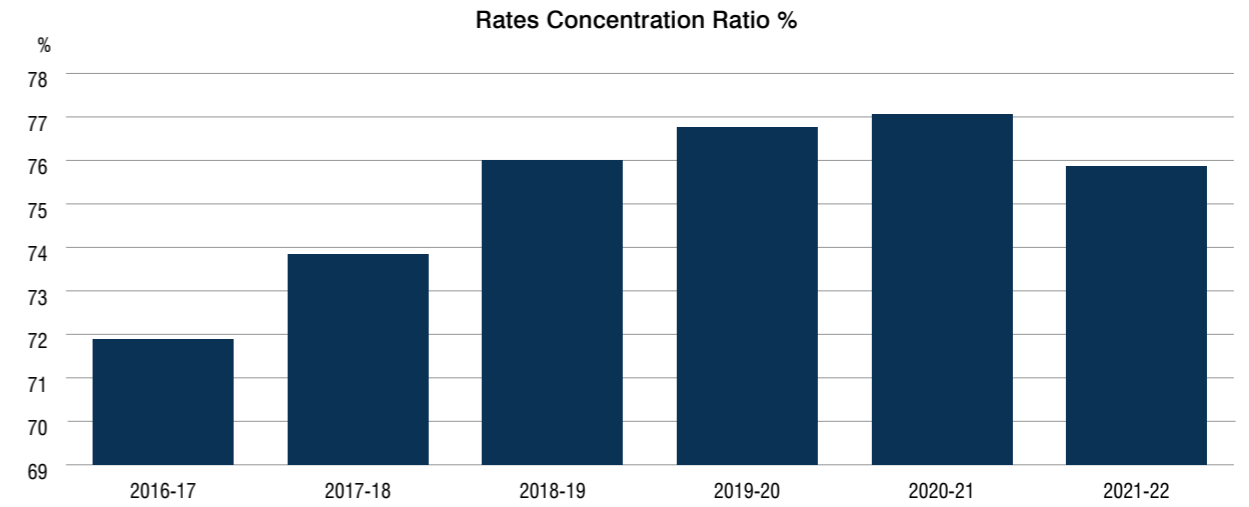
At the end of the 2021–22 Council's debt ratio (which is measured by comparing interest bearing loans and borrowings to rate revenue) was 20.1% which was within the Target of 0%-70%.



Stability and efficiency

Council raises revenue from a range of sources including rates, user fees, fines, grants and contributions. Despite this, council's rates concentration (which compares rate revenue to adjusted underlying revenue), was 75.9% for the 2021–22 year which is toward the top end of the

Target of 30%-80% and a slight decrease of 1.2% from the prior year. Although we have grown other revenue (own-source revenue) Council revenue is still largely dependent on rate revenue to fund services and capital works..



Annual Report

Mornington Peninsula Shire – Annual Financial Report

For the Year Ended 30 June 2022

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Certification of the Financial Statements

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

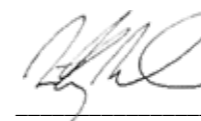


Bulent Oz, CPA
Principal Accounting Officer
Date: 18 October 2022

In our opinion, the accompanying financial statements present fairly the financial transactions of the Mornington Peninsula Shire Council for the year ended 30 June 2022 and the financial position of the Council as at that date.

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

We have been authorised by the Council and by the Local Government (Planning and Reporting) Regulations 2020 to certify the financial statements in their final form.



Cr Anthony Marsh
Mayor
Date: 18 October 2022



Cr Lisa Dixon
Deputy Mayor
Date: 18 October 2022



John Baker
Chief Executive Officer
Date: 18 October 2022

Independent Auditor's Report

To the Councillors of Mornington Peninsula Shire Council

| | |
|---|---|
| Opinion | <p>I have audited the financial report of Mornington Peninsula Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2022 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • statement of capital works for the year then ended • notes to the financial statements, including significant accounting policies • certification of the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2022 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the <i>Local Government Act 2020</i>, the <i>Local Government (Planning and Reporting) Regulations 2020</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, the <i>Local Government Act 2020</i> and the <i>Local Government (Planning and Reporting) Regulations 2020</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"> • identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control • evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors • conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern. • evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation. <p>I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.</p> |
|---|---|

Comprehensive Income Statement

For the Year Ended 30 June 2022

| | Note | 2022 \$'000 | 2021 \$'000 |
|--|------|----------------|----------------|
| Income | | | |
| Rates and charges | 3.1 | 199,127 | 192,530 |
| Statutory fees and fines | 3.2 | 10,258 | 8,089 |
| User fees | 3.3 | 19,820 | 15,741 |
| Grants – operating | 3.4 | 22,546 | 25,883 |
| Grants – capital | 3.4 | 7,641 | 12,182 |
| Contributions – monetary | 3.5 | 1,008 | 2,521 |
| Contributions – non monetary | 3.5 | 3,738 | 2,131 |
| Fair value adjustments | 6.4 | 4,093 | 1,358 |
| Other income | 3.7 | 5,023 | 3,939 |
| Total income | | 273,254 | 264,375 |
| Expenses | | | |
| Employee costs | 4.1 | 85,430 | 81,396 |
| Materials and services | 4.2 | 124,600 | 114,566 |
| Depreciation | 4.3 | 36,879 | 34,263 |
| Amortisation – intangible assets | 4.4 | 2,122 | 2,122 |
| Amortisation – right of use assets | 4.5 | 836 | 1,442 |
| Bad and doubtful debts | 4.6 | – | 2 |
| Borrowing costs | 4.7 | 1,051 | 1,262 |
| Finance costs – leases | 4.8 | 30 | 95 |
| Fair value adjustments | 6.4 | 1,172 | – |
| Net loss on disposal of property, infrastructure, plant and equipment | 3.6 | 3,342 | 1,656 |
| Other expenses | 4.9 | 6,310 | 5,382 |
| Total expenses | | 261,772 | 242,186 |
| Surplus for the year | | 11,482 | 22,189 |
| Other comprehensive income | | | |
| Items that will not be reclassified to surplus or deficit in future periods | | | |
| Net asset revaluation increment | 6.2 | 420,895 | 215,939 |
| Adjustment to Marine Asset Revaluation Reserve | 9.1 | 1,150 | – |
| Total comprehensive result | | 433,527 | 238,129 |

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

Balance Sheet

For the Year Ended 30 June 2022

| | Note | 2022 \$'000 | 2021 \$'000 |
|--|------|------------------|------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 5.1 | 57,788 | 116,321 |
| Trade and other receivables | 5.1 | 21,538 | 19,737 |
| Other financial assets | 5.1 | 70,585 | 585 |
| Inventories | 5.2 | 192 | 187 |
| Non-current assets classified as held for sale | 6.1 | 2,273 | – |
| Other assets | 5.2 | 2,876 | 2,593 |
| Total current assets | | 155,252 | 139,423 |
| Non-current assets | | | |
| Trade and other receivables | 5.1 | 51 | 112 |
| Other financial assets | 5.1 | 45 | 47 |
| Property, infrastructure, plant and equipment | 6.2 | 3,187,722 | 2,756,790 |
| Right-of-use assets | 5.8 | 658 | 1,494 |
| Investment property | 6.3 | 10,267 | 10,287 |
| Intangible assets | 5.2 | 2,576 | 4,697 |
| Total non-current assets | | 3,201,319 | 2,773,426 |
| Total assets | | 3,356,571 | 2,912,850 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 5.3 | 21,087 | 16,286 |
| Trust funds and deposits | 5.3 | 6,871 | 10,586 |
| Unearned income/revenue | 5.3 | 28,888 | 15,616 |
| Provisions | 5.5 | 18,414 | 16,278 |
| Interest-bearing liabilities | 5.4 | 4,401 | 4,974 |
| Lease liabilities | 5.8 | 777 | 709 |
| Total current liabilities | | 80,438 | 64,448 |
| Non-current liabilities | | | |
| Trust funds and deposits | 5.3 | 1,647 | 1,928 |
| Provisions | 5.5 | 12,986 | 14,004 |
| Interest-bearing liabilities | 5.4 | 35,582 | 39,599 |
| Lease liabilities | 5.8 | 539 | 1,020 |
| Total non-current liabilities | | 50,754 | 56,551 |
| Total liabilities | | 131,192 | 121,000 |
| Net assets | | 3,225,379 | 2,791,851 |
| Equity | | | |
| Accumulated surplus | | 1,076,287 | 1,064,804 |
| Reserves | 9.1 | 2,149,092 | 1,727,048 |
| Total Equity | | 3,225,379 | 2,791,851 |

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

Statement of Changes in Equity

For the Year Ended 30 June 2022

| | Note | Accumulated | | Revaluation | Other |
|---|------|------------------|------------------|------------------|--------------|
| | | Total | Surplus | Reserve | Reserves |
| 2022 | | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance at beginning of the financial year | | 2,791,851 | 1,064,805 | 1,725,980 | 1,067 |
| Surplus for the year | | 11,482 | 11,482 | – | – |
| Net asset revaluation increment | 6.2 | 420,895 | – | 420,895 | – |
| Adjustment Marine Revaluation Reserve | 6.4 | 1,151 | – | 1,151 | – |
| Transfers to other reserves | 9.1 | 22 | – | – | 22 |
| Transfers from other reserves | 9.1 | (22) | – | – | (22) |
| | | 3,225,379 | 1,076,287 | 2,148,026 | 1,067 |
| Balance at end of the financial year | | 3,225,379 | 1,076,287 | 2,148,026 | 1,067 |

| | Note | Accumulated | | Revaluation | Other |
|---|------|------------------|------------------|------------------|--------------|
| | | Total | Surplus | Reserve | Reserves |
| 2021 | | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance at beginning of the financial year | | 2,553,730 | 1,042,616 | 1,510,040 | 1,075 |
| Surplus for the year | | 22,189 | 22,189 | – | – |
| Net asset revaluation increment | 6.2 | 215,940 | – | 215,940 | – |
| Transfers to other reserves | 9.1 | 22 | – | – | 22 |
| Transfers from other reserves | 9.1 | (30) | – | – | (30) |
| | | 2,791,851 | 1,064,805 | 1,725,980 | 1,067 |
| Balance at end of the financial year | | 2,791,851 | 1,064,805 | 1,725,980 | 1,067 |

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 2022

| | Note | 2022 | 2021 |
|---|------|----------------------------------|----------------------------------|
| | | Inflows/ (Outflows) \$'000 | Inflows/ (Outflows) \$'000 |
| Cash flows from operating activities | | | |
| Rates and charges | | 195,866 | 198,060 |
| Statutory fees and fines | | 9,661 | 7,674 |
| User fees | | 19,911 | 16,600 |
| Grants – operating | | 28,941 | 25,995 |
| Grants – capital | | 7,641 | 23,740 |
| Contributions – monetary | | 4,490 | 3,503 |
| Interest received | | 904 | 479 |
| Dividends received | | 3 | 1 |
| Trust funds and deposits taken | | 1,568 | 955 |
| Other receipts | | 3,768 | 3,157 |
| Net GST refund/(payment) | | (47) | 15,191 |
| Employee costs | | (83,472) | (78,903) |
| Materials and services | | (120,064) | (120,738) |
| Short-term, low value and variable lease payments | | (947) | (1,640) |
| Other payments | | (6,103) | (5,983) |
| Net cash provided by operating activities | | 62,120 | 88,092 |
| Cash flows from investing activities | | | |
| Payments for property, infrastructure, plant and equipment | | (45,148) | (57,700) |
| Proceeds from sale of property, infrastructure, plant and equipment | | 616 | 1,806 |
| Payments for investments | | (102,109) | – |
| Proceeds from sale of investments | | 32,109 | 14,999 |
| Net cash used in investing activities | | (114,532) | (40,895) |
| Cash flows from financing activities | | | |
| Finance costs | | (1,191) | (1,262) |
| Proceeds from borrowings | | – | 13,900 |
| Repayment of borrowings | | (4,488) | (4,638) |
| Interest paid – lease liability | | (30) | (95) |
| Repayment of lease liabilities | | (412) | (3,508) |
| Net cash used in financing activities | | (6,121) | 4,397 |
| Net decrease in cash and cash equivalents | | (58,533) | 51,594 |
| Cash and cash equivalents at the beginning of the financial year | | 116,321 | 64,727 |
| Cash and cash equivalents at the end of the financial year | | 57,788 | 116,321 |

Financing arrangements 5.6
Restrictions on cash assets 5.1

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 2022

| | 2022 | 2021 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Property | | |
| Land | 290 | 137 |
| Buildings | 14,882 | 31,880 |
| Total Land & Property | 15,172 | 32,017 |
| Plant and equipment | | |
| Plant, machinery and equipment | 242 | 269 |
| Fixtures, fittings and furniture | 130 | 55 |
| Computers and telecommunications | 174 | 777 |
| Artworks | (1) | 57 |
| Library books | 917 | 789 |
| Total plant and equipment | 1,462 | 1,947 |
| Infrastructure | | |
| Roads | 11,507 | 6,568 |
| Drainage | 2,519 | 2,319 |
| Bridges | 139 | 20 |
| Footpaths and cycleways | 3,601 | 1,931 |
| Recreational, leisure and community facilities | 6,275 | 3,044 |
| Parks, open space and streetscapes | 3,582 | 3,040 |
| Marine structures | 898 | 1,569 |
| Total infrastructure | 28,521 | 18,491 |
| Total capital works expenditure | 45,155 | 52,455 |
| Represented by: | | |
| New asset expenditure | 14,556 | 28,123 |
| Asset renewal expenditure | 23,930 | 16,493 |
| Asset expansion expenditure | 883 | 329 |
| Asset upgrade expenditure | 5,786 | 7,510 |
| Total capital works expenditure | 45,155 | 52,455 |

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

Notes to the Financial Report

For the Year Ended 30 June 2022

OVERVIEW

Introduction

The Mornington Peninsula Shire 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 90 Besgrove Street, Rosebud. .

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 the Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 2020, and the Local Government (Planning and Reporting) Regulations 2020.

The Council is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to a not-for-profit entity under the Australian Accounting Standards.

Significant accounting policies

(a) Basis of accounting

The accrual basis of accounting has been used in the preparation of these financial statements, except for the cash flow information, 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.

The financial statements are based on the historical cost convention unless a different measurement basis is specifically disclosed in the notes to the financial statements.

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.

The financial statements have been prepared on a going concern basis. The financial statements are in Australian dollars. The amounts presented in the financial statements have been rounded to the nearest thousand dollars unless otherwise specified. Minor discrepancies in tables between totals and the sum of components are due to rounding.

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 landfill 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)
- the determination of Intangible Airspace (refer to Note 5.2)

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

During 2021–22 the COVID-19 pandemic continued to impact our community and Council's operations. In order to reduce the impact and support the community, Council delivered a number of initiatives and projects identified from FY2021–22 Budget process of \$10 million recovery projects, programs and initiatives such as:

- Community and business sector fees and charges waivers
- Re-establish outdoor dining and township activation program
- fast tracked priority climate emergency actions
- enhance emergency management capability and preparedness
- on demand' bus service trial
- \$2.2 million in grant programs including events, community recovery, business recovery, social service provider community support and youth grants
- fast tracked vital infrastructure and community connections including Southern Peninsula Youth Hub and Briars master plan
- ensured Council was best placed to receive stimulus grants from state and federal governments

Note 2.1 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 2020 requires explanation of any material variances. Council has adopted a materiality threshold of \$1 million or 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 2020 and the Local Government (Planning and Reporting) Regulations 2020.

2.1.1 Income and expenditure

| | Budget 2022 \$'000 | Actual 2022 \$'000 | Variance \$'000 | Variance % | Ref |
|---|--------------------------|--------------------------|--------------------|---------------|-----|
| Income | | | | | |
| Rates and charges | 198,533 | 199,127 | 594 | 0% | |
| Statutory fees and fines | 8,528 | 10,258 | 1,730 | 20% | 1 |
| User fees | 19,733 | 19,820 | 87 | 0% | |
| Grants – operating | 21,202 | 22,546 | 1,344 | 6% | 2 |
| Grants – capital | 14,877 | 7,641 | (7,236) | (49%) | 3 |
| Contributions – monetary | 499 | 1,008 | 509 | 102% | 4 |
| Contributions – non monetary | 3,000 | 3,738 | 738 | 25% | |
| Fair value adjustments | – | 4,093 | 4,093 | 100% | 5 |
| Other income | 3,878 | 5,023 | 1,145 | 30% | 6 |
| Total income | 270,251 | 273,255 | 3,005 | 1% | |
| Expenses | | | | | |
| Employee costs | 84,302 | 85,430 | (1,128) | (1%) | 7 |
| Materials and services | 128,785 | 124,600 | 4,185 | 3% | 8 |
| Depreciation | 35,956 | 36,879 | (923) | (3%) | |
| Amortisation – intangible assets | 868 | 2,122 | (1,254) | (144%) | 9 |
| Amortisation – right of use assets | 1,061 | 836 | 225 | 21% | |
| Borrowing costs | 1,174 | 1,051 | 123 | 10% | |
| Finance costs – leases | 56 | 30 | 26 | 47% | |
| Fair value adjustments | – | 1,172 | (1,172) | (100%) | |
| Net loss on disposal of property, infrastructure, plant and equipment | – | 3,342 | (3,342) | (100%) | 10 |
| Other expenses | 6,409 | 6,310 | 99 | 2% | |
| Total expenses | 258,610 | 261,772 | (3,161) | (1%) | |
| Surplus for the year | 11,641 | 11,482 | (159) | (1%) | |

(i) Explanation of material variations

| Variance Ref | Item | Variance Fav / Unfav | Explanation |
|--------------|---|----------------------|---|
| 1 | Statutory Fees and fines | Fav | Planning permit applications have increased by 10% compared to last financial year resulting in an additional \$1.1 million above full year budget. 34% more infringements issued this financial year, particularly parking infringements, that resulted in additional \$0.8 million income. |
| 2 | Grants – Operating | Fav | Financial assistance grant payment relating to 2022–23 financial year had 75% paid during 2021–22, compared to 50% in previous years, which lead to an increase above budget of \$1.9 million (30%). |
| 3 | Grants – Capital | Unfav | Due to delivery of capital works delayed, the grant income received was not able to be fully recognised in line with AASB1058 and AASB15. They include: – Civic Reserve Mornington Athletics/Soccer Pavilion – Sorrento Ferry terminal – Local Roads and Community Infrastructure investments |
| 4 | Contributions – Monetary | Fav | Unbudgeted contributions were received from a variety of sources including 2020 Council Election fines \$0.2 million, Department of Transport for landslips \$0.1 million, club contributions towards tennis lighting \$0.13 million. |
| 5 | Fair value adjustments | Fav | During the year, Council has continued the process of capturing all assets with spatial reference in the asset register and further identified and recognised found assets of \$4.1 million. |
| 6 | Other Income | Fav | Increase in interest rates in the second half the year resulted additional interest income of \$0.7 million |
| 7 | Employee Costs | Unfav | Due to the ongoing impact of Covid-19 lockdowns and unfilled positions, there were significant savings from employment costs which offset the redundancy costs from Aged Care services. There was an increase of annual leave and long service leave taken in the second half of the financial year with lifting of restrictions, leading to a reduction in provision costs. |
| 8 | Materials and Services | Fav | Expenses are overall favourable with the main variances including: – Contract expenses, due to lower than budgeted volumes for aged care provided through external contractor (\$2.1 million) – Storm events experienced throughout 2021–22 resulted in \$3.6 million expenditure not in budget – Savings in utilities due to main sites not full utilised during Covid as a result of closures and hybrid working – Additional M&S savings are from operating projects that were not completed within the financial year and will be carried forward in 2022–23. |
| 9 | Amortisation – intangible assets | Unfav | Landfill Airspace amortisation of \$2.0 million unbudgeted, budget of \$0.7 million related to prior treatment of (SaaS) software as a service which was expensed in prior year. |
| 10 | Fair value adjustments | Unfav | Negative Revaluation Reserve of Marine asset recognised as a expense as per Note 8.4 Fair value measurement. |
| 11 | Net loss on disposal of property, infrastructure, plant and equipment | Unfav | As part of asset renewal, old assets are disposed and are later replaced when the assets are ready for use. This includes disposal of \$3.2 million for infrastructure and \$0.33 million buildings, along with the sale \$0.44 million for land. |

2.1.2 Capital works

| | Budget 2022 \$'000 | Actual 2022 \$'000 | Variance \$'000 | Variance % | Ref |
|--|--------------------------|--------------------------|--------------------|---------------|-----|
| Land & Property | | | | | |
| Land | 760 | 290 | 470 | 62% | |
| Buildings | 13,045 | 14,882 | (1,837) | (14%) | 1 |
| Total Land & Property | 13,805 | 15,173 | (1,368) | (10%) | |
| Plant and equipment | | | | | |
| Plant, machinery and equipment | 400 | 242 | 158 | 40% | |
| Fixtures, fittings and furniture | 50 | 130 | (80) | (160%) | |
| Computers and telecommunications | 95 | 174 | (79) | (83%) | |
| Artworks | – | (1) | 1 | 0% | |
| Library books | 915 | 917 | (2) | (0%) | |
| Total plant and equipment | 1,460 | 1,462 | (2) | (0%) | |
| Infrastructure | | | | | |
| Roads | 10,881 | 11,507 | (626) | (6%) | |
| Drainage | 1,695 | 2,519 | (824) | (49%) | |
| Bridges | 50 | 139 | (89) | (179%) | |
| Footpaths and cycleways | 3,156 | 3,601 | (445) | (14%) | |
| Recreational, leisure and community facilities | 7,100 | 6,275 | 825 | 12% | |
| Parks, open space and streetscapes | 3,116 | 3,582 | (466) | (15%) | |
| Marine structures | 1,665 | 898 | 767 | 46% | |
| Total infrastructure | 27,663 | 28,522 | (859) | (3%) | |
| Total capital works expenditure | 42,928 | 45,157 | (2,229) | (5%) | |
| Represented by: | | | | | |
| New asset expenditure | 14,062 | 14,556 | (494) | (4%) | |
| Asset renewal expenditure | 24,540 | 23,930 | 610 | 2% | |
| Asset expansion expenditure | – | 883 | (883) | 0% | |
| Asset upgrade expenditure | 4,326 | 5,786 | (1,460) | (34%) | |
| Total capital works expenditure | 42,928 | 45,155 | (2,227) | (5%) | |

(i) Explanation of material variations

| Variance Ref | Item | Variance Fav / Unfav | Explanation |
|--------------|---------------------------------|----------------------|--|
| | Variances less than \$1 million | | Typically capital works with overspend budget relates to spend against prior year carry forwards (\$69.2 million) and 2021–22 budget. In contrast, underspend against budget will reflect in a carry forward (approx. \$54.8 million) for the next financial year. |
| 1 | Buildings | Unfav | Buildings expenditure is higher than budget due to carry forwards from the prior year including for Yawa Aquatic Centre (\$1.8 million), Tyabb Unisex changerooms (\$1.4 million), community facility renewal works (\$1.6 million), Tyabb preschool upgrade (\$0.7 million), McCrae lighthouse restoration (\$0.9 million) and Public Toilet – Red Hill Hall (\$0.4 million). In addition there were budgeted items that were included for 2021–22 that have not been fully expended and will be carried into 2022–23 including Civic Reserve Mornington Athletics/Soccer Pavilion (\$4.6 million) and Flinders Civic Hall Redevelopment (\$0.7 million). |

Note 2.2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2.2.1 Chief Executive Office

The Chief Executive Office sits over the following three Directorates in an executive function.

Legal and Governance, Advocacy, Communications and Engagement and the Chief Financial Officer sit within the Office of the CEO, with a focus on supporting the strategic communications, transparency, financial reporting requirements and legal and ethical decision making of Council.

The Executive Leadership Team comprises the three Directors and other nominated staff, which provides decision-making, leadership and collaboration.

Corporate Strategy and Business Improvement

The CS&BI directorate encompasses the core strategic enabling functions of Council, including:

- People and Culture
- Programs and Project Management
- Information Technology
- Property and Commercial Services
- Continuous Improvement.

These units enable the timely and effective production of strategic policies, delivery of quality service and effective information management and resource allocation, and support the adherence to regulation and legislative requirements.

Community Strengthening Directorate

The Directorate consists of the following:

- Community Activation
- Community Facilities and Precincts
- Community Partnerships
- Community Safety and Compliance
- Community Services.

Enhancing the community's liveability is at the heart of this directorate; it strives to build capacity and improve wellbeing through an in depth understanding of the community's changing needs and a breadth of services.

Planning & Infrastructure

The Directorate provides a range of services, including a regulatory, maintenance, sustainability, strategic and infrastructure planning service.

- Development Services
- Strategic and Infrastructure Planning
- Infrastructure Services
- Climate Change and Sustainability
- Infrastructure Projects

The Directorate works strategically across the organisation and with business and community to deliver sustainable outcomes in the planning, development and management of the Shire's infrastructure services and the built and natural environments.

2.2.2 Summary of income, expenses, assets and capital expenses by program

| | Income | Expenses | Surplus/(Deficit) | Grants included in income | Total assets |
|---|----------------|----------------|-------------------|---------------------------|------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 2022 | | | | | |
| Office of the CEO | 202,939 | 23,059 | 179,880 | 8,083 | 154,109 |
| Community Strengthening | 23,784 | 61,515 | (37,731) | 13,056 | 7,744 |
| Corporate Strategy and Business Improvement | 7,100 | 14,877 | (7,777) | 11 | 1,681,821 |
| Planning and Infrastructure | 39,432 | 162,322 | (122,890) | 9,038 | 1,512,896 |
| | 273,255 | 261,772 | 11,482 | 30,187 | 3,356,570 |
| | | | | | |
| | Income | Expenses | Surplus/(Deficit) | Grants included in income | Total assets |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 2021 | | | | | |
| Chief Executive Office | 1,882 | 14,865 | (12,983) | 1,588 | – |
| Communities | 16,874 | 32,696 | (15,822) | 14,701 | 2,022 |
| Corporate Services | 197,477 | 23,821 | 173,656 | 6,243 | 135,954 |
| Place | 35,834 | 150,222 | (114,388) | 13,656 | 2,774,873 |
| Planning & Building | 12,308 | 20,583 | (8,275) | 1,877 | – |
| | 264,375 | 242,186 | 22,189 | 38,065 | 2,912,850 |

| 2022 | 2021 |
|--------|--------|
| \$'000 | \$'000 |

Note 3 Funding for the delivery of our services

3.1 Rates and charges

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

The valuation base used to calculate general rates for 2021–22 was \$101.974 billion (2020/21 \$92.771 billion).

| | | |
|--|----------------|----------------|
| General rates | 155,468 | 151,660 |
| Waste service charge | 34,901 | 33,139 |
| Service rates and charges (opt-in green waste) | 6,438 | 5,617 |
| Supplementary rates and rate adjustments | 1,316 | 1,112 |
| Culture and recreational | 165 | 162 |
| Revenue in lieu of rates | 840 | 840 |
| Total rates and charges | 199,127 | 192,530 |

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2022, and the valuation will be first applied in the rating year commencing 1 July 2022.

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 | 2,958 | 1,472 |
| Town planning fees | 3,854 | 3,241 |
| Land information certificates | 272 | 260 |
| Permits | 2,684 | 2,678 |
| Other fees and charges | 490 | 438 |
| Total statutory fees and fines | 10,258 | 8,089 |

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.

| | 2022 | 2021 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| 3.3 User fees | | |
| Aged and health services | 1,404 | 1,503 |
| Animal shelter fees | 39 | 62 |
| Art gallery fees | 89 | 42 |
| Building services | 1,129 | 688 |
| Child, youth and family care services | 27 | 205 |
| Events & festivals fees | 28 | 27 |
| Foreshore camping fees | 2,536 | 972 |
| Halls and community centres | 151 | 96 |
| Legal reimbursement | 10 | 10 |
| Leisure centre and recreation | 880 | 698 |
| Library fees and fines | 12 | 6 |
| Nursery and homestead | 121 | 112 |
| Parking and boat ramp | 59 | 127 |
| Planning fees | 860 | 618 |
| Registration and other permits | 3,315 | 2,797 |
| Valuations and property | 735 | 962 |
| Waste management services | 8,383 | 6,789 |
| Other fees and charges | 41 | 28 |
| Total user fees | 19,820 | 15,741 |
| User fees by timing of revenue recognition | | |
| User fees recognised over time | – | – |
| User fees recognised at a point in time | 19,820 | 15,741 |
| Total user fees | 19,820 | 15,741 |
| 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. | | |
| 3.4 Funding from other levels of government | | |
| Grants were received in respect of the following : | | |
| Summary of grants | | |
| Commonwealth funded grants | 16,674 | 22,462 |
| State funded grants | 13,513 | 15,604 |
| Total grants received | 30,187 | 38,065 |

| | 2022 | 2021 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| (a) Operating Grants | | |
| Recurrent – Commonwealth Government | | |
| Financial Assistance Grant | 8,149 | 6,080 |
| Family day care | – | 606 |
| Aged Care | 4,637 | 7,540 |
| Indigenous Programs | 49 | 88 |
| Other | 23 | – |
| Total Recurrent – Commonwealth Government | 12,858 | 14,314 |
| Recurrent – State Government | | |
| Aged care | 2,102 | 2,078 |
| School crossing supervisors | 475 | 464 |
| Libraries | 1,081 | 1,043 |
| Maternal and child health | 2,033 | 1,846 |
| Community safety | 296 | 246 |
| Family and Children | 579 | 557 |
| Indigenous Programs | 30 | 60 |
| Vegetation | 88 | – |
| Other | 359 | 248 |
| Total Recurrent – State Government | 7,044 | 6,541 |
| Total recurrent operating grants | 19,902 | 20,855 |
| Non-recurrent – Commonwealth Government | | |
| Libraries | – | 3 |
| Events – Regional Gallery | 300 | – |
| Total Non-Recurrent – Commonwealth Government | 300 | 3 |
| Non-recurrent – State Government | | |
| Aged Care | 96 | 94 |
| Waste Management Services | – | (23) |
| Parking and Boat Ramp | – | 709 |
| Environmental planning | 604 | 689 |
| Community safety | 723 | 759 |
| Outdoor Dining | 575 | – |
| Libraries | 29 | – |

| | 2022 | 2021 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Family and children | 465 | 691 |
| Vegetation | 24 | 518 |
| Working For Victoria | (222) | 1,588 |
| Other | 51 | – |
| Total non-recurrent – State Government | 2,344 | 5,025 |
| Total non-recurrent operating grants | 2,644 | 5,028 |
| Total operating grants | 22,546 | 25,883 |
| (b) Capital Grants | | |
| Recurrent – Commonwealth Government | | |
| Roads to recovery | 1,610 | 2,255 |
| Total recurrent capital grants | 1,610 | 2,255 |
| Non-recurrent – Commonwealth Government | | |
| Recreation | 300 | 345 |
| Local Roads & Community Infrastructure Program | 1,607 | 3,545 |
| Yawa Aquatic Centre | – | 2,000 |
| Non-recurrent – State Government | | |
| Libraries | 20 | – |
| Recreation | 1,411 | 1,394 |
| Roads and Intersections | 1,084 | 634 |
| Drainage | 415 | 44 |
| Boat ramps and piers | – | 1,000 |
| Buildings | 1,282 | 722 |
| Marine | (141) | – |
| Township | 54 | – |
| Waste | – | 218 |
| Other | – | 24 |
| Total non-recurrent capital grants | 6,031 | 9,927 |
| Total capital grants | 7,641 | 12,182 |
| (c) Unspent grants received on condition that they be spent in a specific manner | | |
| Capital | | |
| Balance at start of year | 9,917 | 9,136 |
| Received during the financial year and remained unspent at balance date | 4,494 | 5,946 |
| Received in prior years and spent during the financial year | (5,058) | (5,164) |
| Balance at year end | 9,353 | 9,917 |

| | 2022 | 2021 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| (d) Recognition of grant income | | |
| Before recognising funding from government grants as revenue the Council assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with AASB 15 Revenue from Contracts with Customers. When both these conditions are satisfied, the Council: | | |
| – identifies each performance obligation relating to revenue under the contract/agreement | | |
| – determines the transaction price | | |
| – recognises a contract liability for its obligations under the agreement | | |
| – recognises revenue as it satisfies its performance obligations, at the time or over time when services are rendered. | | |
| Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, the Council applies AASB 1058 Income for Not-for-Profit Entities. | | |
| Grant revenue with sufficiently specific performance obligations is recognised over time as the performance obligations specified in the underlying agreement are met. Where performance obligations are not sufficiently specific, grants are recognised on the earlier of receipt or when an unconditional right to receipt has been established. Grants relating to capital projects are generally recognised progressively as the capital project is completed. The following table provides a summary of the accounting framework under which grants are recognised. | | |
| Income recognised under AASB 1058 Income of Not-for-Profit Entities | | |
| General purpose | 10,575 | 8,967 |
| Specific purpose grants to acquire non-financial assets | 7,355 | 11,482 |
| Revenue recognised under AASB 15 Revenue from Contracts with Customers | | |
| Specific purpose grants | 12,257 | 17,617 |
| | 30,187 | 38,065 |
| 3.5 Contributions | | |
| Monetary | 1,008 | 2,521 |
| Non-monetary | 3,738 | 2,131 |
| Total contributions | 4,747 | 4,652 |
| Contributions of non monetary assets were received in relation to the following asset classes. | | |
| Land | 1,096 | 14 |
| Roads | 836 | 78 |
| Land under roads | 171 | 27 |
| Drainage | 1,089 | 1,942 |
| Footpaths & cycleways | 208 | – |
| Parks & open spaces | 338 | 70 |
| Total non-monetary contributions | 3,738 | 2,131 |

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

| | 2022 | 2021 |
|---|----------------|----------------|
| | \$'000 | \$'000 |
| 3.6 Net loss on disposal of property, infrastructure, plant and equipment | | |
| Proceeds of sale | 616 | 1,806 |
| Written down value of assets disposed | (3,958) | (3,463) |
| Total net loss on disposal of property, infrastructure, plant and equipment | (3,342) | (1,656) |
| The profit or loss on sale of an asset is determined when control of the asset has passed to the buyer. | | |
| 3.7 Other income | | |
| Interest | 1,020 | 516 |
| Dividends | 3 | 1 |
| Investment property rental | 2,224 | 2,062 |
| Merchant Sales | 478 | 522 |
| Volunteer services | 231 | 234 |
| Festivals and events | 256 | - |
| Other | 811 | 604 |
| Total other income | 5,023 | 3,939 |
| Interest is recognised as it is earned. | | |
| Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income. | | |
| Note 4 The cost of delivering services | | |
| 4.1 (a) Employee costs | | |
| Wages and salaries | 59,992 | 61,567 |
| WorkCover | 2,087 | 1,607 |
| Casual staff | 3,070 | 2,585 |
| Superannuation | 7,172 | 6,844 |
| Fringe benefits tax | 298 | 562 |
| Annual leave and long service leave | 5,764 | 6,835 |
| Redundancies | 7,045 | 1,396 |
| Total employee costs | 85,430 | 81,396 |
| (b) Superannuation | | |
| Council made contributions to the following funds: | | |
| Defined benefit fund | | |
| Employer contributions to Local Authorities Superannuation Fund (Vision Super) | 153 | 165 |
| | 153 | 165 |
| Employer contributions payable at reporting date. | - | - |

| | 2022 | 2021 |
|---|----------------|----------------|
| | \$'000 | \$'000 |
| Accumulation funds | | |
| Employer contributions to Local Authorities Superannuation Fund (Vision Super) | 3,778 | 3,801 |
| Employer contributions – other funds | | |
| Australian Super | 552 | 471 |
| Hostplus | 431 | 354 |
| Hesta Super | 260 | 280 |
| First State Super | 256 | 234 |
| Rest Super | 247 | 198 |
| Other | 1,495 | 1,340 |
| Total Accumulation Funds | 7,019 | 6,679 |
| Employer contributions payable at reporting date. | 155 | 148 |
| Refer to note 9.3 for further information relating to Council's superannuation obligations. | | |
| 4.2 Materials and services | | |
| Contract payments | | |
| Waste Management Services | 33,940 | 27,824 |
| Sport & Recreation | 1,870 | 1,535 |
| Other | 1,318 | 778 |
| Landfill rehabilitation provision * | (597) | 2,084 |
| Building maintenance | 9,224 | 8,382 |
| General maintenance | | |
| Furniture and Signs | 4,204 | 3,730 |
| Roads, Drainage and Cleansing | 22,426 | 24,022 |
| Parks and Roadsides | 15,823 | 10,856 |
| Natural Systems | 5,037 | 3,648 |
| Other | 95 | 3,860 |
| Utilities | 3,650 | 3,364 |
| Parking and travel | 569 | 709 |
| Operating leases | 1,100 | 436 |
| Information technology | 5,628 | 5,394 |
| Insurance | 1,961 | 1,724 |
| Legal | 1,439 | 1,385 |
| Consultants | 6,510 | 5,468 |
| Priority Projects ** | 2,894 | 4,019 |
| Other | 7,509 | 5,348 |
| Total materials and services | 124,600 | 114,566 |

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

* Landfill Rehabilitation provision has been adjusted to net present value. See note 5.5(b) for provision balance.

** Priority Projects are generally 'one-off' or non-recurring costs. Examples are Council election, strategy development, specific consultant's costs or works projects that do not add to the capitalised value of an asset. Information regarding priority projects are presented in the Quarterly Community Reports

| | 2022 | 2021 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| 4.3 Depreciation | | |
| Property | 7,948 | 6,442 |
| Plant and equipment | 1,108 | 1,187 |
| Infrastructure | 27,824 | 26,633 |
| Total depreciation | 36,879 | 34,263 |
| 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 | | |
| Software | 149 | 149 |
| Landfill – Airspace | 1,973 | 1,973 |
| Total Amortisation – Intangible assets | 2,122 | 2,122 |
| 4.5 Amortisation – Right of use assets | | |
| Property | 33 | 108 |
| Information Technology | 167 | 153 |
| Vehicles | 636 | 1,181 |
| Total Amortisation – Right of use assets | 836 | 1,442 |
| 4.6 Bad and doubtful debts | | |
| Other debtors | - | 2 |
| Total bad and doubtful debts | - | 2 |
| 4.7 Borrowing costs | | |
| Interest – Borrowings | 1,051 | 1,262 |
| Total borrowing costs | 1,051 | 1,262 |
| Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. | | |
| 4.8 Finance Costs – Leases | | |
| Interest – Lease Liabilities | 30 | 95 |
| Total finance costs | 30 | 95 |
| 4.9 Other expenses | | |
| Auditors' remuneration – VAGO – audit of the financial statements, performance statement and grant acquittals | 68 | 101 |
| Auditors' remuneration – Internal | 121 | 160 |
| Councillors' allowances | 549 | 448 |
| Community grants, contributions and subsidies paid | 3,455 | 2,303 |

| | 2022 | 2021 |
|---|----------------|----------------|
| | \$'000 | \$'000 |
| Family day care fee relief paid (offset by income) | - | 608 |
| Indirect recruitment costs (recruitment, staff training and uniforms) | 664 | 790 |
| Insurance excess and small claims | 105 | 56 |
| Operating lease rentals | 246 | 191 |
| Training, conferences and seminars | 43 | 25 |
| Volunteer services | 231 | 234 |
| Others | 830 | 465 |
| Total other expenses | 6,310 | 5,382 |
| Note 5 Our financial position | | |
| 5.1 Financial assets | | |
| (a) Cash and cash equivalents | | |
| Cash on hand | 7 | 7 |
| Cash at bank | 57,781 | 116,314 |
| Total cash and cash equivalents | 57,788 | 116,321 |
| (b) Other financial assets | | |
| Current | | |
| Term deposits | 70,585 | 585 |
| Non-Current | | |
| Shares | 45 | 47 |
| Total other financial assets | 70,630 | 632 |
| Total financial assets | 128,418 | 116,953 |
| Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include: | | |
| – Trust funds and deposits (Note 5.3) | 6,871 | 10,586 |
| Total restricted funds | 6,871 | 10,586 |
| Total unrestricted cash and cash equivalents | 50,916 | 105,735 |
| 5.2 (c) Intended allocations | | |
| Although not externally restricted the following amounts have been allocated for specific future purposes by Council: | | |
| – cash held to fund carried forward capital works | 54,823 | 68,955 |
| – Other Reserves. | 1,067 | 1,067 |
| Total funds subject to intended allocations | 55,890 | 70,022 |
| 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. | | |

| | 2022 | 2021 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| (c) Trade and other receivables | | |
| Current | | |
| Statutory receivables | | |
| Rates debtors | 7,156 | 8,381 |
| Rate Pensioner | (1) | 976 |
| Special rate assessment | 340 | 381 |
| Infringement debtors | 3,691 | 3,093 |
| Provision for doubtful debts – infringements | (2,488) | (2,583) |
| Grants – Government and Statutory Bodies | 4,568 | 1,173 |
| Net GST receivable | 1,985 | 1,939 |
| Non statutory receivables | | |
| Other debtors | 6,286 | 6,376 |
| Total current trade and other receivables | 21,538 | 19,737 |
| Non-current | | |
| Statutory receivables | | |
| Special rate scheme | 51 | 112 |
| Total non-current trade and other receivables | 51 | 112 |
| Total trade and other receivables | 21,589 | 19,849 |

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

(d) Ageing of Receivables

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

| | | |
|--|--------------|--------------|
| Current (not yet due) | 5,565 | 3,544 |
| Past due by up to 30 days | 280 | 1,520 |
| Past due between 31 and 180 days | 441 | 29 |
| Past due between 181 and 365 days | - | 1,282 |
| Total trade and other receivables | 6,286 | 6,376 |

| | 2022 | 2021 |
|---|--------------|--------------|
| | \$'000 | \$'000 |
| (e) Ageing of individually impaired Receivables | | |
| At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. | | |
| The ageing of receivables that have been individually determined as impaired at reporting date was: | | |
| Current (not yet due) | - | - |
| Past due by up to 30 days | - | - |
| Past due between 31 and 180 days | - | - |
| Past due between 181 and 365 days | - | - |
| Past due by more than 1 year | 2,488 | 2,583 |
| Total trade & other receivables | 2,488 | 2,583 |

| | 2022 | 2021 |
|--|--------|--------|
| | \$'000 | \$'000 |

5.2 Non-financial assets

(a) Inventories

| | | |
|-----------------------------------|------------|------------|
| Inventories held for distribution | 192 | 187 |
| Total inventories | 192 | 187 |

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

(b) Other assets

| | | |
|---------------------------|--------------|--------------|
| Prepayments | 1,572 | 1,309 |
| Accrued income | 1,303 | 1,284 |
| Total other assets | 2,875 | 2,593 |

(c) Intangible assets

| | | |
|--------------------------------|--------------|--------------|
| Software | 602 | 750 |
| Landfill air space | 1,973 | 3,947 |
| Total intangible assets | 2,575 | 4,697 |

| | Software \$'000 | Landfill – Airspace \$'000 | Total \$'000 |
|--|--------------------|-------------------------------|-----------------|
| Gross carrying amount | | | |
| Balance at 1 July 2021 | 2,760 | 9,072 | 11,833 |
| Additions from internal developments | - | - | - |
| Disposal of intangible asset | - | - | - |
| Balance at 30 June 2022 | 2,760 | 9,072 | 11,833 |
| Accumulated amortisation and impairment | | | |
| Balance at 1 July 2021 | (2,010) | (5,126) | (7,136) |
| Amortisation expense | (149) | (1,973) | (2,122) |
| Balance at 30 June 2022 | (2,159) | (7,099) | (9,258) |
| Net book value at 30 June 2021 | 750 | 3,947 | 4,697 |
| Net book value at 30 June 2022 | 602 | 1,973 | 2,575 |

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.

| | 2022 \$'000 | 2021 \$'000 |
|---|----------------|----------------|
| 5.3 Payables, trust funds and deposits and unearned income | | |
| (a) Trade and other payables | | |
| Trade payables | 2,695 | 3,884 |
| Accrued expenses | 18,391 | 12,402 |
| Total trade and other payables | 21,086 | 16,286 |
| (b) Trust funds and deposits | | |
| Refundable deposits | 3,338 | 1,981 |
| Fire services levy | (185) | 5,379 |
| Retention amounts | 163 | 318 |
| Bank guarantees | 259 | 261 |
| General | 614 | 560 |
| Hillview Quarries restoration fund | 477 | 477 |

| | 2022 \$'000 | 2021 \$'000 |
|---|----------------|----------------|
| Rate recoveries | 341 | 341 |
| Subdivision maintenance deposits | 1,863 | 1,269 |
| Total Current trust funds and deposits | 6,871 | 10,586 |
| Non-current | | |
| Refundable deposits | 1,647 | 1,928 |
| Total Non-current trust funds and deposits | 1,647 | 1,928 |
| Total trust funds and deposits | 8,519 | 12,515 |
| (c) Unearned income | | |
| Grants received in advance – operating | 3,149 | 71 |
| Grants received in advance – capital | 18,269 | 11,558 |
| Developer Contributions | 7,469 | 3,987 |
| Total unearned income/revenue | 28,887 | 15,616 |

Unearned income represents contract liabilities and reflect consideration received in advance from customers in respect of community services and construction of a non-financial asset. Unearned income are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

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

Purpose and nature of items

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

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

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

Subdivision maintenance deposits – Council has the discretion on developments or subdivisions that create new roads, footpath, drainage, large landscaped areas, etc. to take a maintenance bond, generally 5% of the cost of the civil works. This is held for a prescribed maintenance period. This is to cover Council for any outstanding maintenance works that might occur over the initial period of 3 months after construction/statement of compliance is issued.

| | 2022 | 2021 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| 5.4 Interest-bearing liabilities | | |
| Current | | |
| Bank overdraft | 392 | 494 |
| Treasury Corporation of Victoria borrowings – secured* | 711 | 700 |
| Borrowings – secured* | 3,297 | 3,780 |
| | 4,401 | 4,974 |
| Non-current | | |
| Treasury Corporation of Victoria borrowings – secured* | 8,244 | 8,955 |
| Borrowings – secured* | 27,338 | 30,644 |
| | 35,582 | 39,599 |
| Total | 39,983 | 44,572 |

*Borrowings are secured by general rates

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

| | | |
|---|---------------|---------------|
| Not later than one year | 4,401 | 4,479 |
| Later than one year and not later than five years | 10,632 | 12,344 |
| Later than five years | 24,950 | 27,749 |
| | 39,983 | 44,572 |

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 | Landfill restoration | Native vegetation management | Total |
|---|---------------|----------------------|------------------------------|---------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| 5.5 Provisions | | | | |
| 2022 | | | | |
| Balance at beginning of the financial year | 18,221 | 11,393 | 666 | 30,280 |
| Additional provisions | 11,036 | - | - | 11,036 |
| Amounts used | (8,591) | - | (83) | (8,674) |
| Change in the discounted amount arising because of time and the effect of any change in the discount rate | (643) | (597) | - | (1,240) |
| Balance at the end of the financial year | 20,023 | 10,796 | 583 | 31,401 |
| 2021 | | | | |
| Balance at beginning of the financial year | 16,562 | 7,098 | 725 | 24,385 |
| Additional provisions | 7,316 | 2,991 | 13 | 10,319 |
| Amounts used | (5,142) | - | (72) | (5,214) |
| Change in the discounted amount arising because of time and the effect of any change in the discount rate | (514) | 1,305 | - | 791 |
| Balance at the end of the financial year | 18,221 | 11,393 | 666 | 30,280 |
| Current | 18,313 | - | 102 | 18,414 |
| Non-current | 1,710 | 10,796 | 480 | 12,986 |
| Total | 20,022 | 10,796 | 583 | 31,400 |

| | 2022 | 2021 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| (a) Employee provisions | | |
| Current provisions expected to be wholly settled within 12 months | | |
| Annual leave | 4,378 | 5,417 |
| Long service leave | 1,035 | 1,274 |
| Redundancies | 5,034 | 320 |
| | 10,447 | 7,011 |
| Current provisions expected to be wholly settled after 12 months | | |
| Annual leave | 1,910 | 1,851 |
| Long service leave | 5,957 | 7,291 |
| | 7,867 | 9,142 |
| Total current employee provisions | 18,314 | 16,153 |

| | 2022 | 2021 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Non-current | | |
| Long service leave | 1,710 | 2,069 |
| Annual leave | - | - |
| Total non-current employee provisions | 1,710 | 2,069 |
| Aggregate carrying amount of employee provisions: | | |
| Current | 18,314 | 16,153 |
| Non-current | 1,710 | 2,069 |
| Total aggregate carrying amount of employee provisions | 20,023 | 18,221 |
| The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date. | | |
| Annual leave | | |
| A liability for annual leave is recognised in the provision for employee benefits as a current liability because the Council does not have an unconditional right to defer settlement of the liability. Liabilities for annual leave are measured at: | | |
| – nominal value if the Council expects to wholly settle the liability within 12 months | | |
| – present value if the Council does not expect to wholly settle within 12 months. | | |
| 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. Unconditional LSL is disclosed as a current liability as the Council does not have an unconditional right to defer settlement. Unconditional LSL is measured at nominal value if expected to be settled within 12 months or at present value if not expected to be settled within 12 months. 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 and measured at present value. | | |
| Key assumptions: | | |
| – discount rate | 2.38% | 0.47% |
| – index rate | 3.85% | 2.95% |
| (b) Landfill restoration | | |
| Non-current | | |
| Rye Landfill | 10,155 | 9,343 |
| Tyabb Landfill | 641 | 2,050 |
| | 10,796 | 11,393 |

| | 2022 | 2021 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Council is obligated to restore Rye landfill site to a particular standard. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs. | | |
| Council is required to hold a financial assurance for Tyabb Landfill due to a Post-Closure Pollution Abatement Notice and hold until completion of aftercare management plan. | | |
| Key assumptions: | | |
| – discount rate | 3.61% – 5.57% | 0.18% – 3.96% |
| – inflation rate | 4.5% | 2.9% |
| – estimated cost to rehabilitate | \$4,271 | \$4,271 |
| (c) Native vegetation management | | |
| Current | 102 | 125 |
| Non-current | 480 | 542 |
| | 583 | 667 |
| 5.6 Financing arrangements | | |
| The Council has the following funding arrangements in place as at 30 June. | | |
| Bank overdraft | 5,000 | 5,000 |
| Bank Loans | 39,590 | 44,078 |
| Credit card facilities | 200 | 200 |
| Bank Guarantees | 100 | 100 |
| Asset Finance – Leasing | 3,000 | 3,000 |
| Total facilities | 47,890 | 52,378 |
| Used facilities | 39,983 | 44,587 |
| Unused facilities | 7,908 | 7,791 |

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.

(a) Commitments for expenditure

| 2022 | Not later than 1 year | Later than 1 year and not later than 2 years | Later than 2 years and not later than 5 years | Later than 5 years | Total |
|--|-----------------------|--|---|--------------------|---------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Operating | | | | | |
| Cleansing | 14,210 | - | - | - | 14,210 |
| Parks and Roadside | 12,138 | - | - | - | 12,138 |
| Furniture and Signs | 4,542 | - | - | - | 4,542 |
| Buildings Maintenance | 8,124 | - | - | - | 8,124 |
| Safer Local Roads | 16,122 | - | - | - | 16,122 |
| Garbage Collection | 3,304 | - | - | - | 3,304 |
| Utilities | 335 | - | - | - | 335 |
| Green Waste | 1,301 | 184 | 591 | 211 | 2,287 |
| Landfill & Transfer Station Management | 8,969 | - | - | - | 8,969 |
| Recycling | 13,372 | - | - | - | 13,372 |
| Natural Systems | 376 | 268 | - | - | 644 |
| Recreational & Leisure | 1,881 | 79 | - | - | 1,960 |
| Telecommunications and IT | 3,231 | 1,398 | 4,102 | - | 8,730 |
| Consulting | 749 | 106 | - | - | 855 |
| Internal Audit | 69 | - | - | - | 69 |
| Home and Community Care Services | 601 | 574 | 376 | - | 1,552 |
| Total | 89,323 | 2,609 | 5,069 | 211 | 97,212 |
| Capital | | | | | |
| Buildings | 4,594 | - | - | - | 4,594 |
| Recreation Facilities | 6,528 | - | - | - | 6,528 |
| Footpaths & Street Scapes | 644 | - | - | - | 644 |
| Total | 11,766 | - | - | - | 11,766 |

| 2021 | Not later than 1 year | Later than 1 year and not later than 2 years | Later than 2 years and not later than 5 years | Later than 5 years | Total |
|--|-----------------------|--|---|--------------------|----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Operating | | | | | |
| Cleansing | 12,264 | 12,694 | - | - | 24,958 |
| Parks and Roadside | 11,728 | 12,138 | - | - | 23,866 |
| Furniture and Signs | 4,409 | 4,542 | - | - | 8,951 |
| Buildings Maintenance | 9,913 | 8,124 | - | - | 18,037 |
| Safer Local Roads | 15,577 | 16,122 | - | - | 31,699 |
| Garbage Collection | 2,991 | - | - | - | 2,991 |
| Green Waste | 1,257 | 1,301 | 571 | 415 | 3,544 |
| Landfill & Transfer Station Management | 8,946 | 6,463 | - | - | 15,409 |
| Recycling | 14,116 | - | - | - | 14,116 |
| Recreational & Leisure | 1,939 | 779 | 324 | 178 | 3,219 |
| Telecommunications and IT | 4,235 | 4,086 | 1,565 | - | 9,887 |
| Consulting | 1,146 | 278 | - | - | 1,424 |
| Internal Audit | 67 | 69 | - | - | 136 |
| Home and Community Care Services | 1,768 | 1,068 | - | - | 2,836 |
| Total | 90,357 | 67,664 | 2,460 | 593 | 161,074 |
| Capital | | | | | |
| Buildings | 976 | 503 | - | - | 1,478 |
| Recreation Facilities | 1,706 | - | - | - | 1,706 |
| Roads | 1,131 | - | - | - | 1,131 |
| Footpaths & Street Scapes | 40 | - | - | - | 40 |
| Total | 3,854 | 503 | - | - | 4,356 |

(b) Operating lease receivables

Operating lease receivables

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

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

| | 2022 | 2021 |
|---|--------------|--------------|
| | \$'000 | \$'000 |
| Not later than one year | 1,577 | 1,526 |
| Later than one year and not later than five years | 2,823 | 2,932 |
| Later than five years | 3,099 | 3,007 |
| | 7,499 | 7,465 |

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.

Councils reliance of peppercorn leases are insignificant in terms of materiality due to the nature (restricted use) and quantity of the leases.

Currently our peppercorn leases relate to:

7 CCTV & Transmitter Facility Leases – Relating installation of CCTV equipment on site. Lease terms ranging from 10 to 20 years.

6 Recreation Leases – Relating to open spaces for reserves. Lease terms ranging between 5 & 40 years.

Remaining leases relating to leases for mens shed / community group / pre-school and school ground & carpark. Lease terms ranging from 5 to 40 years.

| Right-of-Use Assets | Property | Vehicles | IT | Total |
|----------------------------|-----------------|-----------------|---------------|---------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Balance at 1 July 2021 | 32 | 1,113 | 347 | 1,493 |
| Additions | – | – | – | – |
| Amortisation charge | (33) | (636) | (167) | (836) |
| Balance at 30 June 2022 | – | 477 | 181 | 658 |

| Lease Liabilities | 2022 | 2021 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Maturity analysis – contractual undiscounted cash flows | | |
| Less than one year | 964 | 709 |
| One to five years | 422 | 1,020 |
| More than five years | – | – |
| Total undiscounted lease liabilities as at 30 June: | 1,316 | 1,729 |

Lease liabilities included in the Balance Sheet at 30 June:

| | | |
|--------------------------------|--------------|--------------|
| Current | 777 | 709 |
| Non-current | 539 | 1,020 |
| Total lease liabilities | 1,386 | 1,729 |

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.

| | 2022 | 2021 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Expenses relating to: | | |
| Short-term leases | – | – |
| Leases of low value assets | 947 | 436 |
| Total | 947 | 436 |
| Variable lease payments (not included in measurement of lease liabilities) | – | – |

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

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

Payable:

| | | |
|---|--------------|--------------|
| Within one year | 651 | 638 |
| Later than one year but not later than five years | 506 | 879 |
| Total lease commitments | 1,157 | 1,517 |

| Note 6 | Assets we manage | 2022 | 2021 |
|---------------|---|---------------|---------------|
| 6.1 | Non current assets classified as held for sale | \$'000 | \$'000 |
| | Property assets held for sale | 2,273 | – |
| | Total non current assets classified as held for sale | 2,273 | – |

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.

6.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

| | At Fair Value 30 June 2021 | Found assets | Additions | Contributions | Revaluation | Depreciation | Disposal | Transfer to Other Categories | Transfer to/from WIP | At Fair Value 30 June 2022 |
|---------------------|----------------------------------|--------------|---------------|---------------|----------------|-----------------|----------------|---------------------------------|-------------------------|-------------------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Land | 1,305,893 | – | – | 1,267 | 368,194 | – | (442) | (2,273) | – | 1,672,639 |
| Buildings | 200,209 | – | – | – | 9,701 | (7,948) | (329) | – | 3,288 | 204,920 |
| Plant and equipment | 5,928 | – | – | – | – | (1,108) | – | – | 966 | 5,786 |
| Infrastructure | 1,206,330 | 4,093 | 161 | 2,471 | 43,000 | (27,824) | (3,187) | – | 12,375 | 1,237,419 |
| Work in progress | 38,430 | – | 45,155 | – | – | – | – | – | (16,628) | 66,957 |
| | 2,756,790 | 4,093 | 45,316 | 3,738 | 420,895 | (36,879) | (3,958) | (2,273) | – | 3,187,722 |

| Summary of Work in Progress | Opening WIP | Additions | Write-off | Transfers | Closing WIP |
|--------------------------------|----------------|---------------|-----------|-----------------|---------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Property | 12,492 | 15,171 | – | (3,288) | 24,375 |
| Plant and equipment | 845 | 1,462 | – | (966) | 1,341 |
| Infrastructure | 25,093 | 28,522 | – | (12,375) | 41,240 |
| Total | 38,430 | 45,155 | – | (16,628) | 66,956 |

(a) Property

| | Land – specialised | Land – non specialised | Land Under Roads | Total Land & Land Improvements | Buildings – specialised | Buildings – non specialised | Total Buildings | Work In Progress | Total Property |
|--|--------------------|------------------------|------------------|--------------------------------|-------------------------|-----------------------------|------------------|------------------|------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| At fair value 1 July 2021 | 1,300,506 | 2,860 | 2,527 | 1,305,893 | 419,223 | 268 | 419,491 | 12,492 | 1,737,876 |
| Accumulated depreciation at 1 July 2021 | – | – | – | – | (219,061) | (221) | (219,282) | – | (219,282) |
| | 1,300,506 | 2,860 | 2,527 | 1,305,893 | 200,162 | 47 | 200,209 | 12,492 | 1,518,595 |
| Movements in fair value | | | | | | | | | |
| Additions | – | – | – | – | – | – | – | 15,171 | 15,171 |
| Contributions | 1,096 | – | 171 | 1,267 | – | – | – | – | 1,267 |
| Revaluation | 367,091 | 420 | 683 | 368,194 | 22,104 | 11 | 22,115 | – | 390,309 |
| Disposal | (442) | – | – | (442) | (2,611) | – | (2,611) | – | (3,053) |
| Transfers (WIP) | – | – | – | – | 3,288 | – | 3,288 | (3,288) | – |
| Transfers between categories | (2,273) | – | – | (2,273) | – | – | – | – | (2,273) |
| | 365,473 | 420 | 854 | 366,746 | 22,781 | 11 | 22,791 | 11,883 | 401,421 |
| Movements in accumulated depreciation | | | | | | | | | |
| Depreciation expense | – | – | – | – | (7,943) | (5) | (7,948) | – | (7,948) |
| Depreciation on disposals | – | – | – | – | 2,281 | – | 2,281 | – | 2,281 |
| Revaluation | – | – | – | – | (12,405) | (9) | (12,414) | – | (12,414) |
| | – | – | – | – | (18,066) | (14) | (18,080) | – | (18,080) |
| At fair value 30 June 2022 | 1,665,979 | 3,279 | 3,381 | 1,672,639 | 442,004 | 279 | 442,282 | 24,375 | 2,139,297 |
| Accumulated depreciation at 30 June 2022 | – | – | – | – | (237,127) | (226) | (237,353) | – | (237,353) |
| Carrying amount | 1,665,979 | 3,279 | 3,381 | 1,672,639 | 204,877 | 53 | 204,930 | 24,375 | 1,901,945 |

(b) Plant and Equipment

| | Plant machinery and equipment | Fixtures fittings and furniture | Computers and telecomms | Artworks | Library books | Work In Progress | Total plant and equipment |
|--|-------------------------------|---------------------------------|-------------------------|--------------|---------------|------------------|---------------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| At fair value 1 July 2021 | 6,193 | 4,159 | 140 | 2,652 | 4,504 | 845 | 18,494 |
| Accumulated depreciation at 1 July 2021 | (5,542) | (3,497) | (134) | – | (2,550) | – | (11,723) |
| | 651 | 662 | 6 | 2,652 | 1,954 | 845 | 6,771 |
| Movements in fair value | | | | | | | |
| Additions | – | – | – | – | – | 1,462 | 1,462 |
| Disposal | (175) | – | – | – | (885) | – | (1,060) |
| Transfers | – | – | – | – | 966 | (966) | – |
| | (175) | – | – | – | 81 | 496 | 402 |
| Movements in accumulated depreciation | | | | | | | |
| Depreciation expense | (166) | (218) | (4) | – | (720) | – | (1,108) |
| Depreciation on disposal | 175 | – | – | – | 885 | – | 1,060 |
| | 9 | (218) | (4) | – | 165 | – | (48) |
| At fair value 30 June 2022 | 6,018 | 4,159 | 140 | 2,652 | 4,585 | 1,341 | 18,896 |
| Accumulated depreciation at 30 June 2022 | (5,533) | (3,715) | (138) | – | (2,385) | – | (11,771) |
| Carrying amount | 486 | 444 | 3 | 2,652 | 2,200 | 1,341 | 7,125 |

(c) Infrastructure

| | Roads | Drainage | Bridges | Footpaths and cycleways | Recreational, leisure and community facilities | Parks open space and streetscapes | Marine Structures | Work In Progress | Total Infrastructure |
|--|----------------|----------------|--------------|-------------------------|--|-----------------------------------|-------------------|------------------|----------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| At fair value 1 July 2021 | 918,252 | 679,049 | 2,195 | 150,433 | 38,689 | 96,750 | 8,370 | 25,093 | 1,918,830 |
| Accumulated depreciation at 1 July 2021 | (294,793) | (231,393) | (759) | (79,061) | (20,845) | (57,316) | (3,235) | – | (687,402) |
| | 623,459 | 447,656 | 1,436 | 71,372 | 17,844 | 39,434 | 5,135 | 25,093 | 1,231,428 |
| Movements in fair value | | | | | | | | | |
| Additions | – | – | – | – | 20 | 140 | – | 28,522 | 28,683 |
| Found assets | 136 | 1,224 | – | 283 | 193 | 2,258 | – | – | 4,093 |
| Contributions | 836 | 1,089 | – | 208 | 60 | 278 | – | – | 2,471 |
| Revaluation | 33,671 | 19,379 | 87 | 5,980 | 2,647 | 6,878 | 581 | – | 69,224 |
| Disposal | (4,829) | (832) | – | (555) | (1,653) | (2,097) | (1) | – | (9,966) |
| Transfers (WIP) | 8,436 | 1,273 | – | 919 | 842 | 906 | – | (12,375) | – |
| | 38,250 | 22,134 | 87 | 6,834 | 2,109 | 8,363 | 580 | 16,147 | 94,505 |
| Movements in accumulated depreciation | | | | | | | | | |
| Depreciation expense | (12,056) | (7,267) | (30) | (3,080) | (1,427) | (3,802) | (162) | – | (27,824) |
| Depreciation on disposals | 3,343 | 309 | – | 342 | 1,279 | 1,506 | 1 | – | 6,779 |
| Revaluation | (10,948) | (6,585) | (30) | (3,122) | (1,367) | (3,946) | (225) | – | (26,223) |
| | (19,661) | (13,543) | (60) | (5,861) | (1,515) | (6,242) | (386) | – | (47,269) |
| At fair value 30 June 2022 | 956,502 | 701,183 | 2,282 | 157,267 | 40,798 | 105,113 | 8,950 | 41,240 | 2,013,335 |
| Accumulated depreciation at 30 June 2022 | (314,454) | (244,936) | (819) | (84,922) | (22,361) | (63,558) | (3,621) | – | (734,671) |
| Carrying amount | 642,048 | 456,247 | 1,463 | 72,345 | 18,437 | 41,555 | 5,329 | 41,240 | 1,278,664 |

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.

| | Depreciation Period | Threshold Limit |
|---|---------------------|-----------------|
| Asset recognition thresholds and depreciation periods | | |
| \$'000 | | |
| Land & land improvements | | |
| Land | – | 1 |
| Land improvements | – | 1 |
| Buildings | | |
| Buildings | 10 – 200 years | 5 |
| Plant and Equipment | | |
| Plant, machinery and equipment | 3 – 10 years | 2 |
| Furniture and fittings | 3 – 10 years | 2 |
| Information technology | 3 – 15 years | 1 |
| Library books | 3 – 5 years | 1 |
| Infrastructure | | |
| Roads – pavements and substructure | 21 – 400 years | 15 |
| Roads – kerb, channel and minor culverts and other | 29 – 100 years | 15 |
| Drainage | 10 – 100 years | 15 |
| Bridges – deck and substructure | 50 – 80 years | 15 |
| Bridges – others | 100 years | 15 |
| Footpaths and cycleways | 10 – 93 years | 15 |
| Recreational, leisure and community facilities | 2 – 70 years | 15 |
| Parks, open space and streetscapes | 4 – 116 years | 15 |
| Marine structures | 30 – 100 years | 15 |
| Intangible assets | | |
| Software | 3 – 15 years | 1 |
| Airspace | 1-10 years | 1 |
| Right of use assets | | |
| Right of use assets | 1 – 5 years | 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.

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 Council's valuation team, qualified valuers Lauren Ashley AAPI and David Kenny AAPI (Associate of Australian Property Institute). 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.

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

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2022 are as follows:

| | Level 1 | Level 2 | Level 3 | Date of Valuation |
|-----------------------------|----------|--------------|------------------|-------------------|
| Land – Specialised | – | – | 1,665,979 | Jun-22 |
| Land – Non Specialised | – | 3,279 | – | Jun-22 |
| Land Under Roads | – | – | 3,381 | Jun-22 |
| Buildings – Specialised | – | – | 204,877 | Jun-22 |
| Buildings – Non Specialised | – | 53 | – | Jun-22 |
| Total | – | 3,332 | 1,874,237 | |

Valuation of infrastructure

Valuation of infrastructure assets has been undertaken by Council's Asset Management Team in accordance with the valuation methodology. Council undertakes a formal revaluation of land and buildings every 2 (two) years, and infrastructure assets every 4 (four) years with an annual interim review in the year they are not due for full revaluation. The valuation is performed by experienced council officers.

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

The valuation is at fair value based on current 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 2022 are as follows:

| | Level 1 | Level 2 | Level 3 | Date of Valuation |
|--|----------|----------|------------------|-------------------|
| Roads | – | – | 642,048 | Jun-22 |
| Bridges | – | – | 1,463 | Jun-22 |
| Footpaths and cycleways | – | – | 72,345 | Jun-22 |
| Drainage | – | – | 456,247 | Jun-22 |
| Recreational, leisure and community facilities | – | – | 18,437 | Jun-22 |
| Parks, open space and streetscapes | – | – | 41,555 | Jun-22 |
| Marine structures | – | – | 5,329 | Jun-22 |
| Total | – | – | 1,237,424 | |

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 \$7.97 and \$7,015 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 are calculated on a square metre basis and ranges from \$175 to \$6,500 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 10 years to 200 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 2 years to 400 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.

| | 2022 | 2021 |
|---|------------------|------------------|
| | \$'000 | \$'000 |
| Reconciliation of specialised land | | |
| Land under roads | 3,381 | 2,527 |
| Parks and reserves | 1,665,979 | 1,300,506 |
| Total specialised land | 1,669,360 | 1,303,034 |

6.3 Investment property

| | | |
|---|---------------|---------------|
| Balance at beginning of financial year | 10,287 | 8,932 |
| Capital improvements | – | – |
| Fair value adjustments | (21) | 1,355 |
| Balance at end of financial year | 10,266 | 10,287 |

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 has been determined by qualified Council valuers Lauren Ashley AAPI and David Kenny AAPI (Associate of Australian Property Institute) 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 for the property.

Shares

| | | |
|---|-----------|-----------|
| Balance at beginning of financial year | 47 | 43 |
| Fair value adjustments | (2) | 4 |
| Balance at end of financial year | 45 | 47 |

6.4 Fair value adjustments

Investments

| | | |
|---------------------|-------------|--------------|
| Investment property | (21) | 1,355 |
| Shares | (2) | 4 |
| | (22) | 1,358 |

| | | |
|---|--------------|--------------|
| Found assets | 4,093 | – |
| Marine Structure opening balance reserve adjustment | (1,150) | – |
| Total | 2,920 | 1,358 |

Note 7 People and relationships

7.1 Council and key management remuneration

(a) Related Parties

Parent entity

Mornington Peninsula Shire is the parent entity.

Associates

Mornington Peninsula Cemetery Trust

By virtue of the fact that some councillors of Mornington Peninsula Shire form the whole of the Board of Trustees of the Mornington Peninsula Cemetery Trust, this entity is considered to be a controlled entity under AASB 10: Consolidated Financial Statements. Its operating results, assets and liabilities have not been included in the accounts on the basis that they are not material individually or in aggregate.

(b) Key Management Personnel

Key management personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of Mornington Peninsula Shire. The Councillors, Chief Executive Officer and Executive Directors are deemed KMP.

Details of KMP at any time during the year are:

| Councillors | |
|--------------------|--|
| | Councillor Steve Holland |
| | Councillor Despi O'Connor |
| | Councillor Anthony Marsh |
| | Councillor Lisa Dixon |
| | Councillor Sarah Race |
| | Councillor Kerri McCafferty |
| | Councillor Debra Mar |
| | Councillor Paul Mercurio |
| | Councillor Susan Bissinger |
| | Councillor Antonella Celi |
| | Councillor David Gill |
| | Chief Executive Officer |
| | Director Community Strengthening |
| | Director – Corporate Strategy and Business Improvement (ended 08 April 2022) |
| | Interim Director – Corporate Strategy and Business Improvement (started 11 April 2022) |
| | Director Planning & Infrastructure |
| | Chief Financial Officer |

Total Number of Councillors

Total of Chief Executive Officer and other Key Management Personnel

Total Number of Key Management Personnel

(c) Remuneration of Key Management Personnel

Total remuneration of key management personnel was as follows:

Short-term benefits

Long-term benefits

Post employment benefits

Termination benefits

Total

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

\$0 – 9,999

\$10,000 – \$19,999

\$20,000 – \$29,999

\$30,000 – \$39,999

\$50,000 – \$59,999

\$60,000 – \$69,999

\$90,000 – \$99,999

\$120,000 – \$129,999

\$210,000 – \$219,999

\$220,000 – \$229,999

\$230,000 – \$239,999

\$270,000 – \$279,999

\$250,000 – \$259,999

\$280,000 – \$289,999

\$360,000 – \$369,999

\$410,000 – \$419,999

\$480,000 – \$489,999 *

\$490,000 – \$499,999 *

| | 2022 | 2021 |
|--|---------------|---------------|
| | No. | No. |
| Total Number of Councillors | 11 | 20 |
| Total of Chief Executive Officer and other Key Management Personnel | 6 | 8 |
| Total Number of Key Management Personnel | 17 | 28 |
| | \$'000 | \$'000 |
| Total remuneration of key management personnel was as follows: | | |
| Short-term benefits | 1,975 | 1,981 |
| Long-term benefits | 65 | 144 |
| Post employment benefits | 148 | 138 |
| Termination benefits | 218 | 350 |
| Total | 2,406 | 2,612 |

| | 2022 | 2021 |
|-------------------------|-------------|-------------|
| | No. | No. |
| \$0 – 9,999 | – | 1 |
| \$10,000 – \$19,999 | – | 7 |
| \$20,000 – \$29,999 | – | 10 |
| \$30,000 – \$39,999 | 8 | 1 |
| \$50,000 – \$59,999 | 1 | – |
| \$60,000 – \$69,999 | 1 | 1 |
| \$90,000 – \$99,999 | 1 | – |
| \$120,000 – \$129,999 | – | 1 |
| \$210,000 – \$219,999 | – | 2 |
| \$220,000 – \$229,999 | 1 | – |
| \$230,000 – \$239,999 | 1 | 1 |
| \$270,000 – \$279,999 | 1 | – |
| \$250,000 – \$259,999 | – | 1 |
| \$280,000 – \$289,999 | 1 | 1 |
| \$360,000 – \$369,999 | – | 1 |
| \$410,000 – \$419,999 | 1 | – |
| \$480,000 – \$489,999 * | – | 1 |
| \$490,000 – \$499,999 * | 1 | – |
| | 17 | 28 |

*These amounts include paid out annual leave, long service leave and termination payments.

(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:

| | 2022 | 2021 |
|-----------------------|-------------|-------------|
| Income Range: | No. | No. |
| \$0 – \$99,999 | 2 | 3 |
| \$110,000 – \$119,999 | 3 | – |
| \$130,000 – \$139,999 | – | 1 |
| \$140,000 – \$149,999 | 1 | 2 |
| \$150,000 – \$159,999 | 2 | – |
| \$160,000 – \$169,999 | – | 6 |
| \$170,000 – \$179,999 | 2 | 2 |
| \$180,000 – \$189,999 | 1 | 4 |
| \$190,000 – \$199,999 | 8 | 1 |
| \$200,000 – \$209,999 | 1 | 3 |
| \$210,000 – \$219,999 | – | 3 |
| \$220,000 – \$229,999 | 3 | 3 |
| \$230,000 – \$239,999 | 3 | – |
| \$240,000 – \$249,999 | – | – |
| \$250,000 – \$259,999 | – | 1 |
| \$260,000 – \$269,999 | 1 | 1 |
| \$270,000 – \$279,999 | – | – |
| \$290,000 – \$299,999 | 1 | – |
| \$370,000 – \$379,999 | 1 | – |
| | 29 | 30 |

| | 2022 | 2021 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Total Remuneration for the reporting year for Senior Officers included above, amounted to: | 5,557 | 5,365 |

7.2 Related party disclosure

(a) Transactions with related parties

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

| Responsible Officer | Position Held (including related parties of responsible officer) | Supplier / Entity | Nature of Transactions (on normal commercial terms) | Transaction Amount (\$'000) |
|--|--|--|---|-----------------------------------|
| Councillor Antonella Celi Councillor Anthony Marsh Councillor Lisa Dixon | Trustees | Mornington Peninsula Cemetery Trust | Trustees | 30 |

(b) Outstanding balances with related parties

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties
Nil

(c) Loans to/from related parties

The aggregate amount of loans in existence at balance date that have been made, guaranteed or secured by the council to a related party are as follows:
Nil

(d) Commitments to/from related parties

The aggregate amount of commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party are as follows:
Nil

Note 8 Managing uncertainties**8.1 Contingent assets and liabilities**

There were no contingent assets to disclose for 2021–22.

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.

(a) Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council; or
- present obligations that arise from past events but are not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - the amount of the obligation cannot be measured with sufficient reliability.

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.

Landfill

Council operates a landfill. Council will have to carry out site rehabilitation works in the future. At balance date Council is unable to accurately assess the financial implications of such works.

Building cladding

Council should disclose any potential contingencies that may exist in relation to rectification works or other matters associated with building cladding that may have the potential to adversely impact on Council.

Liability Mutual Insurance

Council was 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.

Other

Due to the nature of business operations, Council has a number of outstanding insurance claims/court cases at balance date of which a portion may result in legal proceedings to determine liability. At balance date, Council is unable to reliably measure outstanding insurance/court claims.

(b) Guarantees for loans to other entities

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

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

| | 2022 | 2021 |
|---|--------------|--------------|
| | \$'000 | \$'000 |
| The Mornington Peninsula Shire has guaranteed loans of: * | Loan Balance | Loan Balance |
| Mornington District Basketball Association \$650,000 | 48 | 90 |
| Rosebud Beach Community Bowls Club \$130,000 | 92 | 110 |
| Mt Martha Bowls Club Inc. \$240,000 | 94 | 143 |
| Somers Tennis Club \$50,000 | – | 4 |
| Mt Eliza Bowls Club \$364,000 | – | 2 |
| Mornington Bowls Club \$132,000 | – | 1 |
| Total | 234 | 350 |

*Note: Terms of guarantee do not allow redraw of loan.

8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2022 reporting period. Council assesses the impact of these new standards. As at 30 June 2022 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2023 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 and TCV borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

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

Interest rate risk

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

Investment of surplus funds is made with approved financial institutions under the Local Government Act 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 have 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 have a policy for establishing credit limits for the entities council deal with;
- council may require collateral where appropriate; and
- council only invest surplus funds with financial institutions which have a recognised credit rating specified in 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.

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 provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 8.1(a).

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(b), 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 + 4.0% and – 0.2% in market interest rates (AUD) from year-end rates of 3.65%.

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
- 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. (refer to Note 9.1)

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 and buildings every 2 (two) years, and infrastructure assets every 4 (four) 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.

8.5 Events occurring after balance date

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

Note 9 Other matters

| 9.1 Reserves | Balance at beginning of reporting period | Increment (decrement) | Adjustment | Balance at end of reporting period |
|--|--|-----------------------|------------|------------------------------------|
| (a) Asset revaluation reserves | \$'000 | \$'000 | \$'000 | \$'000 |
| 2022 | | | | |
| Property | | | | |
| Land and land improvements | 1,063,048 | 367,511 | – | 1,430,558 |
| Land Under Roads | 1,239 | 683 | – | 1,922 |
| Buildings | 63,768 | 9,701 | – | 73,469 |
| | 1,128,054 | 377,895 | – | 1,505,948 |
| Infrastructure | | | | |
| Roads | 216,321 | 22,723 | – | 239,044 |
| Bridges | 579 | 57 | – | 636 |
| Footpaths and cycleways | 37,177 | 2,858 | – | 40,035 |
| Drainage | 326,848 | 12,795 | – | 339,642 |
| Recreational, leisure and community facilities | 8,100 | 1,280 | – | 9,381 |

| | | | | |
|---|------------------|----------------|--------------|------------------|
| Parks, open space and streetscapes | 10,052 | 2,932 | – | 12,985 |
| Marine structures | (1,149) | 355 | 1,150 | 356 |
| | 597,929 | 43,000 | 1,150 | 642,079 |
| Total asset revaluation reserves | 1,725,982 | 420,895 | 1,150 | 2,148,027 |

| 2021 | Balance at beginning of reporting period | Increment (decrement) | Adjustment | Balance at end of reporting period |
|----------------------------|--|-----------------------|------------|------------------------------------|
| Property | \$'000 | \$'000 | \$'000 | \$'000 |
| Land and land improvements | 854,028 | 209,020 | – | 1,063,048 |
| Land Under Roads | 833 | 405 | – | 1,239 |
| Buildings | 63,768 | – | – | 63,768 |
| | 918,630 | 209,425 | – | 1,128,054 |

| Infrastructure | | | | |
|--|------------------|----------------|----------|------------------|
| Roads | 219,253 | (2,932) | – | 216,321 |
| Bridges | 586 | (7) | – | 579 |
| Footpaths and cycleways | 37,521 | (344) | – | 37,177 |
| Drainage | 317,849 | 8,999 | – | 326,848 |
| Recreational, leisure and community facilities | 7,920 | 181 | – | 8,100 |
| Parks, open space and streetscapes | 8,452 | 1,600 | – | 10,052 |
| Marine Structures | (169) | (980) | – | (1,149) |
| | 591,412 | 6,516 | – | 597,929 |
| Total asset revaluation reserves | 1,510,042 | 215,942 | – | 1,725,982 |

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

| | Balance at beginning of reporting period | Transfer from accumulated surplus | Transfer to accumulated surplus | Balance at end of reporting period |
|-------------------------------------|--|-----------------------------------|---------------------------------|------------------------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| (b) Other reserves | | | | |
| 2022 | | | | |
| Sustainability energy fund | 585 | – | – | 585 |
| Recreation land reserve | 39 | – | – | 39 |
| Municipal emergency reserve | 400 | – | – | 400 |
| Developer Contribution Plan Reserve | 43 | 22 | (22) | 43 |
| Total Other reserves | 1,067 | 22 | (22) | 1,067 |
| 2021 | | | | |
| Sustainability energy fund | 615 | – | (30) | 585 |
| Recreation land reserve | 39 | – | – | 39 |
| Municipal emergency reserve | 400 | – | – | 400 |
| Developer Contribution Plan Reserve | 21 | 22 | – | 43 |
| Total Other reserves | 1,075 | 22 | (30) | 1,067 |

Sustainable Energy (Fund) Reserve

The purpose of this reserve is to provide funds to sustainably reduce the impact of energy use on the Global Warming effect through the implementation of:

- program of Shire wide energy reduction measures;
- energy production initiatives; and educational programs.

Recreation Land Reserve

The purpose of this reserve is to provide for the purchase of land and/or improvements to places of recreation.

Municipal Emergency Reserve

The purpose of this reserve is to have an ability to finance the recovery response from unplanned emergency management events.

Developer Contribution Plan Reserve

Developer Contribution Plan Reserve (DCP) accumulates developers funds paid to Council in respect of developments within particular plan areas and is used to contribute towards payment of a multi year capital works program.

| | 2022 | 2021 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| 9.2 Reconciliation of cash flows from operating activities to surplus/(deficit) | | |
| Surplus for the year | 11,482 | 22,189 |
| Depreciation/amortisation | 39,837 | 37,826 |
| Profit/(loss) on disposal of property, infrastructure, plant and equipment | 3,342 | 1,656 |
| Fair value adjustments | (2,920) | (1,358) |
| Contributions – Non-monetary assets | (3,738) | (2,131) |
| Other | (3,896) | 1,646 |
| Change in assets and liabilities: | | |
| (Increase)/decrease in trade and other receivables | (1,740) | 1,471 |
| Increase/(decrease) in Other assets | (282) | (102) |
| Increase/(decrease) in trade and other payables | 4,800 | (1,296) |
| (Decrease)/increase in unearned income | 13,271 | 11,669 |
| (Increase)/decrease in inventories | (5) | 36 |
| (Decrease)/increase in provisions | | |
| Increase/(decrease) in Landfill rehabilitation provision | (597) | 4,295 |
| Increase in Employee provisions | 1,802 | 1,659 |
| Increase/(decrease) in Native vegetation management | (83) | (59) |
| Increase in GST on capital purchases | 4,515 | 5,245 |
| Increase/(decrease) in Trust funds and deposits | (3,669) | 5,343 |
| Net cash provided by/(used in) operating activities | 62,120 | 88,092 |

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 the Comprehensive Income Statement when they are made or due.

Accumulation

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2022, this was 10.0% as required under Superannuation Guarantee (SG) legislation (2021: 9.5%)).

Defined Benefit

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

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

Funding arrangements

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

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

The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 109.8%. The financial assumptions used to calculate the VBI were:

| | |
|------------------------|-----------|
| Net investment returns | 4.75% pa |
| Salary information | 2.75% pa |
| Price inflation (CPI) | 2.25% pa. |

As at 30 June 2022, an interim actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category. It is expected to be completed by 31 October 2022.

Vision Super has advised that the VBI at 30 June 2022 was 102.2%. Council was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021). The financial assumptions used to calculate this VBI were:

| | |
|------------------------|--|
| Net investment returns | 5.5% pa |
| Salary information | 2.5% pa to 30 June 2023, and 3.5% pa thereafter |
| Price inflation (CPI) | 3.0% pa. |

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2021 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

(a) Regular contributions

On the basis of the results of the 2021 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2022, this rate was 10.0% of members' salaries (9.5% in 2020/21). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2020 triennial valuation.

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

(b) 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 2021 interim 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. An interim investigation was conducted as at 30 June 2021 and the last full investigation was conducted as at 30 June 2020.

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

| | 2021 (Interim) | 2020 (Triennial) |
|---|-------------------|---------------------|
| | \$m | \$m |
| – A VBI Surplus | 214.7 | 100.0 |
| – A total service liability surplus | 270.3 | 200.0 |
| – A discounted accrued benefits surplus | 285.2 | 217.8 |

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 2021.

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 2021.

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 2021.

Council was notified of the 30 June 2021 VBI during August 2021 (2020: August 2020).

The 2022 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2022 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2022. Council was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021).

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2022 are detailed below:

| Scheme | Type of Scheme | Rate | 2022 | 2021 |
|--------------|------------------|----------------------|--------|--------|
| | | | \$'000 | \$'000 |
| Vision super | Defined benefits | 10.0% (2021:9.5%) | 153 | 165 |
| Vision super | Accumulation | 10.0% (2021:9.5%) | 3,778 | 3,801 |

10 Change in accounting policy

There have been no changes to accounting policies in the 2021–22 year.

There are no pending accounting standards that are likely to have a material impact on council

