

Annual Report

2018



MORNINGTON
PENINSULA
Shire

Green Wedge Paint Out



Morrington Peninsula Shire Mayor, Cr. Bryan Payne (L) with artist William Goodwin (R)

In 2018, the Shire hosted a *Green Wedge Paint Out* exhibition of artworks celebrating an aspect of the Mornington Peninsula's Green Wedge.

100 local artists took part in the Paint Out showcasing the region's unique beauty.


William Goodwin won the Green Wedge Award

(\$250 bursary) The judges said, "This painting depicts the great variety of uses of the Mornington Peninsula's Green Wedge. From the northern approach these are revealed through the diversity of greens, from the productive agricultural zones to the more muted green-greys of our remnant forests, grasslands and road verges. A mix of the cultivated, introduced, built and natural are juxtaposed across this broad, panoramic expanse of plains, foothills, ridges and sky. It is typical of many areas across the Green Wedge."

Chris Pubela won the Most Inspiring Artwork Award

(\$500 bursary) for her painting titled *Natural Beauty* which captured the open space at Bittern Reservoir.

Green Wedge Online Gallery

 mornpen.vic.gov.au/greenwedge

Council offices

Rosebud
90 Besgrove Street (Mel ref: 170 A4)

Mornington
2 Queen Street (Mel ref: 104 D10)

Hastings
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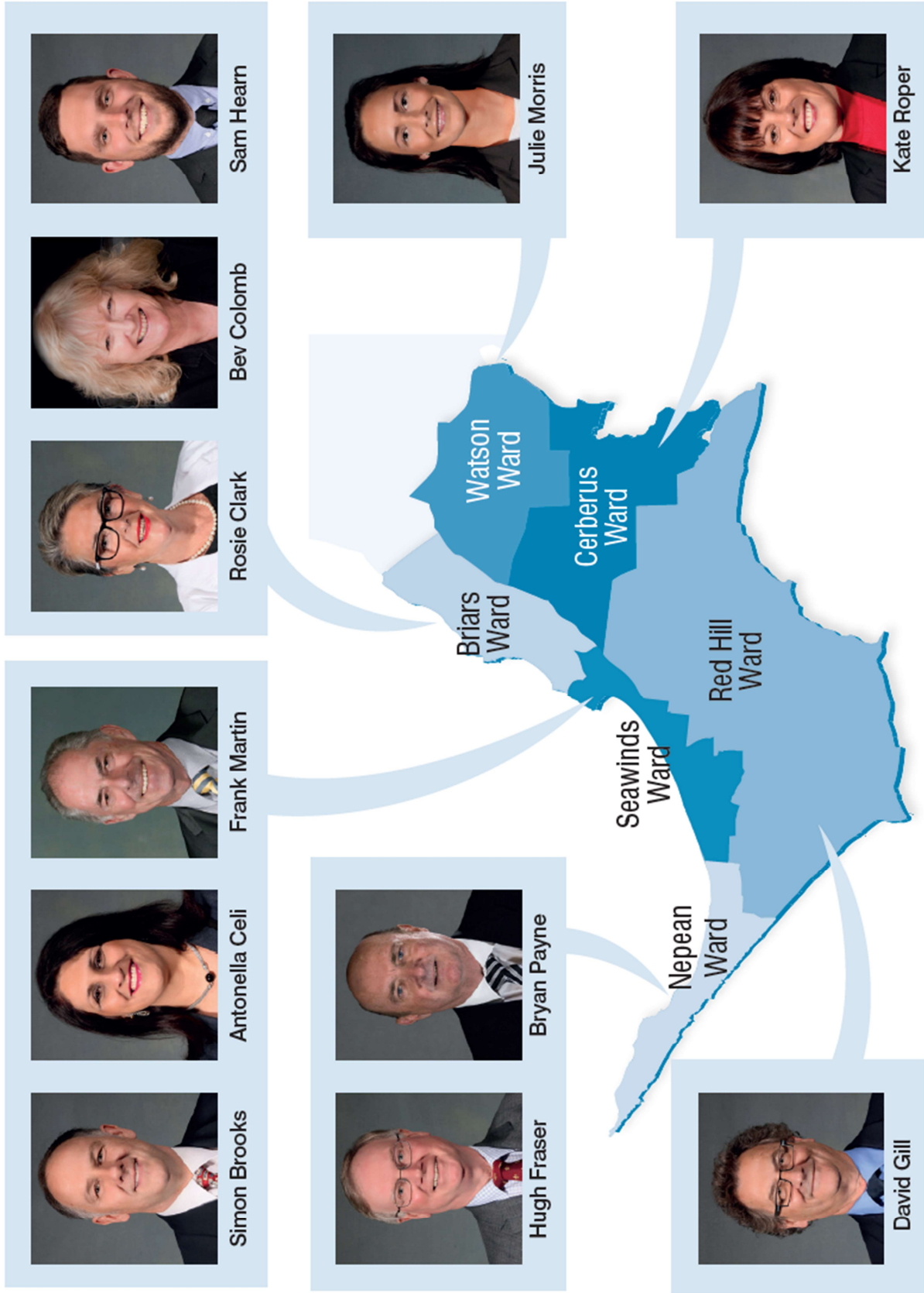


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Our Council

Mornington Peninsula Shire profile

The Mornington Peninsula is a boot-shaped promontory separating 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.

Mornington Peninsula Shire has an estimated residential population of 163,151 people¹ (as at 30 June 2017) with a median age (46) 10 years older than Greater Melbourne's (36). Compared with Greater Melbourne, Mornington Peninsula Shire has:

- A *larger* percentage of 'Seniors' aged 70-84 (14.0% compared to 7.7%);
- A *larger* percentage of 'Empty nesters and retirees' aged 60-69 (14.1% compared to 9.3%);
- A *smaller* percentage of 'Young workforce' aged 25-34 (8.7% compared to 16.3%); and
- A *smaller* percentage of 18-24 year olds (7.0% compared to 10.0%)

¹ Australian Bureau of Statistics, 2018, *Regional Population Growth, Australia, 2016-17*, cat. no. 3218.0, released 24 April 2018.

Our Vision

To value, protect and improve the unique characteristics and way of life on our Peninsula

“Valuing our unique peninsula”

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 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.

Report of Operations



Mayor's message

The 2017/18 financial year represents the first twelve-month period of Council enacting its 2017-2021 Council Plan, and I'm delighted to reflect upon the myriad of achievements we've celebrated in this time. Our Council Plan, which establishes a blueprint for how we will work with the community to accomplish our common objectives, is guided by our overarching vision to value, protect and improve the unique characteristics and way of life on our peninsula. This ambition is supported by a series of key strategies and indicators, many of which I'm proud to say have been, and continue to be, realised on a regular basis.



Protecting and improving our environment has certainly prevailed as a focus for Council over the past twelve months. Our commitment to preserving the Mornington Peninsula's unique character is demonstrated by the achievements of the Shire's Planning Services Team during the 2017/18 financial year. Processing around 2,100 planning applications and receiving more than 37,000 phone calls a year, on average, means that ours is the busiest Planning Services team across all Councils in the state. In the past year, a grand total of 3,712 statutory decisions were made for a wide range of planning permit matters, which is a staggering outcome! In this time, the team also finalised a total of five major strategic projects that were later adopted by Council, including the Housing and Settlement Strategy, the Activity Centres Strategy Review, the Tootgarook Wetland Management Plan and the Industrial Areas Strategy. All of this work is in service of safeguarding the biodiversity, coastal and township character of our region, particularly areas with high conservation value and our Green Wedge.

As a local Council, we are determined to protect and enhance important areas of our environment for future generations. In January 2018, we were proud to bolster and safeguard Tootgarook Wetland — a 590-hectare area with significant environmental and cultural values — by compulsorily acquiring a seventy-acre lot to integrate into the broader wetland area. Our recently adopted Tootgarook Wetland Management Plan will ensure the ongoing protection of this highly valued ecosystem. The Plan evolved from substantial consultation with local community interest groups and government stakeholders who share our desire to consolidate a vision and an action plan to preserve this pristine environment.

Council's advocacy for the long-term protection of the Mornington Peninsula's rural areas has also seen us engage in a substantial campaign to protect and retain our Green Wedge, which comprises around 70% of the peninsula's total land area. To ensure careful planning and management to protect its values for the long term, the Mornington Peninsula Shire Council adopted the Mornington Peninsula Green Wedge Management Plan 2018.

Coinciding with this, our 'Thin Edge of the Wedge' campaign, launched early 2018, sought to raise awareness of the Mornington Peninsula Green Wedge as one of Victoria's most important assets; an area of outstanding natural beauty, diverse landscapes and cultural heritage, containing areas of National, State and local conservation significance and high agricultural value. The campaign found us celebrating the best of our region through a series of innovative community-focused activities. The 'Taste of Mornington Peninsula' showcase saw us take to the steps of Parliament House to spotlight the peninsula's vital agricultural sector as a wellspring for tourism, employment and high-quality food supply, and the 2018 Green Wedge Paint Out Exhibition encouraged local artists to capture the region through art to promote a wider appreciation of the special environment we all enjoy here on the Mornington Peninsula.

Key to our custodianship of the Mornington Peninsula's natural environment has been the implementation of a series of key projects aimed at realising our Carbon Neutral Policy, including the inaugural War on Waste Forum & Expo in October 2017. This initiative encouraged our community to join with us in fighting the war on waste through a series of presentations, demonstrations and stalls showcasing local initiatives in waste reduction, plastics avoidance and litter prevention. We also commenced our Street Lighting Bulk LED Upgrade. The project will see 10,724 standard mercury vapour street lights replaced with energy efficient LED luminaires, providing significant benefits to both the community and Council including savings of approximately \$12.5m, and 72,996 tonnes of greenhouse gas emissions — these greenhouse gas savings are equivalent to removing 849 cars from the road each year for 20 years.

In addition to these positive developments, the Shire has seen extraordinary results from the initiation of Environmental Upgrade Agreements since partnering with the Sustainable Melbourne Fund in late 2016. As of January 2017, eight businesses have signed Environmental Upgrade Agreements in the Shire to invest in

solar power and energy efficiency upgrades, to a total of 887kW of solar power. With more EUAs signed than any municipality in the state, we're leading the way in engaging our local community and businesses to join in our efforts to mitigate and adapt to the impacts of climate change.

Protecting the environment of the Mornington Peninsula is much more than simply preserving our natural landscapes. In 2018, we oversaw a series of developments that each set out to improve the safety of our region and support the wellbeing of our residents. This included contributing \$20,000 in-kind towards the Federal Government's \$1.5M research to help control and better understand the flesh eating Buruli Ulcer in Australia, which is a great cause of concern for our local community, and adopting the Short Stay Rental Accommodation Local Law, which seeks to address the potential impacts of anti-social behaviour on the local community from occupants of short stay rental accommodation properties across the peninsula. We've also been proud to facilitate the delivery of the highly anticipated Rosebud Aquatic Centre, recently awarded a \$5m grant from the Australian Federal Government's Building Better Regions Fund, and the new and improved Somerville Recreation Centre, which received \$1.3m funding through the Sport and Recreation Victoria's Better Indoor Stadiums Fund. These centres will provide state-of-the-art amenities for the entire Mornington Peninsula Community to enjoy — promoting positive wellbeing, active and passive exercise, and creating inclusive environments that allow people of all ages, interests and abilities to thrive.

Finally, as Mayor, it was my privilege to host the Mayoral Charity Golf Day in April. More than 100 keen golfers and participants joined us for a round at the St Andrews Beach Golf Course in the name of charity, and we were proud to raise a staggering \$20,000 for local causes, including much-needed funds for Peninsula Home Hospice, which provides free of charge, in-home care to more than 800 peninsula-based patients faced with a life-threatening illness. This event, like so many other occasions over the past year, saw our community rallying together in support of causes that make the peninsula a better place for all who live here.

I'd like to thank my councillor colleagues, our Chief Executive Officer Carl Cowie, and all officers involved in delivering a year that full of proud accomplishments.

Cr Bryan Payne
Mayor

CEO's message

With the realisation of numerous key strategies and organisation goals, the past financial year has given us much to be proud of at the Mornington Peninsula Shire. Since 2014, we have worked tirelessly to make customer service the cornerstone of our operations. Whether it be providing more efficient, accessible and responsive channels for the Mornington Peninsula community to report issues, complete payments and seek advice from our dedicated team, to devising ways to improve the efficiency of our service delivery, Shire staff have worked hard to enhance the level of service they offer our residents.



Supporting wellbeing and active lives within our community has been a guiding theme for our organisation over the past year. In October 2017, The Shire partnered with Belgravia Leisure for the management and operation of our excellent community health centres, including Pelican Park Recreation Centre, Civic Reserve Recreation Centre, Somerville Health & Fitness Studio, Crib Point Pool, Western Port Gymnastics at Hastings Hub and All Access outreach programs. The new alliance with Belgravia effectuated a twofold benefit for our community and organisation, delivering a cost-effective method of providing high-quality service to users of these vital facilities that translated to an annual \$1M saving for the Shire.

We have also furthered our commitment to instituting organisational changes that support an efficient and transparent delivery of services directly to our community, while minimising any risks associated with these services, through the establishment of a dedicated Safety & Service Quality Unit which saw to the amalgamation of our previously distinct Infrastructure Customer Support Team and the Asset Protection Team.

Akin to the successful outsourcing of our leisure facilities to lower the Shire's costs of operations, the 2017-18 financial year also saw us achieve a notable ongoing saving to operating expenses through the negotiation of new Enterprise Agreements for all staff. The removal of a legacy clause within the previous EBA for staff, regarding very generous sick leave provisions, is anticipated to save the operating budget close to \$1M annually and will allow us to redirect these much-needed resources to projects and services that directly benefit our community.

In recognising that the Mornington Peninsula's Shire's ability to provide consistently outstanding levels of support and service to the wider community hinges upon the continued wellbeing of our staff, we also have worked hard to cultivate an environment in which every member of our organisation feels both empowered and equipped to deliver the best possible outcomes for residents of our municipality. The blueprint for creating an organisational culture that supports this mission is encapsulated in Our Values, which were introduced to establish the framework for how we work together to achieve outstanding outcomes for our customers and our community. In alignment with these values, we have continued to build a collective culture committed to high performance and achieved an international best practice staff engagement survey result of 75 per cent.

The quality of our organisational culture is evidenced by the series of ambitious strategies and initiatives we have successfully implemented in the past year alone, the first of which is Council's Rooftop Solar PV Rollout on all Shire owned and operated buildings. With approximately 707 kW or 2,440 solar panels due to be installed by 2020, the panels are expected to save the Shire more than \$132,000 per annum and reduce our carbon footprint by 3 per cent. The rollout is a key initiative of our commitment to Carbon Neutrality and our ongoing custodianship of the peninsula's environmentally significant landscape, which has only been furthered through meaningful engagements with other political delegates across the world, namely at the COP23 Conference held in Bonn, Germany, last year.

Our enduring commitment to protecting and preserving the Mornington Peninsula's unique environment and character has also seen the Shire successfully implement plans and strategies that have enhanced a number of key coastal areas in our region. Measures to control and protect the environment and cultural heritage of The Pillars during the busy summer period, and works undertaken through the Rye Township Plan to recapture the appeal of the coastal township, and which received the Australian Coastal Award for Planning and Management at the Australian Coastal Conference in March, are merely two examples of our unwavering efforts to enhance the peninsula's biodiversity and coastal experience for future generations.

I would like to thank the Mayor and Council for their support over the past 12 months and to the Executive Team, management and staff of the Shire, without whose incredibly hard work and commitment to achieving excellence, none of these positive results would have been possible. I am very proud of what Mornington Peninsula Shire Council has achieved in the last financial year and I'm pleased to commend this Annual Report to you all.

Carl Cowie

Note: On 31 August 2018, Carl Cowie stepped down as Chief Executive Officer of Mornington Peninsula Shire.

Highlights of the Year



Rosebud Aquatic Centre

In March 2018, following extensive community consultation, Council resolved to construct the Rosebud Aquatic Centre, incorporating a 50M pool and leisure complex, based in Rosebud, for all Shire residents, ratepayers and visitors; with an expected project delivery date of September 2020. The highly anticipated Rosebud Aquatic Centre came one step closer to completion in June 2018 thanks to a \$5 million grant from the Australian Government's Building Better Regions Fund, announced on site by the Hon Greg Hunt MP, Member for Flinders.



Municipal Public Health and Wellbeing Plan 2017-21

Council adopted its Municipal Public Health and Wellbeing Plan – Our Health and Wellbeing 2021 in October 2017 (officially launched in April 2018). The plan is a key strategic document that aims to protect, improve and promote the health and wellbeing of the Mornington Peninsula community. Developed through collaboration with community members, key stakeholders and the Victorian Government, the plan acts as a road map for enhancing our strengths and addressing factors contributing to poor health outcomes.



Protecting the Green Wedge

Land-use planning controls and advocacy are key examples of how Council continues to work to 'value, protect and improve the unique characteristics and way of life on our peninsula'. Following the adoption of the Housing and Settlement Strategy in December, Council ran extensive community consultation on a draft Green Wedge Management Plan and hosted a Green Wedge Summit at Main Ridge in June 2018 at which the Hon. Greg Hunt MP, Member for Flinders spoke. The Summit focused on the issues threatening the long-term preservation of the Green Wedge including Melbourne's growing population and associated pressures for the release of more land for development and the continuing expansion of urban development into interface areas.



High Street Streetscape

The Shire has made significant progress to enhance High Street, as the vibrant heart of Hastings, between Queen Street and Marine Parade. Stage 2 of the High Street Streetscape works were completed in FY18, between Victoria Street and King Street. The project is supported by a Victorian Government contribution of \$1.9 million through the Growing Suburbs Fund with matched-funding from Council.



Protecting Tootgarook Wetlands

In January 2018, Council moved to safeguard Tootgarook Wetlands by compulsorily acquiring a 70-acre lot (92 Elizabeth Avenue, Capel Sound) with the intent of integrating the parcel of land into the broader wetland area. Tootgarook Wetlands is a 590-hectare area of significant environmental and cultural values and home to more than 240 indigenous plant species and a variety of fauna, including internationally significant birdlife. In May 2018, Council adopted its Tootgarook Wetland Management Plan 2018 laying out a blueprint for Council's stewardship and advocacy role.



Rye Township Plan

The Rye Township Plan, developed through a thorough community consultation process, was adopted by Council in December 2017. The Plan sets the strategic vision and direction for the improvement of the foreshore, streetscape and town centre of Rye. In March 2018, the Rye Township Plan was awarded the Australian Coastal Award for Planning and Management. The judges noted that the Rye Township Plan successfully addressed urban encroachment and the impact of peak visitor demand along a widely-used stretch of coastline on Port Phillip Bay.



New Community Animal Shelter; Domestic Animal Management Plan

The new Community Animal Shelter and Pound on Watts Road, Mornington was opened in August 2017. The upgraded facilities will ensure the Shire continues to meet its obligations under the Code of Practice for the Management of Dogs and Cats in Shelters and Pounds. With the new facility has come the introduction of drop-in hours on Saturday mornings which, following a successful six-month trial, have been made permanent.

In October, Council also adopted the Domestic Animal Management Plan 2017-21 which outlines the Shire's strategic approach to the delivery of animal management services across the municipality over the next four years



Carbon Neutrality—War on Waste

In September 2017, Shire officers visited waste-to-energy facilities in China that can process up to 1.4 million tonnes of waste per year and generate enough power for 120,000 Australian homes. Learnings from the study tour were presented at the War on Waste Forum at Dromana in October 2017. Alternative waste and waste-to-energy technologies that could potentially replace the need for landfill and support the Shire's goal of being carbon neutral by 2021 are being actively sought by Council; including through the Metropolitan Waste and Resource Recovery Group.



Mornington Peninsula Housing and Settlement Strategy 2017

The Mornington Peninsula Housing and Settlement Strategy was adopted by Council in December 2017. The Strategy outlines directions for future housing and population growth over the next 15 years to ensure that the unique values and character of the Mornington Peninsula's settlements, landscape and environment are protected.



Balnarring Pavilion

Works to provide a new \$2.6 million sports pavilion at Balnarring Recreation Reserve were completed in 2017. The development provides for a new single-level building with a social room, multipurpose change rooms, toilet and shower facilities, office, storerooms, kitchen/kiosk, first aid room and internal/external public disabled toilet.



Shire partnership with Belgravia Leisure

In October 2017, the Shire partnered with Belgravia Leisure for the management and operation of Pelican Park Recreation Centre, Civic Reserve Recreation Centre, Somerville Health & Fitness Studio, Crib Point Pool, Western Port Gymnastics at Hastings Hub and All Access outreach programs. The partnership is a 'win-win-win': a win for cost-effective service delivery on behalf of our community, a win for members and user groups, and a win for staff.



The Pillars, Mount Martha

Council has implemented additional strategies to control and protect the area around the Pillars during the busy summer period; including setting and enforcing parking restrictions, introducing safety warning signs and implementing permanent alcohol bans to protect the environmental and cultural heritage of the Pillars as well as on safety and amenity grounds.



Rosebud Gateway Sculptures

The Gateway Sculpture commission was initiated by the Shire as a component of Destination Rosebud, which was completed in December 2017 and delivered in partnership with the Victorian Government. The Sculpture is comprised of two elements, *Sails* and *Helix Wave* (pictured) by innovative Melbourne artist/designer Matthew Harding (1964-2018) and co-artist Benjamin Storch, who used timber from the dismantled Rosebud Pier to construct the sculpture. The two elements reference the origin of the Rosebud name, which came from a cargo vessel that ran aground on the foreshore sandbars during rough weather in 1855.



Dorothy Houghton pathway

A significant \$1.5 million 270-metre coastal pathway project at the Eastern Sister Headland connecting Sullivan Bay to Camerons Bight at Sorrento was opened in May 2018. The project provides pedestrian access around the historic Eastern Sister Headland as well as coastal protection. The pathway was named after former Flinders Shire President, Mrs Dorothy Houghton who was instrumental in the Victorian Government's purchase in 1980 of land along the Sorrento foreshore including Sullivan Bay, the Eastern and Western Sisters and part of Camerons Bight.



Rebuilding the Somerville Recreation & Community Centre

Following the receipt of a \$1.299 million grant from Victorian Government's Better Indoor Stadiums Fund, Council commenced reconstruction of Somerville Recreation and Community Centre over summer, with completion scheduled for March 2019. Thanks to obtaining the grant funding, in addition to the \$4.3 million Council has contributed, the new Somerville Recreation and Community Centre will include two additional courts (four in total), an upgrade of changerooms and redevelopment of entry, kiosk, activity room and community spaces, as well as an all-inclusive Changing Places toilet.

Description of operations

Mornington Peninsula Shire is responsible for more than 70 community services, from family and children's services, traffic regulation, open space, youth facilities, waste management and community building; to matters concerning business development, 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. Council's vision, strategic objectives and strategies to further improve services and facilities are described in our Council Plan and the annual Budget and reported on in this document. Refer to the section on Our Performance for more information about Council services.

Economic factors

Council's revenue raising capability was limited by the rate cap, under the Fair Go Rates System, which was set at 2 per cent for FY18.

China's ban on recyclables has impacted the collection cost of recyclables and contributed to an increase in the Waste Service Charge in 2018/19.

Major achievements and capital works

Please see our Highlights of the Year section.

Major changes

Mornington Peninsula Shire entered a partnership with Belgravia Leisure for the management and operation of Pelican Park Recreation Centre, Civic Reserve Recreation Centre, Somerville Health & Fitness Studio, Crib Point Pool, Western Port Gymnastics at Hastings Hub and All Access outreach programs from 29 October 2017.

Council has retained ownership and maintenance of the buildings and remains committed to ensuring sport, leisure and recreation services are available to our community.

Councillors

The Council was elected to provide leadership for the good governance of the municipal district and the local community. On 22 October 2016, the Mornington Peninsula community elected this Council for a four-year term. The municipality is divided into six wards, represented by one Councillor each in Watson, Cerberus, and Red Hill Wards; two Councillors in Nepean Ward; and three each in Seawinds and Briars Wards. The 11 Councillors are the elected representatives of all residents and ratepayers across the Shire. They have responsibility for setting the strategic direction for the municipality, policy development, identifying service standards and monitoring performance across the organisation. The Councillors are listed below:

Cr Simon Brooks
Seawinds Ward
Date elected: 22 October 2016



Cr David Gill
Red Hill Ward
Date elected: 22 October 2016



Cr Antonella Celi
Seawinds Ward
Date elected: 22 October 2016



Cr Sam Hearn
Briars Ward
Date elected: 22 October 2016



Cr Rosie Clark
Briars Ward
Date elected: 22 October 2016



Cr Frank Martin
Seawinds Ward
Date elected: 22 October 2016



Cr Bev Colomb
Briars Ward
Date elected: 22 October 2016



Cr Bryan Payne
Nepean Ward
Date elected: 22 October 2016



Cr Julie Morris
Watson Ward
Date elected: 22 October 2016



Cr Kate Roper
Cerberus Ward
Date elected: 22 October 2016



Cr Hugh Fraser
Nepean Ward
Date elected: 22 October 2016



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 2018.

Chief Executive Officer (CEO)

Carl Cowie

In accordance with the *Local Government Act 1989* (Sect 94A), the Chief Executive Officer is responsible for:

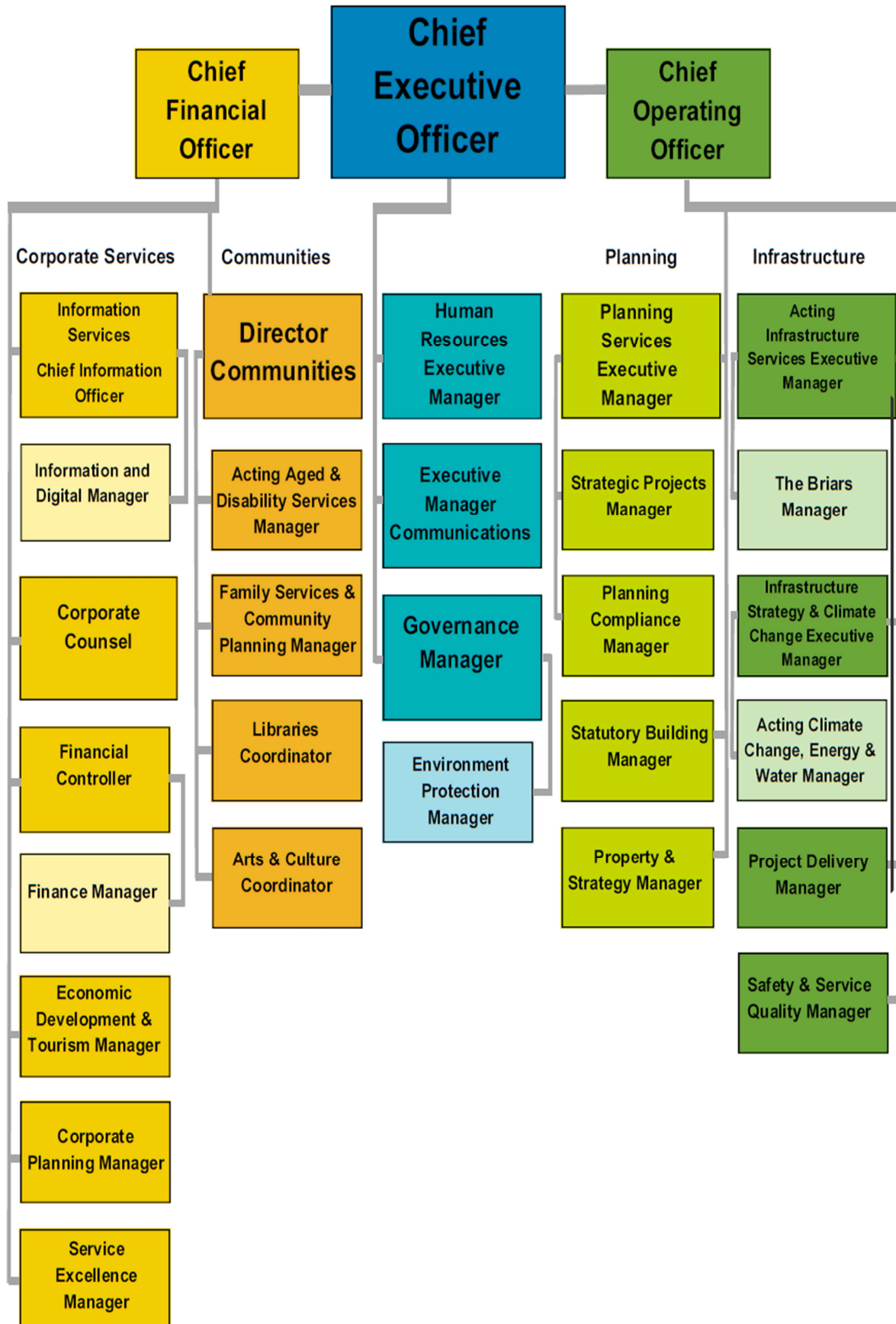
- establishing and maintaining an appropriate organisational structure for the Council;
- ensuring that the decisions of the Council are implemented without undue delay;
- the day to day management of the Council's operations in accordance with the Council Plan;
- developing, adopting and disseminating a code of conduct for Council staff; and
- providing timely advice to the Council.

Senior officers reporting directly to the CEO

Matthew Green Chief Financial Officer Areas of responsibility: <ul style="list-style-type: none">• Information Services• Legal Services• Finance• Economic Development & Tourism• Corporate Planning• Customer Service• Aged & Disability Services• Family Services & Community Planning• Libraries• Arts & Culture		Niall McDonagh Chief Operating Officer Areas of responsibility: <ul style="list-style-type: none">• Planning Services• Strategic Projects• Planning Compliance• Statutory Building• Property & Strategy• Infrastructure Services• Buildings & Facilities• Project Delivery• Climate Change, Energy & Water• Infrastructure Strategy	
Marnie Williams Human Resources Executive Manager Areas of responsibility: <ul style="list-style-type: none">• Human Resources and workforce planning• Learning and organisational development• Health, safety and wellbeing	Randal Mathieson Executive Manager Communications Areas of responsibility: <ul style="list-style-type: none">• Communications & Media• Events	Joe Spiteri Governance Manager Areas of responsibility: <ul style="list-style-type: none">• Governance• Mayor and Councillor Support• Environment Protection	

Note: On 31 August 2018, Carl Cowie stepped down as Chief Executive Officer of Mornington Peninsula Shire.

A chart setting out the organisational structure of the Council is shown below:

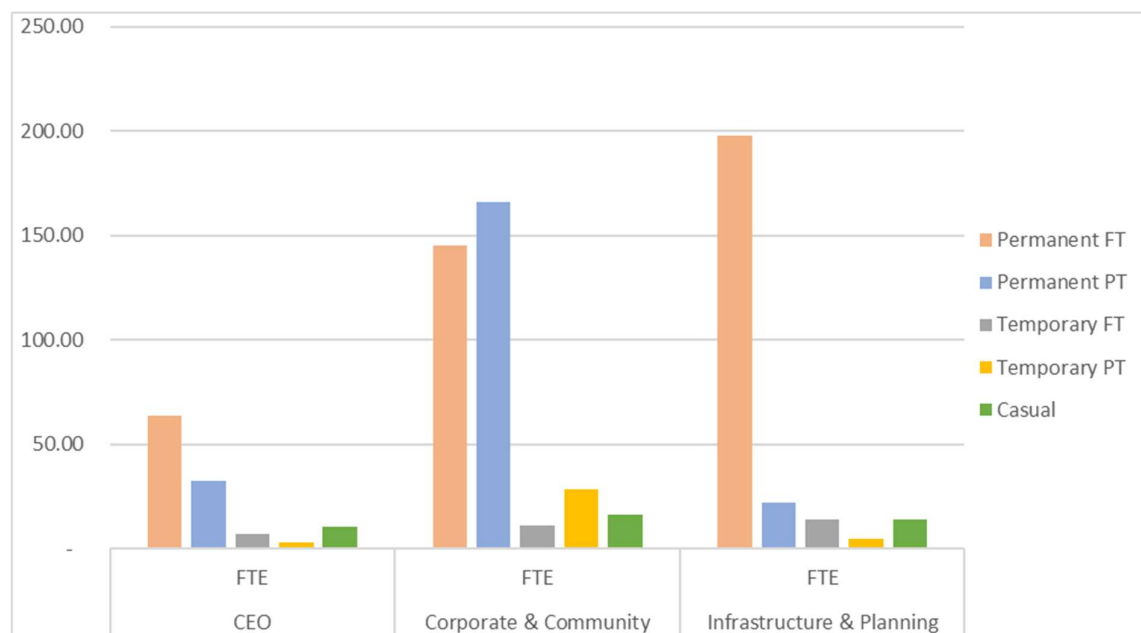


Council staff

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

2017/2018 Employment Type/Gender	Corporate & Infrastructure & Planning			Total FTE
	CEO FTE	Community FTE	FTE	
Permanent FT - F	45.00	108.30	85.20	238.50
Permanent FT - M	19.00	37.00	113.00	169.00
Permanent PT - F	25.63	157.01	18.19	200.83
Permanent PT - M	6.94	9.12	4.09	20.16
Temporary FT - F	5.00	8.00	5.00	18.00
Temporary FT - M	2.00	3.18	9.00	14.18
Temporary PT - F	3.40	27.33	3.70	34.43
Temporary PT - M	-	1.50	1.23	2.73
Total FT/PT Staff	106.97	351.44	239.41	697.83
Casual - F	8.47	15.91	10.87	35.26
Casual - M	2.07	0.76	3.34	6.17
Total Casual Staff	10.54	16.67	14.21	41.43

Note: Permanent figures are based on % being worked as at 30 June 2018 (point in time); casual figures are based on actual hours worked over the year 2017/18.



Note: Permanent figures are based on % being worked as at 30 June 2018 (point in time); casual figures are based on actual hours worked over the year 2017/18.

Note: below is the 2016/2017 table restated to include Temporary positions in line with the disclosure in number of FTEs for 2017/2018

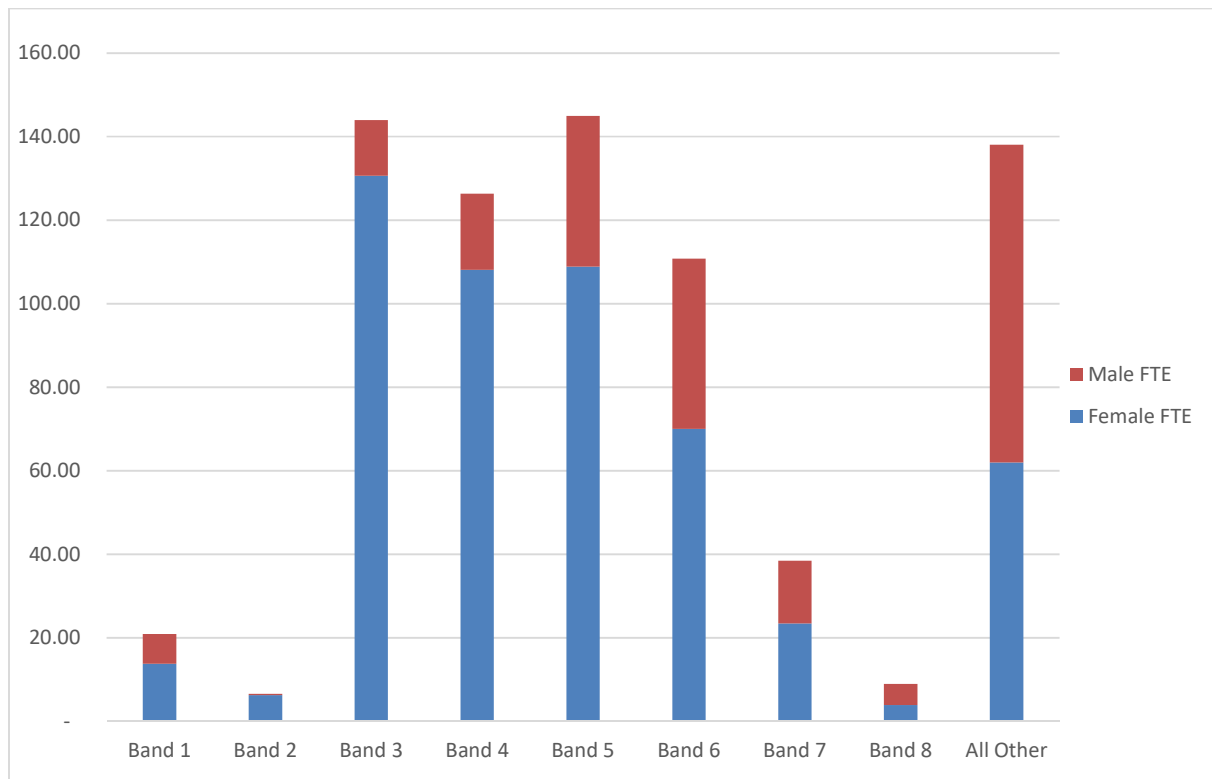
2016/2017 Employment Type/Gender	Corporate & Infrastructure & Community			Total FTE
	CEO FTE	FTE	Planning FTE	
Permanent FT - F	44.10	99.69	75.50	219.29
Permanent FT - M	22.00	46.80	109.60	178.40
Permanent PT - F	30.43	181.93	35.39	247.75
Permanent PT - M	7.64	8.89	5.69	22.22
Temporary FT - F	7.84	2.79	2.90	13.53
Temporary FT - M	1.00	1.00	-	2.00
Temporary PT - F	0.60	10.01	2.81	13.41
Temporary PT - M	-	0.80	0.65	1.45
Total FT/PT Staff	113.61	351.91	232.54	698.05
Casual - F	6.58	16.95	13.56	37.08
Casual - M	3.43	2.32	12.06	17.81
Total Casual Staff	10.01	19.27	25.62	54.89

** Casual FTE for 2016/2017 has been restated based on actual hours worked in line with the calculation used for 2017/2018 (movement of 7.37 FTE)*

A summary of the number of full time equivalent (FTE) staff categorised by employment classification and gender is set out below.

Employment Classification	Female FTE	Male FTE	Total FTE
Band 1	13.83	7.10	20.93
Band 2	6.29	0.28	6.57
Band 3	130.68	13.34	144.02
Band 4	108.14	18.24	126.38
Band 5	108.85	36.14	144.99
Band 6	70.02	40.77	110.79
Band 7	23.46	15.04	38.50
Band 8	3.95	5.00	8.95
All Other	61.98	76.13	138.11
Total	527.20	212.05	739.25

Note: All Other includes senior officers employed under contract and staff on annualised salaries



Note: All Other includes senior officers employed under contract and staff on annualised salaries

Equal employment opportunity program

A Council with 40 or more members of staff must develop and implement an equal opportunity program. Mornington Peninsula Shire has implemented an equal employment opportunity program which is designed to eliminate discrimination, against and promote equal opportunity, for women and persons in designated groups in relation to employment matters.

The objective of Council's Equal Employment Opportunity Program is to ensure there is no discrimination relating to the characteristics listed under the *Equal Opportunity Act 2010* such as race, colour, sex, marital status, parenthood, physical or mental impairment, age, religious or political affiliation, gender identity and sexual orientation. Further objectives include ensuring the workplace is free from bullying and harassment.

The indicator that measures the effectiveness of the program is: the number of discrimination, harassment, victimisation and/or bullying complaints, with a zero target. During FY18 Council received one complaint under its EEO program. A thorough investigation of this complaint was conducted.

The actions taken to implement the Program over the past 12 months include progressively reviewing all human resource management policies and procedures to ensure they are up to date and consistent with statutory obligations. This year a major focus was rolling-out the new Council "values", along with a new Employee Code of Conduct (the 'Code'). There has been a significant rollout across the whole organisation with "values champions" running team sessions, with the aim to build an acceptance at all levels of the "values". Further, there has been, and will continue to be, a rollout of the new Code of Conduct across all teams. These new standards along with related policies assists Council to attract and recruit individuals with congruent values and behavioural standards. The Code also 'sets the standard' for expected minimum behaviour and performance standards at the outset, while ensuring as far as reasonably practicable that MPS is compliant with relevant legislation. Included in the Code, under Standard 1, Professional Conduct, there is a specific description on Human Rights, Anti-Discrimination, and Equal Opportunity. Other relevant policies reviewed this year include Bullying Prevention, Grievance Policy and the Disciplinary Policy and Procedures.

Council also, through its Corporate Induction and training programs, ensures both new and existing employees understand their obligations to comply with the Equal Opportunity Act. Specifically, each year the Shire engages a suitable provider (engaging both the Victorian Equal Opportunity and Human Rights Commission and iHR) to deliver training, with a focus on the leaders of the organisation, as they have greater responsibilities under legislation to deal with issues of an EEO nature. In FY18, eight training sessions were held with a total 140 employees attending. Of these, 133 were first time attendees, and seven were refreshers. Fifteen people managers attended, including four from the Executive team. Our program aim for the FY18 year is to continue to have all new starters complete this critical training in their first 12 months of employment with Council, as well as ensuring that all people managers attend a refresher every two years.

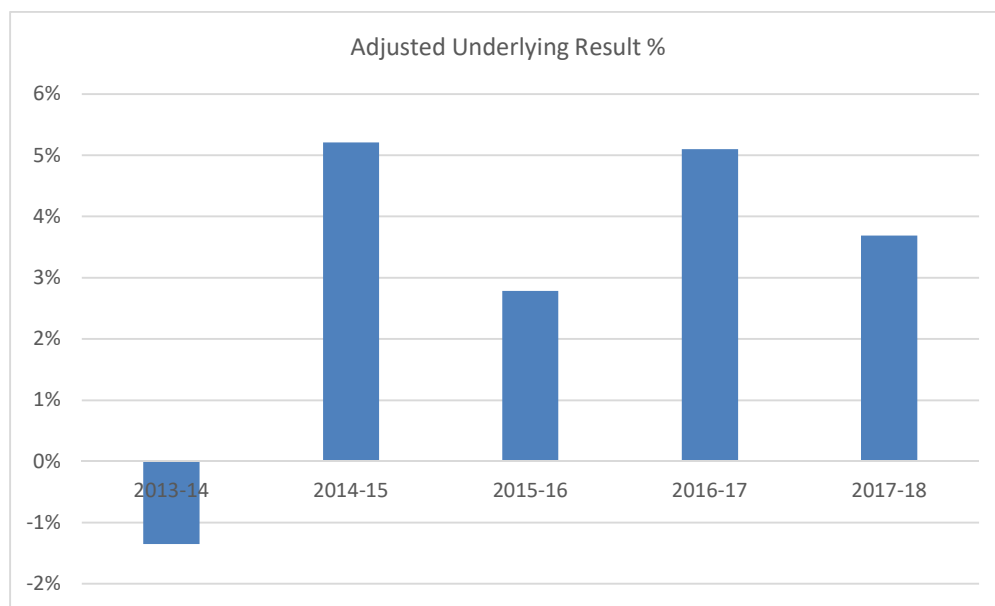
Financial summary

Council's financial position continues to remain sound with strong cash flows, reserves and a solid balance sheet. To date Council has been able to respond well to the Fair Go Rates system and provide an increased surplus that has allowed more spending on capital works and services. Council is cognisant of longer term financial projections under the rate capping environment and will continue to seek opportunities for efficiency, cost saving and will prioritise Council operations to ensure the sound financial position continues into the future. 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

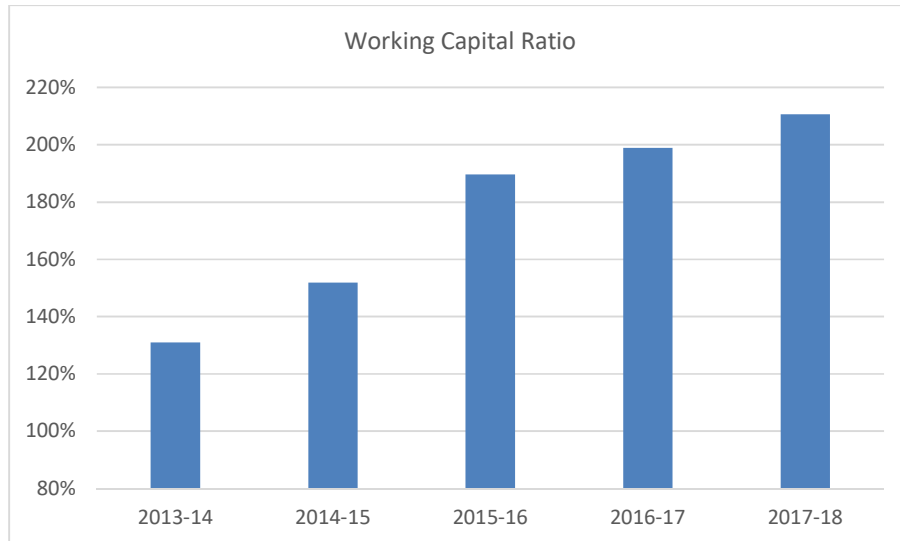
Council achieved a surplus of \$25.5 million in 2017–18. This surplus compares favourably to the prior year surplus of \$22.8 million. The adjusted underlying surplus of council, after removing non-recurrent capital grants, cash capital contributions and non-monetary capital contributions, is a surplus of \$8.1 million or 3.7% when compared to adjusted underlying revenue.

Sustaining an adjusted underlying surplus is a critical financial strategy that provides capacity to renew the \$2.4 billion of community assets under Council's control.



Liquidity

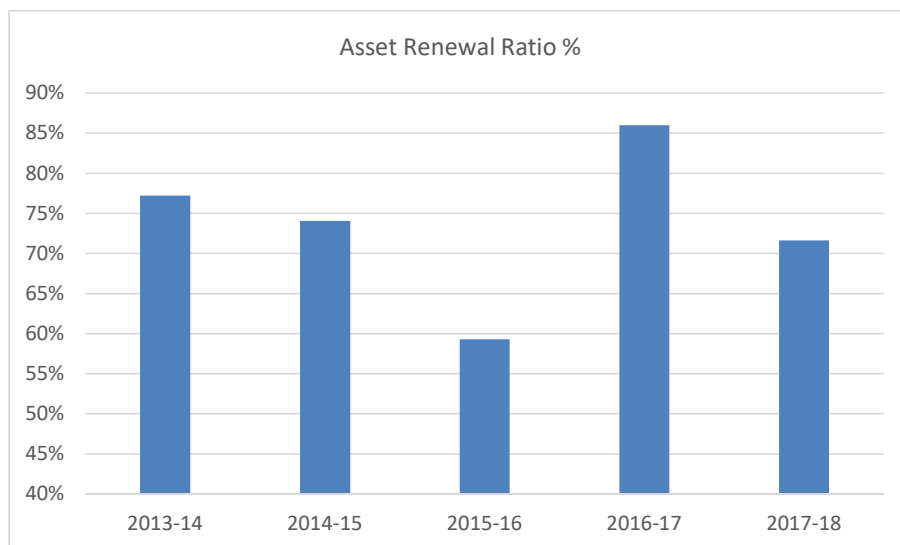
Cash, including term deposits over 90 days, has increased by \$7.6 million from the prior year. The net increase is driven by an increase in revenue and operating surplus along with Capital Works 'carry forwards'. The working capital ratio (which assesses council's ability to meet current commitments), is calculated by measuring council's current assets as a percentage of current liabilities. Council's result of 211% is an indicator of a strong financial position and within the Target of 100% to 400%.



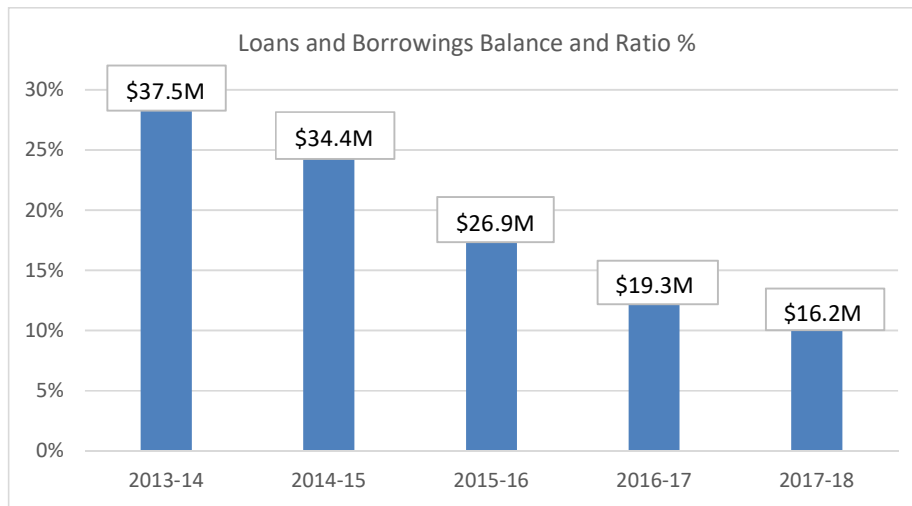
Obligations

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 expenditure to depreciation was 72% which was within the Target of 40%-130%.

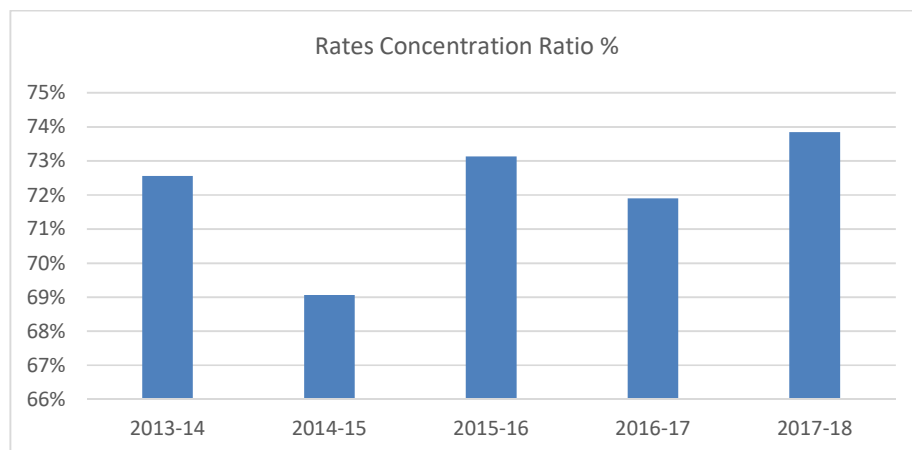


At the end of the 2017-18 year Council's debt ratio (which is measured by comparing interest bearing loans and borrowings to rate revenue) was 12.3% which is at the lower end of the Target of 0%-70% and has a decreasing trend due Council's debt reduction strategy.

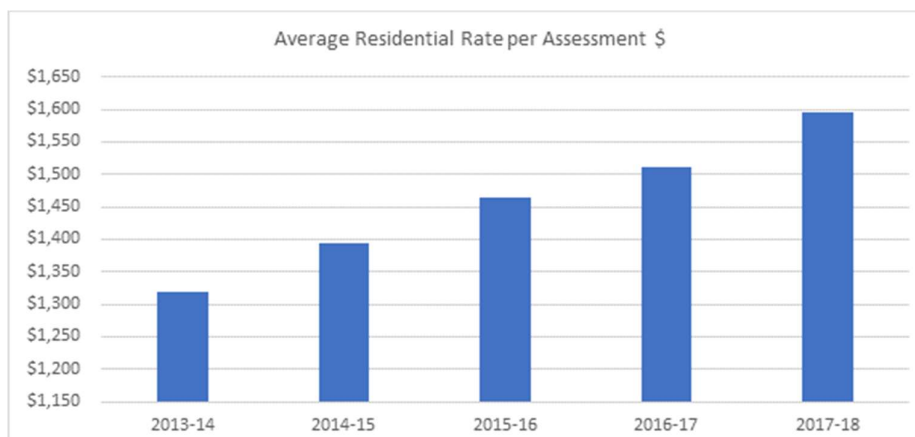


Stability and efficiency

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 73.8% for the 2017-18 year which is toward the top end of the Target of 30%-80%.



The average residential rate per residential assessment is \$1,596



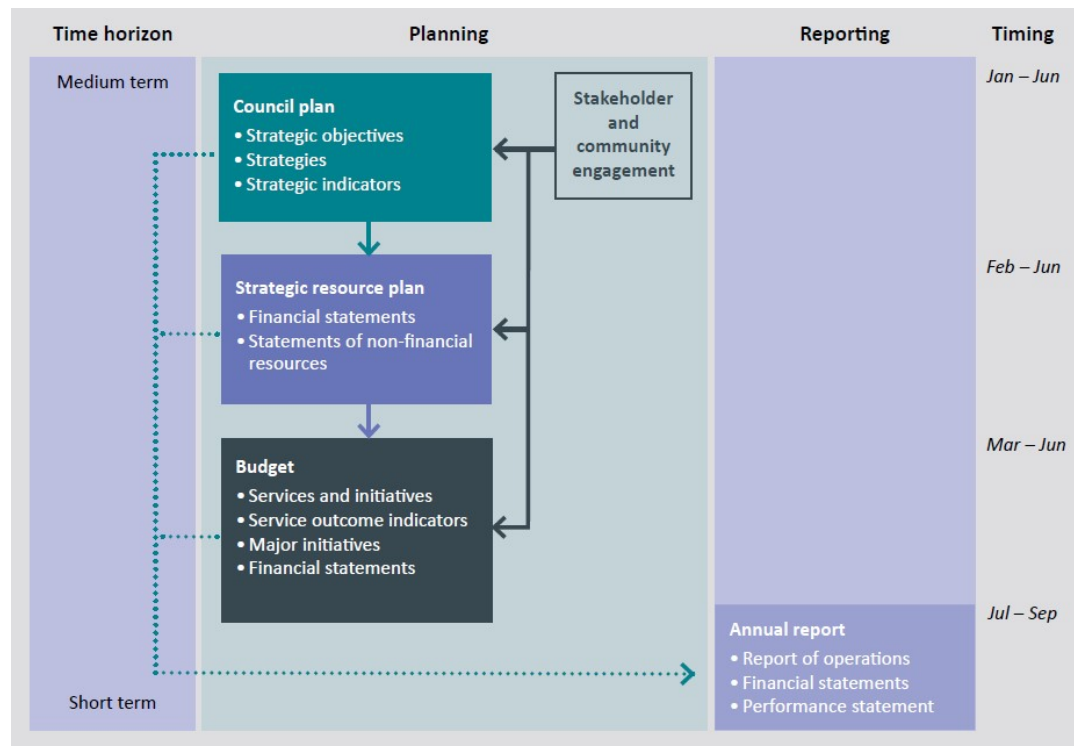
Our performance

Planning and accountability framework

The Planning and Accountability Framework is found in part 6 of the *Local Government Act 1989* (the Act). The Act requires councils to prepare the following planning and reporting documents:

- A Council Plan within the six months after each general election or by 30 June, whichever is later
- A Strategic Resource Plan for a period of at least four years and include this in the Council Plan
- A Budget for each financial year
- An Annual Report in respect of each financial year.

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



Council plan

The Council Plan 2017-21 includes strategic objectives, strategies for achieving these for the four year period, strategic indicators for monitoring achievement of the strategic objectives and a strategic resource plan. Four strategic themes underpin the strategic framework for this Council Plan.








These themes are:














our place
our connectivity
our prosperity
our wellbeing








Performance




Council's performance for the 2017-18 year has been reported against key items under each strategic theme as follows:


Our Place		
Major Initiatives to 2021	Progress in FY18	FY18 Status
Review and adopt the Green Wedge Management Plan	The draft Green Wedge Management Plan has been developed following an initial period of community consultation and was on exhibition until 3 August 2018. It is anticipated that the Plan will be reported to Council for adoption in October 2018.	 On Track
Initiate residential character investigation studies to ensure the unique characteristics of the Mornington Peninsula are protected	The amendment seeking to implement the recommendations of the adopted Housing and Settlement Strategy, including the introduction of the Neighbourhood Residential Zone in a number of areas, is still awaiting the Minister's authorisation for exhibition. Council has also provided funding in the 2018/2019 budget to undertake a comprehensive Neighbourhood Character study.	 On Track
Deliver and adopt the Activity Centres Strategy Industrial Land Supply Study Reviews	Both the Activity Centres Strategy review and the Industrial Land Supply Strategy were adopted by Council in April 2018.	 Complete
Develop a Community Infrastructure Framework	<p>The purpose of this project is to review Council's community facilities to identify infrastructure requirements to continue to meet community needs and support the delivery of services. Opportunities for consolidation, expansion and rationalisation will be considered as part of the review.</p> <p>Officers are currently undertaking auditing of the functionality, fitness for purpose, service capacity and utilisation of Council-owned community buildings. The assessments have been completed for the Seawinds Ward which has included a review of 40 buildings. The analysis will form the basis of a pilot project for Council consideration to assist in the development of a Community Infrastructure Framework.</p> <p>The assessment of all Shire facilities is anticipated to be undertaken across each ward over the next two years.</p>	 On Track
Develop a Community Safety Strategy to guide investment in CCTV and public lighting	Installation completed in June 2018.	 Complete
Develop a Foreshore Camping Strategy to guide future decision making	A consultant has been appointed and preliminary stakeholder engagement has taken place. A briefing to the Executive team was listed for the 1 August 2018, with Ward and all Councillor briefings to follow.	 On Track
Implement the Changing Places Public Toilet Program	Changing Places facility built in Mornington with more planned, including as part of the Somerville Recreation Centre rebuild.	 On Track

Implement the Accessible Beach Matting Program	Beach Matting purchased and will be available over the 18/19 Summer period.	 On Track
Prepare the Housing and Settlement Strategy and establish associated Planning Scheme amendments	The housing and settlement strategy was adopted by Council on 4 December 2017 at the Planning Services Committee Meeting.	 Complete
Implement the Triple A Housing Committee strategic actions and outcomes	<p>Achievements for FY18:</p> <ul style="list-style-type: none"> Contributed to the review of the <i>Residential Tenancies Act 1997</i>. Reported to Council on an Equity Land Trust Feasibility Study and working on the review of Council's Triple A Housing Policy and Social and Affordable Housing Policy, all of which will be reported to Council for the purpose of public exhibition in FY19. Supporting people in need through firstly, the preparation and dissemination of guides on "Food and other help" and "Housing Services" in hard copy and online and secondly, facilitating the networking of housing and welfare agencies. Submissions made as follows: <ul style="list-style-type: none"> Productivity Commission's Introducing competition and informed user choice into Humans Services reforms Tony Nicholson's report for State Government Rough sleeping in Victoria situation appraisal and to the Social Services Legislation Amendment (Affordable Housing) 2018/19 pre-budget submission to the Assistant Federal Treasurer Advocacy and provision of advice to organisations and individuals in relation to the need for more social and affordable housing 	 On Track
Review the Municipal Public Health and Wellbeing Plan	MPHWP endorsed by Council and launched in April 2018.	 Complete

Undertake the review of the Domestic Animal Management Plan	<p>The Domestic Animal Management Plan has been reviewed and was subject to a community consultation process prior to adoption by Council in October 2017.</p> <ul style="list-style-type: none"> Extended opening hours trialled at the Animal Shelter implemented from Sep 2018. A number of procedures have been updated creating a positive visitor experience. Implementation of the 'Who's for Cats' initiative at the Shelter for stray semi-owned cats. Increased cat trapping and placing the program under direct ranger control has reduced the time taken to apprehend wandering cats in contravention of the cat curfew. A number of new programs promoting responsible pet ownership have been introduced. Reduced the number of unclaimed and surrendered pets being euthanised by increasing our work with Rescue Groups, updating and improving Council adoption and lost pet pages on the web, and continuing to use the PetRescue website; Introduced 'Dealing with a barking dog' booklets to assist the community in dealing with barking dog issues. Additional shelter staff have completed their training and are able to microchip animals at the pound to assist with registration requirements. 	 Complete
Develop a Biodiversity Conservation Plan	The Biodiversity Conservation Plan will be finalised by October 2018 with complementary field studies (mapping quality and the extent of ecological vegetation classes within general description wetlands and grassy, damp grasslands) completed by December 2018.	 On Track
Support and implementation of outcomes in Tootgarook Wetland Management Plan	In accordance with Council's resolution of 14 May 2018, an Implementation Plan is currently being developed to enact the adopted Management Plan. A Planning Scheme Amendment proposal is being developed to review the Environmental Significance Overlay that applies to the Wetland and rezone land at 92 Elizabeth Ave, Capel Sound.	 On Track
Support for the Westernport Biosphere Committee and initiatives	Provided 17/18 and 18/19 funding; liaison committee continues to meet in accordance with the agreed schedule.	 On Track
Implement the Municipal Fire Management Plan, including supporting Bushland Reserves, Roadsides and Freeway Reserve fire management plans	All works were delivered on time as per the Municipal and supporting plans.	 Ongoing
Continue our Fire Education Community Awareness Program	In collaboration with Kingston, Frankston and Greater Dandenong Councils and funded by the National Disaster Resilience Grant project, the Mornington Peninsula Shire has produced a natural disasters preparedness information kit (a booklet, video and web-based material), which includes bushfire awareness information for residents and tourists and will be launched in October 2018.	 Ongoing
Commit to develop a street tree renewal plan	Development of the street tree renewal plan commenced during 2017/18 and is expected to be finalised in 2018/19.	 On Track

Review township amenity service standards including weed management	Existing contracts are reviewed and amended on a regular basis to provide value to the community. There is a noxious weed program in place and alternative weed control measures are fully considered before proceeding with chemical treatment.	 On Track
Conduct the Coastal Villages Study	The Coastal Villages study has been delayed due to the need to coordinate the project with DELWP who are part-funding the project. This has now been finalised and the project is about to commence.	 Watching
Advocacy for Dromana Pier upgrade	Council is a member of and works with the Association of Bayside Municipalities to advocate for funding of state-owned or -controlled piers and jetties which are in decline and of significant community value, such as the Dromana Pier.	 On Track
Advocacy for boat ramps, jetties and pier improvements across the Mornington Peninsula	In FY18, Council applied for a grant through the Boating Safety Facilities Program for the construction of Hastings Boat Ramp. The application was not successful this round.	 Watching
Undertake Stage 4 of the Shire's Heritage Review	Preparatory work has commenced. We anticipate calling for tenders in late Q1/early Q2 FY19.	 On Track
Implement the Carbon Neutral Policy	On 4 June 2018, Councillors and Shire staff met to workshop the five key projects that Council committed to pursue as part of the partnership with Climate Council's 'Cities Power Partnership'. Council has facilitated nine Environmental Upgrade Agreements to date. This finance model has enabled a total of 834.5 kW of solar capacity to be installed by businesses within the Shire. The largest of these is by Hussey & Co with two agreements and a total of 600 Kw planned. On 15 May 2018 Council agreed to join the 1 Million Women program, which aims to build a global movement of women and empower them to act on Climate Change through the way they live. The program includes a mobile app that provides practical tips to reduce environmental impact. Council is progressing an Environmental Impact Assessment (EIA) for the old landfill site at Truemans Rd, Capel Sound. This is to inform the Expression of Interest (EOI) process being developed for the lease of the land for the purposes of a solar farm. The EIA will assist to ensure appropriate design and risk management of the site for the potential use of the land for this purpose.	 On Track
Develop the Clean and Green Community Climate Change Plan	The draft Climate Change Community Engagement Strategy has been reviewed internally and was discussed with Councillors in May before returning to Council in June for release of the draft plan for public exhibition. The public exhibition period will last for 8 weeks, from 27 June until the 22 August 2018, after which feedback will be reviewed and the Plan updated before returning to Council for adoption.	 On Track

Continue to review and implement the Climate Change Risk Management Action Plan	The latest climate change projections, as outlined in the Draft Climate Change Community Engagement Strategy, highlights a raft of emerging climate change factors that the Peninsula is likely to experience in the coming decades. To combat this, the Shire have an array of climate change mitigation and adaption controls in place, based on best practice and alignment to the Intergovernmental Panel on Climate Change (IPCC) Framework, which when combined with additional risk treatments in development should better enable us to plan for and respond to emerging climate change factors. For example, the implementation of Ecologically Sustainable Design (ESD) and developing guidelines which promote consistent climate resilient asset design standards for internal assets and capital works, contribute to safeguarding the implementation of adequate, effective and responsive climate adaptation policies/strategies.	 On Track
Continue to implement the Municipal Waste and Resource Recovery Strategy	A key recommendation of the waste strategy was to advocate for an alternative waste technology; this is progressing quickly with a likely procurement process to commence in February 2019.	 On Track
Review the Smart Water Plan	<p>With continued participation in the Victorian Government led Integrated Water Management (IWM) forums, the Mornington Peninsula Shire is committed to working with IWM leaders in a collaborative partnership to create a singular vision, a strategic direction statement and action plan for the catchment's water management. These forums have now drafted Strategic Direction Statements for each catchment with the action plan a compilation of projects that the partner organisations have committed to progressing over the next 12 to 18 months. The Integrated Water Management (IWM) Framework was presented to Councillors on 15 May 2018. The presentation outlined the Victorian Government's approach and a content overview of the Strategic Direction Statement being developed. Among the IWM Forum projects evaluated for the catchments, three MPS recycled water projects have been prioritised and will be listed in the Strategic Direction Statement.</p> <p>These projects include the recycled water for:</p> <ul style="list-style-type: none"> · Tyabb/Sommerville region · Westernport Catchment · Briars, Mt Martha · Dandenong Catchment · Hinterland · Westernport Catchment 	 On Track

Continue to implement the Local Integrated Drainage Strategy	Major drainage works were undertaken in Flinders and Mornington to mitigate flood risks in the surrounding areas. Stage 1 of the Avenues drainage upgrade in Flinders was completed, with Stage 2 design and procurement undertaken. In Mornington, the Cook Street drainage and outfall upgrade Stage 2 and 3 were designed and preconstruction works started. Smaller works throughout the Peninsula were also undertaken, as well as investigation, planning and design for upcoming drainage works. In collaboration with Melbourne Water, flood modelling is ongoing, providing essential information to inform future drainage works and inform development designs. Floor level surveys in the Balcombe Creek and Warringine Creek catchments were instigated to capture data from approximately 5,000 homes; informing our modelling of catchment flood characteristics to improve flood risk management and mitigation.	 On Track
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Services funded in the 2017-18 Budget

Service area	Description of services provided	Net Actuals <u>Net Budget</u> Variance \$000
Animal Shelter	To comply with the <i>Domestic Animals Act 1994</i> and operate in accordance with our Domestic Animal Management (DAM) Plan by caring for lost pets and endeavouring to re-home all suitable, unclaimed animals. Collaboration with the community to achieve a balance between responsible animal management and welfare and good governance.	Actuals (734) <u>Budget (716)</u> Variance (18)
Asset Management	Collect and use information on Council's infrastructure assets (including roads, bridges, pathways, drainage systems, parks and reserves, recreation spaces and buildings) to optimise the life of the assets within a sound governance framework and in a cost effective manner.	Actuals (1,106) <u>Budget (1,133)</u> Variance 28
Asset Protection	To ensure private development and works within road reserves are constructed safely, in accordance with relevant Acts, Regulations and Standards and to preserve the amenity of our natural and built environment.	Actuals 42 <u>Budget (120)</u> Variance 162
Briars Conservation Park	To protect and enhance environmental and heritage values of the park; while successfully marketing The Briars as a destination that provides significant visitor experiences and a range of event spaces in line with the agreed business plan.	Actuals (691) <u>Budget (593)</u> Variance (97)
Building Maintenance Services	To maintain municipal buildings in line with Council's Long Term Financial Plan/operational budget and to acceptable standards, so that they remain fit for purpose and are compliant with regulations.	Actuals (8,066) <u>Budget (8,673)</u> Variance 607
Bushland and Foreshores Reserve Management	Manage fire risk and provide leadership on fire risk reduction. Protect and enhance biodiversity values through weed control and being a key part of the Western Port Ramsar Site and UNESCO Western Port Biosphere Reserve. Community interest and involvement in both biodiversity protection (particularly weed removal) and in fire management is very strong and supporting community action is a key purpose of the service.	Actuals (4,478) <u>Budget (4,259)</u> Variance (218)

Capital Works Planning and Delivery	Provide Council with planning services to review, prepare and monitor the collation and completion of the Shire's Annual and Long Term Capital Works Program whilst overseeing and delivering on a diverse range of infrastructure projects and Capital Works programs.	Actuals (672) <u>Budget (817)</u> Variance 145
Climate Change Mitigation and Adaptation	Ensure that State and Federal regulations and policy requirements are adhered to whilst supporting the community to better prepare for the impact of climate change; economic growth through sustainable practices; long term water and energy availability within the Peninsula, and reducing ongoing and future costs to Council through mitigation and adaptation.	Actuals (846) <u>Budget (857)</u> Variance 11
Development Engineering	To ensure privately owned developments are undertaken in accordance with best practices and which preserve the highly valued amenity of our natural and built environment.	Actuals (346) <u>Budget (407)</u> Variance 61
Domestic Animal Management	To perform the duties of delegated authority in compliance with the <i>Domestic Animals Act 1994</i> , <i>Impounding of Livestock Act 1994</i> , <i>Livestock Management Act 2010</i> and to operate in accordance with the Domestic Animal Management (DAM) Plan. Provide a safe and protected community and environment from dogs, cats and livestock, and restrict the number of animals allowed per property to protect amenity and animal welfare.	Actuals 1,190 <u>Budget 1,143</u> Variance 47
Environmental Health	As required under the <i>Public Health and Wellbeing Act 2008</i> , the service protects, improves and promotes public health and wellbeing within the Shire by creating an environment which supports the health of members of the local community and strengthens their capacity to achieve better health.	Actuals (723) <u>Budget (671)</u> Variance (52)
Facilities Booking and Planning	To provide access for the community to sport and recreation facilities that are fit for purpose, risk free, compliant and meet the expectations, including ensuring access for all genders and abilities.	Actuals 1,482 <u>Budget 1,895</u> Variance (412)
Fire Prevention	Comply with the <i>Country Fire Authority Act 1958</i> to protect life, property and the environment, and operate in accordance with the Municipal Fire Management Plan (MFMP).	Actuals (298) <u>Budget (272)</u> Variance (26)
Housing Justice Advocacy Social Planning	To facilitate evidence-based planning by the private and public sectors and to provide better coordination and value-added delivery of housing and housing assistance by others in the public and private sectors.	Actuals (194) <u>Budget (230)</u> Variance 36
Infrastructure Planning	To ensure Council facilities and infrastructure meet current and future needs of the Community and any activities and services that they support.	Actuals (617) <u>Budget (710)</u> Variance 92
Local Law enforcement	To comply with State legislation and Local Laws to protect the community and local environment and preserve the amenity of our municipality.	Actuals (1,512) <u>Budget (1,310)</u> Variance (202)
Planning Compliance	To ensure that planning controls are adhered to and to ensure protection of the amenity and environmental values of the Mornington Peninsula.	Actuals (1,009) <u>Budget (780)</u> Variance (229)
Planning Scheme & Applications	Manage development on the Peninsula by providing appropriate and responsible policy and decision making provisions that maintain the valued characteristics of the Peninsula, growth, support business and encourage economic development whilst	Actuals (2,718) <u>Budget (2,894)</u> Variance 175

	protecting the environment. To ensure that the long term values of the Mornington Peninsula's natural and built environments, for both the local and wider community, are protected and enhanced through effective strategic (land use and development) planning and the management of the pressures for change.		
Property Operations	To ensure that we achieve best value for land and property transactions and comply with all relevant Acts and Regulations.	Actuals <u>Budget</u> Variance	1,328 902 427
Public Lighting	Illumination of roads, pathways and public spaces for amenity and safety.	Actuals <u>Budget</u> Variance	(2,313) (2,491) 178
Roadside Vegetation & Arboriculture	Maintain vegetation in roadside reserves across the Shire with a primary focus on weed control, biodiversity conservation and reducing fire risk. And the Provision of tree maintenance services within the Shire's public open spaces and road sides, whilst recognising and retaining the Peninsula's valuable and unique "green" landscape.	Actuals <u>Budget</u> Variance	(4,235) (4,339) 104
Statutory Building	To ensure the safety and satisfaction of the Shire in relation to their use of buildings, investigate illegal building activity as well as performing the role of repository for building activities within the Shire and making this information available as requested.	Actuals <u>Budget</u> Variance	(1,093) (277) (816)
Stormwater Management	To maintain Council's stormwater infrastructure in line with the long term asset management strategy. Implement the framework to build on the understanding of the Shire's drainage systems and existing extent of flooding, consider the impacts of climate change on the built environment, develop the actions required to plan for future sustainable living and develop Flood Management Plans. Provide information to Building Practitioners in relation to building work that includes stormwater drainage.	Actuals <u>Budget</u> Variance	(2,943) (2,028) (916)
Strategic Planning Projects	To ensure that the long term values of the Mornington Peninsula's natural and built environments, for both the local and wider community, are protected and enhanced through effective strategic (land use and development) planning and the management of the pressures for change.	Actuals <u>Budget</u> Variance	(544) (311) (233)
Street Furniture and Signage Maintenance	Ensure that all operational and maintenance activities that preserve and extend the life of traffic facilities, including guideposts, signage, guard rail and traffic signals and road/park/foreshore furniture meet current standards and ensure the safety of users.	Actuals <u>Budget</u> Variance	(2,567) (2,893) 326
Township Beautification and Cleaning	To ensure townships are maintained free from graffiti, litter (clearing of street bins), drainage cleaning, street sweeping and beach cleaning.	Actuals <u>Budget</u> Variance	(9,847) (8,672) (1,175)
Urban Design and Coastal Planning	To provide strategic guidance and direction towards the natural and built environment outcomes on the Mornington Peninsula, and to ensure that Council is working in line with relevant acts and regulations.	Actuals <u>Budget</u> Variance	(893) (880) (13)
Waste Services	Cost effective, efficient and sustainable waste management practices, infrastructure and services that protect the environment for present and future generations.	Actuals <u>Budget</u> Variance	1,784 2,140 (356)

Services performance indicators

		Results	Results	Results	Results	
	Service/indicator/ measure	2015	2016	2017	2018	Material Variations and Comments
	Animal Management Timeliness					
AM1	<i>Time taken to action animal management requests</i> [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	0.00	2.12	3.26	2.58	Whilst Total Animal Management requests are down 9% against same time last year a number of initiatives were introduced which will improve complaints handling when fully implemented: these include better definition and categorization of complaints and a 30-minute response window to selected complaints.
	Service standard					
AM2	<i>Animals reclaimed</i> [Number of animals reclaimed / Number of animals collected] x100	63.00%	62.91%	59.54%	61.81%	
	Service cost					
AM3	<i>Cost of animal management service</i> [Direct cost of the animal management service / Number of registered animals]	\$58.86	\$62.23	\$77.28	\$79.41	Increased costs are associated with additional staffing requirements due to a trial of extended public opening hours and additional expenditure on fittings and fixtures for the facility.



Health and safety						
AM4	<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	50.00	40.00	52.00	43.00	The reduction in prosecutions is a direct result of fewer reported serious dog attacks. This reflects a specific enforcement program aimed at reducing the number of dogs not under effective-control in public areas through increased patrols and more infringements being issued to owners failing to manage their dogs responsibly.
Statutory Planning						
Timeliness						
SP1	<i>Time taken to decide planning applications</i> [The median number of days between receipt of a planning application and a decision on the application]	51.00	93.00	95.00	92.00	The time taken to determine planning applications has remained stable. In comparison to this time last year the variance has been minimal at 3%.
Service standard						
SP2	<i>Planning applications decided within required time frames</i> [(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of	73.00%	66.00%	61.67%	67.41%	




	planning application decisions made] x100					
	Service cost					
SP3	<p><i>Cost of statutory planning service</i></p> <p>[Direct cost of the statutory planning service / Number of planning applications received]</p>	\$2,188.59	\$1,921.38	\$2,323.77	\$2,624.34	<p>There has been an increase in the cost of service Year on Year mainly due to an increase in VCAT Appeals requiring legal representation, a general increase in FTE equating to a 14% increase in normal salaries and wages costs from the 15/16 year. Following the Planning Services restructure in 2016, a number of resources from the former Strategic Planning Team were redeployed to assess planning permit applications.</p>
	Decision making					
SP4	<p><i>Council planning decisions upheld at VCAT</i></p> <p>[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in</p>	57.00%	67.65%	66.67%	64.94%	<p>The percentage of the Shire's planning decisions upheld at VCAT in FY18 has remained stable. Out of the 27 Council decisions set aside by VCAT, 21 of these were Council decisions to refuse a planning application. Council continues to focus on the Localised Planning Statement, which has resulted in an increase in refusal decisions..</p>




	relation to planning applications] x100				
WC1	Waste Collection Satisfaction <i>Kerbside bin collection requests</i> [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000	116.59	114.54	116.44	111.79
WC2	Service standard <i>Kerbside collection bins missed</i> [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	4.68	3.39	3.39	3.63
WC3	Service cost <i>Cost of kerbside garbage bin collection service</i> [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$60.66	\$60.52	\$61.65	\$62.16
WC4	Service cost <i>Cost of kerbside recyclables collection service</i> [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$24.12	\$23.36	\$26.87	\$26.69




Waste diversion					
WC5	<i>Kerbside collection waste diverted from landfill</i>	50.00%	50.01%	50.95%	52.53%
	<p>Increased diversion rate from landfill has occurred due to the increased take up of the Shire's opt-in kerbside collection service (3,624 properties during FY18) and increased volumes of green waste received through the kerbside collection service.</p>				
	<p>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</p>				




Our Connectivity

Major Initiatives to 2021	Progress in FY18	FY18 Status
Advocate for significant improvements across our roads network consistent with the Shire's VicRoads advocacy priority list	<p>The public exhibition of the draft Road Improvement Strategy has been completed: the results of this exhibition period was presented at a Council Briefing to recommend a report to Council for the adoption of the Road Improvement Strategy. Shire officers are currently liaising with VicRoads to finalise details for implementation of an 80km/h speed limit trial along Stumpy Gully Road. The trial will potentially be a combination of regulatory and warning signage accompanied by traffic counts for the duration to understand the impact. The Victorian Government has announced \$4 billion dollars of funding for a Suburban Road Upgrade program which will be spread across 22 projects in Melbourne's outer suburbs. Officers met with VicRoads to discuss one of these projects within the Shire, an upgrade of Golf Links Road and Grant Road including upgrades to two roundabouts as well as kerb and line marking improvements at the Peninsula Link offramp. These identified upgrade works will address concerns from the growing industry in-and-around Somerville and provide adequate connections to Peninsula Link.</p>	 On Track
Implement the Sustainable Transport Strategy, including the development of a transport advocacy plan	<p>Council is continuing its advocacy for improvements to the region's public bus network with the Victorian Government: media campaigns advocating for improvements to the public bus network are being rolled-out ahead of the upcoming state election and community members are being encouraged to write to decision-makers. Shire officers met with Transport for Victoria in early May to discuss an internal review they have conducted on bus services in the Mornington Peninsula and Frankston region. Amongst the proposed improvements were route changes, increased frequencies and new services. The highest priority is an upgrade to the existing 788 service which will see increased frequencies during peak times and integration with the 887 service to provide access to Frankston Hospital and Monash University. Other identified improvements are:</p> <ul style="list-style-type: none"> • Re-route existing 781 service by increasing the length of the route by approximately 3km. This extension would service an additional 1,776 households in developing areas; • Re-route existing 782 and 783 services to additional household, townships and services. An increase in frequency is also proposed; • Re-route existing 784 and 785 services to newly developing areas in Mornington North such as the new retirement villages and land subdivision on Bungower Road; • Introduction of a cross peninsula bus service from Hastings to Mornington; and • Introduction of demand responsive services to tourist destinations during holiday seasons. <p>A transport forum was held at the Mechanics Hall in Frankston on 27 June 2018 to discuss transport issues in the Mornington Peninsula/Frankston region. The forum gave members of the community the opportunity to meet</p>	 On Track

	the candidates from major parties, hear their policies and to ask questions. The forum was arranged by the Metropolitan Transport Forum and was jointly hosted by Mornington Peninsula Shire and Frankston City Council.	
Advocate for increased investment in the arterial network throughout the Mornington Peninsula Shire	<p>Advocacy has continued during the year to advance road network improvements across the arterial road network. As a result, VicRoads and the Safe System Road Infrastructure Program (SSRIP) have worked together with Council to:</p> <ul style="list-style-type: none"> • Provide an evaluation report of the travel time demonstration undertaken during the summer of 2017/18 that has been completed. • Introduce a reduced school speed zone on Arthurs Seat Road in proximity to Red Hill Consolidated School. • Progress towards innovative treatment of high risk rural intersections such as Stanley Rd / Merrick Rd and Mornington-Flinders Rd / Shands Rd. • Provide a way forward with the Mornington Town Centre pedestrian safety improvements (\$2M). • Complete a study and provide a report on a southern peninsula arterial corridor investigation. • Make minor improvements at the intersection of Forest Dr and Nepean Hwy, Mount Martha • Significantly increase level of investment towards road maintenance and renewal across the arterial road network. • Resurface or improve roads such as: <ul style="list-style-type: none"> ○ Balnarring Rd, Balnarring ○ Esplanade, Mount Martha 	 Ongoing
Apply for Federal Black Spot Road Safety funding	<p>In FY18 the Shire delivered almost \$2M of Black Spot projects; including:</p> <ul style="list-style-type: none"> • Wooralla Drive, Mount Eliza roundabout (\$970k) • Wooleys Rd, Crib Point road widening and guardrail (\$680k) • Barkly St, Mornington – Pedestrian crossings (\$250k) • Barkly St/Tanti Ave roundabout (\$99k) <p>VicRoads will issue crash data, program criteria and application information in early 2018/19 for the 2019/20 Black Spot Program and Shire Officers have already commenced preparations for the next round of Black Spot Funding applications.</p>	 Ongoing
Deliver the annual Roads to Recovery program of works	<p>Bentons Road was identified as a project to deliver under Roads to Recovery funding as it is an important east-west local corridor that required upgrade and also suffered damage to the road during the construction of Peninsula Link. The Bentons Road Project comprises the following three stages:</p> <ul style="list-style-type: none"> • Stage 1 was to install an asphalt overlay, shoulder seal and install guardrail to improve the condition of and safety along Loders Road and was completed in February 2018. 	 On Track

	<ul style="list-style-type: none"> • Stage 2 is the construction of a roundabout at the intersection of Bentons Road/Derril Road and is nearing completion with an estimated end in August 2018. • Stage 3 is the widening of Bentons Road as the current road width is not sufficient for such an important road on the local road network. Design is currently underway which includes widening to improve safety and full reconstruction of sections of the road following the damage caused by the construction of Peninsula Link. <p>Two Bays Road is another project that has been identified under Road to Recovery due to ongoing concerns about drainage, the condition of the road and safety along the road. Two Bays Road is a key corridor for motorists and cyclists and as such was identified as a high priority site for upgrade under the Roads to Recovery Program. The project comprises the following proposed works:</p> <ul style="list-style-type: none"> • Widening of the roadway up to an additional metre. • Kerbing on the north-western side of the road (high side). <p>Additional signage and line marking to improve road safety for motorists and cyclists.</p>	
Deliver the Safer Local Roads contracts to maintain and improve the local roads condition	A renewal program has been adopted for the 2018/2019 capital works program.	 On Track
Continue to pursue implementation of the 'Towards Zero Municipality Initiative'	Strong community support has been received for addressing the Shire's highest crash risk residential areas following a comprehensive community consultation period. Delivery has been initiated in Dromana, Rosebud and Hastings with a detailed design program for traffic calming and intersection treatments. As part of the crash reduction measures, approval has also been sought from VicRoads for 40 km/hr area speed zones throughout the residential areas in these townships. A funding submission for more innovative safety proposals has been placed with the Safe Road Infrastructure Program (SSRIP) for more cost effective compact roundabouts to address high crash risk intersections and towards a 'Safe place streets' initiative to increase safety for pedestrians and cyclists in the towns local neighbourhoods.	 On Track
Revise and implement the Road Management Plan in accordance with legislative requirements	The Road Management Plan was amended and compiled following community consultation ensuring the Shire's approach to managing the peninsula's road network is in line with community expectations. The Plan will assist the Shire in ensuring its road network is a safe and effective travel medium for the community. Council adopted the amended Road Management Plan on 22 May 2018 and the adoption of the amended Plan was Gazetted on 7 June 2018. The Shire's website has now been updated with the amended Road Management Plan Version 4.	 Complete

Complete and implement the Road Improvement Strategy	<p>Mornington Peninsula Shire's Traffic & Transport and Asset Management teams have collaborated with the Australian Road Research Board (ARRB) to develop a Road Improvement Strategy for the Shire. The Road Improvement Strategy is a major initiative of the Our Peninsula 2021 council plan and aims to ensure that the standard and safety of the Shire's higher function local road network meets the transport needs of residents, businesses, visitors and public transport. It will assist to deliver road improvements that meet community expectations through a coordinated and integrated approach, incorporating community views and concerns. The strategy will also ensure appropriate funding allocation by providing a prioritised Road Improvement Program which is derived from regularly updated data on road safety, transport and road condition. The program will assist decisions for funding the highest needs on the road network. The weighting of each criteria has been determined from community surveys to ensure the strategy reflects the community's views of highest priorities. The final prioritisation of the program also considers coordination with other Shire road related programs, benefit-cost analysis and potential for successful external funding applications. The draft Road Improvement Strategy was placed on public exhibition in May 2018. Community feedback on the strategy has been collated and an updated Road Improvement Strategy will be presented to Mornington Peninsula Shire's Council in mid-2018 to seek formal adoption of the strategy.</p>	 On Track
Continue to construct Local Area Traffic Management treatments	<p>Investigations into the vehicle speeds on Booran Parade in Tootgarook and Rainier Avenue and Palmerston Avenue in Dromana identified a large volume of vehicles exceeding the 50km/h default speed limit on these roads. In an effort to improve road safety and amenity, Council funding was allocated in the 2017/18 year budget for two LATM projects for traffic calming treatments works on:</p> <ul style="list-style-type: none"> • Booran Parade in Tootgarook; and • Rainier Avenue and Palmerston Avenue in Dromana. <p>As part of the traffic calming works, three raised safety platforms were installed on Booran Parade and three sets of speed cushions were installed on Rainier Avenue. Line marking was also installed on Rainier Avenue in Palmerston Avenue to improve delineation for road users. These two LATM projects were completed in December 2017.</p>	 On Track
Revise and implement the Footpath Construction Strategy	<p>The Draft Pedestrian Access Strategy was approved by Council for public exhibition on the 24 April 2018. The eight-week consultation period included drop in sessions in each ward, online feedback, and face to face surveys.</p>	 On Track

Plan and advocate for the construction of our key bay trail and inland trail missing links	<ul style="list-style-type: none"> The Shire has been working on the key missing link sections of Bay Trail to bring them to a shovel ready position where we have been advocating for external funding opportunities. Cultural Heritage Investigations and Stage 1 of the Vegetation assessments have been completed for the Mornington to Moorooduc Trail along the Mornington Tourist Railway. Stage 2 Vegetation Assessment will be completed in November 2018, in line with Australian Government guidelines. Cultural Heritage Management Plan works have been completed for the missing link sections of Bay Trail at Blairgowrie and potential alignments have been identified in consultation with the White Cliffs Foreshore Committee. Concept design options are anticipated to be completed in September 2018, with community consultation to follow. The Shire will also be working on an advocacy plan in order to identify the best way to progress the Bay Trail to construction through external funding opportunities. 	 On Track
Provide accessible coastal paths and bay trails to promote inclusive activities for people of all abilities and ages	In accordance with the Disability Inclusion Plan, the Draft Pedestrian Access Strategy has identified key foreshore locations in the Shire and has developed principle pedestrian network maps, which aim to provide all abilities access through the construction of footpaths and complementary pedestrian infrastructure to these key locations. The Shire has also maintained the sections of Bay Trail and pathways within Shire's responsibility in accordance with the Road Management Plan.	 On Track
Continue to support the work of Peninsula Transport Assist	<p>Peninsula Transport Assist (PTA) continues to provide volunteer assisted community transport to all transport disadvantaged people in the region. An average of 310 vulnerable people per month are transported to medical appointments, social inclusion events and other engagements using volunteer drivers. A wide variety of users are accessing the MPS community buses.</p> <p>As part of the FY19 Budget, financial support to PTA has increased. This includes funding for a 'hardship fund' to assist in connecting the most vulnerable in our community to vital services.</p>	 On Track

Services funded in the 2017-18 Budget






Service area	Description of services provided	Net Actuals Net Budget Variance \$000
Parking Enforcement	Regulate the parking and use of vehicles in the municipality in compliance with the <i>Road Safety Act 1986</i> , Road Safety Road Rules 2009 and <i>Infringements Act 2006</i> .	Actuals 99 Budget 195 Variance (96)
Road and Pathway Maintenance	Maintain the sealed and gravel road network across the Shire, ensuring a safe environment for road users whilst complying with Council's Road Management Plan.	Actuals (11,458) Budget (10,397) Variance (1,062)
School Crossings	To ensure the safe crossing of children at identified high-risk locations through the management of traffic at these sites.	Actuals (1,235) Budget (1,296) Variance 61
Transport and Traffic Management	To effectively manage Traffic and Transport within the Shire through strategies, plans and programs to improve road safety, road infrastructure and transport services. Includes the delivery of statutory requirements relating to traffic and transport for Council.	Actuals (809) Budget (717) Variance (92)






Services performance indicators






	Results	Results	Results	Results	Material Variations and Comments
Service/indicator/measure	2015	2016	2017	2018	
Roads					
Satisfaction of use					
R1 Sealed local road requests	88.41	73.88	73.79	82.21	A 23% rainfall increase over the year saw total requests increase against FY17.
[Number of sealed local road requests / Kilometres of sealed local roads] x100					
Condition					
R2 Sealed local roads maintained to condition standards	98.00%	99.85%	99.78%	100.00%	Works Program is 100% complete.
[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100					
Service cost					
R3 Cost of sealed local road reconstruction	\$37.02	\$39.08	\$49.19	\$70.06	Increased costs were driven primarily by major projects in Q2 (including Browns Rd, Rye and 1.4km of roads constructed through wetlands) whereupon additional pavement-depth and -

						strength were required to ensure road longevity.
	[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed] Service Cost					
R4	<i>Cost of sealed local road resealing</i>	\$11.32	\$9.50	\$11.14	\$8.14	The cost of sealed local road resealing has decreased due to predominately cheaper residential spray sealing being successfully utilised.
	[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed] Satisfaction					
R5	<i>Satisfaction with sealed local roads</i>	58.00	55.00	54.00	53.00	Although this result has declined over the four-year period, other relevant results, included in the Report of Operations ('sealed local road requests' and 'sealed local roads maintained to condition standards'), have improved over the same period. This measure is based on community perception and it is recognised that it is not easy for the community to differentiate between roads controlled by Council and those controlled by VicRoads.
	[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]					

Our Prosperity

Major Initiatives to 2021	Progress in FY18	FY18 Status
Promote business participation in employment program opportunities for all citizens	Government initiatives including grants and training programs have been promoted widely through individual business meetings and the dedicated business e-newsletter. These included the FMP Career Expo, RMIT Business Placement programs, career information sessions, Jobscan, the Employment Assistance Fund, and creative kickstart programs. Council also worked with Rosebud Secondary College for their jobs 'ute muster'.	 On Track
Promote education pathways that lead to employment	<p>Council's Economic Development team undertook promotion of pathways that lead to employment through a number of activities:</p> <ul style="list-style-type: none"> • Presentation to Rosebud Secondary College VCAL students. • Supported the annual VCAL Cook Off that links students with regionally renowned local chefs. • Participation in the Careers Ute Muster. <p>Supported the FMPLENN Careers Expo.</p>	 On Track
Provide workshops to enhance business capability	Thirty business workshops/forums were held throughout the year with 753 participants. Specific highlights were the inaugural Mornington Peninsula Food Forum with 135 attendees which aimed to enhance learning on agribusiness and the MP Regional Industry Update with 100 attendees.	 On Track
Support policy in relation to the Port of Hastings	The Victorian Government received advice from Infrastructure Victoria on Future Ports Capacity in late 2016/17; to which Council had made a formal submission. Over FY18, the Victorian Government considered its response to Infrastructure Victoria's advice which came in July 2018 in the form of the Victorian Freight Plan which, in turn, set out a 1-5 year timetable to prepare a comprehensive Victorian Ports Strategy. Council will continue to actively perform its role as a major stakeholder in the Port of Hastings proposal and in the development of the Victorian Ports Strategy.	 Ongoing
Support the Mornington Peninsula Regional Tourism Board to promote the region as a year round destination for all	<ul style="list-style-type: none"> • Official Touring and Trails Maps printed and distributed, showcasing 300 businesses. • Launch of the "I am" campaign showcasing various people and their stories that work within the industry to create a greater connection with consumers. • <i>Getaway</i> and <i>Postcards</i> television programs featured Mornington Peninsula as a destination and highlighted several businesses. • Seasonal Campaigns were implemented promoting the different activities and experiences to be had throughout the whole year. 	 Ongoing

	<ul style="list-style-type: none"> A new Beers, Ciders and Spirits Trail map was developed and distributed promoting the growing number of local businesses. 	
Increase industry participation in the business conferencing and events sector	<ul style="list-style-type: none"> The Business Events Planner Guide was developed and promoted to conference organisers. Business Events Mornington Peninsula participated in the Business Events Victoria Showcase promoting the region to 250 delegates. 	 On Track
Develop and support niche commercial, coastal and hinterland sectors and products	<p>Agriculture Victoria and Mornington Peninsula Vignerons Association (MPVA) with support from Economic Development are conducting a three-year region-wide survey of vineyards to determine the presence, or absence, of Phylloxera.</p> <p>Support was also provided on a number of activities such as:</p> <ul style="list-style-type: none"> International Cool Climate Wine Show. Mornington Peninsula Hackathon. Green Wedge Summit. BiteCon: aimed as a micro business in enhancing their knowledge of technology. Peninsula Business Awards. 	 On Track
Continue to implement the Local Food Strategy	Regular meetings and feedback sessions were held with the Food Industry Advisory Body. Development of MP Artisan is almost complete and is expected to be submitted for approval early 2019.	 On Track
Advocate to enhance the productivity of our region throughout the Bunyip Food Belt	Council has been advocating quite broadly for enhanced infrastructure to support access to recycled water and has been working closing with South East Water and the Integrated Water Management Groups.	 On Track
Support the agritourism industry on the peninsula	<p>The Mornington Peninsula Food Forum, held on 24 April 2018, featured Agritourism as one of the three key topics for the day. Guest speakers from local and further afield shared real-life stories of success and failure in the agritourism space enabling the audience a unique insight into the workings of a successful agritourism venture.</p> <p>Economic Development worked closely with Agriculture Victoria in June to hold an Artisan Agriculture workshop. The workshop was held to get business input into the recently announced \$2M Artisan Agriculture program by the Victorian Government.</p> <p>Council also continued to distribute and promote the MPP get fresh at farm gate map which features farm gates across the Peninsula.</p>	 On Track

Support and further the strategy for the MPP Produce branding and Food Advisory Boards	<p>There are over 50 businesses now signed up to use the MPProduce Brand, which was showcased on the 'Fresh at Farm Gate' maps with 19,000 copies distributed within the Shire. Additional marketing activities have been promoted throughout the year via:</p> <ul style="list-style-type: none"> • MPProduce website • Newsletter, with 1080 subscribers • Instagram, with 1151 followers <p>Facebook, with 322 followers</p>	 On Track
Provide skills development and support to food economy businesses, including our agriculture, agritourism and value-added food production sectors	<p>Mornington Peninsula Shire and the Food Industry Advisory Board, with additional support from the Western Port Catchment Landcare Network and Sustainable Table, hosted the Mornington Peninsula Food Forum; 135 people attended, comprised of new and established growers, retailers, makers, and stakeholders. Mornington Peninsula Shire hosted the annual Women on Farms Gathering in March, which has been held in different Victorian regions since 1990. This Gathering provides opportunities for women to come together, to network, share experiences, develop skills and undergo personal development and growth.</p>	 On Track
Support rural business through networking and industry development	<p>The 2018 MP Food Forum was a major event for the year and an important industry development activity for the food industry which facilitated significant networking.</p>	 On Track
Foster and encourage agriculture and promote the Mornington Peninsula's rural sector	<ul style="list-style-type: none"> • Council continues strong advocacy for recycled water access to the Peninsula farming community. The Green Wedge summit on 22 June 2018, and continued Green Wedge advocacy, are significant way in which Council promotes the importance of Mornington Peninsula's rural sector. • Council continues to work with the Mornington Peninsula Vignerons Association on the implementation of the Phylloxera Exclusion Zone (PEZ) project. • Council once again supported the International Cool Climate Wine Show (ICCWS) in May. 	 On Track
Develop and grow local business, including agritourism and intensive agriculture	<p>Two Market Gardeners Discussion Groups were held to help develop the sector. And two small rural landholders discussion groups were held with Western Port Catchment Landcare Network to develop farm management skills.</p>	 On Track

Services funded in the 2017-18 Budget





Service area	Description of services provided	Net Actuals Net Budget Variance \$000
Economic Development	To support the business community by improving productivity and capability, enhance employment growth, support the diversification of the local economy and undertake collaborative projects with business, government, service providers and regional bodies. Also provides timely, accurate and appropriate information and advice to the community, businesses and current and potential investors.	Actuals (731) Budget (784) Variance 53
Tourism Marketing	Enhance, facilitate and promote existing and new experiences through the quality and diversity of the region. Ensure marketing reflects the diverse visitor appeal of the region and build on shoulder and off-season visitation throughout the whole region. Build capacity, professionalism and improved coordination within the sector by facilitating and growing strategic local and regional tourism partnerships.	Actuals (743) Budget (606) Variance (137)




Services performance indicators




	Results	Results	Results	Results	Material Variations and Comments
Service/indicator/measure	2015	2016	2017	2018	
Governance					
Transparency					
G1 Council decisions made at meetings closed to the public	10.00%	13.09%	7.98%	7.92%	The reduction in decisions made at meetings closed to the public can be attributed to Council's continuous efforts for transparency and open proceedings. The main change over the four-year period has been in relation to contracts for capital works; previously heard in camera, now determined in public. Where appropriate, resolutions made in closed meetings are released and included in the Council Minutes.
[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				
	Consultation and engagement				
G2	<p><i>Satisfaction with community consultation and engagement</i></p> <p>59.00</p> <p>Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement</p>	55.00	52.00	57.00	<p>Over the past 12 months, Mornington Peninsula Shire has worked hard to improve and strengthen our community consultation processes.</p> <p>This has involved a number of strategies including increasing the number of ways that people can engage with Council staff and provide feedback. Our suite of engagement channels and opportunities includes – social media, online, face-to-face meetings, drop-in sessions, customer service offices (Rosebud, Mornington and Hastings), Shire publications, local media and a broad geographic spread of shire activities and engagement sessions.</p> <p>There remains an ongoing focus to incorporate community consultation from the early stages of the development of all major projects.</p>
G3	<p>Attendance</p> <p><i>Councillor attendance at council meetings</i></p> <p>88.00%</p> <p>[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</p>	87.60%	89.51%	88.46%	



Service cost					
G4	<i>Cost of governance</i> [Direct cost of the governance service / Number of Councillors elected at the last Council general election]	\$55,206.39	\$58,484.18	\$51,146.09	\$53,542.64
Satisfaction					
G5	<i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	57.00	56.00	52.00	53.00




Our Wellbeing		
Major Initiatives to 2021	Progress in FY18	FY18 Status
Implement the Municipal Public Health and Wellbeing Plan	<ul style="list-style-type: none"> Council adopted the 2017-2021 Municipal Public Health and Wellbeing Plan at its meeting of 24 October 2017. The annual plan and report will be completed by 31 October 2018. 	 On Track
Undertake the Community Houses and Centres Study	The draft report for the Community House Review has been completed. It is scheduled to go to a Council Briefing on the 18 September.	 On Track
Support the Best Bites Program	<p>Mornington Peninsula Shire's food awards program, Best Bites, assesses local food businesses on measures they are taking to provide safe and healthy food, demonstrating environmentally sustainable business practices and providing safe and accessible food premises. Businesses that meet the requirements will be featured in the Best Bites Food Guide and are eligible for the Best Bites Food Awards: all local food businesses can take part in Best Bites.</p> <p>The program is supported by a steering committee of food businesses, consumers, traders groups and representatives from Peninsula Health, All Abilities Consultative Committee, Western Port Biosphere Reserve, Monash University, Mornington Peninsula Produce and Sustainability Victoria.</p> <p>The 2018 Best Bites Food Guide - which lists more than 400 local food businesses serving safe, healthy and sustainable food – was launched in December 2017 and is available free from Shire customer service centres, libraries and tourism centres and online as a searchable directory on the Shire's web site. Nominations remain open to local food businesses for the 2019 Best Bites Food Guide, to be launched in November 2018.</p>	 On Track
Implement the Positive Ageing Strategy	The current Positive Ageing Strategy: A Community for All Ages 2013-2018, is in its final year. Teams across the Shire continue to work to achieve the actions within the Strategy, with a final review of the current Strategy scheduled to commence in October 2018. Cr Celi presented the Positive Ageing Community Summit report at the Council meeting on 22 May 2018 and the Delys Sargeant Age-Friendly Award winners and finalists will be presented at the Community Council Meeting on 28 August 2018.	 On Track











<p>Upgrade preschool facilities and implement works from the Kindergarten Strategy</p>	<p>The Mornington Peninsula Shire undertook the following in 2017/18:</p> <ul style="list-style-type: none"> Completed upgrade works to Waterfall Gully Preschool to provide improved early learning facilities for future generations. Completed the construction plans to upgrade and expand the Dromana Preschool. Works are scheduled to be undertaken during December 2018-February 2019. Completed the construction plans to upgrade the Dromana Maternal and Child Health Centre and integrate it with the neighbouring Dromana Preschool as a single Early Years facility for families. Commenced planning to upgrade Balnarring Preschool. Upgraded the 2 children's bathrooms at Black's Camp Preschool, Somerville. In partnership with Mount Martha Preschool, renewed & upgraded the children's bathroom and completed designs for a replacement kitchen. Supported numerous Preschools with grant submissions through the State Government's Inclusive Kindergartens Facilities Program, Minor Infrastructure Improvement Program and Early Learning Facility Upgrade Program. Successfully applied for and received \$200,000 to assist with implementation of the Dromana Preschool Upgrade & Expansion project through the Growing Suburbs Fund. Supported Mornington South Preschool with engaging and architect and planning for an outside Pergola addition to their building to expand on their program delivery at the Preschool and provide outside experiences year-round. Other minor projects in partnership with and as requested by Preschool Committees. 	 On Track
<p>Complete and enact the Early Years Plan</p>	<ul style="list-style-type: none"> It is expected that the draft Early Years Plan be approved by Council to go on public exhibition around May 2019. The Early Years Plan will capture children and young people from birth to 25 years 	 On Track
<p>Implement the Child Safe Policy and initiate appropriate actions to meet requirements under the 'child safe' legislation</p>	<p>Mornington Peninsula Shire is a leading council in its commitment to a Child Safe workplace. While many Councils now require all new employees to hold a Working with Children's check prior to commencement, MPS has extended this requirement to all current employees. This requirement is also rolling out to volunteers and contractors.</p> <p>Standard 5 of the MPS Code of Conduct – Child Safety affirms Councils commitment to Child Safety and outlines the requirement for both Police and Working with Children's checks. The Child Safe policy further strengthens this requirement.</p> <p>The new Employment Checks Policy No. 4.35 has also recently been adopted by Executive. Council's previous Police Checks Policy was completely rewritten to include</p>	 On Track

	<p>further pre-employment and ongoing employment checks, including Working with Children Checks (WWCC) and other legislative requirements.</p> <p>Our recruitment processes and employment information for potential candidates has now been fully updated to ensure all new employees hold a valid Working with Children's Check, resulting in 100% compliance since implementation.</p> <p>MPS has 100% compliance in all direct contact roles. Compliance for all other employees has reached over 78%. All Executive Team members hold current Working with Children's checks or are actively undertaking the process.</p> <p>Police Checks have been in operation for many years and are a fundamental step of the Employee Recruitment Process. All new employees must have – and do – have a clear Criminal History Check before commencement.</p>	
Develop a Youth Services Strategy	<p>Preliminary work has commenced on this in 2017/18 with the development and implementation of a Youth Participation Framework which provides active opportunities for local young people to be involved in community decision-making processes on issues that affect them. Currently Youth Advisory Groups are being recruited to steer the implementation of this framework. In 2019 it is envisaged that the formal community consultation process will begin as the initial stage of developing a Youth Strategy.</p>	 On Track
Implement the Communities That Care Healthy Neighbourhoods Schools Survey	<p>In term 2 and 3 2018, the Communities that Care (CTC) Survey has been completed in 11 Secondary School and 4 Primary schools across the Mornington Peninsula.</p> <p>The Communities That Care process uses an early intervention and prevention framework to guide communities towards understanding their local needs, identifying and setting priorities, and implementing effective evidence-based strategies to address those needs. The CTC survey results will provide insight to better understand the current health and social issues facing young people on the Mornington Peninsula.</p>	 On Track
Support and implement programs and services for parents and families	<p>There are many programs and services the Mornington Peninsula Shire supports and makes available to parents and families, such as:</p> <ul style="list-style-type: none"> • Maternal and Child Health; • Immunisation, • First Time Parent groups, • Family Day Care, • Kindergarten Registration, • Youth Service, • Best Start Partnership, • Supported Playgroups, • Social Planning and Community Development • Health and Wellbeing, • Disability Inclusion, • Walk to School program 	 On Track

<p>Support and implement preventative and awareness programs to support families and impact on rates of family violence</p>	<p>Achieved through:</p> <ul style="list-style-type: none"> • Planning, implementation and evaluation of evidence-based health promotion initiatives aimed at preventing violence against women and their children e.g. Baby Makes 3 for first time parents which is aimed at preventing family violence by focusing on gender equity with the first sessions commencing in September 2018. • Participation in relevant stakeholder and community led family violence and gender equity networks and forums (e.g. – WHISE Preventing Violence Together Community of Practice; Frankston Mornington Peninsula Family Violence Network; Westernport Respectful Relationships Committee) • Participation in and promotion of local, regional, state-wide and national events that promote the prevention of violence against women (e.g. – International Women’s Day; White Ribbon Day; 16 Days of Activism) • Delivery of relevant training for Shire staff, stakeholders and community members on promoting gender equity and responding to family violence. • Supporting sport and recreation settings to encourage women’s participation and challenge harmful gender stereotypes. Ensure buildings and facilities are designed to include considerations for women’s participation. • Education of Child and family Health team on the purpose of the additional funded family violence consultation in the MCH program. • Contributing to the Family Safe Victoria workshops on implementing the Royal Commission findings. 	 On Track
<p>Support and implement strategies and outcomes in the Disability Action Plan</p>	<ul style="list-style-type: none"> • Development of 2018-2022 Disability Inclusion Plan (DIP). DIP draft plan on exhibition between 15 Aug to 14 Sep 2018 at which point the DIP plan will be brought to Council 9 Oct 2018 for endorsement. • Footpath construction undertaken in commercial key activity areas. Development of draft Pedestrian Access Strategy will prioritise access in future footpath planning and development. • Installation of accessible drinking fountains across townships. • Review of strategic planning documents to incorporate provision for all ability access. • Ongoing implementation of Council’s Scooter RECHARGE scheme, with 24 recharge sites available across the peninsula. Brochure developed and ready to print. • Update and dissemination of Mobility Maps for key townships. • Implementation of Beach Matting and beach wheelchairs to increase access at Mount Martha beach. 	 On Track

	<ul style="list-style-type: none"> • Handover of Sexual Lives and Respectful Relationships project to South East Centre Against Sexual Assault (SECASA). • Employment of person with intellectual and physical disability as a Council employee. • Delivery of 'All Abilities' Day event to support International Day of People with a Disability at Civic Reserve. • Delivery of Outcrop Arts program from DHHS funding, including art and music workshops and purchase of arts equipment, musical instruments and a shipping container at The Corner youth services in Mornington. • Delivery of four 'All Abilities' Discos at The Corner youth centre. • Distribution of monthly Metro Access E-Bulletins. • Delivery of National Disability Insurance Scheme (NDIS) Forum and relevant information provision about NDIS across the organisation. • Review of and recruitment of new members to the Shire's All Abilities Consultative Committee (AACC) with 4 new members recently recruited. • The AACC report, together with the 2018-2022 Disability Inclusion Plan, will go to Council 9 Oct 2018. • Highlights of the AACC: <ul style="list-style-type: none"> ◦ Reviewed and provided feedback on Shire draft strategic planning documents and major capital works plans, such as the Rosebud Pool. <p>Made submission to United Nations regarding Convention on the Rights of Persons with a Disability.</p>	
Continuous implementation of arts projects and initiatives for all ages and abilities	A full program of projects and initiatives continued including MPRG exhibitions Play On, Propaganda and Andrew Hazewinkel. McCulloch Street mural project completed and grass drawing project at Hastings involved many Community members. Commenced Green Wedge Paint Out exhibition.	 Ongoing
Continue to implement the Mornington Peninsula Shire's Reconciliation Policy and Action Plan	<ul style="list-style-type: none"> • Desktop review of the RAP completed April 2018. • All community consultations (Rosebud and Hastings) have been completed (by May 2018) which included the local community, Victorian Aboriginal peak bodies and Traditional owner groups and Aboriginal community controlled organisations such as Willum Warrain and Baluk Arts. • Youth consultations created "The Indigenous Hip Hop project" which will be a "RAP for the RAP" This is expected to take place in October 2018. • Reconciliation Action plan – work is underway and is due for completion by the end of September with final RAP due by 31 October 2018. • Consultant remains in regular contact with Reconciliation Australia to ensure RAP compliance. • An Aboriginal graphic design company will be engaged to design artwork for the RAP and RAP initiatives. 	 On Track

Continue to work with partner agencies to update the Municipal Emergency Management Plan	<p>The refining of the MEMP has continued throughout FY18. This year the following Sub Plans and Community Emergency Risk Assessments have been updated:</p> <ul style="list-style-type: none"> • Risk Assessments • Transport Accident Risk • Bushfire Risk • Thunderstorm Asthma Risk • Sub Plans <ul style="list-style-type: none"> ○ Animal Welfare ○ Hazard Trees ○ Hazard Trees • Extended version (includes traffic hazards and fire damage) • Bushfire Places of Last Resort (Neighbourhood Safer Places) <p>The MEMP is completely reviewed every three years and is due this year. The process has commenced with a pre-audit analysis and amendments that will ensure the plan continues to reflect current response and recovery standards. The process will be completed by December.</p>	 On Track
Build a pool for the community of the Southern Peninsula	<p>Council committed to the build of the Rosebud Aquatic Centre at its meeting of 12 December 2017. Community Information session for Rosebud Aquatic Centre were held on 28 May 2018; stakeholder sessions for Rosebud Aquatic Centre was held on 8 June 2018. Sport and Recreation Victoria grant application lodged 25 June 2018.</p>	 On Track
Implement the Playspace Strategy	<p>The Playspace Strategy is in its implementation stage with some significant projects completed in 17/18. These include playspaces created in the following reserves:</p> <ul style="list-style-type: none"> • Lawson Reserve, Rosebud • Clarendon Reserve, Somerville • Babington Reserve, Hastings • Citation Reserve, Mount Martha. <p>Design and construction of a new playground in Cape Schanck was delayed following consultation with the Bunurong Land Council Aboriginal Corporation who are not supportive of the proposed Blacks Camp Reserve site on Cape Schanck Rd. No mutually agreed alternative sites have been identified to date. Funding is proposed to be carried forward into the 2018/19 financial year. Council's 18/19 budget includes \$490,000 for Playspace Strategy design and construction.</p> <p>Projects included are:</p> <ul style="list-style-type: none"> • Construction of Pine Grove • Shoreham Construction of John Butler Reserve • Mt Eliza Construction of Romney Park • Tootgarook Construction of Bunguyan Reserve • Tyabb Modifications to Jetty Road, Rosebud Design of Hillview Reserve • Dromana Design of Tolhurst / Osborne Reserve • Mt Martha Design of Robertson Park, Balnarring Beach 	 On Track

Implement the Sports Capacity Plan	A first draft of the Sports Capacity Plan was presented to Councillors on 19 June 2018. The draft plan provides a strategic approach to the current and future provision of sporting fields across the peninsula, including upgrade of existing facilities, opportunities to facilitate community use of school sporting facilities and potential options for land acquisitions. A series of planning area-based workshops with Councillors is planned for August 2018 to provide further details about the process that has informed the Capacity Plan recommendations. This will be followed by a revised draft being presented to Council seeking its approval for a period of public exhibition.	 On Track
Identify, support and develop major events within the municipality to raise awareness for health and wellbeing issues	Work is being conducted on the development of an Events Policy to ensure events within the municipality meet this major initiative more effectively.	 On Track
Rehabilitate Shire ovals to ensure they are capable of meeting the usage demands of the community	A \$200,000 rehabilitation program was included in the 2018/19 Budget to continue to invest in capital improvements to meet increasing demand. Delivery of the program will be programmed based on consultation with user groups and existing priorities.	 On Track
Undertake an audit of existing sports field lighting and develop a new program	Council has recently undertaken an audit of all existing sports field lighting in the Shire. This information is being used to inform the development of a new lighting program that will ensure compliance with lighting standards for relevant sporting codes.	 On Track
Review and implement the Sports Pavilion Strategy	Officers have commenced audits of existing sporting pavilions to assess condition and functionality. These audits will be used to inform a future replacement program. The Draft Sports Capacity Plan also provides detailed facility standards that align with State Sporting Association guidelines for pavilion provision (room sizes, accessibility and functionality requirements).	 On Track
Following major refurbishments in 2016, continue to update library assets and resources	<ul style="list-style-type: none"> \$1M of library books were purchased throughout the year New furniture has been purchased to replace worn items in some of the libraries. 	 Ongoing
Implement the Arts and Culture Plan	A new Arts and Culture Plan is being developed in consultation with the Arts and Culture Advisory Panel and is expected to be completed by June 2019.	 On Track
Investigate options for the development and siting of a Mornington Peninsula regional gallery	Formed a working party to develop a capital works project proposal.	 On Track
Continue digitisation program and presentation, and interpretation of material culture and stories of the Shire	Continued to roll out very strongly with thousands of records catalogued. Draft Local History Development Plan to Council Briefing.	 On Track
Carry out stage improvements to the Peninsula Community Theatre	Six stage risers were purchased in July 2017 to improve the PCT stage with community groups using them to enhance their performances / presentations.	 On Track

Services funded in the 2017-18 Budget

Service area	Description of services provided	Net Actuals <u>Net Budget</u> Variance \$000
Aboriginal Cultural Heritage Management & Community Development	The service is provided to implement the Council Reconciliation Action Plan (RAP) 2016 – 2018, and the new RAP currently under development which identifies Council's commitment to support the traditional and local Aboriginal community through community development, social support and heritage management that reflects current social, cultural, legislative and political contexts.	Actuals (191) <u>Budget (241)</u> Variance 50
Active and Passive Open Spaces Maintenance	To provide the wider Community the opportunities and the facilities for recreational and entertainment based sporting programs, competitions and activities. Also includes open and passive reserves across the Peninsula.	Actuals (5,958) <u>Budget (5,973)</u> Variance 15
Aquatic and recreational facilities	To provide the wider Community the opportunities and the facilities for recreational and entertainment facilities. Also includes the Mornington Peninsula Golf course.	Actuals (2,966) <u>Budget (1,788)</u> Variance (1,178)
Arts and Culture	To provide a culturally enriching experience for the community and visitors to the Mornington Peninsula through arts and culture offerings.	Actuals (1,415) <u>Budget (1,584)</u> Variance 168
Child and Family Health	To enhance child health, wellbeing, development and safety, whilst supporting parents to improve family functioning. The aim is to build stronger, more resilient families and communities.	Actuals (1,140) <u>Budget (1,232)</u> Variance 91
Community Development and Capacity Building	Address economic and social disadvantage through a community consultation process that identifies priority projects, programs, events and initiatives.	Actuals (630) <u>Budget (653)</u> Variance 22
Communication, Media & Events	To ensure the community is kept informed across major projects and our events; and to act as a platform that brings our community together, celebrating arts, culture and diversity and to attract tourists to the region.	Actuals (2,050) <u>Budget (2,089)</u> Variance 39
Education and care	To provide a high quality and flexible childcare options, provide a central registration process for children attending (3 year and 4 year old) kindergarten, provide high quality child care during the school holiday periods and facilitate Supported Playgroups.	Actuals (230) <u>Budget (143)</u> Variance (87)
Emergency management	To comply with the Emergency Management Acts of 1986 & 2013; provide statutory roles of Municipal Fire Prevention Officer (MFPO), Municipal Emergency Resource Officer (MERO) and Municipal Recovery Manager (MRM); operate in accordance with our Mornington Peninsula Municipal Emergency Management Plan.	Actuals (179) <u>Budget (257)</u> Variance 78
Grants program	To provide advice on accessing Council grants to community groups and not-for-profit organisations to support projects, programs and services that respond to identified community need.	Actuals (1,412) <u>Budget (1,493)</u> Variance 81
HACC- Aged & Disability Services	To provide support and community transport to older residents over 60, and residents with a disability: with the aim to improve their accessibility and social connectedness to their community.	Actuals (200) <u>Budget (184)</u> Variance (17)

HACC- Delivered Meals	Meals on Wheels ensures older people, people with disabilities, and their carers who are nutritionally at risk, have access to healthy meals and provides a daily welfare monitoring service. It also delivers much needed social interactions for clients who are socially isolated.	Actuals (457) <u>Budget (444)</u> Variance (13)
HACC Unit assessment service	To provide a broad understanding of a person and their carer's needs, in order to assist the person to manage their individual health and well-being expectations.	Actuals 125 <u>Budget 55</u> Variance 69
HACC- Home Based Services	Home Based Services provides minor household maintenance, domestic and personal care to frail older people, people with disabilities and respite care to their carers so they can continue to live safe and active lives, independently in their own home.	Actuals (3,745) <u>Budget (3,614)</u> Variance (131)
HACC- Senior Citizens	Council demonstrates its support for older residents through the provision of an age friendly community and providing a subsidised venue for seniors groups that offer regular activities (both physical and mental) for social interaction.	Actuals (317) <u>Budget (305)</u> Variance (11)
Health and wellbeing	The <i>Public Health and Wellbeing Act 2008</i> requires local governments to develop Municipal Health & Wellbeing Plans. Each council's approach and strategy is documented in their Municipal Public Health and Wellbeing Plan (MPHWP). The MPHWP sets the broad mission, goals and priorities to enable people living in the municipality to achieve maximum health and wellbeing.	Actuals (340) <u>Budget (374)</u> Variance 33
Libraries	Provide a free lending library and information service to the community. Service aim is to deliver equitable access to the community to meet lifelong educational, informational and recreational needs through the provision of print and digital based resources in a variety of formats; i.e. collection services, e-resources and interactive learning programs.	Actuals (2,710) <u>Budget (2,990)</u> Variance 280
Recreation Development & Support	To provide sports and recreation facilities that are risk free, compliant and meet the expectations of the community and that are fit for purpose, welcoming to all genders and abilities.	Actuals (367) <u>Budget 127</u> Variance (494)
Youth Services	Through support, empower young people to feel happy, healthy and connected.	Actuals (1,462) <u>Budget (1,470)</u> Variance 8

Services performance indicators

Service Performance Indicators		Results	Results	Results	Results	Material Variations and Comments
Service/indicator/measure		2015	2016	2017	2018	
Aquatic Facilities Satisfaction						
Service standard						
AF2	<p><i>Health inspections of aquatic facilities</i></p> <p>[Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]</p>	2.00	2.00	1.50	3.00	In FY18—a year in which the Shire was transitioning to a new provider—a target of six inspections (four at Pelican Park; two at Crib Point) was set and achieved.
AF3	<p>Health and Safety</p> <p><i>Reportable safety incidents at aquatic facilities</i></p> <p>[Number of WorkSafe reportable aquatic facility safety incidents]</p>	0.00	0.00	0.00	0.00	No reportable safety incidents.
Service cost						
AF4	<p><i>Cost of indoor aquatic facilities</i></p> <p>[Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]</p>	\$2.72	\$3.82	\$4.87	\$5.18	The management of the indoor aquatic facilities was transferred from the Shire to Belgravia Leisure on 30 October 2017. Whilst direct costs have reduced year on year (11%), an unintentional overstatement of historical attendance figures due to a software fault (discovered during the year), resulted in a 16% decrease in reported attendance figures from FY17, which negatively impacted the cost calculation. The previous software has been replaced in the transition to the new provider.

Service Cost					
AF5	<i>Cost of outdoor aquatic facilities</i> [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]	\$14.00	\$12.65	\$13.20	\$12.33
Utilisation					
AF6	<i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	1.81	1.76	1.62	1.35
An unintentional overstatement of historical attendance figures due to a software fault was discovered this year, resulting in a 16% decrease in reported attendance figures from FY17. Inclusion of those historical overstated figures would have seen a result similar to FY17, and within materiality threshold. The previous software has been replaced in the transition to the new provider.					
Food Safety					
Timeliness					
FS1	<i>Time taken to action food complaints</i> [Number of days between receipt and first response action for all food complaints / Number of food complaints]	0.00	2.19	2.65	3.01
Service standard					
FS2	<i>Food safety assessments</i> [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	94.00%	91.01%	92.82%	87.50%

Service cost							
FS3	Cost of food safety service	\$611.15	\$605.31	\$619.68	\$675.39	FY18 saw an increase in costs driven by agency labour covering long term sick leave, the introduction of the new EBA and vehicle costs.	
	[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]						
Health and safety							
FS4	Critical and major non-compliance outcome notifications	92.00%	89.55%	93.17%	99.56%	The overall increase in follow-ups year on year since 2016 is due to the Environmental Health team ensuring the effectiveness of the food safety service by following up critical and major non-compliances in a timely manner.	
	[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							
Utilisation							
LB1	Library collection usage	7.59	7.69	7.83	7.64		
	[Number of library collection item loans / Number of library collection items]						
Resource standard							
LB2	Standard of library collection	86.00%	77.60%	77.76%	78.79%		
	[Number of library collection items purchased in the last 5 years / Number of library collection items] x100						
Service cost							
LB3	Cost of library service	\$6.40	\$6.99	\$6.08	\$5.97	First full financial year following organisation restructure, savings have been made with outsourcing collections and processing along with efficiencies in library operations.	
	[Direct cost of the library service / Number of visits]						

Participation							Overall, whilst physical loans have decreased, which is consistent with industry trends, digital loans / resources / activities are on the rise, which is not fully captured in the definition of ‘active library members’. Members continue to utilise this service but are engaging in a different way. Additionally, this result is partly influenced by a 1.4% increase in municipal population.
LB4	Active library members	19.00%	19.31%	19.09%	16.73%		
	[Number of active library members / Municipal population] x100						
Maternal and Child Health (MCH) Satisfaction							Home visitation indicators show a continued high participation rate of first MCH home visits to Mornington Peninsula residents. Variations year to year are dependent on prematurity of the infant and discharge date from hospital.
MC1	Participation in first MCH home visit	103.00%	106.49%	99.93%	98.42%		
	[Number of first MCH home visits / Number of birth notifications received] x100						
Service standard							Result remains consistent with the past year. Uptake of the service remains high, demonstrating the importance of maternal and child health services for families with children aged 0-6 years.
MC2	Infant enrolments in the MCH service	102.00%	99.02%	100.00%	100.82%		
	[Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100						
Service cost							Number of MCH hours worked is inclusive of support staff who are directly involved in delivery of service. Mornington Peninsula Shire aims to provide a quality service that is cost effective.
MC3	Cost of the MCH service	\$0.00	\$59.68	\$61.69	\$61.49		
	[Cost of the MCH service / Hours worked by MCH nurses]						

MC4	Participation <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	73.00%	74.55%	71.96%	70.98%	
MC5	Participation <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	76.00%	69.03%	73.25%	77.93%	This increase is largely due to an active outreach program to families with children who have identified as Aboriginal.

Governance, management and other information

Governance

The Mornington Peninsula Shire Council is constituted under the Local Government Act 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. Members of the community are welcome to attend these meetings and observe from the gallery. 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 2017-18 year council held the following meetings:

- 20 ordinary Council meetings
- 1 special Council meetings.

The following table provides a summary of Councillor attendance at Council meetings and special Council meetings for the 2017-18 financial year.

Councillors	Council Meeting	Special Council Meeting	Total
Cr Brooks	17	1	18
Cr Celi	20	1	21
Cr Clark	18	1	19
Cr Colomb	17	1	18
Cr Fraser	18	1	19
Cr Gill	20	0	20
Cr Hearn	18	0	18
Cr Martin	19	1	20
Cr Morris	16	1	17
Cr Payne	20	1	21
Cr Roper	19	1	20

Special 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 special committees established by the Council that are in operation and the purpose for which each committee was established.

Special committee	Councillors	Officers	Other	Purpose
Section 223 Submission Committee	3	0	0	To consider all submissions made under section 223 of the Act
Planning Services Committee ¹	11	0	0	To determine strategic and statutory planning application and scheme amendments
Forward Planning Committee	11	0	0	To discuss items of a strategic and policy nature.

¹ Has delegated functions, duties or 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 20 February 2017, 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 2017-18, 11 conflicts of interest were declared at Council and Special Committee meetings.

Councillor Allowances

In accordance with Section 74 of the Act, 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 Simon Brooks	29,976	2,824	32,800
Cr Antonella Celi	29,976	2,824	32,800
Cr Rosie Clark	29,976	2,824	32,800
Cr Bev Colomb	53,928	6,644	60,572
Cr Hugh Fraser	29,976	2,824	32,800
Cr David Gill	29,976	2,824	32,800
Cr Sam Hearn	29,976	2,824	32,800
Cr Frank Martin	29,976	2,824	32,800
Cr Julie Morris	29,976	2,824	32,800
Cr Bryan Payne	71,685	5,176	76,861
Cr Kate Roper	29,976	2,824	32,800

Councillor expenses

In accordance with Section 75 of the Act, Council is required to reimburse a Councillor for expenses incurred whilst performing his or her 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 2017-18 year are:

Councillor	CC \$	CM \$	CT \$	IC \$	TR \$	OT \$	Total \$
Cr Simon Brooks		562	5,439	155		396	6,553
Cr Antonella Celi	77	7,245	409	369	790	1,370	10,260
Cr Rosie Clark		1,545	191	260		279	2,275
Cr Bev Colomb		1,574	469	298	583	444	3,368
Cr Hugh Fraser		1,067	4,279	214	63	677	6,299
Cr David Gill				290		160	450
Cr Sam Hearn			168	165			333
Cr Frank Martin		5,683	(1,069)*	189	468	235	5,507
Cr Julie Morris	10,927	2,091	2,626	155	536		16,334
Cr Bryan Payne		4,309	241	736	526	983	6,794
Cr Kate Roper		7,617	1,436	209	1,526	49	10,838

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). Note: No expenses were paid by Council including reimbursements to members of Council committees during the year

* Conference and training expense incurred in 2016/17 was refunded in 2017/18 as the Councillor was unable to attend.

Management

Council has implemented a number of statutory and better practice items to strengthen its management framework. Having strong governance and management frameworks lead 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 four independent members and two councillors. The independent members for 2017-2018 financial year were:

Ms Lisa Woolmer (Chair)	Appointed February 2016 for a three-year term and extended to October 2019 in 2017
Mr Geoff Hilton	Retired in September 2017
Ms Andrea Hassett	Re-appointed in October 2015 for a three-year term and will retire September 2018
Ms Lisa Tripodi	Appointed September 2017 for a three-year term
Mr Tom Kaewkhampa	Appointed October 2017 for a three-year term

The councillor members for 2017/2018 financial year were:

Councillor Bryan Payne	Appointed November 2016 for a one-year term
Councillor Hugh Fraser	Appointed November 2016 for a one-year term and re-appointed November 2017 for a one-year term
Councillor Frank Martin	Appointed November 2017 for a one-year term

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, Chief Financial Officer, Financial Controller and Governance Manager 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 Crowe Horwath for the 2017-18 financial year. Council's Finance team coordinates the process as well as following up the closure of internal audit recommendations. A three-year Strategic Internal Audit Plan (SIAP) is revised and 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 that comments on the status of the SIAP 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 client satisfaction surveys for each review, the annual Audit and Risk Committee self-assessment and completion of the internal audit plan.

The SIAP for 2017-18 was completed with the following reviews conducted:

- Contract Management
- Management of 'At Risk Clients'
- Privacy Review Follow Up
- Payroll Payment processes
- Various Finance Functions (accounts payable, GST, EFT)
- Tendering

External Audit

For the 2017-18 year the annual external audit of Council's Financial Statements and Performance Statement was conducted by the Victorian Auditor-General. The external auditors attend all Audit and Risk Committee meetings and present the annual audit plan and Independent Audit Report. The external audit management letter and responses are also provided to the Audit and Risk Committee.

Risk management

In June 2017, 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/NZS ISO 31000:2009 and consists of the following components:

- a) Risk Management Policy;
- b) Risk Management Process; and
- c) Risk Management Plan.

Council adopted this simplified structure in line with best practice, but also as a result of feedback that the existing framework was overly complex. The capacity to manage and mitigate risk is a critical element of good governance and organisational practice. Effective risk management will allow the Shire to achieve its outcomes efficiently and to better leverage opportunities.

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)	Draft policy in place and used by staff. Formal adoption of policy expected in FY19.
2. Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Draft guidelines in place and used by staff. Formal adoption of guidelines expected in FY19.
3. Strategic Resource Plan (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years)	Adopted in accordance with section 126 of the Act Date of adoption: 12 June 2018
4. Annual budget (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Adopted in accordance with section 130 of the Act Date of adoption: 12 June 2018
5. Asset management plans (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years).	Buildings, Drainage, Parks & Open Space, and Roads Asset Management Plans all last updated and approved 14 March 2017.
6. Rating strategy (strategy setting out the rating structure of Council to levy rates and charges)	Strategy Date of adoption: 12 June 2018
7. Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy Date of adoption: 13 June 2017
8. Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Policy Date of operation of current policy: 2 August 2016
9. Municipal emergency management plan (plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i> Date of preparation: 27 November 2015.

Governance and Management Items	Assessment
10. Procurement policy (policy under section 186A of the <i>Local Government Act 1989</i> outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with section 186A of the Local Government Act 1989 Date of adoption: 26 April 2017 Date of last review (Executive): 23 May 2018
11. Business continuity plan (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)	Date of adoption: 8 August 2016
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)	Date current plan approved: 28 July 2014 Updated plan expected to be completed in first half of 2018/19.
13. Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	Risk Management Strategy Date of adoption: 13 June 2017
14. Audit Committee (advisory committee of Council under section 139 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements)	Established in accordance with section 139 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 provider Crowe Horwath. Date commenced 1 July 2017
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)	Framework 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 CEO Quarterly Performance Report to Council Date of reports: 1 August 2017 (Q4), 5 December 2017 (Q1), 6 February 2018 (Q2) and 17 March 2018 (Q3).
18. Financial reporting (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Statements presented to Council in accordance with section 138(1) of the Act Date full statements presented: 24 October 2017, 30 January 2018, 24 April 2018 and 24 July 2018. Monthly summary reports are presented to the community

Governance and Management Items	Assessment
19. Risk reporting (six-monthly reports of strategic risks to council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports Date of reports: 23 August 2017, 15 November 2017, 28 February 2018 and 23 May 2018
20. Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)	Quarterly reports to the Audit and Risk Committee Date of reports: 6 September 2017, 15 November 2017, 28 February 2018 and 23 May 2018
21. Annual Report (Annual Report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements).	Considered at a meeting of Council in accordance with section 134 of the Act on 24 October 2017.
22. Councillor Code of Conduct (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Reviewed in accordance with Section 76C of the Act Date of adoption: 20 February 2017
23. Delegations (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Reviewed in accordance with section 98(6) of the Act Dates of review: 8 May 2018 (Council to Officers) & 26 June 2018 (Council to CEO)
24. Meeting procedures (a local law governing the conduct of meetings of Council and special committees)	Meeting procedures local law made in accordance with section 91(1) of the Act Date local law made: 24 September 2012 Currently under review.

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


Kelvin Spiller
Interim Chief Executive Officer
Dated: 11 September 2018


Cr Bryan Payne
Mayor
Dated: 11 September 2018

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 (General) Regulations 2015 the following are prescribed documents that are available for public inspection via the Shire website or copies of the documents can be obtained for the purposes of section 222 of the Act at 90 Besgrove Street, Rosebud:

- a document containing details of overseas or interstate travel (other than interstate travel by land for less than three days) undertaken in an official capacity by Councillor or any member of Council staff in the previous 12 months
- 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
- a document containing details of all leases involving land which were entered into by the Council as lessor, including the lessee and the terms and the value of the lease
- a register maintained under section 224(1A) of the Act of authorised officers appointed under that section
- a list of donations and grants made by the Council in the previous 12 months, including the names of persons who, or bodies which, have received a donation or grant and the amount of each donation or grant.

Best value

In accordance with section 208B(f) of the Act, at least once every year a council must report to its community on what it has done to ensure that it has given effect to the Best Value Principles. Council incorporates Best Value Principles through regular business planning and performance monitoring processes and through a commitment to continuous improvement and innovation which is supported by our Sustainable Excellence Program. To further reflect council's commitment to Best Value, council has commenced the design and planning of a Service Planning Program which is being rolled out to the whole organisation. This program provides additional review and improvement mechanisms to ensure that Council's services achieve best practice standards in regard to service performance.

The following Best Value initiatives were undertaken during 2017-18:

- budget process – development of guidelines and processes for fees and charges
- business planning – development and implementation of integrated approach to business planning
- council reform project – review of processes and procedures relating to council agenda and minutes
- customer correspondence centralisation project – improve timelines and accountability for resolving customer enquiries.

Carers recognition

Council is committed to supporting carers in our community and acknowledges the invaluable role they play in supporting our more vulnerable community members.

Council has promoted the principles of the *Carers Recognition Act 2012* to the carers of community members receiving Council services, to other residents in care relationships who do not receive Council services, and to the wider community by:

- Distributing printed material through relevant Council services
- Providing information to organisations represented in council/community networks

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

- Council induction and training programs for staff working in Aged and Disability Services
- Induction and training programs for volunteers working directly with the community

Council has taken all practicable measures to review and modify policies, procedures and supports to include recognition of the carer relationship and has provided the following additional activities and resources to recognise the care relationship:

- Provision of respite services for carers
- Provision of respite accommodation at Police Point Shire Park for carers
- Recognition of carers during National Carers Week
- Provision of financial support and room bookings for local carers groups to hold AGMs, housing forums and other meetings (Frankston Peninsula Carers, Peninsula Carer Council and Community Lifestyle Accommodation)
- Supporting information sessions and workshops about the NDIS for carers
- Sending out monthly email bulletins to carers about news and events relating to disability on the Mornington Peninsula
- Recognising the role of carers in the Terms of Reference for Council's All Abilities Consultative Committee

Contracts

During the year Council did not enter into any contracts valued at \$150,000 or more for services or \$200,000 or more for works or more of a kind specified in section 186(5)(a) and (c) of the Act. It also did not enter into any other contracts valued at \$150,000 or more for goods or services or \$200,000 or more for works without engaging in a competitive process.

Disability Action Plan

In accordance with section 38 of the *Disability Act 2006*, Council must report on the implementation of its Disability Action Plan in its Annual Report. Council has prepared a Disability Action Plan and implemented the following actions:

- Development of 2018-2022 Disability Inclusion Plan; expected to be finalised in October 2018.
- Footpath construction undertaken in commercial key activity areas. Development of draft Pedestrian Access Strategy will prioritise access in future footpath planning and development.
- Installation of accessible drinking fountains across townships.
- Review of strategic planning documents to incorporate provision for all ability access.
- Ongoing implementation of Council's Scooter RECHARGE scheme, with 24 recharge sites available across the peninsula.
- Update and dissemination of Mobility Maps for key townships.
- Implementation of Beach Matting and beach wheelchairs to increase access at Mount Martha beach.
- Handover of Sexual Lives and Respectful Relationships project to SECASA (South East Centre Against Sexual assault).
- Employment of person with intellectual and physical disability as a Council employee.
- Delivery of 'All Abilities' Day event to support International Day of People with a Disability at Civic Reserve.
- Delivery of Outcrop Arts program from DHHS funding, including art and music workshops and purchase of arts equipment, musical instruments and a shipping container at The Corner youth services in Mornington.
- Delivery of four 'All Abilities' Discos at The Corner youth centre.
- Distribution of monthly Metro Access E-Bulletins.
- Delivery of National Disability Insurance Scheme (NDIS) Forum and relevant information provision about NDIS across the organisation.
- Review of and recruitment of new members to the Shire's All Abilities Consultative Committee (AACC) with four new members recently recruited.
- Highlights of the AACC:
 - Reviewed and provided feedback on Shire draft strategic planning documents and major capital works plans, such as the Rosebud Pool.
 - Made submission to United Nations regarding Convention on the Rights of Persons with a Disability.

Domestic Animal Management Plan

The Domestic Animal Management Plan has been reviewed and was subject to a community consultation process prior to adoption by Council in October 2017.

- Extended opening hours trialled at the Animal Shelter implemented from Sep 2018.
- A number of procedures have been updated creating a positive visitor experience.
- Implementation of the 'Who's for Cats' initiative has been implemented at the Shelter for stray semi-owned cats.
- Increased cat trapping and placing the program under direct ranger control has reduced the time taken to apprehend wandering cats in contravention of the cat curfew.
- A number of new programs promoting responsible pet ownership have been introduced.
- Reducing the number of unclaimed and surrendered pets being euthanised by increasing our work with Rescue Groups, updating and improving the Council adoption and lost pet pages on the web and continuing to use the PetRescue website;
- Introduced 'Dealing with a barking dog' booklets to assist the community in dealing with barking dog issues.
- Additional shelter staff have completed their training and are able to microchip animals at the pound to assist with registration requirements.

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 financial year.

Freedom of Information

The *Freedom of Information Act 1982* provides members of the community with a right of access to documents held by Council, unless that information is deemed exempt under the Act.

The *Freedom of Information Act 1982* provides:

- members of the public the right to access information about the activities of government agencies
- promotes open and transparent government
- allows individuals access to their personal affairs information and request that inaccurate, incomplete, out-of-date or misleading information in their personal records to be amended
- provides members of the public the right to appeal against a decision with the Freedom of Information Commissioners Office

During the 2017/18 financial year the Mornington Peninsula Shire received 59 Freedom of Information Requests. Outcomes of these requests received in the period 1 July 2017 to 30 June 2018 are detailed in the table below.

Access granted in full (no exempt material)	2
Access granted in part (some exempt material)	39
Access denied in full (all material exempt)	4
Withdrawn	1
Not proceeded with	1
Act does not apply	1
No documents	0
Outside the Act	0
Not yet finalised	11

In 2017 a number of amendments were made to the *Freedom of Information Act 1982*, to improve the operation of the FOI system in Victoria. The Office of the Victorian Information Commissioner (OVIC) commenced. OVIC combines the functions of the Freedom of Information (FOI) Commissioner and the Office of the Commissioner for Privacy and Data Protection.

Significant changes to the Freedom of Information Act saw a reduction in the timeframe for responding to an FOI request to 30 days, with extension to this timeframe of 15 days in access requests that require mandatory consultation and notification.

The introduction of mandatory third-party consultation and notification when considering exemptions; in particular, sections 33, 34, & 35 where documents contain personal information, are from a business or are confidential. Decision makers are required to notify and seek the views of these parties on disclosure when considering these exemptions.

Further information on the amendments to the FOI Act and changes to the Office can be viewed online at <https://ovic.vic.gov.au/freedom-of-information>

During the 2017/2018 reporting period there were 2 requests for review and 1 complaint received by OVIC with regards to decisions made in response to requests and process followed.

The complaint was withdrawn by the applicant. One review matter has proceeded to VCAT due to a 'deemed refusal' made by OVIC in response to review and the remainder is still under review by OVIC.

The VCAT matter outstanding from the previous reporting period was decided with VCAT confirming out original decision.

Further statistical information on Freedom of Information requests processed by the Mornington Peninsula Shire for the 2017/18 financial year will be available in the OVIC Annual Report currently being prepared and can be accessed through the link provided.

Protected Disclosure Procedures

In accordance with section 69 of the *Protected Disclosure Act 2012* a Council must include in its 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 protected disclosures complaints investigated during the financial year.

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

During the 2017-18 year no disclosures were notified to Council officers appointed to receive disclosures, or to Independent Broad-based Anti-Corruption Commission (IBAC).

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 financial year.

Materiality Thresholds

This section is provided to set out the quantitative materiality thresholds used for explaining material variations in the performance section.

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
Reportable safety incidents at aquatic facilities	Number of WorkSafe reportable aquatic safety incidents	Movement of +/- 2
Service cost Cost of indoor aquatic facilities	\$ direct cost less any income received of providing indoor aquatic facilities per visit	Movement of +/- \$1
Cost of outdoor aquatic facilities	\$ direct cost less any income received of providing outdoor aquatic facilities per visit	Movement of +/- \$2.50
Utilisation Utilisation of aquatic facilities	Number of visits to aquatic facilities per head of municipal population	Movement of +/- 2 visits
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%
Service cost Cost of animal management service	\$ direct cost of the animal management service per registered animal	Movement of +/- \$5
Health and safety Animal management prosecutions	Number of 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/indicator/measure	Measure expressed as:	Materiality threshold:
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 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
Home and Community Care		
Timeliness Time taken to commence the HACC service	Number of days it has taken for a new client to commence the HACC service	Movement of +/- 7 days
Service standard Compliance with Community Care Common Standards	% of Community Care Common Standards expected outcomes met	Movement of +/- 10%
Service cost Cost of domestic care service	\$ cost of the domestic care service per hour of service	Movement of +/- \$5
Cost of personal care service	\$ cost of the personal care service per hour of service	Movement of +/- \$5
Cost of respite care service	\$ cost of the respite care service per hour of service	Movement of +/- \$5
Participation Participation in HACC service	% of the municipal target population that receive a HACC service	Movement of +/- 5%

Service/indicator/measure	Measure expressed as:	Materiality threshold:
Participation in HACC service by CALD people	% of the municipal target population in relation to CALD people that receive a HACC service	Movement of +/- 5%
Libraries		
Utilisation Library collection usage	Number of library collection item loans per library collection item	Movement of +/- 0.5 loans
Resource standard Standard of library collection	% of the library collection that has been purchased in the last 5 years	Movement of +/- 7.5%
Service cost Cost of library service	\$ direct cost of the library service per visit	Movement of +/- \$1
Participation Active library members	% of the municipal population that are active library members	Movement of +/- 5%
Maternal and Child Health		
Satisfaction Participation in first MCH home visit	% of infants enrolled in the MCH service who receive the first MCH home visit	Movement of +/- 5%
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%
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/indicator/measure	Measure expressed as:	Materiality threshold:
Service cost 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

Service/indicator/measure	Measure expressed as:	Materiality threshold:
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%

Financial Statements



Mornington Peninsula Shire
ANNUAL FINANCIAL REPORT

For the Year Ended 30 June 2018

Mornington Peninsula Shire

Financial Report

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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 1989*, the *Local Government (Planning and Reporting) Regulations 2014*, Australian Accounting Standards and other mandatory professional reporting requirements.

Matthew Green CA
Principal Accounting Officer



Date : 11 September 2018
Rosebud

In our opinion the accompanying financial statements present fairly the financial transactions of the Mornington Peninsula Shire for the year ended 30 June 2018 and the financial position of the Council as at that date.

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

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

Cr Bryan Payne
Councillor



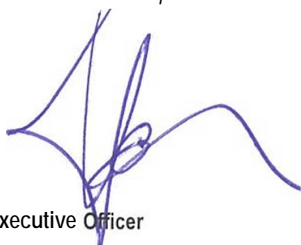
Date : 11 September 2018
Rosebud

Cr Kate Roper
Councillor



Date : 11 September 2018
Rosebud

Kelvin Spiller
Interim Chief Executive Officer



Date : 11 September 2018
Rosebud

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 2018• 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• 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 2018 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

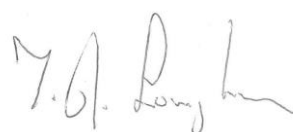
**Auditor's
responsibilities
for the audit
of the financial
report**

As required by the *Audit Act 1994*, 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.

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:

- 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.

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.



Tim Loughnan

as delegate for the Auditor-General of Victoria

MELBOURNE
17 September 2018

Comprehensive Income Statement For the Year Ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
Income			
Rates and charges	2.1	162,371	156,686
Statutory fees and fines	2.2	7,308	6,346
User fees	2.3	20,742	22,817
Grants - operating	2.4	20,695	24,087
Grants - capital	2.4	9,599	5,994
Contributions *	2.5	11,394	8,844
Fair value adjustments for investments	5.3	823	533
Other income	2.7	4,381	4,261
Total income		237,313	229,568
Expenses			
Employee costs	3.1	73,348	70,744
Materials and services	3.2	99,667	93,002
Depreciation and amortisation	3.3	30,120	28,602
Borrowing costs		974	1,306
Other expenses	3.4	5,289	5,005
Net (gain)/loss on disposal of property, infrastructure, plant and equipment	2.6	3,024	8,153
Total expenses		212,422	206,812
Surplus/(deficit) for the year		24,891	22,756
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	5.1	182,994	148,468
Total comprehensive result		207,885	171,224

*Contributions consist of monetary and non-monetary, see note 2.5 for details

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

Balance Sheet As at 30 June 2018

	Note	2018 \$'000	2017 \$'000
Assets			
Current assets			
Cash and cash equivalents	4.1 (a)	13,618	2,050
Trade and other receivables	4.1 (c)	13,170	12,317
Other financial assets	4.1 (b)	54,580	58,600
Other assets	4.2 (a)	3,584	2,724
Total current assets		84,952	75,691
Non-current assets			
Trade and other receivables	4.1 (c)	366	646
Other financial assets	4.1 (b)	44	8
Property, infrastructure, plant and equipment	5.1	2,406,398	2,205,632
Investment property	5.2	9,300	8,514
Intangible assets	4.2 (b)	1,261	1,445
Total non-current assets		2,417,369	2,216,245
Total assets		2,502,321	2,291,936
Liabilities			
Current liabilities			
Trade and other payables	4.3 (a)	18,881	14,433
Trust funds and deposits	4.3 (b)	4,173	3,923
Provisions	4.5	12,513	12,307
Interest-bearing liabilities	4.4	4,116	7,394
Total current liabilities		39,683	38,057
Non-current liabilities			
Trust funds and deposits	4.3 (b)	648	-
Provisions	4.5	6,166	6,142
Interest-bearing liabilities	4.4	12,124	11,922
Total non-current liabilities		18,938	18,064
Total liabilities		58,621	56,121
Net assets		2,443,700	2,235,815
Equity			
Accumulated surplus		1,011,685	986,794
Reserves	8.1	1,432,015	1,249,021
Total Equity		2,443,700	2,235,815

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

Statement of Changes in Equity For the Year Ended 30 June 2018

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2018				
Balance at beginning of the financial year	2,235,815	986,794	1,247,861	1,160
Surplus/(deficit) for the year	24,891	24,891	-	-
Net asset revaluation increment/(decrement)	182,994	-	182,994	-
Balance at end of the financial year	2,443,700	1,011,685	1,430,855	1,160

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2017				
Balance at beginning of financial year	2,061,979	961,701	1,099,393	885
Prior year adjustment *	2,612	2,612	-	-
Balance at beginning of the financial year as restated	2,064,591	964,313	1,099,393	885
Surplus/(deficit) for the year	22,756	22,756	-	-
Net asset revaluation increment/(decrement)	148,468	-	148,468	-
Transfers to other reserves	-	(275)	-	275
Balance at end of the financial year	2,235,815	986,794	1,247,861	1,160

* Council has restated the Statement of Changes in Equity to correct errors as outlined in Note 8.4

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 2018

		2018 Inflows/ (Outflows) \$'000	2017 Inflows/ (Outflows) \$'000
	Note		
Cash flows from operating activities			
Rates and charges		162,076	157,380
Statutory fees and fines		7,144	6,346
User fees		23,643	28,512
Grants - operating		20,777	23,612
Grants - capital		9,599	5,994
Contributions - monetary		6,556	5,093
Interest received		1,806	1,662
Dividends received		2	2
Trust funds and deposits taken		872	270
Net GST refund/payment		12,410	9,757
Employee costs		(73,174)	(70,052)
Materials and services		(108,738)	(102,820)
Other payments		(5,289)	(5,013)
Net cash provided by/(used in) operating activities	8.2	<u>57,684</u>	<u>60,743</u>
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(47,024)	(46,623)
Proceeds from sale of property, infrastructure, plant and equipment		995	1,767
Payments for investments		(119,604)	(135,750)
Proceeds from sale of investments		123,990	90,729
Net cash provided by/(used in) investing activities		<u>(41,643)</u>	<u>(89,877)</u>
Cash flows from financing activities			
Finance costs		(1,030)	(1,374)
Proceeds from borrowings		3,964	-
Repayment of borrowings		(7,407)	(7,597)
Net cash provided by/(used in) financing activities		<u>(4,473)</u>	<u>(8,971)</u>
Net increase (decrease) in cash and cash equivalents		11,568	(38,105)
Cash and cash equivalents at the beginning of the financial year		2,050	40,155
Cash and cash equivalents at the end of the financial year	4.1 (a)	<u>13,618</u>	<u>2,050</u>
Financing arrangements	4.6		
Restrictions on cash assets	4.1		

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

Statement of Capital Works For the Year Ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
Property			
Land		4,213	232
		<u>13,954</u>	<u>9,289</u>
Total property		<u>18,167</u>	<u>9,521</u>
Plant and equipment			
Plant, machinery and equipment		453	490
Fixtures, fittings and furniture		66	35
Computers and telecommunications		380	63
Art works		-	40
Library books		<u>817</u>	<u>742</u>
Total plant and equipment		<u>1,716</u>	<u>1,370</u>
Infrastructure			
Roads		11,310	14,086
Drainage		3,135	3,609
Bridges		49	609
Footpaths and cycleways		3,491	4,796
Recreational, leisure and community facilities		1,516	3,162
Parks, open space and streetscapes		6,935	8,332
Marine structures		188	325
Other infrastructure		<u>504</u>	<u>658</u>
Total infrastructure		<u>27,128</u>	<u>35,578</u>
Total capital works expenditure		<u>47,011</u>	<u>46,469</u>
Represented by:			
New asset expenditure		9,213	7,866
Asset renewal expenditure		21,108	24,495
Asset expansion expenditure		1,864	1,760
Asset upgrade expenditure		<u>14,826</u>	<u>12,348</u>
Total capital works expenditure		<u>47,011</u>	<u>46,469</u>

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

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 1989*, and the *Local Government (Planning and Reporting) Regulations 2014*.

Significant accounting policies

(a) Basis of accounting

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 5.1)
- the fair value of investments (refer to Note 5.2)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 5.1)
- the determination of employee provisions (refer to Note 4.5 (a))
- the determination of landfill provisions (refer to Note 4.5 (b))

In addition, the following comparative figures have been adjusted from the prior year audited financial statements with explanation of the adjustments and their amounts disclosed in Note 8.4:

- property, infrastructure, plant and equipment – correction of prior period misstatement

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.

Note 1 Performance against budget

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

The budget figures detailed below are those adopted by Council on 13 June 2017. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for income and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

1.1 Income and expenditure

	Budget 2018 \$'000	Actual 2018 \$'000	Variance 2018 \$'000	Variance 2018 %	Ref
Income					
Rates and charges	161,247	162,371	1,124	1%	1
Statutory fees and fines	6,398	7,308	910	14%	2
User fees	23,286	20,742	(2,544)	(11%)	3
Grants - operating	19,291	20,695	1,404	7%	4
Grants - capital	3,238	9,599	6,361	196%	5
Contributions - monetary	5,031	6,555	1,524	30%	6
Contributions - non monetary	3,000	4,839	1,839	61%	7
Fair value adjustments for investments	-	823	823	100%	8
Other income	3,266	4,381	1,115	34%	9
Total income	224,757	237,313	12,556	6%	
Expenses					
Employee costs	73,971	73,348	623	1%	
Materials and services	100,343	99,667	676	1%	
Depreciation and amortisation	28,426	30,120	(1,694)	(6%)	10
Borrowing costs	1,186	974	212	18%	11
Other expenses	6,278	5,289	989	16%	12
Net (gain)/loss on disposal of property, infrastructure, plant and equipment	-	3,024	(3,024)	100%	13
Total expenses	210,204	212,422	(2,217)	(1%)	
Surplus/(deficit) for the year	14,553	24,891	10,339	71%	

1.1 (cont'd)

(i) Explanation of material variations

Variance Ref	Item	Variance Fav / Unfav	Explanation
1	Rates and charges	Fav	Additional revenue from supplementary notices (for subdivisions, building improvements and new dwellings) higher than budget, and higher than budgeted revenue from "Opt-in Green Waste" service.
2	Statutory fees and fines	Fav	Statutory fees and fines are higher than budget due to increased level of development activity which has resulted in additional revenue from planning applications.
3	User fees	Unfav	Belgravia Leisure was awarded the contract to operate 5 sports and recreation facilities on behalf of Council from October 2017. As a result of the partnership, income is received and expenditure incurred by Belgravia. Therefore there were no user fees obtained from entrance fees and the learn to swim program. This is coupled with lower than budget waste collection fee revenue due to the impact of China's ban on recycling imports.
4	Grants - operating	Fav	Operating grants are higher than budget due to additional state grants received which includes funding from the Department of Education and Training for the 'school focussed' program, funding from Department of Land, Water and Planning for the 'Restoring Coast Banksia Woodland' program and funding from the Department of Health and Human Services for the 'Koolin Bali' program.
5	Grants - capital	Fav	Capital grants are higher than budget due to additional funding from Local Government Victoria for the 'Growing Suburbs Fund', funding from the Department of Health & Human Services for the rebuild of the Somerville Recreation Centre and additional funding from the Department of Infrastructure, Regional Development and Cities for the 'Black Spot Program'.
6	Contributions - monetary	Fav	Monetary contributions were higher than budget due to increased building/development activity across the Shire resulting in increased financial contributions (this amount is also budgeted conservatively).
7	Contributions - non monetary	Fav	Non monetary contributions is greater than budget mainly due to increased level of development activity which has resulted in additional revenue from contributed Infrastructure assets, mainly drains.
8	Fair value adjustments for investments	Fav	Investment property (land and buildings) and shares increased in fair value over the last 12 months. (Refer notes 5.2 and 5.3)
9	Other income	Fav	Other income higher than budget due to interest earned from funds allocated to projects that have been carried forward (i.e. not completed in 2017/18), and a stronger than budgeted opening cash position.
10	Depreciation and Amortisation	Unfav	Depreciation higher than expected due to unbudgeted additions and disposals including system error in relation to depreciation calculation (\$650k).
11	Borrowing costs	Fav	Borrowing costs lower than budget due to debt for the Street Lighting Bulk LED Upgrade project being drawn down later in the financial year.
12	Other expenses	Fav	Actual expenditure on staff training and recruitment costs was below budget.
13	Net gain/(loss) on disposal of property, infrastructure, plant and equipment	Unfav	A number of existing assets (mainly infrastructure assets) were disposed/replaced as part of Council's Capital Works Program.

Note 1 Performance against budget (cont'd)

1.2 Capital works

	Budget 2018 \$'000	Actual 2018 \$'000	Variance 2018 \$'000	Variance 2018 %	Ref
Property					
Land	325	4,213	3,888	1196%	1
Buildings	11,488	13,954	2,466	21%	2
Total Property	11,813	18,167	6,355	54%	
Plant and Equipment					
Plant, machinery and equipment	208	453	245	118%	3
Fixtures, fittings and furniture	51	66	15	30%	4
Computers and telecommunications	2,105	380	(1,725)	(82%)	5
Library books	820	817	(3)	-	
Total Plant and Equipment	3,184	1,716	(1,468)	(46%)	
Infrastructure					
Roads	8,923	11,310	2,387	27%	6
Bridges	40	49	9	22%	7
Footpaths and cycleways	3,901	3,491	(410)	(11%)	8
Drainage	3,180	3,135	(45)	(1%)	
Recreational, leisure and community facilities	1,249	1,516	267	21%	9
Parks, open space and streetscapes	4,011	6,935	2,924	73%	10
Marine structures	487	188	(299)	(61%)	11
Other infrastructure	740	504	(236)	(32%)	12
Total Infrastructure	22,531	27,128	4,597	20%	
Total Capital Works Expenditure	37,528	47,011	9,484	25%	
Represented by:					
New asset expenditure	7,792	9,213	1,421	18%	
Asset renewal expenditure	19,399	21,108	1,709	9%	
Asset expansion expenditure	125	1,864	1,739	1391%	
Asset upgrade expenditure	10,212	14,826	4,614	45%	
Total Capital Works Expenditure	37,528	47,011	9,483	25%	

1.2 (cont'd)

(i) Explanation of material variations

Variance Ref	Item	Variance Fav / Unfav*	Explanation
1	Land	Unfav	Land acquisitions is higher than budget due to an unbudgeted land acquisition in the Tootgarook Wetlands.
2	Buildings	Unfav	Additional projects carried forward from 2016/17 have been completed in 2017/18 including construction of the Balnarring Recreation & Sports Reserve as well as some additional projects that has not been budgeted for including Olympic Park Rosebud Pavilion Rebuild and Rosebud Aquatic Centre.
3	Plant, machinery and equipment	Unfav	Additional expenditure attributed to the Safety Communities Project including CCTV Cameras installed in Rye.
4	Fixtures, fittings and furniture	Unfav	Additional expenditure attributed to replacement of library assets and accessible beach matting.
5	Computers and telecommunications	Fav	Budget has been underspent due to the timing of the Business Transformation Project.
6	Roads	Unfav	Additional expenditure attributed to additional blackspot program income received for works to be carried out for Esplanade Widening, Crib Point and Wooralla Dve, Mt Eliza.
7	Bridges	Unfav	Additional expenditure on the Roads to Recovery Program including construction of a bridge on Shands Road, Main Ridge.
8	Footpaths and cycleways	Fav	Construction was completed for Eastern Sister Headland Path ahead of schedule and is offset by additional expenditure in 2016/17.
9	Recreational, leisure and community facilities	Unfav	Additional expenditure is driven by the construction of Civic Reserve Sporting Precinct.
10	Parks, open space and streetscapes	Unfav	Additional expenditure driven by the carry forward projects from the prior year, including: streetscape works for Empire Street Mall, Sorrento and Hastings.
11	Marine structures	Fav	Construction has been delayed for the Rye Boat Ramp Renewal and Upgrade due to a VCAT appeal that wasn't resolved until late in the financial year. Marine structure renewal also came in under budget.
12	Other infrastructure	Fav	Landfill Capping Rehabilitation Works - Crib Point delayed due to bad weather.

*Note: Unfavourable variances indicate additional spend above budget on Capital Works program due to carry forwards of prior year and grants received during the financial year.

Note 2 Funding for the delivery of our services	2018	2017
2.1 Rates and charges	\$'000	\$'000

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 2017/18 was \$65.257 billion (2016/17 \$64.354 billion).

General Rates	135,920	131,250
Waste service charge	19,736	19,204
Service rates and charges (opt-in green waste)	4,229	3,745
Supplementary rates and rate adjustments	1,491	1,496
Culture and recreational	155	151
Revenue in lieu of rates	840	840
Total rates and charges	162,371	156,686

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2016, and the valuation was first applied in the rating year commencing 1 July 2016 for 2016 and 2017.

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.

2.2 Statutory fees and fines

Infringements and costs	1,477	1,306
Court recoveries	78	197
Town planning fees	3,217	2,434
Land information certificates	233	238
Permits	1,853	1,915
Other fees and charges	452	255
Total statutory fees and fines	7,308	6,346

Statutory 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.

2.3 User fees	2018	2017
	\$'000	\$'000
Aged and health services	1,923	1,837
Animal shelter fees	90	99
Art gallery fees	195	164
Building services	477	450
Child, youth and family care services	556	516
Employee reimbursement (motor vehicle staff contribution)	852	923
Events & festivals fees	58	78
Foreshore camping fees	2,900	2,770
Grounds and pavilions	153	108
Halls and community centres	523	669
Legal reimbursement	318	372
Leisure centre and recreation	1,251	3,183
Library fees and fines	131	131
Nursery and homestead	202	164
Parking and boat ramp	627	643
Planning fees	489	440
Registration and other permits	1,617	1,512
Tourism fees	29	43
Valuations and property	891	933
Waste management services	6,934	7,110
Other fees and charges	526	672
Total user fees	20,742	22,817

User fees are recognised as revenue when the service has been provided or council has otherwise earned the income.

2.4 Funding from other levels of government	2018	2017
Grants were received in respect of the following :	\$'000	\$'000
Summary of grants		
Commonwealth funded grants	17,079	19,615
State funded grants	13,215	10,465
Total grants received	30,294	30,080
(a) Operating Grants		
<i>Recurrent - Commonwealth Government</i>		
Financial Assistance Grant	5,748	9,260
Family day care	823	801
Family and children	42	153
Aged Care	6,448	6,232
Indigenous Programs	83	83
	13,144	16,529
<i>Recurrent - State Government</i>		
Aged care	2,453	2,568
School crossing supervisors	393	271
Libraries	972	956
Maternal and child health	1,404	1,372
Community safety	145	160
Family and Children	575	584
Indigenous Programs	89	88
Natural Disaster	-	164
Other	165	366
	6,196	6,529
Total recurrent operating grants	19,340	23,058
<i>Non-recurrent - Commonwealth Government</i>		
Indigenous Programs	9	5
Other	41	-
	50	5
<i>Non-recurrent - State Government</i>		
Aged Care	-	115
Waste Management Services	215	-
Indigenous Programs	72	241
Environmental planning	220	427
Community safety	61	150
Maternal and child health	16	-
Family and children	412	67
Vegetation	160	-
Other	149	24
Total Non-recurrent operating grants	1,305	1,024
Total operating grants	20,695	24,087

2.4 (cont'd)

(b) Capital Grants

Recurrent - Commonwealth Government

	2018 \$'000	2017 \$'000
Roads to recovery	2,294	2,648
Roads and intersections	1,260	586
Total recurrent capital grants	3,554	3,234

Non-recurrent - Commonwealth Government

Community Safety	-	395
Recreation	650	-
Roads and intersections	280	-
Streetscape Works	650	-
Other	12	39

Non-recurrent - State Government

Community Safety	156	30
Libraries	20	20
Recreation	1,779	1,804
Roads and Intersections	-	8
Drainage	150	-
Streetscape Works	1,991	50
Buildings	225	384
Other	132	30

Total non-recurrent capital grants	6,045	2,760
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Total capital grants	9,599	5,994
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(c) Unspent grants received on condition that they be spent in a specific manner

Balance at start of year	4,678	9,410
Received during the financial year and remained unspent at balance date	4,460	3,569
Received in prior years and spent during the financial year	(3,583)	(8,301)
Balance at year end	5,555	4,678

Grant income is recognised when Council obtains control of the contribution. Control is normally obtained upon receipt (or acquittal) or upon earlier notification that a grant has been secured.

2.5 Contributions

Monetary	6,555	5,093
Non-monetary	4,839	3,751
Total contributions	11,394	8,844

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

Land	448	1,327
Roads	1,497	884
Drainage	2,622	1,344
Land under roads	68	48
Footpaths & cycleways	158	-
Parks & Open Spaces	46	-
Other infrastructure	-	148
Total non-monetary contributions	4,839	3,751

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

2.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment	2018 \$'000	2017 \$'000
Proceeds of sale	996	1,847
Written down value of assets disposed	(4,020)	(10,000)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	(3,024)	(8,153)

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

2.7 Other income

Interest	1,948	1,878
Dividends	2	2
Investment property rental	1,998	1,955
Other rent	433	426
Total other income	4,381	4,261

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 3 The cost of delivering services

3.1 Employee costs

Wages and salaries	54,536	50,779
WorkCover	1,175	982
Casual staff	3,616	4,980
Superannuation	5,987	5,681
Fringe benefits tax	638	891
Annual leave and long service leave	6,236	6,327
Redundancies	1,160	1,104
Total employee costs	73,348	70,744

(i) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	268	243
Employer contributions payable at reporting date.	268	243
	-	-

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	3,720	3,728
Employer contributions - other funds	1,999	1,711
Employer contributions payable at reporting date.	5,719	5,438

Employer contributions payable at reporting date.	140	125
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Refer to note 8.3 for further information relating to Council's superannuation obligations.

	2018 \$'000	2017 \$'000
3.2 Materials and services		
Contract payments	22,971	22,773
Rye landfill rehabilitation provision *	37	2,586
Building maintenance	7,737	8,082
General maintenance	40,520	33,737
Utilities	4,199	3,566
Parking and travel	1,085	1,068
Operating leases	1,472	1,508
Information technology	4,463	4,290
Insurance	1,271	1,257
Legal	1,712	1,536
Consultants	3,721	3,336
Priority Projects **	5,464	4,553
Other	5,015	4,710
Total materials and services	99,667	93,002

* Rye Landfill Rehabilitation provision for financial year 2018 has been adjusted to net present value. Prior year expenditure related to recognition of future rehabilitation expenditure. See note 4.5(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 can be found in the monthly Community Report.

3.3 Depreciation and amortisation

Property	5,032	4,796
Plant and equipment	1,619	1,913
Infrastructure	23,285	21,767
Total depreciation	29,936	28,476
Intangible assets	184	126
Total depreciation and amortisation	30,120	28,602

Refer to note 4.2(b) and 5.1 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

3.4 Other expenses

Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	92	89
Auditors' remuneration - Internal	127	176
Councillors' allowances	433	379
Community grants, contributions and subsidies paid	1,917	1,920
Family day care fee relief paid (offset by income)	756	752
Indirect recruitment costs (recruitment, staff training and uniforms)	881	594
Insurance excess and small claims	77	127
Operating lease rentals	304	303
Training, conferences and seminars	133	69
Others	569	596
Total other expenses	5,289	5,005

Note 4 Our financial position	2018	2017
4.1 Financial assets	\$'000	\$'000
(a) Cash and cash equivalents		
Cash on hand	15	17
Cash at bank	6,603	1,557
Short term deposits	7,000	476
Total cash and cash equivalents	13,618	2,050
(b) Other financial assets		
Current		
Term deposits	54,580	58,600
Non-current		
Shares	44	8
Total other financial assets	54,624	58,608
Total financial assets	68,242	60,658
Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:		
- Trust funds and deposits (Note 4.3 (b))	4,173	3,922
Total restricted funds	4,173	3,922
Total unrestricted cash and cash equivalents	9,445	(1,872)
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	19,340	21,148
- Other Reserve funds	1,160	1,160
Total funds subject to intended allocations	20,500	22,308

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

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. Shares are valued at current sell price on the relevant stock exchange at balance date.

4.1 (cont'd)	2018	2017
(c) Trade and other receivables	\$'000	\$'000
Current		
<i>Statutory receivables</i>		
Rates debtors	4,281	4,662
Rates Pensioner	896	-
Special rate assessment	492	368
Infringement debtors	1,302	1,123
Provision for doubtful debts - infringements	(978)	(880)
Grants - Government and Statutory Bodies	670	753
Net GST receivable	2,206	3,167
<i>Non statutory receivables</i>		
Other debtors	4,301	3,124
Total current trade and other receivables	13,170	12,317
Non-current		
<i>Statutory receivables</i>		
Special rate scheme	366	646
Total non-current trade and other receivables	366	646
Total trade and other receivables	13,536	12,963

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.

(i) Ageing of Receivables

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

Current (not yet due)	1,607	1,724
Past due by up to 30 days	1,334	778
Past due between 31 and 60 days	390	68
Past due by more than 61 days	970	554
Total trade & other receivables	4,301	3,124

(ii) 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 60 days	-	-
Past due by more than 61 days	978	880
Total trade & other receivables	978	880

4.2 Non-financial assets	2018	2017
(a) Other assets	\$'000	\$'000
Prepayments	1,276	1,028
Accrued income	1,817	1,324
Inventories held for sale	153	149
Non-current assets held for sale *	338	223
Total other assets	3,584	2,724

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.

* Non-current assets held for sale relates to Land asset category for both current year and prior year. These land assets are currently in the process of being sold to third parties as the land has been deemed surplus to Council's requirements and suitable for sale in accordance with the relevant Council resolution.

(b) Intangible assets

Software	1,261	1,445
Total intangible assets	1,261	1,445

**Software
\$'000**

Gross carrying amount

Balance at 1 July 2017	4,545
Balance at 1 July 2018	4,545

Accumulated amortisation and impairment

Balance at 1 July 2017	3,100
Amortisation expense	184
Balance at 1 July 2018	3,284

Net book value at 30 June 2017	1,445
Net book value at 30 June 2018	1,261

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.

4.3 Payables	2018	2017
(a) Trade and other payables	\$'000	\$'000
Trade payables	7,837	8,398
Accrued expenses	11,044	6,035
Total trade and other payables	18,881	14,433
(b) Trust funds and deposits		
Current		
Refundable deposits	609	529
Fire services levy	374	348
Retention amounts	388	370
Bank guarantees	261	261
General	385	131
Hillview Quarries restoration fund	477	477
Rate recoveries	341	435
Subdivision maintenance deposits	1,338	1,372
Total Current	4,173	3,923
Non-current		
Refundable deposits	648	-
Total Non-Current	648	-
Total trust funds and deposits	4,821	3,923

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.

4.4 Interest-bearing liabilities	2018	2017
	\$'000	\$'000
Current		
Bank overdraft	367	-
Borrowings - Secured *	3,749	7,394
	<u>4,116</u>	<u>7,394</u>
Non-current		
Borrowings - Secured *	12,124	11,922
	<u>12,124</u>	<u>11,922</u>
Total	<u>16,240</u>	<u>19,316</u>

* Borrowings are secured by general rates.

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

Not later than one year	4,116	7,394
Later than one year and not later than five years	10,859	9,691
Later than five years	1,265	2,231
Total	<u>16,240</u>	<u>19,316</u>

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.

4.5 Provisions

	Employee	Landfill restoration	Native vegetation management	Total
	\$ '000	\$ '000	\$ '000	\$ '000
2018				
Balance at beginning of the financial year	13,022	4,471	956	18,449
Additional provisions	6,235	37	169	6,441
Amounts used	(6,092)	-	(119)	(6,211)
Balance at the end of the financial year	13,165	4,508	1,006	18,679

2017				
Balance at beginning of the financial year	12,834	1,885	696	15,415
Additional provisions	6,559	2,586	362	9,507
Amounts used	(6,371)	-	(102)	(6,473)
Balance at the end of the financial year	13,022	4,471	956	18,449

	2018 \$'000	2017 \$'000
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	3,805	3,633
Long service leave	2,774	3,803
Redundancies	-	92
	6,579	7,528
Current provisions expected to be wholly settled after 12 months		
Annual leave	731	624
Long service leave	4,389	3,346
	5,120	3,970
Total current employee provisions	11,699	11,498
Non-current		
Long service leave	1,466	1,524
Annual leave	-	-
Total non-current employee provisions	1,466	1,524
Aggregate carrying amount of employee provisions:		
Current	11,699	11,498
Non-current	1,466	1,524
Total aggregate carrying amount of employee provisions	13,165	13,022

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

Wages and salaries and annual leave

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

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

Long service leave

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

Key assumptions:

- discount rate	1.91%	1.61%
- inflation rate	3.20%	4.30%

4.5 (cont'd)	2018	2017
(b) Landfill restoration	\$'000	\$'000
Non-current	4,508	4,471
Total	4,508	4,471

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.

Key assumptions:

- discount rate	2.4% - 4.7%	2.2% - 4.8%
- inflation rate	2.1%	2.1%
- estimated cost to rehabilitate	\$3,251	\$3,251

(c) Native vegetation management

Current	814	809
Non-current	192	147
Total	1,006	956

4.6 Financing arrangements	2018	2017
	\$'000	\$'000
The Council has the following funding arrangements in place as at 30 June 2018.		
Bank overdraft	5,000	5,000
Bank Loans	15,873	19,316
Credit card facilities	200	200
Bank Guarantees	100	100
Asset Finance - Leasing	3,000	3,000
Total facilities	24,173	27,616
Used facilities	16,350	19,316
Unused facilities	7,823	8,300

4.7 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.

2018	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
Operating					
Cleansing	8,143	8,428	27,094	9,671	53,336
Parks and Roadsides	10,678	11,052	35,531	12,682	69,943
Furniture and Signs	3,571	3,696	11,882	4,241	23,390
Buildings	7,232	7,485	24,065	8,590	47,372
Safer Local Roads	11,589	11,995	25,264	-	48,848
Garbage Collection	4,037	-	-	-	4,037
Green Waste	1,012	-	-	-	1,012
Landfill & Transfer Station Management	385	-	-	-	385
Recycling	4,116	4,260	-	-	8,376
Recreation and Leisure	1,296	1,063	2,032	-	4,391
Telecommunications and IT	46	46	46	-	138
Consulting	160	160	-	-	320
Internal Audit	182	-	-	-	182
Total	52,447	48,185	125,914	35,184	261,730
Capital					
Buildings	8,041	-	-	-	8,041
Recreation Facilities	5,498	994	624	-	7,116
Roads	-	-	-	-	-
Footpaths & street scapes	1,375	-	-	-	1,375
Drainage	344	-	-	-	344
Total	15,258	994	624	-	16,876

4.7 (cont'd)

	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
2017					
Operating					
Cleansing	8,143	8,428	27,094	9,671	53,336
Parks and Roadsides	10,448	10,814	34,766	12,409	68,437
Furniture and Signs	3,688	3,817	12,272	4,380	24,157
Buildings	7,415	7,675	24,674	8,807	48,571
Safer Local Roads	11,198	11,590	24,411	-	47,199
Garbage Collection	5,983	-	-	-	5,983
Green Waste	2,429	-	-	-	2,429
Landfill & Transfer Station Management	1,448	-	-	-	1,448
Recycling	4,149	4,294	-	-	8,443
Telecommunications and IT	70	70	-	-	140
Consulting	101	-	-	-	101
Family Services	160	160	-	-	320
Internal Audit	180	360	-	-	540
Total	55,412	47,208	123,217	35,267	261,104
Capital					
Buildings	623	-	-	-	623
Recreation Facilities	5,316	76	-	-	5,392
Roads	2,409	-	-	-	2,409
Footpaths & street scapes	1,081	-	-	-	1,081
Drainage	134	-	-	-	134
Total	9,563	76	-	-	9,639

	2018	2017
	\$'000	\$'000
Operating lease commitments		

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

Not later than one year	2,348	2,288
Later than one year and not later than five years	2,894	3,080
Later than five years	-	-
Total	5,242	5,368

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

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

	2018	2017
	\$'000	\$'000
Not later than one year	1,384	1,561
Later than one year and not later than five years	2,980	3,022
Later than five years	2,469	2,018
Total	6,833	6,601

5.1 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2017 \$'000*	Additions \$'000	Contributions \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Transfer to Held for Sale \$'000	Transfers \$'000	At Fair Value 30 June 2018 \$'000
Land	932,118	-	515	115,263	-	(252)	(114)	4,018	1,051,548
Buildings	138,743	-	-	9,242	(5,032)	(156)	-	8,904	151,701
Plant and Equipment	6,627	-	-	-	(1,620)	(39)	-	1,519	6,487
Infrastructure	1,095,698	-	4,323	58,489	(23,284)	(3,571)	-	29,496	1,161,151
Work in progress	32,446	47,002	-	-	-	-	-	(43,937)	35,511
	2,205,632	47,002	4,838	182,994	(29,936)	(4,018)	(114)	-	2,406,398

Summary of Work in Progress

	Opening WIP \$'000*	Additions \$'000	Transfers \$'000	Closing WIP \$'000
Buildings	7,285	18,151	(12,922)	12,514
Plant and Equipment	137	1,706	(1,519)	324
Infrastructure	25,024	27,145	(29,496)	22,673
Total	32,446	47,002	(43,937)	35,511

Note: the following opening balances have been adjusted from the prior year audited financial statements with explanation of the adjustments and their amounts disclosed in Note 8.4:

- property, infrastructure, plant and equipment – correction of prior period misstatement

5.1 (cont'd)

Asset recognition thresholds and depreciation periods

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

	Depreciation Period	Threshold Limit \$'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
Artworks	-	1
Library books	3 - 5 years	1
Infrastructure		
Roads - pavements and substructure	21 - 230 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 - 38 years	15
Intangible assets		
Intangible assets	3 - 15 years	1

Notes to the Financial Report
For the Year Ended 30 June 2018

5.1 (cont'd)

(a) Property

	Land - specialised \$'000	Land - non specialised \$'000	Land Under Roads \$'000	Total Land & Land Improvements \$'000	Buildings - specialised \$'000	Buildings - non specialised \$'000	Total Buildings \$'000	Work In Progress \$'000	Total Property \$'000
At fair value 1 July 2017	927,708	3,155	1,255	932,118	298,727	420	299,147	7,285	1,238,550
Accumulated depreciation at 1 July 2017	-	-	-	-	(160,071)	(333)	(160,404)	-	(160,404)
	927,708	3,155	1,255	932,118	138,656	87	138,743	7,285	1,078,146
Movements in fair value									
Additions	-	-	-	-	-	-	-	18,151	18,151
Contributions	447	-	68	515	-	-	-	-	515
Revaluation	114,312	554	397	115,263	9,464	15	9,479	-	124,742
Disposal	(252)	-	-	(252)	(632)	-	(632)	-	(884)
Transfer to Held for Sale	(114)	-	-	(114)	-	-	-	-	(114)
Transfers	4,018	-	-	4,018	8,904	-	8,904	(12,922)	-
	118,411	554	465	119,430	17,736	15	17,751	5,229	142,410
Movements in accumulated depreciation									
Depreciation and amortisation	-	-	-	-	(5,032)	-	(5,032)	-	(5,032)
Accumulated depreciation of disposals	-	-	-	-	476	-	476	-	476
Revaluation	-	-	-	-	(229)	(8)	(237)	-	(237)
Transfers	-	-	-	-	-	-	-	-	-
	-	-	-	-	(4,785)	(8)	(4,793)	-	(4,793)
At fair value 30 June 2018	1,046,119	3,709	1,720	1,051,548	316,463	435	316,898	12,514	1,380,960
Accumulated depreciation at 30 June 2018	-	-	-	-	(164,856)	(341)	(165,197)	-	(165,197)
	1,046,119	3,709	1,720	1,051,548	151,607	94	151,702	12,514	1,215,763

5.1 (cont'd)

(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 2017	7,001	3,139	940	2,558	6,038	137	19,813
Accumulated depreciation at 1 July 2017	(5,593)	(2,719)	(897)	-	(3,840)	-	(13,049)
	1,408	420	43	2,558	2,198	137	6,764
Movements in fair value							
Additions	-	-	-	-	-	1,706	1,706
Disposal	(171)	(142)	(2)	-	(1,368)	-	(1,683)
Transfers	374	206	77	-	863	(1,519)	-
	203	64	75	-	(505)	187	23
Movements in accumulated depreciation							
Depreciation and amortisation	(316)	(157)	(45)	-	(1,102)	-	(1,620)
Accumulated depreciation of disposals	144	130	2	-	1,369	-	1,645
Transfers	-	-	-	-	-	-	-
	(172)	(27)	(43)	-	267	-	25
At fair value 30 June 2018	7,204	3,203	1,015	2,558	5,533	324	19,837
Accumulated depreciation at 30 June 2018	(5,765)	(2,747)	(940)	-	(3,573)	-	(13,025)
	1,439	456	75	2,558	1,960	324	6,812

Notes to the Financial Report
For the Year Ended 30 June 2018

5.1 (cont'd)

(c) Infrastructure

	Roads	Drainage	Bridges	Footpaths and cycleways	Recreational, leisure and community	Parks open spaces and streetscapes	Marine Structures	Other Infrastructure	Work In Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2017	834,427	559,806	1,556	97,419	23,411	82,999	4,482	16,935	25,024	1,646,059
Accumulated depreciation at 1 July 2017	(234,376)	(172,624)	(565)	(46,771)	(14,017)	(44,900)	(2,450)	(9,634)	-	(525,335)
	600,051	387,182	991	50,648	9,394	38,099	2,032	7,301	25,024	1,120,724
Movements in fair value										
Additions	-	-	-	-	-	-	-	-	27,145	27,145
Contributions	1,497	2,622	-	158	-	46	-	-	-	4,323
Revaluation	64,829	11,179	109	7,395	2,475	(402)	398	-	-	85,983
Disposal	(4,064)	(1,066)	-	(734)	(731)	(2,612)	-	-	-	(9,207)
Transfers	28,072	3,258	336	2,718	1,402	10,645	-	(16,935)	(29,496)	-
	90,334	15,993	445	9,537	3,146	7,677	398	(16,935)	(2,351)	108,244
Movements in accumulated depreciation										
Depreciation and amortisation	(10,101)	(5,998)	(20)	(2,102)	(1,128)	(3,847)	(88)	-	-	(23,284)
Accumulated depreciation of disposals	2,675	334	-	595	615	1,417	-	-	-	5,636
Revaluation	(16,262)	(3,665)	(40)	(3,301)	(1,015)	(2,945)	(265)	-	-	(27,493)
Transfers	(9,385)	-	(7)	(166)	4	(80)	-	9,634	-	(0)
	(33,073)	(9,329)	(67)	(4,974)	(1,524)	(5,455)	(353)	9,634	-	(45,141)
At fair value 30 June 2018	924,761	575,799	2,001	106,956	26,557	90,676	4,880	0	22,673	1,754,303
Accumulated depreciation at 30 June 2018	(267,449)	(181,953)	(632)	(51,745)	(15,541)	(50,355)	(2,803)	(0)	-	(570,478)
	657,312	393,846	1,368	55,211	11,016	40,320	2,078	(0)	22,673	1,183,825

5.1 (cont'd)

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.

Land under roads

Council recognises land under roads it controls at fair value for land acquired after 30 June 2008

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.

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 valuer Lauren Ashley 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 2018 are as follows:

	Level 1	Level2	Level 3	Date of Valuation
Land - Specialised	-	-	1,046,119	June 2018
Land - Non Specialised	-	3,709	-	June 2018
Buildings - Specialised	-	-	151,607	June 2018
Buildings - Non Specialised	-	94	-	June 2018
Land Under Roads	-	-	1,720	June 2018
Total	-	3,803	1,199,446	

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.

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

5.1 (cont'd)

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 3 (three) years. The valuation is performed by experienced council officers.

The date of the current valuation is detailed in the following table. An index based revaluation was conducted in the current year for Roads; Bridges; Footpaths and Cycleways; and Drains. This valuation was based on data from Australian Bureau of Statistics (ABS), a full revaluation of these assets will be conducted within the next 2 years.

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

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2018 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation
Roads	-	-	657,312	June 2018
Bridges	-	-	1,368	June 2018
Footpaths and cycleways	-	-	55,211	June 2018
Drainage	-	-	393,846	June 2018
Recreational, leisure and community facilities	-	-	11,016	June 2018
Parks, open space and streetscapes	-	-	40,320	June 2018
Marine structures	-	-	2,078	June 2018
Other infrastructure	-	-	-	June 2018
Total	-	-	1,161,151	

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 \$4.86 and \$4,550 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$150 to \$6,250 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 3 years to 230 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.

	2018 \$'000	2017 \$'000
Reconciliation of specialised land		
Land under roads	1,720	1,255
Parks and reserves	1,046,119	927,708
Total specialised land	1,047,839	928,963

	2018 \$'000	2017 \$'000
5.2 Investments		
Property		
Balance at beginning of financial year	8,514	9,360
Disposal / Transfer to Land & building	-	(1,379)
Fair value adjustments	786	533
Balance at end of financial year	9,300	8,514

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

Valuation of investment property

Valuation of investment property has been determined by qualified Council valuer Lauren Ashley 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	8	8
Disposal / Transfer	-	-
Fair value adjustments	37	-
Balance at end of financial year	45	8

5.3 Fair value adjustments for investments

Investment property	786	533
Shares	37	-
	823	533

Note 6 People and relationships

6.1 Council and key management remuneration

(a) Related Parties

Parent entity

Mornington Peninsula Shire is the parent entity

Subsidiaries and 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

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

	2018	2017
	No.	No.
Councillors		
Mayor Bryan Payne		
Councillor Antonella Celi		
Councillor Bev Colomb		
Councillor David Gill		
Councillor Frank Martin		
Councillor Hugh Fraser		
Councillor Julie Morris		
Councillor Kate Roper		
Councillor Rosie Clark		
Councillor Sam Hearn		
Councillor Simon Brooks		
Total Number of Councillors*	11	18
Chief Executive Officer and other Key Management Personnel	11	8
Total Key Management Personnel	<u>22</u>	<u>26</u>

* 2017 'Total Number of Councillors' represents an election year which includes incoming and outgoing Councillors.

(c) Remuneration of Key Management Personnel

	2018	2017
	\$'000	\$'000
Total remuneration of key management personnel was as follows:		
Short-term benefits	2,219	2,190
Long-term benefits	46	43
Post employment benefits	213	207
Termination benefits	195	-
Total	<u>2,673</u>	<u>2,440</u>

6.1 (cont'd)

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

	2018 No.	2017 No.
\$1 - \$19,999	-	6
\$20,000 - \$29,999	-	8
\$30,000 - \$39,999	9	3
\$50,000 - \$59,999	1	-
\$60,000 - \$69,999	2	-
\$70,000 - \$79,999	1	1
\$90,000 - \$99,999	1	-
\$120,000 - \$129,999	1	1
\$140,000 - \$149,999	1	-
\$170,000 - \$179,999	-	1
\$210,000 - \$219,999	3	1
\$220,000 - \$229,999	-	1
\$230,000 - \$239,999	1	1
\$280,000 - \$289,999	1	-
\$310,000 - \$319,999	-	1
\$350,000 - \$359,999	-	1
\$400,000 - \$409,999	1	1
Total	22	26

6.1 (cont'd)

(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 \$145,000

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

Income Range:	2018 No.	2017 No.
\$0 - \$99,999	2	-
\$100,000 - \$109,999	-	1
\$110,000 - \$119,999	1	-
\$120,000 - \$129,999	-	1
\$130,000 - \$139,999	-	1
\$140,000 - \$149,999	1	-
\$150,000 - \$159,999	1	2
\$160,000 - \$169,999	5	3
\$170,000 - \$179,999	2	5
\$180,000 - \$189,999	2	-
\$190,000 - \$199,999	2	1
\$210,000 - \$219,999	1	2
\$220,000 - \$229,999	1	-
Total	18	16

Total Remuneration for the reporting year for Senior Officers included above, amounted to 2,938 2,680

6.2 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 Frank Martin Councillor Kate Roper	Trustees	Mornington Peninsula Cemetery Trust	Amount received from services provided by Council	27
Josef Oduwo (Chief Information Officer)	Spouse of an Employee	Deloitte Risk Advisory Pty Ltd	Professional Consulting	87

(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 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 7 Managing uncertainties

7.1 Contingent assets and liabilities

(a) Contingent assets

There were no contingent assets to disclose for 2017/2018.

(b) Contingent liabilities

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.

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.

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.

	2018 \$'000	2017 \$'000
The Mornington Peninsula Shire has guaranteed loans of: *	Loan Balance	Loan Balance
Mornington District Basketball Association \$650,000	237	297
Mt Eliza Bowls Club \$364,000	90	153
Hastings Bowls Club Inc. \$300,000	1	73
Mt Martha Bowls Club Inc. \$170,000	55	62
Somerville Bowls Club \$140,000	19	28
Balharring Bowls Club \$100,000 (yet to be drawn down)	-	-
Somers Tennis Club \$50,000 (yet to be drawn down)	-	-
Mornington Bowls Club \$132,000 (partial drawdown)	41	-
Total	443	613

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

7.2 Change in accounting standards

The following new AAS's have been issued that are not mandatory for the 30 June 2018 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

Financial Instruments - Disclosures (AASB 7) (applies 2018/19)

This Standard requires entities to provide disclosures in their financial statements that enable users to evaluate: (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed.

Financial Instruments (AASB 9) (applies 2018/19)

The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.

Revenue from contracts with customers (AASB 15) (applies 2019/20 for LG sector)

The standard shifts the focus from the transaction-level to a contract-based approach. Recognition is determined based on what the customer expects to be entitled to (rights and obligations), while measurement encompasses estimation by the entity of the amount expected to be entitled for performing under the contract. The full impact of this standard is not known however it is most likely to impact where contracts extend over time, where there are rights and obligations that may vary the timing or amount of the consideration, or where there are multiple performance elements. This has the potential to impact on the recognition of certain grant income.

Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities (AASB 2016-7) (applies 2019/20)

This Standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019.

Leases (AASB 16) (applies 2019/20)

The classification of leases as either finance leases or operating leases is eliminated for lessees. Leases will be recognised in the Balance Sheet by capitalising the present value of the minimum lease payments and showing a 'right-of-use' asset, while future lease payments will be recognised as a financial liability. The nature of the expense recognised in the profit or loss will change. Rather than being shown as rent, or as leasing costs, it will be recognised as depreciation on the 'right-of-use' asset, and an interest charge on the lease liability. The interest charge will be calculated using the effective interest method, which will result in a gradual reduction of interest expense over the lease term.

Income of Not-for-Profit Entities (AASB 1058) (applies 2019/20)

This standard replaces AASB 1004 Contributions and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable to not-for-profit entity to further its objectives.

7.3 Financial instruments

(a) Objectives and policies

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

(b) Market risk

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

Interest rate risk

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

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

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

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

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

(c) Credit risk

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

- council have a policy for establishing credit limits for the entities Council deal with;
- council may require collateral where appropriate; and
- council only invest surplus funds with financial institutions which have a recognised credit rating specified in 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 7.1(b).

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

7.3 (cont'd)

(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 7.1(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 4.4.

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

(e) Sensitivity disclosure analysis

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

- A parallel shift of +1% and -1% in market interest rates (AUD) from year-end rates of 2.74%.

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.

7.4 Fair value measurement

Fair value hierarchy

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

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

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

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

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

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

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

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

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

Revaluation

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use 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 3 (three) years. The valuation is performed either by experienced council officers or independent experts.

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

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.

7.5 Events occurring after balance date

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

Note 8 Other matters

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
8.1 Reserves			
(a) Asset revaluation reserves			
2018			
Property			
Land & land improvements	694,970	114,866	809,838
Land Under Roads	249	396	645
Buildings	47,995	9,241	57,236
	<u>743,214</u>	<u>124,503</u>	<u>867,719</u>
Infrastructure			
Roads	195,319	48,567	243,886
Drainage	258,674	7,514	266,188
Bridges	470	70	540
Footpaths and cycleways	23,777	4,094	27,871
Recreational, leisure and community facilities	7,212	1,460	8,672
Parks, open space and streetscapes	16,590	(3,348)	13,242
Marine Structures	723	133	856
Other infrastructure	1,883	-	1,883
	<u>504,648</u>	<u>58,490</u>	<u>563,138</u>
Total asset revaluation reserves	<u>1,247,862</u>	<u>182,994</u>	<u>1,430,856</u>
2017			
Property			
Land & land improvements	590,385	104,585	694,970
Land Under Roads	249	-	249
Buildings	43,179	4,816	47,995
	<u>633,813</u>	<u>109,401</u>	<u>743,214</u>
Infrastructure			
Roads	180,201	15,117	195,319
Drainage	237,175	21,499	258,674
Bridges	100	370	470
Footpaths and cycleways	23,491	286	23,777
Recreational, leisure and community facilities	3,407	3,805	7,212
Parks, open space and streetscapes	17,695	(1,105)	16,590
Marine Structures	868	(144)	723
Other infrastructure	2,646	(762)	1,883
	<u>465,582</u>	<u>39,067</u>	<u>504,649</u>
Total asset revaluation reserves	<u>1,099,395</u>	<u>148,468</u>	<u>1,247,863</u>

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

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Balance at end of reporting period \$'000
8.1 (cont'd) (b) Other reserves			
2018			
Sustainability energy fund	721	-	721
Recreation land Reserve	39	-	39
Municipal emergency reserve	400	-	400
Total Other reserves	1,160	-	1,160
2017			
Sustainability energy fund	446	275	721
Recreation land Reserve	39	-	39
Municipal emergency reserve	400	-	400
Total Other reserves	885	275	1,160

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:

- a) program of Shire wide energy reduction measures;
- b) 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.

	2018	2017
	\$'000	\$'000
8.2 Reconciliation of cash flows from operating activities to surplus/(deficit)		
Surplus/(deficit) for the year	24,891	22,756
Depreciation/amortisation	30,120	28,602
Profit/(loss) on disposal of property, infrastructure, plant and equipment	3,024	8,153
Fair value adjustments for investment property	(823)	(533)
Rye landfill rehabilitation provision	37	2,586
Employee Provisions	143	228
Native vegetation management	50	260
Increase/(Decrease) in provisions	(0)	(40)
Contributions - Non-monetary assets	(4,839)	(3,751)
Other	1,053	1,660
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(574)	1,670
(Increase)/decrease in other assets	(740)	(36)
Increase/(decrease) in trade and other payables	4,448	(969)
Increase/(decrease) in trust funds and deposits	899	168
(Increase)/decrease in inventories	(5)	(11)
Net cash provided by/(used in) operating activities	57,684	60,743

8.3 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 categories, Vision MySuper/Vision Super Saver, receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2018, this was 9.5% as required under Superannuation Guarantee legislation).

Defined Benefit

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

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

Funding arrangements

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

As at 30 June 2017, a full triennial actuarial investigation was completed. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 103.1%. To determine the VBI, the Fund Actuary used the following long-term assumptions:

Net investment returns 6.5% pa
Salary information 3.5% pa
Price inflation (CPI) 2.5% pa.

Vision Super has advised that the estimated VBI at 30 June 2018 was 106.0%.

The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2017 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.

8.3 (cont'd)

Employer contributions

Regular contributions

On the basis of the results of the 2017 triennial actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2018, this rate was 9.5% of members' salaries (9.5% in 2016/2017). This rate will increase in line with any increases in the SG contribution rate. In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

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.

2017 triennial actuarial investigation surplus amounts

The Fund's triennial investigation as at 30 June 2017 identified the following in the defined benefit category of which Council is a contributing employer:

A VBI surplus of \$69.8 million.

A total service liability surplus of \$193.5 million.

A discounted accrued benefits surplus of \$228.8 million.

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2017. Council was notified of the 30 June 2017 VBI during August 2017.

2018 interim actuarial investigation

An interim actuarial investigation will be conducted for the Fund's position as at 30 June 2018. It is anticipated that this actuarial investigation will be completed by October 2018.

8.4 Prior period adjustments

Property, infrastructure, plant and equipment

Due to historical data collection methods, the value of infrastructure assets were misstated. Council has continued the process of capturing all assets with spatial reference in the asset register. During the year Council has identified and recognised assets of \$2.6m due to mismatch in the asset register. These errors have been corrected by restating each of the affected financial statement line items for the prior year. The impact is set out in the table below:

Balance Sheet Extract	Prior Period		
	As reported	Error	Restated
	\$'000	\$'000	\$'000
Non-current assets			
Property, infrastructure, plant and equipment	2,203,020	2,612	2,205,632
Total non-current assets	2,213,633	2,612	2,216,245
Total assets	2,289,324	2,612	2,291,936
Net assets	2,233,203	2,612	2,235,815
Equity			
Accumulated surplus	984,181	2,612	986,793
Total Equity	2,233,203	2,612	2,235,815

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 2018 • sustainable capacity indicators for the year ended 30 June 2018 • service performance indicators for the year ended 30 June 2018 • financial performance indicators for the year ended 30 June 2018 • other information and • the 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 2018 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 6 of the <i>Local Government Act 1989</i>.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. I and my staff are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria and have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the performance statement	<p>The Councillors responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 1989</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.</p>
Auditor's responsibilities for the audit of the performance statement	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists.</p>

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:

- identify and assess the risks of material misstatement of performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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.

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.

MELBOURNE
17 September 2018


Tim Loughnan
as delegate for the Auditor-General of Victoria

Performance Statement

For the year ended 30 June 2018

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 Melbourne's premier holiday and retirement destinations and has magnificent landscapes, coasts and beaches that are of state significance and attract 4.7 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 163,151, 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 \$13.9 billion local economy, with \$7.4 billion in GRP (Gross Regional Product). There are almost 14,000 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 another sector that plays a significant role in our local economy; contributing 11 per cent (directly and indirectly) to the region's Gross Regional Product and employment.

Sustainable Capacity Indicators

For the year ended 30 June 2018

Indicator/measure	Results				Material Variations
	2015	2016	2017	2018	
Population					
Expenses per head of municipal population	\$1,258.89	\$1,288.86	\$1,285.65	\$1,302.00	No material variation
[Total expenses / Municipal population]					
Infrastructure per head of municipal population	\$7,981.65	\$7,767.51	\$7,909.56	\$8,312.01	No material variation
[Value of infrastructure / Municipal population]					
Population density per length of road	90.15	90.49	94.68	95.86	No material variation
[Municipal population / Kilometres of local roads]					

Indicator/measure	Results				Material Variations
	2015	2016	2017	2018	
Own-source revenue					
Own-source revenue per head of municipal population	\$1,109.97	\$1,172.34	\$1,185.13	\$1,199.04	No material variation.
[Own-source revenue / Municipal population]					
Recurrent grants					
Recurrent grants per head of municipal population	\$187.04	\$141.58	\$161.89	\$140.32	Variance is driven by the decision of the Commonwealth Government to bring forward 50% of the Financial Assistance Grant for FY18 with payment received in FY17, hence causing grant income for FY18 to decrease.
[Recurrent grants / Municipal population]					
Disadvantage					
Relative socio-economic disadvantage	8.00	8.00	8.00	8.00	No material variation.
[Index of Relative Socio-economic Disadvantage by decile]					

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 2018

Service/indicator/measure	Results				Material Variations
	2015	2016	2017	2018	
Aquatic facilities					
Utilisation					An unintentional overstatement of historical attendance figures due to a software fault was discovered this year, resulting in a 16% decrease in reported attendance figures from FY17. Inclusion of those historical overstated figures would have seen a result similar to FY17, and within materiality threshold. The previous software has been replaced in the transition to the new provider.
Utilisation of aquatic facilities	1.81	1.76	1.62	1.35	
[Number of visits to aquatic facilities / Municipal population]					
Animal management					
Health and safety					The reduction in prosecutions is a direct result of fewer reported serious dog attacks. This reflects a specific enforcement program aimed at reducing the number of dogs not under effective-control in public areas through increased patrols and more infringements being issued to owners failing to manage their dogs responsibly.
Animal management prosecutions	50.00	40.00	52.00	43.00	
[Number of successful animal management prosecutions]					
Food safety					
Health and safety					The overall increase in follow-ups year on year since 2016 is due to the Environmental Health team ensuring the effectiveness of the food safety service by following up critical and major non-compliances in a timely manner.
Critical and major non-compliance notifications	92.00%	89.55%	93.17%	99.56%	
[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					

Service/indicator/measure	Results				Material Variations
	2015	2016	2017	2018	
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]	59.00	55.00	52.00	53.00	No material variation.
Libraries					
Participation					
Active library members [Number of active library members / Municipal population] x100	19.00%	19.31%	19.09%	16.73%	Overall, whilst physical loans have decreased, which is consistent with industry trends, digital loans / resources / activities are on the rise, which is not fully captured in the definition of ‘active library members’. Members continue to utilise this service but are engaging in a different way. Additionally, this result is partly influenced by a 1.4% increase in municipal population.
Maternal and 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	73.00%	74.55%	71.96%	70.98%	No material variation.
Participation					
Participation in the MCH service by Aboriginal children [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	76.00%	69.03%	73.25%	77.93%	This increase is largely due to an active outreach program to families with children who have identified as Aboriginal.

Service/indicator/measure	Results				Material Variations
	2015	2016	2017	2018	
Roads					Although this result has declined over the four-year period, other relevant results, included in the Report of Operations ('sealed local road requests' and 'sealed local roads maintained to condition standards'), have improved over the same period. This measure is based on community perception and it is recognised that it is not easy for the community to differentiate between roads controlled by Council and those controlled by VicRoads.
Satisfaction					
<i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	58.00	55.00	54.00	53.00	
Statutory Planning					The percentage of the Shire's planning decisions upheld at VCAT in FY18 has remained stable. Out of the 27 Council decisions set aside by VCAT, 21 of these were Council decisions to refuse a planning application. Council continues to focus on the Localised Planning Statement, which has resulted in an increase in refusal decisions.
Decision making					
<i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	57.00%	67.55%	66.67%	64.94%	
Waste Collection					Increased diversion rate from landfill has occurred due to the increased take up of the Shire's opt-in kerbside collection service (3,624 properties during FY18) and increased volumes of green waste received through the kerbside collection service.
Waste diversion					
<i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	50.00%	50.01%	50.95%	52.53%	

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 2018

Dimension/ <i>indicator/ measure</i>	Results				Forecasts				Material Variations
	2015	2016	2017	2018	2019	2020	2021	2022	
Efficiency									
<i>Revenue level</i>									
<i>Average residential rate per residential property assessment</i>	\$1,390.69	\$1,455.96	\$1,510.42	\$1,630.55	\$1,585.68	\$1,621.36	\$1,657.84	\$1,695.14	No material variation.
[Residential rate revenue / Number of residential property assessments]									
<i>Expenditure level</i>									
<i>Expenses per property assessment</i>	\$1,968.85	\$1,933.77	\$2,079.29	\$2,103.20	\$2,114.45	\$2,219.44	\$2,301.03	\$2,378.41	No material variation.
[Total expenses / Number of property assessments]									
<i>Workforce turnover</i>									
<i>Resignations and terminations compared to average staff</i>	18.66%	15.65%	13.05%	19.06%	16.17%	16.06%	16.08%	16.09%	Restructuring and outsourcing of Leisure Centres have led to the higher ratio for the FY18 financial year. This ratio is expected to return to normal levels over the next couple of years.
[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100									

	Results				Forecasts				
Dimension/ <i>indicator/ measure</i>	2015	2016	2017	2018	2019	2020	2021	2022	Material Variations
Liquidity					FY18 and previous years have a higher current assets balance due to carry forwards from Capital Works and other projects. As a comparative to forecast years, FY18 would be 165.34%, which excludes carry forwards. The Council has started to reduce carry forward balances and it is assumed that all projected costs are expended in the year they are budgeted.				
Working capital									
<i>Current assets compared to current liabilities</i>	151.94%	189.63%	198.89%	214.08%					
[Current assets / Current liabilities] x100									
Unrestricted cash					Council is in a strong financial position which shows Council's financial sustainability in the long term. There is a higher than budgeted balance in term deposits which is included in other financial assets. This is driven by the unspent funds in Capital Works and other budgeted projects.				
<i>Unrestricted cash compared to current liabilities</i>									
[Unrestricted cash / Current liabilities] x100									

	Results				Forecasts				
Dimension/ <i>indicator/ measure</i>	2015	2016	2017	2018	2019	2020	2021	2022	Material Variations
Obligations					Asset renewals requirements are based on the conditions of the asset which is part of the Asset Management Plan which will vary year on year.				
Asset renewal									
Asset renewal compared to depreciation	74.08%	58.80%	86.67%	70.51%					
[Asset renewal expenses / Asset depreciation] x100									
Loans and borrowings					As the loans approach maturity date, payment of the principal component of the loan increases causing the total borrowings balance to reduce. The Council is expected to increase borrowings to fund large capital projects over the next few years.				
Loans and borrowings compared to rates									
Loans and borrowings compared to rates	24.36%	18.33%	12.33%	10.00%					
[Interest bearing loans and borrowings / Rate revenue] x100									
Loans and borrowings					As the loans approach maturity date, payment of the principal component of the loan increases causing the total borrowings balance to reduce and leads to lower repayment amounts. The Council is expected to increase borrowings to fund large capital projects over the next few years.				
Loans and borrowings repayments compared to rates									
Loans and borrowings repayments compared to rates	12.52%	6.24%	5.73%	5.20%					
[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100									

	Results				Forecasts								
Dimension/ <i>indicator/ measure</i>	2015	2016	2017	2018	2019	2020	2021	2022	Material Variations				
Indebtedness					The Council is expected to increase borrowings to fund large capital projects over the next few years.								
<i>Non-current liabilities compared to own source revenue</i>	17.94%	13.77%	9.48%	9.68%						10.91%	22.88%	20.84%	19.19%
[Non-current liabilities / Own source revenue] x100													
Operating position					Variance is driven by the decision of the Commonwealth Government to bring forward 50% of the Financial Assistance Grant for FY18 with payment received in FY17, hence causing grant income for FY18 to decrease. The forecasts have increased due to the projected increase in rates revenue.								
Adjusted underlying result													
<i>Adjusted underlying surplus (or deficit)</i>	5.21%	3.56%	5.12%	3.39%						5.29%	3.34%	2.50%	1.90%
[Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100													

Dimension/ <i>indicator/ measure</i>	Results				Forecasts				Material Variations
	2015	2016	2017	2018	2019	2020	2021	2022	
Stability									
<i>Rates concentration</i>									
<i>Rates compared to adjusted underlying revenue</i>	69.06%	74.73%	71.88%	73.85%	76.07%	76.21%	76.36%	76.51%	No material variation.
[Rate revenue / Adjusted underlying revenue] x100									
<i>Rates effort</i>									
<i>Rates compared to property values</i>	0.24%	0.25%	0.24%	0.25%	0.20%	0.20%	0.20%	0.19%	Council's ability to raise rates revenue is capped at 2.25% for FY19 and this ratio is expected to reduce as the CIV will increase at a much higher rate (approximately 27%). FY19 is a revaluation year causing the CIV to increase at a higher rate.
[Rate revenue / Capital improved value of rateable properties in the municipality] x100									

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

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

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

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

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

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

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

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

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

"population" means the resident population estimated by council

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

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

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

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

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

Other Information

For the year ended 30 June 2018

1. Basis of preparation

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

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

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

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan in the budget on 12 June 2018. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.

Certification of the Performance Statement

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



Matthew Green, CA
Chief Financial Officer

Dated: 11 September 2018

In our opinion, the accompanying performance statement of the Mornington Peninsula Shire Council for the year ended 30 June 2018 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

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

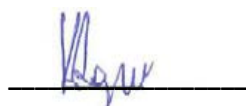
At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

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



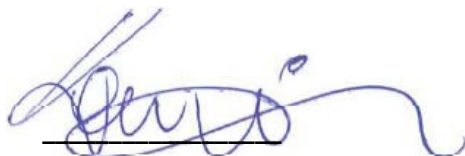
Cr Bryan Payne
Mayor

Dated: 11 September 2018



Cr Kate Roper
Deputy Mayor

Dated: 11 September 2018



Kelvin Spiller
Interim Chief Executive Officer

Dated: 11 September 2018